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Q. What is your educational background?

A. I have a Bachelor’s of Science Degree in Accounting from Central Penn College.

Q. Have you previously testified before a regulatory commission?

A. Yes, I have presented testimony to the Pennsylvania Public Utility Commission (“Commission”) in the Company’s last two rate cases.

Q. Will you list the exhibits you are sponsoring in this proceeding?

A. In addition to the exhibits identified in York Water Statement No. 104, I am sponsoring the following exhibits prepared by me or under my direction and supervision:

Exhibit Nos. FI-2-1W and FI-2-2W relating to depreciation expense included in the statement of operations for the wastewater division; and

Exhibit Nos. FV-1W, FV-1-2W, FV-1-3W, FV-16-1W, FV-16-2W, FIV-16-3W, and FV-16-4W relating to the original cost measure of value for the wastewater division.

Q. Explain Exhibit No. FI-2-1W.

A. Exhibit No. FI-2-1W adjusts the depreciation accrual from the Pro Forma level reflected on the corporate books for the twelve months ended December 31, 2024, to the Pro Forma level determined in the depreciation study identified as Exhibit No. FVI-WA for the twelve-month period ending December 31, 2025. The adjustment in the amount of \$226,193 is determined by subtracting the Pro Forma depreciation accrual for the twelve

1 months ended December 31, 2024, in the amount of \$1,351,117 from the projected annual  
2 depreciation accrual in the amount of \$1,577,310. The adjustment in the amount of  
3 \$226,193 has been carried forward to Exhibit No. FI-2W page 2, Column 3.  
4

5 Q. Explain Exhibit No. FI-2-2W.

6 A. Exhibit No. FI-2-2W adjusts the depreciation accrual from the Pro Forma level reflected  
7 for the twelve months ending December 31, 2025, to the Pro Forma level determined in  
8 the depreciation study identified as Exhibit No. FVI-WB for the twelve-month period  
9 ending February 28, 2027. The adjustment in the amount of \$158,830 is determined by  
10 subtracting the Pro Forma depreciation accrual for the twelve months ending December  
11 31, 2025, in the amount of \$1,577,310 from the projected annual depreciation accrual in  
12 the amount of \$1,736,140. The adjustment in the amount of \$158,830 has been carried  
13 forward to Exhibit No. FI-2W, page 3, Column 3.  
14

15 Q. Who will testify with respect to pro forma annual depreciation expense for the Future  
16 Test Year and the Fully Projected Future Test Year?

17 A. John J. Spanos will testify with respect to annual depreciation expense (see York Water  
18 Statement No. 106).  
19

20 Q. Are you sponsoring any other exhibits regarding the Company's statement of operations?

21 A. No.  
22

23 Q. Explain Exhibit No. FV-1W.

1 A. Exhibit No. FV-1W provides a summary of the components of the original cost measure  
2 of value in the amount of \$49,847,442 as of December 31, 2025, and \$54,685,381 as of  
3 February 28, 2027, pro forma net operating income available and rate of return under  
4 existing rates for the twelve months ended December 31, 2024, projected net operating  
5 income and rate of return under existing rates for the twelve months ending December 31,  
6 2025, and February 28, 2027, net operating income and rate of return under existing rates  
7 after adjustments for ratemaking purposes (“pro forma”) for the twelve months ending  
8 December 31, 2025, and February 28, 2027, and net operating income and rate of return  
9 under proposed rates for the twelve months ending February 28, 2027.

10  
11 A summary of the components of the original cost measure of value in the amount of  
12 \$49,847,442 as of December 31, 2025, is shown on page 2 of Exhibit No. FV-1W.

13  
14 One component is the projected utility plant in service less projected book accrued  
15 depreciation as of December 31, 2025. The projected original cost of utility plant in  
16 service as of December 31, 2025, is \$69,086,670, and the projected accrued depreciation  
17 as of December 31, 2025, is \$15,110,041. The projected depreciated original cost of  
18 utility plant in service as of December 31, 2025, is \$53,976,630 (\$69,086,670-  
19 \$15,110,041 = \$53,976,630). The details of projected original cost of utility plant in  
20 service and projected accrued depreciation by account, sub account, and vintage are set  
21 forth in Exhibit No. FVI-WA.

