

**Application of Pennsylvania-American Water Company for the Acquisition of
the Wastewater Treatment Plant and Collection System Owned and Operated by
Elizabeth Borough Municipal Authority (“EBMA”)**

Docket No. A-2025-3052983

66 Pa. C.S. § 1329

Application Filing Checklist – Water/Wastewater

23. Additional Verification Statements.
- e. Provide a verification statement that the Seller is aware of the potential rate impacts the transaction may have on the Seller’s customers, including the overall dollar and percentage rate impacts implicated from stand-alone rates that recover the Buyer’s estimated annual gross revenue requirement for the acquired system from the Seller’s customers.

RESPONSE: e. See enclosed verification statement attached as **Appendix A-23-e**.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water :
Company under Sections 1102(a) and 1329 of :
the Pennsylvania Public Utility Code, 66 Pa C.S. :
§ § 1102(a) and 1329, for approval of (1) the transfer, by :
sale, to Pennsylvania-American Water Company, of :
substantially all of the assets, properties and rights :
related to the wastewater treatment plant and collection :
system owned and operated by the Elizabeth Borough :
Municipal Authority, and (2) the rights of :
Pennsylvania- American Water Company to begin to :
offer or furnish wastewater service to the public in the :
Borough of Elizabeth, Allegheny County, Pennsylvania :

Docket No. A-2025-3052983

In re: Application of Pennsylvania-American Water :
Company under Section 1329 of the Pennsylvania Public :
Utility Code, 66 Pa C.S. § 1329, for approval of the use :
for ratemaking purposes of the lesser of the fair market :
value or the negotiated purchase price of the assets :
related to the wastewater treatment plant and collection :
system owned and operated by the Elizabeth Borough :
Municipal Authority :

Docket No. A-2025-_____

In re: Petition of Pennsylvania-American Water :
Company, related to its acquisition of the wastewater :
treatment plant and collection system owned and :
operated by the Elizabeth Borough Municipal Authority, :
for approval under Section 1329 of the Pennsylvania :
Public Utility Code, 66 Pa. C.S. § 1329, to (i) collect a :
distribution system improvement charge, (ii) for book :
and ratemaking purposes, accrue Allowance for Funds :
Used During Construction for post-acquisition :
improvements not recovered through the distribution :
system improvement charge, (iii) for book and :
ratemaking purposes, defer depreciation related to post- :
acquisition improvements not recovered through the :
distribution system improvement charge, and :
(iv) include, in its next base rate case, a claim for :
transaction and closing costs :

Docket No. P-2025-_____

In re: Filing by Pennsylvania-American Water Company under Section 507 of the Pennsylvania Public Utility Code, 66 Pa. C.S. § 507, of (i) the Asset Purchase Agreement by and between Elizabeth Borough Municipal Authority and Pennsylvania-American Water Company, and (ii) nine (9) agreements with municipal corporations to be assumed by Pennsylvania-American Water Company upon closing of its acquisition of substantially all of the assets related to the wastewater treatment plant and collection system owned and operated by the Elizabeth Borough Municipal Authority

Docket Nos. U-2025-_____, et al.

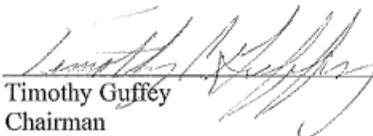
VERIFICATION

I, Timoth Guffy, Chairman, on behalf of Seller, Elizabeth Borough Municipal Authority, in connection with the foregoing application, hereby state the following:

1. Seller is aware of the potential rate impact the transaction may have on Seller's customers.
2. Seller is aware that the transaction's potential rate impact on Seller's customers includes the impact of the overall dollar and percentage rate implicated from stand-alone rates that recover the estimated annual gross revenue requirement for the acquired system from the Seller's customers to the Buyer, Pennsylvania-American Water Company.

I make this verification subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: January 28, 2025



Timothy Guffey
Chairman
Elizabeth Borough Municipal Authority