

THE YORK WATER COMPANY
YORK, PENNSYLVANIA

WASTEWATER OPERATIONS
COST OF SERVICE ALLOCATION STUDY
AS OF FEBRUARY 28, 2027



GANNETT FLEMING

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EXHIBIT No. FVIII-WA

THE YORK WATER COMPANY
York, Pennsylvania

WASTEWATER OPERATIONS
COST OF SERVICE ALLOCATION STUDY
AS OF FEBRUARY 28, 2027

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Mechanicsburg, Pennsylvania



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May 28, 2025

The York Water Company
130 East Market Street
York, PA 17405

Attention Mr. Matthew E. Poff
Chief Financial Officer

Pursuant to your request, we have conducted a wastewater operations cost of service allocation study based on proforma revenue requirements estimated for the test year ended February 28, 2027, and have prepared proposed rate schedules designed to produce the pro forma revenue requirements.

The attached report presents the results of the study, as well as supporting schedules which set forth the detailed cost allocation calculations. Schedule A presents a comparison of the cost of service by customer classification with the pro forma revenues produced by each classification under present and proposed rates.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

A handwritten signature in black ink, appearing to read "G. R. Herbert".

GREGORY R. HERBERT
Assistant Project Manager, Rate Studies

GRH:mle

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COST OF SERVICE ALLOCATION STUDY

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WASTEWATER OPERATIONS
COST OF SERVICE ALLOCATION STUDY

THE YORK WATER COMPANY

WASTEWATER OPERATIONS

WASTEWATER COST OF SERVICE ALLOCATION STUDY
AS OF FEBRUARY 28, 2027
AND PROPOSED CUSTOMER RATES

PLAN OF REPORT

The reports set forth the results of the cost of service allocation study for the Wastewater Operations based on pro forma costs as of February 28, 2027, for The York Water Company. The introduction contains statements with respect to the basis of the study, the procedures employed, and a summary of the results of the study. Schedule A summarizes the cost allocation for the wastewater operations and total revenues under present and proposed rates. Cost of Service by Customer Classification presents detailed schedules of the allocation of costs to customer classifications, as well as the basis for the allocations. Schedule F, Comparisons of Present and Proposed Customer Rates, sets forth the proposed rate schedules for wastewater service.

BASIS OF STUDY

The method used for the allocation of wastewater cost of service incorporates the functional cost allocation methodology described in the text "Financing and Charges for Wastewater Systems," Manual of Practice No. 27, published by the Water Environment

Federation. This method is recognized for allocating the cost of providing wastewater service to customer classifications in proportion to the classifications' use of the commodity, facilities, and services. It is generally accepted as a sound method for allocating the cost of wastewater service. Under the functional cost method, costs are assigned to cost components using predominant operational purposes as cost-causative factors.

Each element of the cost of service is allocated to customer classifications according to the functional categories. The cost functions are flow, infiltration and inflow (I&I), customer facilities and customer accounting. The functional costs are allocated to customer classifications based on the amount of flow contributed to the system, the amount of I&I allocated to each class, and the number and relative size of customers.

The results of the allocation of wastewater cost of service is summarized on Schedule A, column 4. The cost allocation results can be compared with revenues under present and proposed rates in columns 6 and 8 of Schedule A. The proposed increase and percentage increase in revenues are shown in columns 10 and 11.

The cost of service by customer classification is developed in Schedule D. The allocation factors referenced in column 2 are applied to the costs by account in column 3. The allocation factors are set forth in Schedule E.

The comparison of present and proposed wastewater rates by wastewater service areas are shown in Schedule F.

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TWELVE MONTHS ENDED FEBRUARY 28, 2027

Customer Classification (1)	Cost of Service			Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Contrib. From Water Rates (3)	Amount to be Recovered Under Proposed Rates (4)	Amount (6)	Percent (5)	Amount (8)	Percent (9)	Amount (10)	Percent Increase (11)
Residential	\$ 9,287,637	\$ -	\$ 9,287,637	\$ 7,320,069	74.3%	\$ 10,562,506	84.5%	\$ 3,242,437	44.3%
Non-Residential	3,217,105	\$ -	\$ 3,217,105	1,224,418	25.7%	1,942,162	15.5%	717,744	58.6%
Total Sales	12,504,742	-	12,504,742	8,544,487	100.0%	12,504,668	100.0%	3,960,181	46.3%
Other Revenues	23,299	-	23,299	23,299		23,299		0	0.0%
Total	\$ 12,528,041	\$ -	\$ 12,528,041	\$ 8,567,786		\$ 12,527,967		\$ 3,960,181	46.2%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
DEVELOPMENT OF RATE OF RETURN BY CUSTOMER CLASSIFICATION
UNDER PRESENT RATES

ITEM (1)	COST OF SERVICE (2)	RESIDENTIAL (3)	NON-RESIDENTIAL (4)
1. REVENUES FROM SALES	8,544,487	7,320,069	1,224,418
2. OTHER REVENUES	23,299	17,302	5,997
3. TOTAL OPERATING REVENUES	8,567,786	7,337,371	1,230,415
4. LESS: OPERATING EXPENSES (NET OF COST OF SERVICE RECOVERED FROM WATER)	7,816,922	5,804,114	2,012,808
5. RETURN AND INCOME TAXES	750,864	1,533,257	(782,393)
6. LESS: TAXABLE EXCLUSIONS - ALLOCATED ON RATE BASE	1,127,650	838,003	289,647
7. TAXABLE INCOME	(376,786)	695,255	(1,072,040)
8. LESS: INCOME TAXES (TAX. INC.)	(727,275)	1,341,986	(2,069,261)
9. NET RETURN (Line 5 - Line 8)	1,478,139	191,271	1,286,868
10. ORIGINAL COSTS MEASURE OF VALUE	54,685,380	40,638,940	14,046,440
11. RATE OF RETURN, PERCENT	2.70	0.47	9.16
12. RELATIVE RATE OF RETURN	1.00	0.17	3.39

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
DEVELOPMENT OF RATE OF RETURN BY CUSTOMER CLASSIFICATION
UNDER PROPOSED RATES