22  
23 Q. Who will testify with respect to projected accrued depreciation in the amount of  
24 \$15,110,041 as of December 31, 2025, related to utility plant in service?

1 A. John J. Spanos will testify with respect to accrued depreciation (see York Water  
2 Statement No. 106).

3

4 Q. Will you continue with your explanation of page 2 of Exhibit No. FV-1W?

5 A. The projected unamortized balance as of December 31, 2025, of deferred Federal income  
6 taxes related to accelerated depreciation in the amount of \$326,873 is deducted from the  
7 original cost measure of value, and this amount is set forth in Exhibit No. FV-1-1W, page  
8 1, which Mr. Poff addresses in his testimony (see York Water Statement No. 103W).

9

10 An amount of \$3,979,080 representing contributions in aid of construction less accrued  
11 depreciation as of December 31, 2025, is deducted from the original cost measure of  
12 value. This amount consists of the original cost of contributions in aid of construction per  
13 books as of December 31, 2025, in the amount of \$5,323,041 less accrued depreciation as  
14 of December 31, 2025, in the amount of \$1,343,961 ( $\$5,323,041 - \$1,343,961 =$   
15  $\$3,979,080$ ). The details are shown by account, sub account, and vintage in Exhibit No.  
16 FVI-WA.

17

18 An amount of \$74,080 for customers' advances for construction less projected accrued  
19 depreciation as of December 31, 2025, is deducted from the original cost measure of  
20 value. This component is comprised of the projected original cost of customers'  
21 advances for construction as of December 31, 2025, in the amount of \$77,235 less  
22 projected accrued depreciation as of December 31, 2025, in the amount of \$3,155  
23 ( $\$77,235 - \$3,155 = \$74,080$ ). The details are shown by account, sub account, and  
24 vintage in Exhibit No. FVI-A.

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Q. Who will testify with respect to the accrued depreciation related to contributions and advances?

A. John J. Spanos will testify with respect to accrued depreciation (see York Water Statement No. 106).

Q. Do the amounts set forth in Exhibit No. FV-1W for Contributions as of December 31, 2025, reflect any amounts related to income tax liabilities that the Company has incurred between January 1, 1987, and June 12, 1996, as a result of the TRA-86 requirement that Contributions and Advances be taxed or has incurred between January 1, 2018, and December 31, 2020, as a result of the Tax Cuts and Jobs Act of 2017 requirement that Contributions and Advances be taxed?

A. No. Consistent with the Company's ratemaking and accounting procedure in effect at the time with regard to the income taxes on Contributions and Advances, the Company has made no adjustment to amounts recorded between January 1, 1987, and June 12, 1996, or between January 1, 2018, and December 31, 2020, for Contributions to reflect additional income taxes that were required to be paid with respect to receipt of such Contributions as a result of Section 824 of TRA-86 or the Tax Cuts and Jobs Act of 2017. Contributions received between January 1, 1987, and June 12, 1996, or between January 1, 2018, and December 31, 2020, are reflected in the utility plant accounts and in the accounts for Contributions, as shown in Exhibit No. FVI-WA at the original cost of the facilities constructed with the Contribution, without consideration of the associated income tax liability incurred by the Company. Under federal tax law provisions in effect at the time, Contributions and Advances received subsequent to June 12, 1996, through December 31,

1 2017, were not taxed. Under federal tax law provisions currently in effect, Contributions  
2 and Advances received subsequent to December 31, 2020, are not taxed.

3  
4 Q. Continue with your explanation of Exhibit No. FV-1W.

5 A. Unamortized utility plant adjustment for the Felton Borough and York Haven Borough  
6 wastewater acquisitions in the amount of \$233,121 ( $\$105,640 + \$127,481$ ) is included in  
7 the original cost measure of value. The details are set forth in Exhibits No. FV-1-2W and  
8 FV-1-3W, which I will explain later.

9  
10 Taxes on deposits for construction and customer Advances in the amount of \$17,725 are  
11 included in the original cost measure of value. The details are set forth in Exhibit No.  
12 FV-1-4W, which Mr. Poff addresses in his testimony (see York Water Statement No.  
13 103W).

