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October 27, 2025

Via eFiling

Matthew L. Homsher, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: Securities Certificate of **The Pittsburgh Water and Sewer Authority d/b/a Pittsburgh Water** for the issuance of Indebtedness in an amount not to exceed \$170,000,000
Docket No. S-2025-

Dear Secretary Homsher:

On behalf of The Pittsburgh Water and Sewer Authority d/b/a Pittsburgh Water (“Pittsburgh Water”), enclosed please find a request to register the above-described Securities Certificate. The filing fee of \$350.00 is being made by ePay.

By this letter, Pittsburgh Water voluntarily extends the consideration period in the above referenced matter to December 19, 2025 so as to allow consideration at the public meeting scheduled for December 18, 2025.

If you have any questions regarding this filing, please contact me at your convenience.

Sincerely,



Carl R. Shultz

CRS/jls

Enclosure

cc: Marc Hoffer (via email only)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Securities Certificate of : **Securities Certificate**
The Pittsburgh Water & Sewer Authority :
d/b/a Pittsburgh Water for the issuance of : Docket No. S-2025-_____
Indebtedness in an amount not to exceed :
\$170,000,000 :
: :
: :
: :

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Chapter 19 of the Public Utility Code (as amended), The Pittsburgh Water & Sewer Authority d/b/a Pittsburgh Water (“Pittsburgh Water” or “Authority”) hereby requests that this Honorable Commission register this Securities Certificate, and in support thereof states as follows:

1. For purposes of this matter the name and mailing address of the “public utility”¹ filing this Securities Certificate are:

The Pittsburgh Water & Sewer Authority d/b/a Pittsburgh Water
1200 Penn Avenue
Pittsburgh, PA 15222

2. The name and address of the Authority’s attorney are:

Carl R. Shultz, Esquire
Bryce R. Beard, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
717.237.6000
cshultz@eckertseamans.com
bbeard@eckertseamans.com

¹ Chapter 32 was added to the Public Utility Code by Act 65 of 2017. Chapter 32 provides, *inter alia*, that unless otherwise provided in Chapter 32, the provisions of the Public Utility Code, except Chapters 11 (relating to certificates of public convenience) and 21 (relating to relations with affiliated interests), shall apply to the Authority in the same manner as a public utility. 66 Pa.C.S. § 3202(a)(1). Chapter 32 of the Public Utility Code, 66 Pa.C.S. §§ 3201 to 3209, does not exempt the Authority from compliance with the requirements of Chapter 19 of the Public Utility Code addressing securities and obligations. *See Implementation of Chapter 32 of the Public Utility Code; RE: Pittsburgh Water And Sewer Authority*, Docket Nos. M-2018-2640802 and M-2018-2640803, Tentative Implementation Order entered January 18, 2018, at p. 29.

3. The brief corporate history of the Authority is:

The Authority is a body politic and corporate, organized and existing under the Pennsylvania Municipalities Authorities Act.² The Authority was established by the City of Pittsburgh (“City”) in 1984. It originally functioned as a financing authority. Since 1995, Pittsburgh Water has functioned as an operating authority. As an operating authority, Pittsburgh Water assumed responsibility from the City for management, operation, maintenance, and improvement of virtually the entire City water supply, distribution, and wastewater collection systems.³ In 2009, the Authority acquired the water system of the Borough of Millvale.

Pittsburgh Water provides water and sewer service to more than 500,000 customers throughout the City and surrounding areas. Pittsburgh Water is the largest combined water, sewer and stormwater authority in Pennsylvania producing an average of 66 million gallons of water daily. In addition, Pittsburgh Water provides bulk water sales to Reserve Township, Fox Chapel Borough, and Aspinwall Borough, along with being interconnected to several other regional water systems for emergency purposes. The sewer collection system is primarily a combined collection system that serves the entire City. It also serves as a conveyance system for portions of flows from 24 neighboring municipal communities. The wastewater collected by the Pittsburgh Water system is conveyed to the Allegheny County Sanitary Authority (ALCOSAN) for treatment.

4. Control of the Authority:

The Authority is an independent agency of the Commonwealth.⁴ Although the City has a role in the creation (and continued existence) of the Authority, including the appointment of

² 53 Pa.C.S. § 5601, *et seq.*

³ Pittsburgh Water also has a robust stormwater and green infrastructure program comprised of engineers, project managers, and consultants managing several active green infrastructure projects throughout the City.

⁴ *Commonwealth v. Erie Metropolitan Transit Auth.*, 281 A.2d 882 (Pa. 1971) (“[t]his Court has consistently held that municipal authorities are not the creatures, agents, or representatives of the municipalities which organize them, but rather are ‘independent agencies of the Commonwealth, and part of its sovereignty,’” *quoting Whitemarsh Twp. Auth. v. Elwert*, 196 A.2d 843 (Pa. 1964)); *Simon Appeal*, 184 A.2d 695 (Pa. 1962) (*citing Commonwealth ex rel. McCreary v. Major*, 22 A.2d 686 (Pa. 1941), it was held that a member of a board of a municipal authority created under the act of 1935 was a public official by reason of the fact that such entity is an independent agency of the Commonwealth and part of the sovereignty of the state); *Rhoads v. Lancaster Parking Auth.*, 520 A.2d 122, 126 (Pa. 1987) (“Municipal authorities are independent corporate agents of the Commonwealth, which exercise governmental, as well as private corporate power, in assisting the Commonwealth in meeting the needs of its citizens”); *Bristol Twp. Water Auth. v. Lower Bucks County Joint Mun. Auth.*, 567 A.2d 1110 1113, (Pa. Cmwlth. 1989) (“[h]owever, as noted above, an authority which has been incorporated under the Act becomes an independent Commonwealth agency not subject to the control of the incorporating township”); *White Rock Sewage Corp. v. Pa. Pub. Util. Comm’n.*, 578 A.2d 984, 987 (Pa. Cmwlth. 1990) (“[m]unicipal authorities are not creatures, agents, or representatives of municipalities, which organize them, but rather are independent agencies of the Commonwealth and a part of its sovereignty” *quoting Highland Sewer & Water Auth. v. Engelbach*, 220 A.2d 390 (Pa. Super. 1966); *Lehigh-Northampton Airport Auth. v. Lehigh County Bd. of Assessment Appeals*, 889 A.2d 1168, 1176 (Pa. 2005) (the “fundamental nature” of a municipal authority is that of “a corporate agency of the state, and not a child of a municipality”).