ITEM (1)	COST OF SERVICE (2)	RESIDENTIAL (3)	NON-RESIDENTIAL (4)
1. REVENUES FROM SALES	12,504,668	10,562,506	1,942,162
2. OTHER REVENUES	23,299	17,304	5,995
3. TOTAL OPERATING REVENUES	12,527,967	10,579,810	1,948,157
4. LESS: OPERATING EXPENSES (NET OF COST OF SERVICE RECOVERED FROM WATER)	7,843,004	5,823,491	2,019,514
5. RETURN AND INCOME TAXES	4,684,963	4,756,319	(71,357)
6. LESS: TAXABLE EXCLUSIONS - ALLOCATED ON RATE BASE	1,127,650	838,003	289,647
7. TAXABLE INCOME	3,557,313	3,918,317	(361,004)
8. LESS: INCOME TAXES (TAX. INC.)	304,033	334,887	(30,854)
9. NET RETURN (Line 5 - Line 8)	4,380,929	4,421,432	(40,503)
10. ORIGINAL COSTS MEASURE OF VALUE	54,685,380	40,638,940	14,046,440
11. RATE OF RETURN, PERCENT	8.01	10.88	(0.29)
12. RELATIVE RATE OF RETURN	1.00	1.36	(0.04)

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO CUSTOMER CLASSES

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Non-Residential (5)
OPERATION AND MAINTENANCE EXPENSES				
SEWAGE TREATMENT				
Salary and Wages	1	\$ 882,003	\$ 653,123	\$ 228,880
Purchased Treatment	1	2,366,268	1,752,221	614,047
Sludge Removal	1	288,926	213,950	74,976
Electric Expense	1	233,504	172,910	60,594
Chemicals	1	115,768	85,726	30,042
Operations - Other Expense	1	460,154	340,744	119,410
Maintenance - Other Expense	1	297,392	220,219	77,173
TOTAL SEWAGE TREATMENT EXPENSE		4,644,015	3,438,893	1,205,122
COLLECTION				
Salary and Wages	2	12,358	9,069	3,288
Materials and Supplies	2	1,599	1,173	425
Outside Services	2	190,195	139,584	50,611
TOTAL COLLECTION EXPENSE		204,152	149,827	54,325
PUMPING EXPENSE				
Sludge Removal Expense	2	21,929	16,094	5,835
Electric Expense	2	52,533	38,554	13,979
Operations and Outside Services Expense	2	16,515	12,120	4,395
Maintenance - Other Expense	2	155,030	113,777	41,254
TOTAL PUMPING EXPENSE		246,008	180,545	65,463
ADMINISTRATIVE AND GENERAL EXPENSES				
Allocation From Water				
Customer Related	5	87,969	79,770	8,199
Employee Related	6	116,792	86,484	30,307
Other	10	670,794	496,321	174,474
Administrative and General Capitalized	10	(31,871)	(23,581)	(8,290)
TOTAL A & G EXPENSE		843,684	638,994	204,690
Total Operation & Maintenance Expenses		5,937,858	4,408,259	1,529,599

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO CUSTOMER CLASSES

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Non-Residential (5)
DEPRECIATION EXPENSE				
Structures and Improvements - Pumping	2	74,079	54,367	19,712
Structures and Improvements - Treatment	3	412,453	305,421	107,032
Structures and Improvements - General Plant	10	2,245	1,661	584
Power Generation Equipment	2	47,527	34,880	12,647
Force Mains	3	32,579	24,125	8,454
Gravity Mains	3	567,620	420,323	147,297
Manholes	3	63,068	46,702	16,366
Customer Service Lines	4	94,960	75,541	19,419
Flow Measuring Equipment	2	1,431	1,050	381
Receiving Wells	1	2,450	1,814	636
Pumping Equipment	2	37,782	27,728	10,054
Treatment Equipment	3	252,859	187,242	65,617
Outfall Sewer Lines	2	2,839	2,084	755
Office Furniture and Equipment	10	4,964	3,673	1,291
Transportation Equipment	10	53,454	39,550	13,903
Tools, Shop, and Garage Equipment	10	1,303	964	339
Laboratory Equipment	1	1,920	1,422	498
SCADA	10	77,506	57,347	20,159
Miscellaneous Equipment	10	5,101	3,774	1,327
Total Depreciation Expense		1,736,140	1,289,667	446,472
Amortization Expense	8	27,489	20,427	7,062
General Price Level Adjustments	9	-	-	-
Taxes Other Than Income				
Utility Reg Assessment Fee	9	84,551	62,796	21,755
Property Taxes	8	60,720	45,121	15,599
Payroll Taxes	6	(3,753)	(2,779)	(974)
Total Taxes, Other Than Income		141,518	105,138	36,380
Total Operating Expense		7,843,004	5,823,491	2,019,514
Income Taxes	8	304,033	225,927	78,106
Utility Income Available for Return	8	4,381,003	3,255,524	1,125,480
Total Cost of Service		12,528,041	9,304,942	3,223,099

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO CUSTOMER CLASSES

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Non-Residential (5)
Less: Misc Revenues	9	23,299	17,304	5,995
Total Cost of Service Related to Sales of Wastewater Services		<u>12,504,742</u>	<u>9,287,637</u>	<u>3,217,105</u>
RATE BASE				
Organization	10	3,272	2,421	851
Land - Collection	2	203,176	149,111	54,065
Land - Pumping	2	350,595	257,302	93,293
Land - Treatment	3	471,074	348,830	122,244
Structures and Improvements - Pumping	2	1,729,789	1,269,492	460,297
Structures and Improvements - Treatment	3	14,331,639	10,612,579	3,719,060
Structures and Improvements - General Plant	10	59,915	44,331	15,584
Power Generation Equipment	2	933,163	684,848	248,315
Force Mains	3	1,147,964	850,067	297,897
Gravity Mains	3	20,162,526	14,930,351	5,232,175
Manholes	3	2,361,606	1,748,769	612,837
Customer Service Lines	4	2,864,440	2,278,662	585,778
Flow Measuring Equipment	2	24,785	18,190	6,595
Receiving Wells	1	42,432	31,421	11,011
Pumping Equipment	2	740,988	543,811	197,177
Treatment and Disposal Equipment	3	10,772,166	7,976,789	2,795,377
Outfall Sewer Lines	2	(2,110,503)	(1,548,898)	(561,605)
Office Furniture and Equipment	10	20,397	15,092	5,305
Transportation Equipment	10	76,934	56,923	20,010
Tools, Shop and Garage Equipment	10	23,824	17,627	6,197
Laboratory Equipment	1	33,219	24,599	8,620
SCADA	10	520,917	385,426	135,491
Miscellaneous Equipment	10	45,249	33,480	11,769
TOTAL SEWER UTILITY PLANT IN SERVICE		<u>54,809,567</u>	<u>40,731,223</u>	<u>14,078,344</u>
Other Rate Base Items:				
Taxes on Deposits for CIAC	7	16,860	12,529	4,331
Acquisition Adjustment	7	201,051	149,401	51,650
Deferred, Accrued and Prepaid Taxes	7	(342,097)	(254,212)	(87,885)
Total Other Rate Base Elements		<u>(124,187)</u>	<u>(92,283)</u>	<u>(31,904)</u>
Total Original Cost Measure of Value		<u>\$ 54,685,380</u>	<u>\$ 40,638,940</u>	<u>\$ 14,046,440</u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS ASSOCIATED WITH WASTEWATER TREATMENT