14  
15 A summary of the components of the original cost measure of value in the amount of  
16 \$54,685,381 as of February 28, 2027, is shown on page 3 of Exhibit No. FV-1W.

17  
18 One component is the projected utility plant in service less projected book accrued  
19 depreciation as of February 28, 2027. The projected original cost of utility plant in  
20 service as of February 28, 2027, is \$75,477,763, and the projected accrued depreciation as  
21 of February 28, 2027, is \$16,740,738. The projected depreciated original cost of utility  
22 plant in service as of February 28, 2027, is \$58,737,025 ( $\$75,477,763 - \$16,740,738 =$   
23 \$58,737,025). The details of projected original cost of utility plant in service and

1 projected accrued depreciation by account, sub account, and vintage are set forth in  
2 Exhibit No. FVI-WB.

3  
4 Q. Who will testify with respect to projected accrued depreciation in the amount of  
5 \$16,740,738 as of February 28, 2027, related to utility plant in service?

6 A. John J. Spanos will testify with respect to accrued depreciation (see York Water  
7 Statement No. 106).

8  
9 Q. Will you continue with your explanation of page 3 of Exhibit No. FV-1W?

10 A. The projected unamortized balance as of February 28, 2027, of deferred Federal income  
11 taxes related to accelerated depreciation in the amount of \$342,097 is deducted from the  
12 original cost measure of value, and this net amount is set forth in Exhibit No. FV-1-1W,  
13 pages 2 and 3, which Mr. Poff addresses in his testimony (see York Water Statement No.  
14 103W).

15  
16 An amount of \$3,854,883 representing projected contributions in aid of construction less  
17 accrued depreciation as of February 28, 2027, is deducted from the original cost measure  
18 of value. This amount consists of the projected original cost of contributions in aid of  
19 construction as of February 28, 2027, in the amount of \$5,232,041 less projected accrued  
20 depreciation as of February 28, 2027, in the amount of \$1,468,158 ( $\$5,343,041 -$   
21  $\$1,468,158 = \$3,854,883$ ). The details are shown by account, sub account, and vintage in  
22 Exhibit No. FVI-WB.

1 An amount of \$72,574 for customers' advances for construction less projected accrued  
2 depreciation as of February 28, 2027, is deducted from the original cost measure of value.  
3 This component is comprised of the projected original cost of customers' advances for  
4 construction as of February 28, 2027, in the amount of \$77,235 less projected accrued  
5 depreciation as of February 28, 2027, in the amount of \$4,661 ( $\$77,235 - \$4,661 =$   
6  $\$72,574$ ). The details are shown by account, sub account, and vintage in Exhibit No.  
7 FVI-A.  
8

9 Q. Who will testify with respect to the projected accrued depreciation related to  
10 contributions and advances?

11 A. John J. Spanos will testify with respect to accrued depreciation (see York Water  
12 Statement No. 106).  
13

14 Q. Do the amounts set forth in Exhibit No. FV-1W for Contributions as of February 28,  
15 2027, reflect any amounts related to income tax liabilities that the Company has incurred  
16 between January 1, 1987, and June 12, 1996, as a result of the TRA-86 requirement that  
17 Contributions and Advances be taxed or has incurred between January 1, 2018, and  
18 December 31, 2020, as a result of the Tax Cuts and Jobs Act of 2017 requirement that  
19 Contributions and Advances be taxed?

20 A. No.  
21

22 Q. Will you continue with your explanation of page 3 of Exhibit No. FV-1W?

23 A. Unamortized utility plant adjustment for the Felton Borough and York Haven Borough  
24 wastewater acquisitions in the amount of \$201,051 ( $\$88,442 + \$112,608$ ) is included in

1 the original cost measure of value. The details are set forth in Exhibits No. FV-1-2W and  
2 FV-1-3W, which I will explain later.

3  
4 Taxes on deposits for construction and customer advances in the amount of \$16,860 are  
5 included in the original cost measure of value. The details are set forth in Exhibit No.  
6 FV-1-3W, which Mr. Poff addresses in his testimony (see York Water Statement No.  
7 103W).

