



The York Water Company

March 28, 2025

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P O Box 3265
Harrisburg, PA 17105-3265

Re: Docket Number M-2025-3052807

Dear Secretary:

Enclosed is the York Water Company's Wastewater Quarterly Earnings Report for the twelve months ended December 31, 2024. If you should have any questions, please contact me.

Sincerely,

Dan Coppersmith
Finance Manager

Enclosure

cc: Office of Special Assistants
Bureau of Investigation and Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
Marc Hoffer
Michael W. Hassell, Esq.

THE YORK WATER COMPANY- Wastewater

Financial Report for Twelve Months
 Ended December 31, 2024

	Actual per Books (1)	Intrastate Percent (2)	Intrastate per Books (3)	Pro Forma Intrastate Adjustments (a) (4)	Intrastate Pro Forma Results (5)
1 Original cost of plant	62,544,668		62,544,668	4,162,804	66,707,472
2 Less: Depreciation Res.	12,717,599		12,717,599	259,131	12,976,730
3 Net Plant	<u>49,827,069</u>		<u>49,827,069</u>	<u>3,903,673</u>	<u>53,730,742</u>
<u>Additions</u>					
4. Land/Plant held for future use	0		0	0	0
5. Materials and Supplies	0		0		0
6. Cash Working Capital (b)	0		0		0
7. Income Taxes on CAC & CIAC	18,479		18,479		18,479
8. Other	0		0		0
<u>Deductions</u>					
9. Accumulated Deferred Income Taxes					
10. Liberalized Depreciation	283,626		283,626	0	283,626
11. Investment Tax Credit	0		0		0
12. Other	0		0		0
13. Customer Deposits	0		0		0
14. Customer Advances	1,185,846		1,185,846		1,185,846
15. Contribution in Aid of Construction	5,804,602		5,804,602		5,804,602
16. Other	0		0		0
17. RATE BASE	42,571,474		42,571,474	3,903,673	46,475,147
18. <u>Operating Revenues</u>	7,417,557		7,417,557	12,649	7,430,206
<u>Operating Expenses</u>					
19. Operating & Maintenance Expense	5,351,890		5,351,890	194,553	5,546,443
20. Annual Depreciation	1,003,240		1,003,240	361,899	1,365,139
21. Taxes - Other than income	150,109		150,109	0	150,109
22. State Income - Current	83,747		83,747	(43,450)	40,297
23. Federal Income - Current	191,523		191,523	(105,074)	86,449
24. Deferred Income Taxes	66,348		66,348	0	66,348
25. Investment Tax Credit (net)	0		0		0
26. Total Operating Expenses	<u>6,846,857</u>		<u>6,846,857</u>	<u>407,928</u>	<u>7,254,785</u>
27. Income available for return	570,700		570,700	(395,279)	175,421
RATE OF RETURN - OVERALL	<u>1.3%</u>		<u>1.3%</u>		<u>0.4%</u>

(a) Schedule B and Schedule C
 (b) As adjudicated in last rate case
 or as currently calculated

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Summary of Pro Forma Intrastate Adjustments

<u>Rate Base Adjustments</u>	<u>Rate Base</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Taxes</u>
Utility Plant Under Construction	4,162,804			
Eliminate FAS 143	102,768			
 <u>Income Statement Adjustments</u>				
Operating Revenues		12,649		
Operating Expenses			194,553	
Depreciation	(361,899)		361,899	
State Income - Current				(43,450)
Federal Income - Current				(105,074)

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Explanation of Adjustments

Rate Base Adjustments

Utility Plant Under Construction which is completed and in service and Utility Plant Under Construction which will be completed and in service as of December 31, 2025	4,162,804
Eliminate FAS 143	102,768

Income Statement Adjustments

Revenue granted by Docket R-2022-3032806	0
Eliminate unbilled revenues	12,649
Eliminate STAS revenues	0
Additional Depreciation on Utility Plant Under Construction which will be completed and in service as of December 31, 2025 (\$4,162,804 x 2.50%)	104,070
Normalize depreciation expense	257,829
Amortization of Acquisition expense granted by Docket R-2022-3032806	42,052
Pro forma payroll adjustments	(2,044)
Vacation Accrual adjustment	5,106
General Price Level Adjustment	149,439
State income tax on adjustments (7.99%)	(43,450)
Federal income tax on adjustments (21.00%)	(105,074)

Note: The 2.50% depreciation rate used hereon represents depreciation expense as a percent of utility plant excluding depreciation through clearing accounts, customers' advances and contributions in aid of construction calculated for the Company's annual report.