the members of the Authority's Board,⁵ the Authority is not a part of the City itself. The Authority is a separate legal entity with power to incur debt, own property and finance its activities.⁶ It is not the agent or representative of the City.

5. The long-term debt will be issued as Water and Sewer System First Lien or Subordinate Lien Revenue Bonds, Series A of 2026 Bonds (hereinafter called "2026 A Bonds,") issued and secured under the Senior or Subordinate Trust Indenture in an aggregate outstanding principal amount not to exceed \$170,000,000.

The material terms of the **2026 A Bonds** are as follows:

(a) TITLE OF SECURITY:

Water and Sewer System First Lien or Subordinate Revenue Bonds, Series A of 2026

(b) AGGREGATE PRINCIPAL AMOUNT TO BE ISSUED:

Aggregate outstanding principal amount not to exceed \$170,000,000.

(c) EXPECTED DATE OF ISSUE:

On (or about) February 27, 2026.⁷

(d) DATE OF MATURITY:

Principal pays annually on September 1st. The final maturity is expected to be approximately thirty (30) years after the date of issue, which based on the expected date of issuance, would be September 1, 2056.

(e) INTEREST RATE AND PAYMENT DATES:

The Series 2026 A Bonds will be issued as fixed interest rate revenue bonds. The final interest rate will be based on market conditions at the time of issuance and will not exceed 7.0%. Based on the expected date of issuance, interest payment dates are March 1 and September 1 of each year and are expected to begin September 1, 2026.

(f) EXTENT TO WHICH TAXES ON SECURITIES ARE ASSUMED BY ISSUER:

⁵ See 53 Pa.C.S. § 5610.

⁶ See, e.g., 53 Pa.C.S. § 5607(a), 5607(d)(12).

⁷ This is an expected date of issuance. Dates herein are based upon this expected date of issue. If the actual date of issuance varies (earlier or later) from the expected date of issuance, the dates herein will change accordingly. However, it should be noted that the term of this issuance will remain the same.

None.

(g) CALLABILITY AND CONVERSION PROVISIONS:

The Authority will determine the call options based on market conditions and the investor preferences at the time of issuance.

(h) MAINTENANCE AND DEPRECIATION PROVISIONS:

The maintenance and depreciation requirements will be in accordance with the Trust Indenture.

(i) SINKING OR OTHER FUND PROVISIONS:

To the extent that any of the 2026 A Bonds are sold as term bonds, the sinking fund schedule for the 2026 A Bonds will be determined by market conditions at the time of issuance. Any 2026 A Bonds sold as term bonds will include mandatory sinking fund installments on September 1 and will be subject to mandatory sinking fund redemption in annual amounts in advance of the stated maturity.

(j) INDENTURE:

The 2026 A Bonds will be issued under and secured by the Trust Indenture, on a parity with the other first lien Bonds of the Authority, issued pursuant to the additional bond provisions of the Trust Indenture or under and secured by the Subordinate Indenture, on a parity with certain other Subordinate Bonds of the Authority, issued or to be issued pursuant to the additional bond provisions of the Subordinate Indenture.

(k) NAME AND ADDRESS OF TRUSTEE:⁸

The Bank of New York Mellon Trust Company, N.A.
500 Ross Street 12th Floor
Pittsburgh, PA 15262

⁸ The Trustee is **not** affiliated with the Authority.

The following are the expenses which the Authority estimates it will incur in connection with the issuance of its Bonds:

Series	2026 A Bonds
Legal Fees	\$150,000
Financial Advisor Fees	\$129,200
Rating Agency Fees	\$200,000
Bond Underwriting	\$420,000
Bond Insurance and Debt Service Reserve Fund Surety Policy Premiums	\$400,000
Trustee and Counsel Fees	\$50,000
Miscellaneous Costs	\$20,000
Total Estimated Expenses:	\$1,369,200

6. For the proposed 2026 A Bonds, the Authority expects to issue fixed rate water and sewer revenue bonds that generate net proceeds not to exceed \$170,000,000 to 1) repay all or a portion of the Authority’s existing capital line of credit with PNC Bank, 2) fund a project fund for the purpose of financing capital improvements, and 3) cash fund the debt service reserve requirements at the time the bonds are issued.

7. No registration statement, application or declaration has been filed or will be filed with the Securities and Exchange Commission with respect to the Authority’s Bonds herein proposed to be issued because none is required.

8. The following exhibits are appended hereto and made part hereof:

Exhibit A⁹ **Balance Sheet**

Exhibit B⁹ **Income Statement**

Exhibit C **Statement with Respect to Utility Plant Accounts**

⁹ Pittsburgh Water is requesting a waiver of time period in Commission’s regulations to the extent that Pittsburgh Water’s audited balance sheet and income statement are not within the time period in the Commission’s regulations. The attached are the most recent audited balance sheet and income statement of Pittsburgh Water. Pittsburgh Water operates on a fiscal year (FY) basis with years running (operating) from January through December. Pittsburgh Water’s audited balance sheet and income statement are shown on an accrual basis. Pittsburgh Water only creates audited balance sheets or income statements on an annual basis. The most recent audited balance sheet and income statement are for 2024. Audited documents are not created quarterly. Pittsburgh Water unaudited balance sheet and income statement exist on a cash-basis and are provided to the Commission on a quarterly basis. Pittsburgh Water is not (at this time) filing a separate petition for waiver of the time periods in 52 Pa.Code § 3.601(c)(9). If a separate waiver petition/request is necessary, please let us know and Pittsburgh Water will file an additional petition/request.