8  
9 Column 1 of page 4 of Exhibit No. FV-1W shows pro forma net operating income  
10 available for return under existing rates for the twelve months ended December 31, 2024,  
11 in the amount of \$744,958 and the rate of return on the original cost measure of value as  
12 of February 28, 2027, of 1.36%. Column 3 of page 4 of Exhibit No. FV-1W shows the  
13 adjustments to determine projected net operating income for the twelve months ending  
14 December 31, 2025, in the amount of \$834,712. These adjustments have been detailed in  
15 other exhibits that Mr. Poff addresses in his testimony (see York Water Statement No.  
16 103W). Projected net operating income available for return under existing rates for  
17 twelve months ending December 31, 2025, in the amount of \$1,579,669 and the rate of  
18 return on the original cost measure of value as of February 28, 2027, of 2.89% are shown  
19 in Column 4 of page 4 of Exhibit No. FV-1W. Column 6 of page 4 of Exhibit No. FV-  
20 1W shows the adjustments to determine pro forma net operating income for the twelve  
21 months ending December 31, 2025, in the amount of \$64,058. These adjustments have  
22 been detailed in other exhibits that Mr. Poff addresses in his testimony (see York Water  
23 Statement No. 103W). Pro forma net operating income available for return under existing  
24 rates for twelve months ending December 31, 2025, in the amount of \$1,643,727 and the

1 rate of return on the original cost measure of value as of February 28, 2027, of 3.01% are  
2 shown in Column 7 of page 4 of Exhibit No. FV-1W and are carried forward to Column  
3 1, page 5 of Exhibit No. FV-1W.

4  
5 Column 3 of page 5 of Exhibit No. FV-1W shows the adjustments to determine projected  
6 net operating income for the twelve months ending February 28, 2027, in the amount of  
7 \$(176,630). These adjustments have been detailed in other exhibits that Mr. Poff  
8 addresses in his testimony (see York Water Statement No. 103W). Projected net  
9 operating income available for return under existing rates for twelve months ending  
10 February 28, 2027, in the amount of \$1,467,097 and the rate of return on the original cost  
11 measure of value as of February 28, 2027, of 2.68% are shown in Column 4 of page 5 of  
12 Exhibit No. FV-1W. Pro forma adjustments to net operating income available for return  
13 in the amount of \$113,790 are shown in Column 6, page 5 of Exhibit No. FV-1W. These  
14 adjustments have been detailed in other exhibits that Mr. Poff addresses in his testimony  
15 (see York Water Statement No. 103W). Column 7, page 5 of Exhibit No. FV-1W shows  
16 pro forma net operating income available for return for the twelve months ending  
17 February 28, 2027, under existing rates of \$1,580,887 and the rate of return on the  
18 original cost measure of value as of February 28, 2027, of 2.89%. The Column 7 figures  
19 are carried forward to Column 1, page 6 of Exhibit No. FV-1W.

20  
21 Adjustments to pro forma net operating income available for return for the twelve months  
22 ending February 28, 2027, related to the effect of proposed rates in the amount of  
23 \$2,800,116 are shown in column 3 of page 6 of Exhibit No. FV-1W. These adjustments  
24 have been detailed in other exhibits which Mr. Poff addresses in his testimony (see York

1 Water Statement No. 103W). Column 4 of page 6 of Exhibit No. FV-1W shows pro  
2 forma net operating income available for return for the twelve months ending February  
3 28, 2027, in the amount of \$4,381,003 and the rate of return on the original cost measure  
4 of value as of February 28, 2027, of 8.01%. The rate of return used for the wastewater  
5 portion of the business is identical to that used for the water portion of the business.

6  
7 Q. Explain Exhibit No. FV-1-2W.

8 A. Exhibit No. FV-1-2W provides the calculation of the unamortized utility plant acquisition  
9 adjustment relative to the acquisition of Felton Borough as of December 31, 2025, in the  
10 amount of \$105,640 and as of February 28, 2027, in the amount of \$88,442 included in  
11 the original cost measure of value.

12  
13 Reasonable acquisition costs greater than depreciated original cost are permitted to be  
14 included in rate base and amortized over ten years in accordance with Section 1327 of the  
15 Public Utility Code. This amortization was specifically approved by the Commission in  
16 accordance with the Settlement Agreement at Docket No. R-2022-3031340. The  
17 amortization period began March 1, 2023 (the effective date of rates under Order No. R-  
18 2022-3031340) and ends February 28, 2033.