Explanation of Changes to Intrastate Allocation Factors (if applicable)

Not applicable

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INTRASTATE PER BOOKS

Calculation of Return on Common Equity for
The 12 Months Ended December 31, 2024

	Capital Ratios (a)		Rate Base (b)		Totals		Weighted Cost Rate (c)		Total Rate Base Related Cost of Debt
	(1)	x	(2)	=	(3)	x	(4)	=	(5)
	Sch. E Col. 2		Sch. A Col. 3 Line 17				Sch. F Col. 7		
1 Debt	45.5				\$19,370,021		4.54%		\$879,399
2 Preferred									
3 Common Equity	54.5				\$23,201,453				
4 TOTAL	<u>100.0</u>		\$42,571,474		<u>\$42,571,474</u>				<u>\$879,399</u>

12 Months Ended

	Intrastate per Books (1)
5 Income Available for Return (from Sch. A. Col. 3 Line 27)	570,700
6 Less: Total Rate Base Related Cost of Debt (Col. 5, Line 4)	879,399
7 Income Available for Common Equity (Line 5 Less Line 6)	(308,699)
8 Debt Cost (Col. 5, Line 1)	879,399
9 Less: Interest Expense used to compute State and Federal Income Taxes	0
10 Difference (Line 8, Less Line 9)	879,399
11 Times: Effective State and Federal Income Taxes	0.2731
12 Net Addition or (Deduction) (Line 10 x Line 11)	240,182
13 Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 + Line 12)	(68,517)
14 Return on Common Equity (Line 7 ÷ Line 3, Col. 3)	-1.3%
15 Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13 ÷ Line 3, Col. 3)	-0.3%

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INTRASTATE PER BOOKS

Calculation of Return on Common Equity for

The 12 Months Ended December 31, 2024

	<u>Capital Ratios (a)</u> (1) Sch. E Col. 2	x	<u>Rate Base (b)</u> (2) Sch. A Col. 5 Line 17	=	<u>Totals</u> (3)	x	<u>Weighted Cost Rate (c)</u> (4) Sch. F Col. 7	=	<u>Total Rate Base Related Cost of Debt</u> (5)
1 Debt	45.5				\$21,146,192		4.54%		\$960,037
2 Preferred									
3 Common Equity	54.5				\$25,328,955				
4 TOTAL	<u>100.0</u>		\$46,475,147		<u>\$46,475,147</u>				<u>\$960,037</u>

12 Months Ended

	<u>Intrastate Adjusted</u> (1)
5 Income Available for Return (from Sch. A. Col. 5 Line 27)	175,421
6 Less: Total Rate Base Related Cost of Debt (Col. 5, Line 4)	960,037
7 Income Available for Common Equity (Line 5 Less Line 6)	(784,616)
8 Debt Cost (Col. 5, Line 1)	960,037
9 Less: Interest Expense used to compute State and Federal Income Taxes	0
10 Difference (Line 8, Less Line 9)	960,037
11 Times: Effective State and Federal Income Taxes	0.2731
12 Net Addition or (Deduction) (Line 10 x Line 11)	262,206
13 Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 + Line 12)	(522,410)
14 Return on Common Equity (Line 7 ÷ Line 3, Col. 3)	-3.1%
15 Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13 ÷ Line 3, Col. 3)	-2.1%

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Calculation of Capital Structure
and Related Ratios for the 12 Months
Ended December 31, 2024

	Total Company Actual Amount Outstanding	Ratios
	<u>(1)</u>	<u>(2)</u>
(1) Total Debt (Sch F., Col 4)	192,370,000	45.5
 <u>Common Equity</u>		
Common Stock	138,089,526	
Retained Earnings	92,560,586	
Total Common Equity	<u>230,650,112</u>	54.5
 Total Capital	 <u><u>423,020,112</u></u>	 <u><u>100.0</u></u>

(1) Does not include committed line of credit borrowings of \$15,807,585 as of December 31, 2024.

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Cost of Debt as Adjusted for the 12 Months
Ended December 31, 2024

Item/Description	Issue Date (1)	Maturity Date (2)	Interest Rate (3)	Outstanding Balance (4)	Effective Cost Rate (5)	Percent to Total (6)	Weighted Cost Rate (7)
Var Rate PA Econ. Dev. Financing Authority Facilities Rev Bonds Series A	2008	2029	3.47%	12,000,000	3.88%	6.2%	0.24%
YCIDA Series 2015	2015	2029-2045	4.00% - 4.50%	10,000,000	4.70%	5.2%	0.24%
4.54% Senior Notes Series 2019	2019	2049	4.54%	20,000,000	4.59%	10.4%	0.48%
3.23% Senior Notes Series 2019	2019	2040	3.23%	15,000,000	3.50%	7.8%	0.27%
3.00% PEDFA Series A Bonds	2019	2036	3.00%	10,500,000	3.35%	5.5%	0.18%
3.10% PEDFA Series B Bonds	2019	2038	3.10%	14,870,000	3.59%	7.7%	0.28%
3.24% Senior Notes Series 2050	2020	2050	3.24%	30,000,000	3.27%	15.6%	0.51%
5.50% Senior Notes Series 2053	2023	2053	5.50%	40,000,000	5.53%	20.8%	1.15%
5.67% Senior Notes Series 2054	2024	2054	5.67%	<u>40,000,000</u>	5.70%	20.8%	1.19%
				<u>192,370,000</u>		<u>100.0%</u>	<u>4.54%</u>