Application of Pennsylvania-American Water Company for the Acquisition of the Water System Owned and Operated by Indian Creek Valley Water Authority ("ICVWA")
Docket No. A-2025-3055741

66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater

5. Provide copies of two independent appraisals by separate utility valuation experts for use in establishing the fair market value of the Selling Utility.

RESPONSE: See enclosed appraisals performed by Jerome C. Weinert, ASA, P.E., CDP, Principal and Director for Weinert Appraisal and Depreciation Services LLC (also known as WADS Consultants) on behalf of PAWC and Harold Walker III, Manager, Financial Studies Gannett Fleming Valuation and Rate Consultants, LLC on behalf of ICVWA at **Appendix A-5.1** and at **Appendix A-5.2**, respectively.

Indian Creek Valley Water Authority's
Water Production, Treatment, and Distribution System Capacity

Fair Market Value Appraisal Report
As of May 30, 2025
for
Pennsylvania American Water Company

WADS Consultants
Weinert Appraisal and Depreciation Services, LLC
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WADS CONSULTANTS

Jerome C. Weinert
Principal and Owner

WADS Consultants
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October 1, 2025

Mr. Scott D. Fogelsanger
Director, Valuation Strategies
American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

RE: UVE Market Value Appraisal of Indian Creek Valley Water Authority's Water Production, Treatment, and Distribution System

Enclosed is Weinert Appraisal and Depreciation Services, LLC's (WADS Consultants) fair market value appraisal report for Indian Creek Valley Water Authority's (ICVWA) water production, treatment, and distribution system (ICVWA System) as of May 30, 2025, prepared for Pennsylvania American Water Company (PAWC). The report was prepared based on the 2024 Uniform Standards of Professional Appraisal Practices (USPAP) and is intended to meet the criteria established with Title 66 (Public Utilities) of the Pennsylvania Consolidated Statues (PA CS) Paragraph 1329 "Valuation of acquired water and wastewater systems", collectively referred to as Act 12 of the 2016 Pennsylvania legislative session (Act 12). The intended users of this appraisal are Pennsylvania American Water Company and the Pennsylvania Public Utility Commission.

Based on our appraisal the Fair Market Value of ICVWA's water system's property, plant, and equipment operating as a Pennsylvania rate regulated water utility is $38,688,711 determined based on the cost, income, and market approaches to value, as detailed in the following table:

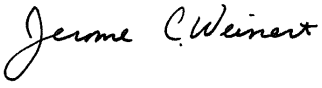
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025
Fair Market Value Appraisal

Appraisal Approach		Investor-owned Utility	Weight	Wtd Valuation Indications
Cost Approach				
Financials				
Original Cost (12-31-2024)		31,666,760		
Accumulated Depreciation		(15,821,098)		
Net Book		15,845,662		
Inventory of Assets				
Original Cost ($OC)		33,029,748		
Depreciated Original Cost ($OCLD)		22,911,559		
Intangible Assets		-		
Cost Approach of all assets Conclusion		22,911,559		
Replacement Cost				
Replacement Cost New (COR)		97,747,904		
Depreciated Replacement Cost New (CORLD)	**$**	**60,489,847**		
Intangible Assets	$	-		
External or Economic Obsolescence		**-36.040982%**	AUS Input	
Market Value of Tangible Assets	**$**	**38,688,712**		
Intangible Assets		0		
Cost Approach of all assets Conclusion		**38,688,712**		
Cost Approach Conclusion		**38,688,712**	**33%**	**12,896,237**
Income Approach				
Required Rate Increases: 40% period2, 30% period 4, 25% period 6, 10% period 8, 6% every second period for period thereafter(Input 6)		38,944,750		
Income Approach Conclusion		**38,944,750**	**33%**	**12,981,583**
Market Approach				
Market Comparables (to)				
OCLD		32,887,252	Use	
CORLD		46,492,496	Use	
Customers		16,402,248		
Cash Flows (EBITDA) Periods 1-5		27,198,978		
Cash Flows (EBITDA) Periods 1-13		26,371,954		
Market Financials (to)				
OCLD		37,804,073	Use	
Market Approach Conclusion		**38,432,673**	**33%**	**12,810,891**
Appraisal Conclusion	**$**	**38,688,711**	**100%**	**38,688,711**

As the purpose of this appraisal was to fulfill the requirements of Act 12 in the establishment of value for rate making of the ICVWA's water production, treatment, and distribution system's property, plant and equipment the appraisal's conclusion of $38,688,711 is consistent with the purpose of this appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the water industry account classifications and the installation year of the property this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

Respectfully Submitted,
WADS Consultants
October 1 2025

By:



Jerome C. Weinert, ASA, P.E., CDP
Principal and Owner

ASA: Accredited Senior Appraiser in the Machinery and Equipment (Public Utilities) discipline of the American Society of Appraisers
P.E.: Registered Professional Engineer State of Wisconsin
CDP: Certified Depreciation Professional in the Society of Depreciation Professionals

Indian Creek Valley Water Authority's
Water Production, Treatment, and Distribution System Capacity

Fair Market Value Appraisal Report
As of May 30, 2025
for
Pennsylvania American Water Company

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WADS CONSULTANTS

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October 16, 2025

Pennsylvania American Water Company
Mechanicsburg, Pennsylvania

WADS Consultants
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RE: UVE Market Value Appraisal of Indian Creek Valley Authority's Water Production, Treatment, and Distribution System

Enclosed is Weinert Appraisal and Depreciation Services, LLC's (WADS Consultants) fair market value appraisal report of the Indian Creek Valley Water Authority's (ICVWA) water production, treatment, and distribution system (ICVWA System) as of May 30, 2025, prepared for our client Pennsylvania American Water Company (PAWC). The report was prepared based on the 2024 Uniform Standards of Professional Appraisal Practices (USPAP) and is intended to meet the criteria established with Title 66 (Public Utilities) of the Pennsylvania Consolidated (PA CS) Statues Section 1329 "Valuation of acquired water and wastewater systems", collectively referred to as Act 12 of the 2016 Pennsylvania legislative session (Act 12). The intended users of this appraisal are Pennsylvania American Water Company and the Pennsylvania Public Utility Commission.

Based on our appraisal, the Fair Market Value of the Indian Creek Valley Water Authority water production, treatment, and distribution system's property, plant, and equipment operating as Pennsylvania rate regulated water utility is $38,688,711 determined based on the cost, income, and market approaches to value, as detailed in the following table:

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025
Fair Market Value Appraisal

Appraisal Approach		Investor-owned Utility	Weight	Wtd Valuation Indications
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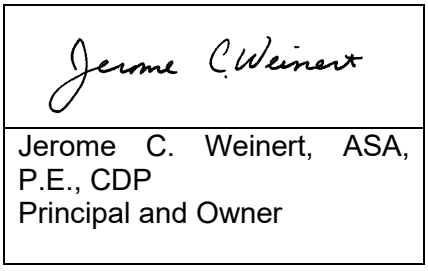
Market Approach Conclusion		**38,432,673**	**33%**	**12,810,891**
Appraisal Conclusion	**$**	**38,688,711**	**100%**	**38,688,711**

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the ICVWA's water system's property, plant and equipment this appraisal's conclusion of $38,688,711 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the water industry account classifications and the installation year of the property, this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

Respectfully Submitted,
WADS Consultants
October 1, 2025

By:



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APPRAISAL CERTIFICATION
for the Fair Market Appraisal of
Indian Creek Valley Water Authority's
Water Production, Treatment, and Distribution System
As of May 30, 2025
Prepared for
Pennsylvania American Water Company

WADS Consultants certifies that, to the best of its knowledge and belief:

- The statements of fact contained in this report are true and correct.

- Prior to this appraisal during the last three-year period, WADS Consultants has previously appraised these properties.

- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

- Neither WADS Consultants nor its professional staff has no present or prospective interest in the property that is the subject of this report and has no personal interest with respect to the parties involved.

- Neither WADS Consultants nor its professional staff has any bias with respect to the property that is the subject of this report or to the parties involved.

- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice 2024 Edition.

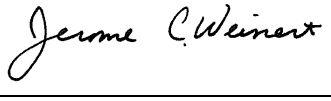
- The signers of this report have not made personal inspections of the property that is the subject of this report.

- No individuals provided significant professional assistance to the persons signing this report. However, Scott Fogelsanger of American Water Company provided assistance in obtaining information and data from the Indian Creek Valley Water Authority and the Engineer's Assessment report prepared by Bankson Engineers Inc. which was the inventory starting point of the Cost Approach.

WADS CONSULTANTS

WADS Consultants
October 1, 2025

By:



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NARRATIVE REPORT

WADS CONSULTANTS

EXECUTIVE SUMMARY

The purpose of this value appraisal is the determination of the fair market value of the property plant and equipment of the Indian Creek Valley Water Authority's (ICVWA) water production, treatment, and distribution system (ICVWA System) for our client Pennsylvania American Water Company (PAWC). The report was prepared based on the 2024 Uniform Standards of Professional Appraisal Practices (USPAP) and is intended to meet the criteria established with Title 66 (Public Utilities) of the Pennsylvania Consolidated Statues Paragraph 1329: "Valuation of acquired water and wastewater systems", collectively referred to as Act 12 of the 2016 Pennsylvania legislative session (Act 12) and the Pennsylvania Public Utility Commission's Final Implementation Order M-2016-2543193 adopted October 27, 2016. The intended users of this appraisal are Pennsylvania American Water Company and the Pennsylvania Public Utility Commission (PA PUC).

The value established in this appraisal was based on the definition of Market Value as:

> *"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."* *The Appraisal of Real Estate, 14th Edition, page 58.*

In arriving at our opinion of value of the System's property, plant, and equipment as it is operated as an investor-owned Pennsylvania PUC rate regulated water utility the cost, income, and market approaches to value were considered. Detailed explanations of each approach to value are included below in the section "Appraisal Procedures and Results". The following Executive Summary summarizes the data, analysis and conclusions of each of those valuation approaches.

Cost Approach - The philosophy in the cost approach to value is that the maximum value of a property's tangible assets is established by the cost to acquire or build a similar property. In this appraisal, the cost approach to value was analyzed using reproduction/replacement cost approach.

Reproduction cost and replacement cost are defined as:

> Reproduction cost – "Reproduction cost is the estimated cost to construct, as of the effective appraisal date, an exact duplicate or replica of the building [property] being appraised, insofar as possible, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, super-adequacies, and obsolescence of the subject improvements [property]."[1]
>
> Replacement cost – "Replacement cost is the estimated cost to construct, as of the effective appraisal date, a substitute for the building [property] being appraised using contemporary materials, standards, design and layout. When this cost basis is used, some existing obsolescence in the property may be cured. Replacement cost may be the only alternative if reproduction cost cannot be estimated"[2]
>
> In the water industry the property's reproduction costs and replacement costs are quite similar; therefore, the property's cost new was determined based on its replacement cost new estimated by the trended original cost and the inventory-unit cost methods.

The trended original cost method was utilized in preparing the replacement cost new. "Trending is a method of estimating a property's replacement cost new in which an *index* or *trend factor* is applied to the property's *historical costs* to convert the known historical costs into an indication of current (appraisal date) costs. Simply put, trending reflects the movement of price over time."[3] In the trended original cost method, ICVWA's investment in water plant and equipment is restated to costs reflective of the appraisal date, by the application of cost trends to the property's original investment. WADS Consultants utilized the Engineer's Assessment performed by Bankson Engineers Inc. (Engineer's Assessment tab) as the starting point of the Cost Approach. Utilizing the Engineer's Assessment WADS Consultants developed the System's original cost less depreciation (OCLD) and replacement cost new less depreciation (CORLD) in property, plant and equipment on May 30, 2025 (Cost Approach tab).

[1] The Appraisal of Real Estate, 14th Edition. pages 569-570
[2] Ibid, page 570
[3] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Third Edition. Page 50

The cost trends were applied to each of the System's various investment categories (NARUC plant accounts) by original year of placement for that investment. The cost indexes used in these studies were the Handy-Whitman Index of Public Utility Construction Costs for the water industry in the northeastern region of the United States which includes the Commonwealth of Pennsylvania, the AUS General Plant Indexes, and various United States Bureau of Labor Statistics (US BLS) indexes as detailed in the following table:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
May 30, 2025

Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(3)				
		(3a)	(3b)	(3c)	(3d)	(3e)
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
303.00	Land and Land Rights	USBLS	PPI	1.00	USBLS1	1.00
304.20	POWER AND PUMING STRUCTURES	HW	W-1	8.00	HWW-18	1.00
304.30	PURIFICATION and TREATMENT BUILDINGS	HW	W-1	8.00	HWW-18	1.00
304.50	OFFICE BUILDINGS	HW	W-1	8.00	HWW-18	1.00
310.00	POWER GENERATION EQUIPMENT	USBLS	USBLS	4.00	USBLS4	1.00
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	HW	W-1	9.00	HWW-19	1.00
320.00	TREATMENT & PURIFICATION SYSTEMS	HW	W-1	17.00	HWW-117	1.00
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	HW	W-1	23.00	HWW-123	1.00
331.00	MAINS AND ACCESSORIES	HW	W-1	44.00	HWW-144	1.00
333.00	SERVICES	HW	W-1	39.00	HWW-139	1.00
334.00	METERS AND METER INSTALLATIONS	HW	W-1	40.00	HWW-140	1.00
335.00	HYDRANTS	HW	W-1	42.00	HWW-142	1.00
340.00	OFFICE FURNITURE AND EQUIPMENT	AUS	T-1	15.00	AUST-115	1.00
341.00	TRANSPORATION EQUIPMENT	AUS	T-1	4.00	AUST-14	1.00
343.00	TOOLS AND WORK EQUIPMENT	AUS	T-1	7.00	AUST-17	1.00
344.00	LABORATORY EQUIPMENT	AUS	T-1	8.00	AUST-18	1.00
345.00	POWER OPERATED EQUIPMENT	AUS	T-1	8.00	AUST-18	1.00
346.00	COMUNICATION EQUIPMENT	USBLS	PPI	2.00	USBLS2	1.00

Using the trended original cost method, the System's investment in plant, property and equipment of $33,029,748 was determined to have a reproduction cost new of $97,747,904 as summarized in the following table:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt	AUS Input	Indian Creek Valley Water Authority	Eng Assmnt	AUS Input			AUS Input	Col (14) * (15)
NARUC Code	NARUC Code	Asset Description	Original Cost	Cost Index Table	Translator	RCN	COR / RCN Factor	COR
303.00	303.00	Land and Land Rights	1,227,815.00	USBLS1	1.16	1,428,678	1.00	1,428,678
304.20	304.20	POWER AND PUMING STRUCTURES	700,197.73	HWW-18	2.86	1,999,186	1.00	1,999,186
304.30	304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,795.70	HWW-18	3.53	5,844,564	1.00	5,844,564
304.50	304.50	OFFICE BUILDINGS	340,000.00	HWW-18	1.04	353,260	1.00	353,260
310.00	310.00	POWER GENERATION EQUIPMENT	24,345.49	USBLS4	1.54	37,541	1.00	37,541
311.00	311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748.26	HWW-19	5.90	1,065,423	1.00	1,065,423
320.00	320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960.06	HWW-117	2.51	9,008,869	1.00	9,008,869
330.00	330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820.43	HWW-123	4.17	14,097,123	1.00	14,097,123
331.00	331.00	MAINS AND ACCESSORIES	16,377,299.93	HWW-144	3.14	51,411,943	1.00	51,411,943
333.00	333.00	SERVICES	1,371,739.51	HWW-139	3.93	5,389,520	1.00	5,389,520
334.00	334.00	METERS AND METER INSTALLATIONS	1,126,453.48	HWW-140	1.56	1,753,114	1.00	1,753,114
335.00	335.00	HYDRANTS	623,470.00	HWW-142	4.15	2,584,256	1.00	2,584,256
340.00	340.00	OFFICE FURNITURE AND EQUIPMENT	181,385.42	AUST-115	1.28	232,513	1.00	232,513
341.00	341.00	TRANSPORATION EQUIPMENT	384,473.38	AUST-14	1.16	447,630	1.00	447,630
343.00	343.00	TOOLS AND WORK EQUIPMENT	139,031.69	AUST-17	1.57	218,194	1.00	218,194
344.00	344.00	LABORATORY EQUIPMENT	115,437.80	AUST-18	1.37	158,193	1.00	158,193
345.00	345.00	POWER OPERATED EQUIPMENT	441,420.00	AUST-18	1.49	657,989	1.00	657,989
346.00	346.00	COMUNICATION EQUIPMENT	1,169,354.53	USBLS2	0.91	1,059,908	1.00	1,059,908
		Grand Total	**33,029,748.41**		**2.96**	**97,747,904**	**1.00**	**97,747,904**

Replacement Cost New Less Depreciation - The replacement cost described above reflects the cost of new property; however, Indian Creek Valley Authority's water system property is not new and has experienced normal depreciation and potentially functional and/or economic obsolescence. These various forms of depreciation are defined as follows:

> Normal depreciation/deterioration, akin to physical deterioration, is "loss in value caused by wear, tear, age and use."[4]
>
> Functional obsolescence is "the loss in value or usefulness of a property caused by inefficiencies or inadequacies of the property itself, when compared to a more

[4] The Dictionary of Real Estate Appraisal, 4th Edition

efficient or less costly replacement property that new technology has developed."[5]

Economic, or external, obsolescence is defined as "a loss in value caused by factors outside a property"[6] and is most often indicated by insufficient earning.

Based on our experience in regard to water and wastewater depreciation studies and our analysis of Indian Creek Valley Water Authority's water system operating performance; we found that the Indian Creek Valley Water Authority's water utility's property experiences normal depreciation but not any significant functional obsolescence; economic obsolescence is best evaluated after the results of the income and market approaches to values are determined (see Cost Approach Revisited).

The service lives used in the depreciation and functional obsolescence calculations were developed based on the property and its use, WADS Consultants' experience in developing depreciation studies for the water and wastewater industries and depreciation studies filed with PAWC and Aqua America rate cases. With each of their recent rate case filings PAWC and Aqua America have filed depreciation studies in support of their depreciation service lives and associated depreciation expenses contained within their revenue requirements. The depreciation studies were prepared by Gannett Fleming Rate Consultants a recognized firm in the depreciation consulting area. WADS Consultants has reviewed the PAWC studies which are summarized in the following table:

[5] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition. Page 67.
[6] The Appraisal of Real Estate, 13th Edition, page 442.

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
May 30, 2025

Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(4) (4a)	(4b)	(5)	(6) (6a)	(6b)
Account Number	Description	Iowa Survivor / Retirement Curve	Normal Service Life	Economic Obsolescence	Tax Depreciation	
			years	% of CORLD	Table	Life
303.00	Land and Land Rights	ZNonDep	0.00	36.04%	MACRS	0.00
304.20	POWER AND PUMING STRUCTURES	R1.5	60.00	36.04%	MACRS	25.00
304.30	PURIFICATION and TREATMENT BUILDINGS	R2.5	55.00	36.04%	MACRS	25.00
304.50	OFFICE BUILDINGS	R1.5	50.00	36.04%	MACRS	25.00
310.00	POWER GENERATION EQUIPMENT	S1.0	35.00	36.04%	MACRS	25.00
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	S1.0	39.00	36.04%	MACRS	25.00
320.00	TREATMENT & PURIFICATION SYSTEMS	S1.0	50.00	36.04%	MACRS	25.00
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	R3.0	65.00	36.04%	MACRS	25.00
331.00	MAINS AND ACCESSORIES	R2.0	90.00	36.04%	MACRS	25.00
333.00	SERVICES	R2.5	65.00	36.04%	MACRS	25.00
334.00	METERS AND METER INSTALLATIONS	L1.5	20.00	36.04%	MACRS	20.00
335.00	HYDRANTS	R2.0	60.00	36.04%	MACRS	25.00
340.00	OFFICE FURNITURE AND EQUIPMENT	R2.5	15.00	36.04%	MACRS	15.00
341.00	TRANSPORATION EQUIPMENT	L2.5	10.00	36.04%	MACRS	10.00
343.00	TOOLS AND WORK EQUIPMENT	R2.5	20.00	36.04%	MACRS	20.00
344.00	LABORATORY EQUIPMENT	R2.5	20.00	36.04%	MACRS	20.00
345.00	POWER OPERATED EQUIPMENT	R2.5	21.00	36.04%	MACRS	21.00
346.00	COMUNICATION EQUIPMENT	R2.5	15.00	36.04%	MACRS	15.00

Normal Depreciation – The extent of the normal depreciation in the property was evaluated using age-life depreciation techniques. In age-life depreciation, the property's depreciation or condition is estimated using the following formulas:

$$\text{Depreciation (\%)} = \frac{\text{Age (years)} \times 100\%}{\text{Service Life (years)}}$$

$$\text{Condition (\%)} = \frac{\text{Remaining Life (years)} \times (100\%)}{\text{Service Life (years)}}$$

where: the property's Service Life = Age + Remaining Life and
Remaining Life = *f*(Survival Characteristic, Service Life, and Age)

However, due to the age of some of the assets the extent of the depreciation was limited to 85% of the asset's original cost and its replacement cost new.

When the above depreciation lives are used to quantify the property's depreciation is applied to the replacement cost new (COR) of $97,747,904 the resultant COR less normal depreciation (CORLD) was found to be $60,489,847 detailed as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Indian Creek Valley Water Authority		Col (16)	AUS Input	AUS Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
303.00	Land and Land Rights	7.89	1,428,678	ZNonDep	-	-	-	-	1,428,678
304.20	Stuctures & Improvements - General	26.90	1,999,186	R1.5	60.00	39.40	66.30	60.00	1,193,982
304.30	PURIFICATION and TREATMENT BUILDINGS	35.87	5,844,564	R2.5	55.00	25.76	61.63	55.00	2,528,254
304.50	OFFICE BUILDINGS	1.75	353,260	R1.5	50.00	48.36	50.11	50.00	340,923
310.00	POWER GENERATION EQUIPMENT	19.75	37,541	S1.0	35.00	18.98	38.73	35.00	18,397
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	37.97	1,065,423	S1.0	39.00	13.69	51.66	39.00	302,057
320.00	TREATMENT & PURIFICATION SYSTEMS	19.42	9,008,869	S1.0	50.00	33.22	52.63	50.00	5,748,160
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	28.19	14,097,123	R3.0	65.00	39.18	67.36	65.00	8,262,243
331.00	MAINS AND ACCESSORIES	32.08	51,411,943	R2.0	90.00	62.89	94.97	90.00	34,195,839
333.00	SERVICES	37.72	5,389,520	R2.5	65.00	32.75	70.47	65.00	2,524,989
334.00	METERS AND METER INSTALLATIONS	8.23	1,753,114	L1.5	20.00	15.03	23.26	20.00	1,273,624
335.00	HYDRANTS	34.25	2,584,256	R2.0	60.00	32.42	66.66	60.00	1,272,520
340.00	OFFICE FURNITURE AND EQUIPMENT	15.88	232,513	R2.5	15.00	4.34	20.22	15.00	62,654
341.00	TRANSPORATION EQUIPMENT	9.38	447,630	L2.5	10.00	1.50	10.88	10.00	82,579
343.00	TOOLS AND WORK EQUIPMENT	13.41	218,194	R2.5	20.00	10.04	23.45	20.00	105,030
344.00	LABORATORY EQUIPMENT	6.12	158,193	R2.5	20.00	14.44	20.57	20.00	111,486
345.00	POWER OPERATED EQUIPMENT	11.14	657,989	R2.5	21.00	11.57	22.70	21.00	343,560
346.00	COMUNICATION EQUIPMENT	8.00	1,059,908	R2.5	15.00	9.94	17.94	15.00	694,872
Grand Total		**29.38**	**97,747,904**		**72.45**	**47.65**	**76.91**	**0.62**	**60,489,847**

The preliminary cost approach to value of Indian Creek Valley Water Authority's water system property was found to be $60,489,847.

Original Cost less Depreciation

With the Pennsylvania PUC's Forth Implementation Order the importance of the original cost less depreciation (OCLD) requires that the Utility Valuation Experts' (UVE) appraisal address the OCLD. The Engineers Assessment provided the original cost by account and installation year for the development of the OCLD and the previously discussed depreciation lives were used to quantify the depreciation. The following table presents the development of the preliminary OCLD of $22,911,559 as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(43)	(44)	(46)	(47)	(48)	(49)	(53)	(54)	(55)	(56)	(57)
Account	Description	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input			Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Acct	Descrip	Original Cost	Iowa	Normal Life	age	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
303.00	Land and Land Rights	1,227,815	ZNonDep	-	6.94	-	-	0.00%	-	1,227,815
304.20	POWER AND PUMING STRUCTURES	700,198	R1.5	60.00	25.46	40.36	65.82	39.00%	269,666	430,532
304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,796	R2.5	55.00	26.89	32.16	59.05	44.00%	733,987	919,809
304.50	OFFICE BUILDINGS	340,000	R1.5	50.00	1.75	48.36	50.11	3.00%	11,873	328,127
310.00	POWER GENERATION EQUIPMENT	24,345	S1.0	35.00	19.75	18.98	38.73	51.00%	12,414	11,931
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748	S1.0	39.00	28.98	18.89	47.87	57.00%	102,743	78,005
320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960	S1.0	50.00	15.70	36.04	51.75	30.00%	1,073,727	2,518,233
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820	R3.0	65.00	20.03	46.47	66.50	30.00%	1,003,434	2,377,386
331.00	MAINS AND ACCESSORIES	16,377,300	R2.0	90.00	26.72	67.21	93.93	28.00%	4,610,177	11,767,123
333.00	SERVICES	1,371,740	R2.5	65.00	34.02	35.57	69.59	49.00%	665,924	705,816
334.00	METERS AND METER INSTALLATIONS	1,126,453	L1.5	20.00	4.16	16.74	20.90	17.00%	196,832	929,621
335.00	HYDRANTS	623,470	R2.0	60.00	29.28	35.97	65.26	44.00%	276,367	347,103
340.00	OFFICE FURNITURE AND EQUIPMENT	181,385	R2.5	15.00	15.30	4.57	19.88	72.00%	129,951	51,434
341.00	TRANSPORATION EQUIPMENT	384,473	L2.5	10.00	9.10	1.50	10.60	81.00%	312,767	71,706
343.00	TOOLS AND WORK EQUIPMENT	139,032	R2.5	20.00	12.00	10.79	22.79	48.00%	66,974	72,058
344.00	LABORATORY EQUIPMENT	115,438	R2.5	20.00	5.93	14.61	20.54	29.00%	33,067	82,371
345.00	POWER OPERATED EQUIPMENT	441,420	R2.5	21.00	10.83	11.76	22.60	47.00%	206,551	234,869
346.00	COMUNICATION EQUIPMENT	1,169,355	R2.5	15.00	8.32	9.82	18.14	35.00%	411,735	757,620
Grand Total		**33,029,748**		**67.17**	**22.15**	**48.46**	**70.35**	**30.63%**	**10,118,189**	**22,911,559**

Income Approach

The income approach to value establishes the value of the property based on its economic returns. There are two generally accepted procedures in performing an income analysis: the direct capitalization of anticipated income, and the discounted cash flow procedures.

In the direct capitalization approach, anticipated earnings are capitalized directly into value using a market-required capitalization rate. The Indian Creek Valley Water Authority's water system's operation will be moving from a municipal operation, wherein economic returns are not the primary objective of the operation to a private (investor owned) rate regulated water utility operation in which economic returns are one of the objectives of the operation; therefore, the direct capitalization of earnings approach was not utilized in this appraisal.

In the discounted cash flow (DCF) approach, the property's economic returns are forecast for future periods. The cash flows (debt-free after-tax net cash flows) from

operations are discounted to the appraisal date using a market derived discount rate resulting in the DCF approach's income indicator of value. Use of the DCF approach allows the appraiser to address the property's historical operating experience and its migration, in future periods, to an operation as a rate regulated income taxed (local, state, and federal) operation; thus, making the DCF approach preferable in this case.

In preparing this appraisal's DCF analysis (Income Approach tab), first the results from the Indian Creek Valley Water Authority's water system's operations were evaluated based on an analysis of historical operating performances over the period 2019 through 2024 and budgets 2023-2025 (Financials tab) resulting in operating statistics such as revenues and their growth, various operating expenses stated as function of their typical drivers (revenues, plant investment, income from operations, etc.). Next, the results of future periods operations were forecast for a period of 20 years based on the migration of the Indian Creek Valley Water Authority's historical operations over time to operations of the water operation similar to a public investor-owned water utility. Finally, the resultant cash flows from future period operations of the System were discounted to the appraisal date using a market derived discount rate for a public investor-owned water utility. The following table details the market discount rate developed using the weighted average cost of capital (WACC) of the market debt and equity:

Water and Wastewater Cost of Capital
Second Quarter 2025 (4-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	26.77%	Market	5.66%	Market	28.89%	71.11%	1.08%
Equity	73.23%	Market	9.75%	Market	0.0%	100.0%	7.14%
Total Capital r	**100.0%**						**8.22%**
Growth (g)							**2.99%**
Rate without Growth: [(1+r)/(1+g)]-1							**5.08%**

The following table presents the results of the discounted cash flow analysis:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 8.22%
Capitalization Rate: 5.08%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Period	Age	Revenues	O&M Expenses	Tax Depreciation	Cash Flow from Operations	Taxable Income before State & Federal Taxes	State and Federal Taxes @ 28.89%	Capital Expenditures	Change in Working Capital	Net Cash Flows	Period Present Worth Factor (PW)	PW of Cashflow	Accumulated PW of Cashflows
					(3)-(4)	(6)-(5)	(7) *28.89%			(3)-(4)-(8)-(9)-(10)		(11)*(12)	Sum (13)
1	0.5	2,797,040	2,101,088	1,363,222	695,952	(667,270)	(192,774)	925,562	-	(36,836)	0.961	(35,399)	(35,399)
2	1.5	3,915,856	2,060,504	1,396,838	1,855,353	458,515	132,465	940,111	75,054	707,723	0.888	628,458	593,059
3	2.5	3,915,856	2,039,427	1,431,576	1,876,429	444,853	128,518	954,871	-	793,040	0.821	651,086	1,244,145
4	3.5	5,090,613	2,025,634	1,467,464	3,064,979	1,597,515	461,522	969,862	78,806	1,554,789	0.758	1,178,530	2,422,675
5	4.5	5,090,613	2,007,116	1,504,532	3,083,497	1,578,965	456,163	985,100	-	1,642,234	0.701	1,151,206	3,573,881
6	5.5	6,363,266	2,012,929	1,542,806	4,350,337	2,807,531	811,096	1,000,581	85,374	2,453,286	0.648	1,589,730	5,163,611
7	6.5	6,363,266	2,012,308	1,443,214	4,350,958	2,907,743	840,047	527,060	-	2,983,851	0.598	1,784,343	6,947,954
8	7.5	6,999,593	2,008,475	1,460,742	4,991,118	3,530,376	1,019,926	531,013	42,687	3,397,492	0.553	1,878,813	8,826,767
9	8.5	6,999,593	2,001,761	1,478,564	4,997,832	3,519,267	1,016,716	534,996	-	3,446,120	0.511	1,760,967	10,587,734
10	9.5	7,419,569	2,002,281	1,496,687	5,417,288	3,920,601	1,132,661	539,009	28,173	3,717,445	0.472	1,754,634	12,342,368
11	10.5	7,419,569	2,001,208	1,474,406	5,418,361	3,943,955	1,139,408	543,049	-	3,735,904	0.436	1,628,854	13,971,222
12	11.5	7,864,743	2,002,228	1,492,466	5,862,515	4,370,050	1,262,507	547,124	29,864	4,023,020	0.403	1,621,277	15,592,499
13	12.5	7,864,743	2,004,350	1,510,820	5,860,393	4,349,573	1,256,592	551,227	-	4,052,574	0.373	1,511,610	17,104,109
14	13.5	8,336,628	2,006,353	1,529,476	6,330,275	4,800,799	1,386,951	555,361	31,655	4,356,308	0.344	1,498,570	18,602,679
15	14.5	8,336,628	2,011,409	1,548,438	6,325,219	4,776,781	1,380,012	559,527	-	4,385,680	0.318	1,394,646	19,997,325
16	15.5	8,836,826	2,042,759	1,509,980	6,794,067	5,284,087	1,526,573	563,725	33,556	4,670,213	0.294	1,373,043	21,370,368
17	16.5	8,836,826	2,082,521	1,528,735	6,754,305	5,225,570	1,509,667	567,950	-	4,676,688	0.272	1,272,059	22,642,427
18	17.5	9,367,036	2,120,360	1,547,793	7,246,676	5,698,883	1,646,407	572,211	35,568	4,992,490	0.251	1,253,115	23,895,542
19	18.5	9,367,036	2,156,083	1,567,154	7,210,953	5,643,799	1,630,494	576,501	-	5,003,958	0.232	1,160,918	25,056,460
20 and beyond	19.5	9,929,058	2,200,767	1,586,825	7,728,291	6,141,466	1,774,270	580,825	37,702	5,335,494	2.603	13,888,290	38,944,750
								13,525,665					
Age				19.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.214				Net Plant		30,132,352			
PW to Perpetuity = 1/Capitalization Rate				12.165				ADIT		(3,962,813)			
$PW_{(20and\ Beyond)}$ = PW to Perpetuity * PW $Factor_{(19.5)}$				2.603				Rate Base		26,169,539	0.214	5,600,281	30,656,741
								Annual Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 19.5 years		59,816,011	0.214	12,800,626	37,857,086
								PP	32,800,000				
								OCLD	22,911,559				
								PP/OCLD	1.432				
								RCNLD	60,489,847				
								RCNLD/PP		1.844202652			
										48,261,933.38	0.214	10,328,054	35,384,514
								Average					35,710,773

Based on the above-described discounted cash flow analysis, the Income Approach to value of the System's property operating as a rate regulated water utility under the regulation of the Pennsylvania Public Utility Commission (PA PUC) was determined to be $38,944,750. To ensure that the above-described forecast captured the entire economic returns of the property an additional 40-year period beyond the original 20-year forecast was made. This additional forecast indicated the reasonableness of the initial forecast results.

Market Approach

The market or comparable sales approach to value looks to market sales of comparable properties in order to arrive at value. In this appraisal, the market approach was addressed from a comparable sales approach of Pennsylvania water and wastewater

systems and market value to book value ratios based on investor-owned water utilities' financial performance as reported in Value Line Investment Survey (April 4, 2025).

Market Sales – In the comparable sale market approach, the sales of Pennsylvania municipal water and wastewater systems to investor-owned water/wastewater utilities were used to insure comparability. As the purpose of this appraisal is to define the value of Indian Creek Valley Water Authority's water system under Section 1329 of the PA CS the market comparable sales were limited to sales subsequent to the passage of Section 1329 in 2016. The following sales were considered:

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidder	Dauphin	Water Treatment and Distribution
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection
25	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment
26	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment
28	A-2023-3038717	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC		Allegheny	Wastewater Collection and Treatment
	End of Section 1329 Data							
					Count 19			Wastewater Collection and Treatment
								Wastewater Collection
								Water Treatment and Distribution
								Water Distribution
								All section 1329
								Mean
								Standard Deviation
								Median

In order to arrive at a measure of comparability these system sales were analyzed in relationship of the purchase price to the properties' depreciated original cost (OCLD), depreciated replacement cost (CORLD), Customers, and Earnings before Interest, (income) Taxes, Depreciation and Amortization (EBITDA) (periods 1-5 and 1-13) (Market Approach tab).

Financial Market Ratios – In the market approach based on market financial ratios the market data of companies (six) in the water/wastewater industry as reported in Value Line Investment Surveys (April 4, 2025) were analyzed. In the analysis the companies' stock (market) and debt (book value) per share are compared as a ratio to the book investment value per share.

Company	
American States Water (NYSE-AWR)	American Water ((NYSE-AWK)
California Water (NYSE-CWT)	Essential Utilities, Inc. (NYSE-WTRG)
Middlesex Water (NDQ-MSEX)	SJW Corporation (NYSE-SJW)

The following tables summarizes both the comparable sales and financial market ratio analysis and the Market Approach conclusion of this appraisal.

The following table presents the market derived ratios of purchase price to depreciated original cost and purchase price to replacement cost less depreciation:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Central Tendancy and Reliability Analysis

Market Sales Analysis - PP/OCLD	Simple		**Market Sales Analysis - PP/CORLD**	Simple		
All Section 1329 Acquistions			All Section 1329 Acquistions			
Mean	1.9340		Mean	0.8266		
Median	0.8983		Median	0.8951		
Count	27		Count	27		
Water Treatment & Distribution			Water Treatment & Distribution			
Mean	1.4354		Mean	0.7686		
Count	3		Median	3		
Water Distribution			Water Distribution			
Mean	1.3500		Mean	0.5320		
Count	1		Count	1		
Wastewater Collection & Treatment			Wastewater Collection & Treatment			
Mean	1.7972		Mean	0.853616667		
Count	16		Count	16		
Wastewater Collection			Wastewater Collection			
Mean	1.8733		Mean	0.807733333		
Count	7		Count	7		
Wastewater Treatment Only			Wastewater Treatment Only			
Mean	-0.076066667		Mean	0.045883333		
Count	Calculated		Count	Calculated		
AUS Conclusion	1.4354	AUS Input	AUS Conclusion	0.7686	AUS Input	
		Cost Approach - OCLD	Indian Creek Valley Water Authority CORLD	60,489,847	Cost Approach - CORLD	60,489,847
Indian Creek Valley Water Authority OCLD	22,911,559					
Market Value Indication	**32,887,252**		**Market Value Indication**	**46,492,496**		46,492,496

The following table presents the market derived ratios to customers and value line ratio to OCLD:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer			**Financial Basis**[1]		
	Weighted		Financial Markets	Market Value per Share to Book Value per Share	
All Section 1329 Acquistions					
Mean	8,798		Market to Book (equity)	2.04	
Median	8,485		Market to Book (equity and debt)	1.65	
Count	27				
Water Treatment and Distribution			Use (equity and debt)	1.65	AUS Input
Mean	6,157				
Count	3				
Water Distribution					
Mean	3,992				
Count	1				
Wastewater Collection & Treatment					
Mean	10,410				
Count	16				
Wastewater Collection					
Mean	6,268				
Count	7				
Watewater Treatment Only					
Mean	4,142				
Count	Calculated				
Conclusion					
Indian Creek Valley Water Authority			Indian Creek Valley Water Authority		Cost Approach
Customers	2,664	AUS Input	OCLD	22,911,559	- OCLD
Water Treatment and Distribution					
$PP/Customer	6,157	AUS Input			
Collection and Treatement Customers					
Market Value Indication	**16,402,248**		**Market Value Indication**	**37,804,073**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	-	AUS Input			
Treatment Only Customers	-	AUS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**16,402,248**				

The following table present the market derived ratios of purchase price to the projected earnings before interest, income taxes, depreciation and amortization (EBITDA) for forecast periods 1-5 years and 1- 13 years:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple		**Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)**	Simple	
All Section 1329 Acquistions			All Section 1329 Acquistions		
Mean	17.2840		Mean	12.8544	
Median	17.1777		Median	12.1359	
Count	27		Count	27	
Water Treatment and Distribution			Water Treatment and Distribution		
Mean	14.9426		Mean	10.5048	
Count	3		Count	3	
Water Distribution			Water Distribution		
Mean	20.2409		Mean	13.5898	
Count	1		Count	1	
Wastewater Collection & Treatment			Wastewater Collection & Treatment		
Mean	17.1735		Mean	13.2584	
Count	16		Count	16	
Wastewater Collection			Wastewater Collection		
Mean	17.8783		Mean	12.7001	
Count	7		Count	7	
Watewater Treatment Only			Watewater Treatment Only		
Mean	(0.70)		Mean	0.56	
Count	Calculated		Count	Calculated	
Conclusion	14.9426	AUS Input	Conclusion	10.5048	AUS Input
Indian Creek Valley Water Authority Cash Flows	1,820,229	Income Approach	Indian Creek Valley Water Authority Cash Flows	2,510,455	Income Approach
Water Treatment and Distribution	14.94		Water Treatment and Distribution	10.50	
Market Value Indication	**27,198,978**			**26,371,954**	

The following table summarizes each of the market derived ratio analyses and the conclusion of the market approach:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Summary of Market Analyses

Indicators		
OCLD	32,887,252	Use
CORLD	46,492,496	Use
Customers	16,402,248	
Cash Flows		
EBITDA Periods 1-5	27,198,978	
EBITDA Periods 1-13	26,371,954	
Value Line	37,804,073	Use
Mean	39,061,274	
Median	37,804,073	
Conclusion	**38,432,673**	

The market approach conclusion of this appraisal was determined to be $38,432,673.

Cost Approach Revisited – Before concluding this appraisal's fair market value, the preliminary cost approach conclusion of $60,489,847 needs to be reviewed in light of the above-described income and market analyses in order to evaluate if external obsolescence exists in the preliminary replacement cost new less depreciation conclusion. The appraisal literature in regard to developing a cost approach states:

> "The last step in the implementation of the cost approach is to estimate *economic obsolescence*. Economic obsolescence (sometimes called "external obsolescence") has been previously defined as the loss in value or usefulness of a property caused by factors external to the asset. These factors include increased cost of raw materials, labor, utilities (without an offsetting increase in product price); reduced demand for the product; increased competition; environmental or other regulations; or similar factors.
>
> The difficulty in measuring the full effect of economic obsolescence is one of the weaknesses of the cost approach. Because economic obsolescence is usually a function of outside influences that affect an

> entire business (i.e., all tangible and intangible assets) rather than individual assets or isolated groups of assets, it is sometimes measured using the income approach or by using the income approach to help identify the existence of economic influences on value. However, the cost approach can be used to measure some forms of economic obsolescence."[7]

The above-described income approach value conclusion of $38,944,750 and the market approach conclusion of $38,432,673 for the Indian Creek Valley Water Authority's future water system compared to the preliminary cost approach conclusion of $60,489,847 indicates 36.04% external obsolescence exists in the cost approach conclusion of $38,688,712 detailed as follows:

[7] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition, pp. 96-97.

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

	Depreciated Replacement Cost (RCNLD)	
	Column Reference in RCNLD	Amount in $s
Depreciation Replacement Cost (CORLD)		
Tangible Assets		
Original Cost (OC)	(9)	33,029,748
Replacement Cost New (RCN)	(16)	97,747,904
Replacement Cost New less Depreciation (RCNLD)	(31)	60,489,847
Intangible Assets		
Original Cost (OC)		
Replacement Cost New (RCN)		
Replacement Cost New less Depreciation (RCNLD)		
Tangible + Intangible Assets		
Original Cost (OC)		33,029,748
Replacement Cost New (RCN)		97,747,904
Replacement Cost New less Depreciation (RCNLD)		60,489,847
Economic Obsolescence (EO)		
Purchase Price (Asset Purchase Agreement)		32,800,000
Income Approach		38,944,750
Market Approach		38,432,673
Economic Indicator		38,688,712
Preliminary CORLD (Tangible + Intangible)		60,489,847
Economic Obsolescence (EO $s)		(21,801,135)
EO % of Preliminary RCNLD		-36.04%
CORLD adjusted for Economic Obsolescence		
Tangible Asets		38,688,712
Intangible Assets		-
Total Assets		38,688,712

Development of the Final Original Cost less Depreciation

The above-described income approach value conclusion of $38,944,750 and the market conclusion of $38,432,673 for the Indian Creek Valley Water Authority's future water system compared to the preliminary original cost approach conclusion of $22,911,559 indicates no external obsolescence exists in the cost approach conclusion of $22,911,559 detailed as follows:

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

	Depreciated Original Cost (OCLD)	
	Column Reference in OCLD	Amount in $s
Depreciation Original Cost (OCLD)		
Tangible Assets		
Original Cost (OC)	(46)	33,029,748
Orginal Cost less Depreciation (OCLD)	(57)	22,911,559
Intangible Assets		
Original Cost (OC)		
Orginal Cost less Depreciation (OCLD)		
Tangible + Intangible Assets		
Original Cost (OC)		33,029,748
Orginal Cost less Depreciation (OCLD)		22,911,559
Economic Obsolescence (EO)		
Purchase Price (Asset Purchase Agreement)		32,800,000
Income Approach		38,944,750
Market Approach		38,432,673
Economic Indicator		38,688,712
Preliminary OCLD (Tangible + Intangible)		22,911,559
Economic Obsolescence (EO $s)		-
EO % of Preliminary OCLD		0.00%
OCLD adjusted for Economic Obsolescence		
Tangible Asets		22,911,559
Intangible Assets		-
Total Assets		22,911,559

The following table presents the final original cost less depreciation:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(43)	(44)	(46)	(47)	(48)	(49)	(53)	(54)	(55)	(56)	(57)
Account	Description	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input			Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Acct	Descrip	Original Cost	Iowa	Normal Life	age	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
303.00	Land and Land Rights	1,227,815	ZNonDep	-	6.94	-	-	0.00%	-	1,227,815
304.20	POWER AND PUMING STRUCTURES	700,198	R1.5	60.00	25.46	40.36	65.82	39.00%	269,666	430,532
304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,796	R2.5	55.00	26.89	32.16	59.05	44.00%	733,987	919,809
304.50	OFFICE BUILDINGS	340,000	R1.5	50.00	1.75	48.36	50.11	3.00%	11,873	328,127
310.00	POWER GENERATION EQUIPMENT	24,345	S1.0	35.00	19.75	18.98	38.73	51.00%	12,414	11,931
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748	S1.0	39.00	28.98	18.89	47.87	57.00%	102,743	78,005
320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960	S1.0	50.00	15.70	36.04	51.75	30.00%	1,073,727	2,518,233
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820	R3.0	65.00	20.03	46.47	66.50	30.00%	1,003,434	2,377,386
331.00	MAINS AND ACCESSORIES	16,377,300	R2.0	90.00	26.72	67.21	93.93	28.00%	4,610,177	11,767,123
333.00	SERVICES	1,371,740	R2.5	65.00	34.02	35.57	69.59	49.00%	665,924	705,816
334.00	METERS AND METER INSTALLATIONS	1,126,453	L1.5	20.00	4.16	16.74	20.90	17.00%	196,832	929,621
335.00	HYDRANTS	623,470	R2.0	60.00	29.28	35.97	65.26	44.00%	276,367	347,103
340.00	OFFICE FURNITURE AND EQUIPMENT	181,385	R2.5	15.00	15.30	4.57	19.88	72.00%	129,951	51,434
341.00	TRANSPORATION EQUIPMENT	384,473	L2.5	10.00	9.10	1.50	10.60	81.00%	312,767	71,706
343.00	TOOLS AND WORK EQUIPMENT	139,032	R2.5	20.00	12.00	10.79	22.79	48.00%	66,974	72,058
344.00	LABORATORY EQUIPMENT	115,438	R2.5	20.00	5.93	14.61	20.54	29.00%	33,067	82,371
345.00	POWER OPERATED EQUIPMENT	441,420	R2.5	21.00	10.83	11.76	22.60	47.00%	206,551	234,869
346.00	COMUNICATION EQUIPMENT	1,169,355	R2.5	15.00	8.32	9.82	18.14	35.00%	411,735	757,620
Grand Total		**33,029,748**		**67.17**	**22.15**	**48.46**	**70.35**	**30.63%**	**10,118,189**	**22,911,559**

Value Conclusion

The Fair Market Value of Indian Creek Valley Water Authority's water system's property, plant and equipment and its operation was determined to be $38,688,711 as follows:

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025
Fair Market Value Appraisal

Appraisal Approach		Investor-owned Utility		Weight	Wtd Valuation Indications
Cost Approach					
Financials					
Original Cost (12-31-2024)		31,666,760			
Accumulated Depreciation		(15,821,098)			
Net Book		15,845,662			
Inventory of Assets					
Original Cost ($OC)		33,029,748			
Depreciated Original Cost ($OCLD)		22,911,559			
Intangible Assets		-			
Cost Approach of all assets Conclusion		22,911,559			
Replacement Cost					
Replacement Cost New (COR)		97,747,904			
Depreciated Replacement Cost New (CORLD)	$	**60,489,847**			
Intangible Assets	$	-			
External or Economic Obsolescence		**-36.040982%**	AUS Input		
Market Value of Tangible Assets	$	**38,688,712**			
Intangible Assets		0			
Cost Approach of all assets Conclusion		**38,688,712**			
Cost Approach Conclusion		**38,688,712**		**33%**	**12,896,237**
Income Approach					
Required Rate Increases: 40% period2, 30% period 4, 25% period 6, 10% period 8, 6% every second period for period thereafter(Input 6)		38,944,750			
Income Approach Conclusion		**38,944,750**		**33%**	**12,981,583**
Market Approach					
Market Comparables (to)					
OCLD		32,887,252	Use		
CORLD		46,492,496	Use		
Customers		16,402,248			
Cash Flows (EBITDA) Periods 1-5		27,198,978			
Cash Flows (EBITDA) Periods 1-13		26,371,954			
Market Financials (to)					
OCLD		37,804,073	Use		
Market Approach Conclusion		**38,432,673**		**33%**	**12,810,891**
Appraisal Conclusion	$	**38,688,711**		**100%**	**38,688,711**

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the ICVWA's property, plant and equipment this appraisal's conclusion of $38,688,711 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the water industry account classifications and the installation year of the property this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

PURPOSE AND SCOPE OF WORK

- The purpose of this appraisal of the Indian Creek Valley Water Authority's water system is the determination of the fair market value of the property plant and equipment of water utility. The report was prepared based on the 2024 Uniform Standards of Professional Appraisal Practices (USPAP) and is intended to meet the criteria established with Title 66 (Public Utilities) of the Pennsylvania Consolidated Statues (PA CS) Paragraph 1329: Valuation of acquired water and wastewater systems, collectively referred to as Act 12 of the 2016 Pennsylvania legislative session (Act 12). The intended users of this appraisal are our client Pennsylvania American Water Company and the Pennsylvania Public Utility Commission.

The value established in this appraisal was based on the definition of Market Value as:

> *"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress." The Appraisal of Real Estate, 14th Edition, page 58.*

In conducting this appraisal, we utilized several sources of data:

- Annual (year-ending December 31) Indian Creek Valley Water Authority water system operational financial statements covering the period 2019 through 2024 and budgets for 2023 - 2025.

- The Bankson Engineers, Inc.'s Engineer's Assessment and inventory of the Indian Creek Valley Water Authority's water system's property dated September 2025.

- The Handy-Whitman (water industry) Index of Public Utilities Construction Costs for northeastern United States, AUS Consultant General Plant Cost Indexes for

the period 1912 through July 1, 2025, and various cost indexes published by the United States Bureau of Labor Statistics (US BLS).

In preparing this fair market value appraisal of the System's property, plant and equipment, and its operations: the cost, income, and market approaches to value were considered. Primary reliance was placed on the cost approach for the property, plant and equipment, with the income approach and market approaches being utilized to confirm the overall value of the water system's operation. A detailed explanation of each approach to value is included below in the section "Appraisal Procedures and Results".

WATER/WASTEWATER INDUSTRY NATIONALLY AND IN PENNSYLVANIA
AND
INDIAN CREEK VALLEY WATER AUTHORITY'S WATER PRODUCTION, TREATMENT, AND DISTRIBUTION SYSTEM FACILITIES

Water/wastewater Industry

The water and wastewater industry in the United States consist of both municipal authorities (literally thousands) and private investor-owned companies. Of the investor owned there are six which are large enough to be tracked by Value Line Investment Surveys, of which, two are major players in the northeast portion of the United States, American Water Works Company, Inc. and Aqua America, Inc. (on February 3, 2020 Aqua's name changed to Essential Utilities, Inc.) American and Aqua have been particularly active in the acquisition of municipal water and wastewater systems.

Pennsylvania Water / Wastewater Industry

The water and wastewater industry in Pennsylvania also consist of both municipal and investor-owned systems. Over last several years the need for infrastructure improvements has led the Pennsylvania legislature to pass legislation facilitating the acquisition of municipal water and/or wastewater systems to a private investor-owned rate regulated companies such as American Water and Aqua America. This legislation was Act 12 of the Pennsylvania legislator's 2016 legislative session (Act 12). The Act 12 legislation added a section (1329) modifying Title 66 (Public Utilities) of the Pennsylvania Consolidated Statues (PA CS) adding Section 1329: Valuation of acquired water and wastewater systems, collectively referred to as Act 12. This appraisal was developed to meet the valuation criteria established by Section 1329 and the PA PUC's subsequent Implementation Orders in the valuation of acquired water and wastewater systems.

Indian Creek Valley Water Authority's Water Production, Treatment and Distribution System Facilities, its Property and Operations[8]

EXECUTIVE SUMMARY

As required by PA Act 12 of 2016 and following the guidelines of the "Uniform System of Accounts for Water and Wastewater Facilities", an assessment of the used and useful utility plant assets of the Indian Creek Valley Water Authority (ICVWA) has been prepared. Each facility and class of equipment has been coded according to Section 300 of the NARUC System of Accounts. The distribution system includes eleven water storage tanks, five water booster pump stations, six pressure regulating vaults, and approximately 123 miles of waterline ranging in size from two inches to twelve inches in diameter. Asset cost information and quantities were derived from auditing assessments, Authority records of past work, and engineering project documents.

The current conditions of the Authority's useful assets are good and regularly maintained. Several capital improvement projects are underway and are listed in the subject section.

A complete list of assets and their original costs is included in the report.

PURPOSE OF REPORT

The purpose of this report is to provide "an inventory of the used and useful utility plant assets" per the requirements of PA Act 12 of 2016.

The engineering assessment will then be used by the Utility Valuation Experts (UVEs) engaged by both the Seller (ICVWA) and Pennsylvania-American Water Company (PAWC). This engineering assessment report records for these purposes the assets, conditions, and original costs of ICVWA's system that will be used as a basis for the

[8] Extracted from Engineer's Assessment page 1 through 8

UVEs to conduct an appraisal of the value of the water treatment and distribution system.

This engineering assessment covers a scope that was mutually agreed upon by ICVWA and PAWC. The list of assets and their conditions and original costs consists of data gathered from ICVWA's knowledge of its system, available documents, maps, project documents, auditing documents, insurance assessments, and other sources.

Assets were accounted for using a number of sources. Distribution system pipe lengths were obtained from Authority records. Treatment plants were both field evaluated and accounted for using auditing documents. Costs for all items were drawn from auditing documents, Authority records, and project documents.

SYSTEM DESCRIPTION

The Indian Creek Valley Water Authority is a public water system serving customers in Fayette and Westmoreland Counties, Pennsylvania. The ICVWA is a municipal authority created in accordance with the Municipality Authorities Act of 1945, P.L. 382, its amendments and supplements. (In 2001, the Municipality Authorities Act was replaced with Act 22-2001.)

The Articles of Incorporation for the ICVWA was executed by the Townships of Saltlick and Springfield on September 8, 1965 and accepted and approved by the Pennsylvania Department of State on September 20, 1965. The ICVWA is governed by a five-member board, each board member being appointed to staggered, five-year term. Three members are appointed by Saltlick Township with the remaining two members appointed by Springfield Township.

In 2002, the Townships of Saltlick and Springfield extended the ICVWA's term of existence to December 31, 2051.

Operation of the ICVWA is directed by an Authority Manager who is responsible for the daily system operations and management of the staff of system operators, laborers and office personnel.

The public water supply system was started with the acquisition of the water system serving the Village of Melcroft in Saltlick Township. The Melcroft system was donated to the ICVWA by Eastern Gas and Fuel Associates, the coal company which had constructed and operated the system when the Village was a mining town. After the initial acquisition, the ICVWA applied for and received a federal grant under the Water and Sewer Facilities Grant Program operated by the Housing and Home Finance Agency (predecessor to the Department of Housing and Urban Development).

The federal grant funds were used to construct the nucleus of the public water supply system in Saltlick and Springfield Townships and consisted of water transmission, treatment, pumping, storage, and distribution facilities. During the 1970's and 1980's, the ICVWA continued to apply for and receive federal and state funding for water system extensions and has expanded the system by the construction of additional pumping stations, storage tanks, transmission mains and distribution lines.

In addition to the incorporating municipalities of Saltlick and Springfield Townships, ICVWA furnishes water to parts of Connellsville Township, Bullskin Township and Stewart Township, all in Fayette County, Donegal Township, Donegal Borough, and Mount Pleasant Township, all in Westmoreland County.

A map of the current ICVWA Distribution System has been included in Appendix B.

INVENTORY OF ASESTS

Water Treatment Plants

The ICVWA owns and maintains four separate sources of water supply and accompanying water treatment plants. The four sources of supply are Pritts Spring, Grimm Spring, Neal's Run Well, and Mill Run.

The Pritts Spring supply is classified as a ground water under the direct influence of a surface water (GUDI). As a result, the Authority constructed and operates the Pritts Spring Slow Sand Filtration Plant. The Authority is permitted to withdraw and treat up to 150,000 gallons of water per day at the Pritts Spring facility.

The Grimm Spring supply is also classified as a GUDI. As a result, the Authority constructed and operates the Grimm Spring Slow Sand Filtration Plant. The Authority is permitted to withdraw and treat up to 150,000 gallons of water per day at the Grimm Spring facility.

The Neal's Run Well supply was developed in 1994 and has a rated yield of 216,000 gallons per day. The Authority constructed a greensand filter water treatment plant which received its DEP Operations Permit on June 29, 2009.

The Mill Run Water Treatment Plant was constructed in 1974. ICVWA purchases raw water from the Municipal Authority of Westmoreland County from its Mill Run Reservoir and treats it at the Mill Run Water Treatment Plant. The Mill Run Water Treatment Plant is a conventional surface water gravity filter plant.

System Operation

Treated water from both Pritts Spring and Grimm Spring water supplies feed the 1965 gradient, as maintained by the Henry Tank, portion of the Authority's service area which can generally be described as being south of the Village of Melcroft. The distribution system, generally north of County Line Road at the Village of Champion, including the Route 31 and Donegal areas, is supplied by the Authority's Neal's Run Well. The division of the spring/well fed distribution system can be changed by manually opening and closing main line valves on the distribution system.

The Mill Run source of supply and water treatment plant is only operated during higher demand times of year as a supplement to the other sources of supply.

The ICVWA also maintains a metered interconnection with PAWC and by agreement can sell up to 50,000 gallons per day to PAWC. The ICVWA also maintains a metered connection with the Pleasant Valley Water Authority and by agreement can sell up to 50,000 gallons per day to the Pleasant Valley Water Authority.

Storage Tanks

The Authority has eleven water storage tanks, which are listed in the following table. In addition to the listed tanks, there is a planned project to construct a redundant tank next to the existing Ohiopyle System Tank, which is a 176,000-gallon welded steel tank in Stewart Township. Design of the second Ohiopyle Tank is complete, and the PA DEP Public Water Supply Permit has been issued. No construction has started on the replacement tank.

Water Storage Facilities

Name	Location	Type	Year Erected	Height (feet)	Overflow Elevation	Volume (gallons)
Old Ohiopyle Tank	Stewart Township	Welded Steel	1968	48	1407.33	176,000
Henry Tank	Saltlick Township	Welded Steel	1974	22	1965	350,000
Old Clinton Tank	Saltlick Township	Bolted, Glass Fused-to-Steel	1987	38	2194	200,000
White Mountain Tank	Saltlick Township	Bolted, Glass Fused-to-Steel	1990	23	2600	500,000
McClure Tank	Donegal Township	Bolted, Glass Fused-to-Steel	1994	52	1985	289,000

County Line Tank	Saltlick Township	Bolted, Glass Fused-to-Steel	1994	52	2407	193,000
Rich Hill Tank	Bullskin Township	Bolted, Glass Fused-to-Steel	1999	66	2396	155,000
SR 381 Tank	Stewart Township	Bolted, Glass Fused-to-Steel	2003	48	1965	490,000
Maple Sumit Tank	Stewart Township	Bolted, Glass Fused-to-Steel	2003	34	2200	154,000
Pleasant Hill Tank	Springfield Township	Bolted, Glass Fused-to-Steel	2017	27	2330	100,000
New Clinton Tank	Saltlick Township	Bolted, Glass Fused-to-Steel	2023	38	2194	200,000
Total Capacity						2,807,000

Distribution System

Other Authority equipment that contributes to the distribution system are the five water booster pump stations and the six pressure regulating facilities. These facilities, along with the water tanks, are monitored and controlled using SCADA system. The SCADA system is currently in the process of being upgraded. The project includes upgrades to the functional programming to meet regulatory requirements, alarm call-out capabilities, and equipment upgrades that includes migrating from twisted bell wire to fiber optics and satellite communications.

Water Booster Pumping Stations

Name	Location	Type	Year Construction	Capacity (GPM)	Suction Gradient (Feet)	Discharge Gradient (Feet)
White	Saltlick Township	1	1974	100	1965	2194 Clinton Tank
Normalville	Springfield Township	1	1984	200	1965	2330 Pleasant Hill Tank
Law's Hill	Springfield Township	1	1999	100	2194	2396 Rich Hill Tank

Maple Summit	Stewart Township	1	2003	150	1965	2200 Maple Summit Tank
Ohiopyle	Stewart Township	1	2003	145	1407.33	SR 381 and Henry Tanks
Note	1	Duplicate Centrifugal Pumps Below GradeVault				

Water Regulating Facilities

Name	Location	Type	Year Constructed	Upstream Gradient (Feet)	Downstream Gradient (Feet)
Carruthers Pressure Regulating Vault	Saltlick Township	Two 6" PRV's in series	1990	2600	2280
May Pressure Regulating Vault	Saltlick Township	Two 6" PRV's in series	1990	2280	1965
Shepler Pressure Relief Vault	Saltlick Township	One 6" PRV	1990	1965	
Hawkins Hollow Pressure Regulator Vault	Springfield Township	Two 6" PRV's in series	1990	2330	1965
County Line Road	Donegal Township	Two 6" PRV's in	1994	2407	1985

Pressure Regulating Vault		series			
Maple Summit Pump Station PRV	Stewart Township	One 4” PRV	2003	2200	1965
Ohiopyle Pump Station PRV	Stewart Township	One 4” PRV	2003	1965	1407
Note	PRV =	Pressure Relief Valve			

OWNED PROPERTY AND EASEMENTS OF VALUE

The Authority owns a number of properties where various water treatment and distribution facilities are located. These properties are listed in the table below. This table includes the Tax Map Parcel ID, the facility that is located on the property, the date of purchase and the purchase price of the property. Additionally, the deeds for these properties are included in the Appendix.

Authority Owned Properties

Tax Map Parcel ID Number	Facility	Sale Date	Sale Price
04-38-0013-01	Rich Hill Tank	11/18/1999	$2,000
26-01-0005 26-02-0012	Ohiopyle Water Treatment Plant	6/15/2012	$40,000
31-07-0157-01	White Pump Station	10/24/1977	300
31-10-0031	Abandoned Fowl Hill Tank	12/4/1967	0

	Chlorination		
31-13-0008-01	Clinton Pump station	11/24/1999	2,500
31-15-0118	Fowl Hill Tank	6/7/1967	0
31-17-0056-01	Neal's Run Well Water Treatment Plant	5/6/1995	3,200
31-17-0119-02	County Line Tank	5/5/1995	3,200
31-19-0023-01	Office Building	2/23/2023	340,000
31-19-0175	Maintenance Building (Indian Head Road)	8/22/1990	1
31-20-0055-01	Grimm Chlorinating Station	2/7/1974	750
31-20-0121	Pritts Spring Slow Sand Filtration Plant	4/27/1988	1
31-20-0123	Grimm Chlorinating Station	7/2/2001	750
31-21-0001	Pritts Spring/White Mountain Tank	4/27/1988	1
35-03-0003	Pleasant Hill Tank	7/14/2003	28,250
35-05-0084	Maintenance Garage	7/6/2017	750,000
35-06-0031	Henry Tank	6/21/1973	1,600
35-10-0016-01	Normalville Pump Station	3/6/1984	500
37-07-0027-01	S.R. 381 Tank	9/10/2002	1
37-08-0052-01	Maple Summit Road Pump Station	9/1/2002	2,500
37-08-0067-01	Maple Summit Road Tank	9/4/2002	1
46-16-00-0-224	McClure Tank	1/3/1967	10

Easements/Agreements

Tax Map Parcel ID Number	Facility	Easement / Agreement Date	Sale Price
35-13-0001	Mill Run Water Treatment Plant	8/1973	$1.00
37-13-0011	Ohiopyle Tank	7/3/2012	$0.00
31-06-0020-01	Clinton Tank	9/24/2021	$25,000.00

This completes the Engineers Assessment's description of the system.

WADS imported the asset details from the Engineers Assessment, in total the Authority's assets are summarized as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)
Account	Account	Asset Description	Original Cost
			OC $s
Input	Input	Input	Input
Eng Assmnt	AUS Input	Indian Creek Valley Water Authority	Eng Assmnt
NARUC Code	NARUC Code	Asset Description	Original Cost
303.00	303.00	Land and Land Rights	1,227,815.00
304.20	304.20	POWER AND PUMING STRUCTURES	700,197.73
304.30	304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,795.70
304.50	304.50	OFFICE BUILDINGS	340,000.00
310.00	310.00	POWER GENERATION EQUIPMENT	24,345.49
311.00	311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748.26
320.00	320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960.06
330.00	330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820.43
331.00	331.00	MAINS AND ACCESSORIES	16,377,299.93
333.00	333.00	SERVICES	1,371,739.51
334.00	334.00	METERS AND METER INSTALLATIONS	1,126,453.48
335.00	335.00	HYDRANTS	623,470.00
340.00	340.00	OFFICE FURNITURE AND EQUIPMENT	181,385.42
341.00	341.00	TRANSPORATION EQUIPMENT	384,473.38
343.00	343.00	TOOLS AND WORK EQUIPMENT	139,031.69
344.00	344.00	LABORATORY EQUIPMENT	115,437.80
345.00	345.00	POWER OPERATED EQUIPMENT	441,420.00
346.00	346.00	COMUNICATION EQUIPMENT	1,169,354.53
		Grand Total	**33,029,748.41**

APPRAISAL PROCEDURES AND RESULTS

The purpose of this appraisal of the Indian Creek Valley Water Authority's water production, treatment and distribution system is the determination of the fair market value of the water's property plant and equipment as of May 30, 2025. The report was prepared based on the 2024 Uniform Standards of Professional Appraisal Practices (USPAP) and is intended to meet the criteria established with Title 66 (Public Utilities) of the Pennsylvania Consolidated Statues (PS CS) Section 1329: Valuation of acquired water and wastewater systems, collectively referred to as Act 12 of the Pennsylvania legislator's 2016 legislative session (Act 12). The intended users of this appraisal are Pennsylvania American Water Company and the Pennsylvania Public Utility Commission (PA PUC).

The value established in this appraisal was based on the definition of Market Value as:

> *"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."* *The Appraisal of Real Estate, 14th Edition, page 58.*

In conducting this appraisal, we utilized several sources of data:

- Annual (year-ending December 31) Indian Creek Valley Water Authority's water system's operational financial statements covering the period 2019 through 2024 and budgetary 2023 - 2025.

- The Bankson Engineers, Inc.'s Engineers Assessment and inventory of the Indian Creek Valley Water Authority's water system's property dated September 2025.

- The Handy-Whitman (water industry) Index of Public Utilities Construction Costs for northeastern United States, AUS Consultant General Plant Cost Indexes for the period 1912 through July 1, 2025, and various cost indexes published by the United States Bureau of Labor Statistics (US BLS).

In preparing this fair market value appraisal of the System's water system's property, plant and equipment, and its operations; the cost, income, and market approaches to value were considered. Primary reliance was placed on the cost approach for the property, plant and equipment, with the income approach and market approaches being utilized to confirm the overall value of the water system's operation. Detailed explanation of each approach to value is included below.

Cost Approach (Cost Approach tab) - The philosophy in the cost approach to value is that the maximum value of a property's tangible assets is established by the cost to acquire or build a similar property. In this appraisal, the cost approach to value was analyzed using reproduction/replacement cost approach.

Reproduction cost and replacement cost are defined as:

> Reproduction cost – "The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the [property] being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, super-adequacies, and obsolescence of the subject [property]."[9]
>
> Replacement cost – "The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the [property] being appraised using modern materials and current standards, design and layout."[10]
>
> In the water industry the property's reproduction costs and replacement costs are quite similar; therefore, the property's cost new was determined based on its replacement cost new.

[9] The Appraisal of Real Estate, 13th Edition. Page 385
[10] ibid

The trended original cost method was utilized in preparing the replacement cost new. "Trending is a method of estimating a property's replacement cost new in which an *index* or *trend factor* is applied to the property's *historical cost* to convert the known cost into an indication of current cost. Simply put, trending reflects the movement of price over time."[11] In the trended original cost method, the System's investment in water plant and equipment is restated to costs reflective of the appraisal date, by the application of cost trends to the property's original investment. WADS Consultants utilized the Engineer's Assessment performed by Bankson Engineers, Inc.'s (Engineer's Assessment tab) as the starting point of the Cost Approach. Utilizing the Engineer's Assessment of the System's original cost in property, plant and equipment WADS Consultants developed the plant's depreciated original cost (OCLD) and depreciated replacement cost (RCNLD) on May 30, 2025 (Cost Approach tab).

The cost trends are applied to each of the various investment categories (NARUC plant accounts) by original year of placement for that investment. The cost indexes used in these studies were the Handy-Whitman Index of Public Utility Construction Costs for the water industry of the northeastern region of the United States which includes the Commonwealth of Pennsylvania (HW), the AUS Consultants of General Plant Indexes AUS), and various United States Bureau of Labor Statistics (US BLS) indexes. The following table details the costing parameters used in the trending costing procedures:

[11] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition. Page 59

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
May 30, 2025

Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(3a)	(3b)	(3c)	(3d)	(3e)
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
303.00	Land and Land Rights	USBLS	PPI	1.00	USBLS1	1.00
304.20	POWER AND PUMING STRUCTURES	HW	W-1	8.00	HWW-18	1.00
304.30	PURIFICATION and TREATMENT BUILDINGS	HW	W-1	8.00	HWW-18	1.00
304.50	OFFICE BUILDINGS	HW	W-1	8.00	HWW-18	1.00
310.00	POWER GENERATION EQUIPMENT	USBLS	USBLS	4.00	USBLS4	1.00
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	HW	W-1	9.00	HWW-19	1.00
320.00	TREATMENT & PURIFICATION SYSTEMS	HW	W-1	17.00	HWW-117	1.00
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	HW	W-1	23.00	HWW-123	1.00
331.00	MAINS AND ACCESSORIES	HW	W-1	44.00	HWW-144	1.00
333.00	SERVICES	HW	W-1	39.00	HWW-139	1.00
334.00	METERS AND METER INSTALLATIONS	HW	W-1	40.00	HWW-140	1.00
335.00	HYDRANTS	HW	W-1	42.00	HWW-142	1.00
340.00	OFFICE FURNITURE AND EQUIPMENT	AUS	T-1	15.00	AUST-115	1.00
341.00	TRANSPORATION EQUIPMENT	AUS	T-1	4.00	AUST-14	1.00
343.00	TOOLS AND WORK EQUIPMENT	AUS	T-1	7.00	AUST-17	1.00
344.00	LABORATORY EQUIPMENT	AUS	T-1	8.00	AUST-18	1.00
345.00	POWER OPERATED EQUIPMENT	AUS	T-1	8.00	AUST-18	1.00
346.00	COMUNICATION EQUIPMENT	USBLS	PPI	2.00	USBLS2	1.00

The following table presents the development of the cost approach for a portion of the water mains (Accounts 331) portion of the Indian Creek Valley Water Authority's water service area (this example will be used to describe the entire cost approach process):

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Average Year Installed	Average Year Installed	Units	Quantity	Replacement cost per unit	Original Cost	Costing Parameter	Placement Date Cost Index	Appraisal Date Cost Index	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
								OC $s					RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt	AUS Input	Indian Creek Valley Water Authority	Eng Assmnt	AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	Eng Assmnt	AUS Input	Cost Indices Lookup Cols(10) & (5)	Cost Indices Lookup Cols(10) & Study YR	Col (12) / (11)	Col (5) * (13)	AUS Input	Col (14) * (15)
NARUC Code	NARUC Code	Asset Description	Service Date	Year Installed	Units	Quantity	COR Cost	Original Cost	Cost Index Table	YearIndex	APPCostIndex	Translator	RCN	COR / RCN Factor	COR
331	331	Water Distribution System - Water Lines-12" DIP	1975	1975	L.F.	24,225		389,444.59	HWW-144	122.00	884.60	7.25	2,823,863	100.00%	2,823,863
331	331	Water Distribution System - Water Lines-8" DIP	1975	1975	L.F.	56,489		561,647.91	HWW-144	122.00	884.60	7.25	4,072,509	100.00%	4,072,509
331	331	Water Distribution System - Water Lines-6" DIP	1975	1975	L.F.	38,764		258,770.89	HWW-144	122.00	884.60	7.25	1,876,348	100.00%	1,876,348

When the trended cost method is applied to each of Indian Creek Valley Water Authority's investment in property, plant, and equipment of $33,029,748 was determined to have a replacement cost new of $97,747,904 detailed as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt	AUS Input	Indian Creek Valley Water Authority	Eng Assmnt	AUS Input			AUS Input	Col (14) * (15)
NARUC Code	NARUC Code	Asset Description	Original Cost	Cost Index Table	Translator	RCN	COR / RCN Factor	COR
303.00	303.00	Land and Land Rights	1,227,815.00	USBLS1	1.16	1,428,678	1.00	1,428,678
304.20	304.20	POWER AND PUMING STRUCTURES	700,197.73	HWW-18	2.86	1,999,186	1.00	1,999,186
304.30	304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,795.70	HWW-18	3.53	5,844,564	1.00	5,844,564
304.50	304.50	OFFICE BUILDINGS	340,000.00	HWW-18	1.04	353,260	1.00	353,260
310.00	310.00	POWER GENERATION EQUIPMENT	24,345.49	USBLS4	1.54	37,541	1.00	37,541
311.00	311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748.26	HWW-19	5.90	1,065,423	1.00	1,065,423
320.00	320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960.06	HWW-117	2.51	9,008,869	1.00	9,008,869
330.00	330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820.43	HWW-123	4.17	14,097,123	1.00	14,097,123
331.00	331.00	MAINS AND ACCESSORIES	16,377,299.93	HWW-144	3.14	51,411,943	1.00	51,411,943
333.00	333.00	SERVICES	1,371,739.51	HWW-139	3.93	5,389,520	1.00	5,389,520
334.00	334.00	METERS AND METER INSTALLATIONS	1,126,453.48	HWW-140	1.56	1,753,114	1.00	1,753,114
335.00	335.00	HYDRANTS	623,470.00	HWW-142	4.15	2,584,256	1.00	2,584,256
340.00	340.00	OFFICE FURNITURE AND EQUIPMENT	181,385.42	AUST-115	1.28	232,513	1.00	232,513
341.00	341.00	TRANSPORATION EQUIPMENT	384,473.38	AUST-14	1.16	447,630	1.00	447,630
343.00	343.00	TOOLS AND WORK EQUIPMENT	139,031.69	AUST-17	1.57	218,194	1.00	218,194
344.00	344.00	LABORATORY EQUIPMENT	115,437.80	AUST-18	1.37	158,193	1.00	158,193
345.00	345.00	POWER OPERATED EQUIPMENT	441,420.00	AUST-18	1.49	657,989	1.00	657,989
346.00	346.00	COMUNICATION EQUIPMENT	1,169,354.53	USBLS2	0.91	1,059,908	1.00	1,059,908
		Grand Total	**33,029,748.41**		**2.96**	**97,747,904**	**1.00**	**97,747,904**

Replacement Cost New less Depreciation - The replacement cost described above reflects the cost of new property; however, the Indian Creek Valley Water Authority's water system property is not new and has experienced normal depreciation and potentially functional and or economic obsolescence. These various forms of depreciation are defined as follows:

> Normal depreciation/deterioration, akin to physical deterioration, is "loss in value caused by wear, tear, age and use."[12]

[12] The Dictionary of Real Estate Appraisal, 4th Edition

Functional obsolescence is "the loss in value or usefulness of a property caused by inefficiencies or inadequacies of the property itself, when compared to a more efficient or less costly replacement property that new technology has developed."[13]

Economic, or external, obsolescence is defined as "A loss in value caused by factors outside a property"[14] and is most often indicated by insufficient earning.

Water Depreciation Service Life Experience in Pennsylvania

The service lives used in the depreciation and functional obsolescence calculations were developed based on the property and its use, WADS Consultants' experience in developing depreciation studies for the water and wastewater industries and depreciation studies filed with PAWC and Aqua America rate cases. With each of their recent rate case filings PAWC and Aqua America have filed depreciation studies in support of their depreciation service lives and associated depreciation expenses contained within their revenue requirements. The depreciation studies were prepared by Gannett Fleming Rate Consultants a recognized firm in the depreciation consulting area. WADS Consultants has reviewed the PAWC studies which are summarized in the following table:

[13] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition. Page 67.
[14] The Appraisal of Real Estate, 13th Edition, page 442.

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE 2. SUMMARY OF ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO WATER PLANT AS OF DECEMBER 31, 2017, 2020, & 2024

Account No	DEPRECIABLE GROUP	Appraisal Survivor curve	Appraisal Service Life	2024 SURVIVOR CURVE	2024 SURVIVOR CURVE	2024 Service Life	SURVIVOR CURVE (2)	2020 SURVIVOR CURVE (2)	2020 Service Life	2017 SURVIVOR CURVE	2017 Service Life	Account No	DEPRECIABLE GROUP (1)
	INTANGIBLE PLANT												INTANGIBLE PLANT
301.00	301.00 Organization			NONDEPR.			NONDEPR.					301.00	301.00 Organization
302.00	302.00 Franchises and Consents			NONDEPR.			NONDEPR.					302.00	302.00 Franchises and Consents
303.00	303.00 Miscellaneous Intangible Plant			NONDEPR.			NONDEPR.					303.00	303.00 Miscellaneous Intangible Plant
	total intangible plant												total intangible plant
	NONDEPRECIABLE PLANT												NONDEPRECIABLE PLANT
303.20	303.20 POWER AND PUMPING LAND			NONDEPR.			NONDEPR.					303.20	303.20 POWER AND PUMPING LAND
303.30	303.30 PURIFICATION LAND.			NONDEPR			NONDEPR.					303.30	303.30 PURIFICATION LAND.
303.40	303.40 TRANSMISSION AND DISTRIBUTION LAND AND RIGHTS OF WAY			NONDEPR			NONDEPR.					303.40	303.40 TRANSMISSION AND DISTRIBUTION LAND AND RIGHTS OF WAY
303.50	303.50 DISTRIBUTION RESERVOIRS AND STANDPIPES LAND			NONDEPR.			NONDEPR.					303.50	303.50 DISTRIBUTION RESERVOIRS AND STANDPIPES LAND
303.51	303.51 TRANSMISSION AND DISTRIBUTION - LAND			NONDEPR.			NONDEPR.					303.51	303.51 TRANSMISSION AND DISTRIBUTION - LAND
303.52	303.52 TRANSMISSION AND DISTRIBUTION - RIGHTS OF WAY			NONDEPR.			NONDEPR.					303.52	303.52 TRANSMISSION AND DISTRIBUTION - RIGHTS OF WAY
303.61	303.61 OFFICE LAND			NONDEPR			NONDEPR.					303.61	303.61 OFFICE LAND
	TOTAL NONDEPRECIABLE PLANT												*TOTAL NONDEPRECIABLE PLANT*
	DEPRECIABLE PLANT												DEPRECIABLE PLANT
303.14	303.14 WATER RIGHTS - HIBERNIA	SQ	25	25-SQ	SQ	25	25-SQ	SQ	25	SQ	25	303.14	303.14 WATER RIGHTS - HIBERNIA
303.35	303.35 WASTE HANDLING AND TREATMENT LAND	R2	100	100-R2	R2	100	100-R2	R2	100	R2	100	303.35	303.35 WASTE HANDLING AND TREATMENT LAND
303.99	303.99 COMPREHENSIVE PLANNING STUDIES	SQ	5	5-SQ	SQ	5	5-SQ	SQ	5	SQ	5	303.99	303.99 COMPREHENSIVE PLANNING STUDIES
	TOTAL ACCOUNT 303.XX												TOTAL ACCOUNT 303.XX
304.15	304.15 OTHER WATER SOURCE STRUCTURES	R1.5	50	50-S0.5	S0.5	50	60-R1.5	R1.5	60	S0.5	50	304.15	304.15 OTHER WATER SOURCE STRUCTURES
304.2X	304.2X POWER AND PUMING STRUCTURES											304.2X	304.2X POWER AND PUMING STRUCTURES
304.21	304.21 LARGE STRUCTURES	R2.5	75	75-S0.5	S0.5	75	70-R2.5	R2.5	70	S0.5	75	304.21	304.21 LARGE STRUCTURES
304.22	304.22 OTHER STRUCTURES	R3	55	55-R3	R3	55	55-R3	R3	55	R3	55	304.22	304.22 OTHER STRUCTURES
	TOTAL ACCOUNT 304.2X												TOTAL ACCOUNT 304.2X
304.3X	304.3X PURIFICATION BUILDINGS											304.3X	304.3X PURIFICATION BUILDINGS
304.31	304.31 LARGE STRUCTURES	R2.5	55	55-S1	S1	55	60-R2.5	R2.5	60	S1	55	304.31	304.31 LARGE STRUCTURES
304.32	304.32 OTHER STRUCTURES	R3	60	60-R3	R3	60	60-R3	R3	60	R3	60	304.32	304.32 OTHER STRUCTURES
	TOTAL ACCOUNT 304.3X												TOTAL ACCOUNT 304.3X
304.36	304.36 WASTE HANDLING AND TREATMENT STRUCTURES	S2.5	55	55-S1.0	S1.0	55	60-S2.5	S2.5	60	S1.0	55	304.36	304.36 WASTE HANDLING AND TREATMENT STRUCTURES
304.38	304.38 WASTE HANDLING AND TREATMENT STRUCTURES PAINTING	SQ.0	10	10-SQ.0	SQ.0	10	10-SQ	SQ	10	SQ.0	10	304.38	304.38 WASTE HANDLING AND TREATMENT STRUCTURES PAINTING
304.39	304.39 PURIFICATION BUILDINGS - TANK PAINTING	SQ.0	10	10-SQ.0	SQ.0	10	10-SQ	SQ	10	SQ.0	10	304.39	304.39 PURIFICATION BUILDINGS - TANK PAINTING
	TOTAL ACCOUNT 304.3XX												TOTAL ACCOUNT 304.3XX
	30461X OFFICE BUILDINGS												30461X OFFICE BUILDINGS
304.61	304.611 LARGE STRUCTURES	R1.5	50	50-S0.0	S0.0	50	50-R1.5	R1.5	50	S0.0	50	304.61	304.611 LARGE STRUCTURES
304.61	304.612 OTHER OTHER STRUCTURES	R3.0	50	50-R3.0	R3.0	50	50-R3	R3	50	R3.0	50	304.61	304.612 OTHER OTHER STRUCTURES
	TOTAL ACCOUNT 304.61X												TOTAL ACCOUNT 304.61X
304.62X	304.62X STORES, SHOP AND GARAGE BUILDINGS											304.62X	304.62X STORES, SHOP AND GARAGE BUILDINGS
	304.621 LARGE STRUCTURES	S0.5	55	55-S0.5	S0.5	55	55-S0.5	S0.5	55	S0.5	55		304.621 LARGE STRUCTURES
	304.622 OTHER OTHER STRUCTURES	R3	45	45-R3	R3	45	45-R3	R3	45	R3	45		304.622 OTHER OTHER STRUCTURES
	TOTAL ACCOUNT 304.62X												TOTAL ACCOUNT 304.62X
304.63	304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	S0.5	35	35-S0.5	S0.5	35	35-S0.5	S0.5	35	S0.5	35	304.63	304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS
	TOTAL ACCOUNT 304												TOTAL ACCOUNT 304
305.XX	305.XX COLLECTING AND IMPOUNDING RESERVOIRS											305.XX	305.XX COLLECTING AND IMPOUNDING RESERVOIRS
305.10	305.1 LARGE RESERVOIRS	R2.0	130	130-R2.0	R2.0	130	125-R2	5-R2	125	R2.0	130	305.10	305.1 LARGE RESERVOIRS
305.20	305.2 OTHER RESERVOIRS	R3.0	75	75-R3.0	R3.0	75	75-R3	R3	75	R3.0	75	305.20	305.2 OTHER RESERVOIRS
	TOTAL ACCOUNT 305.X												TOTAL ACCOUNT 305.X
306.XX	306.XX LAKE, RIVER AND OTHER INTAKES											306.XX	306.XX LAKE, RIVER AND OTHER INTAKES
306.10	306.1 LARGE RESERVOIRS	S1.5	55	55-S1.5	S1.5	55	55-S1	5-S1	55	S1.5	55	306.10	306.1 LARGE RESERVOIRS
306.20	306.2 OTHER RESERVOIRS	S1	50	50-S1	S1	50	50-S0.5	S0.5	50	S1	50	306.20	306.2 OTHER RESERVOIRS
	TOTAL ACCOUNT 306.X												TOTAL ACCOUNT 306.X
307.00	307.00 WELLS AND SPRINGS	S0.0	55	55-S0.0	S0.0	55	55-S0	S0	55	S0.0	55	307.00	307.00 WELLS AND SPRINGS
310.00	310.00 POWER GENERATION EQUIPMENT	S1	60	60-S0.5	S0.5	60	43-S1	S1	43	S0.5	60	310.00	310.00 POWER GENERATION EQUIPMENT
	TOTAL 307-310												TOTAL 307-310
	311.XX PUMPING EQUIPMENT												311.XX PUMPING EQUIPMENT
311.20	311.20 ELECTRIC PUMPING EQUIPMENT	S0	39	39-S0	S0	39	42-S0	S0	42	S0	39	311.20	311.20 ELECTRIC PUMPING EQUIPMENT
311.50	311.50 OTHER	S0	39	39-S0	S0	39	42-S0	S0	42	S0	39	311.50	311.50 OTHER
311.52	311.52 SOURCE OF SUPPLY	S0	39	39-S0	S0	39	42-S0	S0	42	S0	39	311.52	311.52 SOURCE OF SUPPLY
311.53	311.53 WATER TREATMENT	S0	39	39-S0	S0	39	42-S0	S0	42	S0	39	311.53	311.53 WATER TREATMENT
311.54	311.54 TRANSMISSION AND DISTRIBUTION	S0	39	39-S0	S0	39	42-S0	S0	42	S0	39	311.54	311.54 TRANSMISSION AND DISTRIBUTION
	TOTAL ACCOUNT 311.XX												TOTAL ACCOUNT 311.XX
	320.1X PURIFICATION SYSTEM												320.1X PURIFICATION SYSTEM
320.10	320.10 PURIFICATION STRUCTURES											320.10	320.10 PURIFICATION STRUCTURES
320.11	320.11 LARGE STRUCTURES	S1	50	50-S1	S1	50	60-S0.5	S0.5	60	S1	50	320.11	320.11 LARGE STRUCTURES
320.12	320.12 OTHER OTHER STRUCTURES	R3	55	55-R3	R3	55	55-R3	R3	55	R3	55	320.12	320.12 OTHER OTHER STRUCTURES
	TOTAL ACCOUNT 320.1												TOTAL ACCOUNT 320.1
	320.18 LARGE STRUCTURES PAINT	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10		320.18 LARGE STRUCTURES PAINT
320.19	320.19 LARGE STRUCTURES PAINT	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	320.19	320.19 LARGE STRUCTURES PAINT
320.20	320.20 CHEMICAL TREATMENT	R1	32	32-R1	R1	32	36-R0.5	R0.5	36	R1	32	320.20	320.20 CHEMICAL TREATMENT
320.29	320.29 CHEMICAL TREATMENT PAINT			FULLY ACCRUED			FULLY ACCRUED					320.29	320.29 CHEMICAL TREATMENT PAINT
	TOTAL PURIFICATION SYSTEM 320.XX												TOTAL PURIFICATION SYSTEM 320.XX
320.30	320.30 GRANULAR ACTIVATED CARBON	L0.5	11	11-L0.5	L0.5	11	7-L2	L2	7	L0.5	1	320.30	320.30 GRANULAR ACTIVATED CARBON
320.37	320.37 WASTE HANDLING AND TREATMENT - EQUIPMENT	R3	30	30-R3	R3	30	30-R3	R3	30	R3	30	320.37	320.37 WASTE HANDLING AND TREATMENT - EQUIPMENT
	TOTAL ACCOUNT 320												TOTAL ACCOUNT 320
330.00	330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES	S0.5	65	65-S0.5	S0.5	65	65-S0.5	S0.5	65	S0.5	65	330.00	330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES
330.10	330.10 ELEVATED TANKS AND STANDPIPES	S0.5	65	65-S0.5	S0.5	65	65-S0.5	S0.5	65	S0.5	65	330.10	330.10 ELEVATED TANKS AND STANDPIPES
330.20	330.20 GROUND LEVEL FACILITIES	S0.5	65	65-S0.5	S0.5	65	65-S0.5	S0.5	65	S0.5	65	330.20	330.20 GROUND LEVEL FACILITIES
330.30	330.30 BELOW GRADE FACILITIES	S0.5	65	65-S0.5	S0.5	65	65-S0.5	S0.5	65	S0.5	65	330.30	330.30 BELOW GRADE FACILITIES
330.40	330.40 CLEARWELL	S0.5	65	65-S0.5	S0.5	65	65-S0.5	S0.5	65	S0.5	65	330.40	330.40 CLEARWELL
330.58	330.58 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	330.58	330.58 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING
330.59	330.59 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	330.59	330.59 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING
	TOTAL ACCOUNT 330												TOTAL ACCOUNT 330
	DISTRIBUTION PLANT												DISTRIBUTION PLANT
331.00	331.00 MAINS AND ACCESSORIES	R2	90	90-R2	R2	90	110-R2	R2	110	R2	90	331.00	331.00 MAINS AND ACCESSORIES
333.00	333.00 SERVICES	R2.5	65	65-R2.5	R2.5	65	70-R2.5	R2.5	70	R2.5	65	333.00	333.00 SERVICES
334.00	334.00 METERS AND METER INSTAL LATIONS	L1.5	20	20-L1.5	L1.5	20	21-L1	1-L1	21	L1.5	20	334.00	334.00 METERS AND METER INSTAL LATIONS
335.00	335.00 FIRE HYDRANTS	R2	60	60-R2	R2	60	75-R2.5	R2.5	75	R2	60	335.00	335.00 FIRE HYDRANTS
	Distribution Plant												Distribution Plant
	340.X OFFICE FURNITURE AND EQUIPMENT												340.X OFFICE FURNITURE AND EQUIPMENT
340.10	340.1 FURNITURE	SQ	20	20-SQ	SQ	20	20-SQ	SQ	20	SQ	20	340.10	340.1 FURNITURE
340.20	340.2 COMPUTERS AND PERIPHERAL EQUIPMENT	SQ	5	5-SQ	SQ	5	5-SQ	SQ	5	SQ	5	340.20	340.2 COMPUTERS AND PERIPHERAL EQUIPMENT
340.30	340.3 COMPUTER SOFTWARE - 5 YEAR	SQ	5	5-SQ	SQ	5	5-SQ	SQ	5	SQ	5	340.30	340.3 COMPUTER SOFTWARE - 5 YEAR
340.40	340.4 COMPUTER SOFTWARE - 10YEAR	SQ	10	10-S0	S0	10	10-SQ	SQ	10	S0	10	340.40	340.4 COMPUTER SOFTWARE - 10YEAR
340.50	340.5 OTHER OFFICE EQUIPMENT	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	340.50	340.5 OTHER OFFICE EQUIPMENT
	TOTAL ACCOUNT 340.X												TOTAL ACCOUNT 340.X
	341.X TRANSPORATION EQUIPMENT												341.X TRANSPORATION EQUIPMENT
341.10	341.1 NOT CLASSIFIED	L2.5	10	10-L2.5	L2.5	10	7-L3	L3	7	L2.5	10	341.10	341.1 NOT CLASSIFIED
341.20	341.2 LIGHT DUTY TRUCKS	L2.5	10	10-L2.5	L2.5	10	7-L3	L3	7	L2.5	10	341.20	341.2 LIGHT DUTY TRUCKS
341.30	341.3 EQUIPMENT	L2.5	10	10-L2.5	L2.5	10	7-L3	L3	7	L2.5	10	341.30	341.3 EQUIPMENT
341.40	341.4 AUTOS	L2.5	10	10-L2.5	L2.5	10	7-L3	L3	7	L2.5	10	341.40	341.4 AUTOS
341.50	341.5 OTHER	L2.5	10	10-L2.5	L2.5	10	7-L3	L3	7	L2.5	10	341.50	341.5 OTHER
	TOTAL ACCOUNT 341.X												TOTAL ACCOUNT 341.X
342.00	342.00 STORES EQUIPMENT	SQ	20	20-SQ	SQ	20	20-SQ	SQ	20	SQ	20	342.00	342.00 STORES EQUIPMENT
343.00	343.00 TOOLS AND WORK EQUIPMENT	SQ	20	20-SQ	SQ	20	20-SQ	SQ	20	SQ	20	343.00	343.00 TOOLS AND WORK EQUIPMENT
344.00	344.00 LABORATORY EQUIPMENT	SQ	20	20-SQ	SQ	20	20-L0.5	L0.5	20	SQ	20	344.00	344.00 LABORATORY EQUIPMENT
345.00	345.00 POWER OPERATED EQUIPMENT	S0.5	21	21-S0.5	S0.5	21	19-S0.5	S0.5	19	S0.5	21	345.00	345.00 POWER OPERATED EQUIPMENT
	346.X COMUNICATION EQUIPMENT												346.X COMUNICATION EQUIPMENT
346.10	346.1 EQUIPMENT	SQ	15	15-SQ	SQ	15	15-SQ	SQ	15	SQ	15	346.10	346.1 EQUIPMENT
346.20	346.2 NON-TELEPHONE	SQ	15	15-SQ	SQ	15	15-SQ	SQ	15	SQ	15	346.20	346.2 NON-TELEPHONE
346.30	346.3 REMOTE CONTROL AND INSTRUMENTATION	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	346.30	346.3 REMOTE CONTROL AND INSTRUMENTATION
346.40	346.4 TELEPHONE	SQ	10	10-SQ	SQ	10	10-SQ	SQ	10	SQ	10	346.40	346.4 TELEPHONE
	TOTAL ACCOUNT 346.X												TOTAL ACCOUNT 346.X
347.00	347.00 MISCELLANEOUS EQUIPMENT	SQ	25	25-SQ	SQ	25	25-SQ	SQ	25	SQ	25	347.00	347.00 MISCELLANEOUS EQUIPMENT
348.00	348.00 OTHER TANGIBLE EQUIPMENT	SQ	25	25-SQ	SQ	25	25-SQ	SQ	25	SQ	25	348.00	348.00 OTHER TANGIBLE EQUIPMENT

The following table details the lives used in the depreciation portion of the replacement cost new less depreciation analysis:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
May 30, 2025

Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(4)	(4a)	(4b)	(5)	(6)	(6a)	(6b)
Account Number	Description	Iowa Survivor / Retirement Curve		Normal Service Life	Economic Obsolescence	Tax Depreciation		
				years	% of CORLD	Table		Life
303.00	Land and Land Rights	ZNonDep		0.00	36.04%	MACRS		0.00
304.20	POWER AND PUMING STRUCTURES	R1.5		60.00	36.04%	MACRS		25.00
304.30	PURIFICATION and TREATMENT BUILDINGS	R2.5		55.00	36.04%	MACRS		25.00
304.50	OFFICE BUILDINGS	R1.5		50.00	36.04%	MACRS		25.00
310.00	POWER GENERATION EQUIPMENT	S1.0		35.00	36.04%	MACRS		25.00
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	S1.0		39.00	36.04%	MACRS		25.00
320.00	TREATMENT & PURIFICATION SYSTEMS	S1.0		50.00	36.04%	MACRS		25.00
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	R3.0		65.00	36.04%	MACRS		25.00
331.00	MAINS AND ACCESSORIES	R2.0		90.00	36.04%	MACRS		25.00
333.00	SERVICES	R2.5		65.00	36.04%	MACRS		25.00
334.00	METERS AND METER INSTALLATIONS	L1.5		20.00	36.04%	MACRS		20.00
335.00	HYDRANTS	R2.0		60.00	36.04%	MACRS		25.00
340.00	OFFICE FURNITURE AND EQUIPMENT	R2.5		15.00	36.04%	MACRS		15.00
341.00	TRANSPORATION EQUIPMENT	L2.5		10.00	36.04%	MACRS		10.00
343.00	TOOLS AND WORK EQUIPMENT	R2.5		20.00	36.04%	MACRS		20.00
344.00	LABORATORY EQUIPMENT	R2.5		20.00	36.04%	MACRS		20.00
345.00	POWER OPERATED EQUIPMENT	R2.5		21.00	36.04%	MACRS		21.00
346.00	COMUNICATION EQUIPMENT	R2.5		15.00	36.04%	MACRS		15.00

As the above table demonstrates, the depreciation lives selected for the WADS Consultants appraisal are consistent with the depreciation studies' finding for water plant.

Normal Depreciation – The extent of the depreciation in the property was evaluated using age-life depreciation techniques. In age-life depreciation, the property's depreciation or condition is estimated using the following formulas:

$$\text{Depreciation (\%)} = \frac{\text{Age (years)} \times 100\%}{\text{Service Life (years)}}$$

$$\text{Condition (\%)} = \frac{\text{Remaining Life (years)} \times (100\%)}{\text{Service Life (years)}}$$

where: the property's Service Life = Age + Remaining Life
and Remaining Life = f(Survival Characteristic, Service Life, Age)

However, due to the age of some of the property the extent of the depreciation was limited to 85% of the assets original cost and its replacement cost new.

When the above depreciation lives are used to quantify the property's depreciation is applied to the replacement cost new of the example mains portion of the Indian Creek Valley Water Authority's water service area the replacement cost new less depreciation was determined detailed as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
Account	Description	Placement Year	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
			years	COR $s		years	% of NSL	Lookup	%	years	years	% of COR	CORLD $s
Input	Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Lookup	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	2025-[(20)+0.5]	Col (16)	AUS Input	AUS Input	Col (21) / (24)	Col (23) & (25)	Lookup Iowa Curves Life Tables @ col (26)	Col (24) * (27)	Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Year1	Age	RCN	Iowa	NLife	AgeP	IowaLookup	IowaCondition	Rem Life	Total Life	Condition	CORLD
		0											
331	Water Distribution System - Water Lines-12" DIP	1975	49.75	2,823,863	R2.0	90.00	55.00	R2.0055	0.55	49.32	99.07	49.78%	1,405,803
331	Water Distribution System - Water Lines-8" DIP	1975	49.75	4,072,509	R2.0	90.00	55.00	R2.0055	0.55	49.32	99.07	49.78%	2,027,416
331	Water Distribution System - Water Lines-6" DIP	1975	49.75	1,876,348	R2.0	90.00	55.00	R2.0055	0.55	49.32	99.07	49.78%	934,102

When the above depreciation lives are used to quantify the property's depreciation is applied to each of the Indian Creek Valley Water Authority's investment in plant, property and equipment the replacement cost new (RCN) of

$97,747,904 the resultant RCN less depreciation (RCNLD) was found to be $60,489,847 detailed as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Indian Creek Valley Water Authority		Col (16)	AUS Input	AUS Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
303.00	Land and Land Rights	7.89	1,428,678	ZNonDep	-	-	-	-	1,428,678
304.20	Stuctures & Improvements - General	26.90	1,999,186	R1.5	60.00	39.40	66.30	60.00	1,193,982
304.30	PURIFICATION and TREATMENT BUILDINGS	35.87	5,844,564	R2.5	55.00	25.76	61.63	55.00	2,528,254
304.50	OFFICE BUILDINGS	1.75	353,260	R1.5	50.00	48.36	50.11	50.00	340,923
310.00	POWER GENERATION EQUIPMENT	19.75	37,541	S1.0	35.00	18.98	38.73	35.00	18,397
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	37.97	1,065,423	S1.0	39.00	13.69	51.66	39.00	302,057
320.00	TREATMENT & PURIFICATION SYSTEMS	19.42	9,008,869	S1.0	50.00	33.22	52.63	50.00	5,748,160
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	28.19	14,097,123	R3.0	65.00	39.18	67.36	65.00	8,262,243
331.00	MAINS AND ACCESSORIES	32.08	51,411,943	R2.0	90.00	62.89	94.97	90.00	34,195,839
333.00	SERVICES	37.72	5,389,520	R2.5	65.00	32.75	70.47	65.00	2,524,989
334.00	METERS AND METER INSTALLATIONS	8.23	1,753,114	L1.5	20.00	15.03	23.26	20.00	1,273,624
335.00	HYDRANTS	34.25	2,584,256	R2.0	60.00	32.42	66.66	60.00	1,272,520
340.00	OFFICE FURNITURE AND EQUIPMENT	15.88	232,513	R2.5	15.00	4.34	20.22	15.00	62,654
341.00	TRANSPORATION EQUIPMENT	9.38	447,630	L2.5	10.00	1.50	10.88	10.00	82,579
343.00	TOOLS AND WORK EQUIPMENT	13.41	218,194	R2.5	20.00	10.04	23.45	20.00	105,030
344.00	LABORATORY EQUIPMENT	6.12	158,193	R2.5	20.00	14.44	20.57	20.00	111,486
345.00	POWER OPERATED EQUIPMENT	11.14	657,989	R2.5	21.00	11.57	22.70	21.00	343,560
346.00	COMUNICATION EQUIPMENT	8.00	1,059,908	R2.5	15.00	9.94	17.94	15.00	694,872
Grand Total		**29.38**	**97,747,904**		**72.45**	**47.65**	**76.91**	**0.62**	**60,489,847**

The preliminary cost approach to value of the Indian Creek Valley Water Authority's water utility property was found to be $60,489,847.

Original Cost less Depreciation

With the Pennsylvania PUC's Forth Implementation Order the importance of the original cost less depreciation (OCLD) requires that the Utility Valuation Experts' (UVE) appraisal address the OCLD. The Engineers Assessment provided the original cost by account and installation year for the development of the OCLD and the previously discussed depreciation lives were used to quantify the depreciation. The following table details the development of the mains account as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
Description	Placement Year	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input	2025-[(45)+0.5]	Col (49) / (48)	Col (47) & (50)	Lookup Iowa Curves Life Tables @ col (51)	Col (48) * (52)	Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Descrip	Year	Original Cost	Iowa	Life	age	AgeP	IowaLookup	IowaCondition	Rem Life	Total Lif	Theo%	Theo Reserve	Net Book
Water Distribution System - Water Lines-12" DIP	1975	389,444.59	R2.0	90.00	49.75	55.00	R2.0055	0.55	49.32	99.07	50.22%	195,567	193,878
Water Distribution System - Water Lines-8" DIP	1975	561,647.91	R2.0	90.00	49.75	55.00	R2.0055	0.55	49.32	99.07	50.22%	282,043	279,605
Water Distribution System - Water Lines-6" DIP	1975	258,770.89	R2.0	90.00	49.75	55.00	R2.0055	0.55	49.32	99.07	50.22%	129,947	128,824

The following table presents the development of the preliminary OCLD of $22,911,559 as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(43)	(44)	(46)	(47)	(48)	(49)	(53)	(54)	(55)	(56)	(57)
Account	Description	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input			Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Acct	Descrip	Original Cost	Iowa	Normal Life	age	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
303.00	Land and Land Rights	1,227,815	ZNonDep	-	6.94	-	-	0.00%	-	1,227,815
304.20	POWER AND PUMING STRUCTURES	700,198	R1.5	60.00	25.46	40.36	65.82	39.00%	269,666	430,532
304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,796	R2.5	55.00	26.89	32.16	59.05	44.00%	733,987	919,809
304.50	OFFICE BUILDINGS	340,000	R1.5	50.00	1.75	48.36	50.11	3.00%	11,873	328,127
310.00	POWER GENERATION EQUIPMENT	24,345	S1.0	35.00	19.75	18.98	38.73	51.00%	12,414	11,931
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748	S1.0	39.00	28.98	18.89	47.87	57.00%	102,743	78,005
320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960	S1.0	50.00	15.70	36.04	51.75	30.00%	1,073,727	2,518,233
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820	R3.0	65.00	20.03	46.47	66.50	30.00%	1,003,434	2,377,386
331.00	MAINS AND ACCESSORIES	16,377,300	R2.0	90.00	26.72	67.21	93.93	28.00%	4,610,177	11,767,123
333.00	SERVICES	1,371,740	R2.5	65.00	34.02	35.57	69.59	49.00%	665,924	705,816
334.00	METERS AND METER INSTALLATIONS	1,126,453	L1.5	20.00	4.16	16.74	20.90	17.00%	196,832	929,621
335.00	HYDRANTS	623,470	R2.0	60.00	29.28	35.97	65.26	44.00%	276,367	347,103
340.00	OFFICE FURNITURE AND EQUIPMENT	181,385	R2.5	15.00	15.30	4.57	19.88	72.00%	129,951	51,434
341.00	TRANSPORATION EQUIPMENT	384,473	L2.5	10.00	9.10	1.50	10.60	81.00%	312,767	71,706
343.00	TOOLS AND WORK EQUIPMENT	139,032	R2.5	20.00	12.00	10.79	22.79	48.00%	66,974	72,058
344.00	LABORATORY EQUIPMENT	115,438	R2.5	20.00	5.93	14.61	20.54	29.00%	33,067	82,371
345.00	POWER OPERATED EQUIPMENT	441,420	R2.5	21.00	10.83	11.76	22.60	47.00%	206,551	234,869
346.00	COMUNICATION EQUIPMENT	1,169,355	R2.5	15.00	8.32	9.82	18.14	35.00%	411,735	757,620
Grand Total		**33,029,748**		**67.17**	**22.15**	**48.46**	**70.35**	**30.63%**	**10,118,189**	**22,911,559**

Income Approach (Income Approach tabs)

The income approach to value establishes the value of the property based on its economic returns. There are two generally accepted procedures in performing an income analysis: the direct capitalization of anticipated income, and the discounted cash flow procedures.