19  
20 The acquisition adjustment subject to amortization of \$147,404 is determined by  
21 subtracting one-half of the depreciated original cost of wastewater property acquired from  
22 Felton Borough of in the amount of \$618,871 from one-half of Felton Borough acquisition  
23 costs of \$913,679  $(((\$913,679 - \$618,871) / 2) = \$147,404]$ . The unamortized Felton  
24 Borough acquisition adjustment as of December 31, 2025, in the amount of \$105,640 is

1 determined by subtracting the amortization during the period March 1, 2023, the effective  
2 date of rates under the Order issued in the Company's 2022 base rate proceeding (Docket  
3 No. R-2022-3031340), through December 31, 2025, of \$41,764 from the acquisition  
4 adjustment subject to amortization of \$147,404 ( $\$147,404 - \$41,764 = \$105,640$ ).  
5 Unamortized utility plant acquisition adjustment as of December 31, 2025, in the amount  
6 of \$105,640 has been carried forward to Exhibit FV-1, page 2 and has been added to the  
7 original cost measure of value.

8  
9 The unamortized acquisition adjustment for the period ending February 28, 2027, of  
10 \$88,442 is determined by taking the unamortized acquisition adjustment as of December  
11 31, 2025, of \$105,640 and deducting the monthly amortization in the amount of \$1,228  
12 ( $\$147,404 / 10 \text{ years} / 12 \text{ months}$ ) for the fourteen months from January 2026 through  
13 February 28, 2027, of \$17,198 ( $\$1,228 \times 14$ ) ( $\$105,640 - \$17,198 = \$88,442$ ). The  
14 unamortized utility plant acquisition adjustment as of February 28, 2027, in the amount of  
15 \$88,442 has been carried forward to Exhibit FV-1W, page 3 and has been added to the  
16 original cost measure of value.

17  
18 Q. Explain Exhibit No. FV-1-3W.

19 A. Exhibit No. FV-1-3W provides the calculation of the unamortized utility plant acquisition  
20 adjustment relative to the acquisition of the York Haven Borough as of December 31,  
21 2025, in the amount of \$127,481 and as of February 28, 2027, in the amount of \$112,608  
22 included in the original cost measure of value.

23

1 Reasonable acquisition costs greater than depreciated original cost are permitted to be  
2 included in rate base and amortized over ten years in accordance with Section 1327 of the  
3 Public Utility Code. The Company is seeking approval to amortize the reasonable  
4 acquisition costs greater than the depreciated original cost of waterworks property and  
5 rights. Please see the testimony of Mr. Hand for details on this acquisition (see York  
6 Water Statement No. 1).

7  
8 The acquisition adjustment subject to amortization of \$127,481 is determined by  
9 subtracting the depreciated original cost of waterworks property acquired from the York  
10 Haven Borough in the amount of \$281,095 from the York Haven Borough acquisition  
11 costs of \$408,576 ( $\$408,576 - \$281,095 = \$127,481$ ).

12  
13 The unamortized acquisition adjustment for the period ending February 28, 2027, of  
14 \$112,608 is determined by taking the acquisition adjustment as of December 31, 2025, of  
15 \$127,481 and deducting the monthly amortization in the amount of \$1,062 ( $\$127,481 /$   
16  $10 \text{ years} / 12 \text{ months}$ ) for the fourteen months from January 1, 2026, through February  
17 28, 2027, of \$14,873 ( $\$1,062 \times 14$ ) ( $\$127,481 - \$14,873 = \$112,608$ ). The unamortized  
18 utility plant acquisition adjustment as of February 28, 2027, in the amount of \$112,608  
19 has been carried forward to Exhibit FV-1W, page 3 and has been added to the original  
20 cost measure of value.

21  
22 Q. Are you sponsoring any other exhibits regarding the original cost measure of value?

23 A. Yes, I am also sponsoring Exhibit Nos. FV-16-1W, FV-16-2W, FV-16-3W, and FV-16-  
24 4W.

1

2 Q. Does this conclude your future test year and fully projected future test year direct  
3 testimony at this time?

4 A. Yes.