Exhibit D	[Not Applicable]
Exhibit E	Statement showing the Status of Long-Term Debt Outstanding
Exhibit F	[Not Applicable]
Exhibit G	[Not Applicable]
Exhibit H	[Not Applicable]
Exhibit I	Board Resolutions
Exhibit J	[Not available - Proposed Security Not Selected Yet]
Exhibit K	Pro Forma Entries
Exhibit L	Verification of Edward J. Barca

WHEREFORE, The Pittsburgh Water & Sewer Authority prays your Honorable Commission to register this Securities Certificate pursuant to Chapter 19 of the Public Utility Code (as amended) **on or before the last public meeting to be held in December, currently scheduled for December 18, 2025.**

Respectfully submitted,

/S/ Carl R. Shultz

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cshultz@eckertseamans.com

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Counsel for
The Pittsburgh Water & Sewer Authority d/b/a
Pittsburgh Water

PITTSBURGH WATER

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2024 AND 2023

	2024	2023
Assets		
<hr/>		
Current assets:		
Cash and cash equivalents	\$ 80,119	\$ 67,966
Accounts receivable, net:		
Water:		
Billed	17,610	16,235
Unbilled	12,474	9,950
Total water	30,084	26,185
Wastewater treatment:		
Billed	4,040	3,325
Unbilled	5,325	4,144
Total wastewater treatment	9,365	7,469
Other receivables	7,825	8,683
Total accounts receivable, net	47,274	42,337
Prepaid expenses	3,298	2,080
Inventory	3,667	2,702
Total current assets	134,358	115,085
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	22,388	20,393
Investments	10,145	10,266
Total restricted assets	32,533	30,659
Hedging derivative - interest rate swap	18,025	12,896
Capital assets, not being depreciated	296,367	244,278
Capital assets, net of accumulated depreciation/amortization	1,044,694	961,742
Total noncurrent assets	1,391,619	1,249,575
Total Assets	1,525,977	1,364,660
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Deferred Outflows of Resources		
Deferred charge on refunding	58,064	63,130
Total Deferred Outflows of Resources	58,064	63,130

(Continued)

The notes to financial statements are an integral part of this statement.

PITTSBURGH WATER

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2024 AND 2023

(Continued)

	2024	2023
Liabilities		
Current liabilities:		
Bonds, loans, and leases/subscriptions payable	48,719	43,924
Accrued payroll and related obligations	1,065	1,024
Accounts payable wastewater treatment	25,088	22,418
Accounts payable and other accrued expenses	29,349	24,794
Accrued interest payable from restricted assets	13,707	13,977
Total current liabilities	117,928	106,137
Noncurrent liabilities:		
Unearned revenue	121	121
Accrued payroll and related obligations	193	274
Bonds, loans, and leases/subscriptions payable, net	1,325,520	1,224,625
Total noncurrent liabilities	1,325,834	1,225,020
Total Liabilities	1,443,762	1,331,157
Deferred Inflows of Resources		
Accumulated increase in fair value of hedging derivatives	18,025	12,896
Net Position		
Net investment in capital assets	75,822	50,040
Restricted	22,027	20,924
Unrestricted	24,405	12,773
Total Net Position	\$ 122,254	\$ 83,737

(Concluded)

The notes to financial statements are an integral part of this statement.

PITTSBURGH WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Operating Revenues:		
Residential, commercial, and industrial sales	\$ 244,201	\$ 207,487
Wastewater treatment	95,582	87,791
Other	4,204	3,438
Total operating revenues	343,987	298,716
Operating Expenses:		
Direct operating expenses	113,106	116,056
Wastewater treatment	96,745	90,060
Reimbursement for City of Pittsburgh indirect services	3,191	4,073
Expense of water provided by other entities	171	164
Depreciation and amortization	35,172	33,096
Total operating expenses	248,385	243,449
Operating Income	95,602	55,267
Non-operating Revenues (Expenses):		
Federal and private grants	12,486	11,901
Interest revenue	2,229	1,890
Interest and amortization	(46,604)	(43,210)
Bond issuance costs	-	(1,917)
Total non-operating revenues (expenses)	(31,889)	(31,336)
Net Income before Capital Contribution and Special Item	63,713	23,931
Capital Contribution:		
Donated property	2,959	3,168
Special Item:		
Private lead line replacement, net	(28,155)	(7,894)
Net Income (Loss)	38,517	19,205
Net Position:		
Beginning of year	83,737	64,532
End of year	\$ 122,254	\$ 83,737

The notes to financial statements are an integral part of this statement.