Factors are based on the pro forma test year average daily consumption for each customer classification with adjustments. The detail regarding calculation of adjusted flows can be found on the following page.

Classification (1)	Total Adjusted Average Daily Customer Flow 100 gallons (a) (2)	I&I Gallons Per Day 100 gallons (b) (3)	Total I&I And Average Flow (4)=(2)+(3)	Allocation Factor (7)
Residential	7,189	5,698	12,887	0.7405
Non-Residential	2,813	1,703	4,516	0.2595
Total	<u>10,002</u>	<u>7,401</u>	<u>17,403</u>	<u>1.0000</u>

(a) Customer Flow.

(b) Allocation based on Factor 1A for Residential, Non-Residential and Large Industrial.

FACTOR 1A. ALLOCATION OF INFILTRATION AND INFLOW BY CUSTOMER CLASS.

Factors are based on a 1/3-2/3 weighting of flow and number of customers, as follows:

Customer Classification (1)	Total Adjusted Average Daily Flow 100 gallons (2)	Average Daily Flow Factor (3)	Average Daily Flow Weight (4)=(3) x 0.3333	Number of Service Equivalents (5)	Number of Customers Factor (6)	Number of Customers Weight (7)=(6) x 0.6667	Allocation Factor (8)=(4)+(7)
Residential	7,189	0.7187	0.2395	91,653	0.7955	0.5304	0.7699
Non-Residential	2,813	0.2813	0.0938	23,558	0.2045	0.1363	0.2301
Total	<u>10,002</u>	<u>1.0000</u>	<u>0.3333</u>	<u>115,211</u>	<u>1.0000</u>	<u>0.6667</u>	<u>1.0000</u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH THE COLLECTION SYSTEM

Factors are based on peak daily flow for each customer classification.

Customer Classification (1)	Ave. Flow Consumption, 100 gpd (2)	Peak I&I Flow 100 gallons (a) (3)	Total Peak I&I And Average (4)=(2)+(3)	Allocation Factor (5)
Residential	7,189	3,250	10,438	0.7339
Non-Residential	2,813	971	3,784	0.2661
Total	10,002	4,221	14,223	1.0000

(a) Allocation based on Factor 1A.

FACTOR 3. ALLOCATION OF CAPITAL COSTS ASSOCIATED WITH PROJECTED AVERAGE DAILY FLOW INCLUDING INFILTRATION AND INFLOW

Factors are based on the projected average daily consumption for each customer classification.

Classification (1)	Total Average Daily Flow 100 gallons (2)	Direct I&I Gallons Per Day 100 gallons (a) (3)	Total Direct I&I And Average (4)=(2)+(3)	Allocation Factor (7)
Residential	7,189	5,698	12,887	0.7405
Non-Residential	2,813	1,703	4,516	0.2595
Bulk Customer	-	-	-	-
Total	10,002	7,401	17,403	1.0000

(a) Allocation based on Factor 1A.

FACTOR 3A. NOT USED IN THIS ALLOCATION

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH CUSTOMER FACILITIES.

Factors are based on the estimated relative cost of customer facilities, as follows:

<u>Customer Classification</u> (1)	<u>Number of Customers</u> (2)	<u>Service Equiv. Ratio (a)</u> (3)	<u>Service Equivalents</u> (2)X(3)=(4)	<u>Allocation Factor</u> (5)
Residential	91,653	1.0	91,653	0.7955
Non-Residential	9,423	2.5	23,558	0.2045
	<hr/>		<hr/>	
Total	<u><u>101,076</u></u>		<u><u>115,211</u></u>	<u><u>1.0000</u></u>

(a) Based on ratio by class for Coatesville service area.

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH BILLING AND COLLECTING.

Factors are based on the number of customers.

<u>Customer Classification</u> (1)	<u>Number of Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential	91,653	0.9068
Non-Residential	9,423	0.0932
	<hr/>	
Total	<u><u>101,076</u></u>	<u><u>1.0000</u></u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 6. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$ 2,414,414	0.7405
Non-Residential	846,215	0.2595
	<hr/>	<hr/>
Total	<u>\$ 3,260,629</u>	<u>1.0000</u>

FACTOR 7. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$ 40,728,802	0.7431
Non-Residential	14,077,493	0.2569
	<hr/>	<hr/>
Total	<u>\$ 54,806,295</u>	<u>1.0000</u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 8. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$ 40,638,940	0.7431
Non-Residential	14,046,440	0.2569
	<hr/>	<hr/>
Total	<u>\$ 54,685,380</u>	<u>1.0000</u>

FACTOR 9. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS WATER REVENUES FROM WATER RATES, AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$ 9,176,598	0.7427
Non-Residential	3,178,684	0.2573
	<hr/>	<hr/>
Total	<u>\$ 12,355,282</u>	<u>1.0000</u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 10. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 3,242,032	0.7399
Non-Residential	1,139,483	0.2601
	<hr/>	<hr/>
Total	<u>\$ 4,381,514</u>	<u>1.0000</u>

FACTOR 11. ALLOCATION OF CASH WORKING CAPITAL

Factors are based on the allocation of operation and maintenance expenses including purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 4,408,259	0.7424
Commercial	1,529,599	0.2576
	<hr/>	<hr/>
Total	<u>\$ 5,937,858</u>	<u>1.0000</u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF PRESENT AND PROPOSED BASE RATES

Fixed Charges <hr/>	Present Base Rate Per Month <hr/>	Proposed Base Rate Per Month <hr/>	Proposed Allowance <hr/>
(1)	(2)	(3)	(4)
Minimum Charge 1	\$ 40.00	\$ 68.06	4,000
Minimum Charge 2	\$ 86.90	\$ 117.38	4,000
Customer Charge - WM	\$ 57.85	\$ 78.14	-
<u>Non-Residential Only</u>			
Minimum Charge - GH	\$ 111.85	\$ 117.38	
Customer Charge - WD	\$ 58.30	\$ 78.14	
Customer Charge - YH	\$ 102.67	\$ 78.14	-
Flat Rate Charge 1	\$ 44.20	\$ 82.74	
Flat Rate Charge 2 - Res.	\$ 60.00	\$ 93.60	
Flat Rate Charge 2 - Com.	\$ 69.55	\$ 122.41	
Flat Rate Charge 3 - Res	\$ 86.90	\$ 93.60	
Flat Rate Charge 3 - Com	\$	\$ 122.41	
Flat Rate Charge 4	\$ 50.00	\$ 93.60	

CONSUMPTION CHARGES:

Rate Block, 100 Gallons Per Month <hr/>	Present Rate Per 100 gallons <hr/>	Proposed Rate Per 100 gallons <hr/>
(1)	(2)	(3)
Over 4,000 Gallons - Rate 1	\$ 0.5000	\$ 1.1700
Over 4,000 Gallons - Rate 2	0.7565	1.2871
Over 10,500 gallons - GH	1.5440	2.2947
First 3,500 gallons - WM	0.7565	1.2871
Next 3,500 gallons - WM	1.0789	1.8356
Over 7,000 gallons - WM	1.3487	2.2947
All Usage - WD	1.3890	2.2947
All Usage - YH	0.9750	2.2947

**THE YORK WATER COMPANY
APPLICATION OF PRESENT BASE RATES TO CONSUMPTION ANALYSIS
WASTEWATER OPERATIONS
FOR THE TWELVE MONTHS ENDED FEBRUARY 28, 2027**

<u>Rate Block, 100 Gallons</u> (1)	<u>Pro Forma Number of Bills</u> (2)	<u>Pro Forma Consumption, 100 Gallons</u> (3)	<u>Present Base Rates</u> (4)	<u>Revenue at Present Base Rates</u> (5)
<u>RESIDENTIAL</u>				
<u>Metered</u>				
Minimum Charge 1	1,235	16,054	\$ 40.00	\$ 49,400
Minimum Charge 2	24,016	312,183	86.90	2,086,990
Customer Charge	33,667	-	57.85	1,947,636
	<u>58,918</u>	<u>328,236</u>		<u>4,084,026</u>
Over 4,000 Gallons - Rate 1	-	5,789	0.5000	2,895
Over 4,000 Gallons - Rate 2	-	152,909	0.7565	115,676
First 3,500 gallons	-	847,336	0.7565	641,010
Next 3,500 gallons	-	249,901	1.0789	269,618
Over 7,000 gallons	-	102,529	1.3487	138,280
	<u>-</u>	<u>1,358,464</u>		<u>1,167,479</u>
Total Residential -Metered	58,918	1,686,700		5,251,505
<u>Unmetered</u>				
Unmetered Rate 1	2,161	-	\$ 44.20	95,516
Unmetered Rate 2	20,483	-	\$ 60.00	1,228,980
Unmetered Rate 3	6,491	-	\$ 86.90	564,068
Unmetered Rate 4	3,600	-	\$ 50.00	180,000
Total Residential - Unmetered	<u>32,735</u>	<u>-</u>		<u>2,068,564</u>
Total Residential	91,653	1,686,700		7,320,069
<u>COMMERCIAL AND INDUSTRIAL</u>				
<u>Metered</u>				
Minimum Charge 2	641	138,732	86.90	55,703
Minimum Charge - GHL	1,500	324,645	111.85	167,775
Customer Charge	785	-	57.85	45,412
Customer Charge - WD	137	-	58.30	7,987
Customer Charge - YH	72	-	102.67	7,392
	<u>3,135</u>	<u>463,377</u>		<u>284,269</u>
Over 4,000 Gallons - Rate 2	-	12,867	0.7565	9,734
Over 10,500 Gallons - GHL	-	28,039	1.5440	43,292
First 3,500 gallons	-	20,570	0.7565	15,561
Next 3,500 gallons	-	14,435	1.0789	15,574
Over 7,000 gallons	-	190,216	1.3487	256,544
All Usage - WD	-	108,750	1.3890	151,054
All Usage - YH	-	10,276	0.9750	10,019
	<u>-</u>	<u>385,153</u>		<u>501,778</u>
Total Commercial and Industrial -Metered	3,135	848,530		786,047
<u>Unmetered</u>				
Unmetered Rate 2	6,228	-	\$ 69.55	433,157
Unmetered Rate 3	60	-	\$ 86.90	5,214
Total Commercial and Industrial - Unmetered	<u>6,288</u>	<u>-</u>		<u>438,371</u>
Total Commercial and Industrial	9,423	848,530		\$ 1,224,418
Total - All Classes	101,076	2,535,230		\$ 8,544,487

**THE YORK WATER COMPANY
APPLICATION OF PROPOSED BASE RATES TO CONSUMPTION ANALYSIS
WASTEWATER OPERATIONS
FOR THE TWELVE MONTHS ENDED FEBRUARY 28, 2027**

<u>Rate Block, 100 Gallons</u> (1)	<u>Pro Forma Number of Bills</u> (2)	<u>Pro Forma Consumption, 100 Gallons</u> (3)	<u>Proposed Base Rates</u> (4)	<u>Revenue at Proposed Base Rates</u> (5)
<u>RESIDENTIAL</u>				
<u>Metered</u>				
Minimum Charge 1	1,235	16,054	\$ 68.06	\$ 84,054
Minimum Charge 2	24,016	312,183	117.38	2,818,998
Customer Charge	33,667	-	78.14	2,630,739
	<u>58,918</u>	<u>328,236</u>		<u>5,533,791</u>
Over 4,000 Gallons - Rate 1	-	5,789	1.1700	6,773
Over 4,000 Gallons - Rate 2	-	152,909	1.2871	196,809
First 3,500 gallons	-	847,336	1.2871	1,090,606
Next 3,500 gallons	-	249,901	1.8356	458,725
Over 7,000 gallons	-	102,529	2.2947	235,269
	<u>-</u>	<u>1,358,464</u>		<u>1,988,182</u>
Total Residential -Metered	58,918	1,686,700		7,521,973
<u>Unmetered</u>				
Unmetered Rate 1	2,161	-	\$ 82.74	178,806
Unmetered Rate 2	20,483	-	\$ 93.60	1,917,209
Unmetered Rate 3	6,491	-	\$ 93.60	607,558
Unmetered Rate 4	3,600	-	\$ 93.60	336,960
Total Residential - Unmetered	<u>32,735</u>	<u>-</u>		<u>3,040,533</u>
Total Residential	91,653	1,686,700		10,562,506
<u>COMMERCIAL AND INDUSTRIAL</u>				
<u>Metered</u>				
Minimum Charge 2	641	138,732	117.38	75,241
Minimum Charge - GHJ	1,500	324,645	117.38	176,070
Customer Charge	785	-	78.14	61,340
Customer Charge - WD	137	-	78.14	10,705
Customer Charge - YH	72	-	78.14	5,626
	<u>3,135</u>	<u>463,377</u>		<u>328,982</u>
Over 4,000 Gallons - Rate 2	-	12,867	1.2871	16,561
Over 10,500 Gallons - GHJ	-	28,039	2.2947	64,340
First 3,500 gallons	-	20,570	1.2871	26,475
Next 3,500 gallons	-	14,435	1.8356	26,498
Over 7,000 gallons	-	190,216	2.2947	436,481
All Usage - WD	-	108,750	2.2947	249,544
All Usage - YH	-	10,276	2.2947	23,580
	<u>-</u>	<u>385,153</u>		<u>843,479</u>
Total Commercial and Industrial -Metered	3,135	848,530		1,172,461
<u>Unmetered</u>				
Unmetered Rate 2	6,228	-	\$ 122.41	762,357
Unmetered Rate 3	60	-	\$ 122.41	7,344
Total Commercial and Industrial - Unmetered	<u>6,288</u>	<u>-</u>		<u>769,701</u>
Total Commercial and Industrial	9,423	848,530		\$ 1,942,162
Total - All Classes	101,076	2,535,230		\$ 12,504,668

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
MINIMUM CHARGE 1 - MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 40.00	\$ 68.06	\$ 28.06	70.15%
1,000	40.00	68.06	28.06	70.15%
2,000	40.00	68.06	28.06	70.15%
3,000	40.00	68.06	28.06	70.15%
4,000	40.00	68.06	28.06	70.15%
5,000	45.00	79.76	34.76	77.24%
6,000	50.00	91.46	41.46	82.92%
7,000	55.00	103.16	48.16	87.56%
8,000	60.00	114.86	54.86	91.43%
9,000	65.00	126.56	61.56	94.71%
10,000	70.00	138.26	68.26	97.51%
11,000	75.00	149.96	74.96	99.95%
12,000	80.00	161.66	81.66	102.08%
13,000	85.00	173.36	88.36	103.95%
14,000	90.00	185.06	95.06	105.62%
15,000	95.00	196.76	101.76	107.12%
16,000	100.00	208.46	108.46	108.46%
17,000	105.00	220.16	115.16	109.68%
18,000	110.00	231.86	121.86	110.78%
19,000	115.00	243.56	128.56	111.79%
20,000	120.00	255.26	135.26	112.72%
30,000	170.00	372.26	202.26	118.98%
40,000	220.00	489.26	269.26	122.39%
50,000	270.00	606.26	336.26	124.54%
60,000	320.00	723.26	403.26	126.02%
70,000	370.00	840.26	470.26	127.10%
80,000	420.00	957.26	537.26	127.92%
90,000	470.00	1,074.26	604.26	128.57%
100,000	520.00	1,191.26	671.26	129.09%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
MINIMUM CHARGE 2 - RESIDENTIAL - MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 86.90	\$ 117.38	\$ 30.48	35.07%
1,000	86.90	117.38	30.48	35.07%
2,000	86.90	117.38	30.48	35.07%
3,000	86.90	117.38	30.48	35.07%
4,000	86.90	117.38	30.48	35.07%
5,000	94.47	130.25	35.79	37.88%
6,000	102.03	143.12	41.09	40.27%
7,000	109.60	155.99	46.40	42.34%
8,000	117.16	168.86	51.70	44.13%
9,000	124.73	181.74	57.01	45.71%
10,000	132.29	194.61	62.32	47.11%
11,000	139.86	207.48	67.62	48.35%
12,000	147.42	220.35	72.93	49.47%
13,000	154.99	233.22	78.23	50.48%
14,000	162.55	246.09	83.54	51.39%
15,000	170.12	258.96	88.85	52.23%
16,000	177.68	271.83	94.15	52.99%
17,000	185.25	284.70	99.46	53.69%
18,000	192.81	297.57	104.76	54.34%
19,000	200.38	310.45	110.07	54.93%
20,000	207.94	323.32	115.38	55.49%
30,000	283.59	452.03	168.44	59.39%
40,000	359.24	580.74	221.50	61.66%
50,000	434.89	709.45	274.56	63.13%
60,000	510.54	838.16	327.62	64.17%
70,000	586.19	966.87	380.68	64.94%
80,000	661.84	1,095.58	433.74	65.53%
90,000	737.49	1,224.29	486.80	66.01%
100,000	813.14	1,353.00	539.86	66.39%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
WEST MANHEIM - ALL CUSTOMER CLASSES - MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES*	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 57.85	\$ 78.14	\$ 20.29	35.07%
1,000	65.42	91.01	25.60	39.13%
2,000	72.98	103.88	30.90	42.34%
3,000	80.55	116.75	36.21	44.95%
4,000	89.72	132.37	42.64	47.53%
5,000	100.51	150.72	50.21	49.96%
6,000	111.30	169.08	57.78	51.91%
7,000	122.09	187.44	65.35	53.52%
8,000	135.58	210.38	74.81	55.18%
9,000	149.06	233.33	84.27	56.53%
10,000	162.55	256.28	93.73	57.66%
11,000	176.04	279.22	103.18	58.62%
12,000	189.52	302.17	112.64	59.44%
13,000	203.01	325.12	122.10	60.15%
14,000	216.50	348.06	131.56	60.77%
15,000	229.99	371.01	141.02	61.32%
16,000	243.47	393.96	150.48	61.81%
17,000	256.96	416.90	159.94	62.24%
18,000	270.45	439.85	169.40	62.64%
19,000	283.93	462.79	178.86	62.99%
20,000	297.42	485.74	188.32	63.32%
30,000	432.29	715.21	282.92	65.45%
40,000	567.16	944.67	377.51	66.56%
50,000	702.03	1,174.14	472.11	67.25%
60,000	836.90	1,403.61	566.71	67.71%
70,000	971.77	1,633.07	661.30	68.05%
80,000	1,106.64	1,862.54	755.90	68.31%
90,000	1,241.51	2,092.00	850.49	68.50%
100,000	1,376.38	2,321.47	945.09	68.66%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
GREENE, HAMILTON AND LETTERKENNY TOWNSHIPS - NON-RESIDENTIAL -
MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 111.85	\$ 117.38	\$ 5.53	4.94%
5,000	111.85	117.38	5.53	4.94%
6,000	111.85	117.38	5.53	4.94%
7,000	111.85	117.38	5.53	4.94%
8,000	111.85	117.38	5.53	4.94%
9,000	111.85	117.38	5.53	4.94%
10,000	111.85	117.38	5.53	4.94%
15,000	181.33	220.64	39.31	21.68%
20,000	258.53	335.37	76.84	29.72%
25,000	335.73	450.11	114.38	34.07%
30,000	412.93	564.84	151.91	36.79%
35,000	490.13	679.57	189.44	38.65%
40,000	567.33	794.31	226.98	40.01%
45,000	644.53	909.04	264.51	41.04%
50,000	721.73	1,023.77	302.04	41.85%
55,000	798.93	1,138.50	339.57	42.50%
60,000	876.13	1,253.24	377.11	43.04%
65,000	953.33	1,367.97	414.64	43.49%
70,000	1,030.53	1,482.70	452.17	43.88%
75,000	1,107.73	1,597.44	489.71	44.21%
80,000	1,184.93	1,712.17	527.24	44.50%
85,000	1,262.13	1,826.90	564.77	44.75%
90,000	1,339.33	1,941.64	602.31	44.97%
95,000	1,416.53	2,056.37	639.84	45.17%
100,000	1,493.73	2,171.10	677.37	45.35%
105,000	1,570.93	2,285.84	714.91	45.51%
110,000	1,648.13	2,400.57	752.44	45.65%
115,000	1,725.33	2,515.30	789.97	45.79%
120,000	1,802.53	2,630.03	827.50	45.91%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
WEST DONEGAL - ONLY NON-RESIDENTIAL - MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 58.30	\$ 78.14	\$ 19.84	34.03%
5,000	96.13	128.14	32.02	33.31%
6,000	103.69	138.14	34.45	33.22%
7,000	111.26	148.14	36.89	33.15%
8,000	118.82	158.14	39.32	33.09%
9,000	126.39	193.98	67.59	53.48%
10,000	133.95	206.85	72.90	54.42%
15,000	171.78	271.21	99.43	57.88%
20,000	209.60	335.56	125.96	60.10%
25,000	247.43	399.92	152.49	61.63%
30,000	285.25	464.27	179.02	62.76%
35,000	323.08	528.63	205.55	63.62%
40,000	360.90	592.98	232.08	64.31%
45,000	398.73	657.34	258.61	64.86%
50,000	436.55	721.69	285.14	65.32%
55,000	474.38	786.05	311.67	65.70%
60,000	512.20	850.40	338.20	66.03%
65,000	550.03	914.76	364.73	66.31%
70,000	587.85	979.11	391.26	66.56%
75,000	625.68	1,043.47	417.79	66.77%
80,000	663.50	1,107.82	444.32	66.97%
85,000	701.33	1,172.18	470.85	67.14%
90,000	739.15	1,236.53	497.38	67.29%
95,000	776.98	1,300.89	523.91	67.43%
100,000	814.80	1,365.24	550.44	67.56%
105,000	852.63	1,429.60	576.97	67.67%
110,000	890.45	1,493.95	603.50	67.77%
115,000	928.28	1,558.31	630.03	67.87%
120,000	966.10	1,622.66	656.56	67.96%

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COMPARISON OF BILLS UNDER PRESENT AND PROPOSED RATES
YORK HAVEN - ONLY NON-RESIDENTIAL - MONTHLY
MINIMUM CONSUMPTION UNDER PROPOSED RATES

CONSUMPTION GALLONS	BILLS UNDER		INCREASE	
	PRESENT RATES	PROPOSED RATES	AMOUNT	PERCENT
(1)	(2)	(3)	(4)	(5)
0	\$ 102.67	\$ 117.38	\$ 14.71	14.33%
5,000	102.67	117.38	14.71	14.33%
6,000	102.67	117.38	14.71	14.33%
7,000	102.67	117.38	14.71	14.33%
8,000	102.67	117.38	14.71	14.33%
9,000	102.67	117.38	14.71	14.33%
10,000	102.67	117.38	14.71	14.33%
14,000	129.15	162.43	33.28	25.77%
20,000	174.54	239.65	65.12	37.31%
25,000	212.36	304.01	91.65	43.16%
30,000	250.19	368.36	118.18	47.24%
35,000	288.01	432.72	144.71	50.24%
40,000	325.84	497.07	171.24	52.55%
45,000	363.66	561.43	197.77	54.38%
50,000	401.49	625.78	224.30	55.87%
55,000	439.31	690.14	250.83	57.10%
60,000	477.14	754.49	277.36	58.13%
65,000	514.96	818.85	303.89	59.01%
70,000	552.79	883.20	330.42	59.77%
75,000	590.61	947.56	356.95	60.44%
80,000	628.44	1,011.91	383.48	61.02%
85,000	666.26	1,076.27	410.01	61.54%
90,000	704.09	1,140.62	436.54	62.00%
95,000	741.91	1,204.98	463.07	62.42%
100,000	779.74	1,269.33	489.60	62.79%
105,000	817.56	1,333.69	516.13	63.13%
110,000	855.39	1,398.04	542.66	63.44%
115,000	893.21	1,462.40	569.19	63.72%
120,000	931.04	1,526.75	595.72	63.98%

APPENDIX

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:

- a. A description of the allocation methods used. A comparison of the allocated cost of service by class with the present and proposed revenues. A cost of service schedule showing the Rate of Return produced by present and proposed rates by class of service.

RESPONSE

A description of the methods used for the cost of service study is provided in Exhibit No. FVIII-WA and in Statement No. 108. A comparison of the allocated cost of service by class with the present and proposed revenues is provided on Schedule A of Exhibit No. FVIII-WA.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:

- b. Indicate if the method used for establishing the allocation factors in the Cost of Service Study deviates from the previous study submitted in the last rate case. If yes, indicate which allocation factors were changed and discuss the reason for the changes.

RESPONSE

The methods used for establishing the allocation factors in the cost of service study have not deviated from the previous study submitted in the last case.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- c. Supply the average day, the maximum day and the maximum hour deliveries to the system adjusted for storage for the test year and two prior years. Also provide workpapers, analyses, comparative data or other documentation supporting the estimated maximum day and peak hour demands by customer class reflected in the Company's cost of service study.

RESPONSE

Not applicable.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- d. Explain thoroughly the methodology employed if the Company distinguishes between transmission and distribution mains in its allocation of costs.

RESPONSE

Not applicable.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:

- e. Provide a detailed explanation of how storage is utilized to meet base, maximum day and maximum hour demands.

RESPONSE

There is no storage for this system.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- f. Provide workpapers, calculations and supporting documentation which develop the equivalent meters and equivalent service weights reflected in the Company's cost of service study.

RESPONSE

There are no meter or service equivalents calculated for this study.

THE YORK WATER COMPANY

RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- g. Provide all workpapers and supporting documentation for the fire flow requirement and duration utilized in the cost of service study.

RESPONSE

Because this is a wastewater operation, there is no fire flow requirements.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:

- h. Provide a breakdown of the number and size of private fire services according to the general water service class of customer.

RESPONSE

Not applicable.

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- i. Provide a calculation of the Company's base cost of water per unit of consumption.

RESPONSE

The calculation of the average flow cost per hundred gallons is as follows:

Total Flow Cost	\$7,046,982
Pro Forma Usage (Hundred Gallons) (Includes Estimated Unmetered)	3,650,660
Flow Cost per Hundred Gallons	\$1.9303

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

- RS1. Provide a complete (fully allocated) cost of service study if an interval of approximately three years has passed between a previous cost of service study and the historic test year date of the current filing. The cost of service study shall provide the necessary data to determine if the water rate structure is fair and equitable to all classifications of water users (including public and private fire protection customers) and reflects, as nearly as possible, the cost of providing the service. The study shall correspond to the test year proposed revenue requirements (future test year only, if used). Summaries of conclusions and all back-up calculations shall be made part of the submission of the cost of service study, and shall include the following:
- j. Provide a detailed cost analysis that supports the Company's customer charges, by meter size, showing all direct and indirect costs included.

RESPONSE

Please refer to the 'RS1-j Attachment' for the detailed cost analysis that supports the Company's customer charges. The attached also includes the cost of service by cost function.

THE YORK WATER COMPANY
WASTEWATER OPERATIONS

CALCULATION OF CUSTOMER COSTS

Cost Function (1)	Cost of Service (2)	Number of Units (3)		Cost Per Unit (4)	Cost Per Unit Per Month (5)
Customer Facilities	\$ 346,285	115,211	3/4-inch Equivalents	\$ 3.01	\$ 0.25
Customer Accounting	<u>88,404</u>	101,076	Bills	0.87	<u>0.87</u>
Subtotal	434,689				1.12
I&E Allocated to Customer Function	<u>3,348,881</u>	115,211	3/4-inch Equivalents	29.07	<u>2.42</u>
Total	<u><u>\$ 3,783,570</u></u>				<u><u>\$ 3.54</u></u>

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	I&I (5)	Customer Facilities (6)	Customer Accounting (7)
OPERATION AND MAINTENANCE EXPENSES						
SEWAGE TREATMENT						
Salary and Wages	1	882,003	506,887	375,116	0	0
Purchased Treatment	1	2,366,268	1,359,894	1,006,374	0	0
Sludge Removal	1	288,926	166,046	122,880	0	0
Electric Expense	1	233,504	134,195	99,309	0	0
Chemicals	1	115,768	66,532	49,236	0	0
Operations - Other Expense	1	460,154	264,451	195,703	0	0
Maintenance - Other Expense	1	297,392	170,911	126,481	0	0
TOTAL SEWAGE TREATMENT EXPENSE		4,644,015	2,668,916	1,975,100	0	0
COLLECTION						
Salary and Wages	2	12,358	8,690	3,668	0	0
Materials and Supplies	2	1,599	1,124	474	0	0
Outside Services	2	190,195	133,745	56,450	0	0
TOTAL COLLECTION EXPENSE		204,152	143,560	60,592	-	-
PUMPING EXPENSE						
Sludge Removal Expense	2	21,929	15,420	6,509	0	0
Electric Expense	2	52,533	36,942	15,592	0	0
Operations and Outside Services Expense	2	16,515	11,613	4,902	0	0
Maintenance - Other Expense	2	155,030	109,017	46,013	0	0
TOTAL PUMPING EXPENSE		246,008	172,993	73,015	-	-
ADMINISTRATIVE AND GENERAL EXPENSES						
Contractual Services - Management	5	87,969	0	0	0	87,969
Customer Related	6	116,792	67,178	49,613	0	0
Employee Related	10	670,794	392,884	277,910	0	0
Other	10	(31,871)	(18,667)	(13,204)	0	0
Contractual Services		843,684	441,396	314,319	0	87,969
TOTAL A & G EXPENSE		5,937,858	3,426,864	2,423,026	0	87,969
Total Operation & Maintenance Expenses						

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	I&I (5)	Customer Facilities (6)	Customer Accounting (7)
DEPRECIATION EXPENSE						
Structures and Improvements - Pumping	2	74,079	52,092	21,987	0	0
Structures and Improvements - Treatment	3	412,453	237,037	175,416	0	0
Structures and Improvements - General Plant	10	2,245	1,315	930	0	0
Power Generation Equipment	2	47,527	33,421	14,106	0	0
Force Mains	3	32,579	18,723	13,856	0	0
Gravity Mains	3	567,620	326,211	241,409	0	0
Manholes	3	63,068	36,245	26,823	0	0
Customer Service Lines	4	94,960	0	0	94,960	0
	2	1,431	1,006	425	0	0
	1	2,450	1,408	1,042	0	0
	2	37,782	26,568	11,214	0	0
Pumping Equipment	3	252,859	145,318	107,541	0	0
Treatment Equipment	2	2,839	1,996	843	0	0
Outfall Sewer Lines	10	4,964	2,907	2,057	0	0
Office Furniture and Equipment	10	53,454	31,308	22,146	0	0
Transportation Equipment	10	1,303	763	540	0	0
Tools, Shop, and Garage Equipment	1	1,920	1,103	817	0	0
Laboratory Equipment	10	77,506	45,395	32,111	0	0
SCADA	10	5,101	2,988	2,113	0	0
Miscellaneous Equipment						
Total Depreciation Expense		1,736,140	965,806	675,373	94,960	0
Amortization Expense	8	27,489	15,099	10,951	1,438	0
General Price Level Adjustments	9	0	0	0	0	0
Taxes Other Than Income						
Utility Reg Assessment Fee	9	84,551	47,661	33,964	2,325	600
Property Taxes	8	60,720	33,353	24,191	3,176	0
Payroll Taxes	6	(3,753)	(2,159)	(1,594)	0	0
Total Taxes, Other Than Income		141,518	78,856	56,561	5,501	600
Total Operating Expense		7,843,004	4,486,625	3,165,911	101,898	88,569
Income Taxes	8	304,033	167,005	121,127	15,901	0
Utility Income Available for Return	8	4,381,003	2,406,485	1,745,392	229,126	0
Total Cost of Service		12,528,041	7,060,116	5,032,430	346,926	88,569

THE YORK WATER COMPANY
WASTEWATER OPERATIONS
COST OF SERVICE FOR THE TWELVE MONTHS ENDING FEBRUARY 28, 2027, ALLOCATED TO COST FUNCTIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Flow (4)	I&I (5)	Customer Facilities (6)	Customer Accounting (7)
Less: Other Revenues	9	23,299	13,134	9,359	641	165
Total Cost of Service Related to Sales of Wastewater Services		<u>12,504,742</u>	<u>7,046,982</u>	<u>5,023,071</u>	<u>346,285</u>	<u>88,404</u>
RATE BASE						
Organization	10	3,272	1,916	1,356	0	0
Land - Collection	2	203,176	142,873	60,303	0	0
Land - Pumping	2	350,595	246,538	104,057	0	0
Land - Treatment	1	471,074	270,726	200,348	0	0
Structures and Improvements - Pumping	2	1,729,789	1,216,388	513,401	0	0
Structures and Improvements - Treatment	1	14,331,639	8,236,393	6,095,246	0	0
Structures and Improvements - General Plant	2	59,915	42,132	17,783	0	0
Power Generation Equipment	2	933,163	656,200	276,963	0	0
Force Mains	3	1,147,964	659,735	488,229	0	0
Gravity Mains	3	20,162,526	11,587,404	8,575,122	0	0
Manholes	3	2,361,606	1,357,215	1,004,391	0	0
Customer Service Lines	4	2,864,440	0	0	2,864,440	0
Flow Measuring Equipment	2	24,785	17,429	7,356	0	0
Receiving Wells	1	42,432	24,386	18,046	0	0
Pumping Equipment	2	740,988	521,063	219,925	0	0
Treatment and Disposal Equipment	1	10,772,166	6,190,764	4,581,402	0	0
Outfall Sewer Lines	2	(2,110,503)	(1,484,106)	(626,397)	0	0
Office Furniture and Equipment	10	20,397	11,947	8,450	0	0
Transportation Equipment	10	76,934	45,060	31,874	0	0
Tools, Shop and Garage Equipment	10	23,824	13,954	9,870	0	0
Laboratory Equipment	1	33,219	19,091	14,128	0	0
SCADA	10	520,917	305,101	215,816	0	0
Miscellaneous Equipment	10	45,249	26,502	18,747	0	0
TOTAL SEWER UTILITY PLANT IN SERVICE		<u>54,809,567</u>	<u>30,108,711</u>	<u>21,836,416</u>	<u>2,864,440</u>	<u>0</u>
Other Rate Base Items:						
Taxes on Deposits for CIAC	7	16,860	9,261	6,717	882	0
Acquisition Adjustment	7	201,051	110,437	80,099	10,515	0
Deferred, Accrued and Prepaid Taxes	7	(342,097)	(187,914)	(136,291)	(17,892)	0
Total Other Rate Base Elements		<u>(124,187)</u>	<u>(68,216)</u>	<u>(49,476)</u>	<u>(6,495)</u>	<u>0</u>
Total Original Cost Measure of Value		<u>54,685,380</u>	<u>30,040,495</u>	<u>21,786,940</u>	<u>2,857,945</u>	<u>0</u>

THE YORK WATER COMPANY
RESPONSES TO RATE STRUCTURE
AND COST OF SERVICE FILING REQUIREMENTS

RS2. Provide a listing of negotiated special rate contracts which includes a comparison of revenues under special rate contracts and under tariff rates. Provide the cost of service treatment of any deficiency in revenues resulting from the negotiated special rate contracts.

RESPONSE

There are no negotiated special rate contracts that are not under a tariff rate.