In the direct capitalization approach, anticipated earnings are capitalized directly into value using a market-required capitalization rate. The Indian Creek Valley Water Authority's water operation will be moving from a municipal operation, wherein economic returns are not the primary objective of the operation to a private (investor owned) rate regulated water utility operation in which economic returns are one of the objectives of the operation; therefore, the direct capitalization of earnings approach was not utilized in this appraisal.

In the discounted cash flow (DCF) approach, the property's economic returns are forecast for future periods. The cash flows (debt-free after-tax net cash flows) from operations are discounted to the appraisal date using a market derived discount rate resulting in the DCF approach's income indicator of value. Use of the DCF approach allows the appraiser to address the property's historical operating experience and its migration, in future periods, to an operation as a rate regulated income taxed (local, state and federal) operation; thus, making the DCF approach preferable in this case.

In preparing this appraisal's DCF analysis first the results from the Indian Creek Valley Water Authority's water utility's operations were evaluated based on an analysis of historical operating performances over the period 2019 through 2024 and budgetary 2023-2025 (Financials tab). In this analysis operating statistics such as revenues and their growth, various operating expenses were stated as function of their typical drivers (revenues, plant investment, income from operations, etc.) were analyzed. Details are provided in Income Approach tab. Using the above-described analyses, the results of future periods operations were forecast based on the migration of the Indian Creek Valley Water Authority's historical operations type experience over time to operations of

the water operation similar to a public investor-owned water utilities. These forecasts are detailed in the Income Approach tab.

In this appraisal, future operating results were forecasted as follows:

Revenues
Operating Expenses
    Operating and Maintenance Expense
    Depreciation & Amortization
Total Operating Expenses
Operating Income (Revenues less Operating Expenses)
Taxes
    Property
    Income (state & federal)
Total Taxes
After Tax Income (Operating Income less Total Taxes)
Net Cash Flows
    Plus: After Tax Income
    Plus: Depreciation
    Less: Capital Expenditures
    Plus/less: Change in Working Capital
Equals: Debt-free after-tax net cash flows

In the above-described table, the depreciation expense (both book and tax) and the capital expenditures were forecast based on the investment in property plant and equipment at the appraisal date and in subsequent periods. The initial investment in the plant and depreciation forecast were based on the criteria established in Section 1329 for the acquisition and subsequent regulation (rate base) of the acquired property by the acquiring investor-owned utility company. The following table details the forecasts of plant investment, book depreciation, tax depreciation forecast, and the resultant net plant investment and rate base as follows:

Plant Investment

Initial Investment/ Beginning Plant Balance
Additions (Capital Expenditures)
Retirements
Ending Plant Balance

Depreciation (book)
Initial Book Depreciation Reserve / Beginning Book Reserve Balance
Book Depreciation & Amortization
Retirements
Ending Book Reserve Balance

Depreciation (tax)
Initial Tax Reserve / Beginning Tax Reserve
Tax Depreciation
Retirement
Ending Tax Reserve Balance

In these forecasts, the initial plant investment was based on the allocated purchase price of $32,800,000. Initially, the Cost Approach results are utilized to allocate the purchase price by category of plant (NARUC account). The Cost Approach results also define the property's ages and remaining lives of the various plant investment categories. Using these inputs, the future periods book and tax depreciation can be forecast, as well as the accumulated deferred taxes and resulting rate base.

With a forecast of the future rate base and an estimate of the Pennsylvania Commission's authorized return on rate base, the future return on rate base can be estimated which along with the forecast operating expenses (operating expenses, depreciation, and taxes) the future period revenue requirement forecasts can be made. An estimate of the PA Commission return on rate base is detailed as follows:

Water and Wastewater Cost of Capital
Second Quarter 2025 (4-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Rate of Return on Rate Base)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48.17%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.91%
Equity	51.83%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.05%
Total Capital r	**100.0%**						**6.96%**
Growth (g)						Not Applicable	**0.00%**
Rate without Growth: [(1+r)/(1+g)]-1							**6.96%**

Based on a comparison of the forecast revenues and the forecast of the estimated revenue requirement, future period rate increases were forecast. The criteria in making future period rate adjustments was to bring the forecast achieved return in line with the required return. Based on this process the results of future operations were forecast for the next 20-year period. Period 20 of the forecast was treated in the discounted cash flow as the forecast for period 20 through perpetuity.

Finally, the resultant cash flows from future period operations of the System were discounted to the appraisal date using a market derived discount rate for a public investor-owned water/wastewater utility (Cost of Capital / Required Return tab). The following table details the market discount rate developed using the weighted average cost of capital (WACC) of the market debt and equity:

Water and Wastewater Cost of Capital
Second Quarter 2025 (4-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	26.77%	Market	5.66%	Market	28.89%	71.11%	1.08%
Equity	73.23%	Market	9.75%	Market	0.0%	100.0%	7.14%
Total Capital r	**100.0%**						**8.22%**
Growth (g)							**2.99%**
Rate without Growth: [(1+r)/(1+g)]-1							**5.08%**

The market cost of debt was developed based on market returns for utilities debt as reported in the Mergent Bond Record March 2025. The market cost of equity was developed using the capital asset pricing model (CAPM) and the dividend-growth model (DGM). Input to these equity costing models were developed based on Value Line Investment Surveys for the water industry published for April 1, 2025, consisting of the following six companies:

Company	
American States Water (NYSE-AWR)	American Water ((NYSE-AWK)
California Water (NYSE-CWT)	Essential Utilities, Inc. (NYSE-WTRG)
Middlesex Water (NDQ-MSEX)	SJW Corporation (NYSE-SJW)

The Value Line data was also used to develop the market capital structure used in the WACC determination. The market required return analysis can be found in the Cost of Capital / Required Return tab.

The following table presents the results of the discounted cash flow analysis:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 8.22%
Capitalization Rate: 5.08%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Period	Age	Revenues	O&M Expenses	Tax Depreciation	Cash Flow from Operations	Taxable Income before State & Federal Taxes	State and Federal Taxes @ 28.89%	Capital Expenditures	Change in Working Capital	Net Cash Flows	Period Present Worth Factor (PW)	PW of Cashflow	Accumulated PW of Cashflows
					(3)-(4)	(6)-(5)	(7) *28.89%			(3)-(4)-(8)-(9)-(10)		(11)*(12)	Sum (13)
1	0.5	2,797,040	2,101,088	1,363,222	695,952	(667,270)	(192,774)	925,562	-	(36,836)	0.961	(35,399)	(35,399)
2	1.5	3,915,856	2,060,504	1,396,838	1,855,353	458,515	132,465	940,111	75,054	707,723	0.888	628,458	593,059
3	2.5	3,915,856	2,039,427	1,431,576	1,876,429	444,853	128,518	954,871	-	793,040	0.821	651,086	1,244,145
4	3.5	5,090,613	2,025,634	1,467,464	3,064,979	1,597,515	461,522	969,862	78,806	1,554,789	0.758	1,178,530	2,422,675
5	4.5	5,090,613	2,007,116	1,504,532	3,083,497	1,578,965	456,163	985,100	-	1,642,234	0.701	1,151,206	3,573,881
6	5.5	6,363,266	2,012,929	1,542,806	4,350,337	2,807,531	811,096	1,000,581	85,374	2,453,286	0.648	1,589,730	5,163,611
7	6.5	6,363,266	2,012,308	1,443,214	4,350,958	2,907,743	840,047	527,060	-	2,983,851	0.598	1,784,343	6,947,954
8	7.5	6,999,593	2,008,475	1,460,742	4,991,118	3,530,376	1,019,926	531,013	42,687	3,397,492	0.553	1,878,813	8,826,767
9	8.5	6,999,593	2,001,761	1,478,564	4,997,832	3,519,267	1,016,716	534,996	-	3,446,120	0.511	1,760,967	10,587,734
10	9.5	7,419,569	2,002,281	1,496,687	5,417,288	3,920,601	1,132,661	539,009	28,173	3,717,445	0.472	1,754,634	12,342,368
11	10.5	7,419,569	2,001,208	1,474,406	5,418,361	3,943,955	1,139,408	543,049	-	3,735,904	0.436	1,628,854	13,971,222
12	11.5	7,864,743	2,002,228	1,492,466	5,862,515	4,370,050	1,262,507	547,124	29,864	4,023,020	0.403	1,621,277	15,592,499
13	12.5	7,864,743	2,004,350	1,510,820	5,860,393	4,349,573	1,256,592	551,227	-	4,052,574	0.373	1,511,610	17,104,109
14	13.5	8,336,628	2,006,353	1,529,476	6,330,275	4,800,799	1,386,951	555,361	31,655	4,356,308	0.344	1,498,570	18,602,679
15	14.5	8,336,628	2,011,409	1,548,438	6,325,219	4,776,781	1,380,012	559,527	-	4,385,680	0.318	1,394,646	19,997,325
16	15.5	8,836,826	2,042,759	1,509,980	6,794,067	5,284,087	1,526,573	563,725	33,556	4,670,213	0.294	1,373,043	21,370,368
17	16.5	8,836,826	2,082,521	1,528,735	6,754,305	5,225,570	1,509,667	567,950	-	4,676,688	0.272	1,272,059	22,642,427
18	17.5	9,367,036	2,120,360	1,547,793	7,246,676	5,698,883	1,646,407	572,211	35,568	4,992,490	0.251	1,253,115	23,895,542
19	18.5	9,367,036	2,156,083	1,567,154	7,210,953	5,643,799	1,630,494	576,501	-	5,003,958	0.232	1,160,918	25,056,460
20 and beyond	19.5	9,929,058	2,200,767	1,586,825	7,728,291	6,141,466	1,774,270	580,825	37,702	5,335,494	2.603	13,888,290	38,944,750
								13,525,665					

Age	19.5				
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$	0.214	Net Plant		30,132,352	
PW to Perpetuity = 1/Capitalization Rate	12.165	ADIT		(3,962,813)	
$PW_{(20and Beyond)}$ = PW to Perpetuity * PW Factor$_{(19.5)}$	2.603	Rate Base		26,169,539	0.214
		Annual Plant Construction Inflation Rate	0.0422 Input		
		Plant Inflation over 19.5 years		59,816,011	0.214
		PP	32,800,000		
		OCLD	22,911,559		
		PP/OCLD	1.432		
		RCNLD	60,489,847		
		RCNLD/PP		1.844202652	
				48,261,933.38	0.214

5,600,281	30,656,741		
12,800,626	37,857,086		
10,328,054	35,384,514		
		Average	35,710,773

Based on the above-described discounted cash flow analysis, the Income Approach to value of the System's water property and its operations was determined to be $38,944,750. To ensure that the above-described forecast captured the entire economic returns of the property an additional 40-year period beyond the original 20-year forecast was made. This additional forecast indicated the reasonableness of the initial forecast results.

Market Approach (Market Approach tab)

The market or comparable sales approach to value looks to market sales of comparable properties in order to arrive at value. In this appraisal, the market approach was addressed from a comparable sales approach using Pennsylvania water and wastewater systems and market value to book value ratios based on investor-owned water utilities reported in Value Line Investment Survey.

Market Sales – In the comparable sales market approach the sales of Pennsylvania municipal water and wastewater systems to investor-owned water/wastewater utilities following the passage of Section 1329 were used to insure comparability. The following sales were considered:

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidder	Dauphin	Water Treatment and Distribution
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection
25	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment
26	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment
28	A-2023-3038717	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC		Allegheny	Wastewater Collection and Treatment
	End of Section 1329 Data							
					Count 19			Wastewater Collection and Treatment
								Wastewater Collection
								Water Treatment and Distribution
								Water Distribution
								All section 1329
								Mean
								Standard Deviation
								Median

In order to arrive at a measure of comparability these system sales were analyzed in relationship of the purchase price to the properties': depreciated original cost (OCLD), depreciated replacement cost (RCNLD), Customers, and EBITDA (Market tab).

The following tables summarizes both the comparable sales and financial market ratio analysis and the Market Approach conclusion of this appraisal.

The following table presents the market derived ratios of purchase price to depreciated original cost and purchase price to replacement cost less depreciation:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Central Tendancy and Reliability Analysis

Market Sales Analysis - PP/OCLD	Simple		**Market Sales Analysis - PP/CORLD**	Simple		
All Section 1329 Acquistions			All Section 1329 Acquistions			
Mean	1.9340		Mean	0.8266		
Median	0.8983		Median	0.8951		
Count	27		Count	27		
Water Treatment & Distribution			Water Treatment & Distribution			
Mean	1.4354		Mean	0.7686		
Count	3		Median	3		
Water Distribution			Water Distribution			
Mean	1.3500		Mean	0.5320		
Count	1		Count	1		
Wastewater Collection & Treatment			Wastewater Collection & Treatment			
Mean	1.7972		Mean	0.853616667		
Count	16		Count	16		
Wastewater Collection			Wastewater Collection			
Mean	1.8733		Mean	0.807733333		
Count	7		Count	7		
Wastewater Treatment Only			Wastewater Treatment Only			
Mean	-0.076066667		Mean	0.045883333		
Count	Calculated		Count	Calculated		
AUS Conclusion	1.4354	AUS Input Cost Approach - OCLD	AUS Conclusion	0.7686	AUS Input Cost Approach - CORLD	60,489,847
Indian Creek Valley Water Authority OCLD	22,911,559		Indian Creek Valley Water Authority CORLD	60,489,847		
Market Value Indication	**32,887,252**		**Market Value Indication**	**46,492,496**		46,492,496

The following table presents the derivation of the market ratios of purchase price to OCLD and CORLD for the following grouping of market transactions:

All Section 1329 Acquisitions

Water Treatment and Distribution

Water Distribution

Wastewater Collection and Treatment

Wastewater Collection

Wastewater Treatment Only (derived)

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329	Average Purchase Price per Customer	AUS Market Value per Customer	Engineers Assessment	Original Cost	OCLD Depreciation	Original Cost less Depreciation (OCLD)	Purchase Price to OCLD	CDR Translator	Cost New	Replacement Cost less Depreciation (CORLD)	Cost New less Depreciation (RCNLD)	Purchase Price to RCNLD
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post	7,242.75	7,243	KLH Engineers, Inc.	108,231,570	74.0%	80,085,602	1.9854	2.986	323,139,630	48.4%	156,524,909	1.0158
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,105	Post	14,007.60	14,008	AUS Consultants	27,146,852	68.4%	18,567,728	1.5888	2.219	60,232,051	50.8%	30,615,410	0.9636
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post	11,846.41	11,846	PennoniAssociates, Inc.	63,480,402	72.7%	46,153,867	1.3948	1.966	124,772,705	58.6%	73,068,377	0.8810
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post	4,006.41	4,006	AUS Consultants	8,294,930	64.9%	5,383,591	0.9287	1.817	15,073,739	61.3%	9,236,581	0.5413
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post	3,992.24	3,992	Larson Design Group	5,294,272	66.2%	3,507,138	1.3500	2.777	14,699,682	60.5%	8,899,336	0.5320
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post	3,284.08	3,284	Larson Design Group	4,931,649	65.6%	3,234,859	1.4731	2.859	14,097,938	56.7%	7,991,234	0.5963
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post	4,785.71	4,786	Boucher & James, Inc.	19,818,218	79.6%	15,784,463	3.1835	7.342	145,511,461	34.3%	49,940,486	1.0062
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post	9,354.84	9,355	Herbert, Rowland & Grubic, Inc (HRG)	19,739,906	73.1%	14,433,435	1.5069	2.626	51,836,769	46.1%	23,921,473	0.9092
9	A-2018-3002437	1/1/2017	PA American Water	Salisbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post	8,617.23	8,617	Herbert, Rowland & Grubic, Inc (HRG)	7,480,601	81.9%	6,128,876	1.40	1.424	10,652,193	80.0%	8,517,587	1.0097
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post	10,388.89	10,389	Gannett Fleming	68,404,345	58.6%	40,057,634	2.3341	3.085	209,693,218	47.5%	99,589,819	0.9389
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post	4,242.42	4,242	Carroll Engineering corporation	16,246,828	51.7%	8,407,007	2.4979	4.356	70,770,233	38.8%	27,461,356	0.7647
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post	8,753.74	8,754	Gannett Fleming	21,023,527	57.4%	12,070,455	1.4548	2.642	55,539,558	52.2%	29,015,055	0.6052
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post	8,145.36	8,145	PennoniAssociates, Inc.	7,666,482	67.5%	5,173,559	2.5128	5.325	40,821,536	32.8%	13,376,109	0.9719
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post	5,020.56	5,021	PennoniAssociates, Inc.	6,843,616	78.5%	5,370,438	1.3639	2.239	15,320,978	76.1%	11,664,026	0.6280
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post	8,485.40	8,485	PennoniAssociates, Inc.	13,389,110	68.8%	9,214,738	1.5139	2.370	31,729,237	60.7%	19,252,333	0.7246
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending	16,785.04	16,785	PennoniAssociates, Inc.	263,682,616	72.7%	191,774,486	1.4418	3.005	792,388,731	50.4%	399,664,111	0.6918
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post	9,628.85	9,629	LTL Consultnats & AUS Consultants	15,295,347	77.0%	11,769,925	1.1682	1.686	25,786,184	71.6%	18,460,028	0.7449
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post	4,752.94	4,753	Ebert Engineering, Inc.	32,003,924	64.5%	20,644,920	2.5672	3.030	96,986,192	53.0%	51,414,555	1.0308
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post	14,019.91	14,020	PennoniAssociates, Inc.	43,447,309	76.9%	33,403,972	1.6444	1.979	85,964,664	67.6%	58,078,339	0.9458
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post	7,628.60	7,629	PennoniAssociates, Inc.	19,641,520	68.9%	13,524,101	1.2940	2.540	49,898,907	60.3%	30,111,231	0.5811
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post	14,825.56	14,826	Buchart Horn	155,875,776	62.3%	97,106,105	2.4200	3.042	474,352,569	46.1%	218,366,227	1.0762
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending	10,421.93	10,422	Gannett Fleming	12,898,487	60.9%	7,850,687	5.2543	6.380	82,286,857	40.1%	32,994,154	1.2502
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post	4,095.56	4,096		19,380,636	55.6%	10,784,743	1.1127	6.972	135,118,824	33.9%	45,836,624	0.2618
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending	4,828.97	4,829	Gateway Engineers	9,942,191	73.0%	7,260,988	2.6443	5.849	58,151,497	41.8%	24,334,695	0.7890
25	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post	15,433.33	15,433	Herbert, Rowland & Grubic, Inc (HRG)	144,573,880	62.4%	90,190,859	2.5668	3.637	525,870,564	45.8%	240,895,239	0.9610
26	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,281	Post	7,891.28	7,891											
28	A-2023-3038717	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC		Allegheny	Wastewater Collection and Treatment	28,000,000	28,000,000	1,860	Post	15,053.76	15,054	LSSC Civil Engineers and Surveyors	19,220,012	86.8%	16,678,044	1.6789	2.139	41,115,131	63.6%	26,138,297	1.0712
	End of Section 1329 Data																							
						Count 19		Wastewater Collection and Treatment	16				10,410	10,410					1.7972					0.8536
								Wastewater Collection	7				6,268	6,267					1.8733					0.8077
								Water Treatment and Distribution	3				6,157	6,157					1.4354					0.7686
								Water Distribution	1				3,992	3,992					1.3500					0.5320
								All section 1329																
								Mean	27				8,798	8,798					1.9340					0.8266
								Standard Deviation					4,114	4,114					0.8983					0.2253
								Median					8,485	8,485					1.5014					0.8951

The following table presents the market derived ratios to customers and value line ratio to OCLD:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer			**Financial Basis**[1]		
	Weighted		Financial Markets	Market Value per Share to Book Value per Share	
All Section 1329 Acquistions					
Mean	8,798		Market to Book (equity)	2.04	
Median	8,485		Market to Book (equity and debt)	1.65	
Count	27				
Water Treatment and Distribution			Use (equity and debt)	1.65	AUS Input
Mean	6,157				
Count	3				
Water Distribution					
Mean	3,992				
Count	1				
Wastewater Collection & Treatment					
Mean	10,410				
Count	16				
Wastewater Collection					
Mean	6,268				
Count	7				
Watewater Treatment Only					
Mean	4,142				
Count	Calculated				
Conclusion					
Indian Creek Valley Water Authority			Indian Creek Valley Water Authority		Cost Approach
Customers	2,664	AUS Input	OCLD	22,911,559	- OCLD
Water Treatment and Distribution					
$PP/Customer	6,157	AUS Input			
Collection and Treatement Customers					
Market Value Indication	**16,402,248**		**Market Value Indication**	**37,804,073**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	-	AUS Input			
Treatment Only Customers	-	AUS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**16,402,248**				

The following table presents the derivation of the market ratios of purchase price per customer for the following grouping of market transactions:

All Section 1329 Acquisitions

Water Treatment and Distribution

Water Distribution

Wastewater Collection and Treatment

Wastewater Collection

Wastewater Treatment Only (derived)

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329	Average Purchase Price per Customer	AUS Market Value per Customer
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post	7,242.75	7,243
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post	14,007.60	14,008
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post	11,846.41	11,846
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post	4,006.41	4,006
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post	3,992.24	3,992
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post	3,284.08	3,284
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post	4,785.71	4,786
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post	9,354.84	9,355
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post	8,617.23	8,617
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post	10,388.89	10,389
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post	4,242.42	4,242
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post	8,753.74	8,754
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post	8,145.36	8,145
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post	5,020.56	5,021
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post	8,485.40	8,485
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending	16,785.04	16,785
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post	9,628.85	9,629
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post	4,752.94	4,753
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post	14,019.91	14,020
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post	7,628.60	7,629
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post	14,825.56	14,826
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending	10,421.93	10,422
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post	4,095.56	4,096
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending	4,828.97	4,829
25	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post	15,433.33	15,433
26	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,281	Post	7,891.28	7,891
28	A-2023-3038717	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC		Allegheny	Wastewater Collection and Treatment	28,000,000	28,000,000	1,860	Post	15,053.76	15,054
	End of Section 1329 Data													
					Count 19			Wastewater Collection and Treatment	16				10,410	10,410
								Wastewater Collection	7				6,268	6,267
								Water Treatment and Distribution	3				6,157	6,157
								Water Distribution	1				3,992	3,992
								All section 1329						
								Mean	27				8,798	8,798
								Standard Deviation					4,114	4,114
								Median					8,485	8,485
				Notes:										

The following table presents the market ratios derived from the Value Line Investment Survey information published on its April 4, 2025, issue:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Company	Exchange	Ticker	Valueline No.	Valueline Issue	Market Price per Shrare	Book Value per Share	Market to Book Equity	Outstanding Shares	Market Equity $ millions	Market Equity Weighted Market to Book Ratio	Market Debt	Market Debt + Market Equity	Debt per Share	Market Value per Share (Equity + Debt)	Book Value per Share (Equity + Debt)	Market to Book Ratio	Market Debt + Equity Weighted Market to Book Ratio
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line		Input Value Line			Input Value Line		Input Value Line				
American States Water	NYSE	AWR	1771	04/04/2025	74.72	25.90	2.88	38.156568	2,851.1	8,211.2	749.1	8,960.3	19.63	94.35	45.53	2.07	18,547.75
American Water	NYSE	AWK	1772	04/04/2025	139.70	55.55	2.51	194.947313	27,234.1	68,357.6	9,025.0	77,382.6	46.29	185.99	101.84	1.83	141,610.14
California Water	NYSE	CWT	1773	04/04/2025	45.87	29.10	1.58	59.484000	2,728.5	4,311.0	712.8	5,023.8	11.98	57.85	41.08	1.41	7,083.60
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	38.15	22.60	1.69	274.820000	10,484.4	17,718.6	5,345.8	23,064.4	19.45	57.6	42.05	1.37	31,598.28
Middlesex Water	NDQ	MSEX	1775	04/04/2025	60.49	25.05	2.41	17.890000	1,082.2	2,608.1	134.0	2,742.1	7.49	67.98	32.54	2.09	5,730.99
SJW Corporation	NYSE	SJW	1776	04/04/2025	51.48	44.55	1.16	33.629000	1,731.2	2,008.2	891.5	2,899.7	26.51	77.99	71.06	1.10	3,189.66
Total							2.04		46,111.5	103,214.7	16,858.2	120,072.9				1.65	207,760.43
Minimum							1.16									1.10	
wtd Mean							2.24									1.73	
Mean							2.04									1.65	
Median							2.05									1.62	
Maximum							2.88									2.09	

The following table presents the market derived ratios of purchase price to the projected earnings before interest income taxes depreciation and amortization (EBITDA) for forecast periods 1-5 years and 1- 13 years:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple	
All Section 1329 Acquistions		
Mean	17.2840	
Median	17.1777	
Count	27	
Water Treatment and Distribution		
Mean	14.9426	
Count	3	
Water Distribution		
Mean	20.2409	
Count	1	
Wastewater Collection & Treatment		
Mean	17.1735	
Count	16	
Wastewater Collection		
Mean	17.8783	
Count	7	
Watewater Treatment Only		
Mean	(0.70)	
Count	Calculated	
Conclusion	14.9426	AUS Input
Indian Creek Valley Water Authority Cash Flows	1,820,229	Income Approach
Water Treatment and Distribution	14.94	
Market Value Indication	**27,198,978**	

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)	Simple	
All Section 1329 Acquistions		
Mean	12.8544	
Median	12.1359	
Count	27	
Water Treatment and Distribution		
Mean	10.5048	
Count	3	
Water Distribution		
Mean	13.5898	
Count	1	
Wastewater Collection & Treatment		
Mean	13.2584	
Count	16	
Wastewater Collection		
Mean	12.7001	
Count	7	
Watewater Treatment Only		
Mean	0.56	
Count	Calculated	
Conclusion	10.5048	AUS Input
Indian Creek Valley Water Authority Cash Flows	2,510,455	Income Approach
Water Treatment and Distribution	10.50	
	26,371,954	

The following table presents the derivation of the market ratios of purchase price per projected earnings before interest income taxes depreciation and amortization (EBITDA) for forecast periods 1-5 years and 1- 13 years:

All Section 1329 Acquisitions
Water Treatment and Distribution
Water Distribution
Wastewater Collection and Treatment
Wastewater Collection
Wastewater Treatment Only (derived)

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Period 1	Purchase Price to EBITDA Period 1	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-5	Purchase Price to EBITDA Average Periods 1-5	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-13	Purchase Price to EBITDA Average Periods 1-13
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post	5,247,843.00	29.7265	7,409,096.00	21.0552	11,958,224.00	13.0454
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post	1,409,768.00	20.9254	1,717,347.00	17.1777	2,625,115.00	11.2376
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post	2,154,798.00	34.8525	3,542,124.20	21.2020	5,212,045.23	14.4089
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post	100,053.00	49.9735	283,367.00	17.6450	632,892.00	7.9002
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post	58,541.50	80.8794	233,922.00	20.2409	348,408.96	13.5898
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post	58,541.50	81.3987	233,922.00	20.3709	348,408.96	13.6770
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post	5,270,576.00	9.5341	4,754,020.00	10.5700	4,326,210.00	11.6152
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post	1,568,999.00	14.3404	2,278,514.00	9.8749	3,893,757.00	5.7785
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post	580,238.00	15.9417	714,645.00	12.9435	895,128.00	10.3337
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post	7,121,227.00	13.4808	7,279,978.00	13.1869	8,011,315.00	11.9831
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post	925,477.00	22.6910	1,265,269.00	16.5973	2,011,465.00	10.4402
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post	680,463.00	25.8060	1,039,593.00	16.8912	1,446,948.00	12.1359
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post	404,071.00	32.1726	600,765.00	21.6391	1,209,765.00	10.7459
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post	217,969.00	33.6057	398,458.00	18.3834	817,993.00	8.9548
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post	193,013.00	72.2749	392,972.00	35.4987	844,046.00	16.5275
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending	25,621,637.00	10.7917	25,883,282.00	10.6826	28,960,161.85	9.5476
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post	768,794.00	17.8852	845,182.00	16.2687	932,042.00	14.7526
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post	2,472,701.00	21.4341	2,839,988.00	18.6621	3,432,340.00	15.4414
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post	14,465,272.00	3.7974	15,872,367.00	3.4607	18,521,227.00	2.9658
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post	723,189.00	24.1984	892,978.00	19.5973	1,168,600.00	14.9752
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post	12,149,592.00	19.3422	13,874,600.00	16.9374	18,001,021.00	13.0548
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending	706,202.00	58.4110	1,848,649.20	22.3136	2,092,981.46	19.7087
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post	502,680.00	23.8720	724,217.00	16.5696	715,085.06	16.7812
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending	1,303,713.00	14.7272	1,488,494.60	12.8989	1,661,649.46	11.5548
25	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authorit	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post	13,603,503.00	17.0177	17,584,863.20	13.1647	23,491,122.15	9.8548
26	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,281	Post	798,809.00	22.5335	750,396.40	23.9873	564,790.14	31.8702
28	A-2023-3038717	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC		Allegheny	Wastewater Collection and Treatment	28,000,000	28,000,000	1,860	Post	1,324,106.00	21.1463	1,485,443.00	18.8496	1,973,423.00	14.1885
	End of Section 1329 Data																	
					Count 19			Wastewater Collection and Treatment	16							17.1735		13.2584
								Wastewater Collection	7							17.8783		12.7001
								Water Treatment and Distribution	3							14.9426		10.5048
								Water Distribution	1							20.2409		13.5898
								All section 1329										
								Mean	27							17.2840		12.8544
								Standard Deviation								5.8462		5.1480
								Median								17.1777		12.1359

The following table summarizes each of the market derived ratio analyses and the conclusion of the market approach:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water Treatment and Distribution System
Investor-Owned Utility
As of May 30, 2025

Summary of Market Analyses

Indicators		
OCLD	32,887,252	Use
CORLD	46,492,496	Use
Customers	16,402,248	
Cash Flows		
EBITDA Periods 1-5	27,198,978	
EBITDA Periods 1-13	26,371,954	
Value Line	37,804,073	Use
Mean	39,061,274	
Median	37,804,073	
Conclusion	**38,432,673**	

The market approach conclusion of this appraisal was determined to be $38,432,673.

Cost Approach Revisited – Before concluding this appraisal's fair market value, the preliminary cost approach conclusion of $60,489,847 needs to be evaluated to determine if external obsolescence exists in the preliminary replacement cost new less depreciation. The appraisal literature regarding developing a cost approach state:

> "The last step in the implementation of the cost approach is to estimate *economic obsolescence*. Economic obsolescence (sometimes called "external obsolescence") has been previously defined as the loss in value or usefulness of a property caused by factors external to the asset. These factors include increased cost of raw materials, labor, utilities (without an offsetting increase in product price); reduced demand for the product; increased competition; environmental or other regulations; or similar factors.

> The difficulty in measuring the full effect of economic obsolescence is one of the weaknesses of the cost approach. Because economic obsolescence is usually a function of outside influences that affect an entire business (i.e., all tangible and intangible assets) rather than individual assets or isolated groups of assets, it is sometimes measured using the income approach or by using the income approach to help identify the existence of economic influences on value. However, the cost approach can be used to measure some forms of economic obsolescence."[15]

The above-described income approach value conclusion of $38,944,750 and the market approach conclusion of $38,432,673 for the Indian Creek Valley Water Authority's future water system compared to the preliminary cost approach conclusion of $60,489,847 indicates 36.04% external obsolescence exists in the cost approach conclusion of $38,688,712 detailed as follows:

[15] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition, pp. 96-97.

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

	Depreciated Replacement Cost (RCNLD)	
	Column Reference in RCNLD	Amount in $s
Depreciation Replacement Cost (CORLD)		
Tangible Assets		
Original Cost (OC)	(9)	33,029,748
Replacement Cost New (RCN)	(16)	97,747,904
Replacement Cost New less Depreciation (RCNLD)	(31)	60,489,847
Intangible Assets		
Original Cost (OC)		
Replacement Cost New (RCN)		
Replacement Cost New less Depreciation (RCNLD)		
Tangible + Intangible Assets		
Original Cost (OC)		33,029,748
Replacement Cost New (RCN)		97,747,904
Replacement Cost New less Depreciation (RCNLD)		60,489,847
Economic Obsolescence (EO)		
Purchase Price (Asset Purchase Agreement)		32,800,000
Income Approach		38,944,750
Market Approach		38,432,673
Economic Indicator		38,688,712
Preliminary CORLD (Tangible + Intangible)		60,489,847
Economic Obsolescence (EO $s)		(21,801,135)
EO % of Preliminary RCNLD		-36.04%
CORLD adjusted for Economic Obsolescence		
Tangible Asets		38,688,712
Intangible Assets		-
Total Assets		38,688,712

The following table presents the application of the above described 36.04% economic obsolescence to the mains example:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

(36)	(37)	(38)	(39)	(40)	(41)
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Input	Calculation	Input	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	CORLD	AUS Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Year	Prelim CORLD	EO%	FMV
	0				
331	Water Distribution System - Water Lines-12" DIP	1975	1,405,803	36.04%	899,138
331	Water Distribution System - Water Lines-8" DIP	1975	2,027,416	36.04%	1,296,715
331	Water Distribution System - Water Lines-6" DIP	1975	934,102	36.04%	597,442

Therefore, the final cost approach conclusion of $38,688,712 can be considered the final cost approach conclusion as follows:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(39)	(40)	(41)
Account	Description	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
		CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Col (31)	AUS Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Prelim CORLD	EO%	FMV
303.00	Land and Land Rights	1,428,678	36.04%	913,768
304.20	POWER AND PUMING STRUCTURES	1,193,982	36.04%	763,660
304.30	PURIFICATION and TREATMENT BUILDINGS	2,528,254	36.04%	1,617,044
304.50	OFFICE BUILDINGS	340,923	36.04%	218,051
310.00	POWER GENERATION EQUIPMENT	18,397	36.04%	11,766
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	302,057	36.04%	193,191
320.00	TREATMENT & PURIFICATION SYSTEMS	5,748,160	36.04%	3,676,468
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	8,262,243	36.04%	5,284,448
331.00	MAINS AND ACCESSORIES	34,195,839	36.04%	21,871,325
333.00	SERVICES	2,524,989	36.04%	1,614,964
334.00	METERS AND METER INSTALLATIONS	1,273,624	36.04%	814,597
335.00	HYDRANTS	1,272,520	36.04%	813,892
340.00	OFFICE FURNITURE AND EQUIPMENT	62,654	36.04%	40,072
341.00	TRANSPORATION EQUIPMENT	82,579	36.04%	52,817
343.00	TOOLS AND WORK EQUIPMENT	105,030	36.04%	67,177
344.00	LABORATORY EQUIPMENT	111,486	36.04%	71,304
345.00	POWER OPERATED EQUIPMENT	343,560	36.04%	219,738
346.00	COMUNICATION EQUIPMENT	694,872	36.04%	444,433
	Grand Total	**60,489,847**	**36.04%**	**38,688,715**

Development of the Final Original Cost less Depreciation

The above-described income approach value conclusion of $38,944,750 and the market approach conclusion of $38,432,673 for the Indian Creek Valley Water Authority's future water system compared to the preliminary original cost approach conclusion of $22,911,559 indicates no external obsolescence exists in the cost approach conclusion of $22,911,559 detailed as follows:

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

		Depreciated Original Cost (OCLD)
	Column Reference in OCLD	Amount in $s
Depreciation Original Cost (OCLD)		
Tangible Assets		
Original Cost (OC)	(46)	33,029,748
Orginal Cost less Depreciation (OCLD)	(57)	22,911,559
Intangible Assets		
Original Cost (OC)		
Orginal Cost less Depreciation (OCLD)		
Tangible + Intangible Assets		
Original Cost (OC)		33,029,748
Orginal Cost less Depreciation (OCLD)		22,911,559
Economic Obsolescence (EO)		
Purchase Price (Asset Purchase Agreement)		32,800,000
Income Approach		38,944,750
Market Approach		38,432,673
Economic Indicator		38,688,712
Preliminary OCLD (Tangible + Intangible)		22,911,559
Economic Obsolescence (EO $s)		-
EO % of Preliminary OCLD		0.00%
OCLD adjusted for Economic Obsolescence		
Tangible Asets		22,911,559
Intangible Assets		-
Total Assets		22,911,559

The following table presents the final original cost less depreciation:

Pennsylvania American Water Company (PAWC)
Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(43)	(44)	(46)	(47)	(48)	(49)	(53)	(54)	(55)	(56)	(57)
Account	Description	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input			Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Acct	Descrip	Original Cost	Iowa	Normal Life	age	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
303.00	Land and Land Rights	1,227,815	ZNonDep	-	6.94	-	-	0.00%	-	1,227,815
304.20	POWER AND PUMING STRUCTURES	700,198	R1.5	60.00	25.46	40.36	65.82	39.00%	269,666	430,532
304.30	PURIFICATION and TREATMENT BUILDINGS	1,653,796	R2.5	55.00	26.89	32.16	59.05	44.00%	733,987	919,809
304.50	OFFICE BUILDINGS	340,000	R1.5	50.00	1.75	48.36	50.11	3.00%	11,873	328,127
310.00	POWER GENERATION EQUIPMENT	24,345	S1.0	35.00	19.75	18.98	38.73	51.00%	12,414	11,931
311.00	SOURCE OF SUPPLY, PUMPING & TREATMENT EQUIPMENT	180,748	S1.0	39.00	28.98	18.89	47.87	57.00%	102,743	78,005
320.00	TREATMENT & PURIFICATION SYSTEMS	3,591,960	S1.0	50.00	15.70	36.04	51.75	30.00%	1,073,727	2,518,233
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820	R3.0	65.00	20.03	46.47	66.50	30.00%	1,003,434	2,377,386
331.00	MAINS AND ACCESSORIES	16,377,300	R2.0	90.00	26.72	67.21	93.93	28.00%	4,610,177	11,767,123
333.00	SERVICES	1,371,740	R2.5	65.00	34.02	35.57	69.59	49.00%	665,924	705,816
334.00	METERS AND METER INSTALLATIONS	1,126,453	L1.5	20.00	4.16	16.74	20.90	17.00%	196,832	929,621
335.00	HYDRANTS	623,470	R2.0	60.00	29.28	35.97	65.26	44.00%	276,367	347,103
340.00	OFFICE FURNITURE AND EQUIPMENT	181,385	R2.5	15.00	15.30	4.57	19.88	72.00%	129,951	51,434
341.00	TRANSPORATION EQUIPMENT	384,473	L2.5	10.00	9.10	1.50	10.60	81.00%	312,767	71,706
343.00	TOOLS AND WORK EQUIPMENT	139,032	R2.5	20.00	12.00	10.79	22.79	48.00%	66,974	72,058
344.00	LABORATORY EQUIPMENT	115,438	R2.5	20.00	5.93	14.61	20.54	29.00%	33,067	82,371
345.00	POWER OPERATED EQUIPMENT	441,420	R2.5	21.00	10.83	11.76	22.60	47.00%	206,551	234,869
346.00	COMUNICATION EQUIPMENT	1,169,355	R2.5	15.00	8.32	9.82	18.14	35.00%	411,735	757,620
Grand Total		**33,029,748**		**67.17**	**22.15**	**48.46**	**70.35**	**30.63%**	**10,118,189**	**22,911,559**

Value Conclusion

The Fair Market Value of the Indian Creek Valley Water Authority's water property, plant and equipment and its operation were determined to be $38,688,711 as follows:

Indian Creek Valley Water Authority
Water System
Investor-Owned Utility
As of May 30, 2025
Fair Market Value Appraisal

Appraisal Approach		Investor-owned Utility		Weight	Wtd Valuation Indications
Cost Approach					
Financials					
Original Cost (12-31-2024)		31,666,760			
Accumulated Depreciation		(15,821,098)			
Net Book		15,845,662			
Inventory of Assets					
Original Cost ($OC)		33,029,748			
Depreciated Original Cost ($OCLD)		22,911,559			
Intangible Assets		-			
Cost Approach of all assets Conclusion		22,911,559			
Replacement Cost					
Replacement Cost New (COR)		97,747,904			
Depreciated Replacement Cost New (CORLD)	$	**60,489,847**			
Intangible Assets	$	-			
External or Economic Obsolescence		**-36.040982%**	AUS Input		
Market Value of Tangible Assets	$	**38,688,712**			
Intangible Assets		0			
Cost Approach of all assets Conclusion		**38,688,712**			
Cost Approach Conclusion		**38,688,712**		**33%**	**12,896,237**
Income Approach					
Required Rate Increases: 40% period2, 30% period 4, 25% period 6, 10% period 8, 6% every second period for period thereafter(Input 6)		38,944,750			
Income Approach Conclusion		**38,944,750**		**33%**	**12,981,583**
Market Approach					
Market Comparables (to)					
OCLD		32,887,252	Use		
CORLD		46,492,496	Use		
Customers		16,402,248			
Cash Flows (EBITDA) Periods 1-5		27,198,978			
Cash Flows (EBITDA) Periods 1-13		26,371,954			
Market Financials (to)					
OCLD		37,804,073	Use		
Market Approach Conclusion		**38,432,673**		**33%**	**12,810,891**
Appraisal Conclusion	$	**38,688,711**		**100%**	**38,688,711**

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the ICVWA's water system's property, plant and equipment this appraisal's conclusion of $38,688,711 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the water industry account classifications and the installation year of the property, this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2025

Fulfillment of Requirements for a Personal Property Appraisal and Report

- State the identity of the client and any intended users, by name or type:
  Pennsylvania American Water Company and the Pennsylvania Public Utility Commission

- State the intended use of the appraisal
  To establish the Fair Market Value of Indian Creek Valley Water Authority's (ICVWA) Water Production, Treatment and Distribution System (System).

- Describe information sufficient to identify the property, real, personal, and intangible, involved in the appraisal, including the physical and economic property characteristics relevant to the assignment.

  The system consists of water production, treatment, and distribution mains and services of various sizes and types, water storage, pumping structures, improvements and equipment. The property is in good condition based on physical inspections and reviews or operating statements. The property is an operating water system the economics of which were analyzed based on five years of operating financials (2019-2024) and budgets over the period 2023-2025 which were incorporated into the income approach to value analysis in this appraisal.

- State the real property interests appraised
  The system's land and land rights agreements necessary to access its property.

- State the type and definition of value and city the source of the definition, including whether the opinion of value is in terms of cash or of financing terms equivalent to cash, or based on non-market financing or financing with unusual conditions or incentives
  - *Market Value definition:*
    "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress." The Appraisal of Real Estate, 12th Edition, page 22.

- State the effective date of the appraisal and the date of the report
  The effective date of the appraisal is May 30, 2025, and the appraisal report date is October 1, 2025.

- Describe sufficient information to disclose to the client and any other intended users of the appraisal the scope of work used to develop the appraisal

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2025

Fulfillment of Requirements for a Personal Property Appraisal and Report

The appraisal considered all three approaches to value: the cost, income and market. Briefly the scopes of work for each are as follows:

Cost Approach – The cost approach utilized the trended cost method utilizing the investment inventory developed by Bankson Engineers Inc.'s "Engineers Assessment". The Handy Whitman Index of Public Utility Construction Costs for the water industry were used in the trending. Depreciation was assessed based on straight line age-life depreciation method based on service life expectation for each of the various account categories.

Income Approach – The income approach utilized the discounted cash flow (DCF) method that facilitates the development of cash flows from operations as the property migrates from municipal operation to a regulated investor-owned operation. The ICVWA's operating experience was analyzed (2019-2024 and budgetary 2023-2025) in order to estimate the initial cash flows. Future customer tariff rates address the rates agreed to by the parties in the Asset Purchase Agreement between the parties. The operations were forecast for 19 periods in the future and a 20th period which is intended to reflect operation beyond that time. The discount rate was developed based on market debt and equity rates at the appraisal date.

Market Approach – The market approach was developed based on market comparable sales of Pennsylvania water properties and market to book ratios developed for the water industry based on information published by Value Line Investment Surveys at the appraisal date.

Valuation Approaches Reconciliation - The appraisal conclusion was based on reconciliation of each of the approaches and the intended purpose of the appraisal.

- Clearly and conspicuously:
  - State all extraordinary assumptions and hypothetical conditions;

    There were no extraordinary assumptions or hypothetical conditions in this appraisal.

  - State that their use might have affected the assignment results

    Not applicable.

- Clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment

  Not applicable.

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2025

Fulfillment of Requirements for a Personal Property Appraisal and Report

- Describe the information analyzed, the appraisal procedures followed, and the reasoning that supports the analyses, opinions, and conclusions

  See scope of work above.

- State the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal – when reporting an opinion of market value, describe the support and rationale for the appraiser's opinion of the highest and best use of the real estate

- State and explain any permitted departures from specific requirements of STANDARD 1 and the reason for excluding any of the usual valuation approaches. The appraisal then becomes a limited appraisal – a limited appraisal report must contain a prominent section that clearly identifies the extent of the appraisal process performed and the departures taken

  No departures for Standard 1 were made.

- Include a signed certification in accordance with Standards Rule 2-3

  Contained in Narrative Report.

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2025

Fulfillment of Requirements for a Personal Property Appraisal and Report

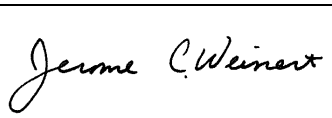
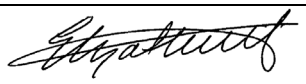
WADS Consultants certify that, to the best of its knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- WADS Consultants has performed an appraisal of the Indian Creek Valley Water Authority water system previously in the last three year.
- WADS Consultants nor its professional staff has any present or prospective interest in the property that is the subject of this report and has no interest or bias with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment is not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice 2025.
- The signers of this report have made a personal inspection of the property that is the subject of this report.
- Individuals providing significant appraisal assistance to the person signing this certification include: Scott Fogelsanger of American Water Company provided information obtained information from the ICVWA and the Engineer's Assessment report prepared by Bankson Engineers Inc. which was the inventory starting point of the Cost Approach.

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2025

Fulfillment of Requirements for a Personal Property Appraisal and Report

WADS Consultants,
By:

	
Jerome C. Weinert Principal and Owner WADS Consultants	Elizabeth A. Weinert Associate

ASA: Accredited Senior Appraiser in the Machinery and Equipment (Public Utilities) discipline of the American Society of Appraisers
P.E.: Registered Professional Engineer State of Wisconsin
CDP: Certified Depreciation Professional in the Society of Depreciation Professionals

INDIAN CREEK VALLEY WATER AUTHORITY

WATER SYSTEM ASSETS

FAIR MARKET VALUE APPRAISAL

AT

MAY 30, 2025

Prepared by:
Gannett Fleming Valuation and Rate Consultants, LLC

Gannett Fleming
Valuation and Rate Consultants, LLC

300 Sterling Parkway, Suite 200
Mechanicsburg, PA 17050

October 6, 2025

Via email to tim@watsonmundorff.com (For Delivery)

Mr. David Cramer
Chairman
Indian Creek Valley Water Authority
2019 Indian Head Road
Indian Head, PA 15446

Dear Mr. Cramer:

Fair Market Value Appraisal

In accordance with your request, we have prepared a fair market value appraisal of the Indian Creek Valley Water Authority's water system assets ("Water System") consistent with the date of the Engineer's Assessment's inventory date of May 30, 2025.

Fair market value is defined as "the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts." (The International Glossary of Business Valuation Standards)

Based on our analysis, as described in the attached appraisal report, we are of the opinion that the fair market value of the Water System is $40.8 million ($40,785,895 rounded), as of May 30, 2025.

Our appraisal was developed consistent with the Uniform Standards of Professional Appraisal Practices. Our fair market value appraisal of the Water System was based on the Cost, Market, and Income Approaches to valuation. We used seven methods under the Cost, Market, and Income Approaches to valuation: Original Cost Method, Replacement Cost Method, Capitalization of Earnings Method, Market Multiple Discounted Cash Flow Method, Capitalization Discounted Cash Flow Method, Market Multiples Method, and the Selected Transactions Method.

The attached narrative appraisal presents our findings and opinion regarding the fair market value of the Water System's assets of May 30, 2025. The report describes the valuation methodologies employed and the Exhibits that present the valuation results.

The results of the analyses and calculations completed for each applicable approach are detailed throughout the report and the Exhibits and are summarized below.

Valuation Approach	Indicated Value
Cost Approach	$53,547,750
Income Approach	38,576,359
Market Approach	30,233,575

We thank Indian Creek Valley Water Authority for this opportunity to provide valuation services in connection with the fair market value appraisal of the Water System's assets.

Respectfully Submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

HAROLD WALKER, III
Manager, Financial Studies

HW:mle

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INTRODUCTION

Introduction and Summary. The following narrative report presents our findings and opinion regarding the fair market value of the water system assets of the Indian Creek Valley Water Authority ("ICVWA") as of May 30, 2025. This report describes the valuation methodologies employed and the Exhibits that present the valuation results. Our conclusion of value is based upon the values indicated by the Cost, Income, and Market approaches to valuation. During our analysis we found measures of value that ranged from $30.2 million to $53.5 million. Based upon our analyses, we are of the opinion that the fair market value of ICVWA's water system assets is $40.8 million ($40,785,895 rounded), as of May 30, 2025.

Description of the Assignment. Gannett Fleming Valuation and Rate Consultants, LLC was retained by ICVWA to estimate the fair market value of the ICVWA's water system assets ("Water System"), as of May 30, 2025, in compliance with the Uniform Standards of Professional Appraisal Practices ("USPAP"), considering the cost, market, and income approaches to valuation reflecting the Engineers Assessment's inventory.

Intended Use of the Valuation. The intended use of the valuation is to comply with 66 Pa. C.S. Section 1329, Valuation of Acquired Water and Wastewater Systems and conduct a fair market value appraisal of the Water System in compliance with the USPAP, employing the cost, market, and income approaches. Although our appraisal is intended to estimate fair market value, we assume no responsibility for the inability of the seller or buyer to obtain a sale or purchase contract at that price.

Standard and Premise of Value. The standard of value for this engagement is fair market value.[1] Fair market value is defined as "the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."[2]

As stated, the standard of value for this engagement is fair market value. The premise of value is the going concern. The going concern premise of business value assumes that the business will continue running normally using all its assets to produce income and will continue running normally as a viable entity for the foreseeable future (i.e., not liquidated).

We valued the Water System's assets as a group under the premise that the assets collectively comprise an ongoing operating business enterprise. Additionally, in accordance with 66 Pa. C.S. Section 1329, the original source of funding for any part of the Water System's assets was not relevant to the determination of the value of said assets.

Subject Interest. This subject is fee simple interest, is marketable but is not a liquid interest. The binding agreement governing this transaction is the asset purchase agreement.

Effective Date. The valuation date or effective date is the date on which the appraisal of the Water System applies. The effective date is May 30, 2025.

Date of Report. The date of the report is the date on which the appraisal is transmitted to the client. The date of the report is October 6, 2025.

1 Pratt, Shannon P. "Defining Standards of Value." Valuation 34, no. 2, June 1989. http://www.appraisers.org/docs/default-source/college-of-fellows-articles/defining-standards-of-value.pdf .
2 National Association of Certified Valuators and Analysts, s.v. "Fair Market Value," *The International Glossary of Business Valuation Terms*

Client and Users. The client is Indian Creek Valley Water Authority. The intended users of the valuation are Indian Creek Valley Water Authority, Pennsylvania American Water Company, Inc., and the Pennsylvania Public Utility Commission ("PUC").

Type of Property. The Water System is a potable public water system permitted by the Commonwealth of Pennsylvania as a public water system that provides potable water service in the Townships of Saltlick, Springfield, Bullskin, Connellsville, Stewart and Ohiopyle Borough in Fayette County, Pennsylvania, and Donegal Borough, Donegal, and Mount Pleasant Townships in Westmoreland County, Pennsylvania. The Water System is a special purpose property.

Special Purpose Property. The Water System is considered a special purpose property. Special purpose property is property that has limited use, is uniquely designed, or has other features that limit the property's use for purposes other than the one for which it was built and has no widespread market for the type of property. Examples of special purpose property include churches, schools, and public utilities.[3] Special purpose property often have special process-related equipment installed (e.g., filters, pumps, chemical systems, etc.) that cannot be removed without significantly altering the property's improvements. The function of the Water System is the filtration and treatment process of raw, untreated water into potable water for delivery to customers in the Counties of Fayette and Westmoreland, Pennsylvania. The Water System was specially built for the specific purposes for which it was designed and continues to be used for those purposes.

3 "Special-Purpose Property Law and Legal Definition," *USLegal, Inc.* Accessed 6/1/23. https://definitions.uslegal.com/s/special-purpose-property/#:~:text=This%20type%20of%20property%20has,for%20which%20it%20was%20built.

Highest and Best Use. The highest and best use for the Water System is as a public water system. Since the property is specifically designed, configured, and constructed solely as a public water system, no alternate highest and best use was considered.

Market Participants. The market participants expected to be a buyer in a fair and open negotiation to purchase the Water System are assumed to include large investor-owned utilities ("IOU") and larger regional municipal authorities ("MUNI") that are involved in owning and/or operating other water and/or wastewater systems.

Market Exposure. The time duration of market exposure for a sale, or asset purchase agreement, is estimated at one year.

Condition. Gannett Fleming relied on the engineering assessment report of the Water System's facilities, "Indian Creek Valley Water Authority, Fayette and Westmoreland Counties, Pennsylvania, Water Facilities Engineering Assessment and Original Cost," dated September 2025, and related files prepared by Bankson Engineers, Inc., ("Engineering Assessment"), to confirm the condition of the Water System's property and equipment. According to the Engineering Assessment, Bankson Engineers, Inc. found the Water System to be in good condition.

Jurisdictional Exceptions. In accordance with 66 Pa. C.S. Section 1329, and PUC rules, the acquiring public utility and selling utility jointly retain a licensed engineer to conduct an assessment of the tangible assets of the system (i.e., Engineering Assessment) to be acquired. The Engineering Assessment is required to be used by the appraiser in determining fair market value. The Engineering Assessment provides both a condition assessment and original cost inventory of the assets. Additionally, the PUC requires the results of each valuation approach to be weighed evenly in reaching a conclusion of value unless good cause is given.

Extraordinary Assumptions. There were no extraordinary assumptions required for this appraisal.

Hypothetical Conditions. There were no hypothetical conditions assumed for this appraisal.

Limiting Conditions. We accepted all information and data provided by ICVWA as it pertains to this assignment "as is" after a limited review. That is, we neither audited nor verified any data, engineering assessment, financial record or operating data provided for this assignment. We assumed all title to all assets included in the appraisal is good and marketable, no hidden defects in the property or soil and no hazardous conditions or materials exist which could affect the assets. We are not an environmental consultant or auditor, and we take no responsibility for any actual or potential environmental liabilities. We have not made a specific compliance survey or analysis of the subject property to determine whether it is subject to, or in compliance with, the American Disabilities Act of 1990, and this valuation does not consider the effect, if any, of noncompliance.

The economic and industry information and data included in this report have been obtained from various printed or electronic reference sources that we believe to be reliable. We have not performed any corroborating procedures to substantiate that information and data.

Site Inspection. We viewed or observed the Water System's facilities on September 24, 2025. We also relied on Engineering Assessment of the Water System to confirm the condition of the Water System's property and equipment.

Fiduciary Duty. Gannett Fleming has a fiduciary duty to, and does provide a thorough, objective, and fair market valuation using the cost, market, and income approaches in accordance with 66 Pa. C.S. Section 1329 and Pennsylvania laws.

Gannett Fleming attests that it does not derive any material financial benefit from the sale of, or purchase of, a selling utility other than fees for services rendered. Gannett Fleming also verifies it does not have any immediate family members who are directors, officers, or employees of either an acquiring public utility, entity or selling utility within a 12-month period of the date of hire to perform this appraisal. We further affirm that Gannett Fleming is not directly or indirectly owned, partnered or in any way affiliated with a water/wastewater distribution company.

Sources of Information. The following sources of information were reviewed during the assignment:

"Indian Creek Valley Water Authority, Fayette and Westmoreland Counties, Pennsylvania, Water Facilities Engineering Assessment and Original Cost," dated September 2025, and related files prepared by Bankson Engineers, Inc.;

ICVWA provided electronic files (e.g., PDF and/or Excel);

ICVWA's Audited Financials (2021-2024);

ICVWA's Budget (2025);

Asset Purchase Agreement;

ICVWA's Intermunicipal and Bulk Service Agreements;

ICVWA's Maps;

ICVWA's Consumer Confidence Reports (2024 and 2025);

ICVWA's Primary Facility Reports (2020 - 2024);

ICVWA's Fee Schedule;

Blue Chip Financial Forecasts;

US Census Bureau, various data files;

Value Line Investment Survey; and

S&P Capital IQ.

Description of the Indian Creek Valley Water Authority. The ICVWA was founded in 1965 by the townships of Saltlick and Springfield as a public corporation under the Municipal Authorities Act. These two townships appoint a five-member Board of Directors to govern the ICVWA. Three Board of Directors members are appointed by Saltlick Township with the remaining two members appointed by Springfield Township. The operation of the ICVWA is directed by an Authority Manager who is responsible for the daily system operations and management of the staff of system operators, laborers and office personnel.

The ICVWA's system currently serves or enters nine municipalities: Saltlick; Springfield; Bullskin; Connellsville; Stewart Townships and Ohiopyle Borough in Fayette County; Donegal Borough; Donegal; and Mount Pleasant Townships in Westmoreland County, Pennsylvania. Fayette and Westmoreland Counties are in the Southwest Pennsylvania region of the state. Fayette County lies on the southern border of Pennsylvania, adjacent to Maryland and West Virginia, and Westmoreland County is situated on the northern border of Fayette County. The ICVWA's system is positioned approximately 50 miles south-southeast of Pittsburgh, Pennsylvania at its norther tip and 68 miles at its southern tip.

Description of the Water System. The ICVWA owns, operates, and maintains the Water System which consists of four separate sources of water supply, four accompanying water treatment plants ("WTP"), and a distribution system which includes eleven water storage tanks, five water booster pump stations, six pressure regulating vaults, and approximately 123 miles of water mains ranging in size from two inches to twelve inches in diameter, almost 500 fire hydrants, associated infrastructure and appurtenances, and related land and land rights.

The ICVWA's four sources of water supply and four WTPs include Pritts Spring, Grimm Spring, Neal's Run Well, and Mill Run. The Pritts Spring supply is classified as a groundwater under the direct influence of a surface water ("GUDI"). Thus, the ICVWA constructed and operates the Pritts Spring Slow Sand Filtration Plant. The ICVWA is permitted to withdraw and treat up to 150,000 gallons of water per day at the Pritts Spring facility.

The Grimm Spring supply is also classified as a GUDI. Consequently, the ICVWA constructed and operates the Grimm Spring Slow Sand Filtration Plant. The ICVWA is permitted to withdraw and treat up to 150,000 gallons of water per day at the Grimm Spring facility.

The Neal's Run Well supply was developed in 1994 and has a rated yield of 216,000 gallons per day. ICVWA's treats this raw well water at its Neal's Run greensand filter water treatment plant, which received its DEP Operations Permit on June 29, 2009.

ICVWA purchases raw water from the Municipal Authority of Westmoreland County 's Mill Run Reservoir. This purchased raw water is treated at ICVWA's Mill Run Water Treatment Plant, which was constructed in 1974. The Mill Run Water Treatment Plant is a conventional surface water gravity filter plant.

The ICVWA's eleven water storage tanks include: the Old Ohiopyle Tank[4] is welded steel 176,000 gallon tank that was erected in 1968; the Henry Tank is welded steel 350,000 gallon tank that was erected in 1974; the Old Clinton Tank is bolted, glass fused-to-steel 200,000 gallon tank that was erected in 1987; the White Mountain Tank is bolted, glass fused-to-steel 500,000 gallon tank that was erected in 1990; the McClure Tank is bolted, glass fused-to-steel 289,000 gallon tank that was erected in 1994; the County Line Tank is bolted, glass fused-to-steel 193,000 gallon tank

4 There is a project planned to construct a redundant tank next to the existing Old Ohiopyle Tank. Design of the second Ohiopyle Tank is complete, and the PA DEP Public Water Supply Permit has been issued. No construction has started on the replacement tank.

that was erected in 1994; the Rich Hill Tank is bolted, glass fused-to-steel 155,000 gallon tank that was erected in 1999; the SR 381 Tank is bolted, glass fused-to-steel 490,000 gallon tank that was erected in 2003; the Maple Summit Tank is bolted, glass fused-to-steel 154,000 gallon tank that was erected in 2003; the Pleasant Hill Tank is bolted, glass fused-to-steel 100,000 gallon tank that was erected in 2017; and the New Clinton Tank is bolted, glass fused-to-steel 200,000 gallon tank that was erected in 2023.

The ICVWA's five water booster pump stations include: the White Pump Station is a below grade vault 100 gallon per minute ("gpm") station constructed in 1974; the Normalville Pump Station is a below grade vault 200 gpm station constructed in 1984; the Law's Hill Pump Station is a below grade vault 100 gpm station constructed in 1999; the Maple Summit Pump Station is an above grade building 150 gpm station constructed in 2003; and the Ohiopyle Pump Station is an above grade building 145 gpm station constructed in 2003. The ICVWA's six pressure regulating facilities include: the Carruthers Pressure Regulating Vault, constructed in 1990; the May Pressure Regulating Vault, constructed in 1990; the Shepler Pressure Relief Vault, constructed in 1990; the Hawkins Hollow Pressure Regulator Vault, constructed in 1990; the County Line Road Pressure Regulating Vault, constructed in 1994; the Maple Summit Pump Station Pressure Regulating Vault, constructed in 2003; and the Ohiopyle Pump Station Pressure Regulating Vault, constructed in 2003.

The Water System's 647,573 linear feet of water mains were installed between 1975 to 2020. About 7% of the mains are 4-inch or less, 89% are 6-inch to 8-inch, and 4% are 12-inch. About 23% of the mains were installed in the 1970s, 18% were installed in the 1980s, 38% were installed in the 1990s, 15% were installed in the 2000s, and 6% were installed since 2010. About 39% of the mains consist of polyvinyl chloride (PVC), and 61% ductile iron pipe (DIP). The Water

System also has 493 public and private fire hydrants, and more than 2,600 customer services and meters.

The Water System's unaccounted for water ranged from 8% to 34% and averaged 22% between 2020 and 2024. Although the Water System's unaccounted for water is slightly above typical water system water loss, single year main breakages account for this fact.

The ICVWA utilizes a proprietary fund type measurement to account for the Water System's operations. The ICVWA's financial statements reflect the use of full accrual accounting, which measures revenues when earned and expenses when a liability is incurred, regardless of the timing of related cash flows.

During our analysis, we used ICVWA's audited financial statements which encompassed the years 2021 to 2024. For the year ended December 31, 2024 (shown on Exhibit 1) the Water System reported revenues of $2.799 million and expenses of $2.399 million. At the same point in time, the Water System was capitalized with $15.330 million of fund equity and $2.294 million of debt. At the same point in time, the Water System had total assets of total assets of $18.020 million, including $15.846 million of net utility plant.

The Water System is exempt from PUC regulation as a municipal utility. The Water System's rate requirements are established by the needed funds to run the system. Most municipalities, including Water System, use a Government Accounting Standards Board ("GASB") process of accounting or the Pennsylvania Department of Community and Economic Development ("DCED") versus Financial Accounting Standards Board ("FASB") method of accounting used by IOUs. Municipalities are not typically concerned with the return on and the return of their investments of their utility systems since they deem, they are providing a public service to their taxpayers. Municipalities typically expense (i.e., maintenance expense) renewals

replacement, and customer collection services capital expenditures and they do not typically fully account for the replacement of all capital assets which are all typically capitalized (i.e., construction of capital asset, construction expenditure, etc.) and "booked" at original cost by IOUs. For these reasons, we do not believe Water System's financial statements should be fully relied upon without recognizing their limitations.

As shown on Exhibit 2, the Water System provided service directly to 2,603 customers ("domestic customers") in 2024. The Water System's domestic customers include 2,600 retail customers located in the nine#municipalities[5] that it serves and three wholesale or bulk sale customers. The Water System's three wholesale customers service an equivalent of 132 residential customers whose flows are ultimately transported from and treated at the Water System's four WTPs ("ultimate wholesale customers"). In total, the Water System provides water service directly and indirectly to 2,732 customers ("ultimate customers"). The Water System's 2,732 ultimate customers are comprised of 2,600 retail customers and 132 ultimate wholesale customers as shown on Exhibit 2. As shown on Exhibit 2, the Water System sold 118,477,000 gallons (2024) to a population of 6,780 people, including 2,732 ultimate customers.

Demographics and Growth for the Water System. As shown on Exhibit 3, Table 3.1, according to U.S. Census figures, the U.S. population grew 7.4% from 2010 to 2020, and the population in Pennsylvania grew 2.4%. During this same period, Fayette and Westmoreland Counties' population decreased by 5.7% and 2.9%, respectively, and the population of the municipalities that are provided service by the Water System decreased by 8.1% (Exhibit 3, Table

5 The nine municipalities include Saltlick, Springfield, Bullskin, Connellsville, Stewart Townships and Ohiopyle Borough in Fayette County; and Donegal Borough, Donegal, and Mount Pleasant Townships in Westmoreland County, Pennsylvania.

3.2). The population for the municipalities that are provided service by the Water System's population growth would be ranked 2,030 of the 2,572 municipalities in Pennsylvania.

The Census Bureau and planning agencies provide population projections for future time periods. Population projections are a primary indicator of expected future growth, and they help determine predictable demand for utility services, housing, roads, business services and facilities. The Southwestern Pennsylvania Commission ("SPC") is the regional planning agency serving the 10-county Southwestern Pennsylvania region. The 10-county Southwestern Pennsylvania region includes the counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland. The SPC publishes population projections and employment projections for the 10-county Southwestern Pennsylvania region and the municipalities which comprise the counties, which include the Water System's service area.

As shown on Page 2 of Exhibit 3, Table 3.3, the Water System service area's population growth is projected to be 4.0% while the growth rate projected for the total SPC Region during each five-year period from 2025 through 2050 is -0.3%. The Water System service area's projected population growth would place them in the upper 63 percent or 63rd percentile of the 551 municipalities analyzed by SPC, with a ranking of 207. Page 3 of Exhibit 3, Table 3.4 shows the Water System service area's employment growth is projected to be 7.6%, which would rank them 268 and place them in the 51st percentile of the 551 municipalities analyzed by SPC.

Currently, there are approximately 26,771 people (Exhibit 2) in the Water System's service area and 26,688 people in households. There are 11,629 occupied housing units in the Water System's service area, and the ratio of people to households is 2.29 persons per household. The Water System's service area density is 2.5 people per customer based on an estimated service area population of 6,780 and 2,732 customers. The Water System's service area density is lower than

the 3.4 per customer density of water and water systems (see Table 2 in this report) indicating lower market penetration.

HISTORY AND NATURE OF THE BUSINESS

Economic Outlook. The valuation date (May 30, 2025) is the specific date at which the value of the Water System is based. Generally, only the circumstances existing at the valuation date and events occurring up to the valuation date are considered. Events which could affect the value may occur after the valuation date.

In the valuation of any company, the general economic outlook as of the valuation date is important since it influences how investors perceive alternative investment opportunities at that point in time. As part of our analysis, we considered the forecasts for the U.S. economy that prevailed as of May 30, 2025. We focused on the forecasts and economic commentary presented in Blue Chip Financial Forecasts in the May 1, 2025, edition. Some of these economic forecasts are presented in Table 1.

Economic Indicators

	Latest Qtr	Consensus Forecasts	
	1Q 2025	2Q 2025	3Q 2025
Key Assumptions			
Real GDP	-0.3	0.8	0.3
GDP Price Index	3.7	3.4	3.2
Consumer Price Index	3.8	3.4	3.7
Interest Rates			
3-mo. Treasury Bills	4.34	4.2	4.0
10 Year Notes	4.45	4.3	4.2
30 Year Notes	4.71	4.6	4.5
Aaa Corporate Bond Yield	5.44	5.3	5.3
Baa Corporate Bond Yield	5.86	6.1	6.1
State & Local Bonds	4.19	4.5	4.4
Home Mortgage Rate	6.82	6.6	6.5

Table 1

Industry Review. A review of the industry in which the company operates is important in determining value. The trends and stability of the specific economic environment affecting operations need to be reviewed to gain further insight regarding the prospects and risks associated with the industry and each company.

The water utility industry has a Standard Industrial Classification ("SIC") code of 4941 (Water Supply), has water utilities, and includes establishments primarily engaged in distributing water for sale for residential, commercial, and industrial uses. Government controlled establishments such as municipal service districts and public utilities dominate the industry. Private companies or IOUs are active in the construction and improvement of water supply facilities and infrastructure. There are currently about 11,900 U.S. Businesses with a SIC code of 4941.

A comparative industry to the water supply industry is the wastewater utility industry. The wastewater utility industry has a Standard Industrial Classification ("SIC") code of 4952 (Sewerage Systems), has sewer utilities, and includes establishments primarily engaged in the collection and disposal of wastes conducted through a sewer system, including such treatment processes as may be provided. There are currently about 2,100 U.S. Businesses with a SIC code of 4952.

The water supply industry is the most fragmented of the major utility industries with more than 50,000 community water systems in the U.S. (80% of which serve less than 3,000 people). The nation's water systems range in size from large municipally owned systems, such as the New York City water system that serves approximately 9 million people, to small systems, where a few customers share a common well.

The wastewater utility industry is a fragmented industry, although not as fragmented as the

water supply industry. According to the U.S. Environmental Protection Agency's ("EPA") most recent survey of publicly owned wastewater treatment facilities in 2022, there are approximately 18,000 such facilities in the nation, serving approximately 82% of the U.S. population. Ninety eight percent of domestic wastewater systems are government owned rather than IOUs. Currently, there are no wastewater utility companies that have actively traded stock.

An estimated 10% of the population is served by IOUs. IOUs consist of companies with common stock that are either actively traded or inactively traded, as well as companies that are closely held, or not publicly traded. Currently (May 30, 2025), there are only about nine investor-owned water utility companies with publicly traded stock in the U.S.

The water utility industry and wastewater utility industry's increased compliance with state and federal water purity levels and large infrastructure replacements are driving consolidation of the water utility and wastewater utility industries. Because many water utility and wastewater utility operations do not have the means to finance the significant capital expenditures needed to comply with these requirements, many have been selling their operations to larger, financially stronger operations.

The larger IOUs have been following an aggressive acquisition program to expand their operations by acquiring smaller water and wastewater systems. They enter a new market by acquiring one or several water or wastewater utilities. After their initial entry into a new market, the larger investor-owned water utility companies continually seek to expand their market share and services through the acquisition of water and wastewater utility businesses and operations that can be integrated with their existing operations. Such acquisitions may allow a company to expand market share and increase asset utilization by eliminating duplicate management, administrative, and operational functions. Acquisitions of small, independent utilities can often add earning assets

without necessarily incurring the costs associated with the Safe Drinking Water Act ("SDWA") if such acquisitions are contiguous to the potential purchaser.

In summary, the result of increased capital spending, to meet the SDWA and CWA requirements[6] and to replace the aging infrastructure of many systems, has moved the water and wastewater industries toward consolidation. Moreover, Federal and State regulations and controls concerning water quality are still in the process of being developed and it is not possible to predict the scope or the enforceability of regulations or standards which may be established in the future, or the cost and effect of existing and potential regulations and legislation upon the water and wastewater systems. However, as a small to medium sized water system, the Water System faces the cost of compliance with significantly limited financial resources, competing for financial needs against other municipal services and the general unwillingness of elected officials to raise taxes when compared to larger IOU water utilities.

QUANTITATIVE AND QUALITATIVE ANALYSIS

Comparison Review. The comparison review considers the financial and operating statistics for the Water System, and a group of companies ("Comparable Group") that operate in the same basic or similar industry as the Water System. Since no marketplace exists for the common stock of the Water System, an alternative to estimate the value of the Water System is to analyze the price investors are willing to pay for the publicly traded common stock of companies that are similar to the Water System. We list the Comparable Group chosen for study in Table 2.

6 The SDWA, or Safe Drinking Water Act, is the principal federal law in the United States intended to ensure safe drinking water for the public. Pursuant to the act, the EPA is required to set standards for drinking water quality and oversee all states, localities, and water suppliers who implement these standards. The CWA, or Clean Water Act, is the primary federal law in the United States governing water pollution. The CWA's objective is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by preventing point and nonpoint pollution sources, providing assistance to publicly owned treatment works for the improvement of wastewater treatment, and maintaining the integrity of wetlands.

The companies in the Comparable Group were selected based upon: (1) the availability of financial information; (2) inclusion in the S&P Capital IQ database; (3) a May 30, 2025 market value of common stock, the product of multiplying the closing stock price by the number of common shares outstanding, greater than $350.0 million; (4) a May 30, 2025 total enterprise value (the sum of market value, preferred stock and total debt) greater than $500.0 million; (5) were not the subject of a known acquisition at May 30, 2025; (6) with a Standard Industrial Classification (SIC) of 4941 (i.e., Water Supply Facilities and Infrastructure) and (7) with a North American Industry Classification System (NAICS) of 221310 (i.e., Water Supply and Irrigation Systems). The eight companies ("Comparable Group") that met the criteria for selection are listed in Table 2.[7]

	Acquisition Date Size Statistics			
	Revenues (Mill. $)	Customers	Population	Customer Density
Indian Creek Valley Water Authority	$2.750	2,600	6,780	2.6
Comparable Group				
American States Water Co	$595.459	289,414	1,000,000	3.5
American Water Works Co Inc	4,684.000	3,546,000	14,000,000	3.9
Artesian Resources -CL A	107.952	108,740	326,850	3.0
California Water Service Gp	1,036.806	555,900	2,000,000	3.6
Essential Utilities, Inc.	2,086.113	1,869,306	5,500,000	2.9
H2O America	748.439	407,000	1,551,000	3.8
Middlesex Water Company	191.877	128,300	500,000	3.9
York Water Co	74.959	79,771	212,000	2.7
Median	$671.949	348,207	1,275,500	3.4

Table 2

7 SJW Corp changed its name to H2O America on May 6, 2025.

We believe that similar economic, industry and business risks have affected the Comparable Group as those faced by the Water System. However, consideration must be given to the fact that no two companies are exactly alike. Table 2 presents comparative statistics regarding total revenues, customers, population of the area served, and customer density (population ÷ customers). On average, the Comparable Group is larger than the Water System. The relative size difference between the group and the Water System suggests that the risk of the Water System is greater than the Comparable Group. We discuss the difference in risk resulting from size later in this report.

Financial Review. We conducted a financial review that considered the financial and operating statistics for the Water System and the Comparable Group for the three-year period, 2022 to 2024. It is our opinion that the economic, industry and business risks affecting the Comparable Group selected are similar to those faced by the Water System. However, consideration must be given to the fact that no two companies are exactly alike.

The determination of reasonable water rates and sewer rates for the Comparable Group is subject to rate regulation. For the Comparable Group, rate regulation serves as a substitute for competition in the marketplace since utility companies are precluded from exercising complete control over the price to be charged their customers. Under rate regulation, a cost of service formula is used to set the price for service charged to customers. The cost of service formula equates revenues to the sum of annual operating expenses, taxes other than income, depreciation expense, income taxes, and the product of the rate base times a fair rate of return.

It is the responsibility of the utility seeking changes in rates to present sufficient evidence to their regulators in support of their request. Historically, the Water System's rates have not considered a fair rate of return nor taxes. That is, the Water System's rates would have been higher,

and their financial results would have been healthier if they included a provision for a fair rate of return and taxes. Consequently, the results of the Water System's historical financial performance shown in Exhibits 4 and 6 should be viewed with this knowledge.

Financial Benchmark Analysis. To gain insight into the risk differences between the Water System and the Comparable Group, we reviewed financial ratios and coverages. Unfortunately, there is no single measure that best indicates investment risk from an investor's perspective. However, from a creditor's viewpoint, the best measure of investment risk is debt rating. The debt rating process generally provides a good measure of investment risk for common stockholders because the factors considered in the debt rating process are usually relevant factors that a common stock investor would consider in assessing the risk of an investment.

The types of financial benchmarks applied by credit rating agencies such as Standard and Poor's ("S&P") for rating IOU public utility debt are broader than the traditional measure of financial risk, leverage. Besides reviewing the amounts of leverage employed (i.e., percentage of debt used in the capital structure), S&P also focuses on earnings protection and cash flow adequacy. During the period 2022-2024, the Water System's financial benchmark ratios mostly show (Exhibit 4) lower investment risk than the Comparable Group based on coverage and cash flow.

Risk Analysis. A basic premise of finance is the tradeoff between risk and return. That is, the higher the perceived risk, the higher the required return. Conversely, the lower the perceived risk, the lower the required return. From an operations standpoint, the Water System and the Comparable Group are indistinguishable. Both are required to meet SDWA and CWA requirements and are also required to provide safe and reliable services to their customers. However, based on size, the Water System's risk is higher than the Comparable Group given Water

System's relatively small size. Table 2 details the size difference between the Water System and the Comparable Group. As shown in Table 2, the Water System is many times smaller than the Comparable Group.

Size is a determinant of risk because the loss of a large customer impacts a small company much more than a large company because a large customer of a small company usually accounts for a larger percentage of the small company's sales. Further, a larger company has much more diversification in customer mix, economic conditions, source of supplies, weather, demographic, and financing than the Water System. Because the larger Comparable Group has a more diverse geographic operation than the Water System, it enables them to sustain earnings fluctuations caused by adverse weather conditions in one portion of its service territory. Further, the larger Comparable Group has a more diverse customer base and is less susceptible to local downturns associated with regional economic conditions than the Water System.

Exhibit 5, Table 5.1, provides an illustration which shows company size has been inversely related to returns and the volatility of their common stock. Specifically, Ibbotson Associates sorted 2,966 publicly traded common stocks based on size of market value (market price multiplied by the number of shares) and placed them into four different portfolios (quartiles). The common stock quartile return, and the resultant size premium, column B, increased at an increasing rate as you move from a larger stock quartile to a smaller stock quartile. Similarly, the total risk, or standard deviation of annual returns (a measure of risk), also increased with decreasing company size (column C).

The Comparable Group's market value on May 30, 2025, ranged from $355 million to $27,881 million as shown on Table 5.2 of Exhibit 5. Based on their market value, the Comparable

Group's median market quartile was 3. Since the largest company in quartile 4 on Table 5.1 had a market value of $452 million, Water System's market value would place it in quartile 4.

The change in risk adjusted common stock return rate between quartile 3 and quartile 4 (column J) is 115 basis points (3.80%- 2.65%). The results of the illustration, shown on Exhibit 5, suggest the Water System's common equity cost rate could be about 1.15 percentage points higher than the Comparable Group. The history of common stock returns indicates small company stocks are riskier than large company stocks because as one moves from the larger to smaller quartiles, the standard deviation (a measure of risk) of returns increases. Historically, common stock investors have been compensated for taking on this additional risk by the higher returns provided by small company stocks.

In general, it is reasonable to expect small companies to be more risky than large ones. Exhibit 5 shows small company stocks have been riskier over a long period of time than larger company stocks due to the various advantages that larger companies have over smaller companies. For example, small capitalized firms generally have less access to capital and, overall, not as many financial resources. Further, small capitalized stocks have lower trading liquidity than larger ones.

The bond market, particularly the corporate bond market, also differentiates between large and small bond issues, where many large institutional investors such as pension funds and insurance companies require large blocks of bonds for liquidity and performance. Because of this size preference, smaller bond issuers often pay a cost rate premium when compared to larger bond issuers.

A higher return requirement for companies the size of Water System translates into a higher capitalization rate. All else being equal, a higher capitalization rate will produce a lower value. However, all things are seldom equal as shown by the array of market multiples for the companies

that comprise the Comparable Group (Exhibit 18, page 2). As shown in Exhibit 18, the Comparable Group's current market multiples do not suggest a higher capitalization rate due to size as there are numerous other risks affecting the Comparable Group's market values.

Property Plant and Equipment Analysis. The Water System can best be characterized as fully integrated domestic water system, with wholesale customers ("integrated, with wholesale").[8] The Water System does not have the number of large treatment facilities that the Comparable Group. The Water System's gross property, plant and equipment is in relatively good condition given its age (Exhibit 6, Table 6.1) with 69% of their gross property, plant and equipment remaining undepreciated while 80% of the Comparable Group's gross property, plant and equipment remained undepreciated.[9]

Property Plant and Equipment Analysis for Contributions. Most regulatory commissions determine rates for utilities based on a cost of service formula reflective of gross plant, property, and equipment less accumulated depreciation (i.e., net property, plant, and equipment) being roughly equal to investor provided capital (i.e., debt and equity capital) plus "cost free" capital such as customer contributions. Under 66 Pa. C.S. Section 1329 (Valuation of Acquired Water and Wastewater Systems), the original source of funding for any part of the assets of a selling utility is not relevant to determining the value of a selling utility's assets.

We found a 15% (100% - 85%) difference between the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital on the valuation date (Exhibit 6, page 1, Table 6.2). The difference between the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital is comprised of "cost free"

8 A fully integrated, with wholesale, water system is characterized as having both distribution assets and treatment assets which serve both domestic and non-domestic customers.
9 The Water System's gross and net property, plant and equipment is developed on Exhibit 7.

capital such as customer contributions.[10] This is evidenced by the 15% difference in the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital (Exhibit 6, page 1, Table 6.2). Additionally, we verified known components of the Comparable Group's "cost free" capital by reviewing their individual balance sheets (Exhibit 6, page 1, Table 6.2) at year-end 2024.

We did not analyze the Water System's property, plant, and equipment for "cost free" capital, or customer contributions, because the original source of funding for any part of the assets of a selling utility is irrelevant to the valuation process under 66 Pa. C.S. Section 1329.

Capital Expenditures Analysis. The level of capital expenditure required for business purposes is an indicator of risk. Over the last four years, the Comparable Group has had annual capital expenditures of about 10% of net plant (Exhibit 6, page 2, Table 6.3). During this same time, 2021-24, the Water System had annual capital expenditures of about 5% of net plant. Therefore, the Water System historical capital spending was lower than the Comparable Group's median.

Growth Rate Analyses. Higher growth rates are an indication of less risk. A review of the growth rates in revenue and operating income reveal that the Water System has been growing less than the Comparable Group (Exhibit 6, page 4, Table 6.4) over the last three years, but operating income plus depreciation has been growing more. Prospectively, the Water System's growth rates should lag the Comparable Group's without increased rates and a higher level of planned capital additions.

Profit Margin Analyses. Higher profit margins are an indication of less risk. We

10 Under rate regulation "cost free" capital, such as customer contributions, is subtracted from plant assets in determining the dollar amount of property on which a utility may earn a "fair rate of return" and therefore, "cost free" capital has no economic value to investors.

compared earnings before interest and taxes ("EBIT") to revenues to see how successful the Water System's management has been at generating income from the operation of the business. We also compared operating profitability or earnings before interest, tax, depreciation, and amortization ("EBITDA") divided by total revenue to gain a clearer view of the Water System's core profitability. The Water System's EBITDA profit margins are higher than the Comparable Group's, indicating less risk. However, the Water System's EBIT profit margins are lower indicating more risk (Exhibit 6, page 5, Table 6.5).

VALUATION

The purpose of this valuation is to comply with 66 Pa. C.S. Section 1329 (Valuation of Acquired Water and Wastewater Systems) and conduct a fair market value appraisal of the Water System's assets as of May 30, 2025, in compliance with the USPAP. There are three primary approaches to valuation including the cost, income, and market approaches. Each approach to valuation has its strengths and weaknesses and one may be more appropriate to use than another approach depending on the asset(s) being valued, the information available and/or the purpose of the valuation or intended use. USPAP requires consideration be given the cost, market and income approaches to valuation or an explanation for the basis of their exclusion, if any. Consequently, three basic valuation approaches were considered in this analysis: the cost approach, the income approach, and the market approach.

The Cost Approach. In general terms, the cost approach measures value by determining the amount of money required to replace the future service capability of an asset.[11] The cost approach is based on the premise that an informed purchaser will not pay more for a property than

11 American Society of Appraisers, s.v. "Cost Approach," *ASA Business Valuation Standards,* 2009.

the cost of constructing an equally desirable substitute property, minus applicable depreciation, and assuming no undue delay.

Generally, the cost approach can be established using the trended original cost method, reproduction cost method, or replacement cost method after the calculated accrued depreciation (accumulated depreciation) is subtracted. The trended original cost method requires the determination of the original cost method.

The original cost method begins with establishing the original cost new ("OCN") measure of the cost of the assets when first constructed.[12] The OCN is based on (1) a review and summary of the utility's accounting records, contractors' invoices and bid tabulations to determine the most appropriate data sources of each type of asset; (2) and the "pricing out" of assets using unit costs for each vintage year that property was placed in service.

Under the trended cost method, the trended original cost ("TOC") measures the reproduction cost by multiplying the OCN by specific cost indices.[13] The TOC is based on (1) a review and summary of the OCN at each location to determine those elements that would be replaced-in-kind, those that would be replaced with current methods and technologies and those that would not be replaced; (2) the selection of cost indexes and the calculation of trended original cost for those elements that would be replaced-in-kind; and (3) the estimation of the cost to purchase or construct those elements that would be replaced with current methods and technologies. The TOC is a procedure for estimating reproduction cost new of property and is sometimes used as a substitute for reproduction cost method and may be considered a form of the

12 International Association of Assessing Officers, s.v. "Original Cost," *Glossary for Property Appraisal and Assessment*, Second Edition, 2013.
13 International Association of Assessing Officers, s.v. "Trended Original Cost," *Glossary for Property Appraisal and Assessment*, Second Edition, 2013.

reproduction cost method, though not as precise.

The reproduction cost method begins with determining the reproduction cost new ("RPCN") by determining the current cost of constructing identical new property.[14] The replacement cost method begins with estimating the replacement cost new ("RCN") based on approximating the current cost of replacing service of existing property with similar new property having the nearest equivalent utility to the property being valued.[15]

The RPCN and the RCN methods include the research and verification of the inventory of a company's tangible personal property. Upon verification of the inventory, current material costs, current construction costs, engineering costs, administration costs, interest during construction, and entrepreneurial profit[16] are applied to the inventory listing in order to determine the RPCN and to determine the RCN.

The RPCN method assumes the assets would be recreated under the conditions existing at the date certain or valuation date, using the exact materials, standards, design, layout, and quality of workmanship used to create the original assets. The RCN assumes the assets would be recreated under the conditions existing at the date certain or valuation date, using similar materials, current standards, under current conditions with similarly functional property.

From these cost bases (i.e., OCN, TOC, RPCN and RCN), the calculated accrued depreciation (accumulated depreciation) is subtracted ("LD"). The calculated accrued depreciation is based on the assets' attained ages, and the service life of the assets. The cost bases of depreciable assets are reduced annually by the accumulated depreciation to reflect the loss in the service value

14 American Society of Appraisers, s.v. "Reproduction Cost," *ASA Business Valuation Standards,* 2009.
15 American Society of Appraisers, s.v. "Replacement Cost," *ASA Business Valuation Standards,* 2009.
16 The administration costs and entrepreneurial profit are those of the contractors and engineers. The cost of overhead of the entity having the assets constructed can also be included. Generally overhead costs are allocated as part of an asset's cost, and usually represent at least 10% to 20% of infrastructure asset total costs.

of the assets since being constructed.

Depreciation represents the loss in property value from: physical deterioration; functional obsolescence; and external obsolescence. The accrued depreciation represents the sum of the annual depreciation amounts that would have been charged for depreciation at a point in time. Accrued depreciation is a calculated amount that would be in the book reserve account at a point in time using the current depreciation parameters (i.e., average service life). The average service lives of depreciable assets are based on the materials used for construction and how long the depreciable assets are likely to meet service demands.

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized "survivor curves" known as the Iowa type curves. The accrued depreciation ratio from a survivor curve is a concept that is used to estimate the consumed service capacity of plant at a point in time. The survivor curve is used to find the applicable accrued depreciation factors of the assets to result in the total accumulated depreciation.

The Original Cost Method. For this report, ICVWA provided us a copy of the Engineering Assessment, the Water System's water quality reports, and the Water System's Primary Facility Reports, to confirm the condition of the Water System's property and equipment. We utilized the Engineering Assessment, calculated the Original Cost, and Related Accrued Depreciation of the Water System as of May 30, 2025 ("OCNLD Study") shown on Exhibit 7.

Page 1 of Exhibit 7 summarizes the original cost and related accrued depreciation by account for the Water System as of May 30, 2025. The original cost was brought forward from page 2 of Exhibit 7 and the accrued depreciation from page 3 of Exhibit 7.

The original cost of the Water System was determined from the Engineering Assessment and is summarized on page 2 of Exhibit 7. A summarizing analysis of the original cost of the Water

System by account and vintage year is shown on Exhibit 8.

The accrued depreciation calculation, shown on page 3 of Exhibit 7, was based on recognized methods using estimated survivor characteristics and the straight-line depreciation method. The estimated survivor curves are those used by other Pennsylvania regulated water companies and the material and age of the assets. The average service life procedure was used to apply the methods of depreciation to group properties for which a survivor curve was used to recognize the existence of life dispersion. The detailed calculations of accrued depreciation applicable to original cost by account and vintage are included in Exhibit 8.

The results of the OCNLD Study established that the OCN of the Water System's utility plant in service as of May 30, 2025, was not less than $33.0 million ($33,029,748 rounded). The OCNLD Study also determined a theoretical calculated accrued depreciation reserve of the utility plant in service of $10.2 million ($10,219,932 rounded) as of May 30, 2025. After factoring in the OCNLD Study's accrued depreciation reserve, the OCNLD of Water System's utility plant in service as of May 30, 2025, was determined to be $22.8 million ($33,029,748 - $10,219,932 = $22,809,816).

The Replacement Cost Method. We utilized the OCN to calculate the trended original cost (TOC) measures, or the replacement cost of the depreciable assets (RCN), by multiplying the OCN by specific preliminary transition factors.[17] The transition factors included both cost changes measured during TOC process and preliminary obsolescence, so all RPCN values were valued on an RCN basis. The result of this analysis is shown in the Replacement Cost and Related Accrued Depreciation of the Water System as of May 30, 2025 ("RCNLD Study") shown on Exhibit 9.

17 We used the TOC method because the mandated use of the Engineering Assessment's original cost essentially dictates the use of TOC over the reproduction cost or the replacement cost methods.

Page 1 of Exhibit 9 summarizes the replacement cost new and related accrued depreciation by account for the Water System as of May 30, 2025. The replacement cost new was brought forward from page 2 of Exhibit 9 and the accrued depreciation from page 3 of Exhibit 9.

The replacement cost new of the Water System (see Exhibit 10) was calculated by trending the original cost measures by multiplying the OCN by Handy-Whitman indices and preliminary obsolescence factors.[18] A summarizing analysis of the replacement cost new of the Water System by account and vintage year and related preliminary transition factors is shown on Exhibit 10.[19]

The accrued depreciation calculation, shown on page 3 of Exhibit 9, was based on recognized methods using estimated survivor characteristics and the straight-line depreciation method. The estimated survivor curves are those used in the OCNLD Study. The average service life procedure was used to apply the methods of depreciation to group properties for which a survivor curve was used to recognize the existence of life dispersion. The detailed calculations of accrued depreciation applicable to replacement cost new by account and vintage are included in Exhibit 11.

The results of the RCNLD Study established that the RCN of the Water System's utility plant in service as of May 30, 2025, was not less than $100.2 million ($100,172,853 rounded). The RCNLD Study also determined a theoretical calculated accrued depreciation reserve of the utility plant in service of $38.2 million ($38,199,410 rounded) as of May 30, 2025. After factoring in the RCNLD Study's accrued depreciation reserve, the preliminary RCNLD of Water System's utility plant in service as of May 30, 2025, was determined to be $62.0 million ($100,172,853 - $38,199,410 = $61,973,443).

18 See the Accrued Depreciation and Obsolescence section of this report for a further discussion.
19 All land and land rights were valued at original cost.

The results of the OCNLD and preliminary RCNLD Cost Approaches show a range of value for the Water System of $22.8 million to $62.0 million and collectively indicated a preliminary value of $62.0 million ($61,973,443 rounded) for the Water System based on the results of the preliminary RCNLD.

Benchmark Metrics. Besides providing an indication of value based upon a cost method, the OCN and OCNLD can also be used to calculate meaningful benchmark metrics. These benchmark metrics are utilized to evaluate the reasonableness of other indications of value produced by alternative valuation methods, including the cost method itself. For example, the Comparable Group's market value of common equity plus minority interest, preferred stock, and total debt net of cash and cash equivalents ("Enterprise Value") is currently 1.29-times (Exhibit 18, page 2) their OCNLD or net property, plant and equipment. Similarly, the Comparable Group's Enterprise Value is currently 1.04-times (Exhibit 18, page 2) their OCN or gross property, plant and equipment.

The above-mentioned property, plant and equipment "multiples" may understate the multiple applicable to the Water System because some of the Comparable Group's property, plant and equipment includes assets that were originally financed with "cost free" capital such as customer contributions.[20] Subtracting customer contributions ("CIAC") from the Comparable Group's property, plant and equipment (Exhibit 18, page 3) based on differences between investor provided capital and OCN results in CIAC adjusted multiples of 1.45-times OCNLD and 1.17-times OCN for the Comparable Group.

Multiplying the Water System's OCN of $33.0 million by the Comparable Group's 1.04-

20 Under rate regulation "cost free" capital, such as customer contributions, is subtracted from plant assets in determining the dollar amount of property on which a utility may earn a "fair rate of return" and therefore, "cost free" capital has no economic value to investors.

times OCN multiple or the 1.17-times contributions adjusted OCN multiple indicates a range of market value of $34.3 million to $38.6 million for the Water System, dissimilar to the preliminary RCNLD of $62.0 million. Further, multiplying the Water System's OCNLD of $22.8 million by the Comparable Group's 1.29-times OCNLD multiple or the 1.45-times contributions adjusted OCNLD multiple indicates a range of market value of $29.4 million to $33.1 million for the Water System, dissimilar to the preliminary RCNLD of $62.0 million.[21] Using a similar technique, we multiplied the Water System's number of customers of 2,600 by the Comparable Group's $9,430-times customer multiple and produced a market value of $24.5 million, which is dissimilar to the preliminary RCNLD of $62.0 million. However, this technique does not account for the additional value of the 132 ultimate wholesale customers. If the 132 ultimate wholesale customers were factored into this technique, the result would be closer to the preliminary RCNLD.

Accrued Depreciation and Obsolescence. The accrued depreciation reflects the total loss in value from RCN due to physical deterioration, functional and economic obsolescence. The physical deterioration was accounted for with our determination of average service lives of depreciable assets. The average service lives used in determining the preliminary RCNLD reflect the materials used for construction, age, and the average length of time the depreciable assets are likely to meet service demands.

Functional obsolescence ("FO") is a "form of deterioration due to a feature in the property that is no longer useful or functional, resulting in a loss of value for the entire property."[22] FO is

21 The range of benchmark metric values suggested for the Water System are not a substitute for an appraisal. However, the referenced range of market values for the Water System can be a meaningful metric to evaluate the reasonableness of other indication of value produced by other valuation methods.
22 "Physical Deterioration: The loss in value of a real estate property due to the physical wearing out of a building," *Corporate Finance Institute*, Updated October 3, 2021. Accessed 6/20/22.
https://corporatefinanceinstitute.com/resources/knowledge/other/physical-deterioration/

sometimes evident due to increased operating costs, increased maintenance costs, lost profits and for a water utility, excess unaccounted for water. According to the Engineering Assessment, the Water System's "useful assets are good and regularly maintained."[23] Additionally, the Engineering Assessment did not find any utility assets that were no longer useful or functional.

We previously discussed the Water System's higher than normal unaccounted for water. The source of the Water System's excess unaccounted for water is due to random main breaks which only occur in some years but not in other years. Therefore, we conclude no significant FO is suggested.

Economic obsolescence ("EO") refers to the loss of value that is caused by factors that are external to the property.

> Economic obsolescence (EO) is the loss of value resulting from external economic factors to an asset or group of assets. EO is often encountered in valuation work performed for financial reporting purposes, bankruptcy emergence and in other practice areas when dealing with companies in capital-intensive industries. Identifying, measuring and **applying the adjustment for EO can be a complex and iterative process**, requiring expertise and interaction across multiple valuation disciplines, including real property, personal property, business valuation and intangible asset valuation.[24] (Emphasis added)

> EO manifests itself in the profit margin of business. If the operating margin of an asset or group of assets is below what provides a sufficient economic return to the supporting assets, and there is a difference between the existing operating level/capacity and a sufficient operating/level capacity, EO may be an issue.[25]

To evaluate EO we compared our preliminary RCNLD value of $62.0 million to the maximum economic values calculated in our Income and Market Approaches, discussed later in

23 "Indian Creek Valley Water Authority, Fayette and Westmoreland Counties, Pennsylvania, Water Facilities Engineering Assessment and Original Cost," dated September 2025, prepared by Bankson Engineers, Inc., at page 1.
24 Mickle, Joseph and Sapnas, Charles. "Perspectives, Economic Obsolescence: Discover Loss of Value Caused by External Factors," *Valuation Research Corporation*. Accessed 6/20/22. https://www.valuationresearch.com/pure-perspectives/economic-obsolescence-determining-loss-value-caused-external-factors/#:~:text=Economic%20obsolescence%20(EO)%20is%20the,companies%20in%20capital%2Dintensive%20industries.
25 "Perspectives, Economic Obsolescence: Discover Loss of Value Caused by External Factors".

this report, and conclude EO is suggested (Exhibit 9 page 4). The maximum economic value calculated in our Income and Market Approaches of $49.3 million is $12.6 million less than our preliminary RCNLD value of $62.0. In our conclusion of value, discussed later in this report, we give 66.67% weight to the indicated values produced by the two economic approaches, Income and Market. Therefore, we assign 66.67% weighting to the $12.6 million ($62.0 million - $49.3 million = $12.6 million) difference in establishing $8.4 million for EO. Based on our EO analysis, we reduced the preliminary RCNLD after FO value of $62.0 million by $8.4 million and conclude a RCNLD value of $53.5 million (Exhibit 9 page 4).

Cost Approach Conclusion. On page 4 of Exhibit 9 we reduced our RCN indicated value of $100.2 million for accrued depreciation in reaching our RCNLD conclusion. The RCNLD's accrued depreciation reflects the total loss in value from RCN due to physical deterioration, functional and economic obsolescence. We ascribed $38.2 million physical deterioration, $0.0 million functional obsolescence, and $8.4 million economic obsolescence in reaching our $53.5 million RCNLD conclusion. The results of the RCNLD method of $53.5 million ($53,547,750 rounded) form the basis for our Cost Approach conclusion, shown on Exhibit 9, page 4. Based on this result, the Cost Approach to valuation indicates a value of $53.5 million for the Water System's based on the RCNLD method.

The Income Approach. Capitalizing or discounting a future income stream to a present value provides an indication of the value of a security or asset. The capitalization or discount rate reflects future growth, business risk, economic factors, financial risk, and industry risk of the assets. The theory behind the income approach is that the value of a business is the future economic benefit that ownership will provide. The income approach is defined as, "a general way of determining a value indication of a business, business ownership interest, security, or intangible

asset by using one or more methods that convert anticipated economic benefits into a present single amount."[26]

The two most common methods of the income approach to valuation are the capitalization of earning or cash flow method and the discounted cash flow method ("DCF"). The capitalization of earning method converts a single base economic income number to a value by dividing it by a capitalization rate. The capitalization of earnings is best suited when the future earnings, or cash flow, can be predicted. The implicit assumption in the capitalization of earning method is that the cash flow is a perpetuity, and the capitalization rate is a constant.

The DCF method uses estimates of future free cash flow and discounts them to arrive at a present value or price of the cash flow. Generally, the DCF analysis begins with an estimate of the Debt Free Net Cash Flow over the next five to twenty years along with a terminal value. In each year, the Debt Free Net Cash Flow is comprised of projected EBIT, minus income taxes, plus projected depreciation, and amortization, minus projected changes in net cash working capital, and minus projected capital expenditures. The second element of the DCF analysis is the determination of an appropriate discount rate.

The capitalization rate used in the capitalization of earnings method and the discount rate used in the DCF method are related. The discount rate is the market participant's opportunity cost rate related to the risk of the cash flows. For the Water System, the market participants are assumed to include IOU and MUNI. For the Water System, the appropriate discount rate is the current municipal revenue bond yield on May 30, 2025, of 4.76%. The appropriate IOU discount rate is the current net of tax overall cost of capital (weighted average cost of capital) on May 30, 2025,

26 American Society of Appraisers, s.v. "Income Approach," ASA Business Valuation Standards, 2009.

and ranges from 8.92% to 11.61%.[27] The capitalization rate is simply the discount rate minus the expected growth rate. If no growth is assumed, the capitalization rate is equal to the discount rate.

The capitalization of earnings method is generally a reasonable approach for valuing the Water System as it is currently owned (i.e., non-IOU) and operated. However, change in ownership of the Water System to a MUNI or IOU produces a myriad of problems for both the capitalization of earnings method and the DCF Method because any future cash flow estimates would be hypothetical or estimated due to the uncertain nature that would accompany new ownership including future rates, future expenses, future capital expenditures, taxes, and regulation.

For a MUNI, the appropriate discount rate is the current municipal revenue bond, 4.76%, because debt is the only major source of capital available to finance an acquisition (Exhibit 23, pages 2-6). Although a MUNI likely carries equity on their books (balance sheet), all existing equity is already invested in other assets and therefore, cannot be used to finance an acquisition.[28] For valuation purposes, an embedded cost of debt, or the historical cost of all debt issuances outstanding is not used because this capital is already invested in assets. Whereas the marginal cost of debt, 4.76%, at the valuation date is used in accordance with accepted valuation practices and used for market valuation purposes.

As discussed previously, for an IOU, the appropriate discount rate is the net of tax overall cost of capital (weighted average cost of capital), 8.92% to 11.61% (Exhibit 23, pages 2-8). In this instance, the net of tax overall cost of capital (weighted average cost of capital) is based on the

27 Both the American Society of Appraisers, ASA Business Valuation Standards, 2009, and the National Association of Certified Valuation Analysts, Professional Standards, 2007, use the same definition: "Weighted Average Cost of Capital (WACC). The cost of capital (discount rate) determined by the weighted average, at market values, of the cost of all financing sources in the business enterprise's capital structure."

28 For example, when a municipal or government entity, such as the Commonwealth of Pennsylvania, finance construction of a road or bridge, they only consider the marginal debt cost despite having "equity" reflected on their books (balance sheet).

Comparable Group's market value capital structure of 31.9% debt and 68.1% equity, a market cost of debt of 6.02% and a range of market cost of equity of 11.07% to 15.02%.[29] The Comparable Group's net of tax overall cost of capital (weighted average cost of capital) is used as a proxy to conform to the "hypothetical buyer" or "hypothetical seller" of fair market valuation. Use of the buyer's net of tax overall cost of capital (weighted average cost of capital) would produce an investment valuation, not a fair market valuation.[30]

We began the Income Approach for the Water System by first determining the Debt Free Net Cash Flow to be capitalized or discounted. The Debt Free Net Cash Flow is comprised of EBIT, minus income taxes, plus depreciation and amortization, plus or minus projected changes in net cash working capital, and less projected capital expenditures. The development of Water System's Debt Free Net Cash Flow begins on Exhibit 1 and ends on Exhibits 12 through 16.

Differences in accounting practices exist between GASB, DCED and FASB because there are differences in their purpose. The GASB's and DCED's impetuses are to make sure government entities are accountable for the money they receive from the public or taxpayers, while the FASB's focus is to help investors and creditors make decisions. These differences in accounting objectives between GASB, DCED and FASB can present a problem when it comes to comparing the financial statements of entities that are either publicly or privately owned, such as the Water System and the Comparable Group.

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29 For example, see http://www.investinganswers.com/financial-dictionary/financial-statement-analysis/weighted-average-cost-capital-wacc-2905. Also see http://www.wallstreetmojo.com/weighted-average-cost-capital-wacc/ , or http://accountingexplained.com/misc/corporate-finance/wacc .

30 We did not use the 7.11% Comparable Group's DSIC (distribution system improvement charge) related net of tax overall cost of capital in our valuation because a "hypothetical buyer" cannot finance an acquisition at such a rate and therefore, its use would provide a meaningless result. The Comparable Group's 7.11% DSIC related cost was determined based on the Comparable Group's book value capital structure of 48.8% debt and 51.2% equity, a cost of debt of 6.02% and a DSIC cost of equity of 9.75% based on the December 2024 Earnings Report (public meeting May 8, 2025). However, we note the 7.11% Comparable Group's DSIC related net of tax overall cost of capital falls below the 8.92% to 11.61% range of discount rates used in our Income Approach.

Exhibit 1 presents the Water System's financial information contained in their financial statements, so it is more consistent with the Comparable Group and more practical for valuation purposes. The information on Exhibit 1 was used to develop Exhibits 12 through 16. As noted previously, the Water System's financial statements and their rates did not include taxes nor a fair rate of return. Accordingly, on Exhibits 13 through 16 we adjusted the Water System's post-2025 financial information for pro forma expenses and returns to be reflective of a MUNI or IOU ownership.