**Pittsburgh Water
Utility Plant in Service Net of Accumulated Depreciation
As of December 31, 2024**

Cost Center	Sum of Acquisition Value	Sum of Accumulated Depreciation	Sum of Book Value
Chief Executive Office - CC100	\$ 932,245	\$ (420,055)	\$ 512,190
Customer Service - CC101	377,407	(301,345)	76,062
Technology Services - CC102	11,801,520	(5,427,368)	6,374,152
Finance - CC103	2,400,320	(321,438)	2,078,882
Legal - CC105	11,940	(3,554)	8,386
Safety & Security - CC106	111,168	(10,921)	100,246
Warehouse - CC107	3,714,543	(2,495,164)	1,219,380
Engineering & Construction - CC109	1,596,838	(1,029,464)	567,375
Environmental Compliance - CC110	26,675	(7,939)	18,736
Laboratory - CC200	685,375	(400,718)	284,657
Water Treatment Plant - CC201	188,485,546	(59,118,380)	129,367,166
Water Operations - CC202	688,003,855	(188,456,409)	499,547,446
Wastewater Operations - CC300	542,442,350	(177,616,540)	364,825,810
Stormwater - CC400	35,118,391	(800,661)	34,317,730
Grand Total	\$ 1,475,708,174	\$ (436,409,955)	\$ 1,039,298,219

Pittsburgh Water Debt Summary

Outstanding Bonds and Loans Payable (\$000's)

As of October 1, 2025



	A	B	C	D	E	F	G	H
Senior Lien								
Series Name	Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding	Coupon Rate / Bank Index	Fixed Rate Swap (Paid)	Variable Swap Rate (Received)	Net Rate
Series B of 1998 ¹	Mar-1998	9/1/2030	\$ 36,440	\$ 80,915	5.18%	N/A	N/A	N/A
Series 2017A	Dec-2017	9/1/2032	159,795	50,655	3.00%-5.00%	N/A	N/A	N/A
Series 2017C-1 (JPM Swap) ²	Dec-2017	9/1/2039	72,748	72,748	70% SOFR + .80%	3.7835%	70% SOFR + .8014%	3.7826%
Series 2017C-3 (JPM Swap) ²	Dec-2017	9/1/2040	71,225	71,225	70% SOFR + .80%	3.8255%	70% SOFR + .8014%	3.8246%
Series 2017C-4 (Unhedged) ³	Dec-2017	9/1/2035	2,085	2,082	70% SOFR + .80%	N/A	N/A	3.5000%
Series 2019A	July-2019	9/1/2044	109,855	94,200	5.00%	N/A	N/A	N/A
Series 2020B	Dec-2020	9/1/2050	91,520	85,385	3.00%-5.00%	N/A	N/A	N/A
Series 2022A	Nov-2022	9/1/2052	44,550	43,800	5.00%-5.50%	N/A	N/A	N/A
Series 2023A	July-2023	9/1/2053	106,075	103,545	4.250-5.00%	N/A	N/A	N/A
Series 2023B	July-2023	9/1/2040	144,530	130,000	5.00%	N/A	N/A	N/A
Series 2025A	Jan-2025	9/1/2055	129,220	129,220	5.00%-5.25%	N/A	N/A	N/A
Total Senior				\$ 863,775				
Subordinate Lien								
Series Name	Date of Issue	Final Maturity	Issue Size	Outstanding Principal	Coupon Rate / Bank Index	Fixed Rate Swap (Paid)	Variable Swap Rate (Received)	Net Rate
WIFIA ID-No. 20140PA	May-2023	9/1/2060	52,476	20,057	3.98%	N/A	N/A	N/A
Series 2019B	July-2019	9/1/2035	104,290	104,290	4.00%-5.00%	N/A	N/A	N/A
Series 2025B	Jan-2025	9/1/2043	12,825	12,825	5.00%	N/A	N/A	N/A
Total Subordinate				\$ 137,172				
Third Lien								
Series Name	Date of Issue	Final Maturity	Issue Size	Outstanding Principal	Coupon Rate / Bank Index	Fixed Rate Swap (Paid)	Variable Swap Rate (Received)	Net Rate
Pennvest Loans	Various	12/1/2057	622,634	276,150	1.00% - 2.97%	N/A	N/A	N/A
PNC Capital Line of Credit	June-2025	6/23/2028	150,000	15,000				
Total Third				\$ 291,150				

¹ Capital Appreciation Bond with the accreted value as of 10/10/2025.

² Represents the portion of the Series C of 2017 which is connected to certain swap agreements.

³ Net rate is assumed of 3.50% for the purposes of this summary.

**THE PITTSBURGH WATER AND SEWER AUTHORITY
RESOLUTION NO. 90 OF 2025**

**AUTHORIZING THE ISSUANCE OF 2026 DEBT AND AUTHORIZING OTHER
MATTERS RELATED TO THE FOREGOING**

WHEREAS, The Pittsburgh Water and Sewer Authority d/b/a Pittsburgh Water (the “Authority”) is a body corporate and politic duly created and existing under the Pennsylvania Municipality Authorities Act, 53 Pa. C.S.A. § 5601 et seq.; and

WHEREAS, the Authority has three levels of indebtedness:

- (a) First lien senior debt in the outstanding principal amount of \$863,774,583 issued under an Amended and Restated Trust Indenture dated as November 1, 2017, and effective on December 28, 2017 (the “Original Senior Indenture”), as amended and supplemented by supplemental indentures (the “Existing Senior Indenture”); and
- (b) Second lien subordinate debt issued under a Subordinate Trust Indenture dated as of July 15, 1995 between the Authority and the Trustee, as successor trustee, as amended and supplemented by the 2019-1 Supplemental Subordinate Indenture constituting the Amended and Restated Subordinate Trust Indenture dated as of July 1, 2019 (the “Original Subordinate Indenture”), as amended and supplemented by supplemental indentures (the “Existing Subordinate Indenture”), consisting of revenue bonds, Series B of 2019 (\$104,290,000 outstanding principal amount), Series B of 2025 (\$12,825,000 outstanding principal amount), and a loan from the Environmental Protection Agency (WIFIA Bond Replacement Project 1, WIFIA ID No. 20140PA) under the federal Water Infrastructure Finance and Innovation Act (\$52,475,722 estimated principal amount); and
- (c) Third lien subordinate debt consisting of various loans from the Pennsylvania Infrastructure Investment Authority in the outstanding principal amount of approximately \$276,150,000 and a capital line of credit revenue note, Series of 2025 in favor of PNC Bank, N.A. (the “2025 PNC Note”) in the maximum principal amount of \$150,000,000; and

WHEREAS, the Authority desires to approve the following financing to issue new, tax-exempt, fixed rate debt in the form of Water and Sewer [First Lien or Subordinate] Revenue Bonds, Series of 2026 (the “2026 Bonds”) the proceeds of which will be used to establish a project fund for the purpose of financing capital improvements (such project is the “Capital Project”) and will pay down all or a portion of the outstanding principal amount under the capital line of credit evidenced by the 2025 PNC Note (such project is the “PNC Paydown Project,” and together with the Capital Project, the “Projects”) thereby providing long-term financing for the Authority’s capital projects; and the proceeds of the 2025 PNC Note were expended on capital improvements to the Authority’s water, sewer and stormwater facilities including the water treatment plant, water pumping and storage facilities, water distribution facilities, and wastewater and stormwater facilities having useful lives in excess of forty years; and

WHEREAS, the debt to be incurred in connection with the financing described above is referred to herein as the “2026 Debt” which may include bonds, notes or other debt instruments in one or more series (the “2026 Debt Instruments”); and

WHEREAS, in connection with the financing described above and the 2026 Debt, the Authority may enter into one or more supplements to the Existing Senior Indenture and the Existing Subordinate Indenture (collectively, the “Supplemental Indentures”); and

WHEREAS, in connection with the financing described above and the 2026 Debt, the Authority may procure or enter into and adjust insurance policies and surety policies and insurance-related agreements related to the 2026 Debt and to fund debt service reserve fund requirements (the “Insurance Documents”); and

WHEREAS, in connection with the financing described above and the 2026 Debt, the Authority may enter into agreements or amendments to agreements with credit or liquidity facility providers (the “Facility Documents”); and

WHEREAS, in connection with the financing described above and the 2026 Debt, the Authority may enter into escrow agreements related to the 2026 Debt and purchase necessary securities relating thereto, which agreements shall irrevocably authorize the escrow agent to take such action as is necessary to effect the applicable financing (the “Escrow Documents”); and

WHEREAS, in connection with the sale of the 2026 Debt, the Authority may enter into bond purchase agreements (including, but not limited to, forward delivery bond purchase agreements), loan agreements, continuing covenant agreements or similar agreements, continuing disclosure agreements and related documents authorizing the sale and delivery of the 2026 Debt to specified purchasers at specified prices (the “Sale Documents”); and

WHEREAS, in connection with the sale of the 2026 Debt, the Authority may utilize preliminary official statements, official statements, private placement memoranda, disclosure dissemination agreements and other disclosure documents (the “Disclosure Documents”); and

WHEREAS, in connection with the sale of the 2026 Debt, the Authority may execute and deliver a federal tax certificate and other tax-related documents (the “Tax Documents”); and

WHEREAS, in connection with the sale of the 2026 Debt, the Authority may enter into other documents related to the 2026 Debt (the “Related Documents”) in order to effectuate the financing (the 2026 Debt Instruments, the Supplemental Indentures, the Insurance Documents, the Facility Documents, the Escrow Documents, the Sale Documents, the Disclosure Documents, the Tax Documents and the Related Documents, and all other documents related to such documents, are referred to herein as the “Financing Documents”); and

WHEREAS, the Authority desires to approve the financing of the Projects and the incurrence of the 2026 Debt, and related matters; and

WHEREAS, in connection with the approvals and actions authorized hereunder, each of the following officers is an “Authority Authorized Officer”: the Chair, the Vice Chair, the Chief

Executive Officer, the Chief Financial Officer, the Director of Finance and the Deputy Director of Finance.

NOW, THEREFORE, The Pittsburgh Water and Sewer Authority hereby resolves as follows:

1. Approval of Projects. The Authority approves the Projects. Any Authority Authorized Officer is authorized to approve the incurrence of the 2026 Debt, within the parameters set forth in this Resolution, with respect to any of the Projects.

2. Approval of 2026 Debt. In order to fund the Projects, the Authority approves the issuance of the 2026 Bonds in a principal amount not to exceed \$170,000,000, with fixed interest rates not to exceed 7.00% per annum, and with a final maturity date not later than September 1, 2056. Such 2026 Bonds may be issued pursuant a Supplemental Indenture related to the Existing Senior Indenture or the Existing Subordinate Indenture. Such 2026 Bonds shall be in such series and be subject to redemption as provided in the applicable Supplemental Indenture; if not issued in 2026, the series designation may be adjusted by an Authority Authorized Officer.

3. Execution of Documents. Any Authority Authorized Officer, upon the advice of the Authority's duly-appointed legal advisors, and in consultation with Public Resources Advisory Group, the Authority's financial advisor, is hereby authorized to execute any and all certificates, forms, debt and other instruments and documents necessary to implement the provisions of this Resolution, including, but not limited to the issuance of the 2026 Debt and the Financing Documents, all in such form as approved by the Authority's duly-appointed legal advisors and the Authority Authorized Officer executing the same, with such changes therein as the Authority Authorized Officer executing the same may approve, his or her approval to be conclusively evidenced by his or her execution thereof. The Secretary or Assistant Secretary of the Authority, if required, is hereby authorized to affix the seal of the Authority to any such Financing Documents and to attest the same when so executed. Said Authority Authorized Officers or any of them are hereby authorized and directed to deliver the Financing Documents to the parties thereto. Any Authority Authorized Officer is authorized to "deem final" any Disclosure Document related to the 2026 Debt. The Authority requests the Trustee under the Existing Senior Indenture or the Existing Subordinate Indenture to execute any required Supplemental Indentures.

4. No Liability. No covenant, stipulation, obligation or agreement contained in this Resolution, the Financing Documents, or other related and appropriate documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Authority in his or her individual capacity and neither the members, directors, officers, agents or employees of the Authority nor any officer executing the Financing Documents shall be liable personally on the Financing Documents or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

5. Filing with the Pennsylvania Public Utility Commission. Any Authority Authorized Officer is hereby authorized to execute and file with the Pennsylvania Public Utility Commission any required securities certificate with respect to the 2026 Debt and any required Financing Documents and related matters and to execute such amendments and take such further action as is necessary or appropriate to secure the registration of such securities certificate.

6. Payment of Costs. Any Authority Authorized Officer is hereby authorized, directed and empowered on behalf of the Authority to approve all costs, if any, relating to the implementation of the provisions of this Resolution and to pay such costs from available moneys of the Authority or proceeds of the 2026 Debt.

7. Authorizing Incidental Actions; Ratification. Any Authority Authorized Officer is hereby authorized, directed and empowered on behalf of the Authority to do or cause to be done any and all acts and things and execute and deliver all documents necessary or appropriate for the carrying out of the provisions of this Resolution. All actions taken by any officers to date relative to the accomplishment of the purposes contemplated herein are hereby ratified.

8. Invalid Provisions. In the event any provision, section, sentence, clause or part of this Resolution is determined by a court of competent jurisdiction to be invalid and unenforceable, such determination shall not affect the validity or effect of the remaining provisions hereof.

9. Rescinding Inconsistent Resolutions. All resolutions or parts of resolutions inconsistent herewith, be and the same hereby are rescinded, canceled and annulled.

10. Effective Date. This Resolution shall be immediately effective upon adoption.

I, the undersigned officer of The Pittsburgh Water and Sewer Authority, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly adopted by the Board of the Authority at a public meeting of the Authority held the 24th day of October, 2025, after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting and is now in full force and effect on the date of this certification.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this 24th day of October, 2025.

**DULY ADOPTED AT A REGULAR
MEETING OF THE PITTSBURGH
WATER AND SEWER AUTHORITY
HELD ON OCTOBER 24, 2025.**



Secretary

Proposed Security not Selected Yet

Pittsburgh Water

Statement Showing, in Journal Entry Form, All Charges and Credits
to be Made on the Books of Account to Give Effect to
the Proposed issuance not in Excess of
\$170,000,000 Aggregate Principal Amount of Debt Securities

Account

Journal Entry 1

2805 Capital Long Term Debt Payable
2800 Bond - Long Term Debt Payable

To refund the revolving line of credit and/or issue a project fund with revenue bond proceeds.

VERIFICATION

I, Edward J. Barca, am the Director of Finance for The Pittsburgh Water & Sewer Authority d/b/a Pittsburgh Water, and I hereby state that the facts set forth in the foregoing **Securities Certificate** are true and correct to the best of my knowledge, information and belief and that I expect the Authority to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to sworn falsification to authorities).



Edward J. Barca, Director of Finance
Pittsburgh Water

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-1 Previous registration balances. Provide docket numbers, initial registration amount, issuances by type, amount and date and current remaining balance. Plans for these balances vis-à-vis the current registration.

Response:

Docket No.	Initial Registration Amount	Issuance Amount/Balance	Issue Date
S-2018-3003524	\$150,000,000	\$62,500,000	October 1, 2018
S-2019-3007162	\$35,441,231	\$35,441,231	March 7, 2019
S-2019-3008797	\$305,000,000	\$214,145,000	May 9, 2019
S-2020-3019059	\$65,220,000	\$65,220,000	March 12, 2020
S-2020-3019507	\$300,000,000	\$150,000,000	May 21, 2020
S-2020-3022170	\$531,000,000	\$311,215,000	December 1, 2020
S-2021-3024057	\$7,750,000	\$6,088,428	May 5, 2021
S-2021-3028238	\$23,970,000	\$16,158,784	February 10, 2022
S-2021-3025592	\$35,573,550	\$30,423,822	March 10, 2022
S-2021-3029726	\$1,830,833	\$1,830,833	March 10, 2022
S-2021-3029722	\$28,282,000	\$28,282,000	April 6, 2022
S-2021-3029725	\$7,995,000	\$7,995,000	April 6, 2022
S-2022-3034057	\$209,005,329	\$209,005,329	December 6, 2022
S-2022-3032192	\$280,000,000	\$52,475,722	May 31, 2023
S-2022-3032187	\$150,000,000	\$150,000,000	June 28, 2022
S-2022-3034813	\$110,000,000	-	-
S-2022-3034614	\$125,000,000	\$44,550,000	November 17, 2022
S-2022-3036874	\$1,349,427	-	-
S-2022-3036875	\$75,529,516	\$60,432,559	July 20, 2023
S-2022-3036876	\$9,978,156	\$9,978,156	March 7, 2024
S-2022-3036877	\$46,054,410	\$46,054,410	April 13, 2023
S-2023-3038462	\$3,707,279	\$2,918,874	July 6, 2023
S-2023-3039817	\$260,000,000	\$218,805,001	July 3, 2023
S-2023-3039894	\$110,000,000	\$106,075,000	July 3, 2023
S-2023-3039890	\$100,000,000	\$81,902,891	July 3, 2023
S-2023-3041861	\$4,599,382	-	-
S-2023-3044106	\$14,605,000	\$2,906,924	February 21, 2024
S-2023-3044112	\$3,160,825	\$496,978	July 16, 2024
S-2023-3044113	\$34,159,707	\$29,995,713	July 16, 2024

**Pittsburgh Water
2026 A Bond Issuance**

S-2024-3049914	\$18,278,381	\$18,278,381	July 30, 2024
S-2024-3051512	\$150,000,000	\$129,220,000	January 25, 2025
S-2024-3051513	\$25,000,000	\$12,825,000	January 25, 2025
S-2025-3053151	\$150,000,000	\$150,000,000	June 20, 2025
S-2025-3053864	\$59,136,000	\$59,136,000	April 16, 2025
S-2025-3053935	\$62,672,221	\$62,672,221	May 20, 2025
S-2025-3053937	\$1,715,938	\$1,715,938	May 20, 2025
S-2025-3053958	\$12,962,589	\$12,962,589	July 16, 2025
S-2025-3056228	\$228,000,000	\$228,000,000	October 17, 2025
S-2025-3056763	\$11,275,597	\$11,275,597	TBD
S-2025-3056552	\$24,000,000	\$24,000,000	TBD
TBD	\$111,901	\$111,901	TBD
TBD	\$70,350,208	\$70,350,208	TBD

Response

Provided by: Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-2 What effect will this issuance have upon the capital structure of the utility.
Show calculations.

Response:

The long-term debt will be issued as Water and Sewer System First Lien or Subordinate Lien Revenue Bonds, Series A of 2026 Bonds (hereinafter called "2026 A Bonds,") issued and secured under Senior or Subordinate Trust Indenture in the aggregate outstanding principal amount not to exceed \$170,000,000.

Response

Provided by: Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-3 Current and three year projections for; (Provide details of calculation)

- Sources and Uses of Funds
- Capital Expenditures
- Ratio of Capital Expenditures to Depreciation and Amortization
- Capitalization Ratios
- Dividend payout ratio
- Interest coverage ratios – both SEC and Indenture basis

Response:

Sources and Uses of Funds

Capital Requirements	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Water Distribution	144,477,239	152,141,343	152,109,812	31,934,822	60,749,512	541,412,728
Water Pumping and Storage	69,968,434	97,542,544	103,072,979	57,549,081	-	328,133,038
Wastewater	49,401,151	48,569,271	18,845,643	12,956,679	31,296,112	161,068,856
Water Treatment Plant	17,534,390	22,116,205	5,059,256	2,084,190	7,960,735	54,754,776
Miscellaneous	12,558,165	16,250,000	6,265,500	6,250,000	6,250,000	47,573,665
Stormwater	29,489,958	7,580,760	1,999,779	1,333,333	169,014	40,572,844
Total	323,429,337	344,200,123	287,352,969	112,108,105	106,425,373	1,173,515,907

Funding Sources	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
PENNVEST	187,711,800	222,984,846	179,459,511	42,844,474	-	633,000,631
Debt (Revenue Bonds)	105,063,460	105,667,373	66,857,059	58,884,715	96,046,457	432,519,064
WIFIA	3,983,576	4,606,508	31,157,483	500,000	500,000	40,747,567
DSIC - Water	7,164,504	7,164,504	7,164,504	7,164,504	7,164,504	35,822,520
Debt (Project Fund)	14,787,331	-	-	-	-	14,787,331
DSIC - Wastewater	2,714,412	2,714,412	2,714,412	2,714,412	2,714,412	13,572,060
Private Grant	1,532,577	1,062,480	-	-	-	2,595,057
ARPA	471,677	-	-	-	-	471,677
Total	323,429,337	344,200,123	287,352,969	112,108,105	106,425,373	1,173,515,907

Capital Expenditures, Depreciation and Amortization

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Capital Expenditures	203,517,728	323,429,337	344,200,123	287,352,969	112,108,105
Depreciation & Amortization	37,067,520	41,515,622	46,497,497	52,077,197	58,326,460
Capital / Depreciation & Amortization Ratio	5.49	7.79	7.40	5.52	1.92

Capitalization Ration

Not Applicable

**Pittsburgh Water
2026 A Bond Issuance**

Dividend Payout Ratio**Not Applicable****Interest Coverage Ratio****Interest Coverage**

<u>Revenues</u>	2025	2026	2027	2028
Operating Revenue	\$ 239,681,730	313,744,110	334,542,917	360,491,262
ALCOSAN Collections	99,802,841	106,789,040	112,128,492	117,734,916
Rate Stabilization Fund	-	-	-	-
Subtotal: Revenues	\$ 339,484,571	\$ 420,533,150	\$ 446,671,409	\$ 478,226,178
Current Expenses				
Direct Operating Expenses	\$ 129,989,949	149,713,166	149,713,166	149,713,166
ALCOSAN Charges	101,502,162	109,172,088	114,630,692	120,362,227
Other Expenses and Transfers	-	10,141,426	10,141,426	10,686,671
City Co-Op Agreement Payments	(6,240,000)	(6,000,000)	(6,000,000)	(6,000,000)
Subtotal: Expenses	\$ 225,252,111	263,026,680	268,485,284	274,762,064
Revenues Available for Debt Service	\$ 114,232,460	157,506,470	178,186,125	203,464,114
Interest				
Existing Debt	\$ 48,408,148	48,136,972	48,415,254	48,661,615
Revolving Line of Credit	2,000,000	3,000,000	3,000,000	3,000,000
Proposed Debt	-	10,197,384	18,024,554	24,967,629
Total: Interest	\$ 50,408,148	61,334,356	69,439,808	76,629,244
Total Interest Coverage	2.27	2.57	2.57	2.66

Response**Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water**Dated:** October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-4 Three-year history of credit ratings – By credit rating agency and class

Response:

Senior Debt:

Moody's Underlying Rating		S&P Underlying Rating	
Rating	Date	Rating	Date
-	-	A+	12/19/2024
A2	12/16/2024	A+	05/17/2023
A3	05/22/2023	A+	03/16/2023
A3	10/20/2022	A+	10/12/2022
A3	11/5/2020	A	11/17/2020
A3	06/4/2019	A	06/6/2019
A3	10/15/2018	A	12/1/2017
A2	12/1/2017	A	09/22/2017
A2	09/18/2017	A	03/28/2017
A2	11/20/2013	A	11/25/2013

Subordinate Debt:

S&P Underlying Rating	
Rating	Date
A	12/19/2024
A	05/17/2023
A	3/16/2023
A	10/12/2022
A-	11/17/2020
A-	06/6/2019
A-	12/1/2017
A-	09/22/2017
A-	03/28/2017
A-	11/25/2013
A	08/16/2012

Response

Provided by: Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-5 Projected refinancing savings or costs, if applicable

Response: Not applicable.