The Capitalization of Earnings Method. The capitalization of earnings method begins with an estimate of the income or cash flow producing capabilities of the business (Exhibit 12) for a recent time period and assumes current ownership and operations. We began the capitalization of earnings method for the Water System by first determining the Debt Free Net Cash Flow to be capitalized. The Debt Free Net Cash Flow is comprised of current EBIT, minus income taxes, plus current depreciation and amortization, minus projected changes in net cash working capital, and minus projected capital expenditures. Specifically, our capitalization of earnings method capitalizes Water System's current (budget 2025) Debt Free Net Cash Flow. The second element of the capitalization of earnings method is the determination of an appropriate capitalization rate. Our analysis uses the current municipal revenue bond yield on May 30, 2025, of 4.76% (Exhibit 12, line 24) as the capitalization rate. We also did a second capitalization of earnings calculation based on a 4.66% capitalization rate (Exhibit 12, line 27), or 10-basis points below the current level because we assumed the Water System's Debt Free Net Cash Flow growth will be at least 0.1% (10-basis points).

We computed the Water System's indicated value based on the capitalization of earnings method by dividing the projected Debt Free Net Cash Flow by the capitalization factor. The

capitalization factor is equal to the discount rate minus assumed growth in projected Debt Free Net Cash Flow. We considered a range of growth in the capitalization of earnings method. Essentially, we considered a range of growth in the capitalization of earnings method, no growth and 0.1% growth. However, based upon our quantitative and qualitative analysis, and the service area's population growth forecast, we believe the 0.1% growth scenario is reasonable for the Water System based on current ownership and operations.

For pro forma 2025, we adjusted the Water System's Debt Free Net Cash Flow (Exhibit 12, lines 23 and 28) to include the average 2025-2028 capital expenditure to get a clearer picture of Debt Free Net Cash Flow. Exhibit 12 shows the results of the capitalization of earnings method. For the Water System, the capitalization of earnings method using a 4.76% capitalization rate (no growth) indicates a value of $4.2 million, and *negative* $8.6 million based on pro forma 2025 results. The capitalization of earnings method using a 4.66% capitalization rate (growth) indicates a value of $4.3 million, and *negative* $8.8 million based on pro forma 2025 results. Collectively, for Water System, we believe the 0.1% growth scenario is the most probable result based on current ownership and operations and therefore, the capitalization of earnings method suggests a value of *negative* $8.8 million based on pro forma 2025 results due to the existence of negative debt free net cash flow. Negative debt free net cash flow is indicative of a system which requires adjustments to their rates if they plan to remain operational.

The DCF Method. For the Water System, the DCF method considers two types of discounted cash flow analyses, the EBIT and EBITDA terminal value model ("Market Multiple DCF") and the capitalization of terminal value model ("Capitalization DCF"). We show the results of these models on Exhibits 13 through 16.

The DCF method begins with an estimate of the income or cash flow producing capabilities of the business. Specifically, our DCF methods use estimates of the results of the Water System's operations over the next 20 years. We use two different assumptions for the Water System's future operations in the DCF methods: MUNI ownership shown on Exhibits 13 and 15; and IOU ownership shown on Exhibits 14 and 16.

Under the MUNI ownership the discount rate is the current 4.76% municipal revenue bond yield and under the IOU ownership the discount rate is the current net of tax overall cost of capital, reflecting the upper and lower range of the net of tax overall cost of capital for the Comparable Group of 8.92% to 11.61%. For the Capitalization DCF, the capitalization rate reflects a scenario of no additional growth (i.e., discount rate = capitalization rate) and a scenario of minimal growth of 0.1% (i.e., discount rate – 0.1% growth = capitalization rate) under MUNI ownership and 0.1% growth (i.e., discount rate – 0.1% growth = capitalization rate) under IOU ownership based on inflation, population growth, and changes in Debt Free Net Cash Flows.

We computed the Market Multiple DCF terminal values by multiplying the Water System's projected EBITDA and EBIT by the Comparable Group's adjusted multiples of 14.7-times and 20.0-times, respectively. We computed the Capitalization DCF terminal value by dividing the projected Debt Free Net Cash Flow by the capitalization factor. The capitalization factor is equal to the discount rate minus assumed growth in projected Debt Free Net Cash Flow.

Exhibit 13 shows the results of the DCF method under the MUNI ownership scenario. The results of the Capitalization DCF, shown on Exhibit 13, show a range of value for the Water System of $24.9 million to $25.2 million. The results of the Market Multiple DCF, shown on Exhibit 13, show a value of $25.7 million. Collectively, the DCF method based on the MUNI

ownership scenario indicates a value of $25.4 million for the Water System based on the 0.1% growth assumption.

Exhibit 14 shows the results of the DCF method under the IOU ownership scenario. The results of the Capitalization DCF, shown on Exhibit 14, show a range of value for Water System of $14.8 million to $21.4 million. The results of the Market Multiple DCF, shown on Exhibit 14, show a range of value of $20.3 million to $28.8 million. Collectively, the DCF method based on the IOU ownership scenario and a 0.1% growth assumption indicates a value of $20.8 million for the Water System.[31]

The DCF method based on the MUNI ownership scenario indicates a value of $25.4 million and the DCF method based on the IOU ownership scenario indicates a value of $20.8 million. Collectively, the DCF method indicates a value of $23.1 million based on OCNLD.

Change in ownership of the Water System to a MUNI or an IOU produces a myriad of problems for the DCF Method. Under a MUNI purchase, future cash flow estimates are uncertain because they would reflect the actual price paid for the acquisition. Under an IOU purchase and the associated regulation by the PUC, future cash flow estimates are uncertain since regulation by the PUC would result in an unknown determination of rate base and the related depreciation and authorized/achieved earning levels. In the current instance, we know the Market Approach and the Cost Approach (RCNLD) indicate values higher than the OCNLD value.

31 If we used the 7.11% Comparable Group's DSIC related net of tax overall cost of capital in our valuation shown on Exhibit 14, the results of the Capitalization DCF would show a value for the Water System of $28.7 million. Further, the results of the Market Multiple DCF would show a value of $37.0 million and collectively, the DCF method based on the IOU ownership scenario and a 1% growth assumption indicates a value of $32.9 million for the Water System. The DCF method based on the MUNI ownership scenario indicates a value of $25.4 million and the DCF method based on the IOU ownership scenario indicates a value of $32.9 million. Collectively, the DCF method indicates a value of $29.2 million when DSIC is considered.

Therefore, Exhibits 13 and 14 are recalculated on Exhibits 15 and 16 to reflect revenues and cash flows derived from an earnings base between the values indicated by the RCNLD and the Market Approach. Exhibit 15 shows the results of the DCF method under the MUNI ownership scenario. The results of the Capitalization DCF shown on Exhibit 15 show a range of value for the Water System of $38.3 million to $38.7 million. The results of the Market Multiple DCF, shown on Exhibit 15, show a value of $38.9 million. Collectively, the DCF method based on the MUNI ownership scenario indicates a value of $38.8 million for the Water System based on the 0.1% growth assumption.

Exhibit 16 shows the results of the DCF method under IOU ownership. The results of the Capitalization DCF shown on Exhibit 16 show a range of value for Water System of $27.2 million to $39.7 million. The results of the Market Multiple DCF, shown on Exhibit 16, show a range of value of $37.1 million to $52.8 million. Collectively, the DCF method based on the IOU ownership scenario and a 0.1% growth assumption indicates a value of $38.4 million for the Water System.[32]

The DCF method based on the MUNI ownership scenario indicates a value of $38.8 million and the DCF method based on the IOU ownership scenario indicates a value of $38.4 million. Collectively, the DCF method indicates a value of $38.6 million ($38,576,359 rounded) as summarized on Exhibit 17.

The Market Approach. The market approach determines the value of an asset based on the recent selling price of similar assets. The market approach entails analyzing certain public

32 If we used the 7.11% Comparable Group's DSIC related net of tax overall cost of capital in our valuation shown on Exhibit 16, the results of the Capitalization DCF would show a value for the Water System of $53.7 million. Further, the results of the Market Multiple DCF would show a value of $68.1 million and collectively, the DCF method based on the IOU ownership scenario and a 0.1% growth assumption indicates a value of $61.0 million for the Water System. The DCF method based on the MUNI ownership scenario indicates a value of $38.8 million and the DCF method based on the IOU ownership scenario using DSIC indicates a value of $61.0 million. Collectively, the DCF method indicates a value of $49.9 million when DSIC is considered.

information relating to transactions involving the purchase or sales of businesses involved in the same or similar business line as the subject entity (e.g., the Water System). The market approach is defined as, "a general way of determining a value indication of a business, business ownership interest, security or intangible asset by using one or more methods that compare the subject to similar businesses, business ownership interests, securities or intangible assets that have been sold."[33] There are two methods of doing the Market Approach to valuation: the market multiples method; and the selected transaction method. We used both the market multiples method and the selected transaction method in our valuation analysis.

The Market Multiples Method. The market multiples method valuation begins by reviewing market price data of corporations engaged in the same or a similar line of business as the Water System. We relied upon market data for the Comparable Group for these purposes since they are equally affected by similar economic, industry, and business risks as is the Water System. Since no marketplace exists for the common stock of the Water System, an alternative to estimate the value of the Water System is to analyze the price investors are willing to pay for the publicly traded common stock of companies that are similar to the Water System. The specific market price data reviewed includes the market value of common equity plus minority interest, preferred stock, and total debt net of cash and cash equivalents (i.e., Enterprise Value). Where the market value of common equity is the product of multiplying the closing stock price by the number of common shares outstanding. Enterprise Value provides an indication of the value of the entire business. The Enterprise Value multiples ("Market Multiples") are shown on Exhibit 18. For the Comparable

33 American Society of Appraisers, *ASA Business Valuation Standards,* theory 12.

Group, the Market Multiples were calculated as of May 30, 2025, based on the latest twelve months of financial data available at the appraisal date (Exhibit 18, page 2).

We used the Comparable Group's Enterprise Value on May 30, 2025, and calculated Market Multiples of: revenue ("Revenue"); EBITDA; EBIT; gross property plant and equipment ("GPPE"); net property plant and equipment ("NPPE"); investor provided capital ("ICAP"); utility customers ("Customers"); and population of the area served ("Population").

The next step in the market multiples method valuation was applying the Comparable Group's Market Multiples to corresponding financial and operating statistics of the Water System. The Comparable Group's Market Multiples reflect their capitalization rate of each financial and operating statistic. For example, a Market Multiple of EBIT of 16.14-times equates to a capitalization of EBIT of 6.20% (1 ÷ 16.14 = 6.20%). Each capitalization rate is unique to the entity and the statistic being evaluated, and reflects the growth and investment risk of the entity.

We believe that similar economic, industry and business risks have affected the Comparable Group as those faced by the Water System. However, consideration must be given to the fact that no two companies are exactly alike. On average, the utilities in the Comparable Group are larger than the Water System. The relative size difference between the Comparable Group and Water System suggests that the risk to investors of the Water System is higher than the Comparable Group. Further, based upon our quantitative and qualitative analysis, we concluded that the Water System has more risk than the Comparable Group.

Accordingly, the Comparable Group's Market Multiples are not directly applicable to the Water System. We assumed the higher risk due to the Water System's size is added to the higher risk found in our quantitative and qualitative analysis. This combined risk was assumed to result in the Water System being 5% more risky than the Comparable Group and produced a 95% (100%

- 5%) base risk adjustment to the Comparable Group's Market Multiples. We applied the 95% base risk adjustment to all financial multiples. For example, the Comparable Group's ICAP multiple was multiplied by 95% to produce a lower multiple applicable to the Water System to account for risk differences.

The Comparable Group's Market Multiples of Revenue, EBITDA, and EBIT were adjusted for the base risk adjustment to produce multiples applicable to the Water System (Exhibit 18, page 3). The Comparable Group's Market Multiples of GPPE and NPPE were adjusted for the base risk adjustment and for their percentage of property plant and equipment (Exhibit 18, page 3) financed with "cost free" capital such as contributions because "cost free" capital should not be part of this valuation process. The Comparable Group's Market Multiples of Customers and Population were adjusted for the type of assets of the Water System, earnings rate, and growth.

The net risk adjustments applied to the Comparable Group's Market Multiples are shown on page 1 of Exhibit 18. The adjustments to the Comparable Group's Market Multiples are: 95% of ICAP (more risk/less growth); 107% of GPPE (more risk/lower growth and contributions); 107% of NPPE (more risk/lower growth and contributions); 95% of Revenue (more risk/lower growth); 95% of EBIT; 95% EBITDA (more risk/lower growth); 108% of Customers (growth, earning rate, and contributions); and 108% Population (growth, earning rate, and contributions). The calculation of the net risk adjustments that are applied to the Comparable Group's Market Multiples are shown on page 3 of Exhibit 18.

Page 1 of Exhibit 18 shows the market multiples method indicated values based on: Revenue, EBIT and EBITDA (collectivity called "Income Statement Items"); ICAP, GPPE and NPPE (collectivity called "Capital Items"); and Customers and Population (collectivity called "Demographics Items"). For most municipal utilities, the indicated values based on Income

Statement Items are far below the indicated values that are based on Capital Items and those based on Demographics Items. We attribute this to the fact that the dollars of Revenue, EBIT and EBITDA do not reflect any provision for taxes while the multiples for the Comparable Group do.[34] Consequently, we do not believe the results of the multiples of Revenue, EBIT and EBITDA are meaningful and should not be used for municipal utilities.

In the market multiples method, the meaningful Market Multiples of the Comparable Group are used to develop an indicated value of the Water System. This is accomplished by multiplying the Water System's financial and operating data by the Comparable Group's median Market Multiples (Exhibit 18, page 1). The results of the market multiples method (Exhibit 18, page 1) show a range of value for the Water System of $24.0 million to $30.5 million and collectively, indicate value of $27.2 million ($27,247,271 rounded) for the Water System's domestic customers using the market multiples method. The additional value attributable to the Water System's ultimate wholesale customers is determined later in the Market Value of Ultimate Wholesale Customers section of this report.

The Selected Transactions Method. The selected transactions method entails analyzing certain public information relating to selected transactions involving the purchase or sales of businesses involved in the same or similar business line. The number of selected transactions available for review is limited because most acquisitions in the water and wastewater industry involve small acquisitions for which no public information exists. Additionally, not all transactions are comparable since some purchase prices may only involve the acquisition of the common stock, purchase prices may be net of cash and others may only involve assets. In any of these instances,

34 The Revenue, EBIT and EBITDA for the Water System also do not include a fair rate of return.

the derived multiples (e.g., purchase price as a multiple of: Revenues; EBITDA; EBIT; etc.) would understate (overstate) the multiples involving a purchase price for an entire business enterprise (common stock) or business assets.

The selected transactions method provides a valuation of a business, or assets, at the time the acquisition of that business was completed, rather than the appraisal date market value (May 30, 2025). Because of the rapid rise in valuation multiples since early 2016 we limited our search for selected transactions to: (1) those that occurred in 2016 or later; (2) purchases of water or sewer systems; (3) assets being purchased; and (4) those that did not discount "cost free" capital/customer contributions in the valuation. The selected transactions that met the primary stated selection criteria are shown on pages 2 and 3 of Exhibit 19.

Using certain public information, we calculated sales price multiples of selected transactions involving the purchase or sale of businesses that met the stated selection criteria. The calculated sales price multiples included transactions multiples of: ICAP; GPPE; NPPE; Revenue; EBITDA; EBIT; Customers; and Population. As shown on pages 2 and 3 of Exhibit 19, the selected transactions method indicated values based on the Income Statement Items are far different than the Water System's selected transactions method indicated values based on Capital Items and those based on Demographics Items. We attribute this to the fact the selling utilities' dollars of Income Statement Items do not reflect any provision for taxes.[35] Consequently, we do not believe the results of the multiples of Income Statement Items are meaningful.

The selected transaction method relies on and reflects information that was known, ex-ante, at the time the winning purchase bid (price) was offered, and the metrics used are time period

35 Further, Revenue, EBIT and EBITDA for the Water System also do not include a fair rate of return.

sensitive. For example, bids made in 2016 only reflect metrics from 2015 since the results of 2016 could not be known at the time of the bids. The selected transaction method ex-ante information (metrics) is shown on page 2 of Exhibit 19. Complete information only exists for a few of the transactions, with only Customers and the Population having ample data for all transactions as is evident from the information shown (Exhibit 19, page 2). Therefore, we supplemented the ex-ante data with ex-post information of GPPE and NPPE (collectivity called "Asset Items") as shown on page 3 of Exhibit 19.

The selected transactions method's multiples reflect the price or valuation at the time the winning purchase bid (price) was agreed to rather than the appraisal date's market value (May 30, 2025). The change in the Comparable Group's market multiples of GPPE, NPPE, Customers and Population, shown in Figure 1, illustrates the change in the Comparable Group's market valuation since 2016. In Figure 1, the Comparable Group's market multiples of GPPE, NPPE, Customers and Population were indexed to the May 30, 2025 valuation multiples so that the May 30, 2025 valuation multiples have an index value of 1.0. In viewing the indexed market multiples shown in Figure 1 it is important to remember the selected transactions' multiples lag the Comparable Group's indexed market multiples and recognize the Comparable Group's Demographics Items have increased in value relative to their Asset Items since 2016.

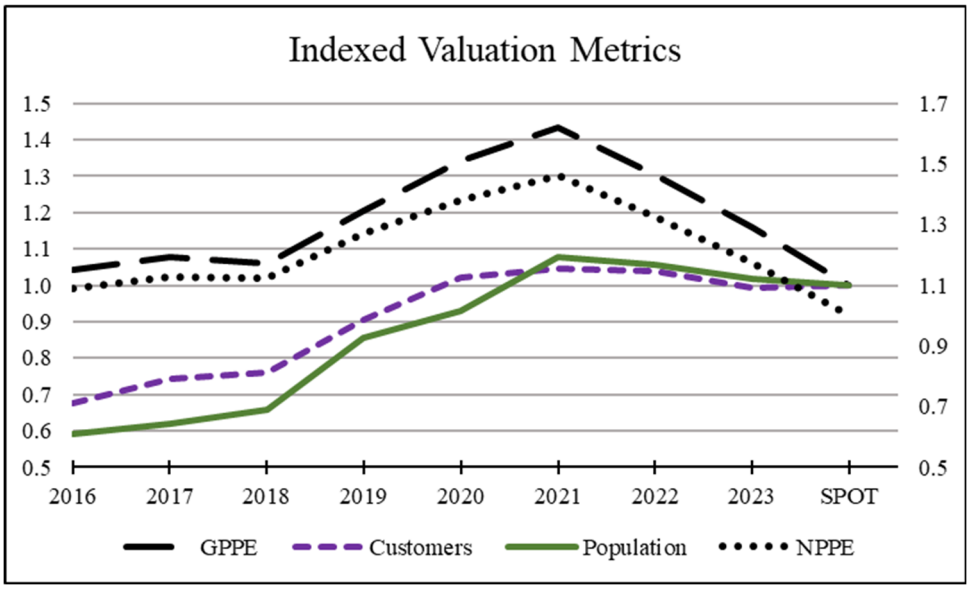

Figure 1

In the selected transactions method, the significant selected transactions multiples of the selling utilities are used to develop an indicated value of the Water System. Initially, the value of the Water System's domestic customers is determined before the value attributable to the Water System's ultimate wholesale customers is added. This process is accomplished by multiplying the Water System's financial and operating data by the selling utilities' transactions multiples (Exhibit 19, pages 2 and 3).

The results of the selected transactions method (Exhibit 19, page 1) show a range of value for the Water System's domestic customers of $36.9 million to $60.9 million when all transactions are considered and a range of value of $25.7 million to $43.3 million when fully integrated assets (excluding wholesale) are solely considered. We determined an indicated value of indicated value of $32.8 million ($32,789,559 rounded) for the Water System's domestic customers using the selected transactions method based on the results of the fully integrated assets (excluding wholesale) transactions after adjusting for the changes in market conditions that are depicted in

Figure 1. The additional value attributable to the Water System's ultimate wholesale customers is determined later in the Market Value of Ultimate Wholesale Customers section of this report.

Wall Street Transactions. In 2018 two IOUs, Connecticut Water Service, Inc. ("Connecticut Water") and SJW Group, announced a planned merger with Connecticut Water being acquired by SJW through a stock purchase (stock swap). SJW Group's purchase of Connecticut Water was approved in late 2019. Similarly, in 2021 two IOUs were involved in another transaction which involved Aquarion Company, parent of Aquarion Water Company, completing its acquisition of the New England Service Company, Inc. ("NESC") through a stock purchase (stock swap). Again in 2022, two IOUs, were involved in another transaction which involved Aquarion Company, parent of Aquarion Water Company, announcing its acquisition of The Torrington Water Company, Inc. ("TORW") through a stock purchase (stock swap). Connecticut Water, NESC and TORW were publicly traded as was the stock they received in the transactions.

Although these acquisitions are not directly applicable to the Water System, they do provide a range of indicated values for the Water System's domestic customers (Exhibit 20, page 1) which we relied on as checks. In these selected transactions, the significant selected transactions multiples of the selling utilities (i.e., Connecticut Water, NESC, and TORW) are used to develop an indicated value of the Water System's domestic customers. This is accomplished by multiplying the Water System's financial and operating data by the selling utilities' transactions multiples.

The results of the Connecticut Water selected transactions (Exhibit 20, page 2) show a range of value for the Water System's domestic customers of $27.7 million when the reported significant selected transactions multiples are considered and a value of $36.4 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. The

results of the NESC selected transactions (Exhibit 20, page 3) show a range of value for the Water System's domestic customers of $22.1 million when the reported significant selected transactions multiples are considered and a value of $31.9 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. The TORW selected transactions (Exhibit 20, page 4) show a range of value for the Water System's domestic customers of $32.3 million when the reported significant selected transactions multiples are considered and a value of $47.7 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. Collectively, the Wall Street selected transactions indicated values of $31.9 million to $47.7 million, are higher than the values found by the market multiples method of $27.2 million (Exhibit 18) and the selected transaction method of $32.8 million (Exhibit 19) for the Water System's domestic customers.[36]

The results of the market multiples method (Exhibit 18) indicate a value of $24.8 million for the Water System's domestic customers. The results of the selected transactions method (Exhibit 19) indicate a value of $31.6 million for the Water System's domestic customers. Based on the aforesaid results, the Market Approach to valuation indicates a value of $30.0 million ($30,018,415 rounded) for the Water System's domestic customers based on the results of the market multiples method and the selected transactions method. The additional value attributable to the Water System's ultimate wholesale customers is determined in the next section of this report.

Market Value of Ultimate Wholesale Customers. The market value of ultimate whole customers and the Market Approach conclusion are shown Exhibit 21. As shown, we computed

36 We note Connecticut Water, NECS and TORW were fully integrated companies, as is the case for the Water System's domestic customers. Additionally, they were publicly traded, which the Water System is not, and therefore, may overstate the value for the Water System. However, these transactions were stock transactions, which may understate the value for the Water System's asset purchase.

the market value of receiving only treatment services of $4.5 million ($34,515,325 - $30,052,658 = $4,462,666) for domestic customers by subtracting the value of collection/distribution assets from the value of integrated systems (excluding wholesale).[37] We then determined the number of ultimate wholesale customers of 132 to be valued by subtracting the number of domestic customers from the number of ultimate customers (2,732 - 2,600).

The market value of receiving only treatment services of $4.5 million for domestic customers was then divided by the number of domestic customers to produce the treatment value per domestic customer of $1,716 ($4,462,666 ÷ 2,600). We applied a relative ultimate wholesale customer equivalency factor of 95% as a discount for control. The relative wholesale customer equivalency factor was multiplied by the treatment value per domestic customer to determine the treatment value per ultimate wholesale customer of $1,630 ($1,716 × 95%).

The treatment value per ultimate wholesale customer was then multiplied by number of ultimate wholesale customers to produce the market value of the Water System's ultimate wholesale customers of $0.2 million ($1,630 × 132). The market value of the Water System's ultimate wholesale customers was then added to the market value of the Water System's domestic customers to produce the total market value for the Water System. Based on the previously mentioned results, the Market Approach to valuation indicates a value of $30.2 million ($30,233,575 rounded) for the Water System ($30.0 million + $0.2 million) after the value of the Water System's ultimate wholesale customers was reflected, as shown on Exhibit 21.

Conclusion. Each approach to valuation has its strengths and weaknesses and one may be more appropriate to use than another approach depending on the asset(s) being valued, the

37 See the Selected Transactions section of this report for the asset value determination of collection/distribution assets and integrated systems (excluding wholesale) assets.

information available and/or the purpose of the valuation or intended use. USPAP requires consideration be given the Cost, Market and Income approaches to valuation or an explanation for the basis of their exclusion, if any. Consequently, three basic valuation approaches were considered in this analysis: the cost approach, the income approach, and the market approach.

We summarize our findings for the Water System on Exhibit 22. Our fair market value conclusion and our opinion of the value of the Water System is based on the Cost, Market, and Income Approaches to valuation. We used seven methods under the Cost, Market, and Income Approaches to valuation: Original Cost Method, Replacement Cost Method, Capitalization of Earnings Method, Market Multiple Discounted Cash Flow Method, Capitalization Discounted Cash Flow Method, Market Multiples Method, and the Selected Transactions Method.

The results from the market multiple discounted cash flow method and the capitalization discounted cash flow method form the basis for our Income Approach. Our Market Approach is supported by the market multiples method and selected transactions method. The results from the original cost method form the basis for our replacement cost method, which form the basis for our Cost Approach.

We considered the results of each approach as an indicator of value individually, or as independent indicators of value. Therefore, all three approaches to valuation were given consideration in arriving at our opinion of the fair market value. The PUC requires the results of each valuation approach to be weighed evenly in reaching a conclusion of value unless good cause is given. Based on these facts, our opinion regarding the fair market value is $40.8 million. Our conclusion regarding the fair market value can be described by the weights and the specific results of the three approaches to valuation that are shown on Exhibit 22. The results of our analyses, shown on Exhibit 22, show a range of value of $30.2 million to $53.5 million and collectively

support our opinion of a fair market value for the Water System of $40,785,895, as of May 30, 2025.

APPENDIX A - QUALIFICATIONS

APPENDIX A

Professional Qualifications
of
Harold Walker, III
Manager, Financial Studies
Gannett Fleming Valuation and Rate Consultants, LLC.

EDUCATION

Mr. Walker graduated from Pennsylvania State University in 1984 with a Bachelor of Science Degree in Finance. His studies concentrated on securities analysis and portfolio management with an emphasis on economics and quantitative business analysis. He has also completed the regulation and the rate-making process courses presented by the College of Business Administration and Economics Center for Public Utilities at New Mexico State University. Additionally, he has attended programs presented by The Institute of Chartered Financial Analysts (CFA).

Mr. Walker was awarded the professional designation "Certified Rate of Return Analyst" (CRRA) by the Society of Utility and Regulatory Financial Analysts. This designation is based upon education, experience, and the successful completion of a comprehensive examination. He is also a member of the Society of Utility and Regulatory Financial Analysts (SURFA) and has attended numerous financial forums sponsored by the Society. The SURFA forums are recognized by the Association for Investment Management and Research (AIMR) and the National Association of State Boards of Accountancy for continuing education credits.

Mr. Walker obtained a license as a licensed Municipal Advisor Representative (Series 50) by the Municipal Securities Rulemaking Board (MSRB) and the Financial Industry Regulatory Authority (FINRA).

BUSINESS EXPERIENCE

In 1996, Mr. Walker joined Gannett Fleming Valuation and Rate Consultants, LLC. In his capacity as Manager, Financial Studies and for the past 30 years, he has continuously studied rates of return requirements for regulated firms. In this regard, he supervised the preparation of rate of return studies in connection with his testimony and in the past, for other individuals. He also assisted and/or developed dividend policy studies, nuclear prudence studies, calculated fixed charge rates for avoided costs involving cogeneration projects, financial decision studies for capital budgeting purposes and developed financial models for determining future capital requirements and the effect of those requirements on investors and ratepayers, valued utility property and common stock for acquisition and divestiture, and assisted in the private placement of fixed capital securities for public utilities.

Head, Gannett Fleming GASB 34 Task Force responsible for developing Governmental Accounting Standards Board (GASB) 34 services and educating Gannett Fleming personnel and

Gannett Fleming clients on GASB 34 and how it may affect them. The GASB 34 related services include inventory of assets, valuation of assets, salvage estimation, annual depreciation rate determination, estimation of depreciation reserve, asset service life determination, asset condition assessment, condition assessment documentation, maintenance estimate for asset preservation, establishment of condition level index, geographic information system (GIS) and data management services, management discussion and analysis (MD&A) reporting, required supplemental information (RSI) reporting, auditor interface, and GASB 34 compliance review.

In 2004, Mr. Walker was elected to serve on the Board of Directors of SURFA. Previously, he served as an ex-officio directors as an advisor to SURFA's existing President. In 2000, Mr. Walker was elected President of SURFA for the 2001-2002 term. Prior to that, he was elected to serve on the Board of Directors of SURFA during the period 1997-1998 and 1999-2000. He also previously served on the Pennsylvania Municipal Authorities Association, Electric Deregulation Committee.

Prior to joining Gannett Fleming Valuation and Rate Consultants, LLC., Mr. Walker was employed by AUS Consultants - Utility Services. He held various positions during his eleven years with AUS, concluding his employment there as a Vice President. His duties included providing and supervising financial and economic studies on behalf of investor owned and municipally owned water, wastewater, electric, natural gas distribution and transmission, oil pipeline and telephone utilities as well as resource recovery companies.

Mr. Walker was also the Publisher of C.A. Turner Utility Reports from 1988 to 1996 while employed at AUS Consultants - Utility Services. C.A. Turner Utility Reports is a financial publication which provides financial data and related ratios and forecasts covering the utility industry. From 1993 to 1994, he became a contributing author for the Fortnightly, a utility trade journal while employed at AUS Consultants - Utility Services. His column was the Financial News column and focused on the natural gas industry.

EXPERT TESTIMONY

Mr. Walker has submitted testimony or been deposed on various topics before regulatory commissions and courts in 29 states including: Alaska, Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia. His testimonies covered various subjects including: fair market value, the taking of natural resources, appropriate capital structure and fixed capital cost rates, depreciation, fair rate of return, purchased water adjustments, synchronization of interest charges for income tax purposes, valuation, cash working capital, lead-lag studies, financial analyses of investment alternatives, benchmarking, and fair value.

PROFESSIONAL AFFILIATIONS

Society of Utility and Regulatory Financial Analysts
Board of Directors, 1996-2000, 2005-2008
President, 2000-2002
Treasurer, 1996-1998
National Association of Water Companies
Pennsylvania Municipal Authorities Association
Electric Deregulation Committee

TECHNICAL PUBLICATIONS & PRESENTATIONS

Walker, Harold. Panelist "Now is the Time to Maximize Your Utility's Value." Presented at the Pennsylvania Association of Township Supervisors 97th Annual State Convention, April 2019.

Walker, Harold. Panelist "Fair Market Acquisitions Debate." Presented at National Association of Regulatory Utilities Commissioners Winter Policy Summit, February 2019.

Walker, Harold. Panelist "Fair Market Value Legislation." Presented at the National Association of Water Companies Water Summit, October 2018.

Walker, Harold. Panelist "Leveraging Water & Sewer to Address Roads, Schools, and Pension Obligations." Presented at the Maryland Association of Counties 2018 Summer Conference, August 2018.

Walker, Harold. Panelist "Is the Glass Half Full or Half Empty? Valuing Municipal Water Acquisitions." Presented at the Mid-Atlantic Conference of Regulatory Utilities Commissioners 23rd Annual Education Conference, June 2018.

Walker, Harold. "Valuation and Inventory of Governmental Assets Under GASB 34." Presented at the Society of Depreciation Professionals 21st Annual Conference, September 2007.

Walker, Harold. "The Paradox of State Regulatory Opinions and Investor Behavior." Presented at the National Association of Water Companies New England Chapter conference, November 2006.

Walker, Harold. "Valuation and Inventory Under GASB 34." Presented at the Government Finance Officers Association South Central Pennsylvania Regional Chapter conference, August 2003.

Walker, Harold. "Valuation and Inventory under GASB 34." Presented at the Government Finance Officers Association Southeastern Pennsylvania Regional Chapter conference, April 2002.

Walker, Harold. "GASB 34 & Your Infrastructure." *The Authority,* August 2001, Volume XXXII, No. 4, pages 10-13.

Walker, Harold. "Managing Risk." Conference Chairperson, presented at the Society of Utility & Regulatory Financial Analysts 33rd Financial Forum, April 2001.

Walker, Harold. "Paying for Your MSW System - Waste Generation Fees." Presented at the Federation of New York Solid Waste Association Solid Waste/Recycling Conference and Trade Show, May 2001.

Walker, Harold. "Statement No. 34 of the Government Accounting Standards Board." Presented at the Pennsylvania Association of Township Supervisors 79th Annual State Convention, April 2001.

Walker, Harold. "Cost of Capital Issues." Presented at the National Association of Water Companies New England Chapter conference, October 2000.

Walker, Harold, Timothy Hartman, and Mark Everett. "Waste Generation Study: Life After Flow Control." Presented at Waste Con 2000, October 1999.

Walker, Harold, and Timothy Hartman. "The Enhancement of Revenues Through a Waste Generation Study." Presented at SWANA's Planning and Management Symposium, July 1999.

COMPLIANCE & APPRAISAL CERTIFICATION

Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2024*

Fulfillment of Requirements for a Personal Property Appraisal and Report

- **State the identity of the client and any intended users, by name or type:**
  The client is Indian Creek Valley Water Authority. The intended users of the valuation are Indian Creek Valley Water Authority, Pennsylvania American Water Company, Inc., and the Pennsylvania Public Utility Commission ("PUC")

- **State the intended use of the appraisal**

  The intended use of the valuation is to comply with 66 Pa. C.S. Section 1329, Valuation of Acquired Water and Wastewater Systems and conduct a fair market value appraisal of the Indian Creek Valley Water Authority water system assets ("Water System") in compliance with the Uniform Standards of Professional Appraisal Practices, employing the cost, market, and income approaches.

- **Describe information sufficient to identify the property, real, personal, and intangible, involved in the appraisal, including the physical and economic property characteristics relevant to the assignment.**

  The Indian Creek Valley Water Authority ("ICVWA") was founded in 1965 by the townships of Saltlick and Springfield as a public corporation under the Municipal Authorities Act. These two townships appoint a five-member Board of Directors to govern the ICVWA. Three Board of Directors members are appointed by Saltlick Township with the remaining two members appointed by Springfield Township. The operation of the ICVWA is directed by an Authority Manager who is responsible for the daily system operations and management of the staff of system operators, laborers and office personnel.

  The ICVWA's system currently serves or enters nine municipalities: Saltlick, Springfield, Bullskin, Connellsville, Stewart Townships and Ohiopyle Borough in Fayette County; Donegal Borough, Donegal, and Mount Pleasant Townships in Westmoreland County, Pennsylvania. Fayette and Westmoreland Counties are in the Southwest Pennsylvania region of the state. Fayette County lies on the southern border of Pennsylvania, adjacent to Maryland and West Virginia, and Westmoreland County is situated on the northern border of Fayette County. The ICVWA's system is positioned approximately 50 miles south-southeast of Pittsburgh, Pennsylvania at its norther tip and 68 miles at its southern tip.

  The ICVWA owns, operates, and maintains the Water System which consists of four separate sources of water supply, four accompanying water treatment plants ("WTP"), and a distribution system which includes eleven water storage tanks, five water booster pump stations, six pressure regulating vaults, and approximately 123 miles of waterline ranging in size from two inches to twelve inches in diameter,

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Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2024*

Fulfillment of Requirements for a Personal Property Appraisal and Report

almost 500 fire hydrants, associated infrastructure and appurtenances, and related land and land rights.

The ICVWA's four sources of water supply and four WTPs include Pritts Spring, Grimm Spring, Neal's Run Well, and Mill Run. The Pritts Spring supply is classified as a ground water under the direct influence of a surface water ("GUDI"). Thus, the ICVWA constructed and operates the Pritts Spring Slow Sand Filtration Plant. The ICVWA is permitted to withdraw and treat up to 150,000 gallons of water per day at the Pritts Spring facility.

The Grimm Spring supply is also classified as a GUDI. Consequently, the ICVWA constructed and operates the Grimm Spring Slow Sand Filtration Plant. The ICVWA is permitted to withdraw and treat up to 150,000 gallons of water per day at the Grimm Spring facility.

The Neal's Run Well supply was developed in 1994 and has a rated yield of 216,000 gallons per day. ICVWA's treats this raw well water at its Neal's Run greensand filter water treatment plant which received its DEP Operations Permit on June 29, 2009.

ICVWA purchases raw water from the Municipal Authority of Westmoreland County from its Mill Run Reservoir. This purchase raw water is treated at ICVWA's Mill Run Water Treatment Plant which was constructed in 1974. The Mill Run Water Treatment Plant is a conventional surface water gravity filter plant.

The ICVWA's eleven water storage tanks include: the Old Ohiopyle Tank is welded steel 176,000 gallon tank that was erected in 1968; the Henry Tank is welded steel 350,000 gallon tank that was erected in 1974; the Old Clinton Tank is bolted, glass fused-to-steel 200,000 gallon tank that was erected in 1987; the White Mountain Tank is bolted, glass fused-to-steel 500,000 gallon tank that was erected in 1990; the McClure Tank is bolted, glass fused-to-steel 289,000 gallon tank that was erected in 1994; the County Line Tank is bolted, glass fused-to-steel 193,000 gallon tank that was erected in 1994; the Rich Hill Tank is bolted, glass fused-to-steel 155,000 gallon tank that was erected in 1999; the SR 381 Tank is bolted, glass fused-to-steel 490,000 gallon tank that was erected in 2003; the Maple Summit Tank is bolted, glass fused-to-steel 154,000 gallon tank that was erected in 2003; the Pleasant Hill Tank is bolted, glass fused-to-steel 100,000 gallon tank that was erected in 2017; and the New Clinton Tank is bolted, glass fused-to-steel 200,000 gallon tank that was erected in 2023.

The ICVWA's five water booster pump stations include: the White Pump Station is a below grade vault 100 gallon per minute ("gpm") station constructed in 1974;

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the Normalville Pump Station is a below grade vault 200 gpm station constructed in 1984; the Law's Hill Pump Station is a below grade vault 100 gpm station constructed in 1999; the Maple Summit Pump Station is an above grade building 150 gpm station constructed in 2003; and the Ohiopyle Pump Station is an above grade building 145 gpm station constructed in 2003. The ICVWA's six pressure regulating facilities include: the Carruthers Pressure Regulating Vault, constructed in 1990; the May Pressure Regulating Vault, constructed in 1990; the Shepler Pressure Relief Vault, constructed in 1990; the Hawkins Hollow Pressure Regulator Vault, constructed in 1990; the County Line Road Pressure Regulating Vault, constructed in 1994; the Maple Summit Pump Station Pressure Regulating Vault, constructed in 2003; and the Ohiopyle Pump Station Pressure Regulating Vault, constructed in 2003.

The Water System's 647,573 linear feet of water mains were installed between 1975 to 2020. About 7% of the mains are 4-inch or less, 89% are 6-inch to 8-inch, and 4% are 12-inch. About 23% of the mains were installed in the 1970s, 18% were installed in the 1980s, 38% were installed in the 1990s, 15% were installed in the 2000s, and 6% were installed since 2010. About 39% of the mains consist of polyvinyl chloride (PVC), and 61% ductile iron pipe (DIP). The Water System also has 493 public and private fire hydrants, and more than 2,600 customer services and meters.

The Water System's unaccounted for water ranged from 8% to 34% and averaged 22% between 2020 and 2024. Although the Water System's unaccounted for water is slightly above typical water system water loss, single year main breakages account for this fact.

The Water System's land and land rights include land used for sources of water supply, four accompanying WTPs, and a distribution system which includes eleven water storage tanks, five water booster pump stations, six pressure regulating vaults, and approximately 123 miles of waterline ranging in size from two inches to twelve inches in diameter, almost 500 fire hydrants, associated infrastructure and appurtenances and multiple easements and rights-of-way necessary to operate the Water System.

- **State the real property interests appraised**

  The Water System's plant assets include land and land rights agreements necessary to access its property.

- **State the type and definition of value and cite the source of the definition, including whether the opinion of value is in terms of cash or of financing terms**

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equivalent to cash, or based on non-market financing or financing with unusual conditions or incentives

Fair market value is defined as:

> "The price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts." The International Glossary of Business Valuation Standards

- **State the effective date of the appraisal and the date of the report**

  The effective date of the appraisal is as of May 30, 2025, and the appraisal report date is October 6, 2025.

- **Describe sufficient information to disclose to the client and any other intended users of the appraisal the scope of work used to develop the appraisal**

  Gannett Fleming Valuation and Rate Consultants, LLC was retained by ICVWA to estimate the fair market value of the ICVWA's water system assets ("Water System"), as of May 30, 2025, in compliance with the Uniform Standards of Professional Appraisal Practices ("USPAP"), considering the cost, market, and income approaches to valuation reflecting the Engineers Assessment's inventory.

  The intended use of the valuation is to comply with 66 Pa. C.S. Section 1329, Valuation of Acquired Water and Wastewater Systems and conduct a fair market value appraisal of the Water System in compliance with the Uniform Standards of Professional Appraisal Practices, employing the cost, market, and income approaches.

  As stated, the standard of value for this engagement is fair market value. The premise of value is the going concern. The going concern premise of business value assumes that the business will continue running normally using all its assets to produce income and will continue operating beyond the valuation date.

  We valued the Water System's assets as a group under the premise that the assets collectively comprise an ongoing operating business enterprise. Additionally, in accordance with 66 Pa. C.S. Section 1329, the original source of funding for any

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Fulfillment of Requirements for a Personal Property Appraisal and Report

part of the Water System's assets was not relevant to the determination of the value of said assets.

We accepted all information and data provided by ICVWA as it pertains to this assignment "as is" after a limited review. That is, we neither audited nor verified any data, engineering assessment, financial record or operating data provided for this assignment. We assumed all title to all assets included in the appraisal is good and marketable, no hidden defects in the property or soil and no hazardous conditions or materials exist which could affect the assets.

The appraisal considered all three approaches to value: the cost, income, and market. Briefly the scopes of work for each are as follows:

The cost approach utilized the original cost method and replacement cost method. The reproduction cost method was calculated by trending (trended cost method) the asset inventory developed by Bankson Engineers, Inc. from its original cost new inventory. The original cost method determined the original cost new measure of the cost of the assets when first constructed. The original cost new inventory was trended using the Handy Whitman Index of Public Utility Construction Costs for the water industry to produce the reproduction cost new and converted to replacement cost new after obsolescence was factored. The calculated accrued depreciation was determined for the original cost new and for the replacement cost new. The calculated accrued depreciation was based on the assets' attained ages, and the service life of the assets. The cost basis of depreciable assets was reduced annually by the accumulated depreciation to reflect the loss in the service value of the assets since being constructed. All land and land rights were valued at original cost.

Income Approach - The income approach utilized the capitalization of earning (cash flow) method and the discounted cash flow method. The capitalization of earning method converted a single base economic income number to a value by dividing it by a capitalization rate. The discounted cash flow method used estimates of future debt free net cash flow and discounted them to arrive at a present value or price of the cash flows. The capitalization rate and the discount rate were developed based on market debt and equity rates at the appraisal date. The discounted cash flow method reflected two types of discounted cash flow analyses, the EBIT and EBITDA terminal value model and a capitalization of terminal value model.

Market Approach - The market approach was developed based on the market multiples method and the selected transaction method. The market multiples method was based on the market price data of publicly traded corporations engaged in the same or a similar line of business as the Water System. The market price data

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Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2024*

Fulfillment of Requirements for a Personal Property Appraisal and Report

of these comparable publicly traded corporations was used to calculate the market multiples for the comparable publicly traded corporations at the appraisal date. The selected transactions method used certain public information relating to the purchase or sales of businesses involved in the same or a similar business line as the Water System to calculate market multiples at the time of transaction (sale/purchase). The calculated market multiples determined by the market multiples method and the selected transaction method were then multiplied by the corresponding Water System financial and operating statistic to produce an indicated value for the Water System.

Reconciliation of the Valuation Approaches - The fair market value conclusion was based on reconciliation of each of the three approaches to value and the intended purpose of the appraisal.

- **Clearly and conspicuously:**
  - **State all extraordinary assumptions and hypothetical conditions;**

    There were no extraordinary assumptions required or hypothetical conditions in this appraisal.

  - **State that their use might have affected the assignment results**

    Not applicable.

- **Clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment**

  Not applicable.

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Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2024*

Fulfillment of Requirements for a Personal Property Appraisal and Report

- **Describe the information analyzed, the appraisal procedures followed, and the reasoning that supports the analyses, opinions, and conclusions**

  See scope of work above. Data collection on this assignment involved requests for records of the Water System, and site visit., The process utilized was confirming the valuation assignment, gathering the necessary information for the report activities, conducting, evaluating, and considering the cost approach, the income approach, and the market approach. Following the consideration of each distinct approach, Mr. Walker weighed the approaches utilizing his training, experience, and knowledge of the special purpose property market and the subject system. Following the reconciliation of the approaches, an Opinion of Value was determined and reported in the appraisal report.

- **State the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal**

  The Water System's land and land rights include land used for sources of water supply, four accompanying WTPs, and a distribution system which includes eleven water storage tanks, five water booster pump stations, six pressure regulating vaults, and approximately 123 miles of waterline ranging in size from two inches to twelve inches in diameter, almost 500 fire hydrants, associated infrastructure and appurtenances and multiple easements and rights-of-way necessary to operate the Water System.

  The Water System's land and land rights were assumed to be used for the operation of the Water System for the appraisal.

- **State and describe the support and rationale for the appraiser's opinion of the highest and best use of the real estate**

  All land and land rights were assumed to be used for the operation of the Water System for the appraisal, were valued at original cost, and not at highest and best use of the real estate.

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Compliance with Uniform Standards of Professional Appraisal Practice (USPAP) 2024*

Fulfillment of Requirements for a Personal Property Appraisal and Report

- **State and explain any permitted departures from specific requirements of STANDARD 1 and the reason for excluding any of the usual valuation approaches. The appraisal then becomes a limited appraisal - a limited appraisal report must contain a prominent section that clearly identifies the extent of the appraisal process performed and the departures taken**

  No departures for Standard 1 were made.

- **Include a signed certification in accordance with Standards Rule 2-3**

  See attached for signed certification.

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APPRAISAL CERTIFICATION

Fayette and Westmoreland Counties, Pennsylvania

Indian Creek Valley Water Authority

Water System Assets

Fair Market Value Appraisal Report

As of May 30, 2025

Gannett Fleming Valuation and Rate Consultants, LLC certify that, to the best of its knowledge and belief:

— The statements of fact contained in this report are true and correct.

— The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

— Gannett Fleming Valuation and Rate Consultants, LLC has not performed an appraisal of the Greenville Municipal Water Authority's Water System prior to this current appraisal.

— Gannett Fleming Valuation and Rate Consultants, LLC, nor its professional staff has any present or prospective interest in the property that is the subject of this report and has no interest or bias with respect to the parties involved.

— We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

— Our engagement in this assignment is not contingent upon developing or reporting predetermined results.

— Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

— Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (2024)

APPRAISAL CERTIFICATION

Fayette and Westmoreland Counties, Pennsylvania

Indian Creek Valley Water Authority

Water System Assets

Fair Market Value Appraisal Report

As of May 30, 2025

— The signers of this report relied upon Bankson Engineers, Inc., who inspected the property that is the subject of this report. The signers of this report also relied on Noah Harvey, E.I.T., Water Designer, Water, at GFT Infrastructure, Inc. (parent company), who viewed or observed the property that is the subject of this report.

— Individuals providing significant appraisal assistance to the person signing this certification include: John J. Spanos, President, Joanna Lappin, Depreciation Analyst and Gregory R. Herbert, Rate Analyst at Gannett Fleming Valuation and Rate Consultants, LLC.

Gannett Fleming Valuation and Rate Consultants, LLC

By,

HAROLD WALKER, III

Manager, Financial Studies

EXHIBITS

Indian Creek Valley Water Authority Water System Assets
Selected Audited Financial Information

	12-Months Ended December 31:			
	2021	2022	2023	2024
Gross property, plant & equipment	28,301,768	29,403,845	30,920,210	31,666,760
Accumulated depreciation	13,721,437	14,419,218	15,122,932	15,821,098
Net property, plant & equipment	14,580,331	14,984,627	15,797,278	15,845,662
Assets	16,589,672	16,718,173	18,008,670	18,019,993
Debt Current	472,222	331,313	382,610	373,028
Debt	1,801,017	1,588,686	2,303,291	1,921,098
Equity	14,164,799	14,649,551	14,950,851	15,329,906
Total Capital	16,438,038	16,569,550	17,636,752	17,624,032
OPERATING REVENUES				
Charges for services	2,388,093	2,428,587	2,747,112	2,767,507
Other operating income	29,523	43,433	39,989	31,880
TOTAL OPERATING REVENUES	2,417,616	2,472,020	2,787,101	2,799,387
Expenses	1,689,216	1,871,797	1,856,134	1,709,542
Depreciation	680,918	697,781	703,714	689,166
TOTAL OPERATING EXPENSES	2,370,134	2,569,578	2,559,848	2,398,708
CAPX	108,032	552,104	1,516,365	746,550
Interest	26,300	35,244	41,086	38,074
Principal	340,287	353,240	356,430	391,775

Source of Information: Audited/draft Financial Statements (2021-2024)

Indian Creek Valley Water Authority Water System Assets
Population, Housing Units, Customer Count, and Sales

	Retail	Ultimate	System
Population in Houses (2025)	25,399	26,688	
Occupied Housing Units (2025)	11,067	11,629	
Average Size	2.29	2.29	

	Retail	Ultimate
Population to Customers	2.6	2.5

Customers (2024)	Retail Customers	Ultimate Bulk Sale Customers	Ultimate Customers
Retail Customers			
Saltlick Twp	986		986
Springfield Twp	806		806
Bullskin Twp	9		9
Connellsville Twp	11		11
Ohiopyle Borough	68		68
Stewart Twp	84		84
Donegal Twp	58		58
Donegal Borough	529		529
Mount Pleasant Twp	49		49
Total Retail	2,600		2,600
Bulk Sale Customers			
Bulk Sales	3	132	132
Total Bulk Sale	3	132	132
Total	2,603	132	2,732

Customers (2024)	Customers	Average Customer Consumption	Total Volume Sold (1,000 Gallons)
Retail Customers			
Residential	2,353	32,233	75,845
Commercial	193	181,360	35,002
Industrial	1	853,146	853
Public	4	230,580	922
Other	49	32,469	1,591
Total Retail	2,600		114,214
Bulk Sale Customers			
Bulk Sales	3	1,420,934	4,263
Total Bulk Sale	3		4,263
Total	2,603		118,477

Indian Creek Valley Water Authority Water System Assets
Population, Housing Units, Customer Count, and Sales

Unaccounted for Water

	2020	2021	2022	2023	2024
Unaccounted for Water	34.2%	10.8%	29.9%	8.1%	26.3%

Population and Housing Units (2025)

	Total Population	Population in Households	Occupied Housing Units	Persons Per Housing Unit	Estimated Population Served
Saltlick Twp	2,879	2,865	1,240	2.31	2,591
Springfield Twp	2,600	2,570	1,021	2.52	2,340
Bullskin Twp	6,394	6,382	2,782	2.29	26
Connellsville Twp	1,960	1,955	910	2.15	27
Ohiopyle Borough	44	44	19	2.32	44
Stewart Twp	583	583	260	2.24	204
Donegal Twp	99	99	43	2.30	99
Donegal Borough	2,199	2,197	970	2.26	1,319
Mount Pleasant Twp	10,013	9,993	4,384	2.28	130
Total	26,771	26,688	11,629	2.29	6,780

TABLE 3.1 US Population Census Counts, 2010 & 2020

State	Population 2010	Population 2020	Percentage Change
Alabama	4,779,736	5,024,279	5.1%
Alaska	710,231	733,391	3.3%
Arizona	6,392,017	7,151,502	11.9%
Arkansas	2,915,918	3,011,524	3.3%
California	37,253,956	39,538,223	6.1%
Colorado	5,029,196	5,773,714	14.8%
Connecticut	3,574,097	3,605,944	0.9%
Delaware	897,934	989,948	10.2%
District of Columbia	601,723	689,545	14.6%
Florida	18,801,310	21,538,187	14.6%
Georgia	9,687,653	10,711,908	10.6%
Hawaii	1,360,301	1,455,271	7.0%
Idaho	1,567,582	1,839,106	17.3%
Illinois	12,830,632	12,812,508	-0.1%
Indiana	6,483,802	6,785,528	4.7%
Iowa	3,046,355	3,190,369	4.7%
Kansas	2,853,118	2,937,880	3.0%
Kentucky	4,339,367	4,505,836	3.8%
Louisiana	4,533,372	4,657,757	2.7%
Maine	1,328,361	1,362,359	2.6%
Maryland	5,773,552	6,177,224	7.0%
Massachusetts	6,547,629	7,029,917	7.4%
Michigan	9,883,640	10,077,331	2.0%
Minnesota	5,303,925	5,706,494	7.6%
Mississippi	2,967,297	2,961,279	-0.2%
Missouri	5,988,927	6,154,913	2.8%
Montana	989,415	1,084,225	9.6%
Nebraska	1,826,341	1,961,504	7.4%
Nevada	2,700,551	3,104,614	15.0%
New Hampshire	1,316,470	1,377,529	4.6%
New Jersey	8,791,894	9,288,994	5.7%
New Mexico	2,059,179	2,117,522	2.8%
New York	19,378,102	20,201,249	4.2%
North Carolina	9,535,483	10,439,388	9.5%
North Dakota	672,591	779,094	15.8%
Ohio	11,536,504	11,799,448	2.3%
Oklahoma	3,751,351	3,959,353	5.5%
Oregon	3,831,074	4,237,256	10.6%
Pennsylvania	12,702,379	13,002,700	2.4%
Rhode Island	1,052,567	1,097,379	4.3%
South Carolina	4,625,364	5,118,425	10.7%
South Dakota	814,180	886,667	8.9%
Tennessee	6,346,105	6,910,840	8.9%
Texas	25,145,561	29,145,505	15.9%
Utah	2,763,885	3,271,616	18.4%
Vermont	625,741	643,077	2.8%
Virginia	8,001,024	8,631,393	7.9%
Washington	6,724,540	7,705,281	14.6%
West Virginia	1,852,994	1,793,716	-3.2%
Wisconsin	5,686,986	5,893,718	3.6%
Wyoming	563,626	576,851	2.3%
Total - States & D.C.	308,745,538	331,449,281	7.4%

Source: STATS Indiana, using U.S. Census Bureau data

TABLE 3.2 Pennsylvania Population Census by County and Municipality, 2010 & 2020

Geographic Area	Population 2010	Population 2020	Percentage Change	Municipal Growth Rank
Pennsylvania	12,702,379	13,002,700	2.4%	-
Fayette County	136,606	128,804	-5.7%	-
Westmoreland County	365,169	354,663	-2.9%	-
Saltlick Township	3,461	3,037	-12.3%	2,312 out of 2,572
Springfield Township	3,043	2,732	-10.2%	2,205 out of 2,572
Bullskin Township	6,966	6,740	-3.2%	1,437 out of 2,572
Connellsville Township	2,391	2,076	-13.2%	2,355 out of 2,572
Ohiopyle Borough	59	37	-37.3%	2,562 out of 2,572
Stewart Township	731	623	-14.8%	2,410 out of 2,572
Donegal Borough	120	102	-15.0%	2,414 out of 2,572
Donegal Township	2,403	2,192	-8.8%	2,096 out of 2,572
Mount Pleasant Township	10,911	10,119	-7.3%	1,954 out of 2,572
System Total	30,085	27,658	-8.1%	2,030 out of 2,572

Source: U.S. Census Bureau,Census 2020 Redistricting Data (Public Law 94-171) Summary File.

TABLE 3.3 Forecasted Population by County and Municipality, 2025-2050

	Population						Percentage Change					
	Estimate 2025	Forecast 2030	Forecast 2035	Forecast 2040	Forecast 2045	Forecast 2050	2025 to 2030	2030 to 2035	2035 to 2040	2040 to 2045	2045 to 2050	2025 to 2050
Allegheny	119,202	116,426	114,919	115,089	115,904	118,238	-2.3%	-1.3%	0.1%	0.7%	0.7%	-0.8%
Armstrong	3,685	3,620	3,606	3,603	3,592	3,589	-1.8%	-0.4%	-0.1%	-0.3%	-0.3%	-2.6%
Beaver	11,327	11,096	10,963	10,940	10,984	11,125	-2.0%	-1.2%	-0.2%	0.4%	0.4%	-1.8%
Butler	19,404	19,336	19,387	19,564	19,716	19,971	-0.4%	0.3%	0.9%	0.8%	0.8%	2.9%
Fayette	8,525	8,300	8,241	8,250	8,254	8,303	-2.6%	-0.7%	0.1%	0.0%	0.0%	-2.6%
Greene	2,320	2,248	2,212	2,213	2,220	2,226	-3.1%	-1.6%	0.0%	0.3%	0.3%	-4.1%
Indiana	6,519	6,437	6,468	6,480	6,442	6,389	-1.3%	0.5%	0.2%	-0.6%	-0.6%	-2.0%
Lawrence	6,093	5,993	5,989	6,029	6,086	6,145	-1.6%	-0.1%	0.7%	0.9%	0.9%	0.9%
Washington	16,832	16,733	16,744	16,878	16,998	17,190	-0.6%	0.1%	0.8%	0.7%	0.7%	2.1%
Westmoreland	32,062	31,642	31,573	31,763	31,918	32,208	-1.3%	-0.2%	0.6%	0.5%	0.5%	0.5%
Total - SPC Region	225,969	221,831	220,102	220,809	222,114	225,384	-1.8%	-0.8%	0.3%	0.6%	0.6%	-0.3%
Saltlick Township	3,086	2,912	2,822	2,776	2,763	2,756	-5.6%	-3.1%	-1.6%	-0.5%	-0.5%	-10.7%
Springhill Township	2,604	2,403	2,332	2,300	2,274	2,249	-7.7%	-3.0%	-1.4%	-1.1%	-1.1%	-13.6%
Bullskin Township	6,282	6,299	6,374	6,464	6,522	6,546	0.3%	1.2%	1.4%	0.9%	0.9%	4.2%
Connellsville Township	2,241	2,152	2,106	2,082	2,063	2,066	-4.0%	-2.1%	-1.1%	-0.9%	-0.9%	-7.8%
Ohiopyle Borough	32	24	22	21	20	20	-25.0%	-8.3%	-4.5%	-4.8%	-4.8%	-37.5%
Stewart Township	572	539	523	514	511	509	-5.8%	-3.0%	-1.7%	-0.6%	-0.6%	-11.0%
Donegal Borough	146	149	149	147	145	145	2.1%	0.0%	-1.3%	-1.4%	-1.4%	-0.7%
Donegal Township	2,325	2,556	2,754	2,926	3,062	3,160	9.9%	7.7%	6.2%	4.6%	4.6%	35.9%
Mount Pleasant Township	10,144	10,356	10,580	10,810	10,984	11,086	2.1%	2.2%	2.2%	1.6%	1.6%	9.3%
System Total	27,432	27,390	27,662	28,040	28,344	28,537	-0.2%	1.0%	1.4%	1.1%	1.1%	4.0%

Source: Southwestern Pennsylvanaia Commission, June 2023.

TABLE 3.4 Forecasted Employment by County and Municipality, 2025-2050

	Employment						Percentage Change					
	Estimate 2025	Forecast 2030	Forecast 2035	Forecast 2040	Forecast 2045	Forecast 2050	2025 to 2030	2030 to 2035	2035 to 2040	2040 to 2045	2040 to 2045	2025 to 2050
Allegheny	538,773	550,455	556,360	560,330	564,883	968,899	2.2%	1.1%	0.7%	0.8%	0.8%	79.8%
Armstrong	26,691	26,771	27,165	27,621	27,952	24,077	0.3%	1.5%	1.7%	1.2%	1.2%	-9.8%
Beaver	69,490	70,522	71,676	72,795	73,888	75,880	1.5%	1.6%	1.6%	1.5%	1.5%	9.2%
Butler	79,603	83,357	86,727	89,507	91,535	130,329	4.7%	4.0%	3.2%	2.3%	2.3%	63.7%
Fayette	52,886	52,082	52,123	52,398	52,561	53,888	-1.5%	0.1%	0.5%	0.3%	0.3%	1.9%
Greene	13,445	13,112	13,073	13,180	13,344	17,485	-2.5%	-0.3%	0.8%	1.2%	1.2%	30.0%
Indiana	32,188	31,973	32,571	32,962	32,735	41,678	-0.7%	1.9%	1.2%	-0.7%	-0.7%	29.5%
Lawrence	35,852	36,267	37,247	38,226	39,036	41,068	1.2%	2.7%	2.6%	2.1%	2.1%	14.5%
Washington	84,995	87,767	90,301	92,477	94,146	127,269	3.3%	2.9%	2.4%	1.8%	1.8%	49.7%
Westmoreland	152,142	155,787	159,232	162,293	164,441	187,773	2.4%	2.2%	1.9%	1.3%	1.3%	23.4%
Total - SPC Region	1,086,065	1,108,093	1,126,475	1,141,789	1,154,521	1,668,346	2.0%	1.7%	1.4%	1.1%	1.1%	53.6%
Saltlick Township	477	458	454	463	468	476	-4.0%	-0.9%	2.0%	1.1%	1.1%	-0.2%
Springhill Township	164	128	116	110	106	103	-22.0%	-9.4%	-5.2%	-3.6%	-3.6%	-37.2%
Bullskin Township	1,729	1,763	1,800	1,829	1,853	1,879	2.0%	2.1%	1.6%	1.3%	1.3%	8.7%
Connellsville Township	376	368	369	376	386	394	-2.1%	0.3%	1.9%	2.7%	2.7%	4.8%
Ohiopyle Borough	65	64	65	87	91	93	-1.5%	1.6%	33.8%	4.6%	4.6%	43.1%
Stewart Township	1,151	1,167	1,181	1,185	1,195	1,210	1.4%	1.2%	0.3%	0.8%	0.8%	5.1%
Donegal Borough	42	42	44	44	45	47	0.0%	4.8%	0.0%	2.3%	2.3%	11.9%
Donegal Township	892	935	969	986	995	1,002	4.8%	3.6%	1.8%	0.9%	0.9%	12.3%
Mount Pleasant Township	2,650	2,682	2,739	2,800	2,856	2,913	1.2%	2.1%	2.2%	2.0%	2.0%	9.9%
System Total	7,546	7,607	7,737	7,880	7,995	8,117	0.8%	1.7%	1.8%	1.5%	1.5%	7.6%

Source: Southwestern Pennsylvanaia Commission, June 2023.

Comparison of Credit Market Financial Risk Metrics
For Indian Creek Valley Water Authority
And the Comparable Group
2022 - 2024 (1)

	Indian Creek Valley Water Authority			Comparable Group		
	2024	2023	2022	2024	2023	2022
Debt Service Coverage	2.5	2.3	1.5	2.4	3.2	4.1
Pre-Tax Interest Coverage - Including AFC(2)(x)	10.5	5.5	-2.8	3.8	3.5	3.6
Post-Tax Interest Coverage - Including AFC(2)(x)	10.5	5.5	-2.8	3.3	3.0	3.1
GCF / Interest Coverage(3)(x)	28.6	22.7	17.0	4.7	4.7	5.1
GCF / Tot. Debt(4)(%)	45.8	33.1	29.4	16.5	14.1	16.2
GCF / Construction(5)(%)	140.9	58.7	102.3	70.3	61.9	68.2

Notes: (1) Average of the achieved results for each individual company based upon the financials as originally reported.
(2) Represents the number of times available earnings, including AFC, cover all interest charges.
(3) GCF or gross cash flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less AFC), plus interest charges, divided by interest charges.
(4) GCF (see note 3) as a percentage of total debt.
(5) The percent of GCF (see note 3) which cover gross construction expenditures.

Source: 2022-24 Annual Reports
S&P Capital IQ
EXHIBIT 1

Indian Creek Valley Water Authority
Illustrating the Impact of Size on Risk and Retun
Through Common Stock Returns

TABLE 5.1 Change in Return and Risk for Size-Quartiles Portfolio of the NYSE/AMEX/NASDAQ Common Stocks (1)

	A	B	C	D	E	F	G	H	I	J
									Beta Adjusted	
Market Quartile	Market Quartile Name	Average Quartile Premium 1926-20 (%)	Standard Deviation of Return (%)	Change in Quartile Premium (%)	Largest Market Value in the Quartile (Mill $)	Quartile Beta	Comparison Group Beta	Beta Ratio	Quartile Size Premium (%)	Change in Quartile Premium (%)
(Largest Stocks)										
1	Large-Cap	0.00	19.9	--	1,966,079	1.00	0.83	83%	0.00	
2	Mid-Cap	2.48	24.3	2.48	13,179	1.13	0.83	73%	1.81	1.81
3	Low-Cap	3.95	28.5	1.47	2,446	1.23	0.83	67%	2.65	0.84
4	Mico-Cap	6.21	38.5	2.26	452	1.35	0.83	61%	3.80	1.15
(Smallest Stocks)										

Notes: (1) 2020 Stocks, Bonds, Bills, and Inflation (SBBI) Yearbook

TABLE 5.2 Recent Market Values and Ibbotson Associates Market Quartiles for the Comparable Group

	5/30/2025 Market Value (Mill $)	Market Quartile Name	Market Quartile
Comparable Group			
American States Water Co	3,037	Mid-Cap	2
American Water Works Co Inc	27,881	Large-Cap	1
Artesian Resources -Cl A	355	Mico-Cap	4
California Water Service Gp	2,815	Mid-Cap	2
Essential Utilities, Inc.	10,801	Mid-Cap	2
H2O America	1,794	Low-Cap	3
Middlesex Water Co	1,038	Low-Cap	3
York Water Co	470	Low-Cap	3
Median	2,304	Low-Cap	3

Indian Creek Valley Water Authority
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.1 Property Plant & Equipment Analysis

(Current Know Statistics)

	Gross Property, Plant & Equipment	Net Property, Plant & Equipment	Percentage of Property, Plant & Equipment Not Depreciated
	(Millions of $)		
Indian Creek Valley Water Authority *	$33.030	$22.810	69%
Comparable Group			
American States Water Co	$2,807.602	$2,154.074	77%
American Water Works Co Inc	35,553.000	28,464.000	80%
Artesian Resources -CL A	957.616	760.687	79%
California Water Service Gp	5,498.140	4,230.215	77%
Essential Utilities, Inc.	16,568.441	13,350.419	81%
H2O America	4,608.548	3,549.464	77%
Middlesex Water Company	1,350.457	1,086.279	80%
York Water Co	668.696	541.413	81%
Median			80%

* - Developed on Exhibit 7.

TABLE 6.2 Property Plant & Equipment Analysis for Contributions

	(As of 3/31/2025)			
	Net Property, Plant & Equipment	Investor's Capital	Percentage of Property, Plant & Equipment Net of Contributions	2024 Percentage of Known "Cost Free" Capital
	(Millions of $)			
Comparable Group				
American States Water Co	$2,154.074	$1,903.898	88%	20%
American Water Works Co Inc	28,464.000	25,043.000	88%	17%
Artesian Resources -CL A	760.687	420.574	55%	44%
California Water Service Gp	4,230.215	3,093.807	73%	22%
Essential Utilities, Inc.	13,350.419	14,249.432	107%	20%
H2O America	3,549.464	3,260.067	92%	22%
Middlesex Water Company	1,086.279	846.410	78%	29%
York Water Co	541.413	444.271	82%	25%
Median			85%	22%

Indian Creek Valley Water Authority
Property Plant & Equipment Analysis
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TABLE 6.3 Capital Expenditures Analysis

	PP&E-Total Net				Capital Expenditures			
	2024	2023	2022	2021	2024	2023	2022	2021
	(Millions of $)				(Millions of $)			
Indian Creek Valley Water Authority	$15.846	$15.797	$14.985	$14.580	$0.747	$1.516	$0.552	$0.108
Comparable Group								
American States Water Co	$2,116.284	$1,908.451	$1,772.106	$1,676.718	$231.960	$188.540	$166.240	$144.515
American Water Works Co Inc	28,127.000	25,524.000	23,305.000	21,176.000	2,856.000	2,575.000	2,297.000	1,764.000
Artesian Resources -CL A	751.203	718.483	672.238	594.633	45.942	62.177	48.483	40.814
California Water Service Gp	4,147.902	3,765.909	3,470.882	2,849.059	470.800	386.563	335.523	293.194
Essential Utilities, Inc.	13,174.739	12,134.488	11,172.680	10,300.796	1,329.747	1,199.103	1,062.763	1,020.519
H2O America	3,447.748	3,168.753	2,654.825	2,518.530	353.029	271.772	218.784	233.933
Middlesex Water Company	1,069.699	1,013.049	935.584	881.299	74.622	90.179	91.335	79.378
York Water Co	532.541	495.273	431.901	383.626	49.009	65.265	53.920	46.400

	Capital Expenditures / PP&E-Total Net			
	2024	2023	2022	2021
Indian Creek Valley Water Authority	5%	10%	4%	1%
Comparable Group				
American States Water Co	11%	10%	9%	9%
American Water Works Co Inc	10%	10%	10%	8%
Artesian Resources -CL A	6%	9%	7%	7%
California Water Service Gp	11%	10%	10%	10%
Essential Utilities, Inc.	10%	10%	10%	10%
H2O America	10%	9%	8%	9%
Middlesex Water Company	7%	9%	10%	9%
York Water Co	9%	13%	12%	12%
Median	10%	10%	10%	9%

Indian Creek Valley Water Authority
Property Plant & Equipment Analysis
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	Revenues				EBITDA			
	2024	2023	2022	2021	2024	2023	2022	2021
	(Millions of $)				(Millions of $)			
Indian Creek Valley Water Authority	$2.799	$2.787	$2.472	$2.418	$1.090	$0.931	$0.600	$0.728
Comparable Group								
American States Water Co	$595.459	$595.699	$491.528	$498.853	$231.645	$241.422	$175.850	$185.064
American Water Works Co Inc	4,684.000	4,234.000	3,792.000	3,930.000	1,306.476	1,154.957	1,102.741	917.849
Artesian Resources -CL A	107.952	98.861	98.897	90.859	433.284	387.423	380.137	340.460
California Water Service Gp	1,036.806	794.632	846.431	790.909	30.401	25.800	26.382	25.061
Essential Utilities, Inc.	2,086.113	2,053.824	2,288.032	1,878.144	147.867	140.577	127.710	122.709
H2O America	748.439	670.363	620.698	573.686	38.056	33.947	35.841	28.720
Middlesex Water Company	191.877	166.274	162.434	143.141	86.302	83.532	68.003	63.335
York Water Co	74.959	71.031	60.061	55.119	25.743	24.780	24.359	21.800

	EBIT			
	2024	2023	2022	2021
	(Millions of $)			
Indian Creek Valley Water Authority	$0.401	$0.227	($0.098)	$0.047
Comparable Group				
American States Water Co	$187.419	$198.168	$134.153	$145.090
American Water Works Co Inc	1,746.000	1,536.000	1,350.000	1,274.000
Artesian Resources -CL A	33.466	28.794	29.784	28.031
California Water Service Gp	276.757	82.135	145.352	139.248
Essential Utilities, Inc.	758.528	696.564	669.275	610.400
H2O America	177.665	148.205	129.804	107.206
Middlesex Water Company	58.268	41.825	46.648	35.241
York Water Co	28.565	28.449	23.208	22.182

Indian Creek Valley Water Authority
Property Plant & Equipment Analysis
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Growth Rate Analyses
Profit Margin Analyses

TABLE 6.4 Growth Rate Analyses

	Revenue Growth			EBITDA Growth		
	2024	2023	2022	2024	2023	2022
Indian Creek Valley Water Authority	0.4%	12.7%	2.2%	17.1%	55.2%	-17.6%
Comparable Group						
American States Water Co	0.0%	21.2%	-1.5%	-4.0%	37.3%	-5.0%
American Water Works Co Inc	10.6%	11.7%	-3.5%	13.1%	4.7%	20.1%
Artesian Resources -CL A	9.2%	0.0%	8.8%	11.8%	1.9%	11.7%
California Water Service Gp	30.5%	-6.1%	7.0%	17.8%	-2.2%	5.3%
Essential Utilities, Inc.	1.6%	-10.2%	21.8%	5.2%	10.1%	4.1%
H2O America	11.6%	8.0%	8.2%	12.1%	-5.3%	24.8%
Middlesex Water Company	15.4%	2.4%	13.5%	3.3%	22.8%	7.4%
York Water Co	5.5%	18.3%	9.0%	3.9%	1.7%	11.7%
Median	9.9%	5.2%	8.5%	8.5%	3.3%	9.6%

	EBIT Growth		
	2024	2023	2022
Indian Creek Valley Water Authority	76.7%	-331.6%	-308.5%
Comparable Group			
American States Water Co	-5.4%	47.7%	-7.5%
American Water Works Co Inc	13.7%	13.8%	6.0%
Artesian Resources -CL A	16.2%	-3.3%	6.3%
California Water Service Gp	237.0%	-43.5%	4.4%
Essential Utilities, Inc.	8.9%	4.1%	9.6%
H2O America	19.9%	14.2%	21.1%
Middlesex Water Company	39.3%	-10.3%	32.4%
York Water Co	0.4%	22.6%	4.6%
Median	15.0%	9.0%	6.2%

Indian Creek Valley Water Authority
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.5 Profit Margin Analyses

	EBITDA / Revenue - Margin		
	2024	2023	2022
Indian Creek Valley Water Authority	38.9%	33.4%	24.3%
Comparable Group			
American States Water Co	38.9%	40.5%	35.8%
American Water Works Co Inc	27.9%	27.3%	29.1%
Artesian Resources -CL A	401.4%	391.9%	384.4%
California Water Service Gp	2.9%	3.2%	3.1%
Essential Utilities, Inc.	7.1%	6.8%	5.6%
H2O America	5.1%	5.1%	5.8%
Middlesex Water Company	45.0%	50.2%	41.9%
York Water Co	34.3%	34.9%	40.6%
Median	31.1%	31.1%	32.4%

	EBIT / Revenue - Margin		
	2024	2023	2022
Indian Creek Valley Water Authority	14.3%	8.1%	-4.0%
Comparable Group			
American States Water Co	31.5%	33.3%	27.3%
American Water Works Co Inc	37.3%	36.3%	35.6%
Artesian Resources -CL A	31.0%	29.1%	30.1%
California Water Service Gp	26.7%	10.3%	17.2%
Essential Utilities, Inc.	36.4%	33.9%	29.3%
H2O America	23.7%	22.1%	20.9%
Middlesex Water Company	30.4%	25.2%	28.7%
York Water Co	38.1%	40.1%	38.6%
Median	31.2%	31.2%	29.0%

Source: S&P Capital IQ
EXHIBIT 1

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF ORIGINAL COST AND ACCRUED DEPRECIATION
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)
303.00	LAND AND LAND RIGHTS	1,227,815.00	
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	700,197.73	278,954
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	1,653,795.70	629,865
304.50	STRUCTURES AND IMPROVEMENTS	340,000.00	12,784
310.00	POWER GENERATION EQUIPMENT	24,345.49	14,096
311.00	PUMPING EQUIPMENT	180,748.26	90,141
320.00	WATER TREATMENT EQUIPMENT	3,591,960.06	1,068,906
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820.43	996,409
331.00	TRANSMISSION AND DISTRIBUTION MAINS	16,377,299.94	4,881,320
333.00	SERVICES	1,371,739.51	584,889
334.00	METERS	1,126,453.48	177,045
335.00	HYDRANTS	623,470.00	231,439
340.10	OFFICE FURNITURE AND EQUIPMENT	35,022.39	32,938
340.20	COMPUTER AND SOFTWARE	146,363.03	146,362
341.00	TRANSPORTATION EQUIPMENT	384,473.38	232,242
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	139,031.69	75,090
344.00	LABORATORY EQUIPMENT	115,437.80	46,883
345.00	POWER OPERATED EQUIPMENT	441,420.00	244,483
346.00	COMMUNICATION EQUIPMENT	1,169,354.53	476,086
	TOTAL COMPANY	**33,029,748.42**	**10,219,932**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF ANALYSIS OF ORIGINAL COST
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST
(1)	(2)	(3)
303.00	LAND AND LAND RIGHTS	1,227,815.00
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	700,197.73
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	1,653,795.70
304.50	STRUCTURES AND IMPROVEMENTS	340,000.00
310.00	POWER GENERATION EQUIPMENT	24,345.49
311.00	PUMPING EQUIPMENT	180,748.26
320.00	WATER TREATMENT EQUIPMENT	3,591,960.06
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	3,380,820.43
331.00	TRANSMISSION AND DISTRIBUTION MAINS	16,377,299.94
333.00	SERVICES	1,371,739.51
334.00	METERS	1,126,453.48
335.00	HYDRANTS	623,470.00
340.10	OFFICE FURNITURE AND EQUIPMENT	35,022.39
340.20	COMPUTER AND SOFTWARE	146,363.03
341.00	TRANSPORTATION EQUIPMENT	384,473.38
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	139,031.69
344.00	LABORATORY EQUIPMENT	115,437.80
345.00	POWER OPERATED EQUIPMENT	441,420.00
346.00	COMMUNICATION EQUIPMENT	1,169,354.53
	TOTAL COMPANY	**33,029,748.42**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF SERVICE LIFE ESTIMATES AND CALCULATED ACCRUED DEPRECIATION RELATED TO ORIGINAL COST AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	SURVIVOR CURVE	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)	(5)
303.00	LAND AND LAND RIGHTS	NONDEPRECIABLE	1,227,815.00	
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	60-R3	700,197.73	278,954
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	65-R3	1,653,795.70	629,865
304.50	STRUCTURES AND IMPROVEMENTS	50-R3	340,000.00	12,784
310.00	POWER GENERATION EQUIPMENT	30-S2	24,345.49	14,096
311.00	PUMPING EQUIPMENT	40-R1.5	180,748.26	90,141
320.00	WATER TREATMENT EQUIPMENT	50-R3	3,591,960.06	1,068,906
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	60-R2.5	3,380,820.43	996,409
331.00	TRANSMISSION AND DISTRIBUTION MAINS	85-R3	16,377,299.94	4,881,320
333.00	SERVICES	70-R2.5	1,371,739.51	584,889
334.00	METERS	25-L3	1,126,453.48	177,045
335.00	HYDRANTS	70-R2.5	623,470.00	231,439
340.10	OFFICE FURNITURE AND EQUIPMENT	20-SQ	35,022.39	32,938
340.20	COMPUTER AND SOFTWARE	5-SQ	146,363.03	146,362
341.00	TRANSPORTATION EQUIPMENT	11-S1.5	384,473.38	232,242
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	139,031.69	75,090
344.00	LABORATORY EQUIPMENT	15-SQ	115,437.80	46,883
345.00	POWER OPERATED EQUIPMENT	15-L2.5	441,420.00	244,483
346.00	COMMUNICATION EQUIPMENT	15-SQ	1,169,354.53	476,086
	TOTAL COMPANY		**33,029,748.42**	**10,219,932**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF ORIGINAL COST NEW AND ORIGINAL COST NEW LESS DEPRECIATION OF WATER SYSTEM AS OF MAY 30, 2025

	DESCRIPTION		ORIGINAL COST
	(1)		(2)
1.	ORIGINAL COST NEW	$	33,029,748
2.	LESS: ACCRUED DEPRECIATION	–	10,219,932
3.	**OCNLD**	**$**	**22,809,816**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 303.00 LAND AND LAND RIGHTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NONDEPRECIABLE							
1967	10.00						
1973	1,600.00						
1974	1.00						
1977	300.00						
1984	500.00						
1988	1.00						
1989	3,000.00						
1990	1.00						
1995	6,400.00						
1999	4,500.00						
2001	750.00						
2002	2,502.00						
2003	28,250.00						
2012	40,000.00						
2017	800,000.00						
2023	340,000.00						
	1,227,815.00						

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.20 STRUCTURES AND IMPROVEMENTS PUMPING

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R3							
NET SALVAGE PERCENT.. 0							
1978	28,950.67	60.00	1.67	483.48	19.56	0.6740	19,513
1996	200,018.27	60.00	1.67	3,340.31	33.18	0.4470	89,408
2002	471,228.79	60.00	1.67	7,869.52	38.35	0.3608	170,033
	700,197.73			11,693.31			278,954

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.30 STRUCTURES AND IMPROVEMENTS TREATMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R3							
NET SALVAGE PERCENT.. 0							
1975	403,190.48	65.00	1.54	6,209.13	21.80	0.6646	267,968
1987	26,000.00	65.00	1.54	400.40	30.59	0.5294	13,764
2005	844,602.46	65.00	1.54	13,006.88	45.96	0.2929	247,401
2006	12,403.67	65.00	1.54	191.02	46.88	0.2788	3,458
2007	367,599.09	65.00	1.54	5,661.03	47.80	0.2646	97,274
	1,653,795.70			25,468.46			629,865

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.50 STRUCTURES AND IMPROVEMENTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-R3							
NET SALVAGE PERCENT.. 0							
2023	340,000.00	50.00	2.00	6,800.00	48.12	0.0376	12,784
	340,000.00			6,800.00			12,784

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 310.00 POWER GENERATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 30-S2							
NET SALVAGE PERCENT.. 0							
2005	24,345.49	30.00	3.33	810.70	12.63	0.5790	14,096
	24,345.49			810.70			14,096

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 311.00 PUMPING EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 40-R1.5							
NET SALVAGE PERCENT.. 0							
1975	11,831.13	40.00	2.50	295.78	8.82	0.7795	9,222
1978	14,000.00	40.00	2.50	350.00	9.92	0.7520	10,528
1984	42,000.00	40.00	2.50	1,050.00	12.43	0.6893	28,948
1987	38,218.00	40.00	2.50	955.45	13.87	0.6533	24,966
1996	7,599.00	40.00	2.50	189.98	18.85	0.5288	4,018
2005	5,000.00	40.00	2.50	125.00	24.75	0.3813	1,906
2006	8,224.00	40.00	2.50	205.60	25.46	0.3635	2,989
2012	14,176.02	40.00	2.50	354.40	29.83	0.2543	3,604
2020	39,700.11	40.00	2.50	992.50	36.01	0.0998	3,960
	180,748.26			4,518.71			90,141

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 320.00 WATER TREATMENT EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-R3							
NET SALVAGE PERCENT.. 0							
1975	44,370.00	50.00	2.00	887.40	10.13	0.7974	35,381
1987	10,379.00	50.00	2.00	207.58	17.09	0.6582	6,831
2005	2,414,948.21	50.00	2.00	48,298.96	31.24	0.3752	906,089
2007	259,459.85	50.00	2.00	5,189.20	33.01	0.3398	88,164
2023	862,803.00	50.00	2.00	17,256.06	48.12	0.0376	32,441
	3,591,960.06			71,839.20			1,068,906

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R2.5							
NET SALVAGE PERCENT.. 0							
1974	98,702.96	60.00	1.67	1,648.34	19.09	0.6818	67,299
1975	78,772.17	60.00	1.67	1,315.50	19.68	0.6720	52,935
1984	89,000.00	60.00	1.67	1,486.30	25.52	0.5747	51,146
1987	137,232.00	60.00	1.67	2,291.77	27.65	0.5392	73,991
1990	266,049.61	60.00	1.67	4,443.03	29.86	0.5023	133,645
1994	5,175.00	60.00	1.67	86.42	32.92	0.4513	2,336
1996	373,249.75	60.00	1.67	6,233.27	34.49	0.4252	158,695
1999	171,959.00	60.00	1.67	2,871.72	36.91	0.3848	66,175
2002	819,472.02	60.00	1.67	13,685.18	39.40	0.3433	281,349
2012	10,000.00	60.00	1.67	167.00	48.08	0.1987	1,987
2015	427,100.00	60.00	1.67	7,132.57	50.79	0.1535	65,560
2022	904,107.92	60.00	1.67	15,098.60	57.26	0.0457	41,291
	3,380,820.43			56,459.70			996,409

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 331.00 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 85-R3							
NET SALVAGE PERCENT.. 0							
1975	1,262,614.74	85.00	1.18	14,898.85	39.74	0.5325	672,304
1976	2,507.00	85.00	1.18	29.58	40.52	0.5233	1,312
1977	11,028.00	85.00	1.18	130.13	41.32	0.5139	5,667
1978	187,161.15	85.00	1.18	2,208.50	42.12	0.5045	94,417
1979	3,445.00	85.00	1.18	40.65	42.92	0.4951	1,705
1981	765.00	85.00	1.18	9.03	44.56	0.4758	364
1982	42,686.00	85.00	1.18	503.69	45.38	0.4661	19,897
1983	33,810.00	85.00	1.18	398.96	46.21	0.4564	15,429
1984	460,227.60	85.00	1.18	5,430.69	47.05	0.4465	205,478
1985	3,332.00	85.00	1.18	39.32	47.89	0.4366	1,455
1986	3,723.00	85.00	1.18	43.93	48.74	0.4266	1,588
1987	260,976.50	85.00	1.18	3,079.52	49.59	0.4166	108,720
1988	346,506.91	85.00	1.18	4,088.78	50.45	0.4065	140,845
1989	537,025.07	85.00	1.18	6,336.90	51.31	0.3964	212,850
1990	1,094,221.16	85.00	1.18	12,911.81	52.18	0.3861	422,501
1991	455,486.00	85.00	1.18	5,374.73	53.05	0.3759	171,208
1992	300,912.60	85.00	1.18	3,550.77	53.93	0.3655	109,993
1993	102,554.00	85.00	1.18	1,210.14	54.82	0.3551	36,413
1994	3,773,813.96	85.00	1.18	44,531.00	55.71	0.3446	1,300,419
1995	206,852.00	85.00	1.18	2,440.85	56.60	0.3341	69,113
1996	213,835.00	85.00	1.18	2,523.25	57.50	0.3235	69,182
1997	280,925.32	85.00	1.18	3,314.92	58.40	0.3129	87,913
1998	21,368.00	85.00	1.18	252.14	59.31	0.3022	6,458
1999	258,419.28	85.00	1.18	3,049.35	60.22	0.2915	75,337
2001	61,232.00	85.00	1.18	722.54	62.06	0.2699	16,525
2002	1,868,949.66	85.00	1.18	22,053.61	62.98	0.2591	484,170
2003	38,805.00	85.00	1.18	457.90	63.91	0.2481	9,628
2005	38,422.00	85.00	1.18	453.38	65.78	0.2261	8,688
2006	43,024.95	85.00	1.18	507.69	66.72	0.2151	9,253
2007	972,490.95	85.00	1.18	11,475.39	67.66	0.2040	198,388
2010	67,156.00	85.00	1.18	792.44	70.51	0.1705	11,448
2011	34,332.00	85.00	1.18	405.12	71.47	0.1592	5,465
2012	480,479.01	85.00	1.18	5,669.65	72.42	0.1480	71,111
2013	27,250.00	85.00	1.18	321.55	73.38	0.1367	3,725
2014	26,368.00	85.00	1.18	311.14	74.35	0.1253	3,304
2015	509,521.08	85.00	1.18	6,012.35	75.31	0.1140	58,085
2016	625,002.00	85.00	1.18	7,375.02	76.28	0.1026	64,119

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 331.00 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 85-R3							
NET SALVAGE PERCENT.. 0							
2018	36,775.00	85.00	1.18	433.94	78.23	0.0797	2,929
2019	733,297.00	85.00	1.18	8,652.90	79.20	0.0682	50,040
2020	950,000.00	85.00	1.18	11,210.00	80.18	0.0567	53,874
	16,377,299.94			193,252.11			4,881,320

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 333.00 SERVICES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1975	173,000.00	70.00	1.43	2,473.90	28.28	0.5960	103,108
1976	1,000.00	70.00	1.43	14.30	28.96	0.5863	586
1977	5,500.00	70.00	1.43	78.65	29.65	0.5764	3,170
1978	86,500.00	70.00	1.43	1,236.95	30.35	0.5664	48,996
1979	2,000.00	70.00	1.43	28.60	31.05	0.5564	1,113
1982	14,000.00	70.00	1.43	200.20	33.22	0.5254	7,356
1983	6,000.00	70.00	1.43	85.80	33.95	0.5150	3,090
1984	78,000.00	70.00	1.43	1,115.40	34.70	0.5043	39,335
1985	1,000.00	70.00	1.43	14.30	35.45	0.4936	494
1986	1,000.00	70.00	1.43	14.30	36.21	0.4827	483
1987	47,945.00	70.00	1.43	685.61	36.97	0.4719	22,623
1988	17,130.00	70.00	1.43	244.96	37.74	0.4609	7,895
1989	19,311.00	70.00	1.43	276.15	38.52	0.4497	8,684
1990	63,979.63	70.00	1.43	914.91	39.31	0.4384	28,051
1991	38,117.00	70.00	1.43	545.07	40.10	0.4271	16,281
1992	10,036.90	70.00	1.43	143.53	40.90	0.4157	4,172
1993	10,777.50	70.00	1.43	154.12	41.70	0.4043	4,357
1994	494,573.28	70.00	1.43	7,072.40	42.51	0.3927	194,224
1995	41,500.00	70.00	1.43	593.45	43.33	0.3810	15,812
1996	25,405.00	70.00	1.43	363.29	44.15	0.3693	9,382
1997	27,583.00	70.00	1.43	394.44	44.98	0.3574	9,859
1998	2,500.00	70.00	1.43	35.75	45.81	0.3456	864
1999	45,000.00	70.00	1.43	643.50	46.65	0.3336	15,011
2001	9,000.00	70.00	1.43	128.70	48.35	0.3093	2,784
2002	68,956.00	70.00	1.43	986.07	49.20	0.2971	20,490
2003	2,500.00	70.00	1.43	35.75	50.07	0.2847	712
2005	4,500.00	70.00	1.43	64.35	51.80	0.2600	1,170
2006	3,364.00	70.00	1.43	48.11	52.68	0.2474	832
2007	33,882.00	70.00	1.43	484.51	53.56	0.2349	7,958
2010	1,045.00	70.00	1.43	14.94	56.23	0.1967	206
2011	6,000.00	70.00	1.43	85.80	57.13	0.1839	1,103
2012	13,850.00	70.00	1.43	198.06	58.03	0.1710	2,368
2013	1,500.00	70.00	1.43	21.45	58.94	0.1580	237
2014	5,000.00	70.00	1.43	71.50	59.85	0.1450	725
2015	10,284.20	70.00	1.43	147.06	60.76	0.1320	1,358
	1,371,739.51			19,615.88			584,889

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 334.00 METERS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 25-L3							
NET SALVAGE PERCENT.. 0							
1987	7,084.25	25.00	4.00	283.37	4.59	0.8164	5,784
1989	20,000.00	25.00	4.00	800.00	5.10	0.7960	15,920
2005	8,339.23	25.00	4.00	333.57	8.69	0.6524	5,441
2007	26,650.00	25.00	4.00	1,066.00	9.53	0.6188	16,491
2008	6,780.00	25.00	4.00	271.20	10.05	0.5980	4,054
2009	3,440.00	25.00	4.00	137.60	10.65	0.5740	1,975
2019	130,746.00	25.00	4.00	5,229.84	19.12	0.2352	30,751
2020	130,746.00	25.00	4.00	5,229.84	20.10	0.1960	25,626
2021	161,225.00	25.00	4.00	6,449.00	21.09	0.1564	25,216
2022	213,725.00	25.00	4.00	8,549.00	22.09	0.1164	24,878
2023	192,320.00	25.00	4.00	7,692.80	23.09	0.0764	14,693
2024	154,369.00	25.00	4.00	6,174.76	24.09	0.0364	5,619
2025	71,029.00	25.00	4.00	2,841.16	24.79	0.0084	597
	1,126,453.48			45,058.14			177,045

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 335.00 HYDRANTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1975	52,060.00	70.00	1.43	744.46	28.28	0.5960	31,028
1984	32,300.00	70.00	1.43	461.89	34.70	0.5043	16,289
1987	32,550.00	70.00	1.43	465.46	36.97	0.4719	15,359
1988	19,500.00	70.00	1.43	278.85	37.74	0.4609	8,987
1989	30,450.00	70.00	1.43	435.44	38.52	0.4497	13,694
1990	24,975.00	70.00	1.43	357.14	39.31	0.4384	10,950
1991	5,750.00	70.00	1.43	82.22	40.10	0.4271	2,456
1993	13,600.00	70.00	1.43	194.48	41.70	0.4043	5,498
1994	148,930.00	70.00	1.43	2,129.70	42.51	0.3927	58,486
1995	13,000.00	70.00	1.43	185.90	43.33	0.3810	4,953
1996	5,500.00	70.00	1.43	78.65	44.15	0.3693	2,031
1997	17,550.00	70.00	1.43	250.96	44.98	0.3574	6,273
2001	850.00	70.00	1.43	12.16	48.35	0.3093	263
2002	123,680.00	70.00	1.43	1,768.62	49.20	0.2971	36,750
2007	37,725.00	70.00	1.43	539.47	53.56	0.2349	8,860
2012	25,000.00	70.00	1.43	357.50	58.03	0.1710	4,275
2015	40,050.00	70.00	1.43	572.72	60.76	0.1320	5,287
	623,470.00			8,915.62			231,439

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 340.10 OFFICE FURNITURE AND EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 20-SQUARE							
NET SALVAGE PERCENT.. 0							
2001	2,538.75	20.00				1.0000	2,539
2002	1,580.00	20.00				1.0000	1,580
2006	22,903.64	20.00	5.00	1,145.18	1.09	0.9455	21,655
2007	8,000.00	20.00	5.00	400.00	2.09	0.8955	7,164
	35,022.39			1,545.18			32,938

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 340.20 COMPUTER AND SOFTWARE

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 5-SQUARE							
NET SALVAGE PERCENT.. 0							
2002	46,277.06	5.00				1.0000	46,277
2008	6,661.00	5.00				1.0000	6,661
2011	43,836.32	5.00				1.0000	43,836
2017	27,906.39	5.00				1.0000	27,906
2019	21,682.26	5.00				1.0000	21,682
	146,363.03						146,362

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 341.00 TRANSPORTATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 11-S1.5							
NET SALVAGE PERCENT.. 0							
2006	41,482.00	11.00	9.09	3,770.71	0.80	0.9273	38,465
2011	34,460.50	11.00	9.09	3,132.46	2.15	0.8046	27,725
2013	37,745.88	11.00	9.09	3,431.10	2.81	0.7446	28,104
2014	42,235.00	11.00	9.09	3,839.16	3.19	0.7100	29,987
2016	18,000.00	11.00	9.09	1,636.20	4.08	0.6291	11,324
2017	26,264.00	11.00	9.09	2,387.40	4.60	0.5818	15,281
2018	25,349.00	11.00	9.09	2,304.22	5.19	0.5282	13,389
2019	109,885.00	11.00	9.09	9,988.55	5.83	0.4700	51,646
2021	49,052.00	11.00	9.09	4,458.83	7.34	0.3327	16,321
	384,473.38			34,948.63			232,242

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 343.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 20-SQUARE							
NET SALVAGE PERCENT.. 0							
1992	2,750.00	20.00				1.0000	2,750
1997	18,454.00	20.00				1.0000	18,454
2002	1,344.00	20.00				1.0000	1,344
2003	1,477.67	20.00				1.0000	1,478
2004	773.00	20.00				1.0000	773
2006	10,010.00	20.00	5.00	500.50	1.09	0.9455	9,464
2011	2,290.04	20.00	5.00	114.50	6.09	0.6955	1,593
2012	11,303.83	20.00	5.00	565.19	7.09	0.6455	7,297
2015	4,575.00	20.00	5.00	228.75	10.09	0.4955	2,267
2016	35,447.00	20.00	5.00	1,772.35	11.09	0.4455	15,792
2017	7,645.77	20.00	5.00	382.29	12.09	0.3955	3,024
2018	3,073.40	20.00	5.00	153.67	13.09	0.3455	1,062
2020	39,887.98	20.00	5.00	1,994.40	15.09	0.2455	9,792
	139,031.69			5,711.65			75,090

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 344.00 LABORATORY EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 15-SQUARE							
NET SALVAGE PERCENT.. 0							
2014	19,793.60	15.00	6.67	1,320.23	4.09	0.7273	14,396
2016	5,574.77	15.00	6.67	371.84	6.09	0.5940	3,311
2019	55,395.43	15.00	6.67	3,694.88	9.09	0.3940	21,826
2020	4,674.00	15.00	6.67	311.76	10.09	0.3273	1,530
2022	30,000.00	15.00	6.67	2,001.00	12.09	0.1940	5,820
	115,437.80			7,699.71			46,883

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 345.00 POWER OPERATED EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 15-L2.5							
NET SALVAGE PERCENT.. 0							
2003	70,660.00	15.00	6.67	4,713.02	3.66	0.7560	53,419
2016	370,760.00	15.00	6.67	24,729.69	7.27	0.5153	191,064
	441,420.00			29,442.71			244,483

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 346.00 COMMUNICATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO ORIGINAL COST AT MAY 30, 2025

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 15-SQUARE							
NET SALVAGE PERCENT.. 0							
1998	138,629.53	15.00				1.0000	138,630
2002	124,100.00	15.00				1.0000	124,100
2005	4,669.00	15.00				1.0000	4,669
2007	34,957.00	15.00				1.0000	34,957
2013	94,999.00	15.00	6.67	6,336.43	3.09	0.7940	75,429
2022	257,333.33	15.00	6.67	17,164.13	12.09	0.1940	49,923
2023	257,333.33	15.00	6.67	17,164.13	13.09	0.1273	32,766
2024	257,333.34	15.00	6.67	17,164.13	14.09	0.0607	15,612
	1,169,354.53			57,828.82			476,086

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF REPLACEMENT COST AND ACCRUED DEPRECIATION
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	REPLACEMENT COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)
303.00	LAND AND LAND RIGHTS	1,227,815.00	
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	1,985,445.21	828,832
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	5,805,928.95	2,859,035
304.50	STRUCTURES AND IMPROVEMENTS	350,759.49	13,189
310.00	POWER GENERATION EQUIPMENT	81,270.97	47,056
311.00	PUMPING EQUIPMENT	1,047,402.71	667,071
320.00	WATER TREATMENT EQUIPMENT	7,786,079.02	2,779,455
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	13,981,153.82	5,705,468
331.00	TRANSMISSION AND DISTRIBUTION MAINS	55,041,298.60	19,666,627
333.00	SERVICES	5,333,219.67	2,492,140
334.00	METERS	2,061,241.95	517,883
335.00	HYDRANTS	2,559,554.44	1,094,753
340.10	OFFICE FURNITURE AND EQUIPMENT	65,699.68	61,869
340.20	COMPUTER AND SOFTWARE	135,023.42	135,023
341.00	TRANSPORTATION EQUIPMENT	448,058.88	275,265
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	210,263.69	118,616
344.00	LABORATORY EQUIPMENT	141,071.43	58,903
345.00	POWER OPERATED EQUIPMENT	672,353.27	380,282
346.00	COMMUNICATION EQUIPMENT	1,239,212.75	497,943
	TOTAL COMPANY	**100,172,852.95**	**38,199,410**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF ANALYSIS OF REPLACEMENT COST
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	REPLACEMENT COST
(1)	(2)	(3)
303.00	LAND AND LAND RIGHTS	1,227,815.00
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	1,985,445.21
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	5,805,928.95
304.50	STRUCTURES AND IMPROVEMENTS	350,759.49
310.00	POWER GENERATION EQUIPMENT	81,270.97
311.00	PUMPING EQUIPMENT	1,047,402.71
320.00	WATER TREATMENT EQUIPMENT	7,786,079.02
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	13,981,153.82
331.00	TRANSMISSION AND DISTRIBUTION MAINS	55,041,298.60
333.00	SERVICES	5,333,219.67
334.00	METERS	2,061,241.95
335.00	HYDRANTS	2,559,554.44
340.10	OFFICE FURNITURE AND EQUIPMENT	65,699.68
340.20	COMPUTER AND SOFTWARE	135,023.42
341.00	TRANSPORTATION EQUIPMENT	448,058.88
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	210,263.69
344.00	LABORATORY EQUIPMENT	141,071.43
345.00	POWER OPERATED EQUIPMENT	672,353.27
346.00	COMMUNICATION EQUIPMENT	1,239,212.75
	TOTAL COMPANY	**100,172,852.95**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF SERVICE LIFE ESTIMATES AND CALCULATED ACCRUED DEPRECIATION RELATED TO REPLACEMENT COST AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	SURVIVOR CURVE	REPLACEMENT COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)	(5)
303.00	LAND AND LAND RIGHTS	NONDEPRECIABLE	1,227,815.00	
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	60-R3	1,985,445.21	828,832
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	65-R3	5,805,928.95	2,859,035
304.50	STRUCTURES AND IMPROVEMENTS	50-R3	350,759.49	13,189
310.00	POWER GENERATION EQUIPMENT	30-S2	81,270.97	47,056
311.00	PUMPING EQUIPMENT	40-R1.5	1,047,402.71	667,071
320.00	WATER TREATMENT EQUIPMENT	50-R3	7,786,079.02	2,779,455
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	60-R2.5	13,981,153.82	5,705,468
331.00	TRANSMISSION AND DISTRIBUTION MAINS	85-R3	55,041,298.60	19,666,627
333.00	SERVICES	70-R2.5	5,333,219.67	2,492,140
334.00	METERS	25-L3	2,061,241.95	517,883
335.00	HYDRANTS	70-R2.5	2,559,554.44	1,094,753
340.10	OFFICE FURNITURE AND EQUIPMENT	20-SQ	65,699.68	61,869
340.20	COMPUTER AND SOFTWARE	5-SQ	135,023.42	135,023
341.00	TRANSPORTATION EQUIPMENT	11-S1.5	448,058.88	275,265
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	20-SQ	210,263.69	118,616
344.00	LABORATORY EQUIPMENT	15-SQ	141,071.43	58,903
345.00	POWER OPERATED EQUIPMENT	15-L2.5	672,353.27	380,282
346.00	COMMUNICATION EQUIPMENT	15-SQ	1,239,212.75	497,943
	TOTAL COMPANY		**100,172,852.95**	**38,199,410**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF REPLACEMENT COST NEW AND REPLACEMENT COST NEW LESS DEPRECIATION OF WATER SYSTEM AS OF MAY 30, 2025

	DESCRIPTION		REPLACEMENT COST
	(1)		(2)
1.	REPLACEMENT COST NEW		$ 100,172,853
2.	LESS: ACCRUED DEPRECIATION	−	38,199,410
3.	PRELIMINARY RCNLD		61,973,443
4.	DETERMINATION OF ECONOMIC OBSOLESCENCE		
5.	MAXIMUM ECONOMIC VALUE	−	49,334,903
6.	DIFFERENCE		12,638,540
7.	WEIGHT GIVEN ECONOMIC VALUES	×	66.67%
8.	ECONOMIC OBSOLESCENCE		$ 8,425,693
9.	DETERMINATION OF RCNLD		
10.	REPLACEMENT COST NEW		$ 100,172,853
11.	LESS: ACCRUED DEPRECIATION (PHYSICAL DETERIORATION)	−	38,199,410
12.	PRELIMINARY RCNLD		61,973,443
13.	LESS: FUNCTIONAL OBSOLESCENCE	−	0
14.	ADJUSTED RCNLD AFTER FO		61,973,443
15.	LESS: ECONOMIC OBSOLESCENCE	−	8,425,693
16.	ADJUSTED RCNLD AFTER FO & EO		$ 53,547,750
17.	**CONCLUSION RCNLD**		**$ 53,547,750**