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-6 Affiliated interest agreement applicable to instant registration, if financing involves an affiliate

Response: Not applicable

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-7 List all unregulated affiliates of the applicant

Response: The Authority does not have any unregulated affiliates.

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-8 List all debt for which the applicant is a guarantor of affiliated company debt instruments

Response: Not applicable

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-9 For any corporate money pool from which applicant may potentially borrow, lend or deposit excess cash to, provide;

- Commission ordered reporting requirements
- Current balances of borrowed and lent funds
- Eligible borrowing and lending entities
- Accounting for money pool transactions
- 3-year history of borrowing and lending to the pool

Response: Not applicable

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-10 Describe historical reliance by type of both corporate internal and external sources of financing

Response: The Authority relies largely on debt to finance necessary capital improvement in its water treatment and distribution, wastewater conveyance, and stormwater systems. The debt proceeds are made up of senior lien bonds issuances, subordinate lien debt, state-revolving fund (SFR) loans, Water Infrastructure Finance and Innovation Act (WIFIA) loans, and a \$150 million revolving capital line of credit.

Response
Provided by: Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-11 Where current dividend payout ratio exceeds 75 %, provide three-year history and plan for future dividend payouts.

Response: Not applicable

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-12 Where the debt to total capital ratio exceeds 55%, provide plan for managing future debt to total capital levels.

Response:

As mentioned previously, the Authority relies largely on debt to finance capital improvements. However, the Authority's Financial Management Policy establishes financial goals designed to reduce the long-term borrowing requirements of capital projects in addition to providing for maximum liquidity flexibility. This policy, along with other internal initiatives, is an effort to move the Authority from complete reliance on debt and avoid over-leveraging the system.

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-13

With respect to the purpose for which you propose to issue or assume securities;

- A. If the purpose is the purchase or construction of new facilities, or the betterment of existing facilities, provide;
1. Estimated final cost
 2. A brief description of the new facilities or betterments
 3. The date when it is expected that the purchase or construction or betterment will be completed.
 4. Estimated amount of AFUDC included in the project costs

Response:

The Authority's current CIP includes over \$1.1 billion to be spent on existing and new capital assets from 2025 to 2029. The capital plan is driven largely by regulatory requirements and critical repair. As previously stated, the revolving line of credit will be utilized to fund the projects included within the 2025 to 2029 capital improvement plan.

- B. If the purpose is to obtain working capital, explain any unusual condition which exists, or will exist, in the public utility's current assets or current liabilities, stating;
1. The approximate cost of average materials and supplies inventory which the public utility expects to carry
 2. The average time elapsing between the date when the public utility furnishes or begins a period of furnishing services to customers and the date when collection is made from customers for the service.
 3. The minimum bank balance requirements.

Response:

Not Applicable

- C. If the purpose is to refund obligations, describe obligations in detail.
1. Explain the purpose for which obligations were issued, or refer to the number of securities certificate in which the purpose appears.
 2. State whether refunding is to meet maturity, or to effect saving in interest or other annual charges; if to effect savings, state date when, and at price which obligations are to be called, and

**Pittsburgh Water
2026 A Bond Issuance**

submit statement showing savings to be effected as a result of refunding.

Response: Not applicable.

D. If the purpose is for the payment of dividends, please justify the use of funds from the registration to pay dividends.

Response: Not applicable

E. If the purpose is to fund pension obligations;

1. Provide the current Accumulated Benefit Obligation (except where no longer used consistent with FASB Statement No. 158), the projected benefit obligation, the current fair value of plan assets, and the percent that the current benefit obligation is funded.

2. Provide the annual contributions to the plan from 2006 to the present, and the projected contributions for the next five years.

3. Provide an explanation as to how compliance with the Pension Protection Act of 2006 will be accomplished.

Response: Not applicable

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-14 Reconcile total capitalization with total rate base for ratemaking purposes. Are any of the funds to be issued for a non-utility purpose? If so, please describe that purpose.

Response: Since the Authority is a cash-basis utility, there is no claimed rate base for ratemaking purposes. None of the funds to be issued will be used for non-utility purposes.

**Response
Provided by:** Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

Request: TUS-I-15 Three-year history and three year projections for ratio of capital expenditures to depreciation expense. Show calculations.

Response:

Capital Expenditures, Depreciation and Amortization

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Capital Expenditures	127,846,779	131,129,307	203,517,728	323,429,337	344,200,123	287,352,969	112,108,105
Depreciation & Amortization	27,936,000	33,096,000	37,067,520	41,515,622	46,497,497	52,077,197	58,326,460
Capital / Depreciation & Amortization Ratio	4.58	3.96	5.49	7.79	7.40	5.52	1.92

Response

Provided by: Edward J. Barca, Director of Finance, Pittsburgh Water

Dated: October 26, 2025

**Pittsburgh Water
2026 A Bond Issuance**

VERIFICATION

I, Edward J. Barca, am the Director of Finance for The Pittsburgh Water & Sewer Authority d/b/a Pittsburgh Water, and I hereby state that the facts set forth in the foregoing **Responses** are true and correct to the best of my knowledge, information and belief and that I expect the Authority to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to sworn falsification to authorities).



Edward J. Barca, Director of Finance
Pittsburgh Water