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF REPLACEMENT COST AND TRANSITION FACTORS BY ACCOUNT AND VINTAGE YEAR
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	VINTAGE YEAR	BASE COST	TRANSITION FACTOR	FACTOR REFERENCE	REPLACEMENT COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)
303.00	LAND AND LAND RIGHTS	1967	10.00	1.00000	(1)	10.00
303.00	LAND AND LAND RIGHTS	1973	1,600.00	1.00000	(1)	1,600.00
303.00	LAND AND LAND RIGHTS	1974	1.00	1.00000	(1)	1.00
303.00	LAND AND LAND RIGHTS	1977	300.00	1.00000	(1)	300.00
303.00	LAND AND LAND RIGHTS	1984	500.00	1.00000	(1)	500.00
303.00	LAND AND LAND RIGHTS	1988	1.00	1.00000	(1)	1.00
303.00	LAND AND LAND RIGHTS	1989	3,000.00	1.00000	(1)	3,000.00
303.00	LAND AND LAND RIGHTS	1990	1.00	1.00000	(1)	1.00
303.00	LAND AND LAND RIGHTS	1995	6,400.00	1.00000	(1)	6,400.00
303.00	LAND AND LAND RIGHTS	1999	4,500.00	1.00000	(1)	4,500.00
303.00	LAND AND LAND RIGHTS	2001	750.00	1.00000	(1)	750.00
303.00	LAND AND LAND RIGHTS	2002	2,502.00	1.00000	(1)	2,502.00
303.00	LAND AND LAND RIGHTS	2003	28,250.00	1.00000	(1)	28,250.00
303.00	LAND AND LAND RIGHTS	2012	40,000.00	1.00000	(1)	40,000.00
303.00	LAND AND LAND RIGHTS	2017	800,000.00	1.00000	(1)	800,000.00
303.00	LAND AND LAND RIGHTS	2023	340,000.00	1.00000	(1)	340,000.00
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	1978	28,950.67	6.60811	(2)	191,309.16
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	1996	200,018.27	3.04673	(2)	609,401.46
304.20	STRUCTURES AND IMPROVEMENTS PUMPING	2002	471,228.79	2.51414	(2)	1,184,734.59
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	1975	403,190.48	7.70079	(2)	3,104,884.17
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	1987	26,000.00	4.09205	(2)	106,393.31
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	2005	844,602.46	2.18304	(2)	1,843,797.33
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	2006	12,403.67	2.09871	(2)	26,031.74
304.30	STRUCTURES AND IMPROVEMENTS TREATMENT	2007	367,599.09	1.97177	(2)	724,822.40
304.50	STRUCTURES AND IMPROVEMENTS	2023	340,000.00	1.03165	(2)	350,759.49
310.00	POWER GENERATION EQUIPMENT	2005	24,345.49	3.33824	(3)	81,270.97
311.00	PUMPING EQUIPMENT	1975	11,831.13	13.18065	(3)	155,941.93
311.00	PUMPING EQUIPMENT	1978	14,000.00	10.64063	(3)	148,968.75
311.00	PUMPING EQUIPMENT	1984	42,000.00	7.37545	(3)	309,768.95
311.00	PUMPING EQUIPMENT	1987	38,218.00	6.83278	(3)	261,135.03
311.00	PUMPING EQUIPMENT	1996	7,599.00	4.54000	(3)	34,499.46
311.00	PUMPING EQUIPMENT	2005	5,000.00	3.33824	(3)	16,691.18
311.00	PUMPING EQUIPMENT	2006	8,224.00	3.27404	(3)	26,925.69
311.00	PUMPING EQUIPMENT	2012	14,176.02	2.59264	(3)	36,753.31
311.00	PUMPING EQUIPMENT	2020	39,700.11	1.42867	(3)	56,718.41
320.00	WATER TREATMENT EQUIPMENT	1975	44,370.00	8.84328	(4)	392,376.49
320.00	WATER TREATMENT EQUIPMENT	1987	10,379.00	4.29348	(4)	44,562.01
320.00	WATER TREATMENT EQUIPMENT	2005	2,414,948.21	2.43827	(4)	5,888,299.65
320.00	WATER TREATMENT EQUIPMENT	2007	259,459.85	2.20670	(4)	572,551.07
320.00	WATER TREATMENT EQUIPMENT	2023	862,803.00	1.02954	(4)	888,289.80
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1974	98,702.96	9.96429	(5)	983,504.49
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1975	78,772.17	8.77358	(5)	691,114.32
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1984	89,000.00	7.58152	(5)	674,755.43
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1987	137,232.00	7.11735	(5)	976,727.76
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1990	266,049.61	6.09170	(5)	1,620,695.22
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1994	5,175.00	5.67073	(5)	29,346.04
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1996	373,249.75	5.55777	(5)	2,074,435.86
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	1999	171,959.00	5.20522	(5)	895,085.09
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	2002	819,472.02	5.07273	(5)	4,156,958.07
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	2012	10,000.00	1.74812	(5)	17,481.20
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	2015	427,100.00	1.88005	(5)	802,971.02
330.00	DISTRIBUTION RESERVOIRS AND STANDPIPES	2022	904,107.92	1.17030	(5)	1,058,079.32
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1975	1,262,614.74	7.80822	(6)	9,858,772.63
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1976	2,507.00	7.40260	(6)	18,558.31
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1977	11,028.00	7.03704	(6)	77,604.44
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1978	187,161.15	6.58960	(6)	1,233,316.25
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1979	3,445.00	6.16216	(6)	21,228.65
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1981	765.00	5.20548	(6)	3,982.19
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1982	42,686.00	4.93506	(6)	210,658.18
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1983	33,810.00	4.76987	(6)	161,269.46
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1984	460,227.60	4.67213	(6)	2,150,243.70
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1985	3,332.00	4.48819	(6)	14,954.65
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1986	3,723.00	4.47059	(6)	16,644.00

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF REPLACEMENT COST AND TRANSITION FACTORS BY ACCOUNT AND VINTAGE YEAR
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	VINTAGE YEAR	BASE COST	TRANSITION FACTOR	FACTOR REFERENCE	REPLACEMENT COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1987	260,976.50	4.33460	(6)	1,131,228.94
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1988	346,506.91	4.07143	(6)	1,410,778.13
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1989	537,025.07	3.86441	(6)	2,075,283.32
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1990	1,094,221.16	3.78738	(6)	4,144,226.32
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1991	455,486.00	3.71336	(6)	1,691,381.24
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1992	300,912.60	3.66559	(6)	1,103,023.68
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1993	102,554.00	3.55140	(6)	364,210.47
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1994	3,773,813.96	3.48624	(6)	13,156,415.64
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1995	206,852.00	3.43373	(6)	710,274.94
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1996	213,835.00	3.36283	(6)	719,091.15
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1997	280,925.32	3.28530	(6)	922,924.68
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1998	21,368.00	3.21127	(6)	68,618.37
331.00	TRANSMISSION AND DISTRIBUTION MAINS	1999	258,419.28	3.15789	(6)	816,060.88
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2001	61,232.00	2.91560	(6)	178,528.08
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2002	1,868,949.66	2.82178	(6)	5,273,768.84
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2003	38,805.00	2.80098	(6)	108,692.14
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2005	38,422.00	2.43070	(6)	93,392.49
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2006	43,024.95	2.28457	(6)	98,293.47
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2007	972,490.95	2.15094	(6)	2,091,772.99
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2010	67,156.00	1.82692	(6)	122,688.85
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2011	34,332.00	1.75926	(6)	60,398.89
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2012	480,479.01	1.65939	(6)	797,301.41
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2013	27,250.00	1.62625	(6)	44,315.26
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2014	26,368.00	1.55951	(6)	41,121.09
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2015	509,521.08	1.54054	(6)	784,937.88
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2016	625,002.00	1.50993	(6)	943,711.63
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2018	36,775.00	1.41968	(6)	52,208.59
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2019	733,297.00	1.37349	(6)	1,007,179.01
331.00	TRANSMISSION AND DISTRIBUTION MAINS	2020	950,000.00	1.32867	(6)	1,262,237.76
333.00	SERVICES	1975	173,000.00	7.46341	(7)	1,291,170.73
333.00	SERVICES	1976	1,000.00	7.06154	(7)	7,061.54
333.00	SERVICES	1977	5,500.00	6.60432	(7)	36,323.74
333.00	SERVICES	1978	86,500.00	6.33103	(7)	547,634.48
333.00	SERVICES	1979	2,000.00	5.73750	(7)	11,475.00
333.00	SERVICES	1982	14,000.00	4.63636	(7)	64,909.09
333.00	SERVICES	1983	6,000.00	4.43478	(7)	26,608.70
333.00	SERVICES	1984	78,000.00	4.26977	(7)	333,041.86
333.00	SERVICES	1985	1,000.00	4.15385	(7)	4,153.85
333.00	SERVICES	1986	1,000.00	4.06195	(7)	4,061.95
333.00	SERVICES	1987	47,945.00	3.99130	(7)	191,363.09
333.00	SERVICES	1988	17,130.00	3.74694	(7)	64,185.06
333.00	SERVICES	1989	19,311.00	3.55814	(7)	68,711.23
333.00	SERVICES	1990	63,979.63	3.50382	(7)	224,172.90
333.00	SERVICES	1991	38,117.00	3.37500	(7)	128,644.88
333.00	SERVICES	1992	10,036.90	3.24382	(7)	32,557.86
333.00	SERVICES	1993	10,777.50	3.14384	(7)	33,882.69
333.00	SERVICES	1994	494,573.28	3.06000	(7)	1,513,394.24
333.00	SERVICES	1995	41,500.00	2.99023	(7)	124,094.46
333.00	SERVICES	1996	25,405.00	2.85981	(7)	72,653.55
333.00	SERVICES	1997	27,583.00	2.84211	(7)	78,393.79
333.00	SERVICES	1998	2,500.00	2.78182	(7)	6,954.55
333.00	SERVICES	1999	45,000.00	2.74850	(7)	123,682.63
333.00	SERVICES	2001	9,000.00	2.59322	(7)	23,338.98
333.00	SERVICES	2002	68,956.00	2.55000	(7)	175,837.80
333.00	SERVICES	2003	2,500.00	2.49457	(7)	6,236.41
333.00	SERVICES	2005	4,500.00	2.23902	(7)	10,075.61
333.00	SERVICES	2006	3,364.00	2.02203	(7)	6,802.10
333.00	SERVICES	2007	33,882.00	1.89278	(7)	64,131.29
333.00	SERVICES	2010	1,045.00	1.65405	(7)	1,728.49
333.00	SERVICES	2011	6,000.00	1.59375	(7)	9,562.50
333.00	SERVICES	2012	13,850.00	1.53512	(7)	21,261.37
333.00	SERVICES	2013	1,500.00	1.52492	(7)	2,287.38
333.00	SERVICES	2014	5,000.00	1.50987	(7)	7,549.34
333.00	SERVICES	2015	10,284.20	1.48544	(7)	15,276.53
334.00	METERS	1987	7,084.25	8.13139	(8)	57,604.78
334.00	METERS	1989	20,000.00	7.42667	(8)	148,533.33
334.00	METERS	2005	8,339.23	5.20561	(8)	43,410.76
334.00	METERS	2007	26,650.00	3.85467	(8)	102,726.99
334.00	METERS	2008	6,780.00	2.98660	(8)	20,249.12

INDIAN CREEK VALLEY WATER AUTHORITY
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SUMMARY OF REPLACEMENT COST AND TRANSITION FACTORS BY ACCOUNT AND VINTAGE YEAR
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	VINTAGE YEAR	BASE COST	TRANSITION FACTOR	FACTOR REFERENCE	REPLACEMENT COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)
334.00	METERS	2009	3,440.00	2.98660	(8)	10,273.89
334.00	METERS	2019	130,746.00	2.49217	(8)	325,841.26
334.00	METERS	2020	130,746.00	2.39056	(8)	312,555.89
334.00	METERS	2021	161,225.00	1.97168	(8)	317,884.34
334.00	METERS	2022	213,725.00	1.29988	(8)	277,817.56
334.00	METERS	2023	192,320.00	1.11623	(8)	214,673.83
334.00	METERS	2024	154,369.00	1.02768	(8)	158,641.20
334.00	METERS	2025	71,029.00	1.00000	(8)	71,029.00
335.00	HYDRANTS	1975	52,060.00	10.68531	(9)	556,277.48
335.00	HYDRANTS	1984	32,300.00	5.65926	(9)	182,794.07
335.00	HYDRANTS	1987	32,550.00	4.97720	(9)	162,007.82
335.00	HYDRANTS	1988	19,500.00	4.77500	(9)	93,112.50
335.00	HYDRANTS	1989	30,450.00	4.45481	(9)	135,648.98
335.00	HYDRANTS	1990	24,975.00	4.20937	(9)	105,128.93
335.00	HYDRANTS	1991	5,750.00	4.10753	(9)	23,618.28
335.00	HYDRANTS	1993	13,600.00	3.96883	(9)	53,976.10
335.00	HYDRANTS	1994	148,930.00	3.90793	(9)	582,007.77
335.00	HYDRANTS	1995	13,000.00	3.83920	(9)	49,909.55
335.00	HYDRANTS	1996	5,500.00	3.65550	(9)	20,105.26
335.00	HYDRANTS	1997	17,550.00	3.21684	(9)	56,455.58
335.00	HYDRANTS	2001	850.00	2.77314	(9)	2,357.17
335.00	HYDRANTS	2002	123,680.00	2.70442	(9)	334,483.26
335.00	HYDRANTS	2007	37,725.00	2.26706	(9)	85,524.93
335.00	HYDRANTS	2012	25,000.00	2.00525	(9)	50,131.23
335.00	HYDRANTS	2015	40,050.00	1.64833	(9)	66,015.53
340.10	OFFICE FURNITURE AND EQUIPMENT	2001	2,538.75	2.11262	(10)	5,363.41
340.10	OFFICE FURNITURE AND EQUIPMENT	2002	1,580.00	2.11262	(10)	3,337.94
340.10	OFFICE FURNITURE AND EQUIPMENT	2006	22,903.64	1.85616	(10)	42,512.83
340.10	OFFICE FURNITURE AND EQUIPMENT	2007	8,000.00	1.81069	(10)	14,485.50
340.20	COMPUTER AND SOFTWARE	2002	46,277.06	0.84066	(11)	38,903.34
340.20	COMPUTER AND SOFTWARE	2008	6,661.00	0.89090	(11)	5,934.25
340.20	COMPUTER AND SOFTWARE	2011	43,836.32	0.90876	(11)	39,836.61
340.20	COMPUTER AND SOFTWARE	2017	27,906.39	1.00274	(11)	27,982.74
340.20	COMPUTER AND SOFTWARE	2019	21,682.26	1.03156	(11)	22,366.48
341.00	TRANSPORTATION EQUIPMENT	2006	41,482.00	1.31366	(12)	54,493.05
341.00	TRANSPORTATION EQUIPMENT	2011	34,460.50	1.24814	(12)	43,011.51
341.00	TRANSPORTATION EQUIPMENT	2013	37,745.88	1.20398	(12)	45,445.26
341.00	TRANSPORTATION EQUIPMENT	2014	42,235.00	1.18244	(12)	49,940.37
341.00	TRANSPORTATION EQUIPMENT	2016	18,000.00	1.14483	(12)	20,606.88
341.00	TRANSPORTATION EQUIPMENT	2017	26,264.00	1.13008	(12)	29,680.51
341.00	TRANSPORTATION EQUIPMENT	2018	25,349.00	1.12136	(12)	28,425.29
341.00	TRANSPORTATION EQUIPMENT	2019	109,885.00	1.11886	(12)	122,946.24
341.00	TRANSPORTATION EQUIPMENT	2021	49,052.00	1.09088	(12)	53,509.77
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	1992	2,750.00	1.99508	(13)	5,486.46
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	1997	18,454.00	1.71394	(13)	31,629.12
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2002	1,344.00	1.66997	(13)	2,244.44
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2003	1,477.67	1.66595	(13)	2,461.73
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2004	773.00	1.65347	(13)	1,278.13
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2006	10,010.00	1.64694	(13)	16,485.85
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2011	2,290.04	1.60510	(13)	3,675.75
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2012	11,303.83	1.56457	(13)	17,685.58
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2015	4,575.00	1.49998	(13)	6,862.40
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2016	35,447.00	1.46719	(13)	52,007.34
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2017	7,645.77	1.44581	(13)	11,054.31
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2018	3,073.40	1.41792	(13)	4,357.85
343.00	TOOLS, SHOP AND GARAGE EQUIPMENT	2020	39,887.98	1.37973	(13)	55,034.73
344.00	LABORATORY EQUIPMENT	2014	19,793.60	1.35250	(14)	26,770.91
344.00	LABORATORY EQUIPMENT	2016	5,574.77	1.30775	(14)	7,290.43
344.00	LABORATORY EQUIPMENT	2019	55,395.43	1.22646	(14)	67,940.29
344.00	LABORATORY EQUIPMENT	2020	4,674.00	1.21012	(14)	5,656.12
344.00	LABORATORY EQUIPMENT	2022	30,000.00	1.11379	(14)	33,413.68
345.00	POWER OPERATED EQUIPMENT	2003	70,660.00	1.98748	(15)	140,435.09
345.00	POWER OPERATED EQUIPMENT	2016	370,760.00	1.43467	(15)	531,918.18
346.00	COMMUNICATION EQUIPMENT	1998	138,629.53	0.94836	(16)	131,471.19
346.00	COMMUNICATION EQUIPMENT	2002	124,100.00	1.03820	(16)	128,841.08
346.00	COMMUNICATION EQUIPMENT	2005	4,669.00	1.12370	(16)	5,246.57
346.00	COMMUNICATION EQUIPMENT	2007	34,957.00	1.13847	(16)	39,797.33
346.00	COMMUNICATION EQUIPMENT	2013	94,999.00	1.14344	(16)	108,625.60
346.00	COMMUNICATION EQUIPMENT	2022	257,333.33	1.10604	(16)	284,620.58

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

SUMMARY OF REPLACEMENT COST AND TRANSITION FACTORS BY ACCOUNT AND VINTAGE YEAR
OF WATER SYSTEM AS OF MAY 30, 2025

ACCOUNT	DESCRIPTION	VINTAGE YEAR	BASE COST	TRANSITION FACTOR	FACTOR REFERENCE	REPLACEMENT COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)
346.00	COMMUNICATION EQUIPMENT	2023	257,333.33	1.06821	(16)	274,886.95
346.00	COMMUNICATION EQUIPMENT	2024	257,333.34	1.03260	(16)	265,723.45
	TOTAL COMPANY		**33,029,748.42**			**100,172,852.95**

NOTES :
(1) Not trended
(2) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 8
(3) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 9
(4) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 16
(5) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 23
(6) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 34
(7) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 39
(8) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 40
(9) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 42
(10) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted
(11) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally adjusted
(12) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted
(13) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry data for Power-driven handtool mfg, not seasonally adjusted
(14) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted
(15) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry data for Construction machinery mfg, not seasonally adjusted
(16) U.S. Bureau of Labor Statistics, Producer Price Index, Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 303.00 LAND AND LAND RIGHTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NONDEPRECIABLE							
1967	10.00						
1973	1,600.00						
1974	1.00						
1977	300.00						
1984	500.00						
1988	1.00						
1989	3,000.00						
1990	1.00						
1995	6,400.00						
1999	4,500.00						
2001	750.00						
2002	2,502.00						
2003	28,250.00						
2012	40,000.00						
2017	800,000.00						
2023	340,000.00						
	1,227,815.00						

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.20 STRUCTURES AND IMPROVEMENTS PUMPING

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R3							
NET SALVAGE PERCENT.. 0							
1978	191,309.16	60.00	1.67	3,194.86	19.56	0.6740	128,942
1996	609,401.46	60.00	1.67	10,177.00	33.18	0.4470	272,402
2002	1,184,734.59	60.00	1.67	19,785.07	38.35	0.3608	427,488
	1,985,445.21			33,156.93			828,832

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.30 STRUCTURES AND IMPROVEMENTS TREATMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R3							
NET SALVAGE PERCENT.. 0							
1975	3,104,884.17	65.00	1.54	47,815.22	21.80	0.6646	2,063,568
1987	106,393.31	65.00	1.54	1,638.46	30.59	0.5294	56,322
2005	1,843,797.33	65.00	1.54	28,394.48	45.96	0.2929	540,085
2006	26,031.74	65.00	1.54	400.89	46.88	0.2788	7,257
2007	724,822.40	65.00	1.54	11,162.26	47.80	0.2646	191,803
	5,805,928.95			89,411.31			2,859,035

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 304.50 STRUCTURES AND IMPROVEMENTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-R3							
NET SALVAGE PERCENT.. 0							
2023	350,759.49	50.00	2.00	7,015.19	48.12	0.0376	13,189
	350,759.49			7,015.19			13,189

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 310.00 POWER GENERATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 30-S2							
NET SALVAGE PERCENT.. 0							
2005	81,270.97	30.00	3.33	2,706.32	12.63	0.5790	47,056
	81,270.97			2,706.32			47,056

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 311.00 PUMPING EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 40-R1.5							
NET SALVAGE PERCENT.. 0							
1975	155,941.93	40.00	2.50	3,898.55	8.82	0.7795	121,557
1978	148,968.75	40.00	2.50	3,724.22	9.92	0.7520	112,024
1984	309,768.95	40.00	2.50	7,744.22	12.43	0.6893	213,508
1987	261,135.03	40.00	2.50	6,528.38	13.87	0.6533	170,586
1996	34,499.46	40.00	2.50	862.49	18.85	0.5288	18,242
2005	16,691.18	40.00	2.50	417.28	24.75	0.3813	6,364
2006	26,925.69	40.00	2.50	673.14	25.46	0.3635	9,787
2012	36,753.31	40.00	2.50	918.83	29.83	0.2543	9,345
2020	56,718.41	40.00	2.50	1,417.96	36.01	0.0998	5,658
	1,047,402.71			26,185.07			667,071

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 320.00 WATER TREATMENT EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 50-R3							
NET SALVAGE PERCENT.. 0							
1975	392,376.49	50.00	2.00	7,847.53	10.13	0.7974	312,881
1987	44,562.01	50.00	2.00	891.24	17.09	0.6582	29,331
2005	5,888,299.65	50.00	2.00	117,765.99	31.24	0.3752	2,209,290
2007	572,551.07	50.00	2.00	11,451.02	33.01	0.3398	194,553
2023	888,289.80	50.00	2.00	17,765.80	48.12	0.0376	33,400
	7,786,079.02			155,721.58			2,779,455

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R2.5							
NET SALVAGE PERCENT.. 0							
1974	983,504.49	60.00	1.67	16,424.52	19.09	0.6818	670,583
1975	691,114.32	60.00	1.67	11,541.61	19.68	0.6720	464,429
1984	674,755.43	60.00	1.67	11,268.42	25.52	0.5747	387,762
1987	976,727.76	60.00	1.67	16,311.35	27.65	0.5392	526,622
1990	1,620,695.22	60.00	1.67	27,065.61	29.86	0.5023	814,124
1994	29,346.04	60.00	1.67	490.08	32.92	0.4513	13,245
1996	2,074,435.86	60.00	1.67	34,643.08	34.49	0.4252	881,988
1999	895,085.09	60.00	1.67	14,947.92	36.91	0.3848	344,456
2002	4,156,958.07	60.00	1.67	69,421.20	39.40	0.3433	1,427,208
2012	17,481.20	60.00	1.67	291.94	48.08	0.1987	3,473
2015	802,971.02	60.00	1.67	13,409.62	50.79	0.1535	123,256
2022	1,058,079.32	60.00	1.67	17,669.92	57.26	0.0457	48,322
	13,981,153.82			233,485.27			5,705,468

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 331.00 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 85-R3							
NET SALVAGE PERCENT.. 0							
1975	9,858,772.63	85.00	1.18	116,333.52	39.74	0.5325	5,249,501
1976	18,558.31	85.00	1.18	218.99	40.52	0.5233	9,711
1977	77,604.44	85.00	1.18	915.73	41.32	0.5139	39,879
1978	1,233,316.25	85.00	1.18	14,553.13	42.12	0.5045	622,171
1979	21,228.65	85.00	1.18	250.50	42.92	0.4951	10,509
1981	3,982.19	85.00	1.18	46.99	44.56	0.4758	1,895
1982	210,658.18	85.00	1.18	2,485.77	45.38	0.4661	98,192
1983	161,269.46	85.00	1.18	1,902.98	46.21	0.4564	73,595
1984	2,150,243.70	85.00	1.18	25,372.88	47.05	0.4465	960,019
1985	14,954.65	85.00	1.18	176.46	47.89	0.4366	6,529
1986	16,644.00	85.00	1.18	196.40	48.74	0.4266	7,100
1987	1,131,228.94	85.00	1.18	13,348.50	49.59	0.4166	471,259
1988	1,410,778.13	85.00	1.18	16,647.18	50.45	0.4065	573,439
1989	2,075,283.32	85.00	1.18	24,488.34	51.31	0.3964	822,539
1990	4,144,226.32	85.00	1.18	48,901.87	52.18	0.3861	1,600,169
1991	1,691,381.24	85.00	1.18	19,958.30	53.05	0.3759	635,756
1992	1,103,023.68	85.00	1.18	13,015.68	53.93	0.3655	403,188
1993	364,210.47	85.00	1.18	4,297.68	54.82	0.3551	129,317
1994	13,156,415.64	85.00	1.18	155,245.70	55.71	0.3446	4,533,569
1995	710,274.94	85.00	1.18	8,381.24	56.60	0.3341	237,317
1996	719,091.15	85.00	1.18	8,485.28	57.50	0.3235	232,648
1997	922,924.68	85.00	1.18	10,890.51	58.40	0.3129	288,820
1998	68,618.37	85.00	1.18	809.70	59.31	0.3022	20,739
1999	816,060.88	85.00	1.18	9,629.52	60.22	0.2915	237,906
2001	178,528.08	85.00	1.18	2,106.63	62.06	0.2699	48,181
2002	5,273,768.84	85.00	1.18	62,230.47	62.98	0.2591	1,366,223
2003	108,692.14	85.00	1.18	1,282.57	63.91	0.2481	26,969
2005	93,392.49	85.00	1.18	1,102.03	65.78	0.2261	21,118
2006	98,293.47	85.00	1.18	1,159.86	66.72	0.2151	21,139
2007	2,091,772.99	85.00	1.18	24,682.92	67.66	0.2040	426,722
2010	122,688.85	85.00	1.18	1,447.73	70.51	0.1705	20,915
2011	60,398.89	85.00	1.18	712.71	71.47	0.1592	9,614
2012	797,301.41	85.00	1.18	9,408.16	72.42	0.1480	118,001
2013	44,315.26	85.00	1.18	522.92	73.38	0.1367	6,058
2014	41,121.09	85.00	1.18	485.23	74.35	0.1253	5,152
2015	784,937.88	85.00	1.18	9,262.27	75.31	0.1140	89,483
2016	943,711.63	85.00	1.18	11,135.80	76.28	0.1026	96,815

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 331.00 TRANSMISSION AND DISTRIBUTION MAINS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 85-R3							
NET SALVAGE PERCENT.. 0							
2018	52,208.59	85.00	1.18	616.06	78.23	0.0797	4,158
2019	1,007,179.01	85.00	1.18	11,884.71	79.20	0.0682	68,730
2020	1,262,237.76	85.00	1.18	14,894.41	80.18	0.0567	71,582
	55,041,298.60			649,487.33			19,666,627

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 333.00 SERVICES

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1975	1,291,170.73	70.00	1.43	18,463.74	28.28	0.5960	769,538
1976	7,061.54	70.00	1.43	100.98	28.96	0.5863	4,140
1977	36,323.74	70.00	1.43	519.43	29.65	0.5764	20,938
1978	547,634.48	70.00	1.43	7,831.17	30.35	0.5664	310,197
1979	11,475.00	70.00	1.43	164.09	31.05	0.5564	6,385
1982	64,909.09	70.00	1.43	928.20	33.22	0.5254	34,105
1983	26,608.70	70.00	1.43	380.50	33.95	0.5150	13,703
1984	333,041.86	70.00	1.43	4,762.50	34.70	0.5043	167,950
1985	4,153.85	70.00	1.43	59.40	35.45	0.4936	2,050
1986	4,061.95	70.00	1.43	58.09	36.21	0.4827	1,961
1987	191,363.09	70.00	1.43	2,736.49	36.97	0.4719	90,297
1988	64,185.06	70.00	1.43	917.85	37.74	0.4609	29,580
1989	68,711.23	70.00	1.43	982.57	38.52	0.4497	30,900
1990	224,172.90	70.00	1.43	3,205.67	39.31	0.4384	98,284
1991	128,644.88	70.00	1.43	1,839.62	40.10	0.4271	54,949
1992	32,557.86	70.00	1.43	465.58	40.90	0.4157	13,535
1993	33,882.69	70.00	1.43	484.52	41.70	0.4043	13,698
1994	1,513,394.24	70.00	1.43	21,641.54	42.51	0.3927	594,325
1995	124,094.46	70.00	1.43	1,774.55	43.33	0.3810	47,280
1996	72,653.55	70.00	1.43	1,038.95	44.15	0.3693	26,830
1997	78,393.79	70.00	1.43	1,121.03	44.98	0.3574	28,020
1998	6,954.55	70.00	1.43	99.45	45.81	0.3456	2,403
1999	123,682.63	70.00	1.43	1,768.66	46.65	0.3336	41,257
2001	23,338.98	70.00	1.43	333.75	48.35	0.3093	7,219
2002	175,837.80	70.00	1.43	2,514.48	49.20	0.2971	52,248
2003	6,236.41	70.00	1.43	89.18	50.07	0.2847	1,776
2005	10,075.61	70.00	1.43	144.08	51.80	0.2600	2,620
2006	6,802.10	70.00	1.43	97.27	52.68	0.2474	1,683
2007	64,131.29	70.00	1.43	917.08	53.56	0.2349	15,062
2010	1,728.49	70.00	1.43	24.72	56.23	0.1967	340
2011	9,562.50	70.00	1.43	136.74	57.13	0.1839	1,758
2012	21,261.37	70.00	1.43	304.04	58.03	0.1710	3,636
2013	2,287.38	70.00	1.43	32.71	58.94	0.1580	361
2014	7,549.34	70.00	1.43	107.96	59.85	0.1450	1,095
2015	15,276.53	70.00	1.43	218.45	60.76	0.1320	2,017
	5,333,219.67			76,265.04			2,492,140

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 334.00 METERS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 25-L3							
NET SALVAGE PERCENT.. 0							
1987	57,604.78	25.00	4.00	2,304.19	4.59	0.8164	47,029
1989	148,533.33	25.00	4.00	5,941.33	5.10	0.7960	118,233
2005	43,410.76	25.00	4.00	1,736.43	8.69	0.6524	28,321
2007	102,726.99	25.00	4.00	4,109.08	9.53	0.6188	63,567
2008	20,249.12	25.00	4.00	809.96	10.05	0.5980	12,109
2009	10,273.89	25.00	4.00	410.96	10.65	0.5740	5,897
2019	325,841.26	25.00	4.00	13,033.65	19.12	0.2352	76,638
2020	312,555.89	25.00	4.00	12,502.24	20.10	0.1960	61,261
2021	317,884.34	25.00	4.00	12,715.37	21.09	0.1564	49,717
2022	277,817.56	25.00	4.00	11,112.70	22.09	0.1164	32,338
2023	214,673.83	25.00	4.00	8,586.95	23.09	0.0764	16,401
2024	158,641.20	25.00	4.00	6,345.65	24.09	0.0364	5,775
2025	71,029.00	25.00	4.00	2,841.16	24.79	0.0084	597
	2,061,241.95			82,449.67			517,883

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 335.00 HYDRANTS

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1975	556,277.48	70.00	1.43	7,954.77	28.28	0.5960	331,541
1984	182,794.07	70.00	1.43	2,613.96	34.70	0.5043	92,181
1987	162,007.82	70.00	1.43	2,316.71	36.97	0.4719	76,445
1988	93,112.50	70.00	1.43	1,331.51	37.74	0.4609	42,912
1989	135,648.98	70.00	1.43	1,939.78	38.52	0.4497	61,003
1990	105,128.93	70.00	1.43	1,503.34	39.31	0.4384	46,092
1991	23,618.28	70.00	1.43	337.74	40.10	0.4271	10,088
1993	53,976.10	70.00	1.43	771.86	41.70	0.4043	21,822
1994	582,007.77	70.00	1.43	8,322.71	42.51	0.3927	228,560
1995	49,909.55	70.00	1.43	713.71	43.33	0.3810	19,016
1996	20,105.26	70.00	1.43	287.51	44.15	0.3693	7,425
1997	56,455.58	70.00	1.43	807.31	44.98	0.3574	20,179
2001	2,357.17	70.00	1.43	33.71	48.35	0.3093	729
2002	334,483.26	70.00	1.43	4,783.11	49.20	0.2971	99,388
2007	85,524.93	70.00	1.43	1,223.01	53.56	0.2349	20,086
2012	50,131.23	70.00	1.43	716.88	58.03	0.1710	8,572
2015	66,015.53	70.00	1.43	944.02	60.76	0.1320	8,714
	2,559,554.44			36,601.64			1,094,753

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 340.10 OFFICE FURNITURE AND EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 20-SQUARE							
NET SALVAGE PERCENT.. 0							
2001	5,363.41	20.00				1.0000	5,363
2002	3,337.94	20.00				1.0000	3,338
2006	42,512.83	20.00	5.00	2,125.64	1.09	0.9455	40,196
2007	14,485.50	20.00	5.00	724.28	2.09	0.8955	12,972
	65,699.68			2,849.92			61,869

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 340.20 COMPUTER AND SOFTWARE

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 5-SQUARE NET SALVAGE PERCENT.. 0							
2002	38,903.34	5.00				1.0000	38,903
2008	5,934.25	5.00				1.0000	5,934
2011	39,836.61	5.00				1.0000	39,837
2017	27,982.74	5.00				1.0000	27,983
2019	22,366.48	5.00				1.0000	22,366
	135,023.42						135,023

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 341.00 TRANSPORTATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

	REPLACEMENT	AVG.	--ANNUAL ACCRUAL--			--ACCRUED DEPREC.--	
YEAR	COST	LIFE	RATE	AMOUNT	EXP.	FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 11-S1.5							
NET SALVAGE PERCENT.. 0							
2006	54,493.05	11.00	9.09	4,953.42	0.80	0.9273	50,530
2011	43,011.51	11.00	9.09	3,909.75	2.15	0.8046	34,605
2013	45,445.26	11.00	9.09	4,130.97	2.81	0.7446	33,836
2014	49,940.37	11.00	9.09	4,539.58	3.19	0.7100	35,458
2016	20,606.88	11.00	9.09	1,873.17	4.08	0.6291	12,964
2017	29,680.51	11.00	9.09	2,697.96	4.60	0.5818	17,269
2018	28,425.29	11.00	9.09	2,583.86	5.19	0.5282	15,014
2019	122,946.24	11.00	9.09	11,175.81	5.83	0.4700	57,785
2021	53,509.77	11.00	9.09	4,864.04	7.34	0.3327	17,804
	448,058.88			40,728.56			275,265

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 343.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 20-SQUARE							
NET SALVAGE PERCENT.. 0							
1992	5,486.46	20.00				1.0000	5,486
1997	31,629.12	20.00				1.0000	31,629
2002	2,244.44	20.00				1.0000	2,244
2003	2,461.73	20.00				1.0000	2,462
2004	1,278.13	20.00				1.0000	1,278
2006	16,485.85	20.00	5.00	824.29	1.09	0.9455	15,587
2011	3,675.75	20.00	5.00	183.79	6.09	0.6955	2,556
2012	17,685.58	20.00	5.00	884.28	7.09	0.6455	11,416
2015	6,862.40	20.00	5.00	343.12	10.09	0.4955	3,400
2016	52,007.34	20.00	5.00	2,600.37	11.09	0.4455	23,169
2017	11,054.31	20.00	5.00	552.72	12.09	0.3955	4,372
2018	4,357.85	20.00	5.00	217.89	13.09	0.3455	1,506
2020	55,034.73	20.00	5.00	2,751.74	15.09	0.2455	13,511
	210,263.69			8,358.20			118,616

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 344.00 LABORATORY EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 15-SQUARE NET SALVAGE PERCENT.. 0							
2014	26,770.91	15.00	6.67	1,785.62	4.09	0.7273	19,471
2016	7,290.43	15.00	6.67	486.27	6.09	0.5940	4,331
2019	67,940.29	15.00	6.67	4,531.62	9.09	0.3940	26,768
2020	5,656.12	15.00	6.67	377.26	10.09	0.3273	1,851
2022	33,413.68	15.00	6.67	2,228.69	12.09	0.1940	6,482
	141,071.43			9,409.46			58,903

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 345.00 POWER OPERATED EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 15-L2.5							
NET SALVAGE PERCENT.. 0							
2003	140,435.09	15.00	6.67	9,367.02	3.66	0.7560	106,169
2016	531,918.18	15.00	6.67	35,478.94	7.27	0.5153	274,113
	672,353.27			44,845.96			380,282

INDIAN CREEK VALLEY WATER AUTHORITY
WATER SYSTEM ASSETS

ACCOUNT 346.00 COMMUNICATION EQUIPMENT

CALCULATED ANNUAL AND ACCRUED DEPRECIATION
RELATED TO REPLACEMENT COST AT MAY 30, 2025

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. 15-SQUARE							
NET SALVAGE PERCENT.. 0							
1998	131,471.19	15.00				1.0000	131,471
2002	128,841.08	15.00				1.0000	128,841
2005	5,246.57	15.00				1.0000	5,247
2007	39,797.33	15.00				1.0000	39,797
2013	108,625.60	15.00	6.67	7,245.33	3.09	0.7940	86,249
2022	284,620.58	15.00	6.67	18,984.19	12.09	0.1940	55,216
2023	274,886.95	15.00	6.67	18,334.96	13.09	0.1273	35,001
2024	265,723.45	15.00	6.67	17,723.75	14.09	0.0607	16,121
	1,239,212.75			62,288.23			497,943

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma Operations
Earnings Capitalization Model

		Actual			Budget Year 0
		2022	2023	2024	2025
1.	**OPERATING REVENUES (1)**				
2.	Charges for services	2,428,587	2,747,112	2,767,507	2,731,640
3.	Other operating revenue	43,433	39,989	31,880	17,900
4.	Tap Fees	0	0	0	0
5.	**Total Operating Revenues**	2,472,020	2,787,101	2,799,387	2,749,540
6.	**Rate Increase**				
7.	**OPERATING EXPENSES (1)**				
8.	Operating & Maintenance Expenses	1,871,797	1,856,134	1,709,542	1,948,650
9.	**Operating Expenses Before Depreciation**	1,871,797	1,856,134	1,709,542	1,948,650
10.	Depreciation (2)	697,781	703,714	703,714	692,749
11.	**Total Operating Expenses**	2,569,578	2,559,848	2,413,256	2,641,399
12.	**Operating Income**	(97,558)	227,253	386,131	108,141
13.	Revenues (3)	2,472,020	2,787,101	2,799,387	2,749,540
14.	EBITDA (4)	600,223	930,967	1,089,845	800,890
15.	EBIT (5)	(97,558)	227,253	386,131	108,141
16.	EBIT	(97,558)	227,253	386,131	108,141
17.	(-) Income Taxes	0	0	0	0
18.	Debt Free Net Income	(97,558)	227,253	386,131	108,141
19.	(+) Depreciation & Amortization	697,781	703,714	703,714	692,749
20.	(-) Capital Expenditures (6)	552,104	1,516,365	746,550	581,610
21.	(-) Changes in Working Capital (7)	18,787	21,182	21,275	20,897
22.	Debt Free Net Cash Flow	$29,332	($606,580)	$322,020	$198,383

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma Operations
Earnings Capitalization Model

		2025	Pro Forma 2025 (11)
		4.76% Capitalization Rate Model (No Growth)	4.76% Capitalization Rate Model (No Growth)
23.	Debt Free Net Cash Flow (10)	$198,383	($407,833)
24.	Capitalization Factor: (8)	4.76%	4.76%
25.	Indicated Value (line 23 ÷ line 24)	$4,167,721	($8,567,926)
		4.66% Capitalization Rate Model (0.10% Growth)	4.66% Capitalization Rate Model (0.10% Growth)
26.	Debt Free Net Cash Flow (10)	$198,383	($407,833)
27.	Capitalization Factor: (9)	4.66%	4.66%
28.	Indicated Value (line 26 ÷ line 27)	$4,257,157	($8,751,787)

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma Operations
Earnings Capitalization Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 5.

(4) Line 12 + line 10.

(5) Line 12.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.

(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 22.

(11) Debt Free Net Cash Flow adjusted for average 2025-2028 CAPX.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Actual			Budget	Estimated	Estimated
				Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791
3. Other operating revenue	43,433	39,989	31,880	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	1,093,916
6. **Total Operating Revenues**	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	3,846,607
7. **Rate Increase**						**40%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
16. Depreciation (2)	697,781	703,714	703,714	0	584,833	600,934
17. **Total Operating Expenses**	2,569,578	2,559,848	2,413,256	1,948,650	2,582,199	2,648,235
18. **Operating Income**	(97,558)	227,253	386,131	800,890	168,917	1,198,372
19. Revenues (3)	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	3,846,607
20. EBITDA (4)	600,223	930,967	1,089,845	800,890	753,750	1,799,307
21. EBIT (5)	(97,558)	227,253	386,131	800,890	168,917	1,198,372
22. EBIT	(97,558)	227,253	386,131	800,890	168,917	1,198,372
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	(97,558)	227,253	386,131	800,890	168,917	1,198,372
25. (+) Depreciation & Amortization	697,781	703,714	703,714	0	584,833	600,934
26. (-) Capital Expenditures (6)	552,104	1,516,365	746,550	581,610	569,697	1,800,000
27. (-) Changes in Working Capital (7)	18,787	21,182	21,275	20,897	20,908	29,234
28. Debt Free Net Cash Flow	$29,332	($606,580)	$322,020	$198,383	$163,144	($29,928)
29. PV Time Period (mid-year)				(0.5)	0.5	1.5
					1	2
30. Present Value Factor: 4.76% (8)					0.9770	0.9326
31. Present Value Debt Free Net Cash Flow					$159,392	($27,910)
					1	2
32. Present Value Factor: 4.66% (9)					0.9775	0.9340
33. Present Value Debt Free Net Cash Flow					$159,474	($27,952)

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,833,118	3,837,528	3,841,653	4,422,318	4,426,741	4,431,167
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	576,248	0	0	221,558
6. **Total Operating Revenues**	3,851,018	3,855,428	4,435,801	4,440,218	4,444,641	4,670,625
7. **Rate Increase**			**15%**			**5%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
16. Depreciation (2)	627,862	654,790	681,718	708,646	728,860	739,546
17. **Total Operating Expenses**	2,726,345	2,805,735	2,886,437	2,968,483	3,045,192	3,113,787
18. **Operating Income**	1,124,673	1,049,693	1,549,364	1,471,735	1,399,449	1,556,838
19. Revenues (3)	3,851,018	3,855,428	4,435,801	4,440,218	4,444,641	4,670,625
20. EBITDA (4)	1,752,535	1,704,483	2,231,082	2,180,381	2,128,309	2,296,384
21. EBIT (5)	1,124,673	1,049,693	1,549,364	1,471,735	1,399,449	1,556,838
22. EBIT	1,124,673	1,049,693	1,549,364	1,471,735	1,399,449	1,556,838
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,124,673	1,049,693	1,549,364	1,471,735	1,399,449	1,556,838
25. (+) Depreciation & Amortization	627,862	654,790	681,718	708,646	728,860	739,546
26. (-) Capital Expenditures (6)	1,800,000	1,800,000	1,800,000	1,800,000	709,996	720,406
27. (-) Changes in Working Capital (7)	29,268	29,301	33,712	33,746	33,779	35,497
28. Debt Free Net Cash Flow	($76,733)	($124,818)	$397,370	$346,636	$1,384,533	$1,540,481
29. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
	3	4	5	6	7	8
30. Present Value Factor: 4.76% (8)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
31. Present Value Debt Free Net Cash Flow	($68,307)	($106,071)	$322,347	$268,400	$1,023,309	$1,086,964
	3	4	5	6	7	8
32. Present Value Factor: 4.66% (9)	0.8924	0.8526	0.8147	0.7784	0.7437	0.7106
33. Present Value Debt Free Net Cash Flow	($68,476)	($106,420)	$323,738	$269,821	$1,029,677	$1,094,666

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	4,657,379	4,662,036	4,666,698	4,858,219	4,863,077	4,867,941
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	186,668	0	0	194,718
6. **Total Operating Revenues**	4,675,279	4,679,936	4,871,266	4,876,119	4,880,977	5,080,559
7. **Rate Increase**			**4%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
16. Depreciation (2)	750,388	761,389	772,552	783,878	795,370	807,031
17. **Total Operating Expenses**	3,183,985	3,255,826	3,329,350	3,404,596	3,481,606	3,560,422
18. **Operating Income**	1,491,294	1,424,110	1,541,916	1,471,523	1,399,371	1,520,137
19. Revenues (3)	4,675,279	4,679,936	4,871,266	4,876,119	4,880,977	5,080,559
20. EBITDA (4)	2,241,682	2,185,499	2,314,468	2,255,401	2,194,741	2,327,168
21. EBIT (5)	1,491,294	1,424,110	1,541,916	1,471,523	1,399,371	1,520,137
22. EBIT	1,491,294	1,424,110	1,541,916	1,471,523	1,399,371	1,520,137
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,491,294	1,424,110	1,541,916	1,471,523	1,399,371	1,520,137
25. (+) Depreciation & Amortization	750,388	761,389	772,552	783,878	795,370	807,031
26. (-) Capital Expenditures (6)	730,967	741,684	752,558	763,591	774,786	786,145
27. (-) Changes in Working Capital (7)	35,532	35,568	37,022	37,059	37,095	38,612
28. Debt Free Net Cash Flow	$1,475,183	$1,408,248	$1,524,889	$1,454,752	$1,382,860	$1,502,410
29. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
	9	10	11	12	13	14
30. Present Value Factor: 4.76% (8)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
31. Present Value Debt Free Net Cash Flow	$993,536	$905,362	$935,824	$852,194	$773,295	$801,987
	9	10	11	12	13	14
32. Present Value Factor: 4.66% (9)	0.6790	0.6488	0.6199	0.5923	0.5659	0.5407
33. Present Value Debt Free Net Cash Flow	$1,001,649	$913,671	$945,279	$861,650	$782,560	$812,353

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	5,067,721	5,072,789	5,230,197	5,235,427	5,424,086	5,429,510
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	152,184	0	183,240	0	173,744
6. **Total Operating Revenues**	5,085,621	5,242,873	5,248,097	5,436,567	5,441,986	5,621,154
7. **Rate Increase**		**3%**		**4%**		**3%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
16. Depreciation (2)	818,862	830,867	843,049	855,409	867,949	880,674
17. **Total Operating Expenses**	3,641,088	3,723,649	3,808,151	3,894,638	3,983,159	4,073,764
18. **Operating Income**	1,444,533	1,519,224	1,439,946	1,541,929	1,458,827	1,547,390
19. Revenues (3)	5,085,621	5,242,873	5,248,097	5,436,567	5,441,986	5,621,154
20. EBITDA (4)	2,263,395	2,350,091	2,282,996	2,397,338	2,326,776	2,428,064
21. EBIT (5)	1,444,533	1,519,224	1,439,946	1,541,929	1,458,827	1,547,390
22. EBIT	1,444,533	1,519,224	1,439,946	1,541,929	1,458,827	1,547,390
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,444,533	1,519,224	1,439,946	1,541,929	1,458,827	1,547,390
25. (+) Depreciation & Amortization	818,862	830,867	843,049	855,409	867,949	880,674
26. (-) Capital Expenditures (6)	797,670	809,364	821,230	833,270	845,487	857,882
27. (-) Changes in Working Capital (7)	38,651	39,846	39,886	41,318	41,359	42,721
28. Debt Free Net Cash Flow	$1,427,074	$1,500,881	$1,421,880	$1,522,750	$1,439,930	$1,527,461
29. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
	15	16	17	18	19	20
30. Present Value Factor: 4.76% (8)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
31. Present Value Debt Free Net Cash Flow	$727,094	$730,029	$660,179	$674,883	$609,090	$616,789
	15	16	17	18	19	20
32. Present Value Factor: 4.66% (9)	0.5166	0.4936	0.4716	0.4506	0.4306	0.4114
33. Present Value Debt Free Net Cash Flow	$737,226	$740,835	$670,559	$686,151	$620,034	$628,398

See last page of this EXHIBIT for notes and assumptions.

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DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 4.76%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,527,461
Divided by Capitalization Factor (8)	4.76%
20th Year Terminal Value	32,089,523
20th Year Present Value Factor (11)	0.4038
Present Value of Terminal Value	12,957,749
Present Value Debt Free Net Cash Flow for 20 Years	11,938,385
Indicated Value	$24,896,134

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%			
		Multiples (13)	Terminal Value
Projected EBIT	$1,547,390	20.0	$30,947,798
Projected EBITDA	2,428,064	14.7	35,692,542
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			34,126,776
20th Year Present Value Factor (11)			0.4038
Present Value of Terminal Value			13,780,392
Present Value Debt Free Net Cash Flow for 20 Years			11,938,385
Indicated Value			$25,718,777

DCF With Capitalization of Terminal Value Model @ 4.66%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,527,461
Divided by Capitalization Factor (9)	4.66%
20th Year Terminal Value	32,778,140
20th Year Present Value Factor (12)	0.4038
Present Value of Terminal Value	13,235,813
Present Value Debt Free Net Cash Flow for 20 Years	11,938,385
Indicated Value	$25,174,197

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.66%			
		Multiples (13)	Terminal Value
Projected EBIT	$1,547,390	20.0	$30,947,798
Projected EBITDA	2,428,064	14.7	35,692,542
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			34,126,776
20th Year Present Value Factor (12)			0.4038
Present Value of Terminal Value			13,780,392
Present Value Debt Free Net Cash Flow for 20 Years			11,938,385
Indicated Value			$25,718,777

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Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by MUNI in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.
(3) Line 6.
(4) Line 18 + line 16.
(5) Line 18.
(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72% of prior year-end GROSS Property, plant and equipment.
(7) Changes in Working Capital - based on water industry 0.76% of revenues.
(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.
(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.
(10) Final year shown, line 28.
(11) Final year shown, line 30.
(12) Final year shown, line 30.
(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

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Indian Creek Valley Water Authority Water System Assets
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DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Actual			Budget	Estimated	Estimated
				Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791
3. Other operating revenue	43,433	39,989	31,880	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	2,187,833
6. **Total Operating Revenues**	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	4,940,524
7. **Rate Increase**						**80%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	0	0	0	0	48,309	48,296
16. **Operating Expenses Before Depreciation**	1,871,797	1,856,134	1,709,542	1,948,650	2,045,675	2,095,596
17. Depreciation (2)	697,781	703,714	703,714	0	584,833	600,934
18. **Total Operating Expenses**	2,569,578	2,559,848	2,413,256	1,948,650	2,630,508	2,696,531
19. **Operating Income**	(97,558)	227,253	386,131	800,890	120,608	2,243,993
20. Revenues (3)	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	4,940,524
21. EBITDA (4)	600,223	930,967	1,089,845	800,890	705,441	2,844,928
22. EBIT (5)	(97,558)	227,253	386,131	800,890	120,608	2,243,993
23. EBIT	(97,558)	227,253	386,131	800,890	120,608	2,243,993
24. (-) Income Taxes	0	0	0	218,740	32,464	595,154
25. Debt Free Net Income	(97,558)	227,253	386,131	582,150	88,144	1,648,839
26. (+) Depreciation & Amortization	697,781	703,714	703,714	0	584,833	600,934
27. (-) Capital Expenditures (6)	552,104	1,516,365	746,550	581,610	569,697	1,800,000
28. (-) Changes in Working Capital (7)	18,787	21,182	21,275	20,897	20,908	37,548
29. Debt Free Net Cash Flow	$29,332	($606,580)	$322,020	($20,357)	$82,371	$412,226
30. PV Time Period (mid-year)				(0.5)	0.5	1.5
31. Present Value Factor: 8.92% (8)					0.9582	0.8797
32. Present Value Debt Free Net Cash Flow					$78,928	$362,635
					1	2
33. Present Value Factor: 11.61% (9)					0.9466	0.8481
34. Present Value Debt Free Net Cash Flow					$77,973	$349,609
					1	2
35. Present Value Factor: 8.82% (8)					0.9586	0.8809
36. Present Value Debt Free Net Cash Flow					$78,961	$363,130
					1	2
37. Present Value Factor: 11.51% (9)					0.9470	0.8492
38. Present Value Debt Free Net Cash Flow					$78,006	$350,062

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Indian Creek Valley Water Authority Water System Assets
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DCF With Capitalization of Terminal Value Model and
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	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	4,928,294	4,933,964	4,939,268	5,933,048	5,938,981	5,944,920
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	987,854	0	0	891,738
6. **Total Operating Revenues**	4,946,194	4,951,864	5,945,022	5,950,948	5,956,881	6,854,558
7. **Rate Increase**			**20%**			**15%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	62,471	64,182	65,853	73,106	74,703	74,710
16. **Operating Expenses Before Depreciation**	2,160,954	2,215,127	2,270,572	2,332,943	2,391,035	2,448,951
17. Depreciation (2)	627,862	654,790	681,718	708,646	728,860	739,546
18. **Total Operating Expenses**	2,788,816	2,869,917	2,952,290	3,041,589	3,119,895	3,188,497
19. **Operating Income**	2,157,378	2,081,947	2,992,732	2,909,359	2,836,986	3,666,061
20. Revenues (3)	4,946,194	4,951,864	5,945,022	5,950,948	5,956,881	6,854,558
21. EBITDA (4)	2,785,240	2,736,737	3,674,450	3,618,005	3,565,846	4,405,607
22. EBIT (5)	2,157,378	2,081,947	2,992,732	2,909,359	2,836,986	3,666,061
23. EBIT	2,157,378	2,081,947	2,992,732	2,909,359	2,836,986	3,666,061
24. (-) Income Taxes	563,660	535,729	758,272	725,655	707,604	914,393
25. Debt Free Net Income	1,593,718	1,546,218	2,234,460	2,183,704	2,129,382	2,751,668
26. (+) Depreciation & Amortization	627,862	654,790	681,718	708,646	728,860	739,546
27. (-) Capital Expenditures (6)	1,800,000	1,800,000	1,800,000	1,800,000	709,996	720,406
28. (-) Changes in Working Capital (7)	37,591	37,634	45,182	45,227	45,272	52,095
29. Debt Free Net Cash Flow	$383,989	$363,374	$1,070,996	$1,047,123	$2,102,973	$2,718,714
30. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
31. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
32. Present Value Debt Free Net Cash Flow	$310,148	$269,442	$729,134	$654,452	$1,206,896	$1,432,490
	3	4	5	6	7	8
33. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
34. Present Value Debt Free Net Cash Flow	$291,793	$247,385	$653,308	$572,358	$1,029,826	$1,192,972
	3	4	5	6	7	8
35. Present Value Factor: 8.82% (8)	0.8095	0.7439	0.6836	0.6282	0.5773	0.5305
36. Present Value Debt Free Net Cash Flow	$310,839	$270,314	$732,133	$657,803	$1,214,046	$1,442,278
	3	4	5	6	7	8
37. Present Value Factor: 11.51% (9)	0.7616	0.6830	0.6125	0.5493	0.4926	0.4417
38. Present Value Debt Free Net Cash Flow	$292,446	$248,184	$655,985	$575,185	$1,035,925	$1,200,856

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DCF With Capitalization of Terminal Value Model and
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	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	6,843,495	6,850,338	6,857,189	7,104,288	7,111,392	7,118,503
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	240,002	0	0	249,148
6. **Total Operating Revenues**	6,861,395	6,868,238	7,115,091	7,122,188	7,129,292	7,385,551
7. **Rate Increase**			**4%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	79,789	79,800	79,811	81,188	81,199	81,210
16. **Operating Expenses Before Depreciation**	2,513,386	2,574,237	2,636,609	2,701,906	2,767,435	2,834,601
17. Depreciation (2)	750,388	761,389	772,552	783,878	795,370	807,031
18. **Total Operating Expenses**	3,263,774	3,335,626	3,409,161	3,485,784	3,562,805	3,641,632
19. **Operating Income**	3,597,621	3,532,612	3,705,930	3,636,404	3,566,487	3,743,919
20. Revenues (3)	6,861,395	6,868,238	7,115,091	7,122,188	7,129,292	7,385,551
21. EBITDA (4)	4,348,009	4,294,001	4,478,482	4,420,282	4,361,857	4,550,950
22. EBIT (5)	3,597,621	3,532,612	3,705,930	3,636,404	3,566,487	3,743,919
23. EBIT	3,597,621	3,532,612	3,705,930	3,636,404	3,566,487	3,743,919
24. (-) Income Taxes	897,322	881,108	924,337	906,996	889,557	933,812
25. Debt Free Net Income	2,700,299	2,651,504	2,781,593	2,729,408	2,676,930	2,810,107
26. (+) Depreciation & Amortization	750,388	761,389	772,552	783,878	795,370	807,031
27. (-) Capital Expenditures (6)	730,967	741,684	752,558	763,591	774,786	786,145
28. (-) Changes in Working Capital (7)	52,147	52,199	54,075	54,129	54,183	56,130
29. Debt Free Net Cash Flow	$2,667,574	$2,619,011	$2,747,513	$2,695,567	$2,643,332	$2,774,862
30. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
31. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
32. Present Value Debt Free Net Cash Flow	$1,290,305	$1,163,103	$1,120,161	$1,008,951	$908,513	$875,469
	9	10	11	12	13	14
33. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
34. Present Value Debt Free Net Cash Flow	$1,048,623	$922,416	$867,115	$762,306	$669,556	$629,894
	9	10	11	12	13	14
35. Present Value Factor: 8.82% (8)	0.4875	0.4480	0.4117	0.3783	0.3476	0.3195
36. Present Value Debt Free Net Cash Flow	$1,300,442	$1,173,317	$1,131,151	$1,019,733	$918,822	$886,569
	9	10	11	12	13	14
37. Present Value Factor: 11.51% (9)	0.3961	0.3552	0.3186	0.2857	0.2562	0.2298
38. Present Value Debt Free Net Cash Flow	$1,056,626	$930,273	$875,358	$770,123	$677,222	$637,663

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	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	7,375,019	7,382,394	7,559,741	7,567,301	7,749,090	7,756,839
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	169,795	0	174,048	0	178,407
6. **Total Operating Revenues**	7,392,919	7,570,089	7,577,641	7,759,249	7,766,990	7,953,146
7. **Rate Increase**		**2%**		**2%**		**2%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	82,638	82,650	83,627	83,639	84,640	84,652
16. **Operating Expenses Before Depreciation**	2,904,864	2,975,432	3,048,728	3,122,868	3,199,850	3,277,742
17. Depreciation (2)	818,862	830,867	843,049	855,409	867,949	880,674
18. **Total Operating Expenses**	3,723,726	3,806,299	3,891,778	3,978,277	4,067,799	4,158,416
19. **Operating Income**	3,669,193	3,763,790	3,685,863	3,780,972	3,699,191	3,794,730
20. Revenues (3)	7,392,919	7,570,089	7,577,641	7,759,249	7,766,990	7,953,146
21. EBITDA (4)	4,488,055	4,594,657	4,528,913	4,636,381	4,567,140	4,675,404
22. EBIT (5)	3,669,193	3,763,790	3,685,863	3,780,972	3,699,191	3,794,730
23. EBIT	3,669,193	3,763,790	3,685,863	3,780,972	3,699,191	3,794,730
24. (-) Income Taxes	915,174	938,768	919,332	943,054	922,656	946,485
25. Debt Free Net Income	2,754,019	2,825,022	2,766,531	2,837,918	2,776,535	2,848,245
26. (+) Depreciation & Amortization	818,862	830,867	843,049	855,409	867,949	880,674
27. (-) Capital Expenditures (6)	797,670	809,364	821,230	833,270	845,487	857,882
28. (-) Changes in Working Capital (7)	56,186	57,533	57,590	58,970	59,029	60,444
29. Debt Free Net Cash Flow	$2,719,025	$2,788,992	$2,730,761	$2,801,087	$2,739,968	$2,810,593
30. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
31. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
32. Present Value Debt Free Net Cash Flow	$787,701	$741,872	$666,852	$628,004	$563,885	$531,202
	15	16	17	18	19	20
33. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
34. Present Value Debt Free Net Cash Flow	$553,050	$508,154	$445,933	$409,799	$359,210	$329,964
	15	16	17	18	19	20
35. Present Value Factor: 8.82% (8)	0.2936	0.2698	0.2479	0.2278	0.2094	0.1924
36. Present Value Debt Free Net Cash Flow	$798,306	$752,470	$676,956	$638,088	$573,749	$540,758
	15	16	17	18	19	20
37. Present Value Factor: 11.51% (9)	0.2060	0.1848	0.1657	0.1486	0.1333	0.1195
38. Present Value Debt Free Net Cash Flow	$560,119	$515,406	$452,487	$416,241	$365,238	$335,866

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,810,593
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	31,508,892
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	5,955,181
Present Value Debt Free Net Cash Flow for 20 Years	15,330,143
Indicated Value	$21,285,324

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%		Multiples (13)	Terminal Value
Projected EBIT	$3,794,730	20.0	$75,894,598
Projected EBITDA	4,675,404	14.7	68,728,440
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			71,093,272
20th Year Present Value Factor (11)			0.1890
Present Value of Terminal Value			13,436,628
Present Value Debt Free Net Cash Flow for 20 Years			15,330,143
Indicated Value			$28,766,772

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,810,593
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	24,208,382
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	2,842,064
Present Value Debt Free Net Cash Flow for 20 Years	11,921,241
Indicated Value	$14,763,306

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%		Multiples (13)	Terminal Value
Projected EBIT	$3,794,730	20.0	$75,894,598
Projected EBITDA	4,675,404	14.7	68,728,440
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			71,093,272
20th Year Present Value Factor (12)			0.1174
Present Value of Terminal Value			8,346,350
Present Value Debt Free Net Cash Flow for 20 Years			11,921,241
Indicated Value			$20,267,592

DCF With Capitalization of Terminal Value Model @ 8.82%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,810,593
Divided by Capitalization Factor (8)	8.82%
20th Year Terminal Value	31,866,136
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	6,022,700
Present Value Debt Free Net Cash Flow for 20 Years	15,330,143
Indicated Value	$21,352,843

DCF With Capitalization of Terminal Value Model @ 11.51%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,810,593
Divided by Capitalization Factor (9)	11.51%
20th Year Terminal Value	24,418,707
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	2,866,756
Present Value Debt Free Net Cash Flow for 20 Years	11,921,241
Indicated Value	$14,787,998

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by IOU in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

PURTA & Reg Assessment - 2026 assumed due to IOU purchase in 2026.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 19 + line 17.

(5) Line 19.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the current lower end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(9) Discount rate is the current upper end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 29.

(11) Final year shown, line 31.

(12) Final year shown, line 33.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Actual			Budget	Estimated	Estimated
				Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791
3. Other operating revenue	43,433	39,989	31,880	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	1,640,875
6. **Total Operating Revenues**	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	4,393,566
7. **Rate Increase**						**60%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
16. Depreciation (2)	697,781	703,714	703,714	0	839,066	855,273
17. **Total Operating Expenses**	2,569,578	2,559,848	2,413,256	1,948,650	2,836,432	2,902,574
18. **Operating Income**	(97,558)	227,253	386,131	800,890	(85,316)	1,490,992
19. Revenues (3)	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	4,393,566
20. EBITDA (4)	600,223	930,967	1,089,845	800,890	753,750	2,346,266
21. EBIT (5)	(97,558)	227,253	386,131	800,890	(85,316)	1,490,992
22. EBIT	(97,558)	227,253	386,131	800,890	(85,316)	1,490,992
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	(97,558)	227,253	386,131	800,890	(85,316)	1,490,992
25. (+) Depreciation & Amortization	697,781	703,714	703,714	0	839,066	855,273
26. (-) Capital Expenditures (6)	552,104	1,516,365	746,550	581,610	817,908	1,800,000
27. (-) Changes in Working Capital (7)	18,787	21,182	21,275	20,897	20,908	33,391
28. Debt Free Net Cash Flow	$29,332	($606,580)	$322,020	$198,383	($85,067)	$512,874
29. PV Time Period (mid-year)				(0.5)	0.5	1.5
					1	2
30. Present Value Factor: 4.76% (8)					0.9770	0.9326
31. Present Value Debt Free Net Cash Flow					($83,110)	$478,307
					1	2
32. Present Value Factor: 4.66% (9)					0.9775	0.9340
33. Present Value Debt Free Net Cash Flow					($83,153)	$479,025

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	4,380,706	4,385,746	4,390,460	5,273,821	5,279,094	5,284,374
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	878,092	0	0	264,219
6. **Total Operating Revenues**	4,398,606	4,403,646	5,286,452	5,291,721	5,296,994	5,566,493
7. **Rate Increase**			**20%**			**5%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
16. Depreciation (2)	879,141	903,009	926,877	950,745	969,948	982,552
17. **Total Operating Expenses**	2,977,624	3,053,954	3,131,596	3,210,582	3,286,281	3,356,793
18. **Operating Income**	1,420,982	1,349,692	2,154,856	2,081,139	2,010,713	2,209,700
19. Revenues (3)	4,398,606	4,403,646	5,286,452	5,291,721	5,296,994	5,566,493
20. EBITDA (4)	2,300,123	2,252,701	3,081,733	3,031,884	2,980,662	3,192,252
21. EBIT (5)	1,420,982	1,349,692	2,154,856	2,081,139	2,010,713	2,209,700
22. EBIT	1,420,982	1,349,692	2,154,856	2,081,139	2,010,713	2,209,700
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,420,982	1,349,692	2,154,856	2,081,139	2,010,713	2,209,700
25. (+) Depreciation & Amortization	879,141	903,009	926,877	950,745	969,948	982,552
26. (-) Capital Expenditures (6)	1,800,000	1,800,000	1,800,000	1,800,000	945,490	957,776
27. (-) Changes in Working Capital (7)	33,429	33,468	40,177	40,217	40,257	42,305
28. Debt Free Net Cash Flow	$466,694	$419,233	$1,241,556	$1,191,667	$1,994,914	$2,192,171
29. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
	3	4	5	6	7	8
30. Present Value Factor: 4.76% (8)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
31. Present Value Debt Free Net Cash Flow	$415,451	$356,264	$1,007,151	$922,708	$1,474,441	$1,546,796
	3	4	5	6	7	8
32. Present Value Factor: 4.66% (9)	0.8924	0.8526	0.8147	0.7784	0.7437	0.7106
33. Present Value Debt Free Net Cash Flow	$416,477	$357,438	$1,011,496	$927,594	$1,483,618	$1,557,757

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	5,554,141	5,559,695	5,565,255	5,793,653	5,799,446	5,805,246
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	222,610	0	0	203,184
6. **Total Operating Revenues**	5,572,041	5,577,595	5,805,765	5,811,553	5,817,346	6,026,330
7. **Rate Increase**			**4%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
16. Depreciation (2)	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692
17. **Total Operating Expenses**	3,428,917	3,502,691	3,578,154	3,655,347	3,734,309	3,815,084
18. **Operating Income**	2,143,124	2,074,904	2,227,611	2,156,206	2,083,037	2,211,246
19. Revenues (3)	5,572,041	5,577,595	5,805,765	5,811,553	5,817,346	6,026,330
20. EBITDA (4)	3,138,444	3,083,158	3,248,967	3,190,835	3,131,110	3,272,939
21. EBIT (5)	2,143,124	2,074,904	2,227,611	2,156,206	2,083,037	2,211,246
22. EBIT	2,143,124	2,074,904	2,227,611	2,156,206	2,083,037	2,211,246
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	2,143,124	2,074,904	2,227,611	2,156,206	2,083,037	2,211,246
25. (+) Depreciation & Amortization	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692
26. (-) Capital Expenditures (6)	970,222	982,830	995,602	1,008,539	1,021,645	1,034,921
27. (-) Changes in Working Capital (7)	42,348	42,390	44,124	44,168	44,212	45,800
28. Debt Free Net Cash Flow	$2,125,875	$2,057,939	$2,209,242	$2,138,129	$2,065,254	$2,192,217
29. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
	9	10	11	12	13	14
30. Present Value Factor: 4.76% (8)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
31. Present Value Debt Free Net Cash Flow	$1,431,777	$1,323,049	$1,355,812	$1,252,516	$1,154,890	$1,170,206
	9	10	11	12	13	14
32. Present Value Factor: 4.66% (9)	0.6790	0.6488	0.6199	0.5923	0.5659	0.5407
33. Present Value Debt Free Net Cash Flow	$1,443,469	$1,335,191	$1,369,509	$1,266,414	$1,168,727	$1,185,332

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	6,014,438	6,020,452	6,177,135	6,183,312	6,353,517	6,359,870
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	150,511	0	163,858	0	174,896
6. **Total Operating Revenues**	6,032,338	6,188,863	6,195,035	6,365,070	6,371,417	6,552,666
7. **Rate Increase**		**2%**		**3%**		**3%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
16. Depreciation (2)	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208
17. **Total Operating Expenses**	3,897,715	3,982,247	4,068,724	4,157,193	4,247,702	4,340,298
18. **Operating Income**	2,134,623	2,206,616	2,126,311	2,207,877	2,123,715	2,212,368
19. Revenues (3)	6,032,338	6,188,863	6,195,035	6,365,070	6,371,417	6,552,666
20. EBITDA (4)	3,210,112	3,296,081	3,229,934	3,325,841	3,256,207	3,359,576
21. EBIT (5)	2,134,623	2,206,616	2,126,311	2,207,877	2,123,715	2,212,368
22. EBIT	2,134,623	2,206,616	2,126,311	2,207,877	2,123,715	2,212,368
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	2,134,623	2,206,616	2,126,311	2,207,877	2,123,715	2,212,368
25. (+) Depreciation & Amortization	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208
26. (-) Capital Expenditures (6)	1,048,370	1,061,993	1,075,794	1,089,773	1,103,935	1,118,280
27. (-) Changes in Working Capital (7)	45,846	47,035	47,082	48,375	48,423	49,800
28. Debt Free Net Cash Flow	$2,115,896	$2,187,053	$2,107,057	$2,187,694	$2,103,850	$2,191,496
29. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
	15	16	17	18	19	20
30. Present Value Factor: 4.76% (8)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
31. Present Value Debt Free Net Cash Flow	$1,078,049	$1,063,782	$978,307	$969,586	$889,928	$884,926
	15	16	17	18	19	20
32. Present Value Factor: 4.66% (9)	0.5166	0.4936	0.4716	0.4506	0.4306	0.4114
33. Present Value Debt Free Net Cash Flow	$1,093,072	$1,079,529	$993,688	$985,775	$905,918	$901,581

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 4.76%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,191,496
Divided by Capitalization Factor (8)	4.76%
20th Year Terminal Value	46,039,828
20th Year Present Value Factor (11)	0.4038
Present Value of Terminal Value	18,590,883
Present Value Debt Free Net Cash Flow for 20 Years	19,670,834
Indicated Value	$38,261,716

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%			
		Multiples (13)	Terminal Value
Projected EBIT	$2,212,368	20.0	$44,247,353
Projected EBITDA	3,359,576	14.7	49,385,768
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			47,690,091
20th Year Present Value Factor (11)			0.4038
Present Value of Terminal Value			19,257,259
Present Value Debt Free Net Cash Flow for 20 Years			19,670,834
Indicated Value			$38,928,092

DCF With Capitalization of Terminal Value Model @ 4.66%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$2,191,496
Divided by Capitalization Factor (9)	4.66%
20th Year Terminal Value	47,027,807
20th Year Present Value Factor (12)	0.4038
Present Value of Terminal Value	18,989,829
Present Value Debt Free Net Cash Flow for 20 Years	19,670,834
Indicated Value	$38,660,662

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.66%			
		Multiples (13)	Terminal Value
Projected EBIT	$2,212,368	20.0	$44,247,353
Projected EBITDA	3,359,576	14.7	49,385,768
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			47,690,091
20th Year Present Value Factor (12)			0.4038
Present Value of Terminal Value			19,257,259
Present Value Debt Free Net Cash Flow for 20 Years			19,670,834
Indicated Value			$38,928,092

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by MUNI in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.
(3) Line 6.
(4) Line 18 + line 16.
(5) Line 18.
(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53% of prior year-end GROSS Property, plant and equipment.
(7) Changes in Working Capital - based on water industry 0.76% of revenues.
(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.
(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.
(10) Final year shown, line 28.
(11) Final year shown, line 30.
(12) Final year shown, line 30.
(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Actual			Budget	Estimated	Estimated
				Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791
3. Other operating revenue	43,433	39,989	31,880	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	2,461,312
6. **Total Operating Revenues**	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	5,214,003
7. **Rate Increase**						**90%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,871,797	1,856,134	1,709,542	1,948,650	1,997,366	2,047,300
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	0	0	0	0	92,257	92,236
16. **Operating Expenses Before Depreciation**	1,871,797	1,856,134	1,709,542	1,948,650	2,089,623	2,139,536
17. Depreciation (2)	697,781	703,714	703,714	0	839,066	855,273
18. **Total Operating Expenses**	2,569,578	2,559,848	2,413,256	1,948,650	2,928,689	2,994,810
19. **Operating Income**	(97,558)	227,253	386,131	800,890	(177,573)	2,219,193
20. Revenues (3)	2,472,020	2,787,101	2,799,387	2,749,540	2,751,116	5,214,003
21. EBITDA (4)	600,223	930,967	1,089,845	800,890	661,493	3,074,467
22. EBIT (5)	(97,558)	227,253	386,131	800,890	(177,573)	2,219,193
23. EBIT	(97,558)	227,253	386,131	800,890	(177,573)	2,219,193
24. (-) Income Taxes	0	0	0	218,740	(47,798)	588,577
25. Debt Free Net Income	(97,558)	227,253	386,131	582,150	(129,775)	1,630,616
26. (+) Depreciation & Amortization	697,781	703,714	703,714	0	839,066	855,273
27. (-) Capital Expenditures (6)	552,104	1,516,365	746,550	581,610	817,908	1,800,000
28. (-) Changes in Working Capital (7)	18,787	21,182	21,275	20,897	20,908	39,626
29. Debt Free Net Cash Flow	$29,332	($606,580)	$322,020	($20,357)	($129,526)	$646,263
30. PV Time Period (mid-year)				(0.5)	0.5	1.5
31. Present Value Factor: 8.92% (8)					0.9582	0.8797
32. Present Value Debt Free Net Cash Flow					($124,112)	$568,518
					1	2
33. Present Value Factor: 11.61% (9)					0.9466	0.8481
34. Present Value Debt Free Net Cash Flow					($122,609)	$548,096
					1	2
35. Present Value Factor: 8.82% (8)					0.9586	0.8809
36. Present Value Debt Free Net Cash Flow					($124,163)	$569,293
					1	2
37. Present Value Factor: 11.51% (9)					0.9470	0.8492
38. Present Value Debt Free Net Cash Flow					($122,661)	$548,807

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	5,202,088	5,208,073	5,213,671	7,306,439	7,313,745	7,321,059
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	2,085,469	0	0	2,928,424
6. **Total Operating Revenues**	5,219,988	5,225,973	7,317,040	7,324,339	7,331,645	10,267,383
7. **Rate Increase**			**40%**			**40%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,098,483	2,150,945	2,204,719	2,259,837	2,316,332	2,374,241
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	107,603	108,955	110,274	123,422	124,679	124,686
16. **Operating Expenses Before Depreciation**	2,206,086	2,259,900	2,314,993	2,383,259	2,441,011	2,498,927
17. Depreciation (2)	879,141	903,009	926,877	950,745	969,948	982,552
18. **Total Operating Expenses**	3,085,227	3,162,909	3,241,870	3,334,004	3,410,960	3,481,479
19. **Operating Income**	2,134,761	2,063,064	4,075,170	3,990,335	3,920,685	6,785,904
20. Revenues (3)	5,219,988	5,225,973	7,317,040	7,324,339	7,331,645	10,267,383
21. EBITDA (4)	3,013,902	2,966,073	5,002,047	4,941,080	4,890,634	7,768,456
22. EBIT (5)	2,134,761	2,063,064	4,075,170	3,990,335	3,920,685	6,785,904
23. EBIT	2,134,761	2,063,064	4,075,170	3,990,335	3,920,685	6,785,904
24. (-) Income Taxes	557,751	530,870	1,032,530	995,273	977,901	1,692,547
25. Debt Free Net Income	1,577,010	1,532,194	3,042,640	2,995,062	2,942,784	5,093,357
26. (+) Depreciation & Amortization	879,141	903,009	926,877	950,745	969,948	982,552
27. (-) Capital Expenditures (6)	1,800,000	1,800,000	1,800,000	1,800,000	945,490	957,776
28. (-) Changes in Working Capital (7)	39,672	39,717	55,610	55,665	55,721	78,032
29. Debt Free Net Cash Flow	$616,479	$595,486	$2,113,908	$2,090,142	$2,911,522	$5,040,101
30. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
31. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
32. Present Value Debt Free Net Cash Flow	$497,930	$441,553	$1,439,148	$1,306,339	$1,670,922	$2,655,629
	3	4	5	6	7	8
33. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
34. Present Value Debt Free Net Cash Flow	$468,463	$405,407	$1,289,484	$1,142,472	$1,425,772	$2,211,596
	3	4	5	6	7	8
35. Present Value Factor: 8.82% (8)	0.8095	0.7439	0.6836	0.6282	0.5773	0.5305
36. Present Value Debt Free Net Cash Flow	$499,040	$442,982	$1,445,067	$1,313,027	$1,680,822	$2,673,774
	3	4	5	6	7	8
37. Present Value Factor: 11.51% (9)	0.7616	0.6830	0.6125	0.5493	0.4926	0.4417
38. Present Value Debt Free Net Cash Flow	$469,511	$406,717	$1,294,769	$1,148,115	$1,434,216	$2,226,213

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
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	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	10,259,732	10,269,992	10,280,262	10,702,164	10,712,866	10,723,579
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	411,210	0	0	428,943
6. **Total Operating Revenues**	10,277,632	10,287,892	10,709,372	10,720,064	10,730,766	11,170,422
7. **Rate Increase**			**4%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,433,597	2,494,437	2,556,798	2,620,718	2,686,236	2,753,391
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	141,355	141,378	141,399	143,760	143,784	143,807
16. **Operating Expenses Before Depreciation**	2,574,952	2,635,815	2,698,197	2,764,478	2,830,020	2,897,198
17. Depreciation (2)	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692
18. **Total Operating Expenses**	3,570,272	3,644,069	3,719,553	3,799,107	3,878,093	3,958,891
19. **Operating Income**	6,707,360	6,643,823	6,989,819	6,920,957	6,852,673	7,211,531
20. Revenues (3)	10,277,632	10,287,892	10,709,372	10,720,064	10,730,766	11,170,422
21. EBITDA (4)	7,702,680	7,652,077	8,011,175	7,955,586	7,900,746	8,273,224
22. EBIT (5)	6,707,360	6,643,823	6,989,819	6,920,957	6,852,673	7,211,531
23. EBIT	6,707,360	6,643,823	6,989,819	6,920,957	6,852,673	7,211,531
24. (-) Income Taxes	1,672,956	1,657,109	1,743,408	1,726,232	1,709,201	1,798,707
25. Debt Free Net Income	5,034,404	4,986,714	5,246,411	5,194,725	5,143,472	5,412,824
26. (+) Depreciation & Amortization	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692
27. (-) Capital Expenditures (6)	970,222	982,830	995,602	1,008,539	1,021,645	1,034,921
28. (-) Changes in Working Capital (7)	78,110	78,188	81,391	81,472	81,554	84,895
29. Debt Free Net Cash Flow	$4,981,392	$4,933,950	$5,190,774	$5,139,343	$5,088,347	$5,354,700
30. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
31. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
32. Present Value Debt Free Net Cash Flow	$2,409,499	$2,191,167	$2,116,279	$1,923,656	$1,748,865	$1,689,408
	9	10	11	12	13	14
33. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
34. Present Value Debt Free Net Cash Flow	$1,958,185	$1,737,737	$1,638,208	$1,453,406	$1,288,878	$1,215,517
	9	10	11	12	13	14
35. Present Value Factor: 8.82% (8)	0.4875	0.4480	0.4117	0.3783	0.3476	0.3195
36. Present Value Debt Free Net Cash Flow	$2,428,429	$2,210,410	$2,137,042	$1,944,213	$1,768,709	$1,710,827
	9	10	11	12	13	14
37. Present Value Factor: 11.51% (9)	0.3961	0.3552	0.3186	0.2857	0.2562	0.2298
38. Present Value Debt Free Net Cash Flow	$1,973,129	$1,752,539	$1,653,781	$1,468,310	$1,303,634	$1,230,510

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	11,163,675	11,174,838	11,353,804	11,365,157	11,547,170	11,558,717
3. Other operating revenue	17,900	17,900	17,900	17,900	17,900	17,900
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	167,623	0	170,477	0	173,381
6. **Total Operating Revenues**	11,181,575	11,360,361	11,371,704	11,553,534	11,565,070	11,749,998
7. **Rate Increase**		**2%**		**1%**		**2%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	2,822,226	2,892,782	2,965,101	3,039,229	3,115,210	3,193,090
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	146,271	146,295	147,273	147,298	148,292	148,317
16. **Operating Expenses Before Depreciation**	2,968,497	3,039,077	3,112,374	3,186,527	3,263,502	3,341,407
17. Depreciation (2)	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208
18. **Total Operating Expenses**	4,043,986	4,128,542	4,215,997	4,304,491	4,395,994	4,488,615
19. **Operating Income**	7,137,589	7,231,819	7,155,707	7,249,043	7,169,076	7,261,383
20. Revenues (3)	11,181,575	11,360,361	11,371,704	11,553,534	11,565,070	11,749,998
21. EBITDA (4)	8,213,078	8,321,284	8,259,330	8,367,007	8,301,568	8,408,591
22. EBIT (5)	7,137,589	7,231,819	7,155,707	7,249,043	7,169,076	7,261,383
23. EBIT	7,137,589	7,231,819	7,155,707	7,249,043	7,169,076	7,261,383
24. (-) Income Taxes	1,780,265	1,803,767	1,784,784	1,808,064	1,788,118	1,811,141
25. Debt Free Net Income	5,357,324	5,428,052	5,370,923	5,440,979	5,380,958	5,450,242
26. (+) Depreciation & Amortization	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208
27. (-) Capital Expenditures (6)	1,048,370	1,061,993	1,075,794	1,089,773	1,103,935	1,118,280
28. (-) Changes in Working Capital (7)	84,980	86,339	86,425	87,807	87,895	89,300
29. Debt Free Net Cash Flow	$5,299,463	$5,369,185	$5,312,327	$5,381,363	$5,321,621	$5,389,870
30. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
31. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
32. Present Value Debt Free Net Cash Flow	$1,535,254	$1,428,203	$1,297,270	$1,206,502	$1,095,190	$1,018,685
	15	16	17	18	19	20
33. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
34. Present Value Debt Free Net Cash Flow	$1,077,911	$978,266	$867,503	$787,293	$697,664	$632,771
	15	16	17	18	19	20
35. Present Value Factor: 8.82% (8)	0.2936	0.2698	0.2479	0.2278	0.2094	0.1924
36. Present Value Debt Free Net Cash Flow	$1,555,922	$1,448,606	$1,316,926	$1,225,875	$1,114,347	$1,037,011
	15	16	17	18	19	20
37. Present Value Factor: 11.51% (9)	0.2060	0.1848	0.1657	0.1486	0.1333	0.1195
38. Present Value Debt Free Net Cash Flow	$1,091,689	$992,225	$880,253	$799,671	$709,372	$644,089

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$5,389,870
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	60,424,553
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	11,420,240
Present Value Debt Free Net Cash Flow for 20 Years	28,115,907
Indicated Value	$39,536,147

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%		Multiples (13)	Terminal Value
Projected EBIT	$7,261,383	20.0	$145,227,653
Projected EBITDA	8,408,591	14.7	123,606,289
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			130,741,339
20th Year Present Value Factor (11)			0.1890
Present Value of Terminal Value			24,710,113
Present Value Debt Free Net Cash Flow for 20 Years			28,115,907
Indicated Value			$52,826,020

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$5,389,870
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	46,424,376
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	5,450,222
Present Value Debt Free Net Cash Flow for 20 Years	21,702,020
Indicated Value	$27,152,242

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%		Multiples (13)	Terminal Value
Projected EBIT	$7,261,383	20.0	$145,227,653
Projected EBITDA	8,408,591	14.7	123,606,289
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			130,741,339
20th Year Present Value Factor (12)			0.1174
Present Value of Terminal Value			15,349,033
Present Value Debt Free Net Cash Flow for 20 Years			21,702,020
Indicated Value			$37,051,054

DCF With Capitalization of Terminal Value Model @ 8.82%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$5,389,870
Divided by Capitalization Factor (8)	8.82%
20th Year Terminal Value	61,109,638
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	11,549,722
Present Value Debt Free Net Cash Flow for 20 Years	28,115,907
Indicated Value	$39,665,628

DCF With Capitalization of Terminal Value Model @ 11.51%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$5,389,870
Divided by Capitalization Factor (9)	11.51%
20th Year Terminal Value	46,827,716
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	5,497,574
Present Value Debt Free Net Cash Flow for 20 Years	21,702,020
Indicated Value	$27,199,594

See last page of this EXHIBIT for notes and assumptions.

Income Approach
Indian Creek Valley Water Authority Water System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by IOU in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

PURTA & Reg Assessment - 2026 assumed due to IOU purchase in 2026.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 19 + line 17.

(5) Line 19.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the current lower end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(9) Discount rate is the current upper end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 29.

(11) Final year shown, line 31.

(12) Final year shown, line 33.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Indian Creek Valley Water Authority Water System Assets
Summary of Income Approach Results and Conclusion

Methods	Results
Exhibit 15, page 5 (MUNI)	
DCF With Capitalization of Terminal Value Model @ 4.66%	$38,660,662
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.66%	38,928,092
Indicated Value (Median)	$38,794,377
Exhibit 16, page 5 (IOU)	
DCF With Capitalization of Terminal Value Model @ 8.82%	$39,665,628
DCF With Capitalization of Terminal Value Model @ 11.51%	27,199,594
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%	52,826,020
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%	37,051,054
Indicated Value (Median)	$38,358,341
Conclusion	
MUNI DCF	$38,794,377
IOU DCF	38,358,341
Conclusion (Median)	$38,576,359

Market Multiples Method
Indian Creek Valley Water Authority Water System Assets
2025 Operations
Market Multiple Method

	A	B	C	D (Col B × Col C)	E (Col A × Col D)
	Subject Company Statistic (1)	Comparison Group's Valuation Multiples 5/30/2025	ICVWA's Growth & Risk Adjustment	ICVWA's Risk Adjusted Valuation Multiples 5/30/2025	ICVWA's Market Multiples Valuation
Risk Adjusted Multiple					
1. Indian Creek Valley Water Authority Water System Assets					
2. Investor Provided Capital	$17,624,032	1.45	95.00%	1.38	$24,321,164
3. Gross PP&E	$33,029,748	1.04	107.00%	1.11	36,663,020
4. Net PP&E	$22,809,816	1.29	107.00%	1.38	31,477,546
5. Revenues	$2,749,540	6.92	95.00%	6.57	18,064,478
6. EBITDA	$800,890	15.47	95.00%	14.70	11,773,083
7. EBIT	$219,280	21.00	95.00%	19.95	4,374,636
8. Customers	2,600	$9,430	108.00%	$10,184	26,478,400
9. Population	6,780	$2,940	108.00%	$3,175	21,526,500
10.					
11. Average					$21,834,853

Conclusion of Market Multiple Method Valuation For Domestic Customers

		Low	High		Conclusion
12.	Capital Items	$24,321,164	$36,663,020		$30,492,092
13.	(Items 2-4)				
14.	Income Statement Items	4,374,636	18,064,478		-
15.	(Items 5 -7)				
16.	Demographics Items	21,526,500	26,478,400		24,002,450
17.	(Items 8-9)				
				Conclusion *	$27,247,271

* - Conclusion based on weighting of 50% Capital Items and 50% Demographics Items

Market Multiples Method
Indian Creek Valley Water Authority Water System Assets
Development of Market Multiples Method for the Market Multiples Method

	Latest Quarter End			Latest 12 Months			2024		5/30/2025
	Gross PP&E	Net PP&E	Invest. Total Capital	12 Mos. Rev.	12 Mos. EBITDA	12 Mos. EBIT	Customers	Population	Enterprise Value
	($ Mill)	($ Mill)	($ Mill)	($ Mill)	($ Mill)	($ Mill)			($ Mill)
American States Water Co	$2,807.602	$2,154.074	$1,903.898	$608.221	$239.177	$193.992	289,414	1,000,000	$3,963.448
American Water Works Co Inc	$35,553.000	$28,464.000	$25,043.000	$4,815.000	$2,602.000	$1,786.000	3,546,000	14,000,000	$42,200.811
Artesian Resources -CL A	$957.616	$760.687	$420.574	$109.294	$47.984	$34.463	108,740	326,850	$530.311
California Water Service Gp	$5,498.140	$4,230.215	$3,093.807	$970.030	$345.464	$208.232	555,900	2,000,000	$4,234.791
Essential Utilities, Inc.	$16,568.441	$13,350.419	$14,249.432	$2,257.670	$1,239.778	$860.653	1,869,306	5,500,000	$18,569.965
H2O America	$4,608.548	$3,549.464	$3,260.067	$766.656	$302.058	$186.301	407,000	1,551,000	$3,632.955
Middlesex Water Company	$1,350.457	$1,086.279	$846.410	$195.654	$89.834	$59.862	128,300	500,000	$1,433.179
York Water Co	$668.696	$541.413	$444.271	$75.787	$42.439	$28.996	79,771	212,000	$682.440
Average	$8,501.563	$6,767.069	$6,157.682	$1,224.789	$613.592	$419.812	873,054	3,136,231	$9,405.988
Max	$35,553.000	$28,464.000	$25,043.000	$4,815.000	$2,602.000	$1,786.000	3,546,000	14,000,000	$42,200.811
Min	$668.696	$541.413	$420.574	$75.787	$42.439	$28.996	79,771	212,000	$530.311
Median	$3,708.075	$2,851.769	$2,498.853	$687.439	$270.618	$190.147	348,207	1,275,500	$3,798.202

	Enterprise Value as a Multiple of								
	Invest. Capital	Gross PP&E	Net PP&E	Rev.	EBITDA	EBIT	Customers	Population	Population Per Customer
	(x)	(x)	(x)	(x)	(x)	(x)	($)	($)	
American States Water Co	2.08	1.41	1.84	6.52	16.57	20.43	$13,695	$3,963	3.46
American Water Works Company Inc	1.69	1.19	1.48	8.76	16.22	23.63	$11,901	$3,014	3.95
Artesian Resources Corp	1.26	0.55	0.70	4.85	11.05	15.39	$4,877	$1,622	3.01
California Water Service Group	1.37	0.77	1.00	4.37	12.26	20.34	$7,618	$2,117	3.60
Essential Utilities, Inc.	1.30	1.12	1.39	8.23	14.98	21.58	$9,934	$3,376	2.94
Middlesex Water Co	1.11	0.79	1.02	4.74	12.03	19.50	$8,926	$2,342	3.81
SJW Corp.	1.69	1.06	1.32	7.33	15.95	23.94	$11,171	$2,866	3.90
York Water Company (The)	1.54	1.02	1.26	9.00	16.08	23.54	$8,555	$3,219	2.66
Average	1.51	0.99	1.25	6.72	14.39	21.04	$9,585	$2,815	3.41
Max	2.08	1.41	1.84	9.00	16.57	23.94	$13,695	$3,963	3.95
Min	1.11	0.55	0.70	4.37	11.05	15.39	$4,877	$1,622	2.66
Median	1.45	1.04	1.29	6.92	15.47	21.00	$9,430	$2,940	3.53

Market Multiples Method
Indian Creek Valley Water Authority Water System Assets
Quantification of the Effective Risk/Growth Adjustments

		Net PP&E	Gross PP&E	Invest. Capital
Comparable Group Multiple		1.29	1.04	1.45
Ratio to Net PPE			80.62%	
Not Contributed Multiple (NPPE = ICAP mult.)		1.45	1.17	
Base Risk Factor	x	95%	95%	
Subject Company Adjusted Multiple		1.38	1.11	
Subject Company Adjusted Multiple		1.38	1.11	
Comparable Group Multiple	÷	1.29	1.04	
Effective Risk/Growth Adjustment		107%	107%	

		Net PP&E	Gross PP&E
Plant Assets		100%	100%
Ratio of Known "Cost Free" Capital		22%	22%
Plant Assets Less Known "Cost Free" Capital		78%	78%
Comparable Group Multiple		1.29	1.04
Plant Assets Less Known "Cost Free" Capital	÷	78%	78%
Mulitple Without "Cost Free" Capital		1.65	1.33
Base Risk Factor	x	95%	95%
Subject Company Adjusted Multiple		1.57	1.27
Subject Company Adjusted Multiple		1.57	1.27
Comparable Group Multiple	÷	1.29	1.04
Effective Risk/Growth Adjustment		122%	122%

		Net PP&E	Customers
Comparable Group Multiple		1.29	9,430.00
Implied Capitalization Rate (1÷Multiple)		77.52%	0.0106%
Ratio of Net PP&E Mult. to Invest. Capital Mult.		112.40%	
Less 1	-	1.00	
Difference in Capital Source due to Contributions		12.40%	
Assumed Investor Financed (1-Difference in Capital Source)		87.60%	87.60%
Implied Capitalization Rate (1÷Multiple)	x		0.0106%
Not Contributed Cap. Rate			0.0093%
Not Contributed Multiple (1÷Cap. Rate)			10,764.84
Base Risk Factor	x		95%
Subject Company Adjusted Multiple			10,226.60
Subject Company Adjusted Multiple			10,226.60
Comparable Group Multiple	÷		9,430.00
Effective Risk/Growth Adjustment			108%

Selected Transactions Method
For Indian Creek Valley Water Authority Water System Assets
Summary

		Median	Mid-Point	Value
	All Selected Transactions Companies (N = 25)			
1.	Asset Items			$60,938,852
2.	Ex-Ante (page 2)	$48,206,861	$87,446,264	
3.	Ex-Post (page 3)	$38,222,481	$69,879,803	
4.	Demographics Items			$36,909,221
5.	Ex-Ante (page 2)	$18,819,263	$54,999,178	
6.	Ex-Post (page 3)	$18,819,263	$54,999,178	
7.			Indicated Value *	$48,924,036
	Fully Integrated Including Wholesale Selected Transactions Companies (N = 13)			
8.	Asset Items			$63,675,839
9.	Ex-Ante (page 2)	$50,894,763	$87,446,264	
10.	Ex-Post (page 3)	$46,211,730	$70,150,597	
11.	Demographics Items			$41,661,783
12.	Ex-Ante (page 2)	$24,648,111	$58,675,456	
13.	Ex-Post (page 3)	$24,648,111	$58,675,456	
14.			Indicated Value *	$52,668,811
	Mostly Collection/Distribution Selected Transactions Companies (N = 12)			
15.	Asset Items			$44,484,673
16.	Ex-Ante (page 2)	$37,275,826	$54,414,289	
17.	Ex-Post (page 3)	$34,419,556	$51,829,023	
18.	Demographics Items			$15,620,644
19.	Ex-Ante (page 2)	$11,202,894	$20,038,393	
20.	Ex-Post (page 3)	$11,202,894	$20,038,393	
21.			Indicated Value *	$30,052,658
	Integrated, Excluding Wholesale Selected Transactions Companies (N = 8)			
22.	Asset Items			$43,339,508
23.	Ex-Ante (page 2)	$42,891,188	$54,594,234	
24.	Ex-Post (page 3)	$37,381,712	$38,490,897	
25.	Demographics Items			$25,691,142
26.	Ex-Ante (page 2)	$24,648,111	$26,734,173	
27.	Ex-Post (page 3)	$24,648,111	$26,734,173	
28.			Indicated Value *	$34,515,325

Conclusion of Selected Transactions Method Valuation For Domestic Customers

		Indicated Values	Weight	
29.	Mostly Collection/Distribution Transactions	$30,052,658	0%	$0
30.	Integrated, Excluding Wholesale Selected Transactions	34,515,325	100%	34,515,325
31.	Conclusion Before Market Adjustment			34,515,325
32.	Market Adjustment			95%
33.			Conclusion	$32,789,559

* - Indicated Value based on weighting of 50% Asset Items and 50% Demographics Items

Selected Transactions Method - Ex-Ante
For Indian Creek Valley Water Authority Water System Assets
Based on 2016 - 2025 Acquisitions of Assets of Water or Sewer System, Without Discount for Customer Contributions

Name	Service	System	Selected Transactions' Metrics: Announced Purchase Price was:	Investor Provided Capital	Gross PP&E	Net PP&E	Revenues	EBITDA	EBIT	Customers	Population
Municipal Authority of the City of Mckeesport	WW	INTWW	$156,000,000	$83,903,219	$91,435,797	$73,813,794	$13,047,844	$6,180,616	$3,811,679	12,780	46,468
New Garden Township/Authority's WW System's Assets	WW	INT	$29,500,000	$23,001,140	$25,988,330	$17,967,319	$2,261,294	$907,386	$499,638	1,796	12,085
Limerick Township Wastewater System's Assets	WW	INT	$75,100,000	$43,501,755	$60,847,250	$36,113,701	$4,418,775	$2,487,775	$893,600	5,416	18,798
Steelton Borough (Water) Authority	W	INT	$22,500,000	NA	NA	NA	NA	NA	NA	2,472	5,932
Exeter Township Wastewater System Assets	WW	INT	$96,000,000	NA	NA	NA	$7,735,788	$4,660,967	$4,660,967	8,984	27,609
Kane Borough Authority Wastewater System	WW	INT	$17,560,000	$10,809,115	$20,265,926	$8,897,773	$1,433,978	$684,830	$181,672	2,019	4,645
Borough of Royersford Wastewater System Assets	WW	INT	$13,000,000	$4,702,972	$6,883,116	$4,545,699	$863,000	$280,365	$280,365	1,596	5,154
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$12,000,000	$13,119,705	$21,134,020	$11,252,247	$1,990,000	$245,000	($84,731)	2,899	6,166
Butler Area Sewer Authority	WW	INT	$231,500,000	$74,049,964	$138,491,270	$58,390,335	$12,258,500	$6,064,530	$2,330,186	14,699	52,499
Greenville Wastewater System Assets	WW	INTWW	$18,000,000	$8,273,183	$21,024,168	$7,006,831	$1,858,698	$822,698	$822,698	2,270	9,758
City of Beaver Falls Wastewater System Assets	WW	INTWW	$41,250,000	$8,146,961	$13,298,336	$6,026,108	$3,025,415	$773,752	$532,936	3,259	15,580
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$28,000,000	$18,965,320	$17,259,928	$16,740,424	$1,780,000	$833,460	$833,460	683	5,384
York City Sewer Authority Wastewater System Assets	WW	INTWW	$235,000,000	$100,493,098	$120,654,506	$78,592,332	$24,641,181	$9,759,797	$6,150,926	13,747	80,929
Sadsbury Township Wastewater Utility	WW	C/D	$9,250,000	NA	NA	NA	NA	NA	NA	998	3,850
East Bradford Township Wastewater System Assets	WW	C/D	$5,000,000	$1,298,627	NA	NA	$1,130,372	$49,804	$49,804	1,248	9,942
Township of Mahoning Water System Assets	W	C/D	$4,734,800	NA	NA	NA	$753,857	$151,916	$91,468	1,186	4,218
Township of Mahoning Sewer System Assets	WW	C/D	$4,765,200	NA	NA	NA	$1,193,055	($173,564)	($244,337)	1,451	4,218
Cheltenham Township Wastewater System Assets	WW	C/D	$50,250,000	NA	NA	NA	$9,290,500	$4,506,168	$4,506,168	10,219	37,841
East Norriton Township Wastewater System Assets	WW	C/D	$21,000,000	$4,055,138	NA	NA	$3,320,000	$612,827	$612,827	4,966	14,296
Valley Township Water System Assets	W	C/D	$7,325,000	NA	NA	NA	$698,550	$78,704	$78,704	1,669	7,493
Valley Township Wastewater System Assets	WW	C/D	$13,950,000	NA	NA	NA	$2,743,957	($408,562)	($408,562)	3,125	7,493
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$13,750,000	NA	$15,295,347	$11,548,897	$1,380,242	$858,878	$858,878	1,428	5,530
Lower Makefield Township Wastewater System Assets	WW	C/D	$53,000,000	$16,525,411	NA	$17,592,071	$10,012,924	$4,053,817	$3,520,813	11,151	33,197
Willistown Township Wastewater Systems Assets	WW	C/D	$17,500,000	$9,866,721	$8,673,707	$4,887,532	$2,148,508	$297,618	($8,933)	2,294	11,214
East Whiteland Township Wastewater System Assets	WW	C/D	$54,930,000	$42,513,245	$48,672,940	$34,143,673	$4,328,000	$1,942,553	$1,209,102	3,895	14,720

			Subject Company's Metrics							
Indian Creek Valley Water Authority Water System Assets			$17,624,032	$33,029,748	$22,809,816	$2,749,540	$800,890	$219,280	2,600	6,780

			Subject Company's Selected Transactions Multiples Valuations							
Municipal Authority of the City of Mckeesport	WW	INTWW	$31,736,079	$32,768,099	$56,352,554	$48,206,861	$32,873,495	$20,214,626	$8,974,439	$31,737,089	$22,761,470
New Garden Township/Authority's WW System's Assets	WW	INT	$28,957,202	$22,603,616	$37,492,889	$37,450,750	$35,869,476	$26,037,712	$12,946,894	$42,706,013	$16,550,269
Limerick Township Wastewater System's Assets	WW	INT	$33,887,667	$30,425,550	$40,766,577	$47,433,997	$46,730,249	$24,176,961	$18,428,747	$36,052,437	$27,086,818
Steelton Borough (Water) Authority	W	INT	$24,690,751	NA	NA	NA	NA	NA	NA	$23,665,049	$25,716,453
Exeter Township Wastewater System Assets	WW	INT	$21,298,211	NA	NA	NA	$34,121,390	$16,495,598	$4,516,419	$27,782,725	$23,574,921
Kane Borough Authority Wastewater System	WW	INT	$28,238,988	$28,631,206	$28,619,584	$45,015,800	$33,669,919	$20,535,941	$21,195,103	$22,613,175	$25,631,173
Borough of Royersford Wastewater System Assets	WW	INT	$37,916,577	$48,716,517	$62,382,608	$65,232,566	$41,418,331	$37,135,769	$10,167,603	$21,177,945	$17,101,281
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$13,488,627	$16,119,904	$18,754,453	$24,325,612	$16,580,141	$39,227,265	($31,055,628)	$10,762,332	$13,194,940
Butler Area Sewer Authority	WW	INT	$46,983,871	$55,097,439	$55,212,048	$90,434,015	$51,924,665	$30,572,202	$21,785,091	$40,948,364	$29,897,141
Greenville Wastewater System Assets	WW	INTWW	$25,911,377	$38,344,683	$28,278,668	$58,596,631	$26,627,091	$17,522,862	$4,797,679	$20,616,740	$12,506,661
City of Beaver Falls Wastewater System Assets	WW	INTWW	$61,980,648	$89,234,663	$102,454,706	$156,138,076	$37,488,584	$42,696,799	$16,972,588	$32,908,868	$17,950,899
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$42,140,796	$26,019,751	$53,582,665	$38,151,653	$43,251,191	$26,905,814	$7,366,688	$106,588,580	$35,260,030
York City Sewer Authority Wastewater System Assets	WW	INTWW	$36,470,893	$41,213,253	$64,332,374	$68,203,941	$26,222,035	$19,284,125	$8,377,730	$44,446,061	$19,687,627
Sadsbury Township Wastewater Utility	WW	C/D	$20,193,903	NA	NA	NA	NA	NA	NA	$24,098,196	$16,289,610
East Bradford Township Wastewater System Assets	WW	C/D	$32,710,572	$67,856,405	NA	NA	$12,162,102	$80,404,184	$22,014,296	$10,416,667	$3,409,777
Township of Mahoning Water System Assets	W	C/D	$14,314,428	NA	NA	NA	$17,269,220	$24,961,483	$11,350,904	$10,379,831	$7,610,703
Township of Mahoning Sewer System Assets	WW	C/D	$183,026	NA	NA	NA	$10,981,982	($21,988,495)	($4,276,532)	$8,538,608	$7,659,568
Cheltenham Township Wastewater System Assets	WW	C/D	$9,607,244	NA	NA	NA	$14,871,577	$8,931,030	$2,445,275	$12,785,008	$9,003,330
East Norriton Township Wastewater System Assets	WW	C/D	$27,428,756	$91,268,083	NA	NA	$17,391,669	$27,444,434	$7,514,160	$10,994,764	$9,959,429
Valley Township Water System Assets	W	C/D	$28,363,634	NA	NA	NA	$28,831,695	$74,539,023	$20,408,442	$11,411,025	$6,627,986
Valley Township Wastewater System Assets	WW	C/D	$674,907	NA	NA	NA	$13,978,383	($27,345,704)	($7,487,128)	$11,606,400	$12,622,581
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$20,352,281	NA	$29,692,627	$27,157,136	$27,390,976	$12,821,655	$3,510,510	$25,035,014	$16,858,047
Lower Makefield Township Wastewater System Assets	WW	C/D	$25,250,108	$56,523,477	NA	$68,719,609	$14,553,753	$10,470,914	$3,300,897	$12,357,636	$10,824,472
Willistown Township Wastewater Systems Assets	WW	C/D	($18,765,773)	$31,258,668	$66,640,548	$81,671,441	$22,395,518	$47,092,545	($429,599,776)	$19,834,350	$10,580,524
East Whiteland Township Wastewater System Assets	WW	C/D	$28,277,074	$22,771,446	$37,275,826	$36,696,204	$34,896,542	$22,646,949	$9,961,979	$36,667,009	$25,300,639

Definitions: Where "INTWW" is "Fully Integrated With Wholsale Assets", "INT" is "Fully Integrated Assets" and "C/D" is "Mostly Collection/Distribution Assets".
Where "WW" is wastewater and "W" is water.

Selected Transactions Method - Ex-Post

For Indian Creek Valley Water Authority Water System Assets

Based on 2016 - 2025 Acquisitions of Assets of Water or Sewer System, Without Discount for Customer Contributions

			Ex-Post Selected Transactions' Metrics								
Name	Service	System	Announced Purchase Price was:	Investor Provided Capital	Ex-POST - OCN - Gross PP&E	Ex-Post - OCNLD - Net PP&E	Revenues	EBITDA	EBIT	Customers	Population
Municipal Authority of the City of Mckeesport	WW	INTWW	$156,000,000	$83,903,219	$108,231,570	$80,085,602	$13,047,844	$6,180,616	$3,811,679	12,780	46,468
New Garden Township/Authority's WW System's Assets	WW	INT	$29,500,000	$23,001,140	$27,146,852	$18,567,728	$2,261,294	$907,386	$499,638	1,796	12,085
Limerick Township Wastewater System's Assets	WW	INT	$75,100,000	$43,501,755	$63,480,402	$46,153,867	$4,418,775	$2,487,775	$893,600	5,416	18,798
Steelton Borough (Water) Authority	W	INT	$22,500,000	NA	$19,739,906	$14,433,435	NA	NA	NA	2,472	5,932
Exeter Township Wastewater System Assets	WW	INT	$96,000,000	NA	$68,404,345	$42,678,351	$7,735,788	$4,660,967	$4,660,967	8,984	27,609
Kane Borough Authority Wastewater System	WW	INT	$17,560,000	$10,809,115	$21,023,527	$13,503,901	$1,433,978	$684,830	$181,672	2,019	4,645
Borough of Royersford Wastewater System Assets	WW	INT	$13,000,000	$4,702,972	$7,666,493	$5,453,064	$863,000	$280,365	$280,365	1,596	5,154
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$12,000,000	$13,119,705	$19,380,636	$10,784,743	$1,990,000	$245,000	($84,731)	2,899	6,166
Butler Area Sewer Authority	WW	INT	$231,500,000	$74,049,964	$143,771,330	$93,409,083	$12,258,500	$6,064,530	$2,330,186	14,699	52,499
Greenville Wastewater System Assets	WW	INTWW	$18,000,000	$8,273,183	$12,895,187	$6,047,619	$1,858,698	$822,698	$822,698	2,270	9,758
City of Beaver Falls Wastewater System Assets	WW	INTWW	$41,250,000	$8,146,961	$12,898,487	$7,850,687	$3,025,415	$773,752	$532,936	3,259	15,580
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$28,000,000	$18,965,320	$19,220,013	$16,620,978	$1,780,000	$833,460	$833,460	683	5,384
York City Sewer Authority Wastewater System Assets	WW	INTWW	$235,000,000	$100,493,098	$155,875,776	$115,727,779	$24,641,181	$9,759,797	$6,150,926	13,747	80,929
Sadsbury Township Wastewater Utility	WW	C/D	$9,250,000	NA	$7,480,601	$6,128,876	NA	NA	NA	998	3,850
East Bradford Township Wastewater System Assets	WW	C/D	$5,000,000	$1,298,627	$8,294,931	$5,473,948	$1,130,372	$49,804	$49,804	1,248	9,942
Township of Mahoning Water System Assets	W	C/D	$4,734,800	NA	$5,294,272	$3,507,138	$753,857	$151,916	$91,468	1,186	4,218
Township of Mahoning Sewer System Assets	WW	C/D	$4,765,200	NA	$4,931,649	$3,234,859	$1,193,055	($173,564)	($244,337)	1,451	4,218
Cheltenham Township Wastewater System Assets	WW	C/D	$50,250,000	NA	$19,818,216	$15,408,458	$9,290,500	$4,506,168	$4,506,168	10,219	37,841
East Norriton Township Wastewater System Assets	WW	C/D	$21,000,000	$4,055,138	$16,916,212	$9,251,450	$3,320,000	$612,827	$612,827	4,966	14,296
Valley Township Water System Assets	W	C/D	$7,325,000	NA	$6,843,616	$4,983,659	$698,550	$78,704	$78,704	1,669	7,493
Valley Township Wastewater System Assets	WW	C/D	$13,950,000	NA	$13,389,108	$8,832,690	$2,743,957	($408,562)	($408,562)	3,125	7,493
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$13,750,000	NA	$15,295,347	$11,548,897	$1,380,242	$858,878	$858,878	1,428	5,530
Lower Makefield Township Wastewater System Assets	WW	C/D	$53,000,000	$16,525,411	$32,003,924	$19,808,274	$10,012,924	$4,053,817	$3,520,813	11,151	33,197
Willistown Township Wastewater Systems Assets	WW	C/D	$17,500,000	$9,866,721	$19,641,520	$13,367,274	$2,148,508	$297,618	($8,933)	2,294	11,214
East Whiteland Township Wastewater System Assets	WW	C/D	$54,930,000	$42,513,245	$43,447,309	$32,955,596	$4,328,000	$1,942,553	$1,209,102	3,895	14,720

				Subject Company's Metrics							
Indian Creek Valley Water Authority Water System Assets				$17,624,032	$33,029,748	$22,809,816	$2,749,540	$800,890	$219,280	2,600	6,780

			Ex-Post Subject Company's Selected Transactions Multiples Valuations								
Municipal Authority of the City of Mckeesport	WW	INTWW	$30,171,047	$32,768,099	$47,607,557	$44,431,598	$32,873,495	$20,214,626	$8,974,439	$31,737,089	$22,761,470
New Garden Township/Authority's WW System's Assets	WW	INT	$28,605,819	$22,603,616	$35,892,838	$36,239,736	$35,869,476	$26,037,712	$12,946,894	$42,706,013	$16,550,269
Limerick Township Wastewater System's Assets	WW	INT	$32,386,463	$30,425,550	$39,075,589	$37,115,355	$46,730,249	$24,176,961	$18,428,747	$36,052,437	$27,086,818
Steelton Borough (Water) Authority	W	INT	$30,646,837	NA	$37,648,068	$35,557,777	NA	NA	NA	$23,665,049	$25,716,453
Exeter Township Wastewater System Assets	WW	INT	$29,164,812	NA	$46,354,596	$51,308,035	$34,121,390	$16,495,598	$4,516,419	$27,782,725	$23,574,921
Kane Borough Authority Wastewater System	WW	INT	$26,190,732	$28,631,206	$27,588,253	$29,661,086	$33,669,919	$20,535,941	$21,195,103	$22,613,175	$25,631,173
Borough of Royersford Wastewater System Assets	WW	INT	$35,762,980	$48,716,517	$56,008,233	$54,378,164	$41,418,331	$37,135,769	$10,167,603	$21,177,945	$17,101,281
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$13,832,529	$16,119,904	$20,451,185	$25,380,094	$16,580,141	$39,227,265	($31,055,628)	$10,762,332	$13,194,940
Butler Area Sewer Authority	WW	INT	$42,492,484	$55,097,439	$53,184,363	$56,530,610	$51,924,665	$30,572,202	$21,785,091	$40,948,364	$29,897,141
Greenville Wastewater System Assets	WW	INTWW	$29,301,446	$38,344,683	$46,105,222	$67,890,634	$26,627,091	$17,522,862	$4,797,679	$20,616,740	$12,506,661
City of Beaver Falls Wastewater System Assets	WW	INTWW	$57,841,647	$89,234,663	$105,630,769	$119,850,009	$37,488,584	$42,696,799	$16,972,588	$32,908,868	$17,950,899
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$41,492,014	$26,019,751	$48,118,227	$38,425,828	$43,251,191	$26,905,814	$7,366,688	$106,588,580	$35,260,030
York City Sewer Authority Wastewater System Assets	WW	INTWW	$31,918,134	$41,213,253	$49,796,004	$46,318,238	$26,222,035	$19,284,125	$8,377,730	$44,446,061	$19,687,627
Sadsbury Township Wastewater Utility	WW	C/D	$28,913,957	NA	$40,842,329	$34,425,692	NA	NA	NA	$24,098,196	$16,289,610
East Bradford Township Wastewater System Assets	WW	C/D	$29,625,989	$67,856,405	$19,909,597	$20,834,885	$12,162,102	$80,404,184	$22,014,296	$10,416,667	$3,409,777
Township of Mahoning Water System Assets	W	C/D	$18,843,684	NA	$29,539,331	$30,794,316	$17,269,220	$24,961,483	$11,350,904	$10,379,831	$7,610,703
Township of Mahoning Sewer System Assets	WW	C/D	$9,490,104	NA	$31,914,955	$33,600,641	$10,981,982	($21,988,495)	($4,276,532)	$8,538,608	$7,659,568
Cheltenham Township Wastewater System Assets	WW	C/D	$29,453,135	NA	$83,748,448	$74,387,278	$14,871,577	$8,931,030	$2,445,275	$12,785,008	$9,003,330
East Norriton Township Wastewater System Assets	WW	C/D	$32,169,052	$91,268,083	$41,003,548	$51,776,331	$17,391,669	$27,444,434	$7,514,160	$10,994,764	$9,959,429
Valley Township Water System Assets	W	C/D	$30,099,600	NA	$35,353,080	$33,525,950	$28,831,695	$74,539,023	$20,408,442	$11,411,025	$6,627,986
Valley Township Wastewater System Assets	WW	C/D	$10,544,696	NA	$34,413,419	$36,024,918	$13,978,383	($27,345,704)	($7,487,128)	$11,606,400	$12,622,581
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$20,352,281	NA	$29,692,627	$27,157,136	$27,390,976	$12,821,655	$3,510,510	$25,035,014	$16,858,047
Lower Makefield Township Wastewater System Assets	WW	C/D	$27,970,130	$56,523,477	$54,698,813	$61,031,075	$14,553,753	$10,470,914	$3,300,897	$12,357,636	$10,824,472
Willistown Township Wastewater Systems Assets	WW	C/D	($29,893,474)	$31,258,668	$29,428,506	$29,861,869	$22,395,518	$47,092,545	($429,599,776)	$19,834,350	$10,580,524
East Whiteland Township Wastewater System Assets	WW	C/D	$29,002,860	$22,771,446	$41,759,181	$38,019,133	$34,896,542	$22,646,949	$9,961,979	$36,667,009	$25,300,639

Definitions: Where "INTWW" is "Fully Integrated With Wholsale Assets", "INT" is "Fully Integrated Assets" and "C/D" is "Mostly Collection/Distribution Assets".
Where "WW" is wastewater and "W" is water.

Summar of Selected Transactions Method - Wall Street Transactions
For Indian Creek Valley Water Authority Water System Assets
Based on Recent Walls Sreet Transactions Without Discount for Cost Free Capital

	Indian Creek Valley Water Authority Water System Assets's Domestic Customers Indicated Value
Based on Recent SJW Group's Purchase of Connecticut Water Service Inc.	$36,375,929
Based on Recent Aquarion Water Company's Purchase of New England Service Company, Inc.	$31,940,626
Based on Recent Aquarion Water Company's Purchase of Torrington Water Company, Inc.	$47,724,006

Summary of Selected Transactions Method - Wall Street Transactions

For Indian Creek Valley Water Authority Water System Assets

Based on Recent SJW Group's Bid and Purchase of Connecticut Water Service Inc., With and Without Discount for Cost Free Capital

Connecticut Water Service Inc. (*Financial information reported in 000 of $*)			Indian Creek Valley Water Authority Water System Assets			
Purchase Price was: $1,106,267			Indian Creek Valley Water Authority Water System Assets's Company Statistics	Selected Transactions Multiples Valuation		Domestic Customers Indicated Value *
	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$573,223	1.93	$17,624,032	$34,012,742		
Gross PP&E	$939,050	1.18	$33,029,748	$38,911,370		
Net PP&E	$697,723	1.59	$22,809,816	$36,165,854	$36,462,056	
Revenues	$107,054	10.33	$2,749,540	$28,413,002		
EBITDA	$48,920	22.61	$800,890	$18,111,166		
EBIT	$32,236	34.32	$219,280	$7,525,197		$27,699,110
Customers	135,645	$8,156	2,600	$21,204,573		
Population	450,000	$2,458	6,780	$16,667,757	$18,936,165	
Average				$25,126,457		
	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$573,223	1.93	$17,624,032	$34,012,742		
Gross PP&E (Less "Cost Free" Capital)	$646,723	1.71	$33,029,748	$56,499,836		
Net PP&E (Less "Cost Free" Capital)	$480,521	2.30	$22,809,816	$52,513,309	$45,256,289	
Revenues	$107,054	10.33	$2,749,540	$28,413,002		
EBITDA	$48,920	22.61	$800,890	$18,111,166		
EBIT	$32,236	34.32	$219,280	$7,525,197		$36,375,929
Customers (Adj. "Cost Free" Capital)	93,419	$11,842	2,600	$30,789,327		
Population (Adj. "Cost Free" Capital)	309,914	$3,570	6,780	$24,201,809	$27,495,568	
Average				$31,508,298		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

Summar of Selected Transactions Method - Wall Street Transactions

For Indian Creek Valley Water Authority Water System Assets

Based on Recent Aquarion Water Company's Purchase of New England Service Company, Inc., With and Without Discount for Cost Free Capital

New England Service Company, Inc.			Indian Creek Valley Water Authority Water System Assets			
Purchase Price was: $49,290,414			Indian Creek Valley Water Authority Water System Assets's Company Statistics	Selected Transactions Multiples Valuation		Domestic Customers Indicated Value *
	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$26,734,587	1.84	$17,624,032	$32,493,333		
Gross PP&E	$54,517,263	0.90	$33,029,748	$29,863,017		
Net PP&E	$36,566,790	1.35	$22,809,816	$30,746,622	$31,178,175	
Revenues	$7,994,088	6.17	$2,749,540	$16,953,274		
EBITDA	$2,729,953	18.06	$800,890	$14,460,395		
EBIT	$1,559,860	31.60	$219,280	$6,929,085		$22,116,512
Customers	9,515	$5,180	2,600	$13,468,741		
Population	26,437	$1,864	6,780	$12,640,958	$13,054,850	
Average				$19,694,428		
	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$26,734,587	1.84	$17,624,032	$32,493,333		
Gross PP&E (Less "Cost Free" Capital)	$32,535,719	1.51	$33,029,748	$50,038,850		
Net PP&E (Less "Cost Free" Capital)	$21,822,937	2.26	$22,809,816	$51,519,429	$42,006,381	
Revenues	$7,994,088	6.17	$2,749,540	$16,953,274		
EBITDA	$2,729,953	18.06	$800,890	$14,460,395		
EBIT	$1,559,860	31.60	$219,280	$6,929,085		$31,940,626
Customers (Adj. "Cost Free" Capital)	5,679	$8,680	2,600	$22,568,394		
Population (Adj. "Cost Free" Capital)	15,778	$3,124	6,780	$21,181,349	$21,874,872	
Average				$27,018,014		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

Summar of Selected Transactions Method - Wall Street Transactions

For Indian Creek Valley Water Authority Water System Assets

Based on Recent Aquarion Water Company's Bid For Torrington Water Company, With and Without Discount for Cost Free Capital

Torrington Water Company			Indian Creek Valley Water Authority Water System Assets			
Purchase Price was: $91,880,072	Subject Company Statistics	Transaction Multiple	Indian Creek Valley Water Authority Water System Assets's Company Statistics	Selected Transactions Multiples Valuation		Domestic Customers Indicated Value *
Investor Provided Capital	$36,395,842	2.52	$17,624,032	$44,491,273		
Gross PP&E	$75,202,417	1.22	$33,029,748	$40,354,762		
Net PP&E	$48,743,673	1.88	$22,809,816	$42,995,683	$42,423,017	
Revenues	$7,835,144	11.73	$2,749,540	$32,242,922		
EBITDA	$3,264,018	28.15	$800,890	$22,544,554		
EBIT	$2,046,050	44.91	$219,280	$9,847,004		$32,300,341
Customers	10,125	$9,075	2,600	$23,593,895		
Population	30,005	$3,062	6,780	$20,761,436	$22,177,666	
Average				$29,603,941		

	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$36,395,842	2.52	$17,624,032	$44,491,273		
Gross PP&E (Less "Cost Free" Capital)	$44,868,813	2.05	$33,029,748	$67,636,637		
Net PP&E (Less "Cost Free" Capital)	$29,082,453	3.16	$22,809,816	$72,062,956	$58,277,114	
Revenues	$7,835,144	11.73	$2,749,540	$32,242,922		
EBITDA	$3,264,018	28.15	$800,890	$22,544,554		
EBIT	$2,046,050	44.91	$219,280	$9,847,004		$47,724,006
Customers (Adj. "Cost Free" Capital)	6,041	$15,209	2,600	$39,544,570		
Population (Adj. "Cost Free" Capital)	17,902	$5,132	6,780	$34,797,225	$37,170,897	
Average				$40,395,893		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

Market Approach
Indian Creek Valley Water Authority Water System Assets
Determination of the Value of Ultimate Customers and the
Market Approach Conclusion

1.	Integrated, Excluding Wholesale Selected Transactions		$34,515,325
2.	Mostly Collection/Distribution Transactions	−	$30,052,658
3.	Market Value of Treatment Only		$4,462,666
4.	Number of Ultimate Customers		2,732
5.	Number of Domestic Customers	−	2,600
6.	Number of Ultimate Wholesale Customers		132
7.	Market Value of Treatment Only		$4,462,666
8.	Number of Domestic Customers	÷	2,600
9.	Treatment Value Per Domestic Customer		$1,716
10.	Ultimate Wholesale Customer Equivalency Factor *	×	95%
11.	Treatment Value Per Ultimate Wholesale Customer		$1,630
12.	Number of Ultimate Wholesale Customers	×	132
13.	Value of Ultimate Wholesale Customers		$215,160
14.	Selected Transactions Method - Domestic Customers		$32,789,559
15.	Market Multiples Method - Domestic Customers		$27,247,271
16.	Market Approach - Domestic Customers **		$30,018,415
17.	Market Value of Ultimate Wholesale Customers	+	$215,160
18.	Conclusion - Market Approach		$30,233,575

* Assumed discount for lack of control.
** Median of lines 14 and 15.

Indian Creek Valley Water Authority Water System Assets
Summary of Approach Results and
Fair Market Value Conclusion at Appraisal Date

Valuation Approach	Indicated Value	Conclusion	Consideration
Cost Approach	$53,547,750		1/3
Income Approach	38,576,359		1/3
Market Approach	30,233,575		1/3
		Conclusion $40,785,895	

WORKPAPERS

Daily Bond Yields and Key Indicators

Updated by 11 am ET with data from the previous business day. Data as of 2-Jun-25

Moody's Daily Long-term Corporate Bond Yield Averages

	Utilities	Industrial	Corporate
Aaa	NA	5.56	5.56
Aa	5.93	5.67	5.80
A	6.07	5.91	5.99
Baa	6.26	6.34	6.30
Avg	6.09	5.87	5.98

Index Name: S&P Municipal Bond Revenue Index

As of: 24-Sep-25

Effective date	Yield To Maturity
5/23/2025	4.54%
5/27/2025	4.52%
5/28/2025	4.52%
5/29/2025	4.51%
5/30/2025	4.51%
6/2/2025	4.54%
6/3/2025	4.54%
6/4/2025	4.52%
6/5/2025	4.51%

FED H.15

DATE	DAAA	DBAA	DGS10	DGS20	DGS30
2025-05-26	NA	NA	NA	NA	NA
2025-05-27	5.50	6.27	4.43	4.95	4.94
2025-05-28	5.56	6.30	4.47	4.99	4.97
2025-05-29	5.49	6.24	4.43	4.94	4.92
2025-05-30	5.51	6.25	4.41	4.93	4.92
2025-06-02	5.56	6.30	4.46	5.00	4.99
2025-06-03	5.53	6.27	4.46	5.00	4.98
2025-06-04	5.45	6.17	4.37	4.90	4.89
2025-06-05	5.46	6.17	4.40	4.90	4.88

FED H.15

		AAA Corp	BAA CORP	10-yr T-bond	20-yr T-bond	30-yr T-bond
Spot	5/30/25	5.51	6.25	4.41	4.93	4.92

FED H.15		AAA Corp	BAA CORP		A Rated Utility		
	5/30/25	5.51	6.25	Spread	-0.05	-0.05	
Moody's Spot ===>		5.56	6.30	Moody's Spot ===>	6.07	6.07	
		-0.05	-0.05	Implied	6.02	6.02	6.02

Moody's Daily Long-term Corporate Bond Yield Averages

	6/2/2025	Utilities	Industrial	Corporate
Spot	Aaa	NA	5.56	5.56
	Aa	5.93	5.67	5.80
	A	6.07	5.91	5.99
	Baa	6.26	6.34	6.30
	Avg	6.09	5.87	5.98

S&P Municipal Bond Revenue Index

5/30/25 4.51%

Utilities
Aa
A **6.02**
Baa

		Decade Spread	Annual Spread
10-Year	4.41		
20-Year	4.93	0.520	0.052
30-Year	4.92	-0.010	

REVENUE BOND INDEX		4.51
10-20 Yr		0.26
20-30 Yr		-0.01
		4.76

30-Yr Rev Bond Est. **4.76**

Lt Debt	6.02	6.02
Prf Stk	7.68	128%
Pref Stock Est.	128%	**7.68**

	5/30/25
A-Rated Rev Bonds	**4.76**
A-Rated PU Bonds	**6.02**
A-Rated PU Pref Stk	**7.68**
30-yr T-bond	**4.92**

	SBBI	SBBI
Equity Risk Premium	7.46	7.46
Beta (Value Line Med.)	0.83	0.83
Risk Adjusted Equity Premium	6.15	6.15
Yield (RF)	4.92	4.92
Size Premium	3.95	0.00
	15.02	11.07

High 15.02
Low 11.07

0.83

12.33 Total Return SBBI 1926-2021
4.87 Income Return SBBI 1926-2021

4.92 30-yr T-bond

	Recent Market Value (Mill $)	Market Quartile Name	Market Quartile	Quartile Size Premium	Value Line Beta
American States Water Co	3,037.19	Mid-Cap	2	2.48	0.75
American Water Works Co Inc	27,880.81	Large-Cap	1	0	0.85
Artesian Resources Corp	355.09	Mico-Cap	4	6.21	0.70
California Water Service Gp	2,814.69	Mid-Cap	2	2.48	0.85
Essential Utilities, Inc.	10,801.41	Mid-Cap	2	2.48	0.90
H2O America	1,793.92	Low-Cap	3	3.95	0.85
Middlesex Water Co	1,038.47	Low-Cap	3	3.95	0.80
York Water Co	470.31	Low-Cap	3	3.95	0.80
Average	6,023.990	Mid-Cap	2	2.48	0.81
Median	2,304.305	Low-Cap	3	3.95	0.83

9/15/2025

		3/31/25					5/30/25		Book Ratios					Market Ratios				
Company Name	Ticker Symbol	LT Debt-Total Qtly	Preferred S	Minority In	Common Equity-Total-Qtly	Invested Capital-Total Qtly	Market Value-Mnthly		LTD	Pref	Equity			LTD	Pref	Equity	
AMERICAN ST.	**AWR**	947.491	0.000	0.000	956.407	1,903.898	3,037.186	AMERICA	0.498	0.000	0.502	1.000		0.238	0.000	0.762	1.000
AMERICAN W/	**AWK**	13,510.000	0.000	0.000	10,534.000	24,044.000	27,880.811	AMERICA	0.562	0.000	0.438	1.000		0.326	0.000	0.674	1.000
ARTESIAN RES	**ARTN.A**	178.624	0.000	0.000	241.650	420.274	355.094	ARTESIAI	0.425	0.000	0.575	1.000		0.335	0.000	0.665	1.000
CALIFORNIA W	**CWT**	1,176.818	0.000	2.744	1,629.245	2,808.807	2,814.689	CALIFORI	0.419	0.000	0.581	1.000		0.295	0.000	0.705	1.000
ESSENTIAL UT	**WTRG**	7,693.542	0.000	0.000	6,460.091	14,153.633	10,801.408	ESSENTIA	0.544	0.000	0.456	1.000		0.416	0.000	0.584	1.000
H2O AMERICA	**HTO**	1,710.140	0.000	0.000	1,397.337	3,107.477	1,793.921	H2O AME	0.550	0.000	0.450	1.000		0.488	0.000	0.512	1.000
MIDDLESEX W	**MSEX**	361.748	1.614	0.000	449.048	812.410	1,038.474	MIDDLES	0.445	0.002	0.553	1.000		0.258	0.001	0.741	1.000
THE YORK WA	**YORW**	212.128	0.000	0.000	232.143	444.271	470.313	THE YORI	0.477	0.000	0.523	1.000		0.311	0.000	0.689	1.000
									0.490	0.000	0.510		Avg	0.333	0.000	0.667	
									0.488	0.000	0.513		Med	0.319	0.000	0.682	

Assumptions:	5/30/2025
Debt Cost	6.02
Pref. Stock Cost	7.68
Equity Cost	15.02
Equity Cost	11.07

	Ratio	Cost	Wt	Shield	Overall	
	31.90%	6.020	1.92	0.72	1.3826736	
	0.00%	7.680	0.00	1	0	
	68.10%	15.020	10.23	1	10.22862	
			12.15		**11.61**	**<<<<ANSWER**
	31.90%	6.020	1.92	0.72	1.3826736	
	0.00%	7.680	0.00	1	0	
	68.10%	11.075	7.54	1	7.5417345	
			9.46		**8.92**	**<<<<ANSWER**

	ROE
Public Meeting held May 8, 2025	9.75

DSIC Weighted Cost of Capital

Assumptions:	5/30/2025
Debt Cost	6.02
Pref. Stock Cost	7.68
DSIC Equity Cost	9.75

	Ratio	Cost	Wt	Shield	Overall	
Debt	48.80%	6.020	2.94	0.72	2.115187	
Pref	0.00%	7.680	0.00	1	0	
Equity	51.20%	9.750	4.99	1	4.992	
			7.93		**7.11**	**<<<<ANSWER**

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Public Meeting held May 8, 2025

Docket Number: M-2025-3054401

BUREAU OF TECHNICAL UTILITY SERVICES

REPORT ON THE QUARTERLY EARNINGS

OF JURISDICTIONAL UTILITIES

FOR THE YEAR ENDED

December 31, 2024

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Kathryn L. Zerfuss
John F. Coleman, Jr., Joint Statement, Dissenting
Ralph V. Yanora, Joint Statement, Dissenting

The market indicated common equity cost rate range consists of data used from the barometer groups and is based on a series of calculations to average the DCF methods.

Market Based Returns on Common Equity [1]	
April 7, 2025	
Water Company Barometer Group	
	Cost Rates
	%
(1) Current DCF	9.96
(2) 52-Week Average DCF	9.88
(3) Average DCF	9.92
(4) Market Indicated Common Equity Cost Rate Range	7.25-12.59
@ 1 standard deviation around the mean.[2]	
(5) CAPM Check of DCF Reasonableness	10.86
(6) Recent Commission Approved ROEs[3]:	
Columbia Water Company, R-2023-3040258	9.75
Pennsylvania-American water Company, R-2023-3043189	9.45
(7) Distribution System Improvement Charge (DSIC) Return[4]:	**9.75%**
[1] As calculated by the Bureau of Technical Utility Services	
[2] Standard Deviation of 12 DCF observations	
[3] ROEs from base rate cases within last two years, fully litigated or stipulated for DSIC purposes	
[4] Commission authorized Return on Equity (ROE) for DSIC purposes	
Any questions concerning DSIC should be directed to Rich Layton	
of the Bureau of Technical Utility Services at (717) 214-9117.	

PART I

Item 1. Business

This annual report on Form 10-K is a combined report being filed by two separate Registrants, American States Water Company ("AWR") and Golden State Water Company ("GSWC"). References in this report to "Registrant" are to AWR and GSWC, collectively, unless otherwise specified. GSWC makes no representations as to the information contained in this report relating to AWR and its subsidiaries, other than GSWC.

AWR makes its periodic reports, Form 10-Q and Form 10-K, and current reports, Form 8-K, and amendments to those reports, available free of charge through its website, www.aswater.com, as soon as those reports are electronically filed with or furnished to the Securities and Exchange Commission ("SEC"). Such reports are also available on the SEC's website at www.sec.gov. AWR also makes available free of charge its code of business conduct and ethics, its corporate governance guidelines, its policy for the recoupment of performance-based compensation, its insider trading policy and the charters of its Nominating and Governance Committee, Compensation Committee and Audit and Finance Committee through its website or by calling (877) 463-6297.

Overview

AWR is the parent company of GSWC, Bear Valley Electric Service, Inc. ("BVES") and American States Utility Services, Inc. ("ASUS") (and its wholly-owned subsidiaries: Fort Bliss Water Services Company ("FBWS"), Old Dominion Utility Services, Inc. ("ODUS"), Terrapin Utility Services, Inc. ("TUS"), Palmetto State Utility Services, Inc. ("PSUS"), Old North Utility Services, Inc. ("ONUS"), Emerald Coast Utility Services, Inc. ("ECUS"), Fort Riley Utility Services, Inc. ("FRUS"), Bay State Utility Services LLC ("BSUS"), and Patuxent River Utility Services LLC ("PRUS")).

AWR has three reportable segments: water, electric and contracted services. Within the segments, AWR has three principal business units, water and electric service utility operations conducted through its regulated utilities GSWC and BVES, respectively, and contracted services conducted through ASUS and its subsidiaries.

GSWC is a public water utility engaged in the purchase, production, distribution and sale of water in 10 counties in the state of California. GSWC is regulated by the California Public Utilities Commission ("CPUC"). BVES is a public electric utility that distributes electricity in several San Bernardino County mountain communities in California and is also regulated by the CPUC. Additional information regarding public utility regulation is discussed in Item 7. *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* under the section titled *"Regulatory Matters."*

AWR's regulated utilities served 264,557 water customers and 24,857 electric customers at December 31, 2024, or a total of 289,414 customers, compared with 264,093 water customers and 24,777 electric customers at December 31, 2023, or a total of 288,870 customers. Both GSWC's and BVES's operations exhibit seasonal trends. Although both have diversified customer bases, residential and commercial customers account for the majority of water and electric sales and revenues. Revenues derived from commercial and residential customers accounted for approximately 90% of total water and electric revenues for the years ended December 31, 2024, 2023 and 2022.

ASUS, through its wholly owned subsidiaries, has contracted with the U.S. government to provide water and/or wastewater services at various military installations. ASUS operates, maintains and performs construction activities (including renewal and replacement capital work) on water and/or wastewater systems at various U.S. military bases pursuant to an initial 50-year, firm-fixed-price contract and additional firm-fixed-price contracts, task order agreements and contracts with third party prime contractors. ASUS has one subsidiary that has entered into a task order agreement with the U.S. government that has a term of 15 years. Each of the contracts with the U.S. government is subject to termination, in whole or in part, prior to the end of its term for convenience of the U.S. government or as a result of default or nonperformance by the ASUS subsidiary performing the contract. The price for each of these contracts is subject to annual economic price adjustments or task order adjustments. The contracts are also subject to modifications for changes in circumstances, changes in laws and regulations, and additions to the contract value for new construction of facilities at the military bases. AWR generally guarantees performance of all of the contracts of ASUS's subsidiaries.

AMERICAN STATES WATER COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 — Summary of Significant Accounting Policies

Nature of Operations: American States Water Company ("AWR") is the parent company of Golden State Water Company ("GSWC"), Bear Valley Electric Service Inc. ("BVES"), and American States Utility Services, Inc. ("ASUS") (and its subsidiaries, Fort Bliss Water Services Company ("FBWS"), Old Dominion Utility Services, Inc. ("ODUS"), Terrapin Utility Services, Inc. ("TUS"), Palmetto State Utility Services, Inc. ("PSUS"), Old North Utility Services, Inc. ("ONUS"), Emerald Coast Utility Services, Inc. ("ECUS"), Fort Riley Utility Services, Inc. ("FRUS"), Bay State Utility Services LLC ("BSUS"), and Patuxent River Utility Services LLC ("PRUS")). AWR and its subsidiaries may be collectively referred to as "Registrant" or "the Company." AWR, through its wholly owned subsidiaries, serves over one million people in ten states.

GSWC and BVES are both California public utilities. GSWC engages in the purchase, production, distribution and sale of water throughout California serving approximately 264,600 customer connections. BVES distributes electricity in several San Bernardino County mountain communities in California serving approximately 24,900 customer connections. The California Public Utilities Commission ("CPUC") regulates GSWC's and BVES's businesses in matters including properties, rates, services, facilities, and transactions between GSWC, BVES, and their affiliates.

ASUS, through its wholly owned subsidiaries, operates, maintains and performs construction activities (including renewal and replacement capital work) on water and/or wastewater systems at various U.S. military bases pursuant to initial 50-year firm fixed-price contracts with the U.S. government and one 15-year contract with the U.S. government. These contracts are subject to annual economic price adjustments and modifications for changes in circumstances, changes in laws and regulations, and additions to the contract value for new construction of facilities at the military bases. ASUS also from time to time performs construction services on military bases as a subcontractor.

There is no direct regulatory oversight by the CPUC over AWR or the operations, rates or services provided by ASUS or any of its wholly owned subsidiaries.

Basis of Presentation: The consolidated financial statements and notes thereto are presented in a combined report filed by two separate Registrants: AWR and GSWC. References in this report to "Registrant" are to AWR and GSWC, collectively, unless otherwise specified. AWR owns all of the outstanding common shares of GSWC, BVES and ASUS. ASUS owns all of the outstanding common shares of its subsidiaries. The consolidated financial statements of AWR include the accounts of AWR and its subsidiaries. These financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. Intercompany transactions and balances have been eliminated in the AWR consolidated financial statements.

Related-Party and Intercompany Transactions: As discussed in Note 9, prior to AWR and GSWC entering into new separate credit agreements in June 2023 that replaced AWR's previous credit agreement, AWR borrowed under its credit facility and provided funds to both GSWC and ASUS in support of their operations. Under AWR's current credit facility, AWR borrows and continues to provide funds to ASUS in support of its operations, through an intercompany borrowing agreement, and AWR (parent). The interest rate charged to ASUS is sufficient to cover AWR's interest expense under the credit facility. GSWC's credit facility provides support for its water operations. BVES has a separate credit facility and has also issued long-term debt to support its operations.

Furthermore, GSWC, BVES and ASUS provide and/or receive various support services to and from their parent, AWR, and among themselves. GSWC allocates certain corporate office administrative and general costs to its affiliates, BVES and ASUS, using allocation factors approved by the CPUC. During the years ended December 31, 2024, 2023 and 2022, GSWC allocated to ASUS $5.3 million, $5.0 million and $5.2 million, respectively, of corporate office administrative and general costs. During the years ended December 31, 2024, 2023 and 2022, GSWC allocated corporate office administrative and general costs to BVES of $3.2 million, $3.5 million and $2.7 million, respectively.

When necessary, AWR will make capital contributions to its regulated utilities in order to manage to the CPUC-authorized capital structure. In September 2024, BVES issued eleven Common Shares to AWR for total proceeds of $22.0 million. BVES used the proceeds from the stock issuance to pay down outstanding borrowings under its revolving credit facility and to fund its operations and capital expenditures. AWR made capital contributions to GSWC in 2024 and 2023 (Note 7).

PART I

ITEM 1. BUSINESS

The Company

With a history dating back to 1886, American Water is the largest and most geographically diverse, publicly-traded water and wastewater utility company in the United States, as measured by both operating revenues and population served. A holding company originally incorporated in Delaware in 1936, the Company employs approximately 6,700 professionals who provide drinking water, wastewater and other related services to over 14 million people in 24 states. The Company conducts the majority of its business through regulated utilities that provide water and wastewater services, collectively presented as one reportable segment, referred to as the "Regulated Businesses." The Company also operates other businesses that provide water and wastewater services to the U.S. government on military installations, as well as municipalities. Individually, these other businesses do not meet the criteria of a reportable segment in accordance with generally accepted accounting principles in the United States ("GAAP"), and are collectively presented throughout this Annual Report on Form 10-K within "Other," which is consistent with how management assesses the results of these businesses.

Throughout this Annual Report on Form 10-K, unless the context otherwise requires, references to "we," "us," "our," the "Company," and "American Water" mean American Water Works Company, Inc. and its subsidiaries, taken together as a whole. References to "parent company" mean American Water Works Company, Inc., without its subsidiaries.

Regulated Businesses

The Company's primary business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service and sale for resale customers. The Company's utilities operate in 14 states in the United States, with 3.5 million active customers in its water and wastewater networks. Services provided by the Company's utilities are subject to regulation by multiple state utility commissions or other entities engaged in utility regulation, collectively referred to as public utility commissions ("PUCs"). Federal, state and local governments also regulate environmental, health and safety, and water quality and water accountability matters. The Company reports the results of the services provided by its utilities in the Regulated Businesses segment. Operating revenues for the Regulated Businesses were $4,296 million for 2024, $3,920 million for 2023 and $3,505 million for 2022, accounting for 92%, 93% and 92%, respectively, of the Company's total operating revenues for the same periods.

Presented in the table below is a geographic summary of the Regulated Businesses' operating revenues and the number of customers the Company serves, by type of service, for and as of the year ended December 31, 2024:

	Operating Revenues (in millions)				Number of Customers (in thousands)			
	Water (a)	Wastewater	Total	% of Total	Water	Wastewater	Total	% of Total
New Jersey	$ 990	$ 61	$ 1,051	24.5 %	672	70	742	20.9 %
Pennsylvania	872	167	1,039	24.2 %	688	115	803	22.6 %
Missouri	487	21	508	11.8 %	485	24	509	14.4 %
Illinois	359	73	432	10.1 %	300	77	377	10.6 %
California	342	4	346	8.1 %	191	3	194	5.5 %
Total—Top Five States (b)	3,050	326	3,376	78.6 %	2,336	289	2,625	74.0 %
Other (c)	883	37	920	21.4 %	881	40	921	26.0 %
Total Regulated Businesses	$ 3,933	$ 363	$ 4,296	100.0 %	3,217	329	3,546	100.0 %

(a) Includes other operating revenues consisting primarily of miscellaneous utility charges, fees and rents.

(b) The Company's "Top Five States" are determined based upon operating revenues.

(c) Includes the Company's utility operations in the following states: Georgia, Hawaii, Indiana, Iowa, Kentucky, Maryland, Tennessee, Virginia and West Virginia and other revenue attributable collectively to the Regulated Businesses.

Customers

The Company's Regulated Businesses have a large and geographically diverse customer base. A customer is defined as a person, business, municipality or any other entity that purchases the Company's water or wastewater services as of the last business day of a reporting period. One single customer may purchase the Company's services for use by multiple individuals or businesses. Examples of these customers are homes, apartment complexes, businesses and governmental entities.

Other Commitments

In April 2021, Artesian Water entered into a 3-year agreement with Worldwide Industries Corporation effective July 1, 2021 to paint elevated water storage tanks. Pursuant to the agreement, the total expenditure for the three years was $1.2 million. In September 2022, this agreement was amended to paint an additional elevated water storage tank and to extend the term of the agreement for an additional year. Pursuant to the amended agreement, the total expenditure for the four years is $2.2 million. Tank painting expense for 2024, 2023 and 2022 was $735,000, $689,000, and $531,000, respectively.

Budgeted mandatory utility plant expenditures, due to planned governmental highway projects, which require the relocation of Artesian Water's water service mains, expected to be incurred in 2025 through 2027 are as follows:

In thousands	
2025	$ 4,050
2026	13,715
2027	2,400
	$ 20,165

The exact timing and extent of these relocation projects is controlled primarily by the Delaware Department of Transportation.

NOTE 12 – GEOGRAPHIC CONCENTRATION OF CUSTOMERS

Artesian Water, Artesian Water Maryland and Artesian Water Pennsylvania provide regulated water utility service to customers within their established service territory in all three counties of Delaware and in portions of Maryland and Pennsylvania, pursuant to rates filed with and approved by the DEPSC, the MDPSC and the PAPUC. As of December 31, 2024, Artesian Water was serving approximately 97,400 customers, Artesian Water Maryland was serving approximately 2,700 customers and Artesian Water Pennsylvania was serving approximately 40 customers.

Artesian Wastewater and TESI provide regulated wastewater utility service to customers within their established service territory in Sussex County, Delaware pursuant to rates filed with and approved by the DEPSC. As of December 31, 2024, Artesian Wastewater and TESI were serving approximately 8,600 customers combined including one large industrial customer.

NOTE 13 – REGULATORY PROCEEDINGS

Our water and wastewater utilities generate operating revenue from customers based on rates that are established by state public service commissions through a rate-setting process that may include public hearings, evidentiary hearings and the submission of evidence and testimony in support of the Company's requested level of rates.

We are subject to regulation by the following state regulatory commissions:

- The DEPSC, regulates Artesian Water, Artesian Wastewater, and TESI.
- The MDPSC, regulates both Artesian Water Maryland and Artesian Wastewater Maryland.
- The PAPUC, regulates Artesian Water Pennsylvania.

Our water and wastewater utility operations are also subject to regulation under the federal Safe Drinking Water Act of 1974, or Safe Drinking Water Act, the Clean Water Act of 1972, or the Clean Water Act, and related state laws, and under federal and state regulations issued under these laws. These laws and regulations establish criteria and standards for drinking water and for wastewater discharges. Capital expenditures and operating costs required as a result of water quality standards and environmental requirements have been traditionally recognized by state regulatory commissions as appropriate for inclusion in establishing rates.

Water Service Facts

- Artesian serves over 301,000 people
- Artesian supplies over 8.8 billion gallons of water per year through more than 1,470 miles of water mains
- Treatment facilities – 75
- Storage capacity – 177.5 million gallons
- Water service territory – 305 square miles
- Wastewater service territory – 58 square miles
- Through public-private partnerships, Artesian is providing a variety of water- and wastewater-related services to several municipalities

Emergencies: (800) 332-5114
Delaware: (302) 453-6930
Toll-Free Call: (800) 332-5114

Pay My Bill
Emergencies & Shut-Off Valves
Start, Stop or Move Service

Our Service Areas
About Us
Investor Relations
Contact Us
Careers

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Overview

California Water Service Group (Company) is a holding company with seven operating subsidiaries: Cal Water, Washington Water Service Company (Washington Water), New Mexico Water Service Company (New Mexico Water), Hawaii Water Service Company, Inc. (Hawaii Water), TWSC, Inc. (Texas Water), CWS Utility Services, and HWS Utility Services LLC (CWS Utility Services and HWS Utility Services LLC being referred to collectively in this annual report as Utility Services). Cal Water, Washington Water, New Mexico Water, and Hawaii Water are regulated public utilities. Texas Water is a holding company with regulated and contracted wastewater utilities.

The regulated utility entities also provide non-regulated services. Utility Services holds non-utility property and provides non-regulated services to private companies and municipalities outside of California (see "Non-Regulated Activities" below for more details). Cal Water was the original operating company that began operations in 1926.

Our business is conducted through our operating subsidiaries and we provide utility services to approximately two million people. The bulk of our business consists of the production, purchase, storage, treatment, testing, distribution, and sale of water for domestic, industrial, public, and irrigation uses, and the provision of domestic and municipal fire protection services. In some areas, we provide wastewater collection and treatment services, including treatment which allows water recycling. We also provide non-regulated water-related services under agreements with municipalities and other private companies. The non-regulated services include full water system operation, meter reading, and billing services. Non-regulated operations also include the lease of communication antenna sites, lab services, and promotion of other non-regulated services.

During the year ended December 31, 2024, there were no significant changes in the kind of products produced or services rendered by our operating subsidiaries, or in the markets or methods of distribution.

Our mailing address and contact information is:

California Water Service Group
1720 North First Street
San Jose, California 95112-4598
Telephone number: 408-367-8200
www.calwatergroup.com

Annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports are available free of charge through our website at www.calwatergroup.com. The reports are available on our website as soon as reasonably practicable after such reports are filed with the U.S. Securities and Exchange Commission (SEC).

The content on any website referred to in this annual report is not incorporated by reference in this annual report unless expressly noted.

Regulated Business

California water operations are conducted by Cal Water, which provides service to approximately 499,400 customer connections in approximately 100 California communities through 20 separate districts, which are subject to regulation by the CPUC. California water operations accounted for approximately 89.2% of our total customer connections and 92.3% of our total consolidated operating revenue in 2024.

We operate the City of Hawthorne and the City of Commerce water systems under lease agreements. In accordance with the lease agreements, we receive all revenues from operating the systems and are responsible for paying the operating costs. The City of Hawthorne and the City of Commerce lease revenues are governed through their respective city councils and are considered non-regulated because they are outside of the CPUC's jurisdiction. We report revenue and expenses for the City of Hawthorne and City of Commerce leases in operating revenue and operating expenses because we are entitled to retain all customer billings and are responsible for all operating expenses. These leases are considered "nontariffed products and services" (NTPS) by the CPUC and require a 10% revenue share with regulated customers.

In October of 2011, an agreement was negotiated with the City of Hawthorne to lease and operate its water system. The system, which is located near our Hermosa Redondo district, serves about half of Hawthorne's population. The capital lease agreement required an up-front $8.1 million lease deposit to the city that is being amortized over the lease term. Additionally, annual lease payments are contracted to be adjusted based on changes in rates charged to customers. Under the lease, we are responsible for all aspects of system operation and capital improvements, although title to the system and system improvements reside with the city. Capital improvements are recorded as depreciable plant and equipment and depreciated per the asset lives set forth in the agreement. In exchange, we receive all revenue from the water system, which was $12.7 million, $12.2 million, and $12.5 million in 2024, 2023, and 2022, respectively. At the end of the lease, the city is required to reimburse us for the

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unamortized value of capital improvements made during the term of the lease. The City of Hawthorne capital lease is a 15-year lease and expires in 2026.

In April of 2018, a renewal agreement was negotiated with the City of Commerce for us to continue to lease and to operate its water system for 15 years. Under the agreement, the operating lease requires us to pay $0.8 million per year in monthly installments. We have operated the City of Commerce water system since 1985 and are responsible for all operations, maintenance, water quality assurance, customer service programs, and financing capital improvements to provide a reliable supply of water that meets federal and state standards to customers served by the City of Commerce system. The City of Commerce retains title to the system and system improvements and remains responsible for setting its customers' water rates. We bear the risks of operation and collection of amounts billed to customers. In exchange, we receive all revenue from the water system, which was $4.1 million, $4.2 million, and $4.2 million, in 2024, 2023, and 2022, respectively. The agreement allows us to request a rate change annually in order to recover costs.

Hawaii Water provides service to approximately 6,700 water and wastewater customer connections on the islands of Kauai, Maui, Oahu, and Hawaii, including several large resorts and condominium complexes. Hawaii Water's regulated customer connections are subject to the jurisdiction of the Hawaii Public Utilities Commission (HPUC). Hawaii Water accounted for 1.2% of our total customer connections and approximately 4.3% of our total consolidated operating revenue in 2024.

Washington Water provides domestic water service to approximately 38,300 customer connections in the Tacoma, Olympia, Graham, Spanaway, Puyallup, Rainier, Yelm, and Gig Harbor areas. Washington Water's utility operations are regulated by the Washington Utilities and Transportation Commission (UTC). Washington Water accounted for approximately 6.8% of our total customer connections and approximately 2.3% of our total consolidated operating revenue in 2024.

New Mexico Water provides service to approximately 11,500 water and wastewater customer connections in our Rio Communities, Rio Del Oro, Meadow Lake, Indian Hills, Squaw Valley, Elephant Butte, Morningstar, Sandia Knolls, Juan Tomas, Monterey, and Cypress Gardens systems. New Mexico's regulated operations are subject to the jurisdiction of the New Mexico Public Regulation Commission. New Mexico Water accounted for approximately 2.1% of our total customer connections and 0.7% of our total consolidated operating revenue in 2024.

In May of 2021, Texas Water became the majority owner of BVRT Utility Holding Company (BVRT), a Texas-based utility development company owning and operating seven wastewater utilities serving growing communities outside of Austin and San Antonio. BVRT provides regulated wastewater services under the rules and regulation of the Texas Public Utilities Commission. Texas Water initially invested funds to enable BVRT to continue to build wastewater infrastructure and converted its investment to equity. BVRT's seven wastewater utilities currently serve or are under contract to serve approximately 4,200 customer connections. On August 16, 2022, BVRT entered into a long-term water supply agreement with the Guadalupe Blanco River Authority (GBRA) that enables BVRT to receive up to 2,419 acre-feet of potable water annually (see Note 15 for more details). Texas Water accounted for approximately 0.7% of our total customer connections and 0.4% of our total consolidated operating revenue in 2024.

The state regulatory bodies governing our regulated operations are referred to as the Commissions in this annual report. Rates and operations for regulated customers are subject to the jurisdiction of the respective state's regulatory Commission. The Commissions require that water and wastewater rates for each regulated district be independently determined based on the cost of service. The Commissions are expected to authorize rates sufficient to recover normal operating expenses and allow the utility to earn a fair and reasonable return on invested capital.

We treat and distribute water and treat wastewater in accordance with accepted water utility methods. Where applicable, we hold franchises and permits in the cities and communities where we operate. The franchises and permits allow us to operate and maintain facilities in public streets and rights-of-way as necessary.

Non-Regulated Activities

Non-regulated activities consist primarily of the operation of water systems that are owned by other entities under lease agreements, leasing of communication antenna sites on our properties, and billing of optional third-party insurance programs to our residential customers.

Fees for non-regulated activities are based on contracts negotiated between the parties. Under our non-regulated contract arrangements, we operate municipally owned water systems and privately owned water and recycled water distribution systems, but are not responsible for all operating costs. Non-regulated revenue received from non-leased water system operations is generally determined on a fee-per-customer basis.

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Overview

California Water Service Group (Company) is a holding company with seven operating subsidiaries: Cal Water, Washington Water Service Company (Washington Water), New Mexico Water Service Company (New Mexico Water), Hawaii Water Service Company, Inc. (Hawaii Water), TWSC, Inc. (Texas Water), CWS Utility Services, and HWS Utility Services LLC (CWS Utility Services and HWS Utility Services LLC being referred to collectively in this annual report as Utility Services). Cal Water, Washington Water, New Mexico Water, and Hawaii Water are regulated public utilities. Texas Water is a holding company with regulated and contracted wastewater utilities.

The regulated utility entities also provide non-regulated services. Utility Services holds non-utility property and provides non-regulated services to private companies and municipalities outside of California (see "Non-Regulated Activities" below for more details). Cal Water was the original operating company that began operations in 1926.

Our business is conducted through our operating subsidiaries and we provide utility services to approximately two million people. The bulk of our business consists of the production, purchase, storage, treatment, testing, distribution, and sale of water for domestic, industrial, public, and irrigation uses, and the provision of domestic and municipal fire protection services. In some areas, we provide wastewater collection and treatment services, including treatment which allows water recycling. We also provide non-regulated water-related services under agreements with municipalities and other private companies. The non-regulated services include full water system operation, meter reading, and billing services. Non-regulated operations also include the lease of communication antenna sites, lab services, and promotion of other non-regulated services.

During the year ended December 31, 2024, there were no significant changes in the kind of products produced or services rendered by our operating subsidiaries, or in the markets or methods of distribution.

Our mailing address and contact information is:

California Water Service Group
1720 North First Street
San Jose, California 95112-4598
Telephone number: 408-367-8200
www.calwatergroup.com

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The content on any website referred to in this annual report is not incorporated by reference in this annual report unless expressly noted.

Regulated Business

California water operations are conducted by Cal Water, which provides service to approximately 499,400 customer connections in approximately 100 California communities through 20 separate districts, which are subject to regulation by the CPUC. California water operations accounted for approximately 89.2% of our total customer connections and 92.3% of our total consolidated operating revenue in 2024.

We operate the City of Hawthorne and the City of Commerce water systems under lease agreements. In accordance with the lease agreements, we receive all revenues from operating the systems and are responsible for paying the operating costs. The City of Hawthorne and the City of Commerce lease revenues are governed through their respective city councils and are considered non-regulated because they are outside of the CPUC's jurisdiction. We report revenue and expenses for the City of Hawthorne and City of Commerce leases in operating revenue and operating expenses because we are entitled to retain all customer billings and are responsible for all operating expenses. These leases are considered "nontariffed products and services" (NTPS) by the CPUC and require a 10% revenue share with regulated customers.

In October of 2011, an agreement was negotiated with the City of Hawthorne to lease and operate its water system. The system, which is located near our Hermosa Redondo district, serves about half of Hawthorne's population. The capital lease agreement required an up-front $8.1 million lease deposit to the city that is being amortized over the lease term. Additionally, annual lease payments are contracted to be adjusted based on changes in rates charged to customers. Under the lease, we are responsible for all aspects of system operation and capital improvements, although title to the system and system improvements reside with the city. Capital improvements are recorded as depreciable plant and equipment and depreciated per the asset lives set forth in the agreement. In exchange, we receive all revenue from the water system, which was $12.7 million, $12.2 million, and $12.5 million in 2024, 2023, and 2022, respectively. At the end of the lease, the city is required to reimburse us for the

Our natural gas utility customer base is diversified among residential gas, commercial gas, industrial gas, gas transportation, and other utility. Substantially all of our natural gas utility customers are metered, which allows us to measure and bill for our customers' natural gas usage. Natural gas usage per customer is affected by local weather conditions during the year, especially during the fall, winter, and early spring. These patterns reflect the higher demand for natural gas for heating purposes during the colder months. The impact on our natural gas sales resulting from weather temperatures that are above or below normal is offset partially through our weather normalization adjustment mechanisms in place in Kentucky and in Pennsylvania (effective beginning October 2024). During the year ended December 31, 2024, we experienced 4,288 actual heating degree days (HDDs), which was warmer by 18.2% than the average or normal HDDs for Pittsburgh, Pennsylvania, which we use as a proxy for our western Pennsylvania service territory. HDDs are used in the natural gas industry to measure the relative coldness of weather and to estimate the demand for natural gas. Our regulated natural gas revenues and expenses are also affected by the cost of gas. We are generally able to pass the cost of gas through to our customers using a purchased gas adjustment clause; therefore, fluctuations in the cost of purchased gas impact revenues on a dollar-for-dollar basis. Since regulated natural gas revenues are affected by the cost of gas, higher gas costs, as well as general economic conditions, may cause customers to conserve usage, or seek alternative energy sources. In addition, higher gas costs result in an increase to our purchased gas inventory, which requires additional borrowings under credit facilities, resulting in higher interest expense.

The Company's growth in revenues over the past five years is primarily a result of increases in water and wastewater rates, increase in the cost of natural gas in 2021 and 2022, customer growth, and its acquisition in 2020 of Peoples Natural Gas Company LLC and its affiliated companies, or the Peoples Gas Acquisition. See *Economic Regulation* for a discussion of water, wastewater, and natural gas rates. The increase in our utility customer base has been due to customers added through acquisitions, partnerships with developers, and organic growth (excluding dispositions) as shown below:

Year	Utility Customer Growth Rate
2024	0.6%
2023	1.0%
2022	1.7%
2021	1.2%
2020	42.9%

In 2024, 2023, 2022, 2021, and 2020, our customer count increased by 11,845, 5,875, 31,537, 21,246, and 772,099 customers, respectively, primarily due to the water and wastewater utility systems that we acquired, organic growth, and in 2020, due to the Peoples Gas Acquisition that resulted to the addition of approximately 750,000 natural gas utility customers. Overall, for the five year period of 2020 through 2024, our utility customer base, adjusted to exclude customers associated with utility system dispositions, increased at an annual compound rate of 12.9%. During the five year period ended December 31, 2024, our utility customer base including customers associated with utility system acquisitions and dispositions increased from 1,026,704 at January 1, 2020 to 1,869,306 at December 31, 2024.

Acquisitions and Other Growth Ventures

We believe that acquisitions will continue to be an important source of customer growth for us. We intend to continue to pursue acquisitions of government-owned and regulated water and wastewater systems that provide services in areas near our existing service territories or in new service areas. We engage in continuing activities with respect to potential acquisitions, including calling on prospective sellers, performing analyses of and due diligence on acquisition candidates, making preliminary acquisition proposals, and negotiating the terms of potential acquisitions. Further, we are also seeking other potential business opportunities, including but not limited to, partnering with public and regulated utilities to invest in infrastructure projects, growing our market-based activities by acquiring businesses that provide water and wastewater or other utility-related services, and investing in infrastructure projects.

Based on the 2023 U.S. Census American Housing Survey, approximately 89% of the U.S. population obtain their water from public or private water utility systems, and 11% of the U.S. population obtain their water from individual wells. With approximately 50,000 community water systems in the U.S. (approximately 81% of which serve less than 3,300 customers), the water industry is the most fragmented of the major utility industries (telephone, natural gas, electric, water and wastewater). The majority of these community water systems are government-owned. The nation's water systems

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 10-K, or this Annual Report, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words “believes,” “expects,” “estimates”, “anticipates,” “plans,” “future,” “potential,” “probably,” “predictions,” “intends,” “will,” “continue,” “in the event” or the negative of such terms or similar expressions. Please refer to the Summary in Item 1A – Risk Factors in this Annual Report for a description of the types of forward-looking statements in this Annual Report. These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this Annual Report completely and with the understanding that our actual future results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans, and beliefs only as of the date of this Annual Report. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see Item 1A – Risk Factors. We qualify all of our forward-looking statements by these cautionary statements.

PART I

Item 1. *Business*

The Company

Essential Utilities, Inc., referred to as “Essential Utilities”, “Essential”, the “Company”, “we”, “us”, or “our”, a Pennsylvania corporation, is the holding company for regulated utilities providing water, wastewater, or natural gas services to an estimated 5.5 million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, and Kentucky under the Aqua and Peoples brands. One of our largest operating subsidiaries, Aqua Pennsylvania, Inc., or Aqua Pennsylvania, accounted for approximately 55% of operating revenues and approximately 67% of income for our Regulated Water segment in 2024. As of December 31, 2024, Aqua Pennsylvania provided water or wastewater services to approximately one-half of the total number of water and wastewater customers we serve. Aqua Pennsylvania’s service territory is located in the suburban areas in counties north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. Our other regulated water or wastewater utility subsidiaries provide similar services in seven additional states. Our Peoples subsidiaries provide natural gas service to approximately 745,000 customers in western Pennsylvania and Kentucky. Approximately 95% of the total number of natural gas utility customers we serve are in western Pennsylvania. The Company also operates market-based activities, conducted through its non-regulated subsidiaries, that provide utility service line protection solutions and repair services to households and gas marketing and production activities. Currently, the Company seeks to acquire businesses in the U.S. regulated sector, focusing on water and wastewater utilities and to opportunistically pursue growth ventures in select market-based activities, such as infrastructure opportunities that are supplementary and complementary to our regulated water utility businesses.

Middlesex Water Company (including Fortescue System)

Middlesex Water Company (NASDAQ:MSEX) established in 1897, provides a full range of regulated and non-regulated water, wastewater utility and related services in parts of New Jersey and Delaware. Headquartered in Iselin, New Jersey, the company engages in collecting, treating, distributing and selling water for domestic, commercial, municipal, industrial and fire protection purposes.

Over a Century of Water Utility Expertise

Water Quality

Middlesex Water Company has a stringent water quality monitoring and testing program to ensure drinking water that meets and consistently exceeds state and federal water quality standards. The Company provides information on its water quality results to customers through Annual Water Quality Reports to customers.

VIEW MWC WATER QUALITY REPORT >

Middlesex System

RETAIL CUSTOMERS

The Middlesex System in New Jersey provides water services to approximately 61,000 retail customers, primarily in eastern Middlesex County, New Jersey. Areas served on a retail basis include: The Township of Woodbridge, the city of South Amboy, the Boroughs of Carteret and Metuchen, portions of the Township of Edison and the Borough of South Plainfield and a small portion of the Township of Clark in Union County. These retail customers include a mix of residential customers, large industrial concerns, commercial and light industrial facilities.

CONTRACT CUSTOMERS

The Middlesex System also provides water under wholesale contracts to the City of Rahway, the Townships of Edison and Marlboro, the Boroughs of Highland Park and Sayreville and the Old Bridge Municipal Utilities Authority. Water treatment and pumping services are provided to the Township of East Brunswick under contract. Contract customers of the Middlesex System comprise an area of about 110 square miles with a population of approximately 219,000. Contracts sales to Edison, Old Bridge, Marlboro and Rahway are supplemental to the existing water systems of these customers.

The Middlesex system utilizes both surface and groundwater supplies during various times of the year and customers may receive either or a blend of both sources depending upon location and demands. Surface water is obtained from the Delaware and Raritan Canal (D&R Canal), which is owned by the State of New Jersey and operated by the New Jersey Water Supply Authority. Surface water sources provide approximately 74 percent of the Middlesex system's supply. Groundwater sources provide approximately 19% of supply from 31 wells and the balance (7 percent) is purchased water from a non-affiliated water utility.

The Company obtains groundwater from its Wellfields in South Plainfield in North and South Edison. Groundwater comes from an underground source of water known as the Brunswick Aquifer. Middlesex Water's rates are

regulated by the New Jersey Board of Public Utilities. The Company is also subject to various Federal and State regulatory agencies concerning water quality standards.

VIEW RATE INFORMATION >

VIEW TARIFF EFFECTIVE MARCH 1, 2025 >

Middlesex Water Company (Fortescue System)

Middlesex Water Company provides water service to approximately 300 customers in the Village of Fortescue in Downe Township located in the southern section of Cumberland County, NJ. This system, formerly the Bayview Water System, is now referred to as the Fortescue System. This water system is not physically interconnected with the Middlesex System, yet customers are served and billed by Middlesex Water and included under the Middlesex Water retail rate structure and tariff. Water supply to Fortescue System customers is derived solely from groundwater from an artesian aquifer known as the Lower Kirkwood Formation.

VIEW MWC FORTESCUE SYSTEM (*FORMALLY BAYVIEW*) WATER QUALITY REPORT >

SERVICE ALERTS

No DEP-issued service alerts at this time.

Contact Us

GENERAL INQUIRIES: 800-549-3802

EMAIL: csmwc@middlesexwater.com

WATER SERVICE EMERGENCY:
Contact us at (800) 782-1116 24/7, 365 days a year.

Pinelands Water and Wastewater Company

PINELANDS WATER AND WASTEWATER CO.
Middlesex Water Company Affiliates

URGENT MESSAGE: Please don't flush wipes down the toilet

These items and anything other than standard toilet paper, should not be put into the toilet. They will clog both household piping and the sewer pipes and pumpstations, resulting in blockages and jams for the pipes and the equipment treating this wastewater. Even many of the wipes that are labeled "flushable" are not and increase the risk for equipment failures and sewage overflows, and higher sewer bills.

In addition leftover and unused cooking oils, grease and fats should also not be poured down the drain and into the sewer system. While it might seem very liquid when it is coming off the stove, as it cools it hardens and also clogs pipes and sewer equipment.

Please put wipes in the trash and not toilet- ***help keep the wipes out of the pipes****. And that goes for grease and oils too.* ***We are asking our customers to help us as we manage your important utilities.***

Pinelands Water provides water services to approximately 2,500 residential customers in Burlington County, New Jersey. The Company pumps, treats and distributes water for domestic purposes in the communities of Leisure Towne and Hampton Lakes in Southhampton Township, NJ. Water supply to the Pinelands system is derived from groundwater sources. Pinelands Wastewater Company, a Middlesex Water subsidiary, collects, treats and discharges wastewater from approximately 2,500 residential customers in Burlington County, NJ. The Pinelands Wastewater treatment plant provides clarification, sedimentation, filtration and disinfection. As public utilities, Pinelands Water and Wastewater Companies are subject to the regulations of the New Jersey Board of Public Utilities. These companies are also regulated by the NJDEP and other governmental agencies concerning water quality and wastewater discharge standards.

Dedicated to Serving You

A small, dedicated team of full-time Pinelands employees work to assure continued water and wastewater service 24/7 to our customers in the Leisuretowne and Hampton Lakes communities. This consists of daily visits to the individual stations throughout the communities, service-related calls to customers, quarterly meter reading walking through the community and overseeing maintenance and construction repairs and improvements necessary for the efficient operation of our systems. We're committed to providing you with quality service.

VIEW PINELANDS WATER QUALITY REPORT >
VIEW WATER TARIFF EFFECTIVE OCTOBER 1, 2024

SERVICE ALERTS

There are no current DEP Issued Service Alerts at this time.

Middlesex Water Subsidiary Tidewater Utilities Completes The Acquisition Of Ocean View Water System

April 2, 2025 at 7:45 AM EDT

ISELIN, N.J., April 02, 2025 (GLOBE NEWSWIRE) -- Middlesex Water Company (NASDAQ: MSEX) announced today that its subsidiary, Tidewater Utilities, Inc. (TUI), completed its acquisition of the water system assets of the Town of Ocean View (TOV) in Sussex County, Delaware for $4.6 million.

"We are delighted to welcome Ocean View residents as our newest Tidewater customers," said Bruce E. Patrick, President of TUI. "Maintaining the same water rates for all Ocean View residents during this transition is of the utmost importance to our team. We remain steadfast in our commitment of delivering clean, safe, reliable water service to our customers and remaining good community partners, just as we have for the past 17 years."

The newly acquired TOV water system serves approximately 900 customers, who have been receiving water supply from TUI since the system was constructed in 2008. TUI also has been providing water distribution, meter reading, customer billing, and operational services to TOV during this time through its subsidiary, White Marsh Environmental Systems, Inc.

On February 19, 2025, the Delaware Public Service Commission approved TUI's application to purchase the water assets of TOV and the right to provide water service to its existing customers.

"The sale of the Ocean View water distribution system to Tidewater Utilities presents benefits to the Town in several ways," said Town Manager Carol Houck. "First and foremost, it ensures rate equity to our former water customers as Tidewater is subject to the regulations of the Delaware Public Service Commission. Likewise, Tidewater, a trusted partner to the Town for many years, will enhance customer service options to our former customers."

Ocean View customers will receive additional information in the mail from TUI. Information also is available on the Tidewater website at www.TUIWater.com.

About Tidewater Utilities, Inc.

Tidewater Utilities, Inc. ("Tidewater"), a wholly owned subsidiary of Middlesex Water Company, is celebrating over 60-years of service to Delawareans. Tidewater is the largest private water supplier south of the Chesapeake & Delaware Canal in Delaware. The Company operates 172 active wells and 85 water treatment plants to serve approximately 62,000 customers in 480 separate communities in New Castle, Kent and Sussex County, Delaware.

About Middlesex Water Company

Middlesex Water Company ("Middlesex") (NASDAQ: MSEX) is one of the nation's premier investor-owned water and wastewater utilities. Established in 1897, Middlesex is a trusted provider of life-sustaining services to more than half a million people in New Jersey and Delaware. The company focuses on employee engagement, operational excellence, superior customer experience, investment in infrastructure, and selective and sustainable growth to deliver value to our customers, investors, and the communities we serve.

Media Contact:
Brian Hague, Vice President of Communications & Corporate Affairs
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(732) 638-7549

Source: Middlesex Water Company

Middlesex Water Company Reports 2024 Financial Results

February 28, 2025 at 4:44 PM EST

- Diluted earnings per share ("EPS") of $2.47 for 2024, compared to 2023 earnings of $1.76
- Invested $75 million in capital expenditures in 2024 to upgrade, replace and enhance the resiliency of its water and wastewater utility infrastructure
- Utility infrastructure investment of $387 million planned from 2025 through 2027

ISELIN, N.J., Feb. 28, 2025 (GLOBE NEWSWIRE) -- Middlesex Water Company ("Middlesex" or the "Company") (NASDAQ: MSEX) today announced financial results for the fourth quarter and year end 2024. Middlesex reported net income of $44.4 million and diluted EPS of $2.47 for 2024, compared to net income of $31.5 million and diluted EPS of $1.76 in 2023.

"Our strong 2024 performance underscores the strength of our growth strategy, the dedication of our team members, a constructive regulatory environment, and the trust we have earned from our stakeholders," said Nadine Leslie, President and Chief Executive Officer of Middlesex Water Company. "We are excited to build on this momentum to position the company for long-term growth while delivering life-sustaining water utility service at affordable rates to our customers."

2024 Operating Results

Middlesex reported net income for 2024 of $44.4 million, a $12.8 million increase when compared to 2023. A significant amount of the increase is attributable to the base rate increase in the Middlesex System, one-time recovery of previously incurred depreciation, operating and carrying costs of $6.0 million (net of tax) associated with the prior year construction and operation of the water treatment facilities at Middlesex's Park Avenue water treatment plant, and increases in weather-driven customer demand across all its operating regulated water utility systems.

Revenues for 2024 were $191.9 million, an increase of $25.6 million when compared to $166.3 million in 2023. Middlesex System revenues increased $19.9 million due primarily to the New Jersey Board of Public Utilities ("NJBPU") approved base rate increase in March 2024, and increased weather-driven customer demand. In our Delaware System, Tidewater Utilities, Inc. ("Tidewater") revenues increased $4.5 million due primarily to increased weather-related customer demand and customer growth. Non-regulated revenues increased $0.7 million due to higher supplemental contract services.

Operations and maintenance expenses for 2024, were $92.4 million, an increase of $9.3 million when compared to $83.1 million in 2023, primarily due to higher legal, financial, and regulatory matter costs, increased labor costs due to annual wage increases, higher costs related to an enhanced water treatment process at Middlesex's Park Avenue water treatment plant, and higher energy costs due to increased water demand.

Fourth Quarter 2024 Operating Results

Middlesex reported net income of $8.8 million and diluted EPS of $0.49, for the fourth quarter of 2024, compared to net income of $5.8 million and diluted EPS of $0.32 for the same quarter in 2023. A significant amount of the increase is attributable to the base rate increase in the Middlesex System, increases in weather-driven customer demand across all its operating regulated water utility systems, and the implementation of new interim rates in Tidewater.

Infrastructure Investments

In 2024, Middlesex invested $75 million to upgrade, replace and enhance the resiliency of its water and wastewater utility infrastructure. These investments enhanced water quality, service reliability, security, and regulatory compliance.

In 2025, the Company plans to invest approximately $93 million in infrastructure investments, including our RENEW program to replace water mains in our Middlesex System, installation of hydrants and meters, and various water main and services replacements and improvements. From 2025 through 2027, the Company expects to invest $387 million in infrastructure investments, which includes $105 million to install treatment for Perfluoroalkyl ("PFAS") at our Carl J. Olsen surface water treatment plant.

Selective and Sustainable Growth

In February 2025, the Delaware Public Service Commission approved the application of Tidewater to purchase the water utility assets of Ocean View for approximately $4.6 million. Ocean View serves approximately 900 customers in Sussex County, Delaware. The acquisition is expected to close by April 2025.

Quarterly Dividend Declared

On January 28, 2025, the Company's Board of Directors declared a first quarter cash dividend of $0.34 per common share. Dividends on common shares will be paid on March 3, 2025, to shareholders of record as of February 18, 2025. The Company has paid cash dividends continually since 1912 and has increased the dividends received by shareholders each calendar year for 52 consecutive years.

About Middlesex Water Company

Middlesex Water Company (NASDAQ: MSEX) is one of the nation's premier investor-owned water and wastewater utilities. Established in 1897,

Middlesex is a trusted provider of life-sustaining services to more than half a million people in New Jersey and Delaware. The company focuses on operational excellence, superior customer experience, investment in infrastructure, selective and sustainable growth, and employee engagement to deliver value to our customers, investors, and the communities we serve.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of U.S. federal securities laws reflecting the current beliefs or expectations of Middlesex Water Company "MSEX" or the "Company" regarding its future performance, its financial condition, its strategic plans and cash flows, its results of operations as well as any other statements that do not directly relate to any historical or current facts. These statements reflect the Company's current views and information currently available. This information is based on estimates, assumptions, and analysis that the Company believes, as of the date hereof, provide a reasonable basis for the information contained herein. Forward-looking statements can generally be identified by the use of forward-looking words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "foresees." Actual results, performance or achievements may differ materially from forward-looking statements, and the assumptions on which forward-looking statements are based. There can be no assurance that the information contained herein is reflective of future performance, and investors are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance. Unless otherwise specified, all information contained in this press release speaks only as of the date hereof. The Company undertakes no duty to update or revise the information contained herein, whether as a result of new information, future events or otherwise.

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MIDDLESEX WATER COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(In thousands except per share amounts)

	Years Ended December 31,		Quarters Ended December 31,	
	2024	2023	2024	2023
Operating Revenues	$ 191,877	$ 166,274	$ 47,107	$ 38,602
Operating Expenses:				
Operations and Maintenance	92,363	83,113	24,714	19,071
Depreciation	24,430	25,194	6,420	6,648
Other Taxes	21,874	18,744	5,444	4,640
Total Operating Expenses	138,667	127,051	36,578	30,359
Operating Income	53,210	39,223	10,529	8,243
Other Income:				
Allowance for Funds Used During Construction	1,254	2,433	467	272
Other Income, net	10,815	4,053	1,613	929
Total Other Income, net	12,069	6,485	2,080	1,201
Interest Charges	14,023	13,143	3,302	3,779
Income before Income Taxes	51,256	32,565	9,307	5,665
Income Taxes	6,905	1,041	503	(102)
Net Income	44,351	31,524	8,804	5,767
Preferred Stock Dividend Requirements	112	120	23	30
Earnings Applicable to Common Stock	$ 44,239	$ 31,404	$ 8,781	$ 5,737

Earnings per share of Common Stock:

Basic	**$ 2.48**	**$ 1.77**	**$ 0.49**	**$ 0.32**
Diluted	**$ 2.47**	**$ 1.76**	**$ 0.49**	**$ 0.32**
Average Number of				
Common Shares Outstanding :				
Basic	**17,842**	17,732	**17,881**	17,803
Diluted	**17,946**	17,847	**17,954**	17,917

Source: Middlesex Water Company

Water Utility Services' Operating Revenue and Customer Counts

The following tables present operating revenues and the number of customers by customer group of Water Utility Services:

Operating Revenue by Customer Group

	2024	2023	2022
Residential and business	$ 625,080	557,659	501,111
Industrial	5,099	4,693	5,229
Public authorities	27,446	23,755	22,027
Others	55,494	54,166	47,896
Balancing and memorandum accounts and other regulatory mechanisms	11,819	11,772	26,736
Service and other revenue	7,642	—	—
	$ 732,580	652,045	602,999

Number of Customers

	2024	2023	2022
Residential and business	384,619	383,126	379,781
Industrial	592	591	586
Public authorities	2,370	2,387	2,351
Others	11,060	10,983	10,910
	398,641	397,087	393,628

Operating Expense

Operating expense is summarized below:

Operating Expense

	2024	2023	2022
Water Utility Services	$ 560,364	506,923	473,142
Other Services	10,513	10,408	13,255
Unallocated Corporate	7,059	3,597	3,323
	$ 577,936	520,928	489,720

The primary avenue for lead and copper to enter drinking water is through plumbing materials. The Company is required to comply with the Lead and Copper Rule established by the EPA and administered by the DEP. The Company must monitor drinking water at customer taps for compliance with this rule. If lead concentrations exceed an action level, the Company must undertake additional actions to control corrosion, inform the public about steps they should take to protect their health and may be required to replace lead service lines under its control. The Company is currently in compliance with standards under the Lead and Copper Rule.

The EPA published the Lead and Copper Rule Revisions, or LCRR, that included a requirement to submit a service line inventory and a lead service line replacement plan to the respective states or agencies by October 16, 2024. Additionally, the EPA adopted a new regulation, the Lead and Copper Rule Improvements, or LCRI, to focus on the replacement of lead and certain galvanized steel service lines and ensure public education is provided along with sampling at elementary schools and childcare facilities by 2037. The Company successfully submitted its service line inventory and is developing elementary school and childcare facility mailings in preparation for LCRI sampling compliance.

The DEP and the Susquehanna River Basin Commission, or SRBC, regulate the amount of water withdrawn from streams in the watershed to assure that sufficient quantities are available to meet the needs of the Company and other regulated users. Through its Division of Dam Safety, the DEP regulates the operation and maintenance of the Company's impounding dams. The Company routinely inspects its dams and prepares annual reports of their condition as required by DEP regulations. The DEP reviews these reports and inspects the Company's dams.

Since 1980, the DEP has required any new dam to have a spillway that is capable of passing the design flood without overtopping the dam. The design flood is either the Probable Maximum Flood, or PMF, or some fraction of it, depending on the size and location of the dam. PMF is very conservative and is calculated using the most severe combination of meteorological and hydrologic conditions reasonably possible in the watershed area of a dam.

The Company engaged a professional engineer to analyze the spillway capacities at the Lake Williams and Lake Redman dams and validate the DEP's recommended flood design for the dams. Management presented the results of the study to the DEP in December 2004, and DEP then requested that the Company submit a proposed schedule for the actions to address the spillway capacities. Thereafter, the Company retained an engineering firm to prepare preliminary designs for increasing the spillway capacities to pass the PMF through armoring the dams with roller compacted concrete. Management met with the DEP on a regular basis to review the preliminary design and discuss scheduling, permitting, and construction requirements including their concern regarding the stability of the Lake Williams spillway in light of current design standards. The Company completed the final design and the permitting process to armor the dam and replace the spillway of the Lake Williams dam and began construction in 2022. The Company completed the dam armoring and spillway replacement in 2023 at a total cost of approximately $40 million. Additional capital expenditures were incurred in 2024 and are expected to be completed in 2025 for sitework around the dam and reservoir. The Lake Redman dam will be reassessed following the completion of the work on the Lake Williams dam.

Capital expenditures and operating costs required as a result of water quality standards and environmental requirements have been traditionally recognized by state public utility commissions as appropriate for inclusion in establishing rates. The capital expenditures currently required as a result of water quality standards and environmental requirements have been budgeted in the Company's capital program and represent less than 15% of its expected total capital expenditures over the next five years. The Company is currently in compliance with wastewater environmental standards and does not anticipate any major capital expenditures for its current wastewater business.

Growth

(All dollar amounts are stated in thousands of dollars)

The Company continues to grow its number of customers and distribution facilities.

The growth in the number of customers is due primarily to the acquisition of water and wastewater systems and organic growth. During the year ended December 31, 2024, the Company increased its number of customers from 77,893 to 79,771. See "Management's Discussion and Analysis – Acquisitions and Growth" for a discussion of the Company's recent acquisitions.

THE YORK WATER COMPANY

PART I

Item 1. Business.

The York Water Company (the "Company") is the oldest investor-owned water utility in the United States and is duly organized under the laws of the Commonwealth of Pennsylvania. The Company has operated continuously since 1816. The primary business of the Company is to impound, purify to meet or exceed safe drinking water standards and distribute water. The Company also owns and operates three wastewater collection systems and eleven wastewater collection and treatment systems. The Company operates within its franchised water and wastewater territory, which covers portions of 57 municipalities within four counties in south-central Pennsylvania. The Company is regulated by the Pennsylvania Public Utility Commission, or PPUC, for both water and wastewater in the areas of billing, payment procedures, dispute processing, terminations, service territory, debt and equity financing and rate setting. The Company must obtain PPUC approval before changing any practices associated with the aforementioned areas.

Water service is supplied through the Company's own distribution system. The Company obtains the bulk of its water supply for its primary system for York and Adams Counties from both the South Branch and East Branch of the Codorus Creek, which together have an average daily flow of approximately 73.0 million gallons from a combined watershed area of approximately 117 square miles. The Company has two reservoirs on this primary system, Lake Williams and Lake Redman, which together hold up to approximately 2.5 billion gallons of water. The Company supplements these reservoirs with a 15-mile pipeline from the Susquehanna River to Lake Redman which provides access to an additional supply of 12.0 million gallons of untreated water per day. The Company obtains its water supply for its system for Franklin County from the Roxbury Dam on the Conodoguinet Creek, which has an average daily flow of approximately 26.0 million gallons from a watershed area of approximately 33 square miles. The Company has a reservoir on this system which holds up to approximately 330 million gallons of water. The Company also owns fifteen wells which are capable of providing a safe yield of approximately 923,000 gallons per day to supply water to the customers of its groundwater satellite systems in York, Adams, and Lancaster Counties. As of December 31, 2024, the Company's average daily availability was 41.1 million gallons, and average daily consumption was approximately 22.4 million gallons. The Company's service territory had an estimated population of 212,000 as of December 31, 2024. Industry within the Company's service territory is diversified, manufacturing such items as fixtures and furniture, electrical machinery, food products, paper, ordnance units, textile products, air conditioning systems, laundry detergent, barbells, and motorcycles.

The Company's water business is somewhat dependent on weather conditions, particularly the amount and timing of precipitation. Revenues are particularly vulnerable to weather conditions in the summer months. Prolonged periods of hot and dry weather generally cause increased water usage for watering lawns, washing cars, and keeping golf courses and sports fields irrigated. Conversely, prolonged periods of dry weather could lead to drought restrictions from governmental authorities. Despite the Company's adequate water supply, customers may be required to cut back water usage under such drought restrictions which would negatively impact revenues. The Company has addressed some of this vulnerability by instituting minimum customer charges which are intended to cover fixed costs of operations under all likely weather conditions.

The Company's business does not require large amounts of working capital and is not dependent on any single customer or a very few customers for a material portion of its business. Increases in revenues are generally dependent on the Company's ability to obtain rate increases from the PPUC in a timely manner and in adequate amounts and to increase volumes of water sold through increased consumption and increases in the number of customers served. The Company continuously looks for water and wastewater acquisition and expansion opportunities both within and outside its current service territory as well as additional opportunities to enter into bulk water contracts with municipalities and other entities to supply water.

The Company has agreements with several municipalities to provide billing and collection services. The Company also has a service line protection program on a targeted basis in order to further diversify its business. Under this optional program, customers pay a fixed monthly fee, and the Company will repair or replace damaged customer service lines, as needed, subject to an annual maximum dollar amount. The Company continues to review and consider opportunities to expand both initiatives.

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INDIAN CREEK VALLEY WATER AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

ASSETS		BUSINESS-TYPE ACTIVITIES
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 843,462	
Accounts Receivable:		
Customers	660,187	
Taps and Assessments	16,291	
Prepaid Insurance	8,859	
Inventory	480,542	
TOTAL CURRENT ASSETS		$ 2,009,341
NONCURRENT ASSETS:		
Capital Assets:		
Land	113,990	
Building	645,295	
Construction In Progress	506,985	
Water System	25,330,118	
Furniture and Equipment	586,040	
Vehicles	825,893	
Large Equipment	192,462	
Leasehold Improvements	100,985	
Less: Accumulated Depreciation	(13,721,437)	
Total Capital Assets, Net of Accumulated Depreciation		14,580,331
TOTAL NONCURRENT ASSETS		14,580,331
TOTAL ASSETS		$ 16,589,672

LIABILITIES AND NET POSITION		BUSINESS-TYPE ACTIVITIES	
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable	$	44,590	
Accrued Payroll Liabilities		37,261	
Accrued Sales and Use Tax		1,002	
Customer Deposits		68,781	
Current Portion of Loans Payable		472,222	
TOTAL CURRENT LIABILITIES			$ 623,856
NONCURRENT LIABILITIES:			
Loans Payable			1,801,017
TOTAL LIABILITIES			2,424,873
NET POSITION:			
Invested in Capital Assets, Net of Related Debt		12,307,092	
Unrestricted		1,857,707	
TOTAL NET POSITION			14,164,799
TOTAL LIABILITIES AND NET POSITION			$ 16,589,672

The Notes to the Financial Statements are an Integral Part of this Statement.

INDIAN CREEK VALLEY WATER AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2021

		BUSINESS-TYPE ACTIVITIES
OPERATING REVENUES		
Charges for Sales and Services:		
Water Services		$ 2,221,468
Bulk Water Sales		78,432
Public Fire Protection		40,234
Sale of Supplies		47,959
Other Operating Income		29,523
TOTAL OPERATING REVENUES		2,417,616
OPERATING EXPENSES		
Water System	$ 1,773,336	
Administrative Expenses	596,798	
TOTAL OPERATING EXPENSES		2,370,134
OPERATING INCOME (LOSS)		47,482
NONOPERATING REVENUES (EXPENSES)		
Contributed Project Capital	30,054	
Interest Income	1,536	
Service Charges	6,680	
Arrears	38,694	
Tap Installation Expenses	(14,970)	
Interest Expense	(36,300)	
TOTAL NONOPERATING REVENUES (EXPENSES)		25,694
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS		73,176
CAPITAL CONTRIBUTIONS		
Connection and Tap Fees		33,720
CHANGE IN NET POSITION		106,896
TOTAL NET POSITION - JANUARY 1		14,057,903
TOTAL NET POSITION - DECEMBER 31		$ 14,164,799

The Notes to the Financial Statements are an Integral Part of this Statement.

INDIAN CREEK VALLEY WATER AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2021

	BUSINESS-TYPE ACTIVITIES	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and users	$ 2,407,885	
Payments to suppliers	(1,037,324)	
Payments to employees	(581,222)	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		$ 789,339
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Service Charges	6,680	
Arrears	38,694	
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES		45,374
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributed Project Revenue	30,054	
Net Proceeds/Principal Payments on Long-Term Debt	(340,287)	
Interest Payments on Long-Term Debt	(36,300)	
Tap Installation Expenses	(14,970)	
Net Purchase/Disposal of Capital Assets	(108,032)	
Capital Contributions - Tap Fees	33,720	
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		(435,815)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Earned	1,536	
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		1,536
INCREASE (DECREASE) IN CASH		400,434
CASH AND CASH EQUIVALENTS - JANUARY 1		443,028
CASH AND CASH EQUIVALENTS - DECEMBER 31		$ 843,462
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating Income (Loss)		$ 47,482
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization		680,918
Changes in Operating Assets and Liabilities:		
Increase in Accounts Receivable		(18,234)
Decrease in Inventory		29,025
Increase in Prepaid Insurance		(8,859)
Increase in Accounts Payable		25,147
Increase in Customer Deposits		8,503
Increase in Accrued Payroll Liabilities		24,805
Increase in Accrued Sales and Use Tax		552
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		$ 789,339

The Notes to the Financial Statements are an Integral Part of this Statement.

NOTE (5) CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 232,615	$ 0	$ (118,625)	$ 113,990
Construction in Progress	355,565	151,420	0	506,985
Total Capital Assets Not Being Depreciated	588,180	151,420	(118,625)	620,975
Capital Assets Being Depreciated:				
Water System	25,303,934	26,184	0	25,330,118
Building	645,295	0	0	645,295
Furniture and Equipment	586,040	0	0	586,040
Vehicles	776,841	49,052	0	825,893
Leasehold Improvements	100,985	0	0	100,985
Large Equipment	192,462	0	0	192,462
Total Capital Assets Being Depreciated	27,605,557	75,236	0	27,680,793
Capital Assets at Historical Cost	28,193,737	226,656	(118,625)	28,301,768
Less Accumulated Depreciation for:				
Water System	(11,872,626)	(523,463)	0	(12,396,089)
Building	(84,857)	(17,039)	0	(101,896)
Furniture and Equipment	(332,619)	(37,847)	0	(370,466)
Vehicles	(533,287)	(86,134)	0	(619,421)
Leasehold Improvements	(91,009)	(3,166)	0	(94,175)
Large Equipment	(126,122)	(13,268)	0	(139,390)
Total Accumulated Depreciation	(13,040,518)	(680,917)	0	(13,721,437)
Business-Type Activities, Capital Assets, Net	$ 15,153,219	$ (454,261)	$ (118,625)	$ 14,580,331

Indian Creek Valley Water Authority

Statement of Net Position

For the Year Ended December 31,	2022
Current Assets	
Cash and cash equivalents	$ 474,135
Accounts receivable	
Customers	660,883
Taps and assessments	14,748
Prepaid insurance	9,756
Inventory	574,024
Total Current Assets	1,733,546
Property, Plant, and Equipment - net	14,984,627
Total Assets	$ 16,718,173
Current Liabilities	
Accounts payable	$ 32,834
Accrued payroll liabilities	40,300
Accrued sales and use tax	509
Customer deposits	74,980
Current portion of long-term debt	331,313
Total Current Liabilities	479,936
Long-term Liabilities	
Long-term debt, net of current portion	1,588,686
Total Liabilities	2,068,622
Net Position	
Invested in property, plant, and equipment	13,064,628
Unrestricted	1,584,923
Total Net Position	14,649,551
Total Liabilities and Net Position	$ 16,718,173

-Draft-
For Discussion Purposes Only-
-No Opinion Expressed or Implied-
-Oost & Associates, LLC-

The accompanying notes are an integral part of these financial statements.

Indian Creek Valley Water Authority

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended December 31,	2022
Operating Revenues	
Charges for sales and services:	
Water services	$ 2,269,142
Bulk water sales	86,899
Public fire protection	40,084
Sales of supplies	32,462
Other operating income	43,433
Total Operating Revenues	2,472,020
Operating Expenses	
Water system	1,894,052
Administrative expenses	675,526
Total Operating Expenses	2,569,578
Operating Income (Loss)	(97,558)
Non-Operating Revenues (Expenses)	
Interest income	2,699
Service charges	4,820
Arrears	41,632
Contributed project capital	549,973
Interest expense	(35,244)
Total Non-Operating Revenues (Expenses)	563,880
Capital Contributions- Connection and tap fees	18,430
Change in Net Position	484,752
Net Position - Beginning of Year	14,164,799
Net Position - End of Year	$ 14,649,551

-Draft-
-For Discussion Purposes Only-
No Opinion Expressed or Implied-
-Post & Associates, LLC-

The accompanying notes are an integral part of these financial statements.

Indian Creek Valley Water Authority

Statement of Cash Flows

For the Year Ended December 31,	2022
Cash Flows from Operating Activities	
Receipts from customers and users	$ 2,479,066
Payments to suppliers and vendors	(980,540)
Payments to employees	(994,846)
Cash Provided by (Used for) Operating Activities	503,680
Cash Flows from Noncapital Financing Activities	
Service Charges	4,820
Arrears	41,632
Cash Provided by (Used for) Noncapital Financial Activities	46,452
Cash Flows from Capital and Related Financing Activities	
Net proceeds/principal payments on long-term debt	(353,240)
Interest payments on long-term debt	(35,244)
Net purchase/disposal of capital assets	(552,104)
Capital contributions - tap fees	18,430
Cash Provided by (Used for) Capital and Related Financing Activities	(922,158)
Cash Flows from Investing Activities	
Interest earned	2,699
Increase (Decrease) in Cash and Equivalents	(369,327)
Cash and Equivalents - Beginning of Year	843,462
Cash and Equivalents - End of Year	$ 474,135

-Draft-
-For Discussion Purposes Only-
-No Opinion Expressed or Implied-
-Opst & Associates, LLC-

The accompanying notes are an integral part of these financial statements.

Indian Creek Valley Water Authority

Statement of Cash Flows (Continued)

For the Year Ended December 31,	2022
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities	
Operating income (loss)	$ (97,558)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities	
Depreciation and amortization	697,781
Changes in:	
Accounts receivable	847
Inventory	(93,482)
Prepaid insurance	(897)
Accounts payable	(11,756)
Customer deposits	6,199
Accrued payroll liabilities	3,039
Accrued sales and use tax	(493)
Cash Provided by (Used for) Operating Activities	$ 503,680

-Draft-
-For Discussion Purposes Only-
-No Opinion Expressed or Implied-
-Opst & Associates, LLC-

The accompanying notes are an integral part of these financial statements.

Note 3 - Deposits and Investments (Continued)

Credit Risk

The Pennsylvania Municipal Authorities Act limits investments to the following types of investments: (a) United States Treasury bills; (b) short-term obligations of the United States Government or its agencies or instrumentalities; (c) deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository; (d) obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania, or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; and (e) shares of an investment company registered under the Securities Act of 1940, whose shares are registered under the Securities Act of 1933, provided that the only investments of that company are in the authorized investments for Authority funds listed in clauses (a) through (d). The Authority does not have a formal investment policy that further limits its investment choices.

-For Discussion Purposes Only
-No Opinion Expressed or Implied
-Ooos & Associates, LLC

Note 4 - Property, Plant, and Equipment

The following schedule presents the changes to property and equipment for the year ended December 31, 2022:

	12/31/21	Additions	Retirements	12/31/22
Land	$ 113,990	$ -	$ -	$ 113,990
Construction in progress	506,985	501,504	(273,194)	735,295
Water system	25,330,118	823,167	-	26,153,285
Building	645,295	-	-	645,295
Furniture and fixtures	586,040	-	-	586,040
Vehicles	825,893	50,600	-	876,493
Leasehold improvements	100,985	-	-	100,985
Equipment	192,462	-	-	192,462
Total Fixed Assets	28,301,768	1,375,271	(273,194)	29,403,845
Less: Accumulated Depreciation	(13,721,437)	(697,781)	-	(14,419,218)
Net Fixed Assets	$ 14,580,331	$ 677,490	$(273,194)	$ 14,984,627

Indian Creek Valley Water Authority
Statement of Net Position
December 31, 2023

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	$ 843,963
Accounts Receivable:	
Customers	763,436
Taps and assessments	13,241
Inventory	590,752
Total Current Assets	2,211,392
NONCURRENT ASSETS	
Property, plant, and equipment, net of accumulated depreciation	13,885,618
Construction in progress	1,911,660
Total Capital Assets, Net	15,797,278
Total Assets	18,008,670

LIABILITIES

CURRENT LIABILITIES	
Accounts payable	261,502
Accrued payroll liabilities	35,699
Accrued sales and use tax	608
Customer deposits	74,109
Current portion of long-term debt	382,610
Total Current Liabilities	754,528
NONCURRENT LIABILITIES	
Long-term debt, net of current portion	2,303,291
Total Noncurrent Liabilities	2,303,291
Total Liabilities	3,057,819

NET POSITION

Net investment in capital assets	13,111,377
Unrestricted	1,839,474
Total Net Position	$ 14,950,851

See accompanying auditors' report.

Indian Creek Valley Water Authority
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2023

OPERATING REVENUES	
Water services	$ 2,604,005
Bulk water sales	72,827
Public fire protection	42,366
Sales of supplies	27,914
Other operating income	39,989
Total Operating Revenues	2,787,101
OPERATING EXPENSES	
Water system	1,901,299
Administrative expenses	658,549
Total Operating Expenses	2,559,848
Income (Loss) From Operations	227,253
NONOPERATING REVENUES (EXPENSES)	
Interest income	2,657
Service charges	6,025
Arrears	49,534
Intergovernmental revenue	37,917
Interest expense	(41,086)
Total Nonoperating Revenues (Expenses)	55,047
Income (Loss) Before Capital Contributions and Special Items	282,300
CAPITAL CONTRIBUTIONS AND SPECIAL ITEMS	
Connection and tap fees	19,000
Total Capital Contributions and Special Items	19,000
INCREASE IN NET POSITION	301,300
NET POSITION–BEGINNING	14,649,551
NET POSITION–ENDING	$ 14,950,851

See accompanying auditors' report.

Indian Creek Valley Water Authority
Statement of Cash Flows
For the Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 2,686,055
Payments to suppliers, vendors, and professional services	(1,639,811)
Net Cash Provided (Used) by Operating Activities	1,046,244
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from issuance of long-term debt	1,122,333
Tap fees	19,000
Other income	93,475
Principal payments of long-term debt	(356,430)
Payment of interest	(41,086)
Purchase of capital assets	(1,516,365)
Net Cash Provided (Used) by Capital and Related Financing Activities	(679,073)
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipt of interest income	2,657
Net Cash Provided (Used) by Investing Activities	2,657
Net Increase (Decrease) in Cash and Cash Equivalents	369,828
Cash and Cash Equivalents at January 1,	474,135
Cash and Cash Equivalents at December 31,	$ 843,963
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Income (loss) from operations	$ 227,253
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:	
Depreciation	703,714
Change in assets, deferred outflows, liabilities, and deferred inflows:	
(Increase) decrease in accounts receivable	(101,046)
(Increase) decrease in inventory	(16,728)
(Increase) decrease in prepaid expenses	9,756
Increase (decrease) in accounts payable	228,668
Increase (decrease) in customer deposits	(871)
Increase (decrease) in accrued expenses	(4,502)
Net Cash Provided (Used) by Operating Activities	$ 1,046,244

See accompanying auditors' report.

Indian Creek Valley Water Authority
Notes to the Financial Statements
December 31, 2023

NOTE 5: PROPERTY, PLANT, AND EQUIPMENT:

Property, plant, and equipment consisted of the following:

	Beginning Balance	Additions	Disposals/Reclass	Ending Balance
Land	$ 113,990	$ -	$ -	$ 113,990
Buildings	645,295	340,000	-	985,295
Water system	26,153,285	-	-	26,153,285
Furniture and fixtures	586,040	-	-	586,040
Vehicles	876,493	-	-	876,493
Leasehold improvements	100,985	-	-	100,985
Meters and hydrants	192,462	-	-	192,462
Construction in progress	735,295	1,176,365	-	1,911,660
	29,403,845	1,516,365	-	30,920,210
Less accumulated depreciation	(14,419,218)	(703,714)	-	(15,122,932)
Net Capital Assets	$ 14,984,627	$ 812,651	$ -	$ 15,797,278

NOTE 6: LONG TERM LIABILITIES:

Following is a summary of long-term debt transactions of the Authority for the year ended December 31, 2023:

	Balance at December 31, 2022	Additions	Payments	Balance at December 31, 2023	Due Within One Year
Notes Payable:					
PENNVEST #12575	$ 392,198	$ -	$ 34,731	$ 357,467	$ 35,081
PENNVEST #89165	712,420	-	168,110	544,310	169,909
FNB #5605	5,208	-	5,208	-	-
FNB #5260	11,469	-	11,469	-	-
FNB #3575	19,506	-	19,506	-	-
FNB #5380	73,876	-	54,331	19,545	19,545
Mid-Penn #2315	131,129	-	13,287	117,842	13,861
Mid Penn #2317	574,193	-	32,649	541,544	33,763
Mid-Penn #3036	-	272,000	7,468	264,532	8,646
FNB #7954	-	850,333	9,671	840,662	101,805
Total Notes Payable	1,919,999	1,122,333	356,430	2,685,901	382,610
	$ 1,919,999	$1,122,333	$ 356,430	$ 2,685,901	$ 382,610

Indian Creek Valley Water Authority
Statement of Net Position
December 31, 2024

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	$ 759,235
Accounts Receivable:	
Customers	858,667
Taps and assessments	14,622
Inventory	541,807
Total Current Assets	2,174,331
NONCURRENT ASSETS	
Property, plant, and equipment, net of accumulated depreciation	13,406,598
Construction in progress	2,439,064
Total Capital Assets, Net	15,845,662
Total Assets	18,019,993

LIABILITIES

CURRENT LIABILITIES	
Accounts payable	163,022
Accrued payroll liabilities	132,667
Accrued sales and use tax	366
Customer deposits	99,906
Current portion of long-term debt	373,028
Total Current Liabilities	768,989
NONCURRENT LIABILITIES	
Long-term debt, net of current portion	1,921,098
Total Noncurrent Liabilities	1,921,098
Total Liabilities	2,690,087

NET POSITION

Net investment in capital assets	13,551,536
Unrestricted	1,778,370
Total Net Position	$ 15,329,906

See accompanying auditors' report.

Indian Creek Valley Water Authority
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2024

OPERATING REVENUES	
Water services	$ 2,621,271
Bulk water sales	79,378
Public fire protection	42,887
Sales of supplies	23,971
Other operating income	31,880
Total Operating Revenues	2,799,387
OPERATING EXPENSES	
Water system	1,742,067
Administrative expenses	656,641
Total Operating Expenses	2,398,708
Income (Loss) From Operations	400,679
NONOPERATING REVENUES (EXPENSES)	
Interest income	4,895
Service charges	4,485
Arrears	46,126
Intergovernmental revenue	-
Interest expense	(38,074)
Total Nonoperating Revenues (Expenses)	17,432
Income (Loss) Before Capital Contributions and Special Items	418,111
CAPITAL CONTRIBUTIONS AND SPECIAL ITEMS	
Connection and tap fees	48,588
Total Capital Contributions and Special Items	48,588
INCREASE IN NET POSITION	466,699
NET POSITION–BEGINNING, AS RESTATED, NOTE 10	14,863,207
NET POSITION–ENDING	$ 15,329,906

See accompanying auditors' report.

Indian Creek Valley Water Authority
Statement of Cash Flows
For the Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 2,702,776
Payments to suppliers, vendors, and professional services	(1,715,199)
Net Cash Provided (Used) by Operating Activities	987,577
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Tap fees	48,588
Other income	50,611
Principal payments of long-term debt	(391,775)
Payment of interest	(38,074)
Purchase of capital assets	(746,550)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,077,200)
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipt of interest income	4,895
Net Cash Provided (Used) by Investing Activities	4,895
Net Increase (Decrease) in Cash and Cash Equivalents	(84,728)
Cash and Cash Equivalents at January 1,	843,963
Cash and Cash Equivalents at December 31,	$ 759,235
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Income (loss) from operations	$ 400,679
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:	
Depreciation	698,166
Change in assets, deferred outflows, liabilities, and deferred inflows:	
(Increase) decrease in accounts receivable	(96,611)
(Increase) decrease in inventory	48,945
(Increase) decrease in prepaid expenses	-
Increase (decrease) in accounts payable	(98,480)
Increase (decrease) in customer deposits	25,797
Increase (decrease) in accrued expenses	9,081
Net Cash Provided (Used) by Operating Activities	$ 987,577

See accompanying auditors' report.

Indian Creek Valley Water Authority
Notes to the Financial Statements
December 31, 2024

The Authority currently does not have any assets or liabilities that require fair value measurement.

NOTE 5: PROPERTY, PLANT, AND EQUIPMENT:

Property, plant, and equipment consisted of the following:

	Beginning Balance	Additions	Disposals/Reclass	Ending Balance
Land	$ 113,990	$ -	$ -	$ 113,990
Buildings	985,295	-	-	985,295
Water system	26,153,285	219,146	-	26,372,431
Furniture and fixtures	586,040	-	-	586,040
Vehicles	876,493	-	-	876,493
Leasehold improvements	100,985	-	-	100,985
Meters and hydrants	192,462	-	-	192,462
Construction in progress	1,911,660	527,404	-	2,439,064
	30,920,210	746,550	-	31,666,760
Less accumulated depreciation	(15,122,932)	(698,166)	-	(15,821,098)
Net Capital Assets	$ 15,797,278	$ 48,384	$ -	$ 15,845,662

NOTE 6: LONG TERM LIABILITIES:

Following is a summary of long-term debt transactions of the Authority for the year ended December 31, 2024:

	Balance at December 31, 2022	Additions	Payments	Balance at December 31, 2023	Due Within One Year
Notes Payable:					
PENNVEST #12575	$ 392,198	$ -	$ 34,731	$ 357,467	$ 35,081
PENNVEST #89165	712,420	-	168,110	544,310	169,909
FNB #5605	5,208	-	5,208	-	-
FNB #5260	11,469	-	11,469	-	-
FNB #3575	19,506	-	19,506	-	-
FNB #5380	73,876	-	54,331	19,545	19,545
Mid-Penn #2315	131,129	-	13,287	117,842	13,861
Mid Penn #2317	574,193	-	32,649	541,544	33,763
Mid-Penn #3036	-	272,000	7,468	264,532	8,646
FNB #7954	-	850,333	9,671	840,662	101,805
Total Notes Payable	$ 1,919,999	$ 1,122,333	$ 356,430	$ 2,685,901	$ 382,610

NOTE 7: NOTES PAYABLE:

Note payable to PENNVEST (No. 12575) in the original amount of $1,005,500. The note bears interest at the rate of 1% per annum and is payable in monthly installments of $3,208 through September 2033. The outstanding balance on this note payable on December 31, 2024, was $322,386.

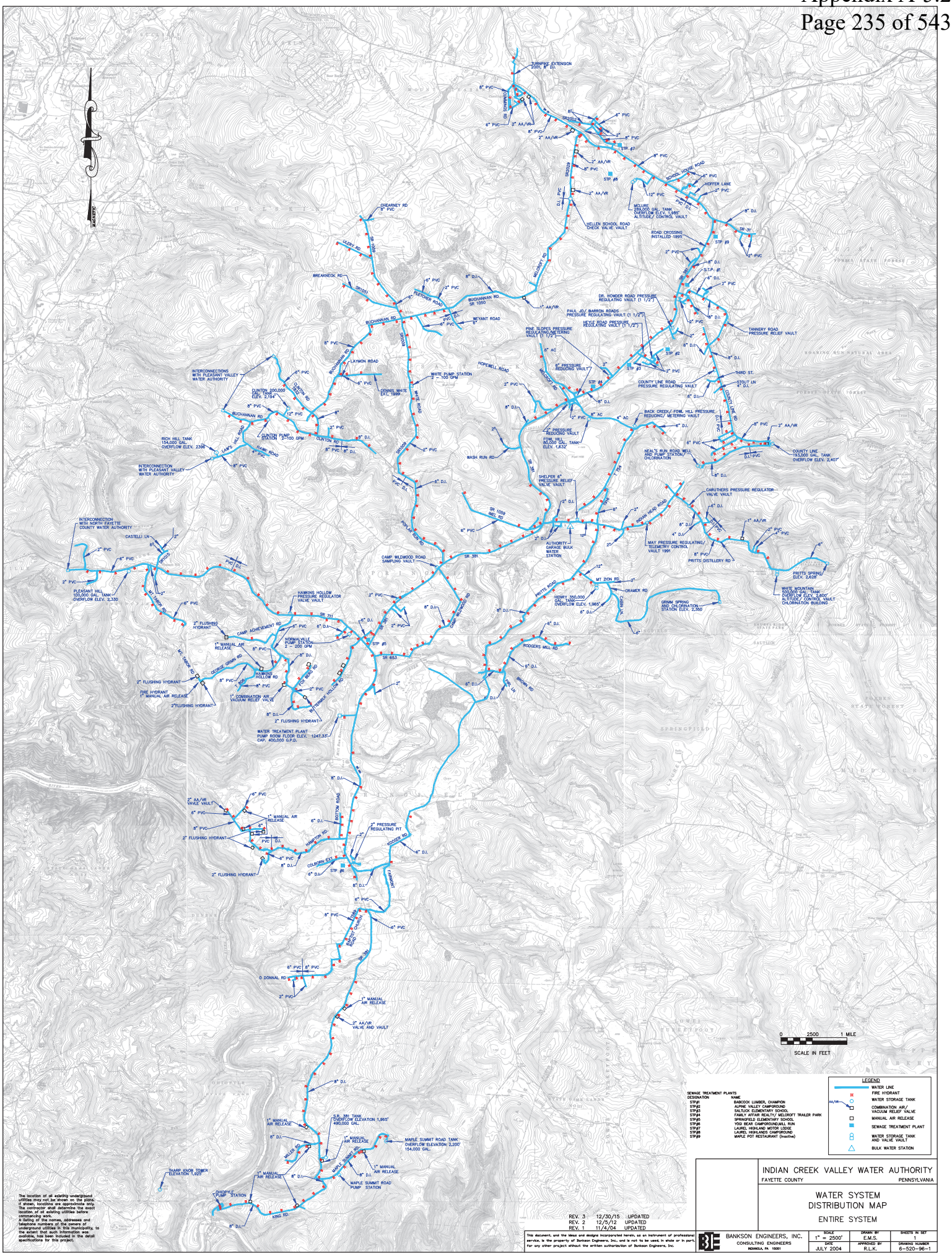
Indian Creen Valley Water Authority
2025

			2025 Budget
Expenses			
Source of Supply		$	47,100
Treatment Expense		$	84,750
Pumping Expense		$	16,350
Trans. & Distribution Expense		$	971,050
Customer Accounting Expense		$	42,050
General Office & Admin. Expense		$	764,350
Interest Expense		$	76,150
Tap Installation Expenses		$	-
	Operational Subtotal	$	2,001,800
Principle Pmt.- SB&T - L/T Note (former PNC)		$	13,820
Principle Pmt.- FNB Pleasant Hill Tank		$	-
Principle Pmt.- SB&T Mill Property		$	34,250
Principle Pmt.- Pennvest III		$	35,450
Principle Pmt.- Pennvest IV		$	171,750
Principle Pmt.- Water Office		$	29,950
Principle Pmt.- Clinton Sister Tank		$	107,850
Supplies Purchased for Resale		$	23,000
	Non-Operation Subtotal	$	416,070
	Operating & Non-Operating Expense Total	**$**	**2,417,870**
Revenue			
Regular Water Sales		$	2,664,500
Bulk Water Sales		$	6,200
Fire Protection		$	36,940
Sale of Supplies		$	24,000
Tap On Fees		$	-
Interest Income		$	2,250
Arrears		$	41,000
Service Charges		$	4,250
Other Income		$	17,900
	Revenue Total	**$**	**2,797,040**
Revenue Total		$	2,797,040
Expense Total		$	2,417,870
	Contingency	$	379,170

	Township Of Saltlick Data & Demographics (As of July 1, 2025)	***Township Of Springfield Data & Demographics (As of July 1, 2025)***	***Township Of Bullskin Data & Demographics (As of July 1, 2025)***
POPULATION			
Total Population	2,879 (100%)	2,600 (100%)	6,394 (100%)
Population in Households	2,865 (99.5%)	2,570 (98.8%)	6,382 (99.8%)
Population in Families	2,343 (81.4%)	2,148 (82.6%)	5,169 (80.8%)
Population in Group Quarters1	14 (0.5%)	30 (1.2%)	12 (0.2%)
Population Density	77	44	145
Diversity Index2	7	10	10
INCOME			
Median Household Income	$68,804	$46,334	$66,644
Average Household Income	$82,126	$62,544	$82,554
% of Income for Mortgage4	18%	22%	21%
Per Capita Income	$35,384	$24,589	$35,926
Wealth Index5	72	49	63
HOUSING			
Total HU (Housing Units)	1,579 (100%)	1,215 (100%)	3,122 (100%)
Owner Occupied HU	1,060 (67.1%)	839 (69.1%)	2,401 (76.9%)
Renter Occupied HU	180 (11.4%)	182 (15.0%)	381 (12.2%)
Vacant Housing Units	339 (21.5%)	194 (16.0%)	340 (10.9%)
Median Home Value	$194,792	$161,625	$217,900
Average Home Value	$264,295	$195,840	$230,732
Housing Affordability Index3	124	101	109
HOUSEHOLDS			
Total Households	1,240	1,021	2,782
Average Household Size	2.31	2.52	2.29
Family Households	871	730	1,898
Average Family Size	3	3	3

	Township Of Connellsville Data & Demographics (As of July 1, 2025)	*Ohiopyle, PA Data & Demographics (As of July 1, 2025)*	*Township Of Stewart Data & Demographics (As of July 1, 2025)*
POPULATION			
Total Population	1,960 (100%)	44 (100%)	583 (100%)
Population in Households	1,955 (99.7%)	44 (100.0%)	583 (100.0%)
Population in Families	1,519 (77.5%)	34 (77.3%)	488 (83.7%)
Population in Group Quarters1	5 (0.3%)	0	0
Population Density	173	105	12
Diversity Index2	12	21	9
INCOME			
Median Household Income	$53,056	$82,636	$56,279
Average Household Income	$66,423	$85,204	$75,382
% of Income for Mortgage4	20%	0%	28%
Per Capita Income	$30,846	$36,792	$33,618
Wealth Index5	49	69	72
HOUSING			
Total HU (Housing Units)	1,055 (100%)	32 (100%)	318 (100%)
Owner Occupied HU	765 (72.5%)	18 (56.2%)	226 (71.1%)
Renter Occupied HU	145 (13.7%)	1 (3.1%)	34 (10.7%)
Vacant Housing Units	145 (13.7%)	13 (40.6%)	58 (18.2%)
Median Home Value	$167,882	$225,000	$253,488
Average Home Value	$200,526	$350,694	$312,821
Housing Affordability Index3	109	0	78
HOUSEHOLDS			
Total Households	910	19	260
Average Household Size	2.15	2.32	2.24
Family Households	578	13	185
Average Family Size	3	3	3

	Donegal, PA Data & Demographics (As of July 1, 2025)	*Township Of Donegal Data & Demographics (As of July 1, 2025)*	*Township Of Mount Pleasant Data & Demographics (As of July 1, 2025)*
POPULATION			
Total Population	99 (100%)	2,199 (100%)	10,013 (100%)
Population in Households	99 (100.0%)	2,197 (99.9%)	9,993 (99.8%)
Population in Families	80 (80.8%)	1,838 (83.6%)	8,113 (81.0%)
Population in Group Quarters1	0	2 (0.1%)	20 (0.2%)
Population Density	436	45	181
Diversity Index2	2	11	12
INCOME			
Median Household Income	$50,550	$57,247	$67,570
Average Household Income	$66,228	$71,548	$81,526
% of Income for Mortgage4	0%	31%	25%
Per Capita Income	$28,766	$31,563	$35,701
Wealth Index5	50	64	66
HOUSING			
Total HU (Housing Units)	58 (100%)	1,373 (100%)	4,920 (100%)
Owner Occupied HU	37 (63.8%)	859 (62.6%)	3,751 (76.2%)
Renter Occupied HU	6 (10.3%)	111 (8.1%)	633 (12.9%)
Vacant Housing Units	15 (25.9%)	403 (29.4%)	536 (10.9%)
Median Home Value	$225,000	$283,255	$266,274
Average Home Value	$255,203	$340,824	$297,005
Housing Affordability Index3	0	70	89
HOUSEHOLDS			
Total Households	43	970	4,384
Average Household Size	2.3	2.26	2.28
Family Households	28	669	2,905
Average Family Size	3	3	3



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INDIAN CREEK VALLEY WATER AUTHORITY
2025 SCHEDULE OF FEES

Water Service Rates*:

Meter Size	Monthly Minimum Charge	Water Charge
5/8" (residential)	$ 12.00	$1.80/100 gallons
3/4" (minimum commercial service)	$ 18.00	$1.80/100 gallons
1"	$ 30.00	$1.80/100 gallons
1-1/2"	$ 60.00	$1.80/100 gallons
2"	$ 96.00	$1.80/100 gallons
3"	$192.00	$1.80/100 gallons
4"	$300.00	$1.80/100 gallons
6"	$600.00	$1.80/100 gallons

TERMS OF PAYMENT: 10% Penalty after 20 days following date of presentation.
-Water Service Rates Revised Effective with November Billing 2023 -

*For all taps served in Stewart Township, Fayette County and funded by a Pennvest loan project, the minimum monthly charge is the meter size charge plus 2000 gallons of water.

Metered Tap Sizes:

5/8" Residential Service - Non-Sprinkler	$ 2,000.00
3/4" Minimum Commercial Service	$ 2,430.00
1"	See Water Tap Fee Schedule
1-1/2"	See Water Tap Fee Schedule
2"	See Water Tap Fee Schedule
3"	See Water Tap Fee Schedule
4"	See Water Tap Fee Schedule
6"	See Water Tap Fee Schedule

- Tap Fees Revised Effective October 23, 2020 -

Deposits:

Standard Residential Tap per Premise (5/8" Meter)	$75.00
Commercial	Est. gross monthly bill + 1 month

Payment Policy

All payments received are applied first to interest and penalty then to principal. Unpaid balances on non-monthly water service invoices (more than 30 days) charged @ rate of 1/2%/month or 0.00017% /day.

Bulk Water Sales:

$19.00 per 1,000 gallons (2,000 gallon minimum)
- Revised November, 2023 -

Fire Protection:

Std. Hydrant	Installed at Cost
Annual Maintenance Fee	Municipal: As per agreement Private: $125.00
Sprinkler Service Connection	Cost per Tap Sizing
Annual Maintenance Fee	See attached chart.

INDIAN CREEK VALLEY WATER AUTHORITY
2025 SCHEDULE OF FEES

Administrative:

Written Certifications	
Standard (Five Business Days)	$ 25.00
Express (24 Hr. Service)	$ 40.00
Municipal Lien Filing Fee	$250.00
NSF (Check Charges)	$ 35.00
Copy Fee (Per face page copied, 8-1/2"x11")	$ .25
Fax Fee (Transmission-Per Minute, 8-1/2"x11")	$ 2.00
Collection Fee (anytime money is collected in the field)	$ 30.00
Administrative Filing Fee	$ 50.00
Bad Debt Fee	$ 50.00

Meter Testing:

Meter Size	Charge
5/8" - 1"	The actual cost of conducting test (minimum fee of $75.00)
1-1/2"- 2"	The actual cost of conducting test (minimum fee of $125.00)
Greater than 2"	The actual cost of conducting test (minimum fee to be determined at time of request, based on meter size)

Project Charges:

Inspection - (Per Hour)	$ 75.00
Mileage - (Per Mile)	$ 2.00
Water Sampling - (Bacti) (Per sample)	$ 75.00
- All other Lab fee + $50.00 per sample)	Per Sample
Communication - (Per week) Phone & Radio	$ 50.00
Administration Fee - (Per Hour)	$ 100.00

Maintenance Charges:

Basic Service Charge - Next business day + scheduled at our convenience + per hour $ 40.00

Same Day Service Charge - If request for service made before 12:00 Noon + per hour $ 50.00

Emergency Service Charge (normal business hours) - If we need to leave and interrupt current job task to address a concern for a customer + per hour $ 70.00

Emergency Service Charge (abnormal business hours) - Service calls initiated before 7:00 a.m or after 3:00 p.m. on normal business day, and all weekend and holidays + per hour (per hour, 1 hour minimum). $ 90.00

Standard Restoration of Water Service Charge $ 40.00

Delinquent Restoration of Water Service Charge $ 50.00

Hourly Rate For Service Work (One Man) Normal Business Hours $ 55.00

Hourly Rate for Abnormal Business Hour Service Work (Per Man) $ 70.00

Meter Seal Tampering/Replacement $ 50.00

Mileage (Per Mile)

	$ 2.50
Backhoe (Per Hour)	$ 75.00
Excavator (Per Hour)	$100.00
Dump Truck (Per Hour)	$ 50.00
Vacuum Truck (Per Hour)	$150.00
Dump Truck & Trailer (Per Mile)	$ 5.00
Service Truck (Per Hour)	$ 35.00
Pumping Rate Charge (Per 1000 gals.)	$ 1.00
Hydrant Flow Test - Basic Service Charge + Hourly rate	
Boring Machine (per hour)	$ 25.00

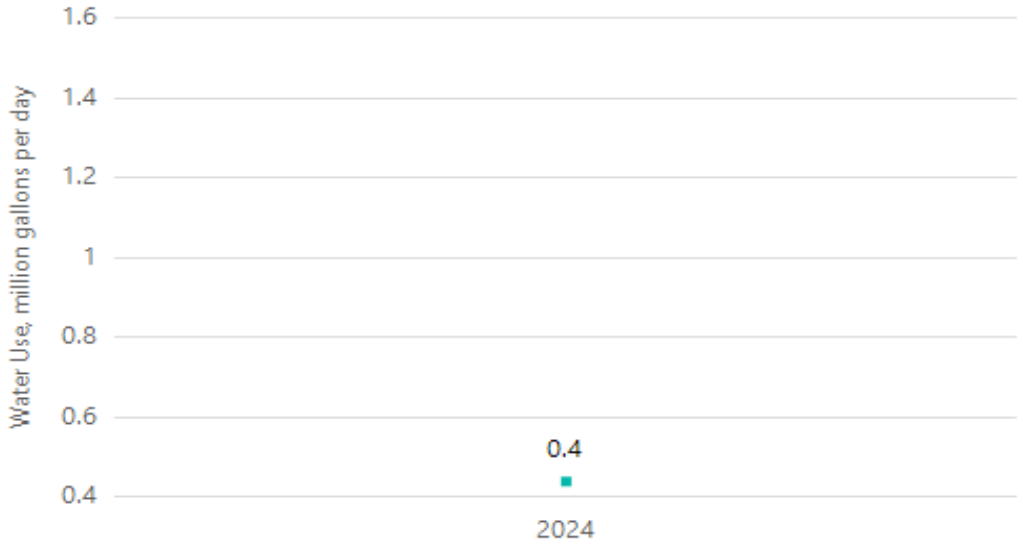
pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

View Instructions/Data Dictionary (pdf)

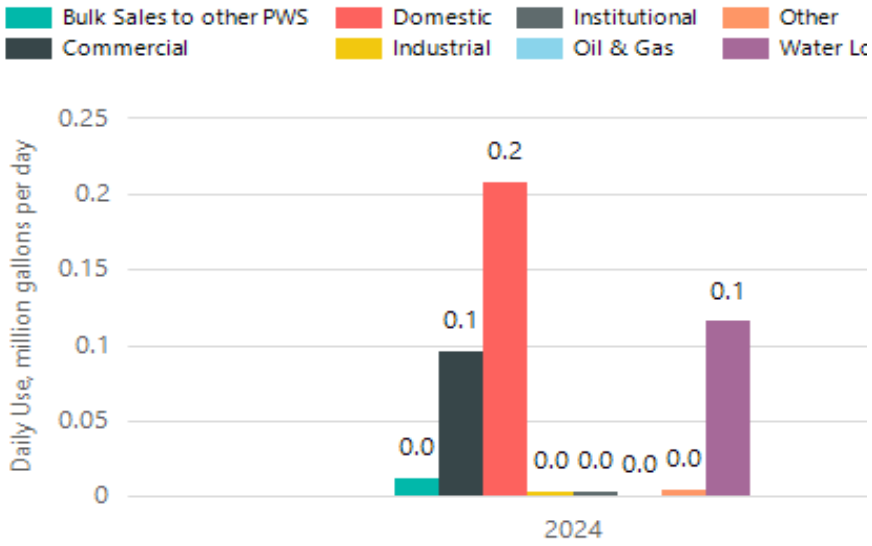
SF Status: All
Primary Facility Name: INDIAN CREEK VALLEY WATER AUTH - 282323
Report Year: 2024
County: All

Plots of Selected Data:

Plot 1 - Total Daily Water Use



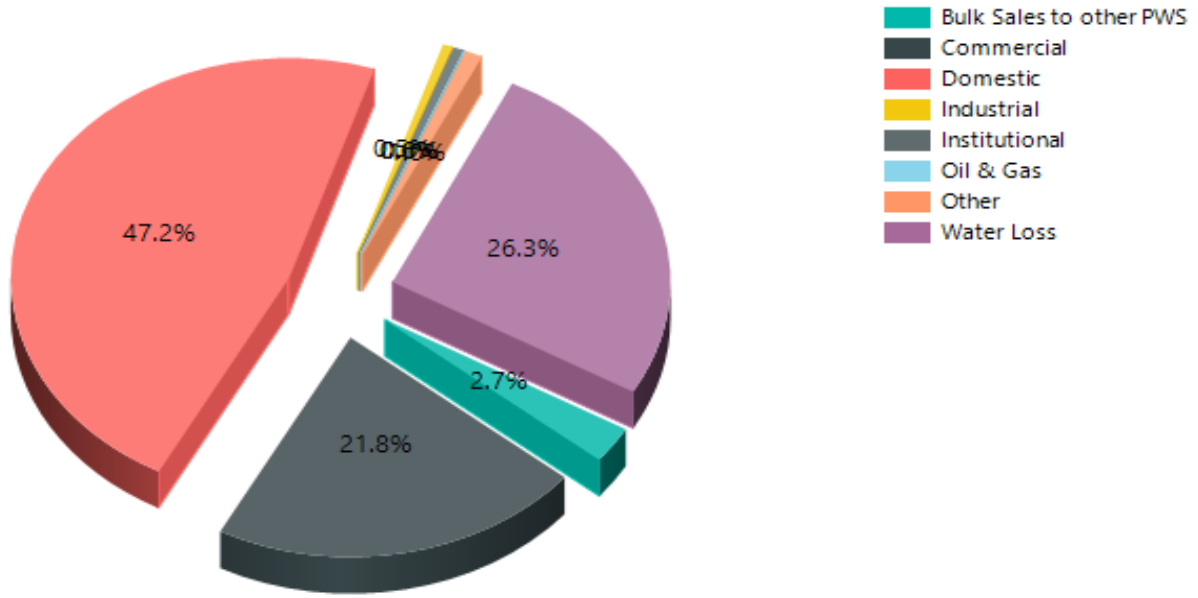
Plot 2 - Daily Water Use by Category



Average Daily Water Distribution

oss

Plot 3 - Percentage of Water Use by Category



pennsylvania
DEPARTMENT OF ENVIRONMENTAL PROTECTION

ACTIVE INDICATOR	PUBLIC WATER SUPPLY ID	WUDS PRIMARY FACILITY ID	eFACTS PRIMARY FACILITY ID	PRIMARY FACILITY	PRIMARY FACILITY DESIGNATION	COUNTY	REPORT YEAR
Active	5260011	19156	282323	INDIAN CREEK VALLEY WATER AUTH	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
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Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY WATER AUTH	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024
Active	5260011	19156	282323	INDIAN CREEK VALLEY	Authority	Fayette	2024

Number of Connections by County/Municipality

PRIMARY FACILITY ID	REPORT YEAR	MUNICIPALITY	COUNTY	DOMESTIC CONNECTIONS	COMMERCIAL CONNECTIONS	INDUSTRIAL CONNECTIONS	INSTITUTIONAL CONNECTIONS	OIL AND GAS CONNECTIONS
19156	2024	Springfield Township	Fayette	762	26	0	1	0
19156	2024	Connellsville Township	Fayette	9	2	0	0	0
19156	2024	Stewart Township	Fayette	71	12	0	0	0
19156	2024	Donegal Borough	Westmoreland	47	7	0	0	0
19156	2024	Ohiopyle Borough	Fayette	30	33	0	0	0
19156	2024	Donegal Township	Westmoreland	445	75	1	2	0
19156	2024	Mount Pleasant Township	Westmoreland	43	6	0	0	0
19156	2024	Bullskin Township	Fayette	9	0	0	0	0
19156	2024	Saltlick Township	Fayette	937	32	0	1	0

	PEAK WATER USE DATE	PEAK DAY WATER USE (GALLONS)	MINIMUM WATER USE DATE	MINIMIM DAY WATER USE (GALLONS)	POPULATION SERVED	DISTRIBUTION TYPE	METERED CONNECTION	AVERAGE WATER USE (GPD)	NUMBER OF CONNECTIONS	AVERAGE METER AGE (YEARS)
					6780	Bulk Sales to other PWS	Y	11647	3	5
					6780	Institutional	Y	2520	4	5
					6780	Institutional	N	0	0	5
					6780	Other	N	0	0	5
					6780	Commercial	Y	95635	193	5
					6780	Industrial	Y	2331	1	5
					6780	Domestic	Y	207227	2353	5
					6780	Commercial	N	0	0	5
					6780	Industrial	N	0	0	5
					6780	Oil & Gas	N	0	0	5
					6780	Other	Y	4347	49	5
					6780	Bulk Sales to other PWS	N	0	0	5
					6780	Oil & Gas	Y	0	0	5
					6780	Water Loss	N	115310	0	5
					6780	Domestic	N	0	0	5

OTHER CONNECTIONS	UNIT CONNECTIONS	UNIT NUMBER OF UNITS
17	0	0
0	0	0
1	0	0
4	0	0
5	0	0
6	0	0
0	0	0
0	0	0
16	0	0

NEW METERS (Y/N)	ADD METERS (Y/N)	METER REPLACEMENT PROGRAM (Y/N)	REPLACED METER COUNT	CONSERVATION INFORMATION PROVIDED (Y/N)	NEW PIPE EXTENSION DETAILS	FLUSHING FREQUENCY
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2
Y	N	Y	400	Y		2

HYDRANTS WORKED (Y/N)	VALVES WORKED (Y/N)	ACTIVE LEAK DETECTION (Y/N)	LEAK DETECTION DETAILS	CROSS CONNECTION CONTROL PROGRAM (Y/N)	INADEQUATE PRESSURE (Y/N)
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N
Y	Y	Y	Electronic Correlation, sight and sound	Y	N

INADEQUATE PRESSURE DETAILS

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Primary Facility Report for INDIAN CREEK VALLEY WATER AUTH (19156)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH

PRIMARY FACILITY NAME AND MAILING ADDRESS

Name and Address:	INDIAN CREEK VALLEY WATER AUTH
	PO BOX 486
	2019 INDIAN HEAD RD
	INDIAN HEAD, PA 15446-0486
Contact Information:	R KERRY WITT
	MGR
Phone:	724-455-2905
Fax:	724-455-7605
Facility e-mail:	RKWITT@ICVWATER.ORG

PEAK DAY WATER USE FOR REPORT YEAR 2023

Date:	(mm/dd/yyyy)
Gallons Per Day:	

MINIMUM DAY WATER USE FOR REPORT YEAR 2023

Date:	(mm/dd/yyyy)
Gallons Per Day:	

POPULATION SERVED

Population Served:	6,750

AVERAGE DAILY WATER USE

Type	Metered Connections		Unmetered Connections	
	Number	Water Use (GPD)	Number	Water Use (GPD)
Domestic	2,414	204,000	0	0
Commercial	209	96,175	0	0
Industrial	2	3,193	0	0
Institutional	4	318	0	0
Bulk Sales to other PWS	5	12,285	0	0
Oil and Gas	0	0	0	0
Other	49	6,706	65	70,915
Water Losses				34,671
Total	2,683	322,677	65	105,586

Explain 'Other' Connections: Churches Municipal, Bulk Fill Station, Processing Equipment, Know Leakage, Main Breaks, Service Leaks

BREAKDOWN OF WATER LOSSES FOR THE SYSTEM

Type	Water Use (GPD)
Apparent Losses	No Information reported.
Real Losses	No Information reported.

REPORT CONTACT INFORMATION

Report Preparer: RICHARD KERRY WITT
MANAGER
INDIAN CREEK VALLEY WATER AUTH
2019 INDIAN HEAD ROAD
POB 486
INDIANHEAD, PA 15446
Phone: 724-455-2905
Email Address: RKWITT@ICVWATER.ORG

REPORT SUBMISSION INFORMATION

Submitted By: Richard Witt
Submitted On: 03/25/2024
Submitted By Email: rkwitt@icvwater.org

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for GRIMM SPRING (8425)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method ESTIMATED (METER INSTALLED BUT NOT TESTED RECENTLY)

WITHDRAWALS OR USE FOR REPORTING YEAR 2023

Month	Total Gallons	Month	Days
Jan Gallons	4,522,380	Jan Days	31
Feb Gallons	3,921,888	Feb Days	28
Mar Gallons	4,441,982	Mar Days	31
Apr Gallons	4,445,288	Apr Days	30
May Gallons	4,580,374	May Days	31
Jun Gallons	4,388,417	Jun Days	30
Jul Gallons	4,599,665	Jul Days	31
Aug Gallons	4,453,699	Aug Days	31
Sep Gallons	3,951,452	Sep Days	30
Oct Gallons	4,239,407	Oct Days	31
Nov Gallons	4,470,147	Nov Days	30
Dec Gallons	4,537,250	Dec Days	31
Total Gallons	52,551,949	Total Days	365

FOR PUBLIC WATER SUPPLIERS

Double Counted: N
If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Richard Witt
Last Data Entry Date: 03/25/2024
Email: rkwitt@icvwater.org

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for PRITTS SPRING (8426)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method ESTIMATED (METER INSTALLED BUT NOT TESTED RECENTLY)

WITHDRAWALS OR USE FOR REPORTING YEAR 2023

Month	Total Gallons	Month	Days
Jan Gallons	4,338,055	Jan Days	31
Feb Gallons	3,638,070	Feb Days	28
Mar Gallons	3,644,378	Mar Days	31
Apr Gallons	3,981,107	Apr Days	30
May Gallons	4,300,712	May Days	31
Jun Gallons	4,192,152	Jun Days	30
Jul Gallons	3,866,771	Jul Days	31
Aug Gallons	3,972,009	Aug Days	31
Sep Gallons	4,146,157	Sep Days	30
Oct Gallons	3,729,491	Oct Days	31
Nov Gallons	2,700,638	Nov Days	30
Dec Gallons	3,416,044	Dec Days	31
Total Gallons	45,925,584	Total Days	365

FOR PUBLIC WATER SUPPLIERS

Double Counted: N
If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Richard Witt
Last Data Entry Date: 03/25/2024
Email: rkwitt@icvwater.org

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for NEALS RUN WELL (43859)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method ESTIMATED (METER INSTALLED BUT NOT TESTED RECENTLY)

WITHDRAWALS OR USE FOR REPORTING YEAR 2023

Month	Total Gallons	Month	Days
Jan Gallons	4,627,008	Jan Days	31
Feb Gallons	3,343,663	Feb Days	28
Mar Gallons	3,737,692	Mar Days	31
Apr Gallons	4,264,578	Apr Days	30
May Gallons	5,047,535	May Days	31
Jun Gallons	5,638,272	Jun Days	30
Jul Gallons	5,845,944	Jul Days	31
Aug Gallons	5,046,272	Aug Days	31
Sep Gallons	4,446,422	Sep Days	30
Oct Gallons	4,573,319	Oct Days	31
Nov Gallons	3,622,982	Nov Days	30
Dec Gallons	3,778,740	Dec Days	31
Total Gallons	53,972,427	Total Days	365

FOR PUBLIC WATER SUPPLIERS

Double Counted: N
If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Richard Witt
Last Data Entry Date: 03/25/2024
Email: rkwitt@icvwater.org

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for MAWC YOUGH PLT MILL RUN RESERVOIR INTC (47395)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method ESTIMATED (METER INSTALLED BUT NOT TESTED RECENTLY)

INTERCONNECTIONS WITH OTHER WATER SUPPLIERS

Name of Interconnected Water Supplier

MAWC YOUGH PLT SYS (19626)

PURCHASED FROM

Month	Total Gallons	Month	Days
Jan Gallons Purchased	0	Jan Days Use Purchased	0
Feb Gallons Purchased	0	Feb Days Use Purchased	0
Mar Gallons Purchased	0	Mar Days Use Purchased	0
Apr Gallons Purchased	0	Apr Days Use Purchased	0
* May Gallons Purchased	0	May Days Use Purchased	0
* Jun Gallons Purchased	1,576,285	Jun Days Use Purchased	14
Jul Gallons Purchased	1,817,515	Jul Days Use Purchased	16
* Aug Gallons Purchased	472,363	Aug Days Use Purchased	6
* Sep Gallons Purchased	0	Sep Days Use Purchased	0
Oct Gallons Purchased	0	Oct Days Use Purchased	0
Nov Gallons Purchased	0	Nov Days Use Purchased	0
Dec Gallons Purchased	0	Dec Days Use Purchased	0
Total Gallons Purchased	3,866,163	Total Days Use Purchased	36

* Gallons Purchased reported is significantly different from the previous year quantity.

Maximum Water Transfer Capability, GPD From: 0

Double Counted: N

If changed, Explain why:

DATA ENTRY INFORMATION

Entered By: Richard Witt
Last Data Entry Date: 03/25/2024
Email: rkwitt@icvwater.org

Subfacility Report for PLEASANT VALLEY WATER AUTH(QUAIL/CLINTON/RICH HILL) INTC (51884)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method	METERED
Last Date Tested	05/23/2023 (mm/dd/yyyy)
Tested By	LAUREL MANAGEMENT

INTERCONNECTIONS WITH OTHER WATER SUPPLIERS

Name of Interconnected Water Supplier

PLEASANT VALLEY WATER AUTH(CONSEC SYS) (19744)

SALE TO

Month	Total Gallons	Month	Days
Jan Gallons Sales	367,500	Jan Days Use Sales	31
Feb Gallons Sales	320,300	Feb Days Use Sales	28
Mar Gallons Sales	317,800	Mar Days Use Sales	31
* Apr Gallons Sales	335,200	Apr Days Use Sales	30
May Gallons Sales	481,500	May Days Use Sales	31
* Jun Gallons Sales	591,100	Jun Days Use Sales	30
Jul Gallons Sales	331,800	Jul Days Use Sales	31
Aug Gallons Sales	362,600	Aug Days Use Sales	31
Sep Gallons Sales	412,100	Sep Days Use Sales	30
Oct Gallons Sales	335,500	Oct Days Use Sales	31
Nov Gallons Sales	309,800	Nov Days Use Sales	30
Dec Gallons Sales	318,700	Dec Days Use Sales	31
Total Gallons Sales	4,483,900	Total Days Use Sales	365

* Gallons Sales reported is significantly different from the previous year quantity.

Maximum Water Transfer Capability, GPD To: 0

DATA ENTRY INFORMATION

Entered By:	Richard Witt
Last Data Entry Date:	03/25/2024
Email:	rkwitt@icvwater.org

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subfacility Report for PA AMER WATER CO CONNELLSVILLE DIST SPRINGFIELD PIKE INTC (52470)
REPORT FOR CALENDAR YEAR JAN 1 TO DEC 31, 2023

Client: INDIAN CREEK VALLEY WATER AUTH
Primary Facility: INDIAN CREEK VALLEY WATER AUTH

MEASURING/METERING OF WATER

Measure Method	METERED
Last Date Tested	04/23/2021 (mm/dd/yyyy)
Tested By	SENSUS

INTERCONNECTIONS WITH OTHER WATER SUPPLIERS

Name of Interconnected Water Supplier

PA AMER WATER CO CONNELLSVILLE DIST(CONSEC SYS) (19142)

SALE TO

Month	Total Gallons	Month	Days
* Jan Gallons Sales	56,600	Jan Days Use Sales	31
Feb Gallons Sales	133,400	Feb Days Use Sales	28
* Mar Gallons Sales	121,700	Mar Days Use Sales	31
Apr Gallons Sales	156,600	Apr Days Use Sales	30
* May Gallons Sales	58,700	May Days Use Sales	31
Jun Gallons Sales	212,600	Jun Days Use Sales	30
* Jul Gallons Sales	361,000	Jul Days Use Sales	31
* Aug Gallons Sales	282,500	Aug Days Use Sales	31
Sep Gallons Sales	41,900	Sep Days Use Sales	30
Oct Gallons Sales	40,900	Oct Days Use Sales	31
Nov Gallons Sales	46,000	Nov Days Use Sales	30
Dec Gallons Sales	47,300	Dec Days Use Sales	31
Total Gallons Sales	1,559,200	Total Days Use Sales	365

* Gallons Sales reported is significantly different from the previous year quantity.

Maximum Water Transfer Capability, GPD To: 50,000

DATA ENTRY INFORMATION

Entered By:	Richard Witt
Last Data Entry Date:	03/25/2024
Email:	rkwitt@icvwater.org

Indian Creek Valley Water Authority

"Serving the Laurel Highlands of Southwestern Pennsylvania"

Consumer Confidence Report

Water System Identification Number 5260011 **May 2025**

The Indian Creek Valley Water Authority is pleased to present its customers with the twenty-seventh annual water quality report. This report contains very important information about your drinking water. This report includes water quality information from the year 2024 and explains what that information means. It is our sincere commitment to keep the quality of the water we provide safe and to keep you informed. For more information about your drinking water, please visit our website at www.icvwater.org or feel free to contact the Water Authority manager at (724) 455-2905.

Este informe contiene informacion muy importante sobre su agua de beber.Traduzcalo o hable con alguien que lo entienda bien.

What is the Source of My Public Water Supply?

The Water Authority maintains four sources of water: Pritts Spring; Grimm Spring; Neals Run Well; and the Mill Run Reservoir surface water treatment plant. The two springs (herein noted as groundwater under the direct influence of surface water) and the well are our primary sources of groundwater and are located along the western flank of the Laurel Ridge. The Neals Run Well is located at the foot of the Laurel Mountain in Saltlick Township. The Mill Run Reservoir treatment plant is located along Indian Creek in Springfield Township and is only used as a seasonal source for our system.

A Source Water Assessment Report of our sources was completed in 2002 by the Pennsylvania Department of Environmental Protection (PADEP). Overall, the report has found that our assessment area has little to moderate risk of significant contamination. Our sources are potentially most susceptible to accidental spills and storm water runoff along transportation corridors near the streams leading to our intakes. Summary reports of the Assessment are available on the PADEP website at: www.dep.state.pa.us/dep/deputate/watermgt/wc/Subjects/Srceprot/SourceAssessment/default.htm. Complete reports were distributed to municipalities, water suppliers, local planning agencies and PADEP offices. Copies of the complete report are available for review at the PADEP Southwest Regional Office, Records Management Unit at (412) 442-4000.

How Large an Area Does the Water Authority Serve?

The Water Authority's system currently serves or enters nine municipalities: Saltlick, Springfield, Bullskin, Connellsville, Stewart Townships and Ohiopyle Borough in Fayette County; Donegal Borough, Donegal, and Mount Pleasant Townships in Westmoreland County. This service area encompasses over 140 square miles of distribution system and serves more than 2650 customers.

How is the Water Authority Governed?

The Water Authority was founded in 1965 by the townships of Saltlick and Springfield as a public corporation under the Municipal Authorities Act. These two townships appoint a five-member Board of Directors to govern the Authority. The Board of Directors meet on the fourth Thursday of each month at 7:30 p.m. at the Authority's office, 2019 Indian Head Road, Indian Head, Pennsylvania, 15446.

Does My Drinking Water Meet EPA Standards?

In 2024, we conducted more than 2,500,000 tests to monitor more than eighty contaminants and/or water quality parameters that could be in or affect your drinking water. Extensive testing of our two spring water sources by the Water Authority and the PADEP suggests that these sources are under the direct influence of surface events. As required by PADEP, the Water Authority invested over $3,200,000 during 2005 and 2006 to install slow sand filtration at both our Pritts and Grimm Spring facilities. For your information, the enclosed table lists the contaminants that were detected in your drinking water in 2024. All the contaminants were detected at levels considered safe by EPA and State regulatory agencies.

IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER. In 2024, our water system violated drinking water standards. Although the occurrences were not emergencies, as our customer, you have a right to know what happened. During the year 2024, the Authority timely sampled, but reported late, the monitoring results for inorganic contaminants from our Pritts, Grimm, and Neals Run Well facilities. The results of the timely taking and late reporting necessitated a violation. However, the results indicated that the monitored water quality parameters complied. Additionally, the Authority monitor for Alkalinity in August at our Mill Run Treatment Plant but the results were late reported. The late reporting of Alkalinity from the Mill Run Treatment Source indicated this water quality parameters were in compliance.

These violations were not an immediate health risk. All the late reported tests were found to be in compliance with safe drinking water standards.

Why Are There Contaminants in My Water?

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (800-426-4791).

The sources of drinking water (both tap and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water before we treat it include:

- *Microbial contaminants,* such as viruses and bacteria, may come from sewage treatment plants, septic systems, agricultural livestock operations and wildlife.
- *Inorganic contaminants*, such as salts and metals, may come from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- *Pesticides and herbicides*, which may come from a variety of sources such as agriculture and residential uses.
- *Radioactive contaminants*, which are naturally occurring.
- *Organic chemical contaminants*, including synthetic and volatile organic chemicals, are by-products of industrial processes and petroleum production, and can also come from gas stations, urban storm water runoff, and septic systems.

To ensure that tap water is safe to drink, the EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. We treat our water according to EPA's regulations. Food and Drug Administration regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Do I Need to Worry About My Existing Health Conditions?

Some people may be more vulnerable or sensitive to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA and the Centers for Disease Control and Prevention (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

Information Concerning Per- and Polyfluoroalkyl Substances (PFAS)

Per- and polyfluoroalkyl substances (PFAS) are manufactured chemicals used in many household products including nonstick cookware (e.g., Teflon™), stain repellants (e.g., Scotchgard™), and waterproofing (e.g., GORE-TEX™). They are also used in industrial applications such as in firefighting foams and electronics production. There are thousands of PFAS chemicals, and they persist in the environment. Extensive testing of the water provided to our customers revealed we had no detections of these chemicals in our water.

Information Concerning Lead

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. The Indian Creek Valley Water Authority is responsible for providing high quality drinking water but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your drinking water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at http://epa.gov/safewater/lead.

2024 Monitoring Results for the Indian Creek Valley Water Authority's System

The table to follow lists the contaminants that were detected by the Water Authority during the 2024 monitoring period. The presence of these contaminants in the water does not necessarily indicate that the water poses a health risk. Definitions of the terms and abbreviations used in the table are given below.

Terms and abbreviation used in the table to follow:

- **Action Level** (AL): the concentration of a contaminant, which when exceeded, triggers treatment or other requirements which a water system must follow.
- **Alternative Compliance Criteria** (ACC): the use of alternate treatment technique to determine compliance.
- **Maximum Contaminant Level (**MCL): the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **Maximum Contaminant Level Goal** (MCLG): the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **Maximum Residual Disinfectant Level** (MRDL) - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Residual Disinfectant Level Goal** (MRDLG) - The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **Minimum Residual Disinfectant level** (MinRDL) The minimum level or residual disinfectant required at the entry point to the distribution system.
- **Nephelometric Turbidity Units** (NTU) - a measure of water clarity
- **ppm**: parts per million or milligrams per liter
- **ppb or ug/L**: parts per billion or micrograms per liter
- **Running Annual Average** (RAA) - monthly average of all samples, computed quarterly.
- **Total Organic Carbon** (TOC) – the level of organic carbon

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

Indian Creek Valley Water Authority
2024 Water Quality Monitoring Period Results

Inorganic Contaminants	MCL in CCR units	MCLG	Highest Detected Level	Range of Detections	Units	Sample Date	Violation Y/N	Typical Source of Contaminant
Barium	2	2	0.0496	0.0288-0.0496	ppm	6/18/2024	No	Discharge of drilling wastes, discharge from metal refineries, erosion of natural deposits.
Nickel	N/A	N/A	0.6	0.0005 – 0.0164	ppm	6/18/2024	No	Erosion of natural deposits; degradation of buried coins
Nitrate	10	10	0.78	0.06 – 0.78	ppm	6/18/2024	No	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Nitrite	1	1	0.13	0 – 0.13	ppm	8/6/2024	No	Discharge from petroleum refineries; fire retardants, ceramics; electronics; solder
Disinfection Byproducts (DBP's)								
Haloacetic Acids	60	N/A	0.0191	0 – 0.0191	ppm	9/11/2024	No	By-product of drinking water disinfection
Trihalomethanes	80	N/A	0.0332	0.00525 – 0.03165	ppm	9/11/2024	No	By-product of drinking water disinfection
Disinfectant Residuals	**MRDL**	**MRDLG**	**Highest Level Detected**	**Range of Detections**	**Units**	**Date of Lowest Value**	**Violation Y/N**	**Typical Source of Contaminant**
Chlorine	4	4	1.9	0.29-1.9	ppm	8/20/2024	No	
Lead & Copper	**Action Level (AL)**	**MCLG**	**90th Percentile Value**	**Units**	**# of Sites Above AL 1**	**Sample Date**	**Violation Y/N**	**Sources of Contamination**
Lead #1030	15	0	1.62	ppb	1	6/7/22	No	Corrosion of household plumbing and erosion of natural deposits
Copper #1022	1.3	1.3	0.607	ppm	1	6/7/22	No	Corrosion of household plumbing, erosion of natural deposits, and leaching from wood preservatives.

Entry point Disinfectant Residual (Chlorine) Source	Minimum Disinfectant Residual	Lowest Level Detected	Range of Detections	Units	Sample Date	Violation Y/N	Sources of Contamination
Pritts Spring	0.2	0.86	0.86 – 1.93	ppm	3/11/24	N	Water additive used to control microbes
Grimm Spring	0.2	1.23	1.23 – 1.85	ppm	7/15/2024	N	
Mill Run	0.2	0.41	0.41 – 1.82	ppm	7/8/2024	N	
Neals Run	0.4	0.48	0.48 – 1.86	ppm	11/19/2024	N	

Turbidity Monitoring (sampled continuously)					
Source	**Violation**	**MCLG**	**Level Detected**	**Treatment Technique**	**Source**
Pritts Spring	No	0	100 % Met Limits OK	95% Samples <1 ntu	Soil run-off
			0.10 ntu (Highest Level) 3/15/2024	All Samples <2 ntu	
Grimm Spring	No	0	100 % Met Limits OK	95% Samples <1 ntu	Soil run-off
			0.76 ntu (Highest Level) 11/26/2024	All Samples <2 ntu	
Mill Run Reservoir	No	0	100 % Met Limits OK	95% Samples <0.3 ntu	Soil run-off
			0.28 ntu (Highest Level) 9/25/2024	All Samples <1 ntu	

Total Organic Carbon (TOC)						
Contaminant	Sample Date	Violation[1]	Percent Removal Required	Percent Removal Achieved[1]	MCL	Typical Source of Contaminant
TOC @ Mill Run Plant	Sampled Monthly	No	Less than or equal to 4.0 mg/L	ACC used	TT = Removal Ratio > 1	Naturally Decaying Organic Matter

[1] ACC was used to determine compliance because of minimal samples and TOC was less than 2.0 mg/L

Indian Creek Valley Water Authority
2019 Indian Head Road
P.O. Box 486
Indian Head, PA 15446

First Class Mail
US Postage Paid
Indian Head, PA
15446
Permit No. 03

Where do I turn the water off if I have an emergency?

If you discovered a water leak in your house, would you know where to turn off the water? If you do not know where to turn off your water supply, please read on. Valves are used on water lines to stop the flow of water and a properly plumbed house should have many valves. These valves should be located on both the hot and the cold-water lines and at various places along the water lines where branch water lines come off main supply lines. If you have a leaking pipe, first trace or follow the supplying water line back to the first valve you find and turn that valve off. Turning the valve in a clockwise direction should stop the flow of water.

If you cannot find a valve near the leak, locate your water meter, and turn off the primary valve. The primary valve is the valve which is located just after the meter. The water meter will be located either in the basement where the water line comes in from the street or in a meter pit out close to the road. In either case, there will be a valve with a hand wheel or bar lever that when turned clockwise, will stop the flow of water. Customers are permitted to access the water meter pits by removing the lid and reaching down into the pit to turn the water off at the valve located therein.

What belongs to me and what belongs to the Water Authority?

Every customer's water service connection is served by a **service line** and a **service line extension**. The service line provides a piped connection from the water distribution main to the curb valve and curb box, generally located at the edge of the public road right-of-way. The service line extension begins at the curb valve and extends the piped water service across private property to the customer's house or place of business. Simply stated, the responsibility for installing and maintaining the service line belongs to the Water Authority and the responsibility for installing and maintaining the service line extension belongs to the customer.

Where is the water meter? The water meter belongs to the Water Authority and is always installed on the customer's service line extension leading from the edge of the road right-of-way to, or within, the customer's premise. If the water meter is not in the customer's basement, it will be in a meter pit near the curb valve by the road.

What is a backflow preventer? The backflow preventer is a safety device which prevents water from backflowing from the customer's water piping into the Authority's service line in the event the distribution system experiences a pressure drop. The backflow preventer belongs to the customer and all customers are required to have and maintain the device.

What about leaks? Any water leaks in the service line extension from the curb valve near the right-of-way of the road to and within the customer's premise are the responsibility of the customer.

Indian Creek Valley Water Authority

"Serving the Laurel Highlands of Southwestern Pennsylvania"

Consumer Confidence Report

Water System Identification Number 5260011 **May 2024**

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What is the Source of My Public Water Supply?

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A Source Water Assessment Report of our sources was completed in 2002 by the Pennsylvania Department of Environmental Protection (PADEP). Overall, the report has found that our assessment area has little to moderate risk of significant contamination. Our sources are potentially most susceptible to accidental spills and storm water runoff along transportation corridors near the streams leading to our intakes. Summary reports of the Assessment are available on the PADEP website at: www.dep.state.pa.us/dep/deputate/watermgt/wc/Subjects/Srceprot/SourceAssessment/default.htm. Complete reports were distributed to municipalities, water suppliers, local planning agencies and PADEP offices. Copies of the complete report are available for review at the PADEP Southwest Regional Office, Records Management Unit at (412) 442-4000.

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IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER. In 2023, our water system violated drinking water standards. Although the occurrences were not emergencies, as our customer, you have a right to know what happened. Our water system was required to issue a timely Tier 3 Public Notification in early 2023 for sampling violations in 2022. We missed this deadline in early 2023. However, the appropriate and complete public notification was issued late in 2023 and mailed to all our customers on December 21, 2023.

These violations were not an immediate health risk. All the late reported tests were found to be in compliance with safe drinking water standards.

Why Are There Contaminants in My Water?

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (800-426-4791).

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Some people may be more vulnerable or sensitive to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA and the Centers for Disease Control and Prevention (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

Information Concerning Lead

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. The Indian Creek Valley Water Authority is responsible for providing high quality drinking water but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your drinking water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at http://epa.gov/safewater/lead.

2023 Monitoring Results for the Indian Creek Valley Water Authority's System

The table to follow lists the contaminants that were detected by the Water Authority during the 2023 monitoring period. The presence of these contaminants in the water does not necessarily indicate that the water poses a health risk. Definitions of the terms and abbreviations used in the table are given below.

Terms and abbreviation used in the table to follow:

- **Action Level** (AL): the concentration of a contaminant, which when exceeded, triggers treatment or other requirements which a water system must follow.
- **Alternative Compliance Criteria** (ACC): the use of alternate treatment technique to determine compliance.
- **Maximum Contaminant Level** (MCL): the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
- **Maximum Contaminant Level Goal** (MCLG): the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **Maximum Residual Disinfectant Level** (MRDL) - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Residual Disinfectant Level Goal** (MRDLG) - The level of drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **Minimum Residual Disinfectant level** (MinRDL) The minimum level or residual disinfectant required at the entry point to the distribution system.
- **Nephelometric Turbidity Units** (NTU) - a measure of water clarity
- **ppm**: parts per million or milligrams per liter
- **ppb or ug/L**: parts per billion or micrograms per liter
- **Running Annual Average** (RAA) - monthly average of all samples, computed quarterly.
- **Total Organic Carbon** (TOC) – the level of organic carbon

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

Indian Creek Valley Water Authority
2023 Water Quality Monitoring Period Results

Inorganic Contaminants	MCL in CCR units	MCLG	Highest Detected Level	Range of Detections	Units	Sample Date	Violation Y/N	Typical Source of Contaminant
Barium	2	2	0.0531	0.0531-0.0531	ppm	6/6/2023	No	Discharge of drilling wastes, discharge from metal refineries, erosion of natural deposits.
Nickel	N/A	N/A	0.6	0.6 – 0.6	ppb	6/6/2023	No	Erosion of natural deposits; degradation of buried coins
Nitrate	10	10	0.72	0.13 – 0.72	ppm	7/18/2023	No	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Nitrite	1	1	0.08	0 – 0.08	ppm	7/18/2023	No	Discharge from petroleum refineries; fire retardants, ceramics; electronics; solder
Disinfection Byproducts (DBP's)								
Haloacetic Acids	60	N/A	22.5	0 – 22.5	ppm	6/12/2023	No	By-product of drinking water disinfection
Trihalomethanes	80	N/A	26.5	4.5 – 26.5	ppm	6/12/2023	No	By-product of drinking water disinfection
Disinfectant Residuals	**MRDL**	**MRDLG**	**Highest Level Detected**	**Range of Detections**	**Units**	**Date of Lowest Value**	**Violation Y/N**	**Typical Source of Contaminant**
Chlorine	4	4	1.76	0.51 – 1.76	ppm	5/6/23	No	
Lead & Copper	**Action Level (AL)**	**MCLG**	**90th Percentile Value**	**Units**	**# of Sites Above AL 1**	**Sample Date**	**Violation Y/N**	**Sources of Contamination**
Lead #1030	15	0	1.62	ppb	1	6/7/22	No	Corrosion of household plumbing and erosion of natural deposits
Copper #1022	1.3	1.3	0.607	ppm	1	6/7/22	No	Corrosion of household plumbing, erosion of natural deposits, and leaching from wood preservatives.

Entry point Disinfectant Residual (Chlorine) Source	Minimum Disinfectant Residual	Lowest Level Detected	Range of Detections	Units	Sample Date	Violation Y/N	Sources of Contamination
Pritts Spring	0.2	0.72	0.7 – 1.95	ppm	4/9/23	N	Water additive used to control microbes
Grimm Spring	0.2	0.2	0.2 – 1.91	ppm	5/6/2023	N	
Mill Run	0.2	0.99	0.99 – 2.35	ppm	6/15/2023	N	
Neals Run	0.4	0.41	0.41 – 2.0	ppm	7/27/2023	N	

Turbidity Monitoring (sampled continuously)					
Source	**Violation**	**MCLG**	**Level Detected**	**Treatment Technique**	**Source**
Pritts Spring	No	0	100 % Met Limits OK	95% Samples <1 ntu	Soil run-off
			0.17 ntu (Highest Level) 3/25/2023	All Samples <2 ntu	
Grimm Spring	No	0	100 % Met Limits OK	95% Samples <1 ntu	Soil run-off
			0.78 ntu (Highest Level) 7/3/2023	All Samples <2 ntu	
Mill Run Reservoir	No	0	100 % Met Limits OK	95% Samples <0.3 ntu	Soil run-off
			0.28 ntu (Highest Level) 8/15/2023	All Samples <1 ntu	

Total Organic Carbon (TOC)						
Contaminant	Sample Date	Violation[1]	Percent Removal Required	Percent Removal Achieved[1]	MCL	Typical Source of Contaminant
TOC @ Mill Run Plant	Sampled Monthly	No	Less than or equal to 4.0 mg/L	ACC used	TT = Removal Ratio > 1	Naturally Decaying Organic Matter

[1] ACC was used to determine compliance because of minimal samples and TOC was less than 2.0 mg/L.

Indian Creek Valley Water Authority
2019 Indian Head Road
P.O. Box 486
Indian Head, PA 15446

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Where do I turn the water off if I have an emergency?

If you discovered a water leak in your house, would you know where to turn off the water? If you do not know where to turn off your water supply, please read on. Valves are used on water lines to stop the flow of water and a properly plumbed house should have many valves. These valves should be located on both the hot and the cold-water lines and at various places along the water lines where branch water lines come off main supply lines. If you have a leaking pipe, first trace or follow the supplying water line back to the first valve you find and turn that valve off. Turning the valve in a clockwise direction should stop the flow of water.

If you cannot find a valve near the leak, locate your water meter, and turn off the primary valve. The primary valve is the valve which is located just after the meter. The water meter will be located either in the basement where the water line comes in from the street or in a meter pit out close to the road. In either case, there will be a valve with a hand wheel or bar lever that when turned clockwise, will stop the flow of water. Customers are permitted to access the water meter pits by removing the lid and reaching down into the pit to turn the water off at the valve located therein.

What belongs to me and what belongs to the Water Authority?

Every customer's water service connection is served by a **service line** and a **service line extension**. The service line provides a piped connection from the water distribution main to the curb valve and curb box, generally located at the edge of the public road right-of-way. The service line extension begins at the curb valve and extends the piped water service across private property to the customer's house or place of business. Simply stated, the responsibility for installing and maintaining the service line belongs to the Water Authority and the responsibility for installing and maintaining the service line extension belongs to the customer.

Where is the water meter? The water meter belongs to the Water Authority and is always installed on the customer's service line extension leading from the edge of the road right-of-way to, or within, the customer's premise. If the water meter is not in the customer's basement, it will be in a meter pit near the curb valve by the road.

What is a backflow preventer? The backflow preventer is a safety device which prevents water from backflowing from the customer's water piping into the Authority's service line in the event the distribution system experiences a pressure drop. The backflow preventer belongs to the customer and all customers are required to have and maintain the device.

What about leaks? Any water leaks in the service line extension from the curb valve near the right-of-way of the road to and within the customer's premise are the responsibility of the customer.

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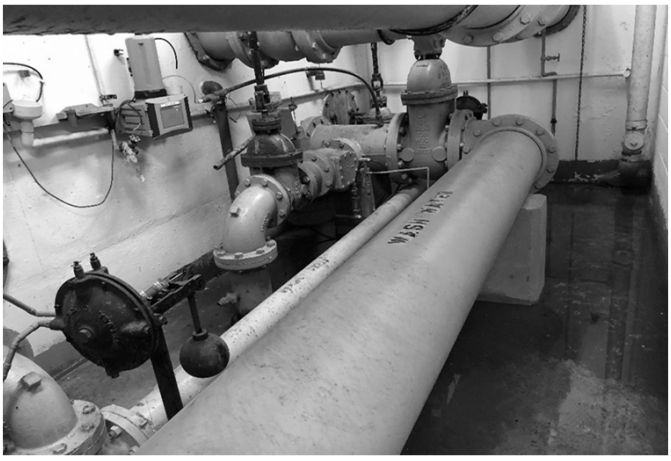

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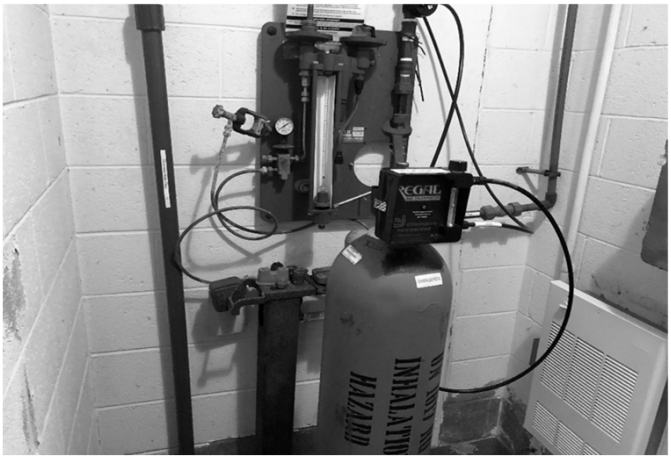

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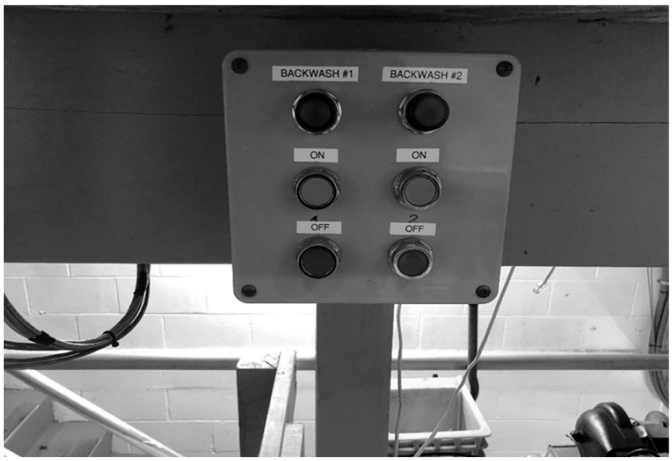

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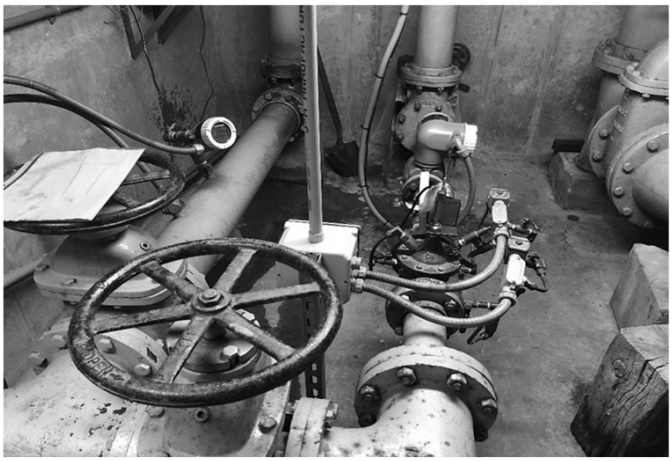
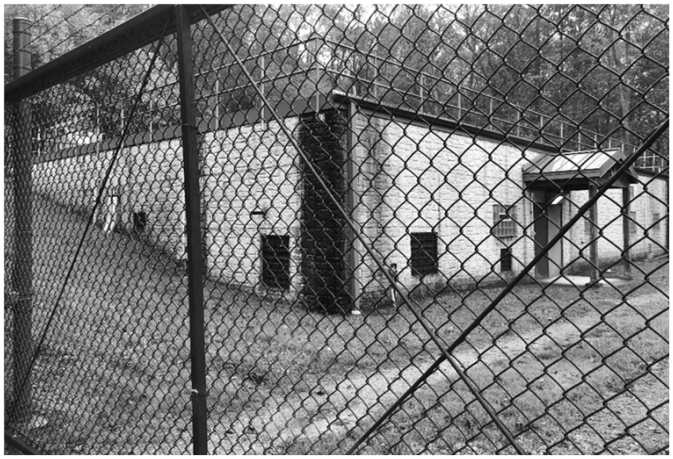
Henry 193,000 Gallon Tank

Henry 193,000 Gallon Tank

Henry 193,000 Gallon Tank

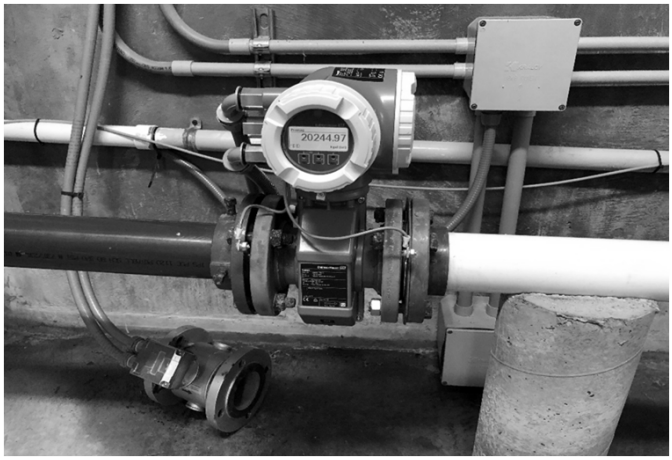


Henry 193,000 Gallon Tank



Grimm Spring & Chlorination Station

Grimm Spring & Chlorination Station



Grimm Spring & Chlorination Station

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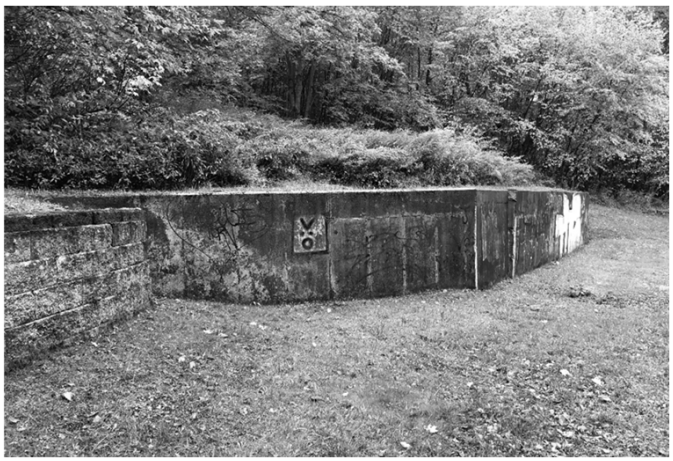
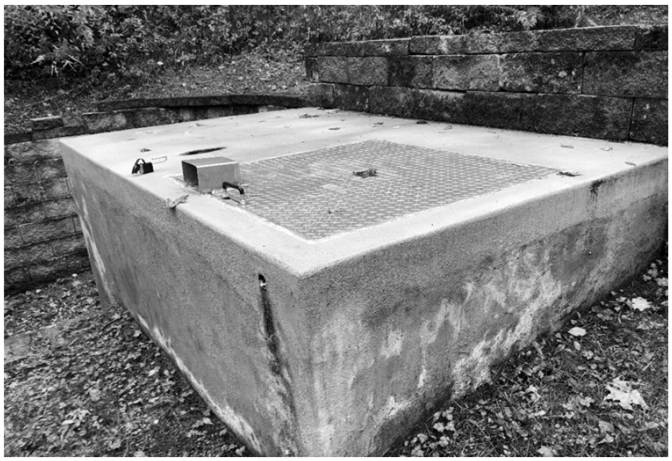


Pritts Spring

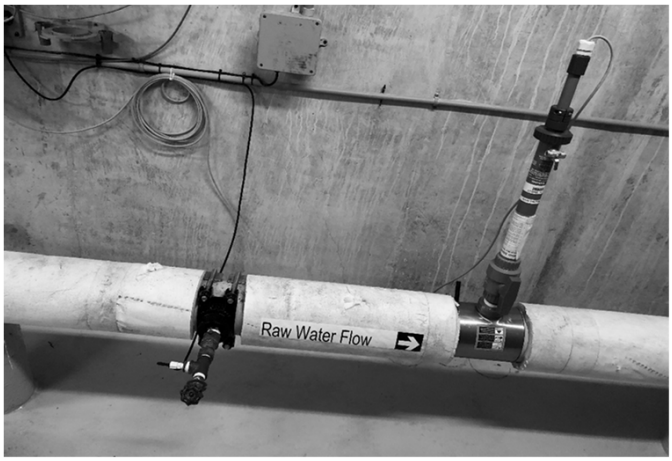


Pritts Spring

Pritts Spring

White Mountain Tank

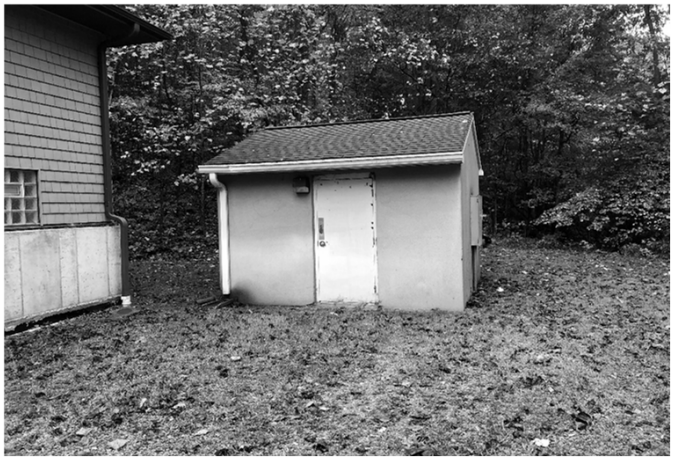
White Mountain Tank



White Mountain Tank

White Mountain Tank

White Mountain Tank

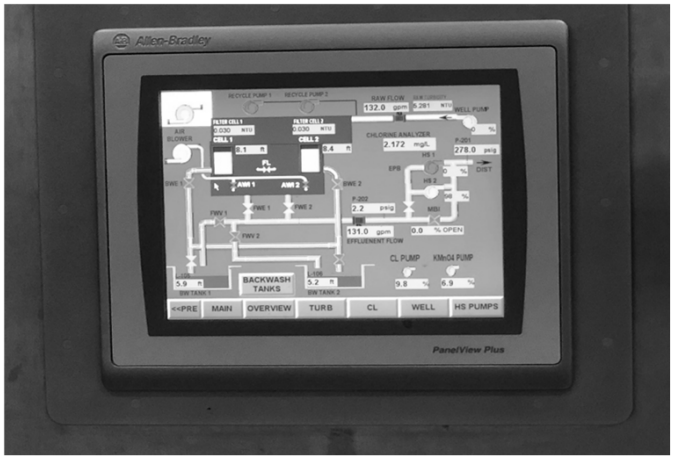


Neal's Run Road Well and Pump Station

Neal's Run Road Well and Pump Station

Neal's Run Road Well and Pump Station

Neal's Run Road Well and Pump Station



Neal's Run Road Well and Pump Station

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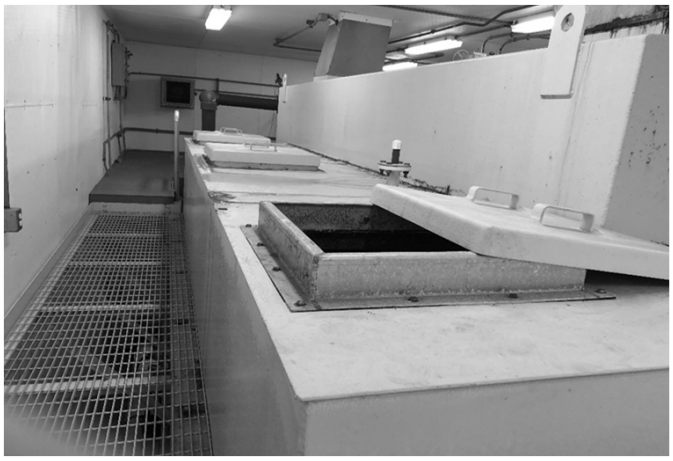


Neal's Run Road Well and Pump Station

Neal's Run Road Well and Pump Station

County Line 193,000 Gallon Tank

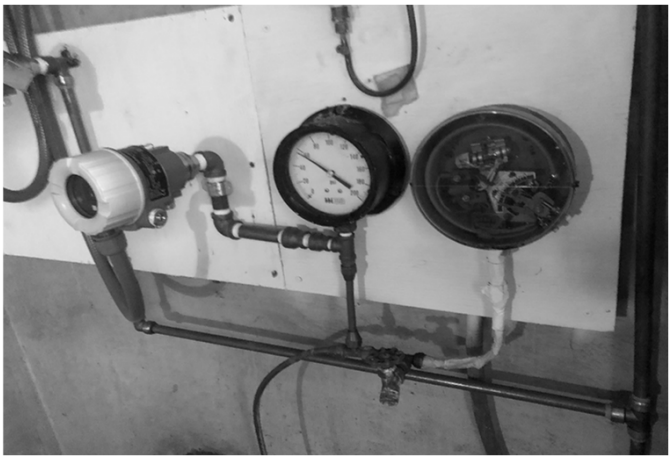
County Line 193,000 Gallon Tank

County Line 193,000 Gallon Tank

McClure 289,000 Gallon Tank

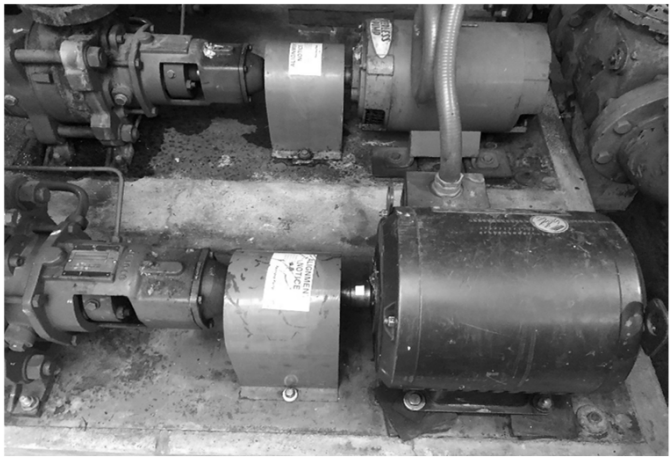
McClure 289,000 Gallon Tank

White Pump Station



White Pump Station

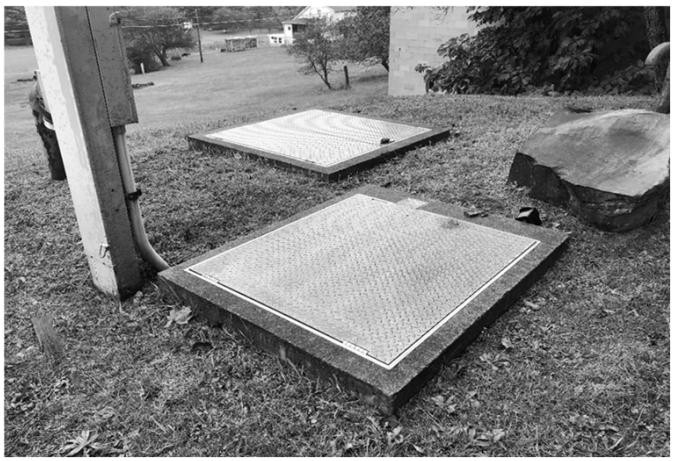
White Pump Station



White Pump Station

Clinton 200,000 Gallon Tank

Clinton 200,000 Gallon Tank



Clinton Pump Station

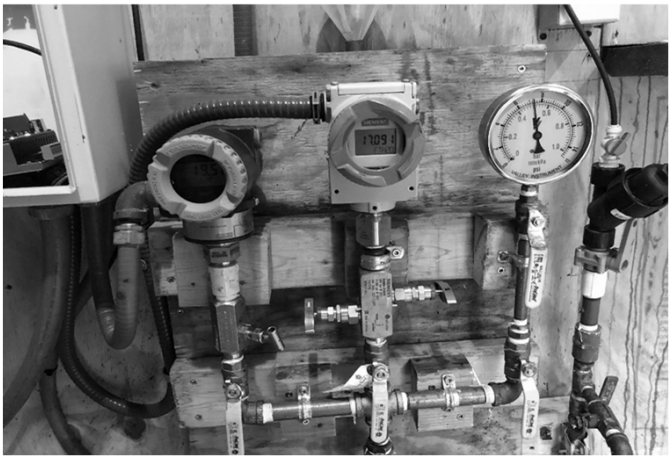
Clinton Pump Station

Rich Hill 154,000 Gallon Tank

Rich Hill 154,000 Gallon Tank

Pleasant Hill 100,000 Gallon Tank

Pleasant Hill 100,000 Gallon Tank



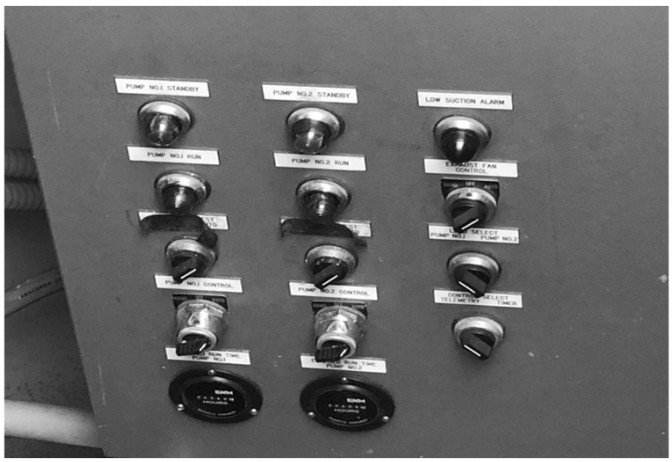
Pleasant Hill 100,000 Gallon Tank

Pleasant Hill 100,000 Gallon Tank

Normalville Pump Station

Normalville Pump Station

Normalville Pump Station



Normalville Pump Station

Old Ohiopyle 176,000 Gallon Tank

Old Ohiopyle 176,000 Gallon Tank

Ohiopyle Pump Station

Ohiopyle Pump Station

Ohiopyle Pump Station

Ohiopyle Pump Station

Maple Summit Road Pump Station

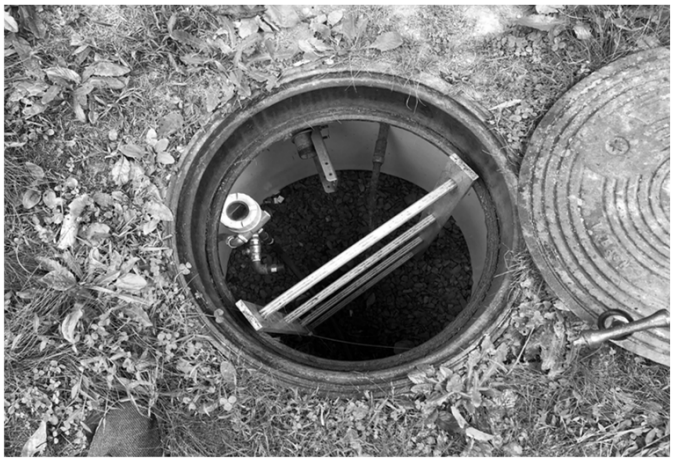
Maple Summit Road Pump Station

Maple Summit Road Pump Station

Maple Summit Road Pump Station

Maple Summit Road 154,000 Gallon Tank

Maple Summit Road 154,000 Gallon Tank



Maple Summit Road 154,000 Gallon Tank

Maple Summit Road 154,000 Gallon Tank

S.R. 381 490,000 Gallon Tank

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Aqua America's Pennsylvania Subsidiary Enters Agreement to Purchase Cheltenham Township Wastewater System

July 02, 2018 07:00 AM Eastern Daylight Time

BRYN MAWR, Pa.--(BUSINESS WIRE)--Aqua America announced today that its Pennsylvania subsidiary has signed an asset purchase agreement with Cheltenham Township to purchase its wastewater system, which serves approximately 10,500 connections in Montgomery County, for $50.25 million. The agreement must be approved by the Pennsylvania Public Utility Commission.

The transaction will be Aqua Pennsylvania's fourth acquisition application referred to the Pennsylvania PUC since Act 12, commonly referred to as fair market value legislation, was enacted last year. Aqua Pennsylvania has asset purchase agreements with the 2,100-customer New Garden Township wastewater system in Chester County and the 5,400-customer Limerick Township wastewater system in Montgomery County. The company also has an agreement, signed in December 2017, with East Bradford Township in Chester County to purchase its 1,200-customer wastewater collection system. Aqua already provides water service to East Bradford, as it does with Cheltenham.

These four systems, including Cheltenham, total more than 19,000 wastewater connections and would nearly double Aqua Pennsylvania's current 22,000-customer wastewater operation.

The new law encourages a consolidation of the fragmented industry for the benefit of customers, the environment, and local governments. This transaction will benefit customers by leveraging compliance expertise, purchasing power gained through economies of scale and operational efficiencies to ultimately benefit service to our customers at affordable rates.

"We are pleased with the momentum we are gaining to reach agreements with municipal systems," said Aqua America Chairman and CEO Christopher Franklin. "Act 12 is having its intended impact, allowing municipalities to be compensated for the fair value of their water and wastewater assets and enabling utility professionals to bring expertise to systems in need."

Aqua Pennsylvania President Marc Lucca says his team is ready to work with the Cheltenham community on making needed system improvements.

"As with our pending agreements with New Garden, East Bradford and Limerick, the Aqua Pennsylvania team is looking forward to assuming Cheltenham's sewer utility responsibilities so the township can direct its attention and capital to other priorities," said Lucca. "We are anxious to begin the work necessary to help the township meet the requirements of an outstanding Pennsylvania Department of Environmental Protection consent order, specifically related to inflow and infiltration issues there."

In total, Aqua has plans to spend nearly $50 million over the next 10 years to improve Cheltenham's wastewater system.

Aqua America is one of the largest U.S.-based, publicly traded water utilities and serves nearly 3 million people in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana and Virginia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR. Visit AquaAmerica.com for more information.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, among others: the company's ability to successfully close the acquisition of the wastewater systems noted in this release. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions, the successful integration of the customers and the facilities, the success of the company's growth efforts including its ability to utilize Act 12, and other factors discussed in our Annual Report on Form 10-K, which is on file with the Securities and Exchange Commission.

Cheltenham Township
1329 Proceeding
Cheltenham Twp. - Water Accounts reported for Sewer Billing

Type of Service	Gallons	Customers[1]
Commercial	280,938,300	534
Industrial	364,400	14
Public	9,962,700	23
Residential	484,692,800	9,648
Total	**775,958,200**	**10,219**

1. Customers include all Active and Inactive Accounts

The following table breaks down the above total figures by customer class as of December 31, 2017, 2016, and 2015 :

	2017	2016	2015
Customers:			
Residential	118,493	111,494	110,254
Commercial	9,386	8,626	8,569
Industrial	536	479	478
Public Authority	1,072	948	964
Fire Protection	3,178	2,876	2,815
Other (including non-metered accounts)	2,980	545	553
Total	135,645	124,968	123,633
Water Revenues *(in thousands):*			
Residential	$ 62,831	$ 59,884	$ 58,439
Commercial	13,676	12,250	11,816
Industrial	3,196	3,176	3,229
Public Authority	3,845	3,510	3,193
Fire Protection	20,235	18,486	18,016
Other (including non-metered accounts)	3,271	1,361	1,348
Total	$ 107,054	$ 98,667	$ 96,041
Customer Water Consumption *(millions of gallons):*			
Residential	6,408	6,583	6,551
Commercial	2,026	1,954	1,941
Industrial	711	724	777
Public Authority	575	539	503
Total	9,720	9,800	9,772

The Regulated Companies own various small, discrete parcels of land that are no longer required for water supply purposes. At December 31, 2017 , this land totaled over 600 acres. Over the past several years, we have been disposing of these land parcels through sales and/or donations, primarily to towns and municipalities. For more information, please refer to *Segments of Our Business* below.

Additional information on land dispositions can be found in Item 7 – "Management's Discussion and Analysis of Financial Conditions and Results of Operations – Commitments and Contingencies".

Competition

Our Regulated Companies face competition from a few small privately-owned water systems operating within, or adjacent to, our franchise areas and from municipal and public authority systems whose service areas in some cases overlap portions of our franchise areas.

Employees

As of December 31, 2017 , we employed a total of 294 people. Our employees are not covered by collective bargaining agreements.

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DEALS AUGUST 6, 2018 / 5:11 PM / 6 MONTHS AGO

SJW Group makes $1.1 billion all-cash offer for Connecticut Water

3 MIN READ

NEW YORK (Reuters) - SJW Group (SJW.N) and Connecticut Water Service Inc (CTWS.O) said on Monday they were changing from a merger to an acquisition agreement, with SJW offering to buy the New England utility for $1.1 billion in cash instead of combining stock.

The switch to an all-cash offer is worth $70 per Connecticut Water share, a 33 percent premium to Connecticut Water's share price prior to the original deal announced in March, according to a joint statement.

It was also higher than the implied $61.86 per share value of the Clinton, Connecticut-based firm under the merger-of-equals transaction, which would have created a combined company in which existing SJW shareholders would hold 60 percent of the stock.

SJW closed 2.3 percent lower, while Connecticut Water was 9 percent higher at $68.50.

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To pay for the acquisition, SJW will initially utilize a $975 million bridge loan from financial adviser JP Morgan Chase (JPM.N). Ultimately, the purchase would be covered by debt and between $450 million and $500 million of equity finance.

The new deal aims to conclude in the first quarter of 2019, subject to approvals from Connecticut Water's shareholders, as well as regulators in Connecticut and Maine.

The duo's original all-stock merger announcement in March triggered competing offers from Eversource Energy (ES.N) and California Water Service Group (CWT.N).

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"We have converted from a stock-for-stock deal to a cash offer, which will resolve any further market distractions from the inferior proposals," SJW Chief Executive Eric Thornburg told Reuters, in reference to the actions by Eversource and CalWater.

Switching to an acquisition, versus a merger structure, means that SJW shareholders will no longer be required to vote on approving the deal, the statement said.

CalWater has an open tender offer to acquire SJW that runs until Sept. 28.

However, asked if the change was aimed at heading off any shareholder challenge to the deal, Thornburg told Reuters it "wasn't a consideration" and it had received nothing but support from its shareholders.

RBS sounds alarm over Brexit

CalWater declined to comment. A spokesman for Eversource said the company was evaluating developments but, as it has made clear, it will be disciplined in pursuing this or any other transaction.

Reporting by David French in New York; Additional Reporting by Liana B. Baker; Editing by Lisa Shumaker

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MORE FROM REUTERS

Wastewater treatment is provided by the Borough of West Chester pursuant to a Sewer Capacity Agreement dated November 14, 2017, by and between the Borough and East Bradford Township. Copies of West Chester's 2017 Chapter 94 Reports to DEP for the Goose Creek WWTP and for the Taylor Run WWTP are attached hereto as **Exhibit E3** and **Exhibit E4**.

15. The Goose Creek WWTP has a permitted treatment capacity of 1.672 MGD. The Taylor Run WWTP has a permitted treatment capacity of 1.50 MGD. The elevation of the Goose Creek WWTP is generally about EL 370. The elevation of the Taylor Run WWTP is generally about EL 260. The elevation of the Requested Territory ranges from approximately EL 365 to EL 280.

16. Water service in the Requested Territory is provided by both Aqua Pennsylvania, Inc. and private wells.

17. The original cost, by year and major plant category, of the East Bradford Township used and useful plant in service is $8,294,931 with a related calculation depreciation reserve of $2,820,983. The original cost value includes a series of capped sewers along the North Benjamin Drive area of the Township. The capped sewers include approximately 3,300 linear feet of 8" Gravity PVC pipe and 20 manholes, with an estimated original cost value of approximately $100,000 as estimated by Aqua. The pipe and manholes are included in the totals on page 2-11 and 2-12 of Exhibit W. Aqua will categorize the capped sewer pipe and manholes as plant held for future use in its asset allocation upon closing. The area of capped sewers along North Benjamin Drive is not included in the Requested Territory.

18. Tentative journal entries to record the transaction are presented in Section IV.

IV. ASSET PURCHASE AGREEMENT

19. The *Assets Purchase Agreement* is dated December 20, 2017. The *First Amendment to Assets Purchase Agreement* is dated April 18, 2018. The purchase price is Five Million Dollars

($5,000,000.00). In addition to the purchase price, Section 1.5 of the Agreement provides that Aqua will assume certain defined liabilities and pay certain out-of-pocket costs incurred by East Bradford Township.

20. The purchase price and Agreement are based on arm's length negotiations. Aqua and East Bradford Township are not affiliated with each other. Aqua will use short term debt initially for the purchase of the assets with the expectation that the short term debt will be converted to long term debt and equity capital at a later date.

21. The wastewater system assets to be acquired are the "Assets" and have the meaning specified in Section 1.1 of the Agreement. The Assets include the assets, properties and rights of East Bradford Township that comprise the wastewater system or that are owned by East Bradford Township and used by it solely in connection with operation of the system.

22. "Excluded Assets," which are those assets not being transferred to Aqua, have the meaning specified in Section 1.4 of the Agreement. Excluded Assets include customer service laterals that run from the curb area to individual customer residences or structures; piping and fixtures internal to each customer residence or structure; cash and cash equivalents; and the items set forth in Schedule 1.4 of the Agreement.

23. "Assumed Liabilities" has the meaning specified in Section 1.6 of the Agreement and include the liabilities and obligations under the Assumed Contracts that arise after Closing, liabilities incurred or arising from and after Closing under or from failure to comply with permits, approvals or licenses related to the system that are transferred to Aqua and the obligation to provide wastewater service after Closing. The Assumed Contracts, which are listed in Schedule 1.6 of the APA and attached hereto as **Exhibit F1** and **Exhibit F2**, are the Sewer Capacity Agreement dated November 14, 2017, by and between the Borough of West Chester and East Bradford Township and the Intergovernmental Cooperation Agreement dated March 15, 1999, between East Bradford and Birmingham Township.

East Bradford Township

	# of Customers	Annual Gallons Treated (2017)
Residential- Single Family	399	23,783,560
Residential- Townhomes	814	36,390,635
Commercial		
Bradford Retail - The Bistro		112,800
Bradford Retail - Strip Stores		688,000
Brookworth Plaza - Dunkin Donuts		147,200
Brookworth Plaza - CVS		35,300
Brookworth Plaza - empty building		-
Brookworth Plaza - Strip Stores		142,000
Brookworth Plaza - PNC Bank		17,000
Countryside Food Mart		52,700
Antique Ice Museum		3,600
Mrs. Mike's Restaurant		103,110
Brandywine Hall Nursing Home		8,281,000
Daily Local News - now empty building		24,400
Bradford Plaza - Strip Stores		1,991,430
Bradford Plaza - Giant Food Store		2,527,700
Bradford Plaza - Walgreens		47,000
Bradford Plaza - Giant Gas Station		6,200
Chester County Art Association		120,100
Industrial		
Diesel Systems		66,300
Chem Service		173,400
Other Class(?)*		
Goddard School		252,800
Hillsdale Elementary School		649,700
WCU S Campus Apts - 144		24,200
WCU S Campus Apts - 167		583,900
WCU S Campus Apts - 168		500,900
WCU S Campus Apts - 169		441,900
WCU S Campus Apts - 170		570,900
WCU S Campus Apts - 171		318,900
WCU S Campus Apts - 172		422,000
WCU S Campus Apts - 173		306,400
WCU S Campus Apts - 174		424,500
WCU S Campus Apts - 175		323,400
WCU S Campus Apts - 176		340,000
WCU S Campus Apts - 177		356,000
University Student Housing 1		4,463,500
University Student Housing 2		5,429,000
Total		90,121,435

*May include church, school, public, etc… (please insert a line for each)

420,000
153,300,000

35
399
814
1,248

Q. How many customers will the acquisition add?

A. The acquisition of East Norriton will add 4,966 customers to Aqua's existing 28,000 wastewater customers. This is an increase in customers of 17.7% (or about 20%).[23]

Q. Will the acquisition increase rates for the customers to be acquired?

A. Yes. Aqua witness Packer states that he reasonably expects that rates for East Norriton customers will increase under Aqua ownership.[24] As discussed above, Aqua calculates that if the entire revenue deficiency resulting from the acquisition is applied to East Norriton Township customers, the adjusted average bill for customers using four thousand gallons per month would increase from approximately $39 per month to $52 per month, which would be a 35% rate increase.[25]

Q. Will the acquisition increase rates for existing Aqua customers?

A. Yes. Mr. Packer's testimony shows that, as a result of the acquisition, rates for existing Aqua water customers and existing Aqua wastewater customers will increase if the revenue deficiency is not fully borne by the East Norriton Township customers. Mr. Packer's schedules show estimated increases to existing total Aqua water and wastewater customers ranging from $0.17 per month to $1.66 per month ($2.04 per year to $19.92 per year).[26] If the costs were spread to only existing wastewater customers, and not water customers, the

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[23] Exhibit U, Direct Testimony of William C. Packer, p. 9, lines 2-3 and 11-12, p. 16, lines 11-12.

[24] Exhibit U, Direct Testimony of William C. Packer, p. 18, lines 17-20 and Appendix A, p.1; Response to OCA-II-4, Attachment 1, p. 22 (attached as OCA Exhibit DJG-12).

[25] Exhibit U, Direct Testimony of William C. Packer, Appendix A, pp. 1-2 ($38.52 + $13.42 = $51.94). ($13.42 ÷ $38.52) x 100 = 34.84%.

[26] Exhibit U, Direct Testimony of William C. Packer, Appendix A, p. 1.

Q. Describe the scope and organization of your testimony.

A. My testimony addresses the application filed by Aqua Pennsylvania Wastewater, Inc. ("Aqua" or the "Company") for the acquisition of the East Norriton Township (the "Township") wastewater collection system assets. My testimony responds to the fair market value ("FMV") approaches addressed in the testimonies of Harold Walker, III of Gannett Fleming, who sponsors the FMV appraisals commissioned by the Company, and Jerome C. Weinert, who sponsors the appraisal commissioned by the Township. I also discuss the sufficiency of the notices sent to the customers of Aqua and the Township regarding the impact on rates of the proposed acquisition.

II. EXECUTIVE SUMMARY

A. Overview

Q. Please summarizes Aqua's application in this proceeding.

A. Aqua's application proposes to acquire the Township's wastewater assets under Sections 1102 and 1329 of the Public Utility Code (the "Code"). According to Section 1329(c)(2) of the Code, the ratemaking rate base is the lesser of the negotiated purchase price and the average of two FMV appraisals. The FMV estimated by Gannett Fleming and AUS Consultants is $24.2 million and $25.1 million, respectively. The purchase price negotiated by Aqua and the Township is $21 million. Thus, the proposed rate base in the application is $21 million.

Customer List

Report by Class

Account	Name / Service Address	Tax ID	Book	Status	Alert Code
97990.00	F M BROWN SONS INC 790 DANIEL BOONE ROAD	43-5345-07-68-8539 BIRDSBORO PA 19508-8737		A	
99991.00	DIEROLF, CANDACE 21 PINE AVENUE	BIRDSBORO PA 19508		A	
99992.00	TELFORD, MARK 19-6 CRANBERRY RIDGE	READING PA 19606-3934		A	

Total Class: R: 8,708

Class: TRAILER PARK

20000.00	KLIEWER, KIM B 4851 PERKIOMEN AVENUE (610)670-0191	43-5325-08-79- READING PA 19606	100	A	
20010.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-14-34- READING PA 19606-3655	201	A	
20020.00	BORDIC MOBILE HOME PARK 214 BORDIC ROAD	43-5335-09-16- READING PA 19606-3605	200	A	
20030.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-10-35- READING PA 19606-3655	201	A	
20060.00	ALSACE TOWNSHIP 240 SPIES CHURCH ROAD	READING PA 19606	101	A	
20070.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-14-34-2494 READING PA 19606-3655		A	
91230.00	PENN VIEW MOBILE PARK BROADWAY AVENUE (610)779-4202	43-5327-14-42- READING PA 19606	200	A	

Total Class: T: 7

Total: 8,984

Exeter Township supervisors agree to sell municipal wastewater system for $96 million

readingeagle.com/news/article/exeter-township-supervisors-agree-to-sell-municipal-wastewater-system-for-96-million

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The sale to Pennsylvania American Water Co. will keep taxes steady for 10 years and do other things for Exeter, the township manager said.

Written by Mike Urban

Exeter Township, PA —

The Exeter Township supervisors have agreed to sell the township's wastewater treatment plant and system to a private company for $96 million, a move they expect will save taxpayers money and put the township on much better financial footing.

The supervisors voted 4-1 on April 23 to approve the sale to Pennsylvania American Water Co., which supplies water to the township and operates 15 wastewater treatment systems statewide.

The two sides must finalize the asset purchase agreement, and the sale will require Pennsylvania Utility Commission approval, meaning the earliest the company is likely to take ownership would be early next year.

Township Manager John A. Granger said that if the sale goes through as planned, it will allow the township to hold real estate taxes steady for 10 years or more; pay for future capital projects including equipment replacement, township building relocation and storm sewer improvements; and still leave $48 million in the bank.

The current property tax rate is 2.14 mills, but that would have increased 32.6 percent to 2.8 mills in 2019 if the township retained ownership of the plant, he said.

The township is expected to raise sewer rates 29 percent before the sale is completed, but that rate hike would likely have been higher if the township held onto the system and made necessary upgrades, said Supervisor John Cusatis.

And the supervisors plan to enact a homestead tax exemption that would more than cover the rate increase for most homeowners, he said.

There are about 9,000 properties in Exeter connected to the wastewater system, and Pennsylvania American spokesman Terry M. Maenza said that they shouldn't notice any changes in sewer service once the company takes control of the system.

"It should be seamless," he said.

The company plans to retain the township's six wastewater employees, he said.

Cusatis and fellow Supervisors Lisa VanderLaan, William F. White and David G. Speece Jr. voted for the sale, saying it was a tough decision but the economic benefits were too good to turn down.

"The sale will pay off the library and sewer debt, stabilize the tax base and improve the township's credit rating," Cusatis said.

Supervisor Gary E. Lloyd Jr. voted against the sale, saying he didn't want to lose the valuable asset.

Cusatis said that most Exeter residents he spoke with support the move, but at the April 23 meeting several expressed concern about selling public property to private industry and giving up control of the wastewater system.

A written handout from resident Sherrie Greene noted that: "I have done some research and read that many municipalities have taken this route, then regretted it later. Once our sewer system is sold, it is gone forever and we cannot get it back."

Pennsylvania American, headquartered in Hershey, is a subsidiary of American Water Works Co., based in Vorhees, N.J.

This would be Pennsylvania American's first wastewater treatment system in Berks.

(Correspondent Valdis I. Lacis contributed to this story.)

Contact Mike Urban: 610-371-5023 or murban@readingeagle.com.

1. The collection of a DSIC prior to inclusion of the acquired assets in a base rate case;
2. The accrual of Allowance for Funds Used During Construction (AFUDC) on non-DSIC eligible post-acquisition improvements; and
3. The deferral of depreciation for book and ratemaking purposes on non-DSIC eligible post-acquisition improvements.

Q. Please briefly summarize the Acquisition Transaction that the Joint Applicants are proposing.

A. Under the terms of the Proposed Transaction, PAWC would acquire the wastewater utility assets of Kane for $17.56 million.

Q. Please describe the Kane wastewater utility.

A. Kane owns and operates a sanitary wastewater collection system that provides sanitary wastewater service to approximately 2,019 customers in Kane Borough and a portion of Westmore Township in McKean County. The breakout of Kane's customer count is: 1,847 residential, 162 commercial, 3 industrial, and 7 municipal. The $17.56 million purchase price for a wastewater utility assets serving 2,019 customers equates to a cost of approximately $8,700 per customer.

Q. Does the Application provide the terms of the Proposed Transaction?

A. Yes, the Asset Purchase Agreement ("APA") dated November 4, 2019 was included with the Application. The APA states that the purchase price is Seventeen Million, Five Hundred Sixty Thousand Dollars ($17,560,000). The Application indicates that the purchase price is based on arm's length negotiations. PAWC and Kane Borough are not affiliated with each other.

	Service Address	Customer Number	Edu Purchased	Group Code	Drainage Basin	SPA Amt	SPA Qty	SWR Amt	SWR Qty	Swr Base Amt	PEN Amt	INT Amt
3793	900 FOXMEADOW DR	12133	16	King Road	SOUTHEAST (6)	-	116,300.00	F	-	$ 1,348.80	-	-
3794	1000 FOXMEADOW DR	12134	16	King Road	SOUTHEAST (6)	-	94,400.00	F	-	$ 1,348.80	-	-
3795	1100 FOXMEADOW DR	12135	16	King Road	SOUTHEAST (6)	$ 216.44	153,200.00	F	-	$ 1,348.80	-	-
3796	1200 FOXMEADOW DR	12136	16	King Road	SOUTHEAST (6)	$ 69.15	130,400.00	F	-	$ 1,348.80	-	-
3799	1500 FOXMEADOW CIR	12139	16	King Road	SOUTHEAST (6)	$ 43.95	126,500.00	F	-	$ 1,348.80	-	-
3800	1600 FOXMEADOW CIR	12140	16	King Road	SOUTHEAST (6)	-	82,300.00	F	-	$ 1,348.80	-	-
3801	1700 FOXMEADOW CIR	12141	16	King Road	SOUTHEAST (6)	-	84,300.00	F	-	$ 1,348.80	-	-
3802	1800 FOXMEADOW CIR	12142	16	King Road	SOUTHEAST (6)	-	92,500.00	F	-	$ 1,348.80	-	-
3803	1900 FOXMEADOW DR	12143	16	King Road	SOUTHEAST (6)	-	111,200.00	F	-	$ 1,348.80	-	-
3804	2000 FOXMEADOW CIR	12144	16	King Road	SOUTHEAST (6)	$ 8.42	121,000.00	F	-	$ 1,348.80	-	-
3805	2100 FOXMEADOW CIR	12145	16	King Road	SOUTHEAST (6)	$ 160.88	144,600.00	F	-	$ 1,348.80	-	-
3806	2200 FOXMEADOW DR	12146	16	King Road	SOUTHEAST (6)	-	101,000.00	F	-	$ 1,348.80	-	-
3807	2300 FOXMEADOW DR	12147	16	King Road	SOUTHEAST (6)	$ 176.38	147,000.00	F	-	$ 1,348.80	-	-
3808	2400 FOXMEADOW CIR	12148	16	King Road	SOUTHEAST (6)	$ 94.99	134,400.00	F	-	$ 1,348.80	-	-
3809	2500 FOXMEADOW CIR	12149	16	King Road	SOUTHEAST (6)	$ 107.26	136,300.00	F	-	$ 1,348.80	-	-
161	640 N LEWIS RD	275	17	King Road	SOUTHEAST (6)	$ 1,932.95	306,700.00	F	-	$ 84.30	-	-
3674	7-27 W RIDGE PIKE/STRP ML	12005	18	King Road	SOUTHEAST (6)	$ 63.37	92,100.00	F	-	$ 927.30	-	-
3727	125 SUNSET RD	12065	18	King Road	282 GRATERFORD RD (20)	$ 1,198.45	193,000.00	F	-	$ 84.30	-	-
3772	15 KEYSTONE DR	12112	18	King Road	TRINLEY (5)	$ 2,452.98	387,200.00	F	-	$ 84.30	-	-
5199	256 SWAMP PIKE/SCHOOL	60965	18	Possum Hollow	RAVENS CLAW (18)	$ 2,015.24	334,400.00	F	-	$ 252.90	-	-
162	339 N LEWIS RD	276	19	King Road	SOUTHEAST (6)	$ 1,256.59	202,000.00	F	-	$ 84.30	-	-
3706	W RIDGE PIKE/STRIP/BANK	12039	19	King Road	SOUTH LIMERICK (3)	$ 1,373.73	272,500.00	F	-	$ 674.40	-	-
3745	542 N LEWIS RD	12084	19	King Road	TRINLEY (5)	$ 112.65	32,400.00	F	-	$ 168.60	-	-
3411	70 BUCKWALTER RD/1350/APPLEB	11737	20	King Road	SOUTHEAST (6)	$ 3,375.47	530,000.00	F	-	$ 84.30	-	-
5389	206 JONES BLVD/MICROCOAX	70011	20	Possum Hollow	BROOKE EVANS (16)	$ 14,938.23	2,319,900.00	F	-	$ 84.30	-	-
3445	70 BUCKWALTER RD/1250/TEXAS	11771	21	King Road	SOUTHEAST (6)	$ 2,419.39	382,000.00	F	-	$ 84.30	-	-
3707	22 ANCHOR PARKWAY	12040	23	King Road	SOUTHEAST (6)	$ 1,958.79	310,700.00	F	-	$ 84.30	-	-
3773	77 GRATERFORD RD	12113	23	King Road	282 GRATERFORD RD (20)	$ 1,208.14	194,500.00	F	-	$ 84.30	-	-
64	677 ELM ST	170	24	Royersford	ORCHARD TERRACE (OT)	-	12,000.00	F	-	$ 2,023.20	-	-
3863	430 W LINFIELD TRAPPE RD	12208	24	King Road	TRINLEY (5)	$ 4,782.46	747,800.00	F	-	$ 84.30	-	-
794	1101 ENTERPRISE DR	2573	28	King Road	TRINLEY (5)	$ 1,182.95	190,600.00	F	-	$ 84.30	-	-
2502	196 W RIDGE PK/FLEA MRKT	10679	29	King Road	RIDGE PIKE (10)	$ 629.07	247,000.00	F	-	$ 1,686.00	$ 1.80	-
3869	420 LINFIELD TRAPPE RD	12214	30	King Road	TRINLEY (5)	$ 852.20	139,400.00	F	-	$ 84.30	-	-
5410	14 W LIGHTCAP RD	70032	34	Possum Hollow	POSSUM HOLLOW (17)	$ 7,741.14	1,205,800.00	F	-	$ 84.30	-	-
3401	19 W LINFIELD TRAPPE RD	11727	36	King Road	SOUTHEAST (6)	$ 5,421.59	846,736.00	F	-	$ 84.30	-	-
107	475 N LEWIS RD	216	52	King Road	SOUTHEAST (6)	$ 3,921.34	614,500.00	F	-	$ 84.30	-	-
3761	88 ANCHOR PARKWAY	12101	52	King Road	SOUTHEAST (6)	$ 3,746.92	587,500.00	F	-	$ 84.30	-	-
2292	420 W LINFIELD TRAPPE RD	10357	59	King Road	TRINLEY (5)	$ 5,568.64	869,500.00	F	-	$ 84.30	-	-
167	350 S LEWIS RD	282	60	King Road	SOUTHEAST (6)	$ 3,791.50	594,400.00	F	-	$ 84.30	-	-
2465	827 N LEWIS RD	10630	80	King Road	SOUTH LIMERICK (3)	-	150,200.00	F	-	$ 6,744.00	-	-
3091	FOX RIDGE APTS	11378	97	King Road	SOUTH LIMERICK (3)	$ 2,050.04	1,043,000.00	F	-	$ 8,177.10	-	-
2685	165 W RIDGE PIKE/TRLR PK	10913	115	King Road	SOUTHEAST (6)	$ 6,018.69	1,792,000.00	F	-	$ 9,694.50	-	-
5397	EXELON LIM GEN STA	70019	137	Possum Hollow	POSSUM HOLLOW (17)	N	-	$ 8,659.75	1,348,000.00	$ 84.30	$ 1,041.07	-
5400	18 LIGHTCAP RD	70022	200	Possum Hollow	POSSUM HOLLOW (17)	$ 4,006.31	1,278,500.00	F	-	$ 7,418.40	-	-
		5416	**8402**			**$ 299,707.92**	**89,160,697**	**$ 25,039.14**	**7,288,556**	**$ 600,843.05**	**$ 14,296.74**	**$ 1,169.98**

ASSET PURCHASE AGREEMENT

7. Aqua and Limerick are parties to an Asset Purchase Agreement dated November 16, 2016. Aqua Exhibit 1, Application ¶ 5 and ¶ 18; *see also* Aqua Exhibit No. 1, Exhibit C.

8. The negotiated purchase price, which is based on arms' length negotiation, is Seventy-Five Million One Hundred Thousand Dollars ($75,100,000.00). Aqua and Limerick are not affiliated with each other. Aqua Exhibit No. 1, Application ¶ 18 and Aqua St. No. 1 at 6, lines 6 through 10.

9. Aqua will use short term credit lines to fund the transaction. The short term credit funding will be converted to a mix of long-term debt and equity capital shortly after closing. Aqua St. No. 1 at 7, lines 18 through 20; *see also* Aqua Exhibit No. 1, Application ¶ 18.

ASSETS BEING TRANSFERRED

10. The wastewater system assets to be transferred are the "Acquired Assets" and have the meaning specified in Section 2.01 of the Agreement. The Acquired Assets include all real property Limerick owns and uses in the operation of the wastewater system and all sanitary wastewater related treatment and conveyance facilities, including the Possum Hollow Waste Water Treatment Plant ("PHWWTP"), the King Road Waste Water Treatment Plant ("KRWWTP") and all pipes, pumping stations, manholes and pipelines and billing and collections related assets necessary to run the system. Aqua Exhibit No. 1, Application ¶ 19.

11. Acquired Assets also include the contracts identified on Schedule 4.15 of the Agreement to which Limerick is a party (the "Assigned Contracts"). Since contract parties, other than Limerick, are identified by name, Schedule 4.15 and the Assigned Contracts are considered CONFIDENTIAL. Copies of CONFIDENTIAL Schedule 4.15 and the CONFIDENTIAL Assigned Contracts were included with the Application as Confidential Exhibit F and admitted into evidence as CONFIDENTIAL Aqua Exhibit No. 4. Aqua Exhibit No. 1, Application ¶ 20 and Tr. 13 and 20.

$5,572,770. Exh. A-14-a, SWPA St. 1 at 11-12. The allocated purchase price for the water system is $4,734,800 and the wastewater system is $4,765,200. Appendix A-14, SWPA St. 2 at 4-5.

The valuation experts were paid $59,145 for the Fair Market Value Appraisal Reports for both the water and wastewater systems. Exh. A-8-a. SWPA also indicates that it will incur transaction and closing costs of approximately $1,000,000 between the Water System and the Wastewater System, which will be included in rate base. Appendix A-14, SWPA St.1 at 5-6; Appendix A-12.

OCA will examine the ratemaking rate base claims to determine if the claims are reasonable and appropriate for ratemaking purposes.

2. Proposed Rates: SWPA proposes to charge customers of the Mahoning Township system the Mahoning Township water and wastewater rates in effect at closing. Application at 6, 11; Appendix A-13. Those rates will remain in effect until SWPA's next base rate case but SWPA may impose any fee or surcharge permitted by its Commission-approved tariff. Id.

The proposed rates do not appear to match the existing Mahoning Township rates. The OCA will investigate this apparent discrepancy. The OCA will investigate the impacts on the current customers as well as on Mahoning Township customers of the various assumptions and proposals.

3. The OCA submits that additional information is necessary to determine how the transaction will substantially and affirmatively benefit Suez's existing customers.

4. Conditions: Whether any conditions should be imposed upon the proposed transfer to ensure that Suez's customers are treated in a fair and just manner in accord with Pennsylvania law and Commission rules and regulations.

MAHONING TOWNSHIP CUSTOMER LIST

Customer No	Name	Service Address	Service	SWR EDUs	EDU	Count
11470.01	T & S REALTY	304 HOLLOW DR	Sewer	1	1	1431
11471.01	T & S REALTY	306 HOLLOW DR	Sewer	1	1	1432
11472.01	T & S REALTY	308 HOLLOW DR	Sewer	1	1	1433
11473.01	T & S REALTY	310 HOLLOW DR	Sewer	1	1	1434
11474.01	T & S REALTY	312 HOLLOW DR	Sewer	1	1	1435
11475.01	DAVID & JOANNE BROOKO\	32 TERRE LANE	Sewer	1	1	1436
11476.02	JAYA SUGUNARAJ & JESSITA	214 ABBEY RD	Sewer	1	1	1437
11478.01	DAVID BULBIN & BARBARA	74 WOODLAND DR	Sewer	1	1	1438
11479.01	JEFFREY MOLINARO	1318 BLOOM RD	Sewer	1	1	1439
11480.01	CRYSTAL DOMETITA	91 WOODLAND DR	Sewer	1	1	1440
11482.01	AYUSA SINHA	672 LOWER ST	Sewer	1	1	1441
11483.01	MADIAN YAHYA	676 LOWER ST	Sewer	1	1	1442
11484.01	JEFF WATSON	168 KASEVILLE RD	Sewer	1	1	1443
11485.01	ANWER & SARAH QURESHI	656 LOWER ST	Sewer	1	1	1444
11486.01	ROSS & ASHLEY PETERS	83 TERRE LN	Sewer	1	1	1445
11488.01	QUESHI ANWER	664 LOWER STREET	Sewer	1	1	1446
11489.01	MATHUR HERSH	660 LOWER STREET	Sewer	1	1	1447
11490.01	PRASANNA SANKEPALLI & S	668 LOWER ST	Sewer	1	1	1448
11491.01	MARK GATSKI & CATHERINI	82 DELWOOD DR	Sewer	1	1	1449
11492.01	JONATHAN & LAURA SPAHF	78 TERRE LN	Sewer	1	1	1450
11166.02	DANKO HOLDINGS LP	1301 BLOOM RD	Sewer	0	1	1451
	TOTALS				2195	1451

eport Criteria:
Customer.Final bill date = {IS NULL}

5/30/18

stomer #	Name	Service Address	Meter ID	Customer Type	Size
11104.01	ANIMAL CARE	32 ENTERPRISE DR	0049503582	Commercial	1
11107.01	EMMANUEL HOME	MONTOUR BLVD. 11107	8280982952	Commercial	1
11120.02	REDEEMER ORTHODOX PRESBYTER	1820 MONTOUR BLVD.	1540802894	Commercial	1
11121.01	FAB-TEX	29 WOODBINE LANE	0004695133	Commercial	1
11137.01	GEISINGER HEALTH SYSTEMS - MCB	MCBRIDE	1541355520	Commercial	1
11151.01	ROAT-KRINER ROAT	1133 BLOOM RD.	1541286282	Commercial	1
11157.01	TRINITY METHODIST CHURCH	84 LOMBARD AVE	1018010545	Commercial	1
11159.01	VINTAGE KNOLLS ASSISTED LIVING	9 JUSTIN DR 101	1541313242	Commercial	1
11160.01	GEISINGER COMMUNITY HEALTH - VI	44 WOODBINE LANE	0048920994	Commercial	1
11165.01	RINEHART DENTAL	20 WESNER LANE	1481726108	Commercial	1
Total 1: 10				10	10
11110.01	BUSY BEAVER	23 WESNER LN	0053635505	Commercial	1.5
11139.01	MEADOWS COMM.	77 TOWER VIEW CIRCLE	0051583844	Commercial	1.5
11148.01	SHANER HOTEL GRP	43 PINE BARN PLACE	1832339361	Commercial	1.5
11170.01	HAWKINS CHEVROLET	1856 MONTOUR BLVD.	1852732193	Commercial	1.5
11439.01	GEORGE HEIM CAR WASH	1802 MONTOUR BLVD	1541551330	Commercial	1.5
Total 1.5: 5				5	5
11102.01	ATLANTIC EQUIP	15 ENTERPRISE DR	0048304212	Commercial	2
11108.01	EMMANUEL NAZARETH	1707 MONTOUR BLVD. 11108	1007034764	Commercial	2
11117.01	T & S REALTY	1083 BLOOM RD	0046645520	Commercial	2
11126.01	GUM REALTY GROUP LLC	74 SCHOOL HOUSE RD STE 101	0022379100	Commercial	2
11134.01	MARIA JOSEPH AL CENTER	MONTOUR BLVD. 11134	1832120637	Commercial	2
11136.01	GEISINGER HEALTH SYSTEMS - HUG	HUGHES CENTER SOUTH	0052693508	Commercial	2
11146.01	SHANER HOTEL GRP	43 PINE BARN PLACE A	0043702654	Commercial	2
11166.02	DANKO HOLDINGS LP	1301 BLOOM RD	1548931502	Commercial	2
Total 2: 8				8	8
11101.01	NAILS TO TAILS GROOMING SALON	938 BLOOM RD.	1810172132	Commercial	3/4
11109.01	BROKENSHIRE JOHN	769 BLOOM RD.	1541276964	Commercial	3/4
11111.01	CERO JAMES PATRICK	795 BLOOM RD	1541282452	Commercial	3/4
11113.01	COLE'S HARDWARE	25 ENTERPRISE ROAD	1541310306	Commercial	3/4
11115.01	HAWKINS JAMES	1581 MONTOUR BLVD.	1852924202	Commercial	3/4
11116.01	HAWKINS COLLISION CENTER	MONTOUR BLVD. 11116	1541425432	Commercial	3/4

Commercial Water Meters
70

Residential Water Meters
1116

2"
+ 1 = 15 Wesner Lane added 5/24/18

Total Meters
=
1186

21. Second, Ms. Vicari used inconsistent purchase price values to calculate the average costs per customer. Id. at 21-22.

(a) Incorrect Use of Projected Customers

Ms. Vicari used an incorrect number of customers for MACM. In Appendix A-17-a, it states that MACM has 12,780 customers, yet Ms. Vicari used 21,953 customers. OCA St. 1 at 20-21. She explained that she used that number because she counted the individual connections for each bulk customer. Id. She never supplied her calculation of the individual connections for the four bulk customers. Id.

Ms. Vicari does not necessarily apply that logic to the other acquisitions in her sample group by reflecting individual connections for any bulk customers. OCA St. 1S at 16-17. By using the actual number of customers for the other systems, she achieved a higher average cost per customer. She then multiplied this overstated cost per customer times the unsupported number of bulk customers' individual connection, compounding the error. Ms. Everette was not able to confirm whether all of the customer numbers in Ms. Vicari's sample group were consistently counted. She therefore used the 21,953 customer number used by Ms. Vicari to minimize the issues in the proceeding.

(b) Inconsistent Purchase Price Values

Similar to the problem with the customer count, MACM witness Vicari did not use consistent purchase price values. OCA St. 1 at 21-22. For the comparative acquisitions, she used the purchase price plus the value of capital improvements required by the agreement of sale. For MACM, however, she uses only the purchase price and does not consider the $62.7 million of capital investments that PAWC anticipates making over the next 10 years. Including the cost

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Pittsburgh Post-Gazette

McKeesport sewer system to be sold for $156 million

September 16, 2016 12:00 AM

By Deana Carpenter

The Municipal Authority of the City of McKeesport has agreed to sell its sewer system to Pennsylvania American Water for approximately $156 million.

The sale is needed to bring the city to more stable financial ground and avoid Act 47, the program for financially distressed municipalities, or municipal bankruptcy, McKeesport Mayor Michael Cherepko said at the Sept. 7 council meeting.

“It became very clear to this administration that the only way to save our community from municipal bankruptcy, while continuing to offer the same level of services our residents deserve, would be to transfer our local sewage system to a regional or national utility company,” Mr. Cherepko said in a news release.

A purchase agreement was signed by both parties last Friday following votes by city council and the municipal authority to sell the sewer system. The sale is expected to be finalized in the second half of next year pending regulatory approvals and other closing conditions.

The system serves 22,000 customers in McKeesport and the communities of Dravosburg, Duquesne, East McKeesport, Elizabeth Township, Glassport, Liberty, Lincoln, North Versailles, Port Vue, Versailles and White Oak.

“We look forward to closing the proposed acquisition and to providing wastewater services that reflect our commitment to environmental stewardship and quality customer service,” said

Kathy L. Pape, president of Pennsylvania American Water, said that after the deal is closed, the company looks forward “to welcoming the Municipal Authority of the City of McKeesport’s employees and customers to the Pennsylvania American Water family.”

She said the company also looks forward to “providing wastewater services that reflect our commitment to environmental stewardship and quality customer service.”

The next step is approval of the acquisition by the Pennsylvania Public Utility Commission along with other approvals, such as from the state Department of Environmental Protection.

In June, state Auditor General Eugene DePasquale said McKeeesport erred when it accidentally spent $729,275 in state funds earmarked for pension costs and subsequently couldn't pay its $2.3 million annual pension obligation last year.

McKeesport officials said then they would remedy the shortfall through "the sale of an asset in the near future."

“The total proceeds of the pending sale of the Municipal Authority of the City of McKeesport will solidify the City of McKeesport’s financial position for years to come,” Mr. Cherepko said this week. “The down payment associated with this

sale will generate enough revenue to cover all of the city's outstanding financial obligations, including the minimum municipal obligations associated with the city's pension funds."

Deana Carpenter, freelance writer: suburbanliving@post-gazette.com.

EAST END SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	2014-1
CO1	2,070,000	2,060,000	1,831,000	2,284,000	2,971,000	2,665,000	1,498,000	1,278,000
CO2	739,000	1,050,000	885,000	793,000	1,028,000	1,061,000	873,000	873,000
IND								
MIX	15,000	9,000	10,000	4,000	17,000	14,000	12,000	18,000
RES	13,780,000	13,367,000	12,924,000	13,280,000	12,700,000	14,137,000	14,241,000	12,874,000
Grand Total	**16,604,000**	**16,486,000**	**15,650,000**	**16,361,000**	**16,716,000**	**17,877,000**	**16,624,000**	**15,043,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	2015-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	22,021	22,889	20,573	25,099	34,149	28,351	16,108	14,044
CO2	7,862	11,667	9,944	8,714	11,816	11,287	9,387	9,593
IND								
MIX	160	100	112	44	195	149	129	198
RES	146,596	148,522	145,213	145,934	145,977	150,394	153,129	141,473
Grand Total	**176,638**	**183,178**	**175,843**	**179,791**	**192,138**	**190,181**	**178,753**	**165,308**

Type	Total Units	Total Active Units	Total Accounts
CO1	145	109	65
CO2	40	16	13
IND			
MIX	8	7	3
RES	1,043	1012	823
Grand Total	**1,236**	**1,144**	**904**

Type	2015 Total	2014 Total
CO1	8,245,000	8,412,000
CO2	3,467,000	3,835,000
IND		
MIX	38,000	61,000
RES	53,351,000	53,952,000
Grand Total	**65,101,000**	**66,260,000**

Service Area	Total Units	Total Active Units	Total Accounts
BP	290	282	107
BR	52	51	52
BW	99	90	56
CR	5	4	5
CW	110	109	110
EE	1		1
GL	132	110	70
HD	127	110	112
PD	31	31	31
PM	48	47	48
PS	66	66	66
SC	65	37	40
SH	132	132	132
SRO	2	2	2
WB	76	73	72
Grand Total	**1,236**	**1,144**	**904**

SOUTH END SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	2014-1
CO1	163,000	68,000	33,000	27,000	277,000	265,000	28,000	25,000
RES	7,444,000	7,494,000	7,172,000	7,565,000	7,109,000	7,576,000	7,233,000	7,750,000
Grand Total	**7,607,000**	**7,562,000**	**7,205,000**	**7,592,000**	**7,386,000**	**7,841,000**	**7,261,000**	**7,775,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	)15-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	1,734	756	371	297	3,184	2,819	301	275
RES	79,191	83,267	80,584	83,132	81,713	80,596	77,774	85,165
Grand Total	**80,926**	**84,022**	**80,955**	**83,429**	**84,897**	**83,415**	**78,075**	**85,440**

Type	Total Units	Total Active Units	Total Accounts
CO1	6	2	2
RES	611	605	607
Grand Total	**617**	**607**	**609**

Type	2015 Total	2014 Total
CO1	291,000	595,000
RES	29,675,000	29,668,000
Grand Total	**29,966,000**	**30,263,000**

Service Area	Total Units	Total Active Units	Total Accounts
ES	178	174	174
HGN	129	125	125
HGS	30	29	30
MG	21	21	21
WS	259	258	259
Grand Total	**617**	**607**	**609**

AVONDALE SEWER ACCOUNTS SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	20144
CO1	2,833,000	3,044,000	2,895,000	3,014,000	2,844,000	2,681,000	2,598,000	2,992,000
CO2	191,000	208,000	235,000	228,000	224,000	195,000	192,000	179,000
MIX	301,000	312,000	255,000	273,000	227,000	258,000	276,000	332,000
RES	4,090,000	3,750,000	3,588,000	4,089,000	3,506,000	4,183,000	4,716,000	3,705,000
TWP	31,000	24,000	20,000	19,000	21,000	22,000	19,000	74,000
Grand Total	**7,446,000**	**7,338,000**	**6,993,000**	**7,623,000**	**6,822,000**	**7,339,000**	**7,801,000**	**7,282,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	)15-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	30,138	33,822	32,528	33,121	32,690	28,521	27,935	32,879
CO2	2,032	2,311	2,640	2,505	2,575	2,074	2,065	1,967
MIX	3,202	3,467	2,865	3,000	2,609	2,745	2,968	3,648
RES	43,511	41,667	40,315	44,934	40,299	44,500	50,710	40,714
TWP	330	267	225	209	241	234	204	813
Grand Total	**79,213**	**81,533**	**78,573**	**83,769**	**78,414**	**78,074**	**83,882**	**80,022**

Type	Total Units	Total Active Units	Total Accounts
CO1	397	48	38
CO2	4	4	4
MIX	8	22	8
RES	306	282	230
TWP	3	3	3
Grand Total	**718**	**359**	**283**

Type	2015 Total	2014 Total
CO1	11,786,000	11,115,000
CO2	862,000	790,000
MIX	1,141,000	1,093,000
RES	15,517,000	16,110,000
TWP	94,000	136,000
Grand Total	**29,400,000**	**29,244,000**

Service Area	Total Units	Total Active Units	Total Accounts
41	308	76	46
BH	123	120	121
BH2	6	6	6
RR	130	119	79
TK	151	38	31
Grand Total	**718**	**359**	**283**

Dilworth Paxson LLP

The PA PUC Approves First Wastewater Sale Under New Act 12

06/14/2017

June 14, 2017 (Philadelphia, PA) - On June 14, 2017, the Pennsylvania Public Utility Commission approved, in a four-to-one vote, Aqua Pennsylvania Wastewater, Inc.'s application to acquire the wastewater system of New Garden Township and its Sewer Authority, and to begin providing wastewater service to the residents of New Garden and Kennett Townships in Chester County. The transaction is the first to be approved using the fair market valuation approach established by the Pennsylvania State Legislature and Governor Tom Wolf with Act 12 of 2016 (Act of Apr. 14, 2016, P.L. 76, No. 12, 66 Pa. C.S. § 1329).

Act 12 is changing the landscape for municipal sales of water and wastewater systems to PUC-regulated public utility companies. The new law allows the parties to the transaction to opt in to a new method of valuation, which takes the value of the system for ratemaking purposes as either the lower of the average of two independent fair market value appraisals—one obtained by the utility buyer and one by the municipal seller—or by the negotiated purchase price. Prior to Act 12, system value for ratemaking was based on depreciated original cost, which would likely always result in a lower sale price than fair market value. In addition, the new law requires the PUC to act within six months of the acceptance of the application.

Act 12 became effective mid-June 2016, and the PUC issued its final implementation order in October 2016. The New Garden transaction was the first Act 12 application, submitted for approval in December 2016. Aqua, New Garden, and the Authority agreed to a negotiated purchase price of $29,500,000, which turned out to be less than the average of the two appraisals commissioned by Aqua and New Garden. The valuation for ratemaking purposes was therefore set at $29,500,000.

A protest to Aqua's application for PUC approval pursuant to Act 12 in the New Garden transaction was filed by the Bureau of Investigation and Enforcement, which sought a review of both of the fair market appraisals used, additional information about the proposed rate freeze agreed to by the parties, and a determination of whether the transaction was in the public interest under Section 1102 of the Public Utility Code.

An additional protest was filed by the Office of Consumer Advocates requesting further information to determine whether supplementary conditions should be imposed on the transaction to ensure that Aqua's existing customers are treated in a fair and just manner; how the transaction will substantially and affirmatively benefit Aqua's existing customers; and whether the agreement sufficiently provides for safe, adequate, and reasonable service at just and reasonable rates.

An evidentiary hearing was held before an administrative law judge on February 16, 2017. After the hearing, the judge recommended the denial of Aqua's application, concluding that Aqua had failed to demonstrate by a preponderance of the evidence that the acquisition was in the public interest because it failed to demonstrate that the transaction will result in affirmative public benefits to its existing customers. The judge also concluded that Aqua had failed to support its rate stabilization plan with evidence to show its basis and impact. The judge did

Related Lawyers

Skye C.A. Nickalls

Marc A. Feller

Related Practices

Corporate and Business

Related Offices

Philadelphia, PA

invest in necessary capital improvements and resources, and experienced managerial and operating personnel necessary to provide safe and reliable sewer services to the residents of the TOS and surrounding areas. PAWC is currently the water provider within TOS and is the operator of TOS's System pump station.

Q. PLEASE DESCRIBE PAWC'S HISTORICAL RELATIONSHIP WITH TOS.

A. Since PAWC's acquisition of the water and wastewater assets of the City of Coatesville Authority ("CCA") in March 2001, PAWC has been the regional wastewater (and water) provider in the City of Coatesville and surrounding communities. . PAWC's treats the wastewater from the communities of Sadsbury Township, City of Coatesville, East Fallowfield Township, Caln Township, West Caln Township, Valley Township, West Sadsbury Township, Highland Township, West Brandywine Township and Parksburg Borough. TOS has been a bulk wastewater customer of PAWC since PAWC's acquisition of CCA's water and wastewater system assets. We maintain a relationship with TOS and other local municipalities by participating in local events, providing environmental and firefighting grants, offering the "H2O Assistance Program," and supporting economic growth through infrastructure improvements in the communities we serve.

Q. HOW MANY CUSTOMERS DOES THE TOS SYSTEM CURRENTLY SERVE AND HOW MANY CUSTOMERS DOES PAWC CURRENTLY SERVE?

A. As of December 31, 2016, TOS furnished wastewater services to 998 customers. This number includes 950 residential and 48 commercial customer connections. Of these

interest in discussing the potential acquisition of the System and the use of Section 1329, the fair market value approach. TOS's representatives executed the Letter of Interest on December 6 and 7, 2016 and returned it to PAWC. This "Letter of Interest" was extended through amendments on March 9, 2017, May 2, 2017, June 6, 2017, and July 5, 2017 to allow the parties to enter into a definitive agreement. Through these extensions, PAWC and TOS jointly retained the services of Herbert E. MacCombie, Jr., P.E., of Media Pennsylvania to complete the Engineer's Assessment of Tangible Assets pursuant to Section 1329. The Engineer's Assessment of Tangible Assets is included as **Schedule 1.1** of the APA and included with the UVE fair market valuation reports at **Appendix A-5**. PAWC, pursuant to Section 1329, retained the services of AUS Consultants of Greenfield Wisconsin to complete an appraisal of the System. TOS retained the services of Herbert, Rowland & Grubic, Inc. of Harrisburg, Pennsylvania to also complete an appraisal of the System. These appraisals accompany the Application at **Appendix A-5** (together with electronic working documents at **Appendix A-4**) and are included as **Schedule 2.2** of the APA. After receipt of the two appraisals and subsequent arms-length negotiations, on May 1, 2018 TOS's Board of Supervisors approved the APA, which was subsequently executed by PAWC and TOS that day too. This APA includes a negotiated purchase price of $9,250,000.

Q. CAN YOU PLEASE PROVIDE AN OVERVIEW OF THE APA?

A. Yes. The APA is attached as **Appendix A-24-a** to the Application **(PAWC Exhibit KEG-1)**. The APA sets forth the terms and conditions pursuant to which the TOS will sell, and PAWC will purchase, the System, as well as substantially all assets, properties and rights

Elizabeth Rose Triscari, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
(717) 520-4606
elizabeth.triscari@amwater.com

The Applicant's attorneys are authorized to receive all notices and communications regarding this Application.

6. PAWC is a regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is engaged in the business of collecting, treating, storing, supplying, distributing and selling water to the public, and collecting, treating, transporting and disposing of wastewater for the public. Water and wastewater services are furnished by PAWC to the public in a service territory encompassing more than 400 communities across the Commonwealth with a combined population of over 2,400,000. A description of PAWC's existing certificated water and wastewater service territory is found in **Appendix B**, along with a detailed corporate history, outlining all of the mergers, acquisitions and consolidations, which have created PAWC as it exists on the date of this Application.

7. Steelton is a municipal water authority, organized by the Borough of Steelton in accordance with the Municipality Authorities Act, 53 Pa. C.S. §5601, et seq., with its offices located at 123 North Front Street, Steelton, Pennsylvania. Steelton owns and operates the Steelton System, providing water service to the public in the Borough of Steelton and a portion of Swatara Township (the "Service Area"), in Dauphin County, Pennsylvania.

8. As of November 30, 2018, Steelton furnishes water service to 2,472 customers including 2,289 residential, 124 commercial, 13 industrial, 34 institutional, 11 municipal, and one bulk sales customer connection.

PENNSYLVANIA REAL-TIME NEWS

Steelton water sale closer to completion as Pa. American Water signs $22.5 million agreement

Updated Nov 15, 2018;
Posted Nov 15, 2018

Pennsylvania American Water announced today it signed an agreement to acquire the water assets of the Steelton Borough Authority. Pending regulatory approvals, the sale should be complete by the third quarter of 2019.

1
8
shares

By Steve Marroni | smarroni@pennlive.com

The sale of Steelton's water system is one step closer to completion.

Pennsylvania American Water announced today it has signed an agreement to acquire the water assets of the Steelton Borough Authority for $22.5 million.

The two will next seek approval of the acquisition from the Pennsylvania Public Utility Commission and other necessary approvals from the Pennsylvania Department of Environmental Protection, according to the company.

Subscribe

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)33438358	Morath, Christina	Commercial	None	1	SEWER	1
)33453937	Baeder, William	Commercial	None	1	SEWER	1
)33521786	Sanders, Debra	Commercial	None	1	SEWER	1
)33757653	Advanced Auto Parts	Commercial	None	1	SEWER	1
)34016546	Nelson's Ice Cream	Commercial	None	1	SEWER	1
)34030702	Pitcher, Paul	Commercial	None	1	SEWER	1
)34083232	Beck, Katharine G	Commercial	None	1	SEWER	1
)34862572	LK Miller Properties LLC	Commercial	None	1	SEWER	1
)02939458	Fuhrman, Steve	Commercial	None	1	SEWER	1
)03198199	Sarangpur Realty LLC	Commercial	None	1	SEWER	1
)03373167	Wilhelm, Rosemarie	Commercial	None	1	SEWER	1
)04397982	Pragi Enterprises LLC	Commercial	None	1	SEWER	1
)06085025	Plank Jr, Robert E	Commercial	None	1	SEWER	1
)06197065	LD Hedge Associates LLC	Commercial	None	1	SEWER	1
)06197096	LD Hedge Associates LLC	Commercial	None	1	SEWER	1
)07394708	Fissinger, Matthew	Commercial	None	1	SEWER	1
)07425268	Snyder, Joseph	Commercial	None	1	SEWER	1
)07461417	Varlotta, Michael	Commercial	None	1	SEWER	1
)07487679	CG Complex LLC	Commercial	None	1	SEWER	1
)07519040	Bristol Road Partners Inc.	Commercial	None	1	SEWER	1
)08908308	Superior Credit Union	Commercial	None	1	SEWER	1
)09217890	Hoff Properties LLC	Commercial	None	1	SEWER	1
)10722804	AMA Realty Properties LLC	Commercial	None	1	SEWER	1
)11184863	Attilio, Thomas	Commercial	None	1	SEWER	1
)12032330	310 Chestnut Street LLC	Commercial	None	1	SEWER	1
)13068080	Branch Banking & Trust Company	Commercial	None	1	SEWER	1
)13286185	White, Elaine & Bruce	Commercial	None	1	SEWER	1
)15089717	C&R Property Management LLC	Commercial	None	1	SEWER	1
)15089748	C&R Property Management LLC	Commercial	None	1	SEWER	1
)15292810	Preston, Aaron	Commercial	None	1	SEWER	1
)16240812	Shalom, Jan	Commercial	None	1	SEWER	1
)16276750	Copenhafer, Fay	Commercial	None	1	SEWER	1
)16612479	Donohue, Patrick R	Commercial	None	1	SEWER	1
)17470098	Lewis Group Ltd Partnership	Commercial	None	1	SEWER	1
)17961983	Qawasmy, John	Commercial	None	1	SEWER	1
)18085592	Christman, Lewis	Commercial	None	1	SEWER	1
)18305104	Tarquini Herrera, Rachel	Commercial	None	1	SEWER	1
)18888302	Florence Attilio Rental Acct.	Commercial	None	1	SEWER	1
)18888319	Attilio, Thomas	Commercial	None	1	SEWER	1
)19364687	Conigliaro, Vito	Commercial	None	1	SEWER	1
)21630875	Chesterview Apartments	Commercial	None	1	SEWER	1
)22621041	Main Street Royersford LLC	Commercial	None	1	SEWER	1
)22621096	Spring Mountain Brewing Co	Commercial	None	1	SEWER	1
)23796115	Kassam, Tashir	Commercial	None	1	SEWER	1
)26295581	JD Arnold LLC	Commercial	None	1	SEWER	1
)26393133	Ostebo, Kurt	Commercial	None	1	SEWER	1
		158				

Report Criteria:
Billing.Service No = 1
Customer.Customer Type = Commercial, Industrial, Residential

Report Criteria:
Billing.Service No = 1
Customer.Customer Type = Industrial, Residential

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)28611137	Lewis Group Ltd. Partnership	Industrial	None	1	SEWER	1
)28619292	Giftwares Co Inc	Industrial	None	1	SEWER	1
)28619407	Specialty Chemical Systems Inc	Industrial	None	1	SEWER	1
)28619759	Accumetrics Limited	Industrial	None	1	SEWER	1
)28619773	Accumetrics Limited	Industrial	None	1	SEWER	1
)28620339	Nelson's Ice Cream Inc.	Industrial	None	1	SEWER	1
)28620858	American Machine & Tool Co.	Industrial	None	1	SEWER	1
)29486532	A.C. Miller Concrete Company	Industrial	None	1	SEWER	1
)29651213	Borough of Royersford	Industrial	None	1	SEWER	1
)29709754	Royersford Spring Company	Industrial	None	1	SEWER	1
)29784885	Advanced Fluid Systems Inc	Industrial	None	1	SEWER	1
		11				

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)25581487	Sakal, Brian J	Residential	None	1	SEWER	1
)25581852	Barbara Berman Ricci	Residential	None	1	SEWER	1
)25590276	Tallman, William	Residential	None	1	SEWER	1
)25596441	Tarantino, Joseph	Residential	None	1	SEWER	1
)25635087	Benson, Merrill G	Residential	None	1	SEWER	1
)25760044	Blamey, Chad & Katrin	Residential	None	1	SEWER	1
)25762972	Whitmore, Andrew	Residential	None	1	SEWER	1
)25807684	Mecca, Jessica	Residential	None	1	SEWER	1
)25824139	Gerber, Jenna	Residential	None	1	SEWER	1
)25859012	Creciun, Peter	Residential	None	1	SEWER	1
)25869156	Seiders, Lester & Monica	Residential	None	1	SEWER	1
)25879108	Chesterview Apartments	Residential	None	1	SEWER	1
)25930898	US Bank NA	Residential	None	1	SEWER	1
)25948684	Findley, Nicole M	Residential	None	1	SEWER	1
)25987108	Craft, Elena	Residential	None	1	SEWER	1
)26021179	John McDonald & Karlyn Eyre	Residential	None	1	SEWER	1
)26043841	Blanche, Camile	Residential	None	1	SEWER	1
)26160869	Hirst, Sharon A	Residential	None	1	SEWER	1
)26161459	John Marlatt & Rebecca Gardner	Residential	None	1	SEWER	1
)26204967	Niemczuk, Joseph W	Residential	None	1	SEWER	1
)26223333	Weiss, Joseph	Residential	None	1	SEWER	1
)26239376	C&R Property Management LLC	Residential	None	1	SEWER	1
)26300278	Millard, Barry & Sheryl	Residential	None	1	SEWER	1
)26310954	Nevin, Sean	Residential	None	1	SEWER	1
)26326843	Davis, Jeff	Residential	None	1	SEWER	1
)26340238	Jacobs, Jamie	Residential	None	1	SEWER	1
)26352002	Slifer, Richard	Residential	None	1	SEWER	1
)26353432	Lynch, Heather	Residential	None	1	SEWER	1
)26380250	Tallman, William	Residential	None	1	SEWER	1
)26381130	Stem, Matt & Heather	Residential	None	1	SEWER	1
)26403078	Petaccio, Andrea	Residential	None	1	SEWER	1
)26630702	O'Donnell, Kaitlyn	Residential	None	1	SEWER	1
)26660253	Ilyas, Asif	Residential	None	1	SEWER	1
)26713911	Hernandez, S & Murphy, M	Residential	None	1	SEWER	1
)26746591	Gieske and Niemann LLC	Residential	None	1	SEWER	1
)26875659	Speck, Erin	Residential	None	1	SEWER	1
)26880804	Raser, Randy	Residential	None	1	SEWER	1
)26909682	Perez, Waldemar & Aracelis	Residential	None	1	SEWER	1
)26969219	Macelwee-Todd, Lisa	Residential	None	1	SEWER	1
		1427				

Report Criteria:
Billing.Service No = 1
Customer.Customer Type = Residential

permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.15, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.15 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE

Section 3.01. Purchase Price. The purchase price for the Acquired Assets is Thirteen Million Dollars ($13,000,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall provide for payment in full of the total amount of Outstanding Indebtedness directly to Seller's obligees on account of the Purchase Price;

(b) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(c), to Seller by wire transfer of immediately available funds the balance of the Purchase Price (remaining after the debt repayment pursuant to Section 3.01(a)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

(c) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and Seller is entitled to all such billings for the period before the Closing Effective Time. The Parties

Report Criteria:
Service.Service number = 10,16
Group Code.Group code = "A","B","C"
Customer.Final bill date = {IS NULL}
Billing.Temporary disconnect date = {IS NULL}
Billing.Final disconnect date = {IS NULL}

Customer Number	Customer Name	Service Address	Customer Type	Units
10				
UP Commercial				
18011257.01	POTTSTOWN 1257 INC	1257 N CHARLOTTE ST	UP Commercial	2
18011277.01	CONIGLIARO, VITO	1277 N CHARLOTTE ST	UP Commercial	1
18011293.01	BURGER KING #4651	1293 N CHARLOTTE ST	UP Commercial	8
24010861.02	DCM PROPERTY INVESTMENTS LLC	861 WILLOW ST	UP Commercial	1
24010929.01	CREATIVE HEALTH SERVICES	929 WILLOW ST	UP Commercial	4
25100799.01	FULTON FINANCIAL CORP	799 STATE ST - FULTON BANK	UP Commercial	1
41020175.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	RENT-A-CENTER #50	UP Commercial	2
41020177.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	DOLLAR ADVANTAGE	UP Commercial	2
41020178.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	RADIO SHACK #60	UP Commercial	2
41021066.01	GEORGE EVANS	1066 FARMINGTON AVE	UP Commercial	1
41021173.01	SHUKOWITSH, STEVEN & JESSICA	1173 FARMINGTON AVE	UP Commercial	1
41021189.01	ARTIM, ROBERT	1189 FARMINGTON AVE	UP Commercial	1
41021320.01	STROGUS, BARRY	1320 FARMINGTON AVE	UP Commercial	1
41021346.01	AMERICAN METAL FINISHERS	1346 FARMINGTON AVE	UP Commercial	1
41021359.02	BOWERS, TODD	1359 FARMINGTON AVE	UP Commercial	1
41021391.01	MCGINNIS, DENNIS	1361 FARMINGTON AVE	UP Commercial	1
41021393.01	SDM INVESTMENTS LLC	1393 FARMINGTON AVE	UP Commercial	1
41021403.01	ARTIMS AUTOMOTIVE INC	1403 FARMINGTON AVE	UP Commercial	2
41021446.02	1446 FARMINGTON AVE LLC	1446 FARMINGTON AVE	UP Commercial	4
41021507.01	RICHARDSON, GLORIA MAUGER & THOMAS	1507 FARMINGTON AVE	UP Commercial	1
41021525.01	YOUNG, SHANE & KATHY	1525 FARMINGTON AVE	UP Commercial	1
41021587.01	BURGYONE, BARRY	1587 FARMINGTON AVE	UP Commercial	1
Total UP Commercial:				
22				40
UP Mixed Use				
20010875.01	SJW PROPERTIES LLC	875 N HANOVER ST -salon & apts	UP Mixed Use	2
20010933.02	MCGONIGLE, MICHAEL	933 N HANOVER ST	UP Mixed Use	2
20010943.01	STRAUSS, PAUL	943 N HANOVER ST	UP Mixed Use	3
20010955.01	BRODI, GERALD & ELAINE	955 N HANOVER ST	UP Mixed Use	11
21070842.01	DAVIDHEISER, ALLEN & BEVERLY	842 FARMINGTON AVE	UP Mixed Use	1
24010940.01	TOLENTINO, ROBERT & ASUNCION	940 WILLOW ST	UP Mixed Use	3
41050013.01	OLOCK, ANDREW	941 N HANOVER ST	UP Mixed Use	4
Total UP Mixed Use:				
7				26
UP Public				
16030233.01	HOLY TRINITY ORTHODOX CHURCH	1256 JUNIPER ST	UP Public	1
20011351.01	POTTSGROVE SCHOOL DISTRICT - ADMIN BLDG	1351 N HANOVER ST - MULTI	UP Public	30
41230093.01	CHURCH OF LATTER - DAY SAINTS	93 MAUGERS MILL RD	UP Public	1
Total UP Public:				
3				32
UP Residential				
10140863.02	MILLS, LUCAS	863 FARMINGTON AVE	UP Residential	1
10140871.01	POLLOCK, ANTHONY FILLMAN & BRENDA	871 FARMINGTON AVE	UP Residential	1

Customer Number	Customer Name	Service Address	Customer Type	Units
42061525.02	HUTELMYER, JULIA & GREG	1525 CLOVERHILL RD	UP Residential	1
42071000.01	HEATH, TERENCE M & CATHERINE	1000 FALLBROOK LN	UP Residential	1
42071002.02	DAVIS, STEPHEN & KATHRYN	1002 FALLBROOK LN	UP Residential	1
42071004.02	GALLINA, GAETANO	1004 FALLBROOK LN	UP Residential	1
42071006.02	LIANG, JIE LIN & XIUYAN	1006 FALLBROOK LN	UP Residential	1
42071007.01	STEELE, CORTNEY & DANIEL	1007 FALLBROOK LN	UP Residential	1
42071008.02	FENOGLIO, CASEY & RICHARD	1008 FALLBROOK LN	UP Residential	1
42071009.02	SHAW, SCOTT & THERESA	1009 FALLBROOK LN	UP Residential	1
42071010.02	JOHNSON, FRANKLIN & KIMBERLY	1010 FALLBROOK LN	UP Residential	1
42071011.01	HUBBARD, ANNA	1011 FALLBROOK LN	UP Residential	1
42071012.02	DIXON, JULIAN & ERICA	1012 FALLBROOK LN	UP Residential	1
42071013.01	HARISH, BIDADI & LAKSHMI	1013 FALLBROOK LN	UP Residential	1
42071014.02	RICHARDSON, KATRINA	1014 FALLBROOK LN	UP Residential	1
42071015.02	DZIUNYCZ, MATTHEW & EMILY	1015 FALLBROOK LN	UP Residential	1
42071016.02	ISHLER, KARI KLAUS & MICHAEL	1016 FALLBROOK LN	UP Residential	1
42071017.03	CONNER IV, SAMUEL	1017 FALLBROOK LN	UP Residential	1
42071018.01	SHORT, CHRISTOPHER & RONNA	1018 FALLBROOK LN	UP Residential	1
42071019.01	MCPHILLIMEY, MARK & ANN KOREEN	1019 FALLBROOK LN	UP Residential	1
42071020.01	MCWILLIAMS, DAVID & LAURI	1020 FALLBROOK LN	UP Residential	1
42071021.01	RIZZETTO, NINA	1021 FALLBROOK LN	UP Residential	1
42071022.02	PASQUAL, MICHAEL & MARIA	1022 FALLBROOK LN	UP Residential	1
42071024.01	COLLINGS, MARK	1024 FALLBROOK LN	UP Residential	1
42071026.01	GAINES, NICOLE	1026 FALLBROOK LN	UP Residential	1
42071028.02	SPRING HILL REALTY	1028 FALLBROOK LN	UP Residential	1
42071030.03	HOUSEAL JR, JOSEPH & CARA	1030 FALLBROOK LN	UP Residential	1
42071032.03	DAILY, ALBERT & REGINA	1032 FALLBROOK LN	UP Residential	1
42071034.01	FELTENBERGER, CHAD & HEATHER	1034 FALLBROOK LN	UP Residential	1
42071036.02	SOLIVAN, GINA & ADRIAN	1036 FALLBROOK LN	UP Residential	1
42071038.03	THAO, DAVID	1038 FALLBROOK LN	UP Residential	1
42071040.01	JORGENSON, TRISHA & ERICK	1040 FALLBROOK LN	UP Residential	1
42071042.01	KROENING, TERRY	1042 FALLBROOK LN	UP Residential	1
42071044.01	SCHURR, JEFFREY KENT	1044 FALLBROOK LN	UP Residential	1
42071045.01	PURKAYASTHA, DEBASHISH & SUDDATTA	1045 FALLBROOK LN	UP Residential	1
42071046.03	WILLIS, FRANK & FAITH	1046 FALLBROOK LN	UP Residential	1
42071047.02	CONG, MY	1047 FALLBROOK LN	UP Residential	1
42071048.01	HAINES, LARRY & DONNA	1048 FALLBROOK LN	UP Residential	1
42071050.02	MIDDLETON, JAMES	1050 FALLBROOK LN	UP Residential	1
42071052.01	SEMETER, DANIEL	1052 FALLBROOK LN	UP Residential	1
42071513.04	ROMANO, DANIEL & SARA	1513 CLOVER HILL RD	UP Residential	1
42081600.02	GOMEZ, ODETTE	1600 APPLEGATE LN	UP Residential	1
42081601.01	RODRIGUEZ, RUTH & JUAN	1601 APPLEGATE LN	UP Residential	1
42081602.02	EGARIAN, CHRISTOPHER	1602 APPLEGATE LN	UP Residential	1
42081604.01	LAWLOR, CARL & LORETTA	1604 APPLEGATE LN	UP Residential	1
42081606.01	COHEN, SIDNEY & RUTH	1606 APPLEGATE LN	UP Residential	1
42081608.01	ROCHA, WILL & CARMEN	1608 APPLEGATE LN	UP Residential	1
42081609.01	EVANS, GARETH	1609 APPLEGATE LN	UP Residential	1
42081610.01	DUNKEL, CAROL	1610 APPLEGATE LN	UP Residential	1
42081611.02	SORG, GREGORY & TRICIA	1611 APPLEGATE LN	UP Residential	1
42081612.01	MANCINI, MICHAEL & AMIE	1612 APPLEGATE LN	UP Residential	1
42091501.02	HULL, KEVIN & AMY	1501 MAYWOOD LN	UP Residential	1
42091503.02	EPSTEIN, CARL & LINDA	1503 MAYWOOD LN	UP Residential	1
410512005.01	CUTLER, ROBERT & ELIZABETH	2005 PROUT FARM RD	UP Residential	
4102152012.01	SCHAEFFER, JACK & AUDREY	1520 FARMINGTON AVE	UP Residential	1
4152006901.01	BUCK, WILLIAM	69 MICKLITZ DR	UP Residential	1
Total UP Residential: 1,390				1429

Customer Number	Customer Name	Service Address	Customer Type	Units
Total 10:				
1,422				1527
16				
UP Commercial				
10140882.01	DICKENSON, CHARLES	882 FARMINGTON AVE	UP Commercial	2
10140902.01	CMD SERVICES INC	902 FARMINGTON AVE	UP Commercial	3
18011263.02	H & E PALERMO REAL ESTATE	1263 N CHARLOTTE ST	UP Commercial	2
20010863.01	SJW PROPERTIES LLC	871 N HANOVER ST -comm.bldg	UP Commercial	6
41020179.01	APPLEBEES RESTAURANT - ROSE CAS DIN LP	815 STATE ST	UP Commercial	30
41021495.01	KIM, JONG Y & YUN K	1495 FARMINGTON AVE	UP Commercial	3
Total UP Commercial:				
6				46
Total 16:				
6				46
Grand Totals:				
1,428				1573

Report Criteria:
Service.Service number = 10,16
Group Code.Group code = "A","B","C"
Customer.Final bill date = {IS NULL}
Billing.Temporary disconnect date = {IS NULL}
Billing.Final disconnect date = {IS NULL}

https://www.pottsmerc.com/news/upper-pottsgrove-votes-4-1-to-sell-sewer-system-for-13-7m/article_f8f493d8-8408-11ea-8425-07388a90f968.html

FEATURED

Upper Pottsgrove votes 4-1 to sell sewer system for $13.7M

Evan Brandt ebrandt@21st-centurymedia.com @PottstownNews on Twitter
Apr 22, 2020

Upper Pottsgrove Township Commissioner Martin Schreiber, framed in yellow, outlines his objections to the sale of the township's sewer collection system during Monday's online meeting.

Photo from Screenshot

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UPPER POTTSGROVE — Township Commissioners voted 4-1 Monday night to sell the township's sewer collection system for $13.75 million to Pennsylvania American Water.

Commissioners Martin Schreiber cast the lone vote against the sale.

As The Mercury reported on April 8, the presentation provided at four online informational sessions earlier in the month forecast that sewer rates would drop by about 9.6 percent under Pennsylvania American Water ownership.

However, the decrease — from the current $71.87 per month to $65 per month — would be short-lived, according to Bernie Grundusky, senior director for business development for the water company.

A chart he shared as part of the online meetings showed rates would return to the current rate in three or four years after the sale, and then increase annually by an average of 4.5 to 5.2 percent.

By comparison, the township's sewer rates, which have increased in a more haphazard fashion, average out to between 4.6 to 6 percent a year, according to the presentation.

Now that the sale has been approved, the average homeowner will save $1,260 between the time rates were dropped to when they return to their current level, according to the presentation.

The deal must still be approved by the Pennsylvania Public Utility Commission, a process that could take longer than a year to be finalized.

As a result of the vote, PFM Financial Advisors LLC will be paid more than $250,000.

As noted by Commissioners' Chairman Trace Slinkerd, who, prior to the vote, praised the consultants for taking a risk, if the commissioners had voted against the sale, PFM would have been paid only its $7,500 fee for preliminary work.

Scott Shearer, managing director of PFM, insisted during Monday's meeting that the firm "did not make a recommendation. We're not trying to sell this system."

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During the four public information sessions the township staged online, not one negative aspect of the sale was identified. Township Manager Michelle Reddick said the presentations were put together by PFM and the staff.

During those meetings, Slinkerd restricted all interaction to questions from residents, which were mostly answered by the consultants or township staff. He said public comments would be accepted at the April 20 meeting.

When that happened Monday night, the online meeting was attended by more than 50 people.

Eight residents spoke. All but one asked the commissioners to vote against the sale or, even more frequently, delay the vote until next month or later.

Many cited the fact that the Pennsylvania American Water's bid does not expire until June 30, and there is still time to answer residents' questions.

Don Read, a former member of the Pottstown Borough Authority and a current member of the township's sewer committee, was the only person to speak fully in favor of the sale.

As he did at the April 16 meeting, Read said the best reason to sell the system is the risk inherent in running it.

He said the potential capital costs of problems with sewer lines and pump stations, as well as capital costs imposed by the Pottstown Borough Authority, which runs the plant that receives and treats Upper Pottsgrove's sewage, are too big a financial risk for a four-person staff.

"The price is on the high side of what we projected," he said of the winning bid. The other bidder was Aqua America.

"What's another month going to do? It's frustrating to watch people come in at the last hour and ask for a delay," said Read.

He was referring, presumably, to other speakers who said they were unaware of the potential sale of the system until they received a township letter in the mail, a letter which arrived after the first two public information sessions had already occurred.

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"I am imploring you all to take an opportunity to table the vote until the May 20 meeting," said Turnberry Farms resident Stephanie Rowe.

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"This is beneficial in several ways, the first being it allows all residents to be able to digest and question this decision that seems to be on a fast track for a reason that has not been satisfied by any of the presentations that you allowed to happen with little or no response from the board — almost every question was deferred to either PFM or PA American Water," Rowe said.

Darryle Tillman, who appeared in scrubs while caring "for 104 patients, one third to one half of which have COVID-19," also urged a delay.

"This plan has its good points and its bad points, but it is ridiculous to do this in a Zoom meeting in the middle of a pandemic," he said in reference to the on-line platform used for the meeting.

Al Leach, who is also the vice president of the Pottsgrove School Board, also urged a pause.

"I'm sure you've all done your due diligence, but a lot of residents are just finding out about this and would like to see if they can get more involved," Leach said.

"There are a lot of questions that need to get answered, like how the board intends to spend the proceeds, and the open space question," he said.

Although the presentation has identified the proceeds as paying down the sewer system debt; making the pension system whole and paying off general fund and road fund debt, two other proposed uses have raised questions.

One is paying off debt undertaken by the open space fund, which is paid off with a voter-approved earned income tax; and infrastructure improvements to the police station and township offices in the firehouse.

No specific plan for those improvements has been presented as part of the sewer system sale proposal, said resident Doug Kern.

"We have no access to the paperwork, no ability to examine this ourselves," said Kern, who said he did not find out about the proposal until two of the public information sessions had already passed.

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"All I have is a bunch of slides, which changed after almost every meeting, and a lot of 'take-my-word-for-it-answers. It sounds like you have a 90-day window to make a decision," said Kern, urging a delay or a no vote.

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Dustin Schreiber said his research indicates American Water, the parent company of the high bidder, "is owned by a German conglomerate called RFWAG. I'd prefer we support an American company if we sell, and I'm not convinced we should sell."

Hanover Drive resident Keith Plumadore said he sees the sale as a short-term fix for the township's finances. "It's a temporary reprieve from amateur fiscal management. The township did a good job with the (request for proposals) but I see no evidence the township will execute and bring better fiscal governance with the proceeds."

"When I moved here in 2000, the commissioners and the people all worked together," said Leach. "I implore you to at least consider the idea of tabling this motion, It would be so easy to delay this vote so we can get all our ducks in a row and demonstrate transparency we always used to have in this community."

Slinkerd closed public comment and then called on Schreiber to outline the objections he has been posting on his Facebook page and the Turnberry Farms Facebook page.

However, as Schreiber spoke, Slinkerd repeatedly interrupted him, talked over him and told him his points were not relevant to the subject at hand.

"The sewer customers paid for the sewer, if they were stockholders, they should be getting a bonus check, they're getting the short end of the stick," said Schreiber.

"What about people who pay school taxes but don't have any children in the system," Slinkerd interjected. "Should they not be taxed?"

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The areas in green on this map of Upper Pottsgrove show the areas served by the township sewer system.

Official township sewer map

"Everyone has a chance to send to send students to school," Schreiber replied. "What about open space, Martin?" Slinkerd interrupted again. "That's paid with earned income tax, but seniors don't pay that. Should we put signs up telling them they can't use the open space?" Slinkerd asked.

"We taxed ourselves for that," Schreiber started to reply and Slinkerd pressed on. "We don't separate our residents into septic or sewer residents. Are you saying that's the way we should go?"

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As Schreiber tried to raise further points, Slinkerd continued to interrupt him. "That's what you've been doing, going down this rabbit hole trying to dislodge what we're talking about," Slinkerd said.

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"You keep trying to throw things at the wall at the 11th hour to see what sticks to make it seem like you did research," he continued. "You've had a year to think about this stuff."

"Are you going to let me finish?" Schreiber finally asked. "I never stopped you," Slinkerd replied, finally allowing Schreiber to speak uninterrupted.

The other commissioners, Dave Waldt, Cathy Paretti and Renee Spaide all were permitted to speak uninterrupted, except when Schrieber spoke, thinking Paretti was finished with her point.

He apologized for interrupting her and urged her to go on.

The other commissioners joined in disputing Schreiber's points.

Spaide, who has served on the board for many years with Schreiber, read from a prepared statement that noted, in part, "all the commissioners have been involved."

She said she agrees with Read that running the sewer system is a risk. "We have a road crew, not a sewer crew and Pennsylvania American Water does this for a living," said Spaide.

Waldt said he and Paretti "ran on concern about the township's finances. People were very unhappy." He disputed Schreiber's characterization that he was left out of discussions. "We've spent hours on the budget and I never see you. You never participate," said Waldt.

"Dave and I started to get to get acquainted with this while we were running," said Paretti. "We don't have any business running a sewer business. If we keep it, our taxes would rise and the rates would be higher than if we didn't own it."

She added, "I don't wait to be invited into things, I ask for the information I need."

When Schreiber tried to point out he had asked Reddick for information and it took two days to get an answer, the other commissioners leaped to her defense. "Michelle has a lot on her plate," said Paretti.

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"Michelle has done an outstanding job," said Slinkerd.

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Paretti pointec out that while people last night were complaining about having the meeting over Zoom, it had more participants than most in-person township meetings.

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"It's great to see so many people participate. This is not as many as we get at regular meetings. I've had people tell me they like this better," said Paretti. "You're never going to make everyone happy."

But even in a pandemic, "the one thing that can't stop is your government," Paretti said.

After the vote, Slinkerd said the next steps would be discussed at a future meeting.

This article first appeared as a post in The Digital Notebook blog.

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>
> — Doug Kern, Upper Pottsgrove resident

> "This plan has its good points and its bad points, but it is ridiculous to do this in a Zoom meeting in the middle of a pandemic."
>
> — Darryle Tillman, Upper Pottsgrove resident

> "What's another month going to do? It's frustrating to watch people come in at the last hour and ask for a delay."
>
> — Don Read, Upper Pottsgrove Sewer Committee

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> "I am imploring you all to take an opportunity to table the vote until the May 20 meeting."
>
> — Stephanie Rowe, Upper Pottsgrove resident

> "You keep trying to throw things at the wall at the 11th hour to see what sticks to make it seem like you did research."
>
> — Trace Slinkerd, Upper Pottsgrove Commissioners chairman

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Evan Brandt
@PottstownNews on Twitter

Evan Brandt has been a staff reporter for The Mercury for more than 20 years. He covers municipal, school district, political, state government, federal government and environmental news.

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Va Township

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service	Charge	Rate	Current Charge	Prior Due	Total Billed	w\Penalty

Billing Summary By Class

Class	# of Units	# of Accounts	Consumption charges	Fixed charges	Special charges	Unit charges	Taxes	Prior Due	Total	Consumption
CH	0.00	6	$1,903.57	$0.00	$0.00	$0.00	$0.00	$588.17	$2,491.74	0.00
COM	0.00	119	$57,834.48	$0.00	$0.00	$0.00	$0.00	$4,543.43	$62,377.91	1,636.00
DAY	0.00	2	$2,006.87	$0.00	$0.00	$0.00	$0.00	$0.00	$2,006.87	0.00
IND	0.00	13	$11,785.09	$0.00	$0.00	$0.00	$0.00	-$967.10	$10,817.99	27.00
MH	0.00	4	$1,087.76	$0.00	$0.00	$0.00	$0.00	$1,003.61	$2,091.37	0.00
RES	1.00	3,022	$943,941.94	$0.00	$0.00	$0.00	$0.00	$224,214.75	$1,168,156.69	31,458.00
SCH	0.00	3	$4,074.10	$0.00	$0.00	$0.00	$0.00	$0.00	$4,074.10	338.00
Grand Totals	1.00		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

	Metered Sewer	Sewer	Trash	Water	Total
CH	0.00 0 $0.00 0.00	0.00 6 $1463.00 0.00	0.00 6 $440.57 0.00	0.00 0 $0.00 0.00	0.00 6 $1903.57 0.00
COM	0.00 26 $9447.60 555.00	0.00 90 $41339.82 526.00	0.00 17 $1258.76 0.00	0.00 27 $5788.30 555.00	0.00 119 $57834.48 1,636.00
DAY	0.00 0 $0.00 0.00	0.00 2 $1881.00 0.00	0.00 1 $125.87 0.00	0.00 0 $0.00 0.00	0.00 2 $2006.87 0.00
IND	0.00 0 $0.00 0.00	0.00 12 $11495.00 0.00	0.00 1 $62.94 0.00	0.00 1 $227.15 27.00	0.00 13 $11785.09 27.00
MH	0.00 0 $0.00 0.00	0.00 4 $836.00 0.00	0.00 4 $251.76 0.00	0.00 0 $0.00 0.00	0.00 4 $1087.76 0.00

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service Charge Rate Current Charge Prior Due Total Billed w\Penalty

	Metered Sewer	Sewer	Trash	Water	Total
RES	0.00 1,638 $326585.47 15,718.00	0.00 1,344 $274835.00 0.00	1.00 2,741 $178743.69 0.00	0.00 1,641 $163777.78 15,740.00	1.00 3,022 $943941.94 31,458.00
SCH	0.00 2 $2026.80 169.00	0.00 1 $627.00 0.00	0.00 0 $0.00 0.00	0.00 2 $1420.30 169.00	0.00 3 $4074.10 338.00
Total	0.00 1,666 $338059.87 16,442.00	0.00 1,459 $332476.82 526.00	1.00 2,770 $180883.59 0.00	0.00 1,671 $171213.53 16,491.00	1.00 3,169 $1022633.81 33,459.00

Billing Summary By District

District	Accounts	Consumption charges	Fixed charges	Special charges	Unit charges	Total Taxes	Prior Due	Total	Consumption
	98	$31,793.07	$0.00	$0.00	$0.00	$0.00	$7,493.77	$39,286.84	1,308.00
01	227	$89,098.00	$0.00	$0.00	$0.00	$0.00	$11,780.00	$100,878.00	5,375.00
02	180	$66,337.00	$0.00	$0.00	$0.00	$0.00	$7,045.26	$73,382.26	3,734.00
03	373	$140,804.30	$0.00	$0.00	$0.00	$0.00	$12,388.59	$153,192.89	8,152.00
04	128	$45,371.52	$0.00	$0.00	$0.00	$0.00	$3,462.92	$48,834.44	2,402.00
05	79	$29,618.51	$0.00	$0.00	$0.00	$0.00	$1,527.02	$31,145.53	1,676.00
06	507	$168,878.38	$0.00	$0.00	$0.00	$0.00	-$1,009.62	$167,868.76	7,332.00
A	522	$156,120.45	$0.00	$0.00	$0.00	$0.00	$53,216.98	$209,337.43	1,346.00
B	662	$191,212.44	$0.00	$0.00	$0.00	$0.00	$96,144.83	$287,357.27	1,172.00
C	364	$92,570.36	$0.00	$0.00	$0.00	$0.00	$36,930.04	$129,500.40	436.00
EF	9	$3,446.52	$0.00	$0.00	$0.00	$0.00	$91.36	$3,537.88	218.00
WC	20	$7,383.26	$0.00	$0.00	$0.00	$0.00	$311.71	$7,694.97	308.00
Grand Totals		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

(b) Until such time as a Nonassignable Asset is transferred to Buyer pursuant to this Article II, Buyer and Seller shall cooperate in any commercially reasonable and economically feasible arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and, to the extent permitted under Law, operational equivalent of the transfer of such Nonassignable Asset to Buyer at the Closing and the performance by Buyer of its obligations with respect thereto, and so long as Seller transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.13, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.13 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL PURCHASE PRICE

Section 3.01. Purchase Price.
The purchase price for the Acquired Assets is Thirteen Million Nine Hundred Fifty Thousand Dollars ($13,950,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(b), to Seller by wire transfer of immediately available funds the Purchase Price (remaining after the payments required in Section 3.01(a)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

Va Township

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service	Charge	Rate	Current Charge	Prior Due	Total Billed	w\Penalty

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Valley Township

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service	Charge	Rate	Current Charge	Prior Due	Total Billed	w\Penalty

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05	79	$29,618.51	$0.00	$0.00	$0.00	$0.00	$1,527.02	$31,145.53	1,676.00
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B	662	$191,212.44	$0.00	$0.00	$0.00	$0.00	$96,144.83	$287,357.27	1,172.00
C	364	$92,570.36	$0.00	$0.00	$0.00	$0.00	$36,930.04	$129,500.40	436.00
EF	9	$3,446.52	$0.00	$0.00	$0.00	$0.00	$91.36	$3,537.88	218.00
WC	20	$7,383.26	$0.00	$0.00	$0.00	$0.00	$311.71	$7,694.97	308.00
Grand Totals		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.13, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.13 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL PURCHASE PRICE

Section 3.01. Purchase Price.

The purchase price for the Acquired Assets is Seven Million Three Hundred Twenty-Five Thousand Dollars ($7,325,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(b) and to release Liens, to Seller by wire transfer of immediately available funds the Purchase Price to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

(b) Final Billing: The Buyer is entitled to all customer billings with respect to drinking water customers services for the period on or after the Closing Effective Time, and Seller is entitled to all such billings for the period before the Closing Effective Time. The Parties

respect thereto, and so long as Seller or the City transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under applicable Law and the terms of any applicable contract that constitutes a Nonassignable Asset, as agent or subcontractor for Seller or the City, pay, perform and discharge the Liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would constitute Assumed Liabilities if the applicable consent or approval had been obtained on or prior to the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under applicable Law, Seller or the City shall, at Seller's or the City's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and prior to the Closing, Buyer identifies any contract to which Seller or the City is a party which is not identified on Schedule 4.15 as an Assigned Contract as of the Effective Date, and Buyer reasonably determines such contract is necessary to the operation of the System, Buyer shall give notice of such determination to Seller or the City and Seller or the City shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.15 identifying such contract, and such contract shall thereafter constitute and be deemed an Assigned Contract for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller or the City was a party as of the Closing and which (i) was not set forth on or properly identified on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary to the operation of the System, Seller or the City shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE

Section 3.01 Purchase Price; Agreement Proposal Security.

(a) **Purchase Price for the Assets; Adjustment for City Deposit.** Subject to the terms and conditions of this Agreement, the purchase price ("**Purchase Price**") for the Acquired Assets shall be (i) $235,000,000, *plus* (ii) the Average Daily AR Payment. The Purchase Price shall be delivered as follows:

(i) Within 60 days of the Effective Date, Buyer shall deposit Twenty Million Dollars ($20,000,000) of the Purchase Price, payable to the City in immediately available funds ("**City Deposit**"), subject to Sections 4.03, 6.06, 9.05 and 13.02 and secured by the City with a tax and revenue anticipation note (the "**Deposit Note**") substantially in the form attached hereto as Exhibit A; and

Application of Pennsylvania-American Water Company for the Acquisition of the Wastewater Collection and Treatment System Owned by the York City Sewer Authority (the "Authority") and Operated by the City of York (the "City") (collectively "York")

66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2021-3024681

17. Customers.

a. State the seller's actual number of customers by class and quantify the related consumption or gallons treated in the current calendar year and future number of connections anticipated for the next 10 years.

RESPONSE:

a. As of April 2021, York provided direct wastewater service to approximately 13,747 customers and seven bulk customers:

1. Manchester Township
2. West Manchester Township
3. York Township
4. North York Borough
5. The York Water Company (owner of the West York Borough Collection System)
6. Spring Garden Township
7. Springettsbury Township

The York does not differentiate by customer class.

Consumption (annual):

Based on 2020 monthly average flow data from the 2020 Chapter 94 Report, the annual gallon treated is 3,341,575,000 gallons, inclusive of the seven bulk customers' sewage.

Please refer to **Appendix A-20-c,** Chapter 94 Report for future EDU projections.

	York, PA Data & Demographics (As of July 1, 2020)	*Township Of Manchester Data & Demographics (As of July 1, 2020)*	*North York, PA Data & Demographics (As of July 1, 2020)*	*Township Of Spring Garden Data & Demographics (As of July 1, 2020)*	*Township Of West Manchester Data & Demographics (As of July 1, 2020)*	*West York, PA Data & Demographics (As of July 1, 2020)*	*Township Of York Data & Demographics (As of July 1, 2020)*
POPULATION							
Total Population	45,431 (100%)	19,023	2,123 (100%)	13,128	19,211	4,888 (100%)	29,228
Population in Households	44,277 (97.5%)	18,887	2,105 (99.2%)	11,033	18,869	4,888 (100.0%)	28,964
Population in Families	32,103 (70.7%)	16,281	1,537 (72.4%)	9,141	15,010	3,513 (71.9%)	23,148
Population in Group Quarters[1]	1,154 (2.5%)	136	18 (0.8%)	2,095	342	0	264
Population Density	8,583	1,198	6,961	1,941	963	9,307	1,158
Diversity Index[2]	85	39	61	30	31	57	31
INCOME							
Median Household Income	$31,354	$81,734	$43,955	$82,974	$61,253	$44,169	$68,134
Average Household Income	$43,670	$106,345	$55,262	$121,726	$76,342	$55,513	$92,430
% of Income for Mortgage[4]	11%	11%	9%	9%	12%	10%	13%
Per Capita Income	$16,097	$39,859	$21,861	$42,029	$32,321	$22,952	$39,265
Wealth Index[5]	31	139	40	190	80	40	119
HOUSING							
Total HU (Housing Units)	19,268 (100%)	7,413 (100%)	918 (100%)	4,777 (100%)	8,555 (100%)	2,143 (100%)	12,937 (100%)
Owner Occupied HU	6,444 (33.4%)	6,219 (83.9%)	438 (47.7%)	3,903 (81.7%)	6,214 (72.6%)	1,084 (50.6%)	8,495 (65.7%)
Renter Occupied HU	10,244 (53.2%)	909 (12.3%)	402 (43.8%)	605 (12.7%)	1,908 (22.3%)	937 (43.7%)	3,917 (30.3%)
Vacant Housing Units	2,580 (13.4%)	285 (3.8%)	78 (8.5%)	269 (5.6%)	433 (5.1%)	122 (5.7%)	525 (4.1%)
Median Home Value	$80,655	$208,273	$90,676	$186,383	$172,881	$108,753	$206,026
Average Home Value	$98,157	$236,145	$105,638	$251,006	$199,513	$119,373	$260,636
Housing Affordability Index[3]	159	188	227	204	162	186	147
HOUSEHOLDS							
Total Households	16,688	7,128	840	4,508	8,122	2,021	12,412
Average Household Size	2.65	2.65	2.51	2.45	2.32	2.42	2.33
Family Households	9,494	5,306	490	3,168	5,271	1,134	8,049
Average Family Size	3	3	3	3	3	3	3

system at an agreed-upon price of $53,000,000.[9] Thereafter, Aqua and the Township agreed to use the process presented in Section 1329 of the Code to determine the FMV of the wastewater system assets and the ratemaking rate base. As required by Section 1329, Aqua and LMT jointly retained the services of Ebert Engineering, Inc., Consulting Engineers (Ebert) to complete the engineering assessment and original cost estimate of the wastewater system (Assessment of Tangible Property). Aqua St. 1 at 20; Application at ¶ 11. Aqua selected Gannett Fleming, and the Township selected AUS, as their respective UVEs to prepare FMV appraisals of the wastewater system. Application at ¶ 53. Gannett Fleming's FMV report concluded that the value of the wastewater system was $55,505,000; AUS' FMV was $54,430,591. Application Exhs. Q and R. Both appraisals were prepared in compliance with the USPAP standards. Application at ¶ 61; Application Exhs. T1 and T2.

In its Application, Aqua proposed a ratemaking rate base of $53,000,000 based on the agreed-to purchase price of $53,000,000. This amount is less than the average of the two UVE appraisals for the wastewater system (($55,505,000 + $54,430,591)/2 = $54,967,796). OCA M.B. at 6; *See* 66 Pa. C.S. § 1329(c)(2).

In addition, Aqua is seeking approval of the APA with LMT. Application Exh. B. The APA requires Aqua to implement rates that are no higher than the Township's rates in effect at closing. Application Exh. B at Section 7.04. The APA also provides that Aqua intends to bill customers on a monthly basis instead of an annual basis. *Id*. Moreover, in accordance with Section 1102 of the Code, Aqua is requesting a Certificate in order to provide wastewater services to the Township customers. Application at ¶ 5. Separate customer notices were sent to the Township customers and

[9] All assets are located in the Township except for a portion of a main that collects wastewater from a small segment of residents in Yardley Borough. The main is located on University Blvd. and is owned by LMT which loops into, then out of, Yardley Borough. The residents in Yardley Borough that are connected to this main are billed by Yardley Borough. Application at 3.

adopted without comment unless they are either expressly or by necessary implication rejected or modified by this Opinion and Order.

As we proceed in our review of the various positions of the Parties in this proceeding, we are reminded that the Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *also see, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984). Exceptions that we do not specifically address shall be deemed to have been duly considered and denied without further discussion.

III. Transaction Overview

Aqua is a certificated provider of wastewater service, duly organized and existing under the laws of the Commonwealth of Pennsylvania. Aqua provides wastewater service to approximately 45,000 customer accounts in various counties throughout Pennsylvania including parts of Bucks County. Application at ¶ 7.

LMT owns a sanitary wastewater collection system operated by the Municipal Sewer Authority of the Township of Lower Makefield, which provides direct wastewater service to 11,151 customers in the Township. Application at ¶ 8; Aqua St. 2 at 10. LMT does not own a wastewater treatment plant. Wastewater treatment is mainly provided by the Municipal Authority of the Borough of Morrisville and also by Yardley Borough Sewer Authority. Application at ¶ 15.

On September 17, 2020, Aqua and LMT entered into an APA for the sale of substantially all of the assets, properties, and rights related to the Township's wastewater

Township Of Lower Makefield Data & Demographics (As of July 1, 2020)

POPULATION

Total Population	33,219 (100%)
Population in Households	33,004 (99.4%)
Population in Families	29,270 (88.1%)
Population in Group Quarters[1]	215 (0.6%)
Population Density	1,859
Diversity Index[2]	31

INCOME

Median Household Income	$150,466
Average Household Income	$195,168
% of Income for Mortgage[4]	13%
Per Capita Income	$72,302
Wealth Index[5]	302

HOUSING

Total HU (Housing Units)	12,638 (100%)
Owner Occupied HU	10,628 (84.1%)
Renter Occupied HU	1,677 (13.3%)
Vacant Housing Units	333 (2.6%)
Median Home Value	$464,690
Average Home Value	$496,307
Housing Affordability Index[3]	153

HOUSEHOLDS

Total Households	12,305
Average Household Size	2.68
Family Households	9,462
Average Family Size	3

On the Effective Date, Buyer shall provide a Letter of Credit in the amount of Three Million Dollars ($3,000,000) issued by PNC Bank in favor of Seller (the "Letter of Credit"), substantially in the form attached hereto as **Exhibit C**.

Section 3.02 **Escrow Amounts.**

At Closing, two escrows will be established:

(a) First, Nine Million Two Hundred Thousand Dollars ($9,200,000) of the Purchase Price shall be deposited in escrow (the "Indemnity Escrow Fund") with the Escrow Agent pursuant to an escrow agreement in the form of **Exhibit B-1**, by and among the Seller, the Buyer, and the Escrow Agent (the "Indemnity Escrow Agreement") to provide for Seller's post-Closing obligations pursuant to Article VIII. The Indemnity Escrow Fund shall be released in accordance with the Indemnity Escrow Agreement. After the Closing Date and notwithstanding any other provision of this Agreement, the Indemnity Escrow Fund is Buyer's sole recourse with respect to providing for Seller's post-Closing obligations pursuant to Article VIII.

(b) Second, an amount to be determined according to Section 6.05(d) to be credited at Closing against the Purchase Price shall be deposited in escrow (the "Easement Escrow Fund") with the Escrow Agent pursuant to an escrow agreement in the form of **Exhibit B-2**, by and among the Seller, the Buyer, and the Escrow Agent (the "Easement Escrow Agreement") to provide for any amounts determined in accordance with Section 6.05(d). The Easement Escrow Fund shall be released in accordance with the Easement Escrow Agreement. After the Closing Date and notwithstanding any other provision of this Agreement, the Easement Escrow Fund is Buyer's sole recourse with respect to Seller's obligations pursuant to Section 6.05(d). The Easement Escrow Agreement together with the Indemnity Escrow Agreement shall hereinafter sometimes be collectively referred to as the "Escrow Agreements".

Section 3.03. **Purchase Price and Adjustments to Purchase Price**

The purchase price for the Acquired Assets shall be Two Hundred Thirty-One Million Five Hundred Thousand Dollars ($231,500,000) (the "Purchase Price"). The Purchase Price shall be adjusted as follows:

(a) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and the Seller is entitled to all such billings prior to the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to credit the Purchase Price for the appropriate Party on the Closing Date. To the extent that either Party collects billings that are attributable to service provided by the other Party, the Party holding the other Party's billing collections shall pay such amount to the other Party.

Section 3.04. **Payment of Purchase Price**

The Purchase Price shall be paid by wire transfer of immediately available funds as follows at Closing:

Walker, Harold, III

From: Duane McKee <dmckee@basapa.org>
Sent: Friday, January 27, 2023 10:54 AM
To: Walker, Harold, III; Melillo, Sydney; Wyatt, Thomas
Cc: Olesh, Matthew; Norcross, Nicole
Subject: RE: BASA

[EXTERNAL EMAIL]: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I received this information from PAWC on Monday. The revised Act 537 plan being prepared by PAWC lists 23,211 EDU's.

Thanks for your patience while I confirmed. If you need anything else, please let me know.

Customer count:
Total active customers = 14,699
Residential = 13,617
Commercial = 915
Industrial = 31
Public = 136
(The total customer list including inactive is 15,497 but we will not be using that number in testimony or the application.)

EDUs: no mention in testimony

System flows: From Dan Hufton's testimony "The plant has a design and permitted average daily flow capacity of 10.0 million gallons per day ("MGD"), a rated maximum flow capacity of 28.0 MGD."

Duane

Duane E. McKee
Executive Director
Butler Area Sewer Authority (BASA)
100 Litman Road
Butler, PA 16001
(p) 724-282-1978 ext. 111, (f) 724-282-7656
dmckee@basapa.org

such notice, deliver to Buyer an updated Schedule 4.15 identifying such contract, and such contract shall thereafter constitute and be deemed an Assigned Contract for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing Date, Buyer identifies any contract to which the Seller and/or Municipality was a party as of the Closing and which (i) was not set forth on or properly identified on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary to the operation of the System, the Seller and/or Municipality shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

Section 2.07. **Seller Approval of Agreement**.

(a) The execution of this Agreement by Municipality and Buyer shall constitute a binding agreement between those two Parties, notwithstanding the absence of Seller's execution of this Agreement.

(b) Upon Seller's approval of this Agreement, Seller shall deliver an executed counterpart signature page and shall, within thirty (30) days following such approval by Seller, provide updated Disclosure Schedules with all information required to make such Disclosure Schedules accurate and complete.

(c) Unless and until Seller approves this Agreement, Municipality shall enjoy all of the rights of Seller and Municipality shall be responsible for and discharge all of the obligations of Seller under this Agreement and shall be liable for any breaches of Seller's representations, warranties and covenants hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL CONSIDERATION

Section 3.01. **Purchase Price and Additional Consideration**

. The purchase price for the Acquired Assets shall be Twelve Million Dollars ($12,000,000) (the "Purchase Price") which shall be paid as follows at Closing:

(a) Buyer shall provide for the payment in full the total amount of Outstanding Indebtedness on account of the Purchase Price; and

(b) Subject to any adjustment in Purchase Price resulting from the proration procedures set forth in Section 3.01(c), Buyer shall pay to the Seller at Closing by wire transfer of immediately available funds the balance of the Purchase Price to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date.

Address Type	Customers	Unique EDU's	Usage	Avg. Usage	Billed EDU's	Dollars	Avg. Dollars	Non-Meter Dollars
Commercial	200	322	14,554,000	6,974	3369	197,758.01	94.76	17,118.50
Industrial	5	5	19,125,000	318,750	60	63,051.78	1,050.86	60
Public	39	41	22,861,000	53,917	448	92,992.60	219.32	1,688.48
Residential	2652	2917	95,855,419	8,949	13208	1,506,066.39	140.61	57,287.55
Unknown	3	3	1,242,000	44,357	28	6,054.92	216.25	12
Water Totals	2899	3288	153,637,419		17113	1,865,923.70		76,166.53

Water Usage Detail

Address Type	Account Status	Account #	Account Name	Service House Number	Service Street Name	Service City	Service State	Service Zip
Commercial	Active	20701200-0	CONSTANCE ANCZARSKI	312	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20702000-7	FRANCISCO SANTANA TRONCOSO & ROBIN PEREZ	401	-401 1/2 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20706900-0	PAUL G JORDAN	343	-341 S WEST,109 W LR	SHENANDOAH	PA	17976
Commercial	Active	20712500-0	JOSEPH ANCZARSKI	313	S FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	20712550-0	JOSEPH ANCZARSKI	315	S FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	20800100-0	MARITZA PERALTA	22	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20800300-0	ADOLFO LUNA	30	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20800500-0	DENISE BRATHWAITE	5	S JARDIN ST, APT 3	SHENANDOAH	PA	17976
Commercial	Active	20800900-0	JENNIFER WAITHE	9	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20803900-0	VERIZON	221	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20806600-0	WALUKIEWICZ ORAVITZ	132	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807000-1	JESSE GOMEZ	122	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807100-0	LEROY KNAPP, JR	120	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807300-0	FALGUNI PATEL	114	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20808500-0	VALERIE REINMILLER	30	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20809800-0	JAMES VEGHTE	101	-103 W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20810400-0	BEVERLY BLACKWOOD	14	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20810900-0	STEPHEN TOTH	28	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20811300-0	ORAVITZ FUNERAL HOME	40	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20813400-0	JOSE LUIZ PEREZ	108	W COAL ST 1ST FL	SHENANDOAH	PA	17976
Commercial	Active	20821400-0	KATHY BOYLE	208	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20824100-0	HALINA LITTLE	33	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20900700-0	ANTONIO ZAMUDIO	231	N WEST ST	SHENANDOAH	PA	17976
Commercial	Active	20920300-0	ERIDANIA PEREZ	227	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	20921500-0	ROGER BETZ	226	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	21008300-0	GRISELDA M VELEON	218	W OAK ST	SHENANDOAH	PA	17976
Commercial	Active	41104600-0	FRANK MALOCU	609	W WASHINGTON ST	SHENANDOAH	PA	17976
Commercial	Active	41123400-0	FRANK HAIGLER	413	W COAL ST-GARAGE	SHENANDOAH	PA	17976
Commercial	Active	41130550-0	ROBERT SCHLACK	630	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41131200-0	JOSE ULLOA	645	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41131200-0	JOSE ULLOA	645	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41144800-0	GLOVERS HILL ATH CLU	938	W PENN ST	SHENANDOAH	PA	17976
Commercial	Active	41204800-0	HAROLL MEREGILDO	509	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	90100100-0	BRIAN GROSE	23	N FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	90100120-0	JAMESTOWN TRUST	34	N FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	90100150-0	GROSE CHIROPRACTIC P.C.	24	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90100200-0	OMAR VERAS	22	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90100500-3	FROILAN & EDELENI FABIAN	21	W OAK ST	SHENANDOAH	PA	17976
Commercial	Active	90100900-2	EDUC ZAMUDIO & FLOR ESTELA GOMEZ	116	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101000-0	TURKEY HILL #123	128	-130 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101200-0	TOM GWINN	10	-16 W CHERRY ST	SHENANDOAH	PA	17976
Commercial	Active	90101400-0	MICHELE PRYZBILIK	210	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101600-0	JOSEPH ANCZARSKI	216	-218 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101650-0	JOSEPH ANCZARSKI	226	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101700-0	JOSEPH ANCZARSKI	226	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102000-0	HANS DEIBEL	316	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102100-0	DAVID KARPOVICH	324	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102200-0	HAIR DESIGNS BY ROSE	330	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102300-0	KOWALONEK'S KIELBASY	332	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102800-4	PREETI CORPORATION	415	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103000-0	CARROLS LLC #1047	331	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103300-0	EDWARD BOKANAVAGE	225	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103600-0	GR SHEN HIST SOC	201	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104210-0	JOSEPHINE RAINIS	129	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104500-0	MICHAEL BRESLOSKY	123	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104600-0	THE PIZZA SHOP	121	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104700-0	TINA LEWANDOWSKI	119	S MAIN ST, 3 APTS	SHENANDOAH	PA	17976
Commercial	Active	90104800-0	RANDALL J MISKE	117	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104900-8	GBU IMPROVEMENTS, LLC	113	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90105800-1	STEPHEN KOVAL	119	E OAK ST	SHENANDOAH	PA	17976

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price**

The purchase price for the Acquired Assets is Forty-One Million, Two Hundred and Fifty Thousand Dollars ($41,250,000.00) (the "Purchase Price") which shall be paid as follows:

(a) Deposits

(i) Buyer shall pay One Million Dollars ($1,000,000) to Seller as a deposit on account of the Purchase Price (the "First Deposit") upon the third business day following the execution by Buyer and Seller of this Agreement; and

(ii) Buyer shall pay One Million Dollars ($1,000,000) to Seller as a deposit on account of the Purchase Price (the "Second Deposit" and, together with the First Deposit, the "Deposits") upon the third business day following the Buyer's receipt of notice from the PaPUC that the application to the PaPUC for the transaction contemplated by this Agreement has been conditionally accepted.

(iii) In the event that this Agreement is terminated for any reason, the Deposits shall be refundable to the Buyer within ninety days following the effective date of termination per Section 14.01, provided, however, if the Agreement is terminated by Seller pursuant to Section 14.01(c), then Seller shall be permitted to offset against Seller's obligation to refund the Deposits any damages recoverable by Seller per the terms of this Agreement.

(iv) Subject to subparagraph (iii) above, Seller shall be free to use the Deposits upon receipt as it determines in the Seller's sole discretion.

(v) The obligation to refund the Deposits hereunder shall be a general obligation of Seller and shall not be subject to the Threshold Amount or the Liability Cap set forth in Article VIII hereof.

(b) Subject to any adjustment in Purchase Price resulting from the proration procedures specified in Section 3.01(c) and the Missing Easement Escrow requirements in Section 6.05(e), Buyer shall pay to the Seller at Closing by wire transfer of immediately available funds the balance of the Purchase Price (taking into account the Deposits) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date.

(c) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater services for the period on or after the Closing Effective Time, and the Seller is entitled to all such billings before the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to credit the Purchase Price for the appropriate Party on the Closing Date, or through another agreed upon method to ensure billing amounts are provided to the appropriate Party.

Municipality	Final Sewer Customers	Final Sewer Bills
City of Beaver Falls	3,252	3,252
North Sewickley	1,094	1
Patterson Township	1,191	1
Big Beaver	166	1
Eastvale	104	1
West Mayfield	521	1
White Township	421	1
Patterson Heights	270	1
Total	**7,019**	**3,259**

contract, and such contract shall thereafter constitute and be deemed an "Assigned Contract" for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing, Buyer identifies any contract to which the Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, the Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

(e) From the date of this Agreement until the Closing Date, the Seller shall collect accounts receivable and pay accounts payable in the ordinary course and in a manner consistent with its past practices.

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price.** The purchase price for the Acquired Assets shall be Eighteen Million Dollars ($18,000,000) (the "Purchase Price") which shall be paid as follows at Closing:

(a) Within five (5) Business Days following the PaPUC's confirmation that the application for PaPUC Approval has been accepted as complete, Buyer shall deposit into escrow the sum of Five Hundred Thousand Dollars ($500,000) (the "Deposit") to be held in accordance with the Deposit Escrow Agreement substantially in the form attached hereto as Exhibit D.

(b) Buyer shall provide for payment in full the total amount of Outstanding Indebtedness by payment directly to the creditor(s) to which the Outstanding Indebtedness is owed with all amounts paid under this subsection (a) credited against the Purchase Price;

(c) Buyer shall pay the Seller by wire transfer of immediately available funds the balance of the Purchase Price (after taking into account the release of the Deposit pursuant to the Deposit Escrow Agreement and any amount paid by the Buyer pursuant to Section 3.01(b)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date.

(d) Final Billing: The Parties agree that the Buyer shall be entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and the Seller shall be entitled to all such billings prior to the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to the extent that either party collects billings that are attributable to service provided

3. Please provide Sewer System's customer count, the system's EDU count and the system flows.

GSA serves 2,270 total customers in Greenville, also GSA provides bulk service to two neighboring municipalities Hempfield Township (1,168 customers) and West Salem Township (571 customers).

(c) Any and all stormwater system facilities located on, in, within, or under the real property, including easements and any and all storm water system facilities that are connected to the System and located within the public right-of-way; provided that this exclusion does not exclude facilities for the collection and discharge of stormwater runoff generated and located on the property containing the WWTP;

(d) Seller's cash on hand on the date of Closing and Seller's account receivables related to the System for services rendered through the close of business on the Closing Date;

(e) All rights of Seller under this Agreement and related Bill of Sale and Assignment of Contracts Agreement as it pertains to the transfer and sale herein contemplated; and

(f) The specific assets, properties and rights of Seller set forth on **Schedule 1.4**.

1.5 Accounts Receivable. Accounts receivable for wastewater services related to the System rendered through the close of business on the Closing Date shall be Excluded Assets as per **Schedule 1.4**, and accounts receivable for wastewater services related to the System rendered thereafter shall belong to PAWC.

(a) Any payments made in advance by Seller's wastewater customers for post-Closing service will be refunded by Seller to its customers at or after Closing with an appropriate explanation that the customer will be billed by PAWC for services provided by PAWC post-Closing. PAWC shall not receive a credit toward the Purchase Price in **Section 2.1** at Closing for any prorated amounts of such customer advance payments for the period following Closing. Seller shall address all related issues with customers that arise with refunds due to its customers for such advance payments.

ARTICLE 2

PURCHASE PRICE

2.1 Purchase Price for the Assets. Subject to the terms and conditions of this Agreement, the purchase price (the "**Purchase Price**") for the Assets shall be Twenty-Eight Million Dollars ($28,000,000). The Purchase Price shall be payable directly to Seller on the Closing Date by wire transfer or by corporate check, at Buyer's discretion.

2.2 Use of Fair Market Valuation Process. Following the execution of this Agreement, PAWC and Seller shall each take such actions as are necessary to invoke, commence and complete the fair market valuation process set forth in Section 1329 of the Public Utility Code, 66 Pa.C.S. § 1329. Without limiting the generality of the foregoing, PAWC and Seller shall each engage a utility valuation expert from the list of such experts maintained by the PUC and shall jointly select and engage a licensed engineer for the purposes set forth in Section 1329(a)(4) of the Public Utility Code, 66 Pa.C.S. § 1329(a)(4). All costs and expenses associated with the utility valuation experts shall be the responsibility of the party engaging such expert. All costs and expenses associated with the licensed engineer jointly selected by the parties shall be shared equally between PAWC and Seller. Seller agrees to provide such assistance and cooperation as is reasonably requested by PAWC to file and prosecute an application for approval of the transaction contemplated by this Agreement.

2.3 Payment of Outstanding Debt. At Closing, the proceeds of the Purchase Price shall be first used to pay and discharge in full the total amount of all outstanding indebtedness of Seller as set forth in **Schedule 2.4** (the "**Outstanding Indebtedness**") and Seller shall take all actions necessary to defease any and all bonds or other instruments related to such Outstanding Indebtedness.

Customer #	Name/ Address	City/St/Zip/ Service Address	Phone #
EBM10009296	PRIME PROPERTIES USA 5000 ELDORADO PKWY 150	FRISCO TX, 75033- 9 MAPLE AVE SSL	
EBM10011196	WE BUY POSS LLC 301 SOUTH HILLS VILLAGE SUITE LL 200 BOX 103	PITTSBURG PA, 15241- 716 5TH AVE	
EBM10012009	PAMELA WROBLESKI 265 SCOTT HAVEN RD	SUTERSVILLE PA, 15083-1349 206 CENTER AVE	
EBM10002248	D & R HAULING 2440 RIDGE RD	ELIZABETH PA, 15037-2039 160 CENTER AVE	
EBM10008871	KEVIN ABELS 1819 ROY AVE	SUTERSVILLE PA, 15083-1405 1819 ROY AVE	(724)-872-4373
EBM10010300	CAROLYN ADAMS 612 BRINKMAN LN	MCKEESPORT PA, 15135-2318 612 BRINKMAN LN	(412)-751-2236
EBM10003993	RITE AIDE CORP #2482 C/O PO BOX 2440	SPOKANE WA, 99210-2440 300 MARKET ST	
EBM10005568	AJL PROPERT SOLUTIONS LLC 4145 MATHILDA ST	PITTSBURGH PA, 15234-1903 817 7TH AVE	
EBM10010843	AJL PROPERT SOLUTIONS LLC 4145 MATHILDA ST	PITTSBURGH PA PA, 15234-1903 238 HICKORY ST	
EBM10011842	KAITLYN ANTON 601 S 2ND AVE	ELIZABETH PA, 15037- 601 S 2ND AVE	
EBM10010166	MX 3 ENTERPRISE PO BOX 395	ELIZABETH PA, 15037-1410 208 WALNUT ST	
EBM10001995	MAYHUGH ALLEN R 401 S 2ND AVE	ELIZABETH PA, 15037-1415 401 S 2ND AVE	(412)-680-8357
EBM10005881	ERIN AMENDOLA 933 3RD AVE	ELIZABETH PA, 15037-1133 933 3RD AVE	
EBM10003890	ABBOTT ANGELA M 606 CHURCH ST	ELIZABETH PA, 15037-1612 606 CHURCH ST	
EBM10007779	GONDA MEADE 537 REED ST	CLAIRTON PA, 15025- 617 CHURCH ST	
EBM10004332	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 311 S 2ND AVE	(412)-980-9269
EBM10006914	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 108 N 2ND AVE	
EBM10007999	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 223 2ND ST APT B	(412)-384-3909
EBM10010386	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 212 S 3RD ST	(412)-980-9269
EBM10010393	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 214 S 3RD AVE	(412)-980-9269
EBM10002303	WILLIAM APFELTHALER 283 CENTER AVE	ELIZABETH PA, 15037-1120 283 CENTER AVE	
EBM10002073	MITCHELL ARTHUR PO BOX 395	ELIZABETH PA, 15037-0395 120 S 2ND AVE	
EBM10002956	JOANN ASHTON 612 6TH AVE	ELIZABETH PA, 15037-1315 612 6TH AVE	(412)-384-7719

Customer #	Name/ Address	City/St/Zip/ Service Address	Phone #
EBM10003759	STEPHANIE ZIACAN 137 PINEVIEW DR	ELIZABETH PA, 15037- 108 ELLSWORTH AVE	(412)-384-7333
EBM10009636	KATE ZUZAK 707 6TH AVE	ELIZABETH PA, 15037-1230 707 6TH AVE	(724)-518-2327

680 Total Customers

Consensus Forecast of U.S. Interest Rates and Key Assumptions

	History								Consensus Forecasts-Quarterly Avg.					
	Average For Week Ending				Average For Month			Latest Qtr	2Q	3Q	4Q	1Q	2Q	3Q
Interest Rates	Apr 25	Apr 18	Apr 11	Apr 4	Mar	Feb	Jan	1Q 2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Federal Funds Rate	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Prime Rate	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	**7.5**	**7.3**	**7.0**	**6.7**	**6.6**	**6.4**
SOFR	4.30	4.33	4.37	4.38	4.33	4.34	4.32	4.33	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Commercial Paper, 1-mo.	4.34	4.40	4.34	4.31	4.32	4.31	4.32	4.32	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Treasury bill, 3-mo.	4.33	4.33	4.33	4.31	4.34	4.33	4.34	4.34	**4.2**	**4.0**	**3.8**	**3.6**	**3.4**	**3.2**
Treasury bill, 6-mo.	4.22	4.21	4.18	4.21	4.27	4.30	4.26	4.28	**4.1**	**4.0**	**3.7**	**3.5**	**3.4**	**3.3**
Treasury bill, 1 yr.	3.97	3.98	3.95	3.97	4.06	4.19	4.18	4.14	**4.0**	**3.8**	**3.7**	**3.5**	**3.4**	**3.3**
Treasury note, 2 yr.	3.77	3.82	3.83	3.81	3.97	4.21	4.27	4.15	**3.9**	**3.7**	**3.6**	**3.5**	**3.5**	**3.4**
Treasury note, 5 yr.	3.95	3.97	3.99	3.86	4.04	4.28	4.43	4.25	**4.0**	**3.9**	**3.8**	**3.7**	**3.7**	**3.7**
Treasury note, 10 yr.	4.37	4.34	4.33	4.13	4.28	4.45	4.63	4.45	**4.3**	**4.2**	**4.1**	**4.1**	**4.1**	**4.1**
Treasury bond, 30 yr.	4.83	4.78	4.74	4.51	4.60	4.68	4.85	4.71	**4.6**	**4.5**	**4.5**	**4.4**	**4.4**	**4.4**
Corporate Aaa bond	5.62	5.61	5.66	5.36	5.38	5.39	5.55	5.44	**5.3**	**5.3**	**5.2**	**5.2**	**5.2**	**5.1**
Corporate Baa bond	6.12	6.13	6.19	5.84	5.81	5.82	5.97	5.86	**6.1**	**6.1**	**6.0**	**6.0**	**6.0**	**5.9**
State & Local bonds	4.59	4.57	4.58	4.24	4.22	4.16	4.18	4.19	**4.5**	**4.4**	**4.4**	**4.3**	**4.3**	**4.3**
Home mortgage rate	6.81	6.83	6.62	6.64	6.65	6.84	6.96	6.82	**6.6**	**6.5**	**6.4**	**6.3**	**6.2**	**6.2**
	History								Consensus Forecasts-Quarterly					
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**
Key Assumptions	2023	2023	2023	2024	2024	2024	2024	2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Fed's AFE Index	114.6	115.0	116.6	115.5	117.3	114.9	117.9	119.8	**114.9**	**114.2**	**113.3**	**112.6**	**112.5**	**112.4**
Real GDP	2.4	4.4	3.2	1.6	3.0	3.1	2.4	-0.3	**0.8**	**0.3**	**0.8**	**1.4**	**1.8**	**2.0**
GDP Price Index	1.9	3.2	1.5	3.0	2.5	1.9	2.3	3.7	**3.4**	**3.2**	**2.9**	**2.6**	**2.3**	**2.3**
Consumer Price Index	3.0	3.5	2.8	3.7	2.8	1.4	3.0	3.8	**3.4**	**3.7**	**3.1**	**2.8**	**2.5**	**2.4**
PCE Price Index	2.9	2.7	1.7	3.4	2.5	1.5	2.4	3.6	**3.5**	**3.4**	**3.0**	**2.6**	**2.4**	**2.3**

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IQ_TEV Total Enterprise Value

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
SPOT	**5/30/2025**	**3,963.448**	**42,200.811**	**530.311**	**4,234.791**	**18,569.965**	**3,632.955**	**1,433.179**	**682.440**
2013	1/31/2013	1,272.729	12,286.137	313.776	1,346.998	5,463.243	840.392	471.008	327.909
2013	2/28/2013	1,319.039	12,543.905	310.650	1,372.614	5,752.372	849.367	473.371	322.237
2013	3/31/2013	1,421.276	12,924.431	313.406	1,480.334	6,070.791	884.304	479.603	327.140
2013	4/30/2013	1,382.181	13,011.119	322.028	1,488.901	6,111.438	866.219	480.988	326.493
2013	5/31/2013	1,327.647	12,730.222	310.271	1,388.183	6,001.923	900.226	466.480	329.776
2013	6/30/2013	1,338.061	12,959.456	311.607	1,377.682	6,030.071	883.124	477.079	329.129
2013	7/31/2013	1,541.518	13,217.123	321.512	1,509.379	6,391.779	892.992	496.380	355.640
2013	8/31/2013	1,344.711	13,008.539	307.599	1,421.185	5,931.749	858.423	484.377	334.858
2013	9/30/2013	1,393.458	13,104.640	311.146	1,438.847	6,008.335	896.079	506.089	341.960
2013	10/31/2013	1,429.051	13,387.603	316.282	1,509.493	6,087.743	907.986	495.629	350.224
2013	11/30/2013	1,439.115	13,212.258	322.689	1,532.222	5,877.778	893.165	516.290	363.409
2013	12/31/2013	1,421.692	13,196.213	316.752	1,542.247	5,792.958	940.143	499.733	350.984
2014	1/31/2014	1,408.915	13,251.478	313.833	1,552.749	5,856.573	916.352	483.176	343.736
2014	2/28/2014	1,457.723	13,861.514	307.667	1,575.749	6,042.927	953.434	488.111	341.147
2014	3/31/2014	1,545.292	13,960.600	315.416	1,596.279	6,024.472	952.839	510.130	344.156
2014	4/30/2014	1,471.451	13,983.832	312.162	1,551.564	6,028.013	919.410	486.661	339.087
2014	5/31/2014	1,455.593	14,549.126	313.525	1,530.414	6,100.259	915.588	486.122	344.787
2014	6/30/2014	1,569.991	14,699.502	314.941	1,632.714	6,248.990	918.820	497.473	350.611
2014	7/31/2014	1,466.063	14,398.750	308.963	1,569.887	5,816.962	922.876	483.724	327.441
2014	8/31/2014	1,504.687	14,985.574	307.188	1,645.895	6,067.568	934.005	492.765	343.916
2014	9/30/2014	1,431.912	14,559.199	298.616	1,554.111	5,805.341	924.502	477.832	341.606
2014	10/31/2014	1,639.398	15,480.025	315.919	1,706.069	6,278.412	1,033.923	525.200	367.012
2014	11/30/2014	1,599.013	15,364.380	313.338	1,660.170	6,344.315	993.669	517.774	342.619
2014	12/31/2014	1,705.381	15,409.208	322.240	1,638.180	6,365.511	1,037.788	534.208	381.175
2015	1/31/2015	1,781.413	15,918.445	318.712	1,634.833	6,427.333	1,071.181	515.036	387.067
2015	2/28/2015	1,783.911	15,659.191	315.263	1,700.947	6,308.784	1,071.732	537.430	387.067
2015	3/31/2015	1,774.738	15,689.014	316.257	1,656.971	6,292.882	1,024.348	527.808	397.687
2015	4/30/2015	1,708.039	15,744.786	317.463	1,644.315	6,381.568	985.925	528.220	408.985
2015	5/31/2015	1,703.231	15,539.174	311.723	1,645.267	6,326.332	1,003.771	508.673	374.761
2015	6/30/2015	1,663.940	14,776.135	308.993	1,595.477	6,002.288	1,015.365	520.457	355.474
2015	7/31/2015	1,707.765	15,366.410	312.852	1,556.263	6,170.504	1,006.790	523.362	361.646
2015	8/31/2015	1,687.895	15,548.252	318.585	1,513.172	6,214.504	984.846	524.314	359.324
2015	9/30/2015	1,823.823	16,114.257	335.890	1,584.511	6,410.758	1,025.777	541.771	356.622
2015	10/31/2015	1,799.617	16,525.243	338.013	1,579.311	6,787.353	1,045.579	572.968	384.415
2015	11/30/2015	1,849.951	16,647.800	353.053	1,587.450	6,930.835	1,018.443	572.246	394.035
2015	12/31/2015	1,854.358	17,004.944	363.938	1,622.879	7,010.227	1,003.768	586.998	407.850
2016	1/31/2016	1,981.070	17,931.006	389.534	1,710.013	7,315.448	1,063.895	626.878	429.979
2016	2/29/2016	1,898.437	18,049.528	372.803	1,727.113	7,204.881	1,154.038	610.991	444.178
2016	3/31/2016	1,787.041	18,781.144	369.135	1,822.751	7,431.837	1,155.876	644.639	478.391
2016	4/30/2016	1,873.359	19,457.530	361.329	1,907.492	7,403.482	1,114.000	738.018	467.232
2016	5/31/2016	1,783.573	19,859.644	367.975	1,966.020	7,524.858	1,115.898	738.049	431.212
2016	6/30/2016	1,957.570	21,709.652	417.489	2,243.309	8,118.712	1,215.780	842.482	495.968
2016	7/31/2016	1,934.907	21,366.663	418.089	2,224.254	7,937.897	1,284.437	808.862	488.259
2016	8/31/2016	1,805.259	19,994.999	360.465	2,068.828	7,228.007	1,291.874	691.809	446.991
2016	9/30/2016	1,844.377	20,146.216	369.619	2,145.581	7,240.420	1,312.112	722.253	464.494
2016	10/31/2016	1,841.818	20,003.894	366.978	2,084.430	7,279.433	1,459.764	736.255	489.140
2016	11/30/2016	1,945.995	19,732.904	393.220	2,254.717	7,127.461	1,519.906	815.201	548.981
2016	12/31/2016	2,061.556	19,713.324	398.917	2,223.537	7,182.442	1,567.159	851.037	572.095
2017	1/31/2017	1,996.461	19,905.567	389.627	2,252.318	7,248.066	1,446.877	767.474	541.276

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2017	2/28/2017	2,047.038	21,005.750	405.435	2,392.199	7,523.184	1,435.642	764.867	543.844
2017	3/31/2017	2,031.672	20,926.809	404.806	2,348.927	7,599.924	1,429.755	753.446	533.381
2017	4/30/2017	2,041.028	21,280.485	459.255	2,390.278	7,766.839	1,427.576	772.741	564.881
2017	5/31/2017	2,093.355	21,154.982	433.318	2,339.857	7,745.858	1,411.182	729.496	511.596
2017	6/30/2017	2,152.674	21,113.998	457.631	2,443.100	7,854.194	1,434.551	799.276	534.073
2017	7/31/2017	2,227.371	21,675.300	465.979	2,584.899	7,868.402	1,505.884	793.407	533.431
2017	8/31/2017	2,169.768	21,819.040	453.840	2,515.272	7,959.355	1,559.816	778.848	513.165
2017	9/30/2017	2,167.935	21,820.823	459.738	2,548.885	7,922.048	1,582.374	799.924	526.013
2017	10/31/2017	2,332.837	23,042.057	487.148	2,739.110	8,361.244	1,653.532	868.706	542.715
2017	11/30/2017	2,476.643	23,708.052	503.036	2,911.964	8,804.494	1,834.526	920.464	569.968
2017	12/31/2017	2,484.712	23,695.565	468.093	2,899.961	9,024.830	1,746.286	818.955	528.172
2018	1/31/2018	2,386.045	22,211.482	455.741	2,676.690	8,488.205	1,664.408	782.177	499.236
2018	2/28/2018	2,330.478	21,836.881	418.441	2,544.649	8,219.887	1,536.610	745.889	453.581
2018	3/31/2018	2,328.275	22,289.321	451.736	2,500.460	8,201.649	1,533.329	771.522	492.648
2018	4/30/2018	2,426.935	23,282.773	468.415	2,624.854	8,395.553	1,707.585	852.870	508.105
2018	5/31/2018	2,451.747	22,749.901	480.670	2,696.964	8,369.772	1,763.351	901.984	514.206
2018	6/30/2018	2,484.072	23,148.728	478.088	2,634.468	8,455.162	1,826.988	864.849	501.956
2018	7/31/2018	2,592.803	23,659.726	461.952	2,786.663	8,768.262	1,814.911	899.530	491.641
2018	8/31/2018	2,612.593	24,095.482	458.067	2,789.067	8,877.359	1,676.083	938.895	482.498
2018	9/30/2018	2,638.674	24,174.899	465.173	2,873.189	8,827.543	1,742.928	981.843	486.373
2018	10/31/2018	2,641.612	24,290.974	462.968	2,829.926	8,050.059	1,746.945	925.781	495.930
2018	11/30/2018	2,854.211	25,542.931	463.975	3,025.470	8,506.486	2,028.455	1,045.851	521.201
2018	12/31/2018	2,852.741	24,704.953	451.203	3,118.722	8,488.692	2,073.270	1,070.612	507.494
2019	1/31/2019	2,877.728	25,589.887	455.156	3,208.128	8,641.721	2,196.215	1,117.347	518.356
2019	2/28/2019	3,025.515	26,859.987	490.710	3,333.307	9,026.116	1,849.590	1,161.131	564.264
2019	3/31/2019	3,031.767	27,312.084	479.352	3,441.939	9,123.151	1,866.040	1,127.299	540.471
2019	4/30/2019	3,028.482	28,021.492	468.022	3,320.050	11,050.329	1,887.889	1,161.422	536.716
2019	5/31/2019	3,121.361	29,319.236	466.417	3,263.733	11,290.895	1,875.662	1,193.839	542.849
2019	6/30/2019	3,205.990	29,857.182	478.012	3,331.602	11,685.697	1,851.208	1,195.321	558.914
2019	7/31/2019	3,288.044	29,829.949	469.082	3,464.451	11,810.826	1,989.620	1,274.213	562.153
2019	8/31/2019	3,884.746	32,110.699	480.794	3,654.773	10,594.814	2,087.461	1,247.870	582.798
2019	9/30/2019	3,786.405	31,552.483	486.230	3,485.801	10,711.334	2,086.324	1,312.817	664.804
2019	10/31/2019	3,980.509	31,431.278	485.879	3,625.583	10,819.222	2,206.163	1,350.758	669.734
2019	11/30/2019	3,620.848	31,026.340	492.349	3,405.560	10,629.068	2,163.663	1,394.308	678.928
2019	12/31/2019	3,670.581	31,355.352	493.271	3,413.263	11,205.363	2,170.492	1,407.556	702.048
2020	1/31/2020	3,741.313	33,768.714	498.659	3,461.408	12,284.567	2,235.658	1,437.014	718.284
2020	2/29/2020	3,321.663	31,843.781	466.908	3,283.261	10,810.825	3,151.102	1,301.150	652.432
2020	3/31/2020	3,511.490	31,126.337	498.652	3,397.807	11,201.474	3,056.183	1,312.483	668.987
2020	4/30/2020	3,426.059	31,517.277	475.551	3,191.238	11,468.551	3,106.331	1,315.831	628.114
2020	5/31/2020	3,550.718	32,843.911	479.889	3,292.562	15,977.179	3,233.842	1,451.846	682.602
2020	6/30/2020	3,426.051	33,144.409	490.099	3,326.661	15,604.716	3,213.031	1,439.987	728.972
2020	7/31/2020	3,361.504	36,513.246	480.649	3,383.125	16,366.794	3,223.009	1,394.988	707.480
2020	8/31/2020	3,342.280	35,704.383	488.618	3,307.546	16,052.756	3,245.849	1,397.813	700.589
2020	9/30/2020	3,300.601	36,345.845	481.605	3,214.184	15,486.091	3,198.199	1,363.233	657.053
2020	10/31/2020	3,291.012	37,366.024	488.471	3,269.510	15,725.350	3,193.349	1,401.172	656.793
2020	11/30/2020	3,259.697	38,014.499	513.794	3,534.809	16,590.019	3,358.436	1,477.460	696.617
2020	12/31/2020	3,469.596	38,030.813	514.725	3,761.581	17,083.015	3,465.807	1,546.988	716.975
2021	1/31/2021	3,386.596	39,036.873	547.444	3,791.984	16,840.196	3,374.713	1,671.545	675.737
2021	2/28/2021	3,245.232	36,222.602	515.978	3,893.920	15,986.424	3,323.574	1,485.815	651.856
2021	3/31/2021	3,340.061	37,685.571	541.459	3,963.904	16,764.010	3,400.003	1,666.677	766.019
2021	4/30/2021	3,472.960	38,787.077	548.064	4,123.256	17,349.628	3,442.143	1,719.388	800.898
2021	5/31/2021	3,503.694	38,895.355	553.306	4,026.161	17,480.428	3,409.374	1,798.882	782.208

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2021	6/30/2021	3,510.708	38,733.847	513.800	3,960.076	16,968.753	3,375.116	1,724.948	716.451
2021	7/31/2021	3,834.066	41,633.725	533.442	4,378.985	17,809.166	3,565.949	2,090.894	755.147
2021	8/31/2021	4,010.188	44,081.595	540.347	4,423.820	18,053.677	3,577.871	2,226.277	804.546
2021	9/30/2021	3,763.240	41,684.037	529.782	4,185.729	17,181.238	3,480.408	2,110.315	701.239
2021	10/31/2021	3,959.617	42,616.925	549.980	4,252.000	17,424.538	3,520.518	2,251.487	756.755
2021	11/30/2021	4,085.497	41,691.818	576.037	4,364.055	17,716.969	3,563.170	2,128.318	748.481
2021	12/31/2021	4,427.527	45,375.219	607.616	4,829.636	19,339.578	3,737.653	2,430.317	786.746
2022	1/31/2022	4,013.472	40,281.270	623.558	4,315.656	18,088.501	3,608.207	2,096.824	729.610
2022	2/28/2022	3,732.609	38,400.829	608.322	4,096.303	17,883.367	3,555.659	2,079.496	722.403
2022	3/31/2022	3,912.119	41,029.501	628.164	4,222.530	19,040.466	3,687.988	2,174.185	738.296
2022	4/30/2022	3,530.984	38,716.435	609.522	3,836.918	17,428.769	3,372.977	1,893.110	699.191
2022	5/31/2022	3,563.128	38,202.183	630.033	3,933.709	18,041.991	3,459.152	1,824.977	736.815
2022	6/30/2022	3,646.648	37,751.435	630.804	4,034.802	17,935.876	3,476.085	1,871.509	728.980
2022	7/31/2022	3,855.817	39,863.729	656.852	4,338.696	19,512.074	3,610.024	2,013.281	765.450
2022	8/31/2022	3,736.380	38,598.202	703.687	4,254.445	19,148.482	3,568.887	1,906.446	742.936
2022	9/30/2022	3,550.856	35,273.327	643.650	3,937.006	17,111.415	3,366.228	1,702.701	663.898
2022	10/31/2022	4,013.186	38,243.846	679.906	4,446.526	17,861.286	3,787.037	1,931.177	737.087
2022	11/30/2022	4,317.869	39,417.198	701.492	4,603.871	19,223.387	3,908.618	2,001.379	777.289
2022	12/31/2022	4,116.802	39,537.205	736.984	4,368.676	19,089.619	4,105.693	1,740.680	767.153
2023	1/31/2023	4,176.679	40,277.244	740.620	4,397.733	18,827.328	3,991.086	1,832.225	773.863
2023	2/28/2023	3,996.679	37,923.461	720.256	4,182.275	18,019.716	4,001.471	1,715.257	745.738
2023	3/31/2023	4,014.661	40,888.375	715.839	4,319.377	18,402.915	3,991.909	1,744.109	778.775
2023	4/30/2023	4,009.485	39,870.915	716.100	4,278.123	18,151.764	3,985.431	1,653.428	740.771
2023	5/31/2023	4,068.918	39,131.270	710.352	4,324.596	17,515.070	4,018.866	1,815.441	756.502
2023	6/30/2023	4,001.621	38,800.375	689.094	4,028.963	17,295.635	3,817.103	1,803.064	740.205
2023	7/31/2023	4,053.758	40,099.998	666.609	4,192.111	17,924.858	3,859.884	1,820.370	741.063
2023	8/31/2023	3,941.537	38,408.327	645.669	4,032.277	16,679.806	3,710.570	1,728.791	741.290
2023	9/30/2023	3,737.055	35,505.818	605.880	3,862.633	16,000.026	3,531.076	1,568.884	694.781
2023	10/31/2023	3,713.760	34,302.766	578.143	3,947.632	15,769.906	3,679.773	1,520.610	674.460
2023	11/30/2023	3,804.453	37,239.907	607.530	4,056.706	16,580.242	3,780.681	1,544.753	713.444
2023	12/31/2023	3,823.683	37,269.113	601.892	4,131.731	17,055.550	3,771.421	1,575.380	721.177
2024	1/31/2024	3,608.456	35,717.314	555.384	3,750.838	16,653.345	3,585.890	1,403.546	681.936
2024	2/29/2024	3,545.178	35,149.296	531.067	3,857.709	16,609.473	3,502.694	1,313.088	675.061
2024	3/31/2024	3,575.878	35,864.048	558.671	3,891.737	17,237.914	3,551.746	1,347.638	700.539
2024	4/30/2024	3,541.104	35,893.603	537.832	4,130.748	17,109.362	3,520.673	1,315.915	689.645
2024	5/31/2024	3,643.981	38,024.947	539.350	4,175.218	17,339.072	3,529.054	1,386.125	718.074
2024	6/30/2024	3,606.007	37,711.283	533.105	4,094.363	17,229.662	3,513.259	1,357.243	718.792
2024	7/31/2024	3,976.807	40,825.941	573.469	4,381.401	18,137.761	3,735.951	1,618.798	779.326
2024	8/31/2024	3,989.891	40,979.797	545.904	4,518.587	17,874.238	3,682.958	1,557.006	751.352
2024	9/30/2024	4,059.936	41,587.770	556.682	4,453.291	17,759.294	3,654.172	1,596.767	729.521
2024	10/31/2024	4,028.847	40,143.795	520.370	4,346.194	17,767.505	3,621.963	1,467.265	696.632
2024	11/30/2024	4,154.653	39,915.769	528.981	4,300.400	18,432.577	3,623.958	1,544.616	714.258
2024	12/31/2024	3,867.775	37,489.340	498.059	3,951.886	17,413.772	3,407.810	1,315.980	669.411
	MAX								
2014		$1,705.381	$15,480.025	$322.240	$1,706.069	$6,365.511	$1,037.788	$534.208	$381.175
2015		$1,854.358	$17,004.944	$363.938	$1,700.947	$7,010.227	$1,071.732	$586.998	$408.985

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2016		$2,061.556	$21,709.652	$418.089	$2,254.717	$8,118.712	$1,567.159	$851.037	$572.095
2017		$2,484.712	$23,708.052	$503.036	$2,911.964	$9,024.830	$1,834.526	$920.464	$569.968
2018		$2,854.211	$25,542.931	$480.670	$3,118.722	$8,877.359	$2,073.270	$1,070.612	$521.201
2019		$3,980.509	$32,110.699	$493.271	$3,654.773	$11,810.826	$2,206.163	$1,407.556	$702.048
2020		$3,741.313	$38,030.813	$514.725	$3,761.581	$17,083.015	$3,465.807	$1,546.988	$728.972
2021		$4,427.527	$45,375.219	$607.616	$4,829.636	$19,339.578	$3,737.653	$2,430.317	$804.546
2022		$4,317.869	$41,029.501	$736.984	$4,603.871	$19,512.074	$4,105.693	$2,174.185	$777.289
2023		$4,176.679	$40,888.375	$740.620	$4,397.733	$18,827.328	$4,018.866	$1,832.225	$778.775
2024		$4,154.653	$41,587.770	$573.469	$4,518.587	$18,432.577	$3,735.951	$1,618.798	$779.326
		MIN							
2014		$1,408.915	$13,251.478	$298.616	$1,530.414	$5,805.341	$915.588	$477.832	$327.441
2015		$1,663.940	$14,776.135	$308.993	$1,513.172	$6,002.288	$984.846	$508.673	$355.474
2016		$1,783.573	$17,931.006	$360.465	$1,710.013	$7,127.461	$1,063.895	$610.991	$429.979
2017		$1,996.461	$19,905.567	$389.627	$2,252.318	$7,248.066	$1,411.182	$729.496	$511.596
2018		$2,328.275	$21,836.881	$418.441	$2,500.460	$8,050.059	$1,533.329	$745.889	$453.581
2019		$2,877.728	$25,589.887	$455.156	$3,208.128	$8,641.721	$1,849.590	$1,117.347	$518.356
2020		$3,259.697	$31,126.337	$466.908	$3,191.238	$10,810.825	$2,235.658	$1,301.150	$628.114
2021		$3,245.232	$36,222.602	$513.800	$3,791.984	$15,986.424	$3,323.574	$1,485.815	$651.856
2022		$3,530.984	$35,273.327	$608.322	$3,836.918	$17,111.415	$3,366.228	$1,702.701	$663.898
2023		$3,713.760	$34,302.766	$578.143	$3,862.633	$15,769.906	$3,531.076	$1,520.610	$674.460
2024		$3,541.104	$35,149.296	$498.059	$3,750.838	$16,609.473	$3,407.810	$1,313.088	$669.411
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
		MIDPOINT ENT VALUE							
2014		$1,557.148	$14,365.752	$310.428	$1,618.242	$6,085.426	$976.688	$506.020	$354.308
2015		$1,759.149	$15,890.539	$336.465	$1,607.060	$6,506.257	$1,028.289	$547.835	$382.229
2016		$1,922.564	$19,820.329	$389.277	$1,982.365	$7,623.087	$1,315.527	$731.014	$501.037
2017		$2,240.587	$21,806.809	$446.331	$2,582.141	$8,136.448	$1,622.854	$824.980	$540.782
2018		$2,591.243	$23,689.906	$449.556	$2,809.591	$8,463.709	$1,803.300	$908.250	$487.391
2019		$3,429.118	$28,850.293	$474.213	$3,431.450	$10,226.273	$2,027.877	$1,262.452	$610.202
2020		$3,500.505	$34,578.575	$490.816	$3,476.409	$13,946.920	$2,850.732	$1,424.069	$678.543
2021		$3,836.380	$40,798.910	$560.708	$4,310.810	$17,663.001	$3,530.614	$1,958.066	$728.201
2022		$3,924.427	$38,151.414	$672.653	$4,220.394	$18,311.744	$3,735.961	$1,938.443	$720.594
2023		$3,945.219	$37,595.571	$659.382	$4,130.183	$17,298.617	$3,774.971	$1,676.417	$726.617
2024		$3,847.879	$38,368.533	$535.764	$4,134.712	$17,521.025	$3,571.881	$1,465.943	$724.368
SPOT		$3,963.448	$42,200.811	$530.311	$4,234.791	$18,569.965	$3,632.955	$1,433.179	$682.440

	SPOT											
	1	4	4	4	4	4	4	4	4	4	4	4
	2025	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	CQ12025	CQ42023	CQ42022	CQ42021	CQ42020	CQ42019	CQ42018	CQ42017	CQ42016	CQ42015	CQ42014	CQ42013
	CQ12025	CQ42023	CQ42022	CQ42021	CQ42020	CQ42019	CQ42018	CQ42017	CQ42016	CQ42015	CQ42014	CQ42013
	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE
	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment
American States Water Company	2,807.602	2,532.923	2,378.337	2,270.982	2,126.262	2,001.858	1,866.538	1,746.634	1,692.519	1,599.336	1,521.295	1,468.948
American Water Works Company, Inc.	35,553.000	32,275.000	29,818.000	27,505.000	25,709.000	24,044.000	23,204.000	21,716.000	19,954.000	18,504.000	17,269.000	16,497.763
Artesian Resources Corporation	957.616	904.705	846.182	754.937	712.151	672.391	629.375	582.018	539.678	514.847	496.223	472.929
California Water Service Group	5,498.140	4,905.949	4,523.255	4,182.707	3,878.445	3,540.033	3,204.703	2,947.967	2,695.414	2,485.727	2,323.703	2,195.096
Essential Utilities, Inc.	16,568.441	15,014.437	13,779.121	12,659.306	11,680.353	8,214.803	7,648.469	7,003.993	6,509.117	6,088.011	5,707.017	5,350.868
H2O America	4,608.548	4,129.656	3,876.151	3,654.971	3,403.010	3,192.780	1,976.448	1,834.123	1,704.585	1,576.208	1,467.612	1,374.327
Middlesex Water Company	1,350.457	1,252.689	1,153.975	1,083.822	1,000.470	893.664	785.863	712.990	662.635	617.412	592.589	566.285
The York Water Company	668.696	612.887	541.122	483.313	436.163	399.269	378.800	363.657	340.843	326.789	314.054	299.673

	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE
	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment
American States Water Company	2,154.074	1,908.451	1,772.106	1,676.718	1,557.936	1,458.595	1,304.683	1,213.264	1,159.766	1,069.638	1,021.056	997.283
American Water Works Company, Inc.	28,464.000	25,524.000	23,305.000	21,176.000	19,805.000	18,335.000	17,409.000	16,246.000	14,992.000	13,933.000	13,029.000	12,388.354
Artesian Resources Corporation	760.687	718.483	672.238	594.633	563.817	535.013	502.527	464.384	429.383	409.562	397.823	383.102
California Water Service Group	4,230.215	3,765.909	3,470.882	2,849.059	2,654.027	2,409.873	2,220.873	2,036.971	1,847.460	1,689.251	1,579.060	1,503.612
Essential Utilities, Inc.	13,350.419	12,134.488	11,172.680	10,300.796	9,573.211	6,358.657	5,930.326	5,399.860	5,001.615	4,688.925	4,401.990	4,138.568
H2O America	3,549.464	3,168.753	2,654.825	2,518.530	2,356.988	2,230.343	1,365.771	1,278.025	1,180.481	1,082.639	1,011.434	953.401
Middlesex Water Company	1,086.279	1,013.049	935.584	881.299	813.014	722.044	628.476	566.718	526.907	491.069	474.603	455.919
The York Water Company	541.413	495.273	431.901	383.626	344.365	313.993	299.871	289.524	271.652	262.189	253.959	245.000

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers
American States Water Company	289,414	288,870	287,970	287,500	286,341	285,128	284,272	283,223	284,942	283,997	280,717	279,036
American Water Works Company, Inc.	3,546,000	3,486,000	3,449,000	3,530,000	3,496,000	3,434,000	3,382,000	3,353,000	3,312,000	3,252,691	3,219,499	3,158,226
Artesian Resources Corporation	108,740	106,640	104,740	100,640	95,640	92,640	90,440	86,500	85,000	81,400	81,900	81,200
California Water Service Group	555,900	553,600	553,000	547,600	543,000	520,600	517,500	514,300	511,500	508,404	502,900	500,700
Essential Utilities, Inc.	1,869,306	1,857,461	1,851,586	1,820,049	1,798,803	1,026,704	1,005,590	982,949	972,265	920,381	941,007	930,577
H2O America	407,000	405,350	402,900	398,000	389,293	386,607	247,267	244,133	242,421	241,000	238,977	237,600
Middlesex Water Company	128,300	125,300	122,300	121,300	122,200	120,000	113,300	114,920	109,300	108,720	105,720	102,010
The York Water Company	79,771	77,893	76,731	73,144	72,681	71,411	70,263	69,604	67,052	66,000	64,118	63,779

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	population	population	population	population	population	population	population	population	population	population	population	population
American States Water Company	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
American Water Works Company, Inc.	14,000,000	14,000,000	14,000,000	14,000,000	15,000,000	15,000,000	14,000,000	15,000,000	12,200,000	12,100,000	11,500,000	11,400,000
Artesian Resources Corporation	326,850	325,740	324,220	326,700	300,000	300,000	300,000	290,000	314,300	301,000	260,000	260,000
California Water Service Group	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,600,000	1,600,000	1,600,000
Essential Utilities, Inc.	5,500,000	5,500,000	5,000,000	5,000,000	5,000,000	3,000,000	3,000,000	3,000,000	3,053,800	2,890,800	3,000,000	3,000,000
H2O America	1,551,000	1,544,000	1,536,000	1,526,000	1,614,866	1,604,442	1,114,200	1,100,200	1,092,600	1,089,000	1,077,000	1,071,000
Middlesex Water Company	500,000	500,000	500,000	500,000	500,000	400,000	400,000	412,000	400,000	390,000	385,878	400,000
The York Water Company	212,000	209,000	208,000	204,000	202,000	201,000	199,000	198,000	196,000	194,000	190,000	189,000

	1	2	3	4	5	6	7	8	9	10	11	12
	SPOT		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Average Gross Property, Plant & Equipment												
American States Water Company	2,807.602		2,455.630	2,324.660	2,198.622	2,064.060	1,934.198	1,806.586	1,719.577	1,645.928	1,560.316	1,495.122
American Water Works Company, Inc.	35,553.000		31,046.500	28,661.500	26,607.000	24,876.500	23,624.000	22,460.000	20,835.000	19,229.000	17,886.500	16,883.382
Artesian Resources Corporation	957.616		875.444	800.560	733.544	692.271	650.883	605.697	560.848	527.263	505.535	484.576
California Water Service Group	5,498.140		4,714.602	4,352.981	4,030.576	3,709.239	3,372.368	3,076.335	2,821.691	2,590.571	2,404.715	2,259.400
Essential Utilities, Inc.	16,568.441		14,396.779	13,219.214	12,169.830	9,947.578	7,931.636	7,326.231	6,756.555	6,298.564	5,897.514	5,528.943
H2O America	4,608.548		4,002.904	3,765.561	3,528.991	3,297.895	2,584.614	1,905.286	1,769.354	1,640.397	1,521.910	1,420.970
Middlesex Water Company	1,350.457		1,203.332	1,118.899	1,042.146	947.067	839.764	749.427	687.813	640.024	605.001	579.437
The York Water Company	668.696		577.005	512.218	459.738	417.716	389.035	371.229	352.250	333.816	320.422	306.864
Average Net Property, Plant & Equipment												
American States Water Company	2,154.074		1,840.279	1,724.412	1,617.327	1,508.266	1,381.639	1,258.974	1,186.515	1,114.702	1,045.347	1,009.170
American Water Works Company, Inc.	28,464.000		24,414.500	22,240.500	20,490.500	19,070.000	17,872.000	16,827.500	15,619.000	14,462.500	13,481.000	12,708.677
Artesian Resources Corporation	760.687		695.361	633.436	579.225	549.415	518.770	483.456	446.884	419.473	403.693	390.463
California Water Service Group	4,230.215		3,618.396	3,159.971	2,751.543	2,531.950	2,315.373	2,128.922	1,942.216	1,768.356	1,634.156	1,541.336
Essential Utilities, Inc.	13,350.419		11,653.584	10,736.738	9,937.004	7,965.934	6,144.492	5,665.093	5,200.738	4,845.270	4,545.458	4,270.279
H2O America	3,549.464		2,911.789	2,586.678	2,437.759	2,293.666	1,798.057	1,321.898	1,229.253	1,131.560	1,047.037	982.418
Middlesex Water Company	1,086.279		974.317	908.442	847.157	767.529	675.260	597.597	546.813	508.988	482.836	465.261
The York Water Company	541.413		463.587	407.764	363.996	329.179	306.932	294.698	280.588	266.921	258.074	249.480
Average Customers												
American States Water Company	289,414		288,420	287,735	286,921	285,735	284,700	283,748	284,083	284,470	282,357	279,877
American Water Works Company, Inc.	3,546,000		3,467,500	3,489,500	3,513,000	3,465,000	3,408,000	3,367,500	3,332,500	3,282,346	3,236,095	3,188,863
Artesian Resources Corporation	108,740		105,690	102,690	98,140	94,140	91,540	88,470	85,750	83,200	81,650	81,550
California Water Service Group	555,900		553,300	550,300	545,300	531,800	519,050	515,900	512,900	509,952	505,652	501,800
Essential Utilities, Inc.	1,869,306		1,854,524	1,835,818	1,809,426	1,412,754	1,016,147	994,270	977,607	946,323	930,694	935,792
H2O America	407,000		404,125	400,450	393,647	387,950	316,937	245,700	243,277	241,711	239,989	238,289
Middlesex Water Company	128,300		123,800	121,800	121,750	121,100	116,650	114,110	112,110	109,010	107,220	103,865
The York Water Company	79,771		77,312	74,938	72,913	72,046	70,837	69,934	68,328	66,526	65,059	63,949
Average Population												
American States Water Company	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
American Water Works Company, Inc.	14,000,000		14,000,000	14,000,000	14,500,000	15,000,000	14,500,000	14,500,000	13,600,000	12,150,000	11,800,000	11,450,000
Artesian Resources Corporation	326,850		324,980	325,460	313,350	300,000	300,000	295,000	302,150	307,650	280,500	260,000
California Water Service Group	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,800,000	1,600,000	1,600,000
Essential Utilities, Inc.	5,500,000		5,250,000	5,000,000	5,000,000	4,000,000	3,000,000	3,000,000	3,026,900	2,972,300	2,945,400	3,000,000
H2O America	1,551,000		1,540,000	1,531,000	1,570,433	1,609,654	1,359,321	1,107,200	1,096,400	1,090,800	1,083,000	1,074,000
Middlesex Water Company	500,000		500,000	500,000	500,000	450,000	400,000	406,000	406,000	395,000	387,939	392,939

	The York Water Company	212,000	208,500	206,000	203,000	201,500	200,000	198,500	197,000	195,000	192,000	189,500

Midpoint Ent Value

3	American States Water Company	3,963	3,945	3,924	3,836	3,501	3,429	2,591	2,241	1,923	1,759	1,557
4	American Water Works Company, Inc.	42,201	37,596	38,151	40,799	34,579	28,850	23,690	21,807	19,820	15,891	14,366
5	Artesian Resources Corporation	530	659	673	561	491	474	450	446	389	336	310
6	California Water Service Group	4,235	4,130	4,220	4,311	3,476	3,431	2,810	2,582	1,982	1,607	1,618
7	Essential Utilities, Inc.	18,570	17,299	18,312	17,663	13,947	10,226	8,464	8,136	7,623	6,506	6,085
8	H2O America	3,633	3,775	3,736	3,531	2,851	2,028	1,803	1,623	1,316	1,028	977
9	Middlesex Water Company	1,433	1,676	1,938	1,958	1,424	1,262	908	825	731	548	506
10	The York Water Company	682	727	721	728	679	610	487	541	501	382	354

Midpoint GPPE

3	American States Water Company	1.41	1.61	1.69	1.74	1.70	1.77	1.43	1.30	1.17
4	American Water Works Company, Inc.	1.19	1.21	1.33	1.53	1.39	1.22	1.05	1.05	1.03
5	Artesian Resources Corporation	0.55	0.75	0.84	0.76	0.71	0.73	0.74	0.80	0.74
6	California Water Service Group	0.77	0.88	0.97	1.07	0.94	1.02	0.91	0.92	0.77
7	Essential Utilities, Inc.	1.12	1.20	1.39	1.45	1.40	1.29	1.16	1.20	1.21
8	H2O America	0.79	0.94	0.99	1.00	0.86	0.78	0.95	0.92	0.80
9	Middlesex Water Company	1.06	1.39	1.73	1.88	1.50	1.50	1.21	1.20	1.14
10	The York Water Company	1.02	1.26	1.41	1.58	1.62	1.57	1.31	1.54	1.50
	Median	1.04	1.21	1.36	1.49	1.40	1.26	1.11	1.12	1.09

Midpoint NPPE

3	American States Water Company	1.84	2.14	2.28	2.37	2.32	2.48	2.06	1.89	1.72
4	American Water Works Company, Inc.	1.48	1.54	1.72	1.99	1.81	1.61	1.41	1.40	1.37
5	Artesian Resources Corporation	0.70	0.95	1.06	0.97	0.89	0.91	0.93	1.00	0.93
6	California Water Service Group	1.00	1.14	1.34	1.57	1.37	1.48	1.32	1.33	1.12
7	Essential Utilities, Inc.	1.39	1.48	1.71	1.78	1.75	1.66	1.49	1.56	1.57
8	H2O America	1.02	1.30	1.44	1.45	1.24	1.13	1.36	1.32	1.16
9	Middlesex Water Company	1.32	1.72	2.13	2.31	1.86	1.87	1.52	1.51	1.44
10	The York Water Company	1.26	1.57	1.77	2.00	2.06	1.99	1.65	1.93	1.88
	Median	1.29	1.51	1.71	1.88	1.78	1.64	1.45	1.45	1.40

Midpoint Customers

3	American States Water Company	13,695	13,679	13,639	13,371	12,251	12,045	9,132	7,887	6,758
4	American Water Works Company, Inc.	11,901	10,842	10,933	11,614	9,979	8,465	7,035	6,544	6,038
5	Artesian Resources Corporation	4,877	6,239	6,550	5,713	5,214	5,180	5,081	5,205	4,679
6	California Water Service Group	7,618	7,465	7,669	7,905	6,537	6,611	5,446	5,034	3,887
7	Essential Utilities, Inc.	9,934	9,328	9,975	9,762	9,872	10,064	8,512	8,323	8,055
8	H2O America	8,926	9,341	9,329	8,969	7,348	6,398	7,339	6,671	5,443
9	Middlesex Water Company	11,171	13,541	15,915	16,083	11,759	10,823	7,959	7,359	6,706
10	The York Water Company	8,555	9,399	9,616	9,987	9,418	8,614	6,969	7,914	7,531
	Median	9,430	9,370	9,795	9,874	9,645	8,540	7,187	7,015	6,372

Midpoint Population

3	American States Water Company	3,963	3,945	3,924	3,836	3,501	3,429	2,591	2,241	1,923
4	American Water Works Company, Inc.	3,014	2,685	2,725	2,814	2,305	1,990	1,634	1,603	1,631
5	Artesian Resources Corporation	1,622	2,029	2,067	1,789	1,636	1,581	1,524	1,477	1,265
6	California Water Service Group	2,117	2,065	2,110	2,155	1,738	1,716	1,405	1,291	1,101
7	Essential Utilities, Inc.	3,376	3,295	3,662	3,533	3,487	3,409	2,821	2,688	2,565
8	H2O America	2,342	2,451	2,440	2,248	1,771	1,492	1,629	1,480	1,206

9	Middlesex Water Company	2,866	3,353	3,877	3,916	3,165	3,156	2,237	2,032	1,851
10	The York Water Company	3,219	3,485	3,498	3,587	3,367	3,051	2,455	2,745	2,569
	Median	2,940	2,990	3,112	3,173	2,735	2,520	1,935	1,818	1,741

	SPOT	2023	2022	2021	2020	2019	2018	2017	2016
Median Enterprise Value as a Multiple of:									
GPPE	1.04	1.21	1.36	1.49	1.40	1.26	1.11	1.12	1.09
NPPE	1.29	1.51	1.71	1.88	1.78	1.64	1.45	1.45	1.40
Customers	9,430	9,370	9,795	9,874	9,645	8,540	7,187	7,015	6,372
Population	2,940	2,990	3,112	3,173	2,735	2,520	1,935	1,818	1,741

	SPOT	2023	2022	2021	2020	2019	2018	2017	2016
Index Values of Multiples:									
GPPE	1.00	1.16	1.30	1.43	1.34	1.21	1.06	1.08	1.04
NPPE	1.00	1.17	1.33	1.46	1.38	1.27	1.12	1.13	1.09
Customers	1.00	0.99	1.04	1.05	1.02	0.91	0.76	0.74	0.68
Population	1.00	1.02	1.06	1.08	0.93	0.86	0.66	0.62	0.59

NetPlant Advances CIAC DefTax ITC

		2024 Net Property, Plant & Equipment	Advances for construction	Contributions in aid of construction	Deferred income taxes, net	Deferred investment tax credits	2024 Known "Cost Free" Capital	2024 Percentage of Known "Cost Free" Capital
		(Millions of $)						
	Comparable Group							
1	American States Water Company	$2,099.625	$69.856	$160.306	$180.173	$0.942	$411.277	20%
2	American Water Works Company	$28,038.000	$383.000	$1,577.000	$2,881.000	$0.000	$4,841.000	17%
3	Artesian Resources Corporation	$747.186	$1.582	$272.405	$52.265	$0.409	$326.661	44%
4	California Water Service Group	$4,158.704	$202.614	$294.970	$411.083	$0.000	$908.667	22%
5	Essential Utilities, Inc.	$13,143.476	$113.323	$688.845	$1,831.868	$0.000	$2,634.036	20%
7	H2O America	$3,488.611	$155.397	$340.738	$276.043	$0.000	$772.178	22%
6	Middlesex Water Company	$1,055.372	$22.629	$181.369	$101.235	$0.000	$305.233	29%
8	The York Water Company	$531.007	$20.546	$48.869	$61.157	$0.000	$130.572	25%
	Median							22%

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Regulated utility plant, at cost		
Water	$ 2,227,311	$ 2,082,927
Electric	171,127	156,471
Total	2,398,438	2,239,398
Non-regulated utility property, at cost	44,457	40,223
Total utility plant, at cost	2,442,895	2,279,621
Less — accumulated depreciation	(648,199)	(624,472)
Utility plant before construction work in progress	1,794,696	1,655,149
Construction work in progress	304,929	237,131
Net utility plant	2,099,625	1,892,280
Other Property and Investments		
Other Property and Investments	50,418	42,932
Property Plant and Equipment and Investments Other and Goodv	50,418	42,932
Current Assets		
Cash and cash equivalents	26,661	14,073
Accounts receivable — customers, less allowance for doubtful ac	37,699	34,250
Unbilled receivable (Note 2)	28,446	23,516
Receivable from U.S. government, less allowance for doubtful acc	41,000	49,306
Other accounts receivable, less allowance for doubtful accounts	6,415	6,340
Income taxes receivable	65	52
Materials and supplies	15,140	17,574
Regulatory assets — current	50,504	45,144
Prepayments and other current assets	7,286	5,767
Contract assets (Note 2)	20,130	9,956
Total current assets	233,346	205,978
Regulatory and Other Assets		
Unbilled revenue, receivable from U.S government	3,423	4,886
Receivable from U.S. government (Note 2)	35,486	42,183
Contract assets (Note 2)	1,518	4,422
Operating lease right-of-use assets	8,028	7,982
Regulatory assets	27,101	25,585
Other	41,264	19,874
Total other assets	116,820	104,932
Total Assets	2,500,209	2,246,122
Capitalization		
Common shareholder's equity	920,051	776,109
Long-term debt	640,382	575,555
Total capitalization	1,560,433	1,351,664
Current Liabilities		
Notes payable to banks	124,000	42,000
Long-term debt — current	385	353
Accounts payable	88,591	68,705
Income taxes payable	481	492
Accrued other taxes	16,694	14,654
Accrued employee expenses	15,523	14,738
Accrued interest	8,133	8,607
Contract liabilities (Note 2)	5,662	1,352
Operating lease liabilities	2,074	1,856
Purchase power contract derivative at fair value (Note 5)	8,823	2,360
Other	15,159	11,506
Total current liabilities	285,525	166,623
Other Credits		
Note payable to bank, noncurrent	165,000	291,500
Advances for construction	69,856	67,431
Contributions in aid of construction — net	160,306	151,414
Deferred income taxes	180,173	161,577
Regulatory liabilities	22,926	1,222
Unamortized investment tax credits	942	1,011
Accrued pension and other post-retirement benefits	33,816	32,652
Operating lease liabilities	6,394	6,619
Other	14,838	14,409
Total other credits	654,251	727,835
Commitments and Contingencies		
Total liabilities and capitalization	$ 2,500,209	$ 2,246,122
NetPlant	2,099,625	1,892,280
Advances	69,856	67,431
CIAC	160,306	151,414
DefTax	180,173	161,577
ITC	942	1,011

Consolidated Balance Sheets - USD ($) $ in Millions	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Property, plant and equipment	$35,059	$32,189
Accumulated depreciation	-7,021	-6,751
Property, plant and equipment, net	28,038	25,438
Current assets:		
Cash and cash equivalents	96	330
Restricted funds	29	34
Accounts receivable, net of allowance for uncollectible accounts of $53 and $51, respectively	416	339
Income tax receivable	25	86
Unbilled revenues	315	302
Materials and supplies	103	112
Other	231	186
Total current assets	1,215	1,389
Regulatory and other long-term assets:		
Regulatory assets	1,150	1,106
Secured seller promissory note from the sale of the Homeowner Services Group	795	720
Operating lease right-of-use assets	89	86
Goodwill	1,144	1,143
Other	399	416
Total regulatory and other long-term assets	3,577	3,471
Total assets	32,830	30,298
Capitalization:		
Common stock ($0.01 par value; 500,000,000 shares authorized; 200,371,701 and 200,144,968 shares issued, respectively)	2	2
Paid-in-capital	8,598	8,550
Retained earnings	2,112	1,659
Accumulated other comprehensive income (loss)	12	-26
Treasury stock, at cost (5,451,216 and 5,414,867 shares, respectively)	-392	-388
Total common shareholders' equity	10,332	9,797
Long-term debt	12,518	11,715
Redeemable preferred stock at redemption value	3	3
Total long-term debt	12,521	11,718
Total capitalization	22,853	21,515
Current liabilities:		
Short-term debt	879	179
Current portion of long-term debt	637	475
Accounts payable	346	294
Accrued liabilities	791	791
Accrued taxes	156	67
Accrued interest	111	93
Other	230	252
Total current liabilities	3,150	2,151
Regulatory and other long-term liabilities:		
Advances for construction	383	352
Deferred income taxes and investment tax credits	2,881	2,717
Regulatory liabilities	1,416	1,481
Operating lease liabilities	76	73
Accrued pension expense	217	262
Other	277	196
Total regulatory and other long-term liabilities	5,250	5,081
Contributions in aid of construction	1,577	1,551
Commitments and contingencies (See Note 16)		
Total capitalization and liabilities	$32,830	$30,298

NetPlant	28,038	25,438
Advances	383	352
CIAC	1,577	1,551
DefTax	2,881	2,717
ITC	0	0

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Utility plant, at original cost (less accumulated depreciation - 2024 - $192,253; 2023 - $185,170)	$747,186	$714,284
Current assets		
Cash and cash equivalents	1,147	2,505
Accounts and other receivables (less provision for expected credit loss 2024 - $343; 2023 - $328)	11,339	12,830
Income tax receivable	624	1,799
Unbilled operating revenues	1,861	1,934
Materials and supplies	4,278	5,983
Prepaid property taxes	2,188	2,269
Prepaid expenses and other	3,091	3,297
Total current assets	24,528	30,617
Other assets		
Non-utility property (less accumulated depreciation - 2024 - $1,116; 2023 - $1,052)	3,603	3,693
Other deferred assets	6,525	8,504
Goodwill	1,939	1,939
Operating lease right of use assets	414	506
Total other assets	12,481	14,642
Regulatory assets, net	14,428	7,289
Total assets	798,623	766,832
Stockholders' equity		
Common stock	10,300	10,285
Preferred stock	0	0
Additional paid-in capital	143,920	143,369
Retained earnings	84,969	76,743
Total stockholders' equity	239,189	230,397
Long-term debt, net of current portion	176,509	178,307
Total stockholders' equity and long-term debt	415,698	408,704
Current liabilities		
Lines of credit	0	0
Current portion of long-term debt	2,167	2,235
Accounts payable	11,228	9,697
Accrued expenses	5,336	3,519
Overdraft payable	31	9
Accrued interest	930	2,275
Income taxes payable	500	2
Customer and other deposits	3,347	2,983
Other	2,054	1,694
Total current liabilities	25,593	22,414
Commitments and contingencies		
Deferred credits and other liabilities		
Net advances for construction	1,582	2,797
Operating lease liabilities	404	503
Regulatory liabilities	30,267	25,676
Deferred investment tax credits	409	423
Deferred income taxes	52,265	58,381
Total deferred credits and other liabilities	84,927	87,780
Net contributions in aid of construction	272,405	247,934
Total Liabilities and Stockholders' Equity	$798,623	$766,832

NetPlant	747,186	714,284
Advances	1,582	2,797
CIAC	272,405	247,934
DefTax	52,265	58,381
ITC	409	423

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Utility plant:		
Land	$56,621	$47,002
Depreciable plant and equipment	4,977,217	4,557,964
Construction work in progress	329,439	287,596
Intangible assets	37,212	32,921
Total utility plant	5,400,489	4,925,483
Less accumulated depreciation and amortization	-1,241,785	-1,152,228
Net utility plant	4,158,704	3,773,255
Current assets:		
Cash and cash equivalents	50,121	39,591
Restricted cash	45,566	45,375
Receivables:		
Customers, net	58,585	59,349
Regulatory balancing accounts	55,917	64,240
Other, net	33,976	16,431
Accrued and unbilled revenue, net	39,718	36,999
Materials and supplies	20,511	16,170
Taxes, prepaid expenses, and other assets	19,742	18,130
Total current assets	324,136	296,285
Other assets:		
Regulatory assets	357,406	257,621
Goodwill	37,063	37,039
Other	302,974	231,333
Total other assets	697,443	525,993
TOTAL ASSETS	5,180,283	4,595,533
Capitalization:		
Common stock, $0.01 par value; 136,000 shares authorized, 59,484 and 57,724 outstanding in 2024 and 2023, respectively	595	577
Additional paid-in capital	966,975	876,583
Retained earnings	674,918	549,573
Accumulated other comprehensive loss	-7,217	0
Noncontrolling interest	3,015	3,579
Total equity	1,638,286	1,430,312
Long-term debt, net	1,104,571	1,052,768
Total capitalization	2,742,857	2,483,080
Current liabilities:		
Long-term debt, net	72,422	672
Short-term borrowings	205,000	180,000
Accounts payable	167,533	157,305
Regulatory balancing accounts	22,648	21,540
Accrued other taxes	6,084	4,591
Accrued interest	8,406	6,625
Other accrued liabilities	56,271	59,606
Total current liabilities	538,364	430,339
Deferred income taxes	411,083	352,762
Regulatory Liabilities	814,551	683,717
Pension	81,665	82,920
Advances for construction	202,614	199,448
Contributions in aid of construction	294,970	286,491
Other long-term liabilities	94,179	76,776
Contingencies and commitments (Note 15)		
TOTAL CAPITALIZATION AND LIABILITIES	$5,180,283	$4,595,533

NetPlant	4,158,704	3,773,255
Advances	202,614	199,448
CIAC	294,970	286,491
DefTax	411,083	352,762
ITC	0	0

Consolidated Balance Sheets - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Assets		
Property, plant and equipment, at cost	$16,275,377	$14,977,021
Less: accumulated depreciation	3,131,901	2,879,949
Net property, plant and equipment	13,143,476	12,097,072
Current assets:		
Cash and cash equivalents	9,156	4,612
Accounts receivable, net	166,522	144,300
Unbilled revenues	142,310	101,436
Inventory - materials and supplies	48,619	47,494
Inventory - gas stored	45,311	65,173
Prepayments and other current assets	41,139	99,884
Regulatory assets	32,854	29,080
Total current assets	485,911	491,979
Regulatory assets	1,907,786	1,766,892
Deferred charges and other assets, net	112,712	102,388
Funds restricted for construction activity	1,420	1,381
Goodwill	2,340,713	2,340,738
Operating lease right-of-use assets	31,263	37,416
Intangible assets	3,273	3,593
Total assets	18,026,554	16,841,459
Essential Utilities stockholders' equity:		
Common stock at $0.50 par value, authorized 600,000,000 shares, issued 278,209,660 and 276,595,228 as of December 31, 2024 and December 31, 2023	139,105	138,297
Capital in excess of par value	4,199,836	4,137,696
Retained earnings	1,949,492	1,706,675
Treasury stock, at cost, 3,386,069 and 3,299,191 shares as of December 31, 2024 and December 31, 2023	-89,624	-86,485
Total stockholders' equity	6,198,809	5,896,183
Long-term debt, excluding current portion	7,416,289	6,870,593
Less: debt issuance costs	47,908	44,508
Long-term debt, excluding current portion, net of debt issuance costs	7,368,381	6,826,085
Commitments and contingencies (See Note 9)		
Current liabilities:		
Current portion of long-term debt	142,807	67,415
Loans payable	186,542	160,123
Accounts payable	258,615	221,191
Book overdraft	47,714	13,358
Accrued interest	72,281	53,084
Accrued taxes	38,219	40,641
Regulatory liabilities	1,770	31,270
Dividends payable	89,441	83,929
Other accrued liabilities	137,279	126,916
Total current liabilities	974,668	797,927
Deferred credits and other liabilities:		
Deferred income taxes and investment tax credits	1,831,868	1,628,324
Customers' advances for construction	113,323	128,755
Regulatory liabilities	764,745	820,910
Asset retirement obligations	860	848
Operating lease liabilities	27,447	34,425
Pension and other postretirement benefit liabilities	33,680	38,850
Other	23,928	24,086
Total deferred credits and other liabilities	2,795,851	2,676,198
Contributions in aid of construction	688,845	645,066
Total liabilities and equity	$18,026,554	$16,841,459

NetPlant	13,143,476	12,097,072
Advances	113,323	128,755
CIAC	688,845	645,066
DefTax	1,831,868	1,628,324
ITC	0	0

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Statement of Financial Position [Abstract]		
UTILITY PLANT: Water Production	$314,924	$303,791
Transmission and Distribution	855,497	809,862
General	105,167	100,593
Construction Work in Progress	34,209	19,636
TOTAL	1,309,797	1,233,882
Less Accumulated Depreciation	254,425	235,540
UTILITY PLANT - NET	1,055,372	998,342
CURRENT ASSETS: Cash and Cash Equivalents	4,226	2,390
Accounts Receivable, net of allowance for credit losses of $2,695 and $2,137, respectively in 2024 and 2023	18,842	18,172
Litigation Settlement Receivable		69,872
Unbilled Revenues	10,764	9,297
Materials and Supplies (at average cost)	6,719	6,972
Prepayments	2,422	1,833
TOTAL CURRENT ASSETS	42,973	108,536
OTHER ASSETS: Operating Lease Right of Use Asset	2,567	3,185
Regulatory Assets	101,783	90,694
Non-utility Assets - Net	11,760	11,522
Employee Benefit Plans	36,856	21,779
Other	3,863	1,994
TOTAL OTHER ASSETS	156,829	129,174
TOTAL ASSETS	1,255,174	1,236,052
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION: Common Stock, No Par Value	248,202	246,764
Retained Earnings	197,061	176,227
TOTAL COMMON STOCKHOLDERS' EQUITY	445,263	422,991
Preferred Stock	1,635	2,084
Long-term Debt	352,822	358,153
TOTAL CAPITALIZATION	799,720	783,228
CURRENT Current Portion of Long-term Debt	7,711	7,740
LIABILITIES: Notes Payable	23,000	42,750
Accounts Payable	28,050	27,618
Litigation Settlement Payable		6,237
Accrued Taxes	11,976	10,535
Accrued Interest	2,916	3,138
Unearned Revenues and Advanced Service Fees	1,476	1,390
Other	7,759	4,421
TOTAL CURRENT LIABILITIES	82,888	103,829
COMMITMENTS AND CONTINGENT LIABILITIES (Note 4)		
OTHER LIABILITIES: Advances for Construction	22,629	21,313
Lease Obligations	2,432	3,063
Accumulated Deferred Income Taxes	101,235	88,736
Regulatory Liabilities	64,557	113,021
Other	344	592
TOTAL OTHER LIABILITIES	191,197	226,725
CONTRIBUTIONS IN AID OF CONSTRUCTION	181,369	122,270
TOTAL CAPITALIZATION AND LIABILITIES	$1,255,174	$1,236,052

NetPlant	1,055,372	998,342
Advances	22,629	21,313
CIAC	181,369	122,270
DefTax	101,235	88,736
ITC	0	0

CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Utility plant:		
Land	$44,657	$41,415
Depreciable plant and equipment	4,249,314	3,967,911
Construction work in progress	179,486	106,980
Intangible assets	51,604	35,946
Total utility plant	4,525,061	4,152,252
Less accumulated depreciation and amortization	1,036,450	981,598
Net utility plant	3,488,611	3,170,654
Nonutility properties and real estate investments	1,314	13,350
Less accumulated depreciation and amortization	98	194
Net nonutility properties and real estate investments	1,216	13,156
Current assets:		
Cash and cash equivalents	11,114	9,723
Accounts receivable:		
Customers, net of allowances for uncollectible accounts of $1,172 and $6,551 in 2024 and 2023, respectively	68,679	67,870
Income tax	5,953	5,187
Other	7,059	3,684
Accrued unbilled revenue	60,847	49,543
Assets held for sale	0	40,850
Prepaid expenses	10,297	11,110
Current regulatory assets	18,172	4,276
Other current assets	8,593	6,146
Total current assets	190,714	198,389
Other assets:		
Regulatory assets, less current portion	224,055	235,910
Investments	18,087	16,411
Postretirement benefit plans	66,422	33,794
Other intangible asset	0	28,386
Goodwill	640,311	640,311
Other	28,893	8,056
Total other assets	977,768	962,868
Total assets	4,658,309	4,345,067
Stockholders' equity:		
Common stock, $0.001 par value; authorized 70,000,000 shares in 2024 and 2023; issued and outstanding 33,629,169 shares in 2024 and 32,023,004 shares in 2023	34	32
Additional paid-in capital	827,796	736,191
Retained earnings	537,184	495,383
Accumulated other comprehensive income	1,960	1,791
Total stockholders' equity	1,366,974	1,233,397
Long-term debt, less current portion	1,706,904	1,526,699
Total capitalization	3,073,878	2,760,096
Current liabilities:		
Lines of credit	119,124	171,500
Current portion of long-term debt	3,648	48,975
Accrued groundwater extraction charges, purchased water and power	25,118	24,479
Accounts payable	56,256	46,121
Accrued interest	17,476	15,816
Accrued payroll	15,193	12,229
Current regulatory liabilities	1,122	3,059
Other current liabilities	23,236	20,795
Total current liabilities	261,173	342,974
Deferred income taxes	276,043	238,528
Advances for construction	155,397	146,582
Contributions in aid of construction	340,738	326,451
Postretirement benefit plans	45,063	46,836
Regulatory liabilities, less current portion	483,719	461,108
Other noncurrent liabilities	22,298	22,492
Commitments and contingencies		
Total capitalization and liabilities	$4,658,309	$4,345,067

NetPlant	3,488,611	3,170,654
Advances	155,397	146,582
CIAC	340,738	326,451
DefTax	276,043	238,528
ITC	0	0

Balance Sheets - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
UTILITY PLANT, at original cost	$664,927	$620,201
Plant acquisition adjustments	-9,838	-9,384
Accumulated depreciation	-124,082	-117,113
Net utility plant	531,007	493,704
OTHER PHYSICAL PROPERTY, net of accumulated depreciation of $536 in 2024 and $501 in 2023	1,534	1,569
CURRENT ASSETS:		
Cash and cash equivalents	1	1
Accounts receivable, net of reserves of $1,610 in 2024 and $1,005 in 2023	7,249	7,837
Unbilled revenues	3,604	3,484
Recoverable income taxes	587	332
Materials and supplies inventories, at cost	3,413	3,109
Prepaid expenses	1,597	821
Total current assets	16,451	15,584
OTHER LONG-TERM ASSETS:		
Prepaid pension cost	25,009	23,380
Note receivable	255	255
Deferred regulatory assets	54,061	48,949
Other assets	5,156	4,764
Total other long-term assets	84,481	77,348
Total Assets	633,473	588,205
COMMON STOCKHOLDERS' EQUITY:		
Common stock, no par value, authorized 46,500,000 shares, issued and outstanding 14,386,282 shares in 2024 and 14,332,245 shares in 2023	138,089	136,174
Retained earnings	93,103	85,004
Total common stockholders' equity	231,192	221,178
PREFERRED STOCK, authorized 500,000 shares, no shares issued	0	0
LONG-TERM DEBT	205,561	180,007
COMMITMENTS		
CURRENT LIABILITIES:		
Accounts payable	9,525	10,873
Dividends payable	2,892	2,754
Accrued compensation and benefits	1,806	1,629
Accrued interest	2,490	1,741
Deferred regulatory liabilities	864	644
Other accrued expenses	712	502
Total current liabilities	18,289	18,143
DEFERRED CREDITS:		
Customers' advances for construction	20,546	18,853
Deferred income taxes	61,157	55,235
Deferred employee benefits	3,526	3,847
Deferred regulatory liabilities	43,947	42,989
Other deferred credits	0	632
Total deferred credits	129,562	121,556
Contributions in aid of construction	48,869	47,321
Total Stockholders' Equity and Liabilities	$0	$588,205
		0
		0
NetPlant	531,007	493,704
Advances	20,546	18,853
CIAC	48,869	47,321
DefTax	61,157	55,235
ITC	0	0

Geocode	County	Municipality	2010	2020	Change		Munic. Rank
					Numeric	Percent	
051	Fayette County	Fayette County	136,606	128,804	-7,802	-5.7%	
129	Westmoreland County	Westmoreland County	365,169	354,663	-10,506	-2.9%	
05110152	Fayette County	Bullskin township	6966	6740	-226	-3.2%	1,437
05115784	Fayette County	Connellsville township	2391	2076	-315	-13.2%	2,355
05156408	Fayette County	Ohiopyle borough	59	37	-22	-37.3%	2,562
05167640	Fayette County	Saltlick township	3461	3037	-424	-12.3%	2,312
05173064	Fayette County	Springfield township	3043	2732	-311	-10.2%	2,205
05174080	Fayette County	Stewart township	731	623	-108	-14.8%	2,410
12919472	Westmoreland County	Donegal borough	120	102	-18	-15.0%	2,414
12919480	Westmoreland County	Donegal township	2403	2192	-211	-8.8%	2,096
12951888	Westmoreland County	Mount Pleasant township	10911	10119	-792	-7.3%	1,954

Cycle 12 forecast (adopted by the Commission on June 2023) by City of Pittsburgh Neighborhood Cluster and Municipality Outside Pittsburgh 2020-2050

City of Pittsburgh and county totals are at bottom of worksheet

Sorted County, Municipality

NOTE: column names in yellow cells are for mapping

		AREA IN SQUARE MILES			2020									2025					
									WORKPLACE EMPLOYMENT									WORKP	
ounty(or Pittsburgh City	Municipality (or Pittsburgh neighborhood cluster)	Total	Land	Water	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing
Fayette County	Bullskin Township	44.1173	44.0080	0.1093	2,831	2.36	13	6,695	349	50	962	374	1,735	2,831	2.21	13	6,282	336	52
Fayette County	Connellsville Township	11.4885	11.3332	0.1553	1,030	2.31	5	2,388	143	3	231	14	391	1,030	2.17	5	2,241	131	4
Fayette County	Ohiopyle Borough	0.4997	0.4180	0.0817	14	2.43	0	34	14	0	47	0	61	14	2.29	0	32	14	0
Fayette County	Saltlick Township	37.5404	37.5194	0.0209	1,363	2.39	26	3,287	65	46	313	91	515	1,363	2.25	26	3,086	56	50
Fayette County	Springhill Township	34.2711	33.7722	0.4989	1,021	2.72	0	2,775	8	1	151	69	229	1,021	2.55	0	2,604	5	1
Fayette County	Stewart Township	50.8182	50.3464	0.4718	294	2.07	0	610	17	83	989	8	1,097	294	1.95	0	572	17	89
Westmoreland County	Donegal Borough	0.2271	0.2271	0.0000	57	2.63	0	150	0	0	39	0	39	57	2.56	0	146	0	0
Westmoreland County	Donegal Township	49.2285	49.1014	0.1271	990	2.36	56	2,388	199	16	385	237	837	990	2.29	56	2,325	217	16
Westmoreland County	Mount Pleasant Township	55.5001	55.3592	0.1409	4,790	2.17	38	10,422	558	272	1,286	494	2,610	4,790	2.11	38	10,144	563	259

		AREA IN SQUARE MILES			2020									2025					
									WORKPLACE EMPLOYMENT									WORKP	
County/region totals		Total	Land	Water	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing
Allegheny County	744.1965	729.8944	14.3021	545,695.0000	2	34052.00	1,218,456	114,248	35,109	641,470	65,478	856,305	545,675	2	33976.00	1,189,095	119,202	38,796	701,285
Armstrong County	663.9453	653.2945	10.6508	28,035.0000	2	718.00	65,279	3,780	1,963	12,757	4,215	22,715	28,032	2	795.00	61,410	3,685	2,228	13,312
Beaver County	443.995	434.6665	9.3285	72,086.0000	2	2935.00	164,783	11,763	6,387	41,185	11,644	70,979	72,086	2	2933.00	156,202	11,327	7,011	42,467
Butler County	795.6504	789.4748	6.1756	77,725.0000	2	5579.00	187,785	18,543	11,320	67,869	14,443	112,175	77,725	2	5592.00	189,052	19,404	12,594	74,090
Fayette County	798.7293	790.7615	7.9678	55,346.0000	2	5104.00	130,336	8,904	3,587	31,079	6,311	49,881	55,346	2	5097.00	122,593	8,525	3,898	32,681
Greene County	577.9918	575.9466	2.0452	14,503.0000	2	3600.00	36,492	2,278	424	8,130	5,239	16,071	14,505	2	3592.00	33,291	2,320	448	8,705
Indiana County	834.3323	827.3499	6.9824	33,855.0000	2	5568.00	84,476	6,599	2,107	23,534	7,201	39,441	33,855	2	5555.00	79,642	6,519	2,294	24,293
Lawrence County	361.7857	357.3750	4.4107	37,300.0000	2	2198.00	86,120	6,273	3,643	22,527	4,900	37,343	37,300	2	2226.00	81,006	6,093	3,953	23,686
Washington County	860.7984	856.9585	3.8399	85,201.0000	2	5471.00	207,077	16,293	8,555	66,231	20,364	111,443	85,201	2	5475.00	205,749	16,832	9,448	72,409
Westmoreland County	1035.8578	1,027.6367	8.2211	153,772.0000	2	8061.00	350,738	31,828	17,799	98,938	20,193	168,758	153,772	2	8045.00	341,553	32,062	19,646	106,214
SPC Region	7117.2824	7,043.3584	73.9239	############	2	73286.00	2,531,542	220,509	90,894	1,013,720	159,988	1,485,111	1,103,497	2	73286.00	2,459,593	225,969	100,316	1,099,142

Cycle 12 forecast (adopted by th

City of Pittsburgh and county totals ar

Sorted County, Municipality

NOTE: column names in yellow cells are for m

ounty(or Pittsburgh City	Municipality (or Pittsburgh neighborhood cluster)	PLACE EMPLOYMENT Services	Other	Total	Households	Average household size
Fayette County	Bullskin Township	1,003	338	1,729	2,770	2.27
Fayette County	Connellsville Township	229	12	376	954	2.25
Fayette County	Ohiopyle Borough	51	0	65	10	2.40
Fayette County	Saltlick Township	289	82	477	1,260	2.29
Fayette County	Springhill Township	98	60	164	894	2.69
Fayette County	Stewart Township	1,037	8	1,151	284	1.90
Westmoreland County	Donegal Borough	42	0	42	53	2.81
Westmoreland County	Donegal Township	442	217	892	1,051	2.38
Westmoreland County	Mount Pleasant Township	1,369	459	2,650	4,866	2.12

County/region totals		PLACE EMPLOYMENT Services	Other	Total	Households	Average household size
Allegheny County	744.1965	64,774	924,057	538,773	2	33976.00
Armstrong County	663.9453	3,999	23,224	26,691	2	795.00
Beaver County	443.995	10,454	71,259	69,490	2	2933.00
Butler County	795.6504	14,950	121,038	79,603	2	5592.00
Fayette County	798.7293	5,796	50,900	52,886	2	5097.00
Greene County	577.9918	5,155	16,628	13,445	2	3592.00
Indiana County	834.3323	6,959	40,065	32,188	2	5555.00
Lawrence County	361.7857	4,385	38,117	35,852	2	2226.00
Washington County	860.7984	20,283	118,972	84,995	2	5475.00
Westmoreland County	1035.8578	19,299	177,221	152,142	2	8045.00
SPC Region	7117.2824	156,054	1,581,481	1,086,065	2	73286.00

Cycle 12 forecast (adopted by th

City of Pittsburgh and county totals ar

Sorted County, Municipality

NOTE: column names in yellow cells are for m

		2030							2035								
				WORKPLACE EMPLOYMENT									WORKPLACE EMPLOYMENT				
ounty(or Pittsburgh City	Municipality (or Pittsburgh neighborhood cluster)	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Fayette County	Bullskin Township	13	6,299	329	51	1,028	355	1,763	2,778	2.29	13	6,374	329	52	1,056	363	1,800
Fayette County	Connellsville Township	5	2,152	124	4	227	13	368	914	2.30	5	2,106	122	3	230	14	369
Fayette County	Ohiopyle Borough	0	24	13	0	51	0	64	9	2.44	0	22	13	0	52	0	65
Fayette County	Saltlick Township	26	2,912	50	49	274	85	458	1,208	2.31	26	2,822	47	50	269	88	454
Fayette County	Springhill Township	0	2,403	2	1	67	58	128	842	2.77	0	2,332	2	1	55	58	116
Fayette County	Stewart Township	0	539	17	89	1,053	8	1,167	284	1.84	0	523	16	96	1,060	9	1,181
Westmoreland County	Donegal Borough	0	149	0	0	42	0	42	52	2.87	0	149	0	0	43	1	44
Westmoreland County	Donegal Township	56	2,556	224	15	471	225	935	1,135	2.38	56	2,754	232	17	494	226	969
Westmoreland County	Mount Pleasant Township	38	10,356	563	242	1,407	470	2,682	5,080	2.08	38	10,580	574	246	1,461	458	2,739

		2030							2035								
				WORKPLACE EMPLOYMENT									WORKPLACE EMPLOYMENT				
County/region totals		Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Allegheny County	744.1965	1,203,248	116,426	38,804	706,121	64,783	926,134	550,455	2	33976.00	1,207,753	114,919	40,216	707,656	63,076	925,867	556,360
Armstrong County	663.9453	60,901	3,620	2,255	13,509	4,079	23,463	26,771	2	795.00	61,236	3,606	2,317	13,611	4,150	23,684	27,165
Beaver County	443.995	156,511	11,096	7,263	42,923	10,949	72,231	70,522	2	2933.00	157,585	10,963	7,614	43,151	10,903	72,631	71,676
Butler County	795.6504	195,205	19,336	12,509	75,393	15,258	122,496	83,357	2	5592.00	200,977	19,387	12,877	76,464	15,159	123,887	86,727
Fayette County	798.7293	119,285	8,300	3,913	33,249	6,227	51,689	52,082	2	5097.00	118,299	8,241	4,016	33,628	6,427	52,312	52,123
Greene County	577.9918	32,052	2,248	456	8,748	5,180	16,632	13,112	2	3592.00	31,641	2,212	481	8,810	5,267	16,770	13,073
Indiana County	834.3323	78,395	6,437	2,319	24,607	7,177	40,540	31,973	2	5555.00	79,154	6,468	2,409	24,993	7,362	41,232	32,571
Lawrence County	361.7857	80,612	5,993	4,000	24,181	4,739	38,913	36,267	2	2226.00	81,803	5,989	4,102	24,507	4,896	39,494	37,247
Washington County	860.7984	211,410	16,733	9,500	73,782	20,513	120,528	87,767	2	5475.00	216,645	16,744	9,818	74,631	20,404	121,597	90,301
Westmoreland County	1035.8578	345,488	31,642	19,707	108,032	20,232	179,613	155,787	2	8045.00	349,907	31,573	20,295	108,868	20,208	180,944	159,232
SPC Region	7117.2824	2,483,107	221,831	100,726	1,110,545	159,137	1,592,239	1,108,093	2	73286.00	2,505,000	220,102	104,145	1,116,319	157,852	1,598,418	1,126,475

Cycle 12 forecast (adopted by th

City of Pittsburgh and county totals ar

Sorted County, Municipality

NOTE: column names in yellow cells are for m

		2040									2045								
						WORKPLACE EMPLOYMENT									WORKPLACE EMPLOYMENT				
ounty(or Pittsburgh City	Municipality (or Pittsburgh neighborhood cluster)	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Fayette County	Bullskin Township	2,828	2.28	13	6,464	332	53	1,083	361	1,829	2,886	2.26	13	6,522	335	56	1,104	358	1,853
Fayette County	Connellsville Township	896	2.32	5	2,082	123	4	235	14	376	887	2.32	5	2,063	125	5	240	16	386
Fayette County	Ohiopyle Borough	8	2.62	0	21	12	0	52	23	87	8	2.50	0	20	9	0	37	45	91
Fayette County	Saltlick Township	1,188	2.31	26	2,776	49	51	274	89	463	1,188	2.30	26	2,763	48	53	278	89	468
Fayette County	Springhill Township	822	2.80	0	2,300	2	1	50	57	110	811	2.80	0	2,274	2	1	47	56	106
Fayette County	Stewart Township	286	1.80	0	514	16	100	1,059	10	1,185	290	1.76	0	511	16	108	1,060	11	1,195
Westmoreland County	Donegal Borough	51	2.88	0	147	0	0	43	1	44	50	2.90	0	145	0	0	43	2	45
Westmoreland County	Donegal Township	1,211	2.37	56	2,926	239	18	514	215	986	1,277	2.35	56	3,062	244	18	530	203	995
Westmoreland County	Mount Pleasant Township	5,275	2.04	38	10,810	592	254	1,521	433	2,800	5,440	2.01	38	10,984	607	265	1,573	411	2,856

		2040									2045								
						WORKPLACE EMPLOYMENT									WORKPLACE EMPLOYMENT				
County/region totals		Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Allegheny County	744.1965	2	33976.00	1,210,092	115,089	42,413	713,455	63,713	934,670	560,330	2	33976.00	1,215,072	115,904	44,589	721,769	65,162	947,424	564,883
Armstrong County	663.9453	2	795.00	61,813	3,603	2,362	13,674	4,181	23,820	27,621	2	795.00	62,182	3,592	2,400	13,714	4,204	23,910	27,952
Beaver County	443.995	2	2933.00	158,935	10,940	7,951	43,467	11,007	73,365	72,795	2	2933.00	160,471	10,984	8,285	43,870	11,230	74,369	73,888
Butler County	795.6504	2	5592.00	205,837	19,564	13,486	77,592	15,151	125,793	89,507	2	5592.00	209,322	19,716	14,095	78,734	15,229	127,774	91,535
Fayette County	798.7293	2	5097.00	118,122	8,250	4,133	33,949	6,457	52,789	52,398	2	5097.00	117,914	8,254	4,246	34,238	6,472	53,210	52,561
Greene County	577.9918	2	3592.00	31,658	2,213	508	8,907	5,339	16,967	13,180	2	3592.00	31,873	2,220	529	9,017	5,439	17,205	13,344
Indiana County	834.3323	2	5555.00	79,580	6,480	2,498	25,173	7,367	41,518	32,962	2	5555.00	78,737	6,442	2,587	25,207	7,350	41,586	32,735
Lawrence County	361.7857	2	2226.00	83,241	6,029	4,204	24,793	4,953	39,979	38,226	2	2226.00	84,524	6,086	4,306	25,088	5,011	40,491	39,036
Washington County	860.7984	2	5475.00	221,205	16,878	10,160	75,754	20,415	123,207	92,477	2	5475.00	224,719	16,998	10,484	76,911	20,575	124,968	94,146
Westmoreland County	1035.8578	2	8045.00	354,151	31,763	21,131	109,863	20,216	182,973	162,293	2	8045.00	356,878	31,918	22,025	110,736	20,272	184,951	164,441
SPC Region	7117.2824	2	73286.00	2,524,634	220,809	108,846	1,126,627	158,799	1,615,081	1,141,789	2	73286.00	2,541,692	222,114	113,546	1,139,284	160,944	1,635,888	1,154,521

Cycle 12 forecast (adopted by th

City of Pittsburgh and county totals ar

Sorted County, Municipality

NOTE: column names in yellow cells are for m

		2050								
						WORKPLACE EMPLOYMENT				
ounty(or Pittsburgh City	Municipality (or Pittsburgh neighborhood cluster)	Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Fayette County	Bullskin Township	2,931	2.23	13	6,546	338	56	1,125	360	1,879
Fayette County	Connellsville Township	888	2.32	5	2,066	127	5	245	17	394
Fayette County	Ohiopyle Borough	8	2.50	0	20	4	2	18	69	93
Fayette County	Saltlick Township	1,189	2.30	26	2,756	49	54	284	89	476
Fayette County	Springhill Township	802	2.80	0	2,249	2	3	43	55	103
Fayette County	Stewart Township	293	1.74	0	509	15	115	1,067	13	1,210
Westmoreland County	Donegal Borough	50	2.90	0	145	0	0	44	3	47
Westmoreland County	Donegal Township	1,327	2.34	56	3,160	248	19	542	193	1,002
Westmoreland County	Mount Pleasant Township	5,552	1.99	38	11,086	621	276	1,622	394	2,913

		2050								
						WORKPLACE EMPLOYMENT				
County/region totals		Households	Average household size	Group-quarter population	Total population	Retail	Manufac-turing	Services	Other	Total
Allegheny County	744.1965	2	33976.00	1,230,774	118,238	47,046	735,972	67,643	968,899	968,899
Armstrong County	663.9453	2	795.00	62,211	3,589	2,455	13,791	4,242	24,077	24,077
Beaver County	443.995	2	2933.00	162,307	11,125	8,668	44,514	11,573	75,880	75,880
Butler County	795.6504	2	5592.00	211,582	19,971	14,771	80,190	15,397	130,329	130,329
Fayette County	798.7293	2	5097.00	117,657	8,303	4,365	34,698	6,522	53,888	53,888
Greene County	577.9918	2	3592.00	32,022	2,226	560	9,161	5,538	17,485	17,485
Indiana County	834.3323	2	5555.00	76,777	6,389	2,690	25,242	7,357	41,678	41,678
Lawrence County	361.7857	2	2226.00	85,347	6,145	4,424	25,432	5,067	41,068	41,068
Washington County	860.7984	2	5475.00	227,386	17,190	10,861	78,372	20,846	127,269	127,269
Westmoreland County	1035.8578	2	8045.00	358,128	32,208	23,016	112,065	20,484	187,773	187,773
SPC Region	7117.2824	2	73286.00	2,564,191	225,384	118,856	1,159,437	164,669	1,668,346	1,766,356

State-Level Census Counts, 1900 to 2020

State	1900	1910	1920	1980	1990	2000	2010	2020
United States	76,212,168	92,228,496	106,021,537	226,545,805	248,709,873	281,421,906	308,745,538	331,449,281
Alabama	1,828,697	2,138,093	2,348,174	3,893,888	4,040,587	4,447,100	4,779,736	5,024,279
Alaska	63,592	64,356	55,036	401,851	550,043	626,932	710,231	733,391
Arizona	122,931	204,354	334,162	2,718,215	3,665,228	5,130,632	6,392,017	7,151,502
Arkansas	1,311,564	1,574,449	1,752,204	2,286,435	2,350,725	2,673,400	2,915,918	3,011,524
California	1,485,053	2,377,549	3,426,861	23,667,902	29,760,021	33,871,648	37,253,956	39,538,223
Colorado	539,700	799,024	939,629	2,889,964	3,294,394	4,301,261	5,029,196	5,773,714
Connecticut	908,420	1,114,756	1,380,631	3,107,576	3,287,116	3,405,565	3,574,097	3,605,944
Delaware	184,735	202,322	223,003	594,338	666,168	783,600	897,934	989,948
District of Columbia	278,718	331,069	437,571	638,333	606,900	572,059	601,723	689,545
Florida	528,542	752,619	968,470	9,746,324	12,937,926	15,982,378	18,801,310	21,538,187
Georgia	2,216,331	2,609,121	2,895,832	5,463,105	6,478,216	8,186,453	9,687,653	10,711,908
Hawaii	154,001	191,874	255,881	964,691	1,108,229	1,211,537	1,360,301	1,455,271
Idaho	161,772	325,594	431,866	943,935	1,006,749	1,293,953	1,567,582	1,839,106
Illinois	4,821,550	5,638,591	6,485,280	11,426,518	11,430,602	12,419,293	12,830,632	12,812,508
Indiana	2,516,462	2,700,876	2,930,390	5,490,224	5,544,159	6,080,485	6,483,802	6,785,528
Iowa	2,231,853	2,224,771	2,404,021	2,913,808	2,776,755	2,926,324	3,046,355	3,190,369
Kansas	1,470,495	1,690,949	1,769,257	2,363,679	2,477,574	2,688,418	2,853,118	2,937,880
Kentucky	2,147,174	2,289,905	2,416,630	3,660,777	3,685,296	4,041,769	4,339,367	4,505,836
Louisiana	1,381,625	1,656,388	1,798,509	4,205,900	4,219,973	4,468,976	4,533,372	4,657,757
Maine	694,466	742,371	768,014	1,124,660	1,227,928	1,274,923	1,328,361	1,362,359
Maryland	1,188,044	1,295,346	1,449,661	4,216,975	4,781,468	5,296,486	5,773,552	6,177,224
Massachusetts	2,805,346	3,366,416	3,852,356	5,737,037	6,016,425	6,349,097	6,547,629	7,029,917
Michigan	2,420,982	2,810,173	3,668,412	9,262,078	9,295,297	9,938,444	9,883,640	10,077,331
Minnesota	1,751,394	2,075,708	2,387,125	4,075,970	4,375,099	4,919,479	5,303,925	5,706,494
Mississippi	1,551,270	1,797,114	1,790,618	2,520,638	2,573,216	2,844,658	2,967,297	2,961,279
Missouri	3,106,665	3,293,335	3,404,055	4,916,686	5,117,073	5,595,211	5,988,927	6,154,913
Montana	243,329	376,053	548,889	786,690	799,065	902,195	989,415	1,084,225
Nebraska	1,066,300	1,192,214	1,296,372	1,569,825	1,578,385	1,711,263	1,826,341	1,961,504
Nevada	42,335	81,875	77,407	800,493	1,201,833	1,998,257	2,700,551	3,104,614
New Hampshire	411,588	430,572	443,083	920,610	1,109,252	1,235,786	1,316,470	1,377,529
New Jersey	1,883,669	2,537,167	3,155,900	7,364,823	7,730,188	8,414,350	8,791,894	9,288,994
New Mexico	195,310	327,301	360,350	1,302,894	1,515,069	1,819,046	2,059,179	2,117,522
New York	7,268,894	9,113,614	10,385,227	17,558,072	17,990,455	18,976,457	19,378,102	20,201,249
North Carolina	1,893,810	2,206,287	2,559,123	5,881,766	6,628,637	8,049,313	9,535,483	10,439,388
North Dakota	319,146	577,056	646,872	652,717	638,800	642,200	672,591	779,094
Ohio	4,157,545	4,767,121	5,759,394	10,797,630	10,847,115	11,353,140	11,536,504	11,799,448
Oklahoma	790,391	1,657,155	2,028,283	3,025,290	3,145,585	3,450,654	3,751,351	3,959,353
Oregon	413,536	672,765	783,389	2,633,105	2,842,321	3,421,399	3,831,074	4,237,256
Pennsylvania	6,302,115	7,665,111	8,720,017	11,863,895	11,881,643	12,281,054	12,702,379	13,002,700
Rhode Island	428,556	542,610	604,397	947,154	1,003,464	1,048,319	1,052,567	1,097,379
South Carolina	1,340,316	1,515,400	1,683,724	3,121,820	3,486,703	4,012,012	4,625,364	5,118,425
South Dakota	401,570	583,888	636,547	690,768	696,004	754,844	814,180	886,667
Tennessee	2,020,616	2,184,789	2,337,885	4,591,120	4,877,185	5,689,283	6,346,105	6,910,840
Texas	3,048,710	3,896,542	4,663,228	14,229,191	16,986,510	20,851,820	25,145,561	29,145,505
Utah	276,749	373,351	449,396	1,461,037	1,722,850	2,233,169	2,763,885	3,271,616
Vermont	343,641	355,956	352,428	511,456	562,758	608,827	625,741	643,077
Virginia	1,854,184	2,061,612	2,309,187	5,346,818	6,187,358	7,078,515	8,001,024	8,631,393
Washington	518,103	1,141,990	1,356,621	4,132,156	4,866,692	5,894,121	6,724,540	7,705,281
West Virginia	958,800	1,221,119	1,463,701	1,949,644	1,793,477	1,808,344	1,852,994	1,793,716
Wisconsin	2,069,042	2,333,860	2,632,067	4,705,767	4,891,769	5,363,675	5,686,986	5,893,718
Wyoming	92,531	145,965	194,402	469,557	453,588	493,782	563,626	576,851

Source: STATS Indiana, using U.S. Census Bureau data

	WORKING NOTES										WORKING NOTES	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS Property, plant and equipment	-	-	-		33,029,748	33,029,748	33,513,990	35,043,990	36,573,990	38,103,990	39,633,990	41,163,990
Accumulated Depreciation	-	-	-		10,219,932	10,219,932	10,719,310	11,050,244	11,408,106	11,792,896	12,204,614	12,643,261
NET PPE	-	-	-		22,809,816	22,809,816	22,794,680	23,993,746	25,165,884	26,311,094	27,429,376	28,520,729
Total Debt	-	-	-	-	-	*2,294,126*						
Net Equity	-	-	-	-	-	*15,329,906*						
Investor Provided Capital	-	-	-	-	-	17,624,032	-					
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.76%						
										1800000	1800000	
				Muni CAPX	0	581,610	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
			IOU savings	0%			100%	100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
				CAPX	746,550	581,610	569,697	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
				Dep rate	0.00%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
				Half yr. Dep	0.00%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
				Dep on CAPX	-	5,118	5,013	15,840	15,840	15,840	15,840	15,840
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	111,983	87,242	85,455	270,000	270,000	270,000	270,000	270,000
				Dep on Retired property	-	1,535	1,504	4,752	4,752	4,752	4,752	4,752
				Dep on Prior yr. GROSS	703,714	689,166	581,324	589,846	616,774	643,702	670,630	697,558
				Total Dep	703,714	692,749	584,833	600,934	627,862	654,790	681,718	708,646
ICVWA												
Depreciation Expense	-	680,918	697,781	703,714	689,166							
				part of OCN								
				NET PPE			PURTA	0.001527765				
				Rev			Reg Assessment Fee	0.005652534				

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031
ICVWA												
	FIX CIP			CIP	$ -	$ -	$ -	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000
					part of OCN	= to DepX						
					746,550	581,610						
									191	71	72	56
					2024	2025						
						-	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges	0	2,388,093	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	1,632,540	1,634,380	1,636,220		
EDUs	0	0	0	0	3,543	3,543	3547	3551	3555	3559	3563	3567
					0	0	4.00	4.00	4.00	4.00	4	4
		0	0	0	1771.5	3543	3545	3549	3553	3557		
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	781.1196726							
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00		
		#DIV/0!	#DIV/0!	#DIV/0!	1562.239345	770.9963308						
ICVWA					C	2,600	3					
					E	3,543	4					
						0.73						
				1742000								
	Customer Growth					0	3	3	3	3	0.10%	0.10%
	Delivered to Customer		-	23.08	23	23	23	23	23	23	23	23
ICVWA	Customers		2,600	2,600	2,600	2,600	2,603	2,606	2,609	2,612	2,615	2,617
	Total Revenue (Less TAP)		2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791	3,833,118	3,837,528	3,841,653	4,422,318
										100.00%		
	avg CUST rev		934.07	1,056.58	1,064.43	1,050.63	1,050.03	1,049.42	1,469.19	1,469.19	1,469.30	1,689.70
	avg CUST flow		-	0	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	781.12	771.00	770.57	770.15	1,078.23	1,078.26	1,078.21	1,239.79
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0	0
	Rev Calculated					2,767,507	2,733,216	2,734,791	2,736,365	3,835,322	3,839,447	3,843,574

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
GROSS Property, plant and equipment	41,767,487	42,379,832	43,001,154	43,631,585	44,271,259	44,920,311	45,578,879	46,247,102	46,925,121	47,613,080	48,311,125	49,019,404	49,738,068	50,467,268
Accumulated Depreciation	13,265,622	13,897,106	14,537,850	15,187,986	15,847,654	16,516,993	17,196,145	17,885,254	18,584,465	19,293,928	20,013,792	20,744,210	21,485,336	22,237,329
NET PPE	28,501,865	28,482,726	28,463,304	28,443,599	28,423,605	28,403,318	28,382,734	28,361,848	28,340,656	28,319,152	28,297,333	28,275,194	28,252,732	28,229,939
Total Debt														
Net Equity														
Investor Provided Capital														

Depreciation / GROSS PPE

	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
	709,996	720,406	730,967	741,684	752,558	763,591	774,786	786,145	797,670	809,364	821,230	833,270	845,487	857,882
	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
	6,248	6,340	6,433	6,527	6,623	6,720	6,818	6,918	7,019	7,122	7,227	7,333	7,440	7,549
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	106,499	108,061	109,645	111,253	112,884	114,539	116,218	117,922	119,651	121,405	123,185	124,991	126,823	128,682
	1,874	1,902	1,930	1,958	1,987	2,016	2,045	2,075	2,106	2,137	2,168	2,200	2,232	2,265
	724,486	735,108	745,885	756,820	767,916	779,174	790,597	802,188	813,949	825,882	837,990	850,276	862,742	875,390
	728,860	739,546	750,388	761,389	772,552	783,878	795,370	807,031	818,862	830,867	843,049	855,409	867,949	880,674

ICVWA

Depreciation Expense

	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges														
EDUs	3571	3575	3579	3583	3587	3591	3595	3599	3603	3607	3611	3615	3619	3623
	4	4	4	4	4	4	4	4	4	4	4	4	4	4

ICVWA

	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	23	23	23	23	23	23	23	23	23	23	23	24	24	24
ICVWA	2,620	2,622	2,625	2,628	2,630	2,633	2,636	2,638	2,641	2,644	2,646	2,649	2,651	2,654
	4,426,741	4,431,167	4,657,379	4,662,036	4,666,698	4,858,219	4,863,077	4,867,941	5,067,721	5,072,789	5,230,197	5,235,427	5,424,086	5,429,510
	100.00%													
	1,689.70	1,689.70	1,774.18	1,774.18	1,774.18	1,845.15	1,845.15	1,845.15	1,918.95	1,918.95	1,976.52	1,976.52	2,045.70	2,045.70
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,239.64	1,239.49	1,301.31	1,301.15	1,301.00	1,352.89	1,352.73	1,352.58	1,406.53	1,406.37	1,448.41	1,448.25	1,498.78	1,498.62
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4,424,529	4,428,954	4,433,383	4,659,708	4,664,367	4,669,031	4,860,648	4,865,509	4,870,375	5,070,255	5,075,325	5,232,812	5,238,045	5,426,798

WORKING NOTES												WORKING NOTES
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	

					2025	2026	2027	2028	2029	2030	2031
					Change		40.0%			15.0%	
				$ 1,064.43	$ 1,050.63	$ 1,050.03	$ 1,470.04	$ 1,470.04	$ 1,470.04	$ 1,690.54	$ 1,690.54
							$ 420.01	$ -	$ -	$ 220.51	$ -
					-	1,576	1,575	3,833,118	2,204	1,919	1,921
					2,767,507	2,733,216	2,734,791	3,833,118	3,837,528	3,841,653	4,422,318
					-	-	1,093,916	-	-	576,248	-

Prior yr								
NET PURTA	0.1432%				32,664	32,642	34,359	36,038	37,677	39,279
REV Reg Assessment	0.5690%				15,645	15,654	21,887	21,912	21,937	25,240
					48,309	48,296	56,246	57,950	59,614	64,519

Indian Creek Valley Water Authority Water System Assets	
Investor Providec	17,624,032
Gross PP&E	33,029,748
Net PP&E	22,809,816
Revenues	2,749,540
EBITDA	800,890
EBIT	108,141
Customers	2,600
Population	6,780

	2020	2021	2022	2023	2024	2025	2026		
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-	0.15	LESS: EOS - Wages Wages & Benefits
LESS: EOS - Professional Services	0	0	0	0	-	-	-	0.5	LESS: EOS - Profes Net Professional Servi
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-		LESS: EOS - Elir Line Rentals
Wages			0	0	0	0	0		
Professional Services					0	0	0		
Eliminated Exp			0	0	0	0			

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		5.0%			4.0%			4.0%		3.0%		3.5%		3.2%
	$ 1,690.54	$ 1,775.07	$ 1,775.07	$ 1,775.07	$ 1,846.07	$ 1,846.07	$ 1,846.07	$ 1,919.91	$ 1,919.91	$ 1,977.51	$ 1,977.51	$ 2,046.72	$ 2,046.72	$ 2,112.22
	$ -	$ 84.53	$ -	$ -	$ 71.00	$ -	$ -	$ 73.84	$ -	$ 57.60	$ -	$ 69.21	$ -	$ 65.50
	2,211	2,213	2,216	2,329	2,331	2,333	2,429	2,432	2,434	2,534	2,536	2,615	2,618	2,712
	4,426,741	4,431,167	4,657,379	4,662,036	4,666,698	4,858,219	4,863,077	4,867,941	5,067,721	5,072,789	5,230,197	5,235,427	5,424,086	5,429,510
	-	221,558	-	-	186,668	-	-	194,718	-	152,184	-	183,240	-	173,744
												3.51%		3.53%
	40,842	40,815	40,787	40,759	40,731	40,703	40,674	40,644	40,614	40,584	40,553	40,522	40,490	40,458
	25,265	25,290	26,576	26,602	26,629	27,718	27,745	27,773	28,908	28,937	29,832	29,862	30,934	30,965
	66,107	66,105	67,363	67,361	67,360	68,421	68,419	68,417	69,522	69,521	70,385	70,384	71,424	71,423

LESS: EOS - Wages & Benefits		15% savings	15%	0.15
LESS: EOS - Professional Services	ices	50% savings	50%	0.5
LESS: EOS - Eliminated Expenses		10% savings	100%	1

Wages
Professional Services

Eliminated Exp

WORKING NOTES												WORKING NOTES
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
					included in OCN	= to DepX						
Reported CAPX - from the financials	0	108,032	552,104	1,516,365	746,550	581,610						

	2020	2021	2022	2023	2024			Assets	Per Books	Difference	
GROSS Property, plant and equipment	-	-	-	-	33,029,748			33,029,748	-		2023
Accumulated Depreciation	-	-	-	-	10,219,932			10,219,932	-		2024
NET PPE	-	-	-	-	22,809,816			22,809,816	-	22,809,816	2025
											2026
Total Debt	-	-	-	-	2,294,126			581,610			2027
Net Equity	-	-	-	-	15,329,906						2028
Investor Provided Capital	-	-	-	-	17,624,032						2029
											2030
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.76%						2031
Depreciation Expense	-	680,918	697,781	703,714	689,166	581,610.00	OCNLD Study				

	2025	2026	2027	2028	2029		
CAPX	0	0	1,800,000	1,800,000	1,800,000		1,350,000

	2025	2026	2027	2028	2029	2030	2031
XYZ's LTCP	0	0	0	0	0	0	0
ICVWA							
State of Good Repair	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
XYZ's Base CAPX	0	0	0	0	0	0	0
Base & LTCP	0	0	0	0	0	0	0
Base & LTCP & Expand WWTP	0	0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
Expand WWTP		0	0	0	0	0	0
PWD Base charge		0	0	0	0	0	0
CAPX	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Expand WWTP work area		0	0	0	0	0	0
State of Good Repair		0	0	0	0	0	0
XYZ's Base CAPX		0	0	0	0	0	0
Base & LTCP		0	0	0	0	0	0
Base & LTCP & Expand WWTP		0	0	0	0	0	0
OpEx	0	0	0	0	0	0	0

ICVWA	State of Good Repair	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%
	XYZ's Base CAPX	dummy
	Base & LTCP	dummy
	Base & LTCP & Expand WWTP	dummy
	CAPX note	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%
	State of Good Repair	No Additional O&M.
	XYZ's Base CAPX	dummy
	Base & LTCP	dummy
	Base & LTCP & Expand WWTP	dummy
	Additional OpEx note	No Additional O&M.

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Reported CAPX - from the financials														
										1.500%		3.250%		3.370%
	0.0899	28.10%								1.35%				
	0.0849	27.71%								2.850%				
GROSS Property, plant and equipment	0.0799	27.31%						39						
Accumulated Depreciation	0.0749	26.92%						41						
NET PPE	0.0699	26.52%						42						
	0.0649	26.13%						40.66666667						
Total Debt	0.0599	25.73%						13.55555556						
Net Equity	0.0549	25.34%												
Investor Provided Capital	0.0499	24.94%												
Depreciation Rate														
Depreciation Expense														
CAPX														

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of prior year-end GROSS Property, plant and equipment.

% of prior year-end GROSS Property, plant and equipment.

	WORKING NOTES										WORKING NOTES	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS Property, plant and equipment	-	-	-		33,029,748	33,029,748	33,513,990	35,043,990	36,573,990	38,103,990	39,633,990	41,163,990
Accumulated Depreciation	-	-	-		10,219,932	10,219,932	10,719,310	11,050,244	11,408,106	11,792,896	12,204,614	12,643,261
NET PPE	-	-	-		22,809,816	22,809,816	22,794,680	23,993,746	25,165,884	26,311,094	27,429,376	28,520,729
Total Debt	-	-	-	-	-	*2,294,126*						
Net Equity	-	-	-	-	-	*15,329,906*						
Investor Provided Capital	-	-	-	-	-	17,624,032	-					
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.76%						
										1800000	1800000	
				Muni CAPX	0	581,610	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
			IOU savings	0%			100%	100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
				CAPX	746,550	581,610	569,697	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
				Dep rate	0.00%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
				Half yr. Dep	0.00%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
				Dep on CAPX	-	5,118	5,013	15,840	15,840	15,840	15,840	15,840
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	111,983	87,242	85,455	270,000	270,000	270,000	270,000	270,000
				Dep on Retired property	-	1,535	1,504	4,752	4,752	4,752	4,752	4,752
				Dep on Prior yr. GROSS	703,714	689,166	581,324	589,846	616,774	643,702	670,630	697,558
				Total Dep	703,714	-	584,833	600,934	627,862	654,790	681,718	708,646
ICVWA												
Depreciation Expense	-	680,918	697,781	703,714	689,166							
				part of OCN								
				NET PPE			PURTA	0.001527765				
				Rev			Reg Assessment Fee	0.005652534				

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031
ICVWA												
	FIX CIP			CIP	$ -	$ -	$ -	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000
					part of OCN	= to DepX						
					746,550	581,610						
									191	71	72	56
					2024	2025						
						-	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges	0	2,388,093	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	1,632,540	1,634,380	1,636,220		
EDUs	0	0	0	0	3,543	3,543	3547	3551	3555	3559	3563	3567
					0	0	4.00	4.00	4.00	4.00	4	4
		0	0	0	1771.5	3543	3545	3549	3553	3557		
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	781.1196726							
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00		
		#DIV/0!	#DIV/0!	#DIV/0!	1562.239345	770.9963308						
ICVWA					C	2,600	3					
					E	3,543	4					
						0.73						
				1742000								
	Customer Growth					0	3	3	3	3	0.10%	0.10%
	Delivered to Customer		-	23.08	23	23	23	23	23	23	23	23
ICVWA	Customers		2,600	2,600	2,600	2,600	2,603	2,606	2,609	2,612	2,615	2,617
	Total Revenue (Less TAP)		2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791	3,833,118	3,837,528	3,841,653	4,422,318
										100.00%		
	avg CUST rev		934.07	1,056.58	1,064.43	1,050.63	1,050.03	1,049.42	1,469.19	1,469.19	1,469.30	1,689.70
	avg CUST flow		-	0	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	781.12	771.00	770.57	770.15	1,078.23	1,078.26	1,078.21	1,239.79
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0	0
	Rev Calculated					2,767,507	2,733,216	2,734,791	2,736,365	3,835,322	3,839,447	3,843,574

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
GROSS Property, plant and equipment	41,767,487	42,379,832	43,001,154	43,631,585	44,271,259	44,920,311	45,578,879	46,247,102	46,925,121	47,613,080	48,311,125	49,019,404	49,738,068	50,467,268
Accumulated Depreciation	13,265,622	13,897,106	14,537,850	15,187,986	15,847,654	16,516,993	17,196,145	17,885,254	18,584,465	19,293,928	20,013,792	20,744,210	21,485,336	22,237,329
NET PPE	28,501,865	28,482,726	28,463,304	28,443,599	28,423,605	28,403,318	28,382,734	28,361,848	28,340,656	28,319,152	28,297,333	28,275,194	28,252,732	28,229,939
Total Debt														
Net Equity														
Investor Provided Capital														
Depreciation / GROSS PPE														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
	709,996	720,406	730,967	741,684	752,558	763,591	774,786	786,145	797,670	809,364	821,230	833,270	845,487	857,882
	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
	6,248	6,340	6,433	6,527	6,623	6,720	6,818	6,918	7,019	7,122	7,227	7,333	7,440	7,549
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	106,499	108,061	109,645	111,253	112,884	114,539	116,218	117,922	119,651	121,405	123,185	124,991	126,823	128,682
	1,874	1,902	1,930	1,958	1,987	2,016	2,045	2,075	2,106	2,137	2,168	2,200	2,232	2,265
	724,486	735,108	745,885	756,820	767,916	779,174	790,597	802,188	813,949	825,882	837,990	850,276	862,742	875,390
	728,860	739,546	750,388	761,389	772,552	783,878	795,370	807,031	818,862	830,867	843,049	855,409	867,949	880,674
ICVWA														
Depreciation Expense														
	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges														
EDUs	3571	3575	3579	3583	3587	3591	3595	3599	3603	3607	3611	3615	3619	3623
	4	4	4	4	4	4	4	4	4	4	4	4	4	4
ICVWA														
	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	23	23	23	23	23	23	23	23	23	23	23	24	24	24
ICVWA	2,620	2,622	2,625	2,628	2,630	2,633	2,636	2,638	2,641	2,644	2,646	2,649	2,651	2,654
	4,426,741	4,431,167	4,657,379	4,662,036	4,666,698	4,858,219	4,863,077	4,867,941	5,067,721	5,072,789	5,230,197	5,235,427	5,424,086	5,429,510
	100.00%													
	1,689.70	1,689.70	1,774.18	1,774.18	1,774.18	1,845.15	1,845.15	1,845.15	1,918.95	1,918.95	1,976.52	1,976.52	2,045.70	2,045.70
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,239.64	1,239.49	1,301.31	1,301.15	1,301.00	1,352.89	1,352.73	1,352.58	1,406.53	1,406.37	1,448.41	1,448.25	1,498.78	1,498.62
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	4,424,529	4,428,954	4,433,383	4,659,708	4,664,367	4,669,031	4,860,648	4,865,509	4,870,375	5,070,255	5,075,325	5,232,812	5,238,045	5,426,798

WORKING NOTES								WORKING NOTES				
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031

					2025	2026	2027	2028	2029	2030	2031
					Change		40.0%			15.0%	
				$ 1,064.43	$ 1,050.63	$ 1,050.03	$ 1,470.04	$ 1,470.04	$ 1,470.04	$ 1,690.54	$ 1,690.54
							$ 420.01	$ -	$ -	$ 220.51	$ -
					-	1,576	1,575	3,833,118	2,204	1,919	1,921
					2,767,507	2,733,216	2,734,791	3,833,118	3,837,528	3,841,653	4,422,318
					-	-	1,093,916	-	-	576,248	-

Prior yr								
NET PURTA	0.1432%				32,664	32,642	34,359	36,038	37,677	39,279
REV Reg Assessment	0.5690%				15,645	15,654	21,887	21,912	21,937	25,240
					48,309	48,296	56,246	57,950	59,614	64,519

Indian Creek Valley Water Authority Water System Assets	
Investor Providec	17,624,032
Gross PP&E	33,029,748
Net PP&E	22,809,816
Revenues	2,749,540
EBITDA	800,890
EBIT	219,280
Customers	2,600
Population	6,780

	2020	2021	2022	2023	2024	2025	2026		
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-	0.15	LESS: EOS - Wages Wages & Benefits
LESS: EOS - Professional Services	0	0	0	0	-	-	-	0.5	LESS: EOS - Profes Net Professional Servi
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-		LESS: EOS - Elir Line Rentals
Wages			0	0	0	0	0		
Professional Services					0	0	0		
Eliminated Exp			0	0	0	0			

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		5.0%			4.0%			4.0%		3.0%		3.5%		3.2%
	$ 1,690.54	$ 1,775.07	$ 1,775.07	$ 1,775.07	$ 1,846.07	$ 1,846.07	$ 1,846.07	$ 1,919.91	$ 1,919.91	$ 1,977.51	$ 1,977.51	$ 2,046.72	$ 2,046.72	$ 2,112.22
	$ -	$ 84.53	$ -	$ -	$ 71.00	$ -	$ -	$ 73.84	$ -	$ 57.60	$ -	$ 69.21	$ -	$ 65.50
	2,211	2,213	2,216	2,329	2,331	2,333	2,429	2,432	2,434	2,534	2,536	2,615	2,618	2,712
	4,426,741	4,431,167	4,657,379	4,662,036	4,666,698	4,858,219	4,863,077	4,867,941	5,067,721	5,072,789	5,230,197	5,235,427	5,424,086	5,429,510
	-	221,558	-	-	186,668	-	-	194,718	-	152,184	-	183,240	-	173,744
												3.51%		3.53%
	40,842	40,815	40,787	40,759	40,731	40,703	40,674	40,644	40,614	40,584	40,553	40,522	40,490	40,458
	25,265	25,290	26,576	26,602	26,629	27,718	27,745	27,773	28,908	28,937	29,832	29,862	30,934	30,965
	66,107	66,105	67,363	67,361	67,360	68,421	68,419	68,417	69,522	69,521	70,385	70,384	71,424	71,423

LESS: EOS - Wages & Benefits		15% savings	15%	0.15
LESS: EOS - Professional Services	ices	50% savings	50%	0.5
LESS: EOS - Eliminated Expenses		10% savings	100%	1

Wages
Professional Services

Eliminated Exp

WORKING NOTES												WORKING NOTES
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
					included in OCN	= to DepX						
Reported CAPX - from the financials	0	108,032	552,104	1,516,365	746,550	581,610						

	2020	2021	2022	2023	2024			Assets	Per Books	Difference	
GROSS Property, plant and equipment	-	-	-	-	33,029,748			33,029,748	-		
Accumulated Depreciation	-	-	-	-	10,219,932			10,219,932	-		
NET PPE	-	-	-	-	22,809,816			22,809,816	-	22,809,816	
Total Debt	-	-	-	-	2,294,126			581,610			
Net Equity	-	-	-	-	15,329,906						
Investor Provided Capital	-	-	-	-	17,624,032						
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.76%						
Depreciation Expense	-	680,918	697,781	703,714	689,166	581,610.00	OCNLD Study				

	2025	2026	2027	2028	2029		
CAPX	0	0	1,800,000	1,800,000	1,800,000		1,350,000

			2025	2026	2027	2028	2029	2030	2031
		XYZ's LTCP	0	0	0	0	0	0	0
ICVWA		State of Good Repair	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
		XYZ's Base CAPX	0	0	0	0	0	0	0
		Base & LTCP	0	0	0	0	0	0	0
		Base & LTCP & Expand WWTP	0	0	0	0	0	0	0
		xyz LTCP		0	0	0	0	0	0
		xyz LTCP		0	0	0	0	0	0
		Expand WWTP		0	0	0	0	0	0
		PWD Base charge		0	0	0	0	0	0
		CAPX	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
		Expand WWTP work area		0	0	0	0	0	0
		State of Good Repair		0	0	0	0	0	0
		XYZ's Base CAPX		0	0	0	0	0	0
		Base & LTCP		0	0	0	0	0	0
		Base & LTCP & Expand WWTP		0	0	0	0	0	0
		OpEx	0	0	0	0	0	0	0

ICVWA	State of Good Repair	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%	
	XYZ's Base CAPX	dummy	
	Base & LTCP	dummy	
	Base & LTCP & Expand WWTP	dummy	
	CAPX note	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%	
	State of Good Repair	No Additional O&M.	
	XYZ's Base CAPX	dummy	
	Base & LTCP	dummy	
	Base & LTCP & Expand WWTP	dummy	
	Additional OpEx note	No Additional O&M.	

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Reported CAPX - from the financials														
										1.500%		3.250%		3.370%
	0.0899	28.10%								1.35%				
	0.0849	27.71%								2.850%				
GROSS Property, plant and equipment	0.0799	27.31%						39						
Accumulated Depreciation	0.0749	26.92%						41						
NET PPE	0.0699	26.52%						42						
	0.0649	26.13%						40.66666667						
Total Debt	0.0599	25.73%						13.55555556						
Net Equity	0.0549	25.34%												
Investor Provided Capital	0.0499	24.94%												
Depreciation Rate														
Depreciation Expense														
CAPX														

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of prior year-end GROSS Property, plant and equipment.

% of prior year-end GROSS Property, plant and equipment.

	WORKING NOTES										WORKING NOTES	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS Property, plant and equipment	-	-	-		33,029,748	33,029,748	33,513,990	35,043,990	36,573,990	38,103,990	39,633,990	41,163,990
Accumulated Depreciation	-	-	-		10,219,932	10,219,932	10,719,310	11,050,244	11,408,106	11,792,896	12,204,614	12,643,261
NET PPE	-	-	-		22,809,816	22,809,816	22,794,680	23,993,746	25,165,884	26,311,094	27,429,376	28,520,729
Total Debt	-	-	-	-	-	*2,294,126*						
Net Equity	-	-	-	-	-	*15,329,906*						
Investor Provided Capital	-	-	-	-	-	17,624,032	-					
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.76%						
										1800000	1800000	
				Muni CAPX	0	581,610	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
			IOU savings	0%			100%	100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
				CAPX	746,550	581,610	569,697	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
				Dep rate	0.00%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
				Half yr. Dep	0.00%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
				Dep on CAPX	-	5,118	5,013	15,840	15,840	15,840	15,840	15,840
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	111,983	87,242	85,455	270,000	270,000	270,000	270,000	270,000
				Dep on Retired property	-	1,535	1,504	4,752	4,752	4,752	4,752	4,752
				Dep on Prior yr. GROSS	703,714	689,166	581,324	589,846	616,774	643,702	670,630	697,558
				Total Dep	703,714	-	584,833	600,934	627,862	654,790	681,718	708,646
ICVWA												
Depreciation Expense	-	680,918	697,781	703,714	689,166							
				part of OCN								
				NET PPE			PURTA	0.001527765				
				Rev			Reg Assessment Fee	0.005652534				

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031
ICVWA												
	FIX CIP			CIP	$ -	$ -	$ -	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000
					part of OCN	= to DepX						
					746,550	581,610						
									191	71	72	56
					2024	2025						
						-	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges	0	2,388,093	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	1,632,540	1,634,380	1,636,220		
EDUs	0	0	0	0	3,543	3,543	3547	3551	3555	3559	3563	3567
					0	0	4.00	4.00	4.00	4.00	4	4
		0	0	0	1771.5	3543	3545	3549	3553	3557		
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	781.1196726							
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00		
		#DIV/0!	#DIV/0!	#DIV/0!	1562.239345	770.9963308						
ICVWA					C	2,600	3					
					E	3,543	4					
						0.73						
				1742000								
	Customer Growth					0	3	3	3	3	0.10%	0.10%
	Delivered to Customer		-	23.08	23	23	23	23	23	23	23	23
ICVWA	Customers		2,600	2,600	2,600	2,600	2,603	2,606	2,609	2,612	2,615	2,617
	Total Revenue (Less TAP)		2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791	4,928,294	4,933,964	4,939,268	5,933,048
										100.00%		
	avg CUST rev		934.07	1,056.58	1,064.43	1,050.63	1,050.03	1,049.42	1,888.96	1,888.96	1,889.10	2,266.92
	avg CUST flow		-	0	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	781.12	771.00	770.57	770.15	1,386.30	1,386.33	1,386.27	1,663.32
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0	0
	Rev Calculated					2,767,507	2,733,216	2,734,791	2,736,365	4,931,127	4,936,431	4,941,738

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
GROSS Property, plant and equipment	41,767,487	42,379,832	43,001,154	43,631,585	44,271,259	44,920,311	45,578,879	46,247,102	46,925,121	47,613,080	48,311,125	49,019,404	49,738,068	50,467,268
Accumulated Depreciation	13,265,622	13,897,106	14,537,850	15,187,986	15,847,654	16,516,993	17,196,145	17,885,254	18,584,465	19,293,928	20,013,792	20,744,210	21,485,336	22,237,329
NET PPE	28,501,865	28,482,726	28,463,304	28,443,599	28,423,605	28,403,318	28,382,734	28,361,848	28,340,656	28,319,152	28,297,333	28,275,194	28,252,732	28,229,939
Total Debt														
Net Equity														
Investor Provided Capital														
Depreciation / GROSS PPE														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
	709,996	720,406	730,967	741,684	752,558	763,591	774,786	786,145	797,670	809,364	821,230	833,270	845,487	857,882
	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%	1.76%
	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%	0.88%
	6,248	6,340	6,433	6,527	6,623	6,720	6,818	6,918	7,019	7,122	7,227	7,333	7,440	7,549
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	106,499	108,061	109,645	111,253	112,884	114,539	116,218	117,922	119,651	121,405	123,185	124,991	126,823	128,682
	1,874	1,902	1,930	1,958	1,987	2,016	2,045	2,075	2,106	2,137	2,168	2,200	2,232	2,265
	724,486	735,108	745,885	756,820	767,916	779,174	790,597	802,188	813,949	825,882	837,990	850,276	862,742	875,390
	728,860	739,546	750,388	761,389	772,552	783,878	795,370	807,031	818,862	830,867	843,049	855,409	867,949	880,674
ICVWA														
Depreciation Expense														
	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges														
EDUs	3571	3575	3579	3583	3587	3591	3595	3599	3603	3607	3611	3615	3619	3623
	4	4	4	4	4	4	4	4	4	4	4	4	4	4
ICVWA														
	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	23	23	23	23	23	23	23	23	23	23	23	24	24	24
ICVWA	2,620	2,622	2,625	2,628	2,630	2,633	2,636	2,638	2,641	2,644	2,646	2,649	2,651	2,654
	5,938,981	5,944,920	6,843,495	6,850,338	6,857,189	7,104,288	7,111,392	7,118,503	7,375,019	7,382,394	7,559,741	7,567,301	7,749,090	7,756,839
	100.00%													
	2,266.92	2,266.92	2,606.96	2,606.96	2,606.96	2,698.20	2,698.20	2,698.20	2,792.64	2,792.64	2,856.87	2,856.87	2,922.58	2,922.58
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,663.11	1,662.91	1,912.12	1,911.90	1,911.68	1,978.36	1,978.13	1,977.91	2,046.91	2,046.69	2,093.53	2,093.31	2,141.22	2,141.00
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	5,936,015	5,941,950	5,947,892	6,846,917	6,853,763	6,860,618	7,107,840	7,114,948	7,122,062	7,378,707	7,386,085	7,563,521	7,571,085	7,752,965

WORKING NOTES								WORKING NOTES				
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031

					2025	2026	2027	2028	2029	2030	2031
					Change		80.0%			20.0%	
				$ 1,064.43	$ 1,050.63	$ 1,050.03	$ 1,890.05	$ 1,890.05	$ 1,890.05	$ 2,268.05	$ 2,268.05
							$ 840.02	$ -	$ -	$ 378.01	$ -
					-	1,576	1,575	4,928,294	2,833	2,467	2,470
					2,767,507	2,733,216	2,734,791	4,928,294	4,933,964	4,939,268	5,933,048
					-	-	2,187,833	-	-	987,854	-

Prior yr									
NET PURTA	0.1432%			32,664	32,642	34,359	36,038	37,677	39,279
REV Reg Assessment	0.5690%			15,645	15,654	28,112	28,144	28,176	33,827
				48,309	48,296	62,471	64,182	65,853	73,106

Indian Creek Valley Water Authority Water System Assets	
Investor Providec	17,624,032
Gross PP&E	33,029,748
Net PP&E	22,809,816
Revenues	2,749,540
EBITDA	800,890
EBIT	219,280
Customers	2,600
Population	6,780

	2020	2021	2022	2023	2024	2025	2026		
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-	0.15	LESS: EOS - Wages Wages & Benefits
LESS: EOS - Professional Services	0	0	0	0	-	-	-	0.5	LESS: EOS - Profes Net Professional Servi
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-		LESS: EOS - Elir Line Rentals
Wages			0	0	0	0	0		
Professional Services					0	0	0		
Eliminated Exp			0	0	0	0			

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		15.0%			3.5%			3.5%		2.3%		2.3%		2.3%
	$ 2,268.05	$ 2,608.26	$ 2,608.26	$ 2,608.26	$ 2,699.55	$ 2,699.55	$ 2,699.55	$ 2,794.04	$ 2,794.04	$ 2,858.30	$ 2,858.30	$ 2,924.04	$ 2,924.04	$ 2,991.29
	$ -	$ 340.21	$ -	$ -	$ 91.29	$ -	$ -	$ 94.48	$ -	$ 64.26	$ -	$ 65.74	$ -	$ 67.25
	2,967	2,969	2,972	3,422	3,425	3,429	3,552	3,556	3,559	3,688	3,691	3,780	3,784	3,875
	5,938,981	5,944,920	6,843,495	6,850,338	6,857,189	7,104,288	7,111,392	7,118,503	7,375,019	7,382,394	7,559,741	7,567,301	7,749,090	7,756,839
	-	891,738	-	-	240,002	-	-	249,148	-	169,795	-	174,048	-	178,407
												2.38%		2.43%
	40,842	40,815	40,787	40,759	40,731	40,703	40,674	40,644	40,614	40,584	40,553	40,522	40,490	40,458
	33,861	33,895	39,002	39,041	39,080	40,485	40,525	40,566	42,024	42,066	43,074	43,117	44,150	44,194
	74,703	74,710	79,789	79,800	79,811	81,188	81,199	81,210	82,638	82,650	83,627	83,639	84,640	84,652

LESS: EOS - Wages & Benefits		15% savings	15%	0.15
LESS: EOS - Professional Services	ices	50% savings	50%	0.5
LESS: EOS - Eliminated Expenses		10% savings	100%	1

Wages
Professional Services

Eliminated Exp

WORKING NOTES												WORKING NOTES
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
					included in OCN	= to DepX						
Reported CAPX - from the financials	0	108,032	552,104	1,516,365	746,550	581,610						

	2020	2021	2022	2023	2024			Assets	Per Books	Difference	
GROSS Property, plant and equipment	-	-	-	-	33,029,748			33,029,748	-		2023
Accumulated Depreciation	-	-	-	-	10,219,932			10,219,932	-		2024
NET PPE	-	-	-	-	22,809,816			22,809,816	-	22,809,816	2025
											2026
Total Debt	-	-	-	-	2,294,126			581,610			2027
Net Equity	-	-	-	-	15,329,906						2028
Investor Provided Capital	-	-	-	-	17,624,032						2029
											2030
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.76%						2031
Depreciation Expense	-	680,918	697,781	703,714	689,166	581,610.00	OCNLD Study				

	2025	2026	2027	2028	2029		
CAPX	0	0	1,800,000	1,800,000	1,800,000		1,350,000

			2025	2026	2027	2028	2029	2030	2031
		XYZ's LTCP	0	0	0	0	0	0	0
ICVWA		State of Good Repair	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
		XYZ's Base CAPX	0	0	0	0	0	0	0
		Base & LTCP	0	0	0	0	0	0	0
		Base & LTCP & Expand WWTP	0	0	0	0	0	0	0
		xyz LTCP		0	0	0	0	0	0
		xyz LTCP		0	0	0	0	0	0
		Expand WWTP		0	0	0	0	0	0
		PWD Base charge		0	0	0	0	0	0
		CAPX	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
		Expand WWTP work area		0	0	0	0	0	0
		State of Good Repair		0	0	0	0	0	0
		XYZ's Base CAPX		0	0	0	0	0	0
		Base & LTCP		0	0	0	0	0	0
		Base & LTCP & Expand WWTP		0	0	0	0	0	0
		OpEx	0	0	0	0	0	0	0

ICVWA	State of Good Repair	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%	
	XYZ's Base CAPX	dummy	
	Base & LTCP	dummy	
	Base & LTCP & Expand WWTP	dummy	
	CAPX note	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.72%	
	State of Good Repair	No Additional O&M.	
	XYZ's Base CAPX	dummy	
	Base & LTCP	dummy	
	Base & LTCP & Expand WWTP	dummy	
	Additional OpEx note	No Additional O&M.	

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Reported CAPX - from the financials														
										1.500%		3.250%		3.370%
	0.0899	28.10%								1.35%				
	0.0849	27.71%								2.850%				
GROSS Property, plant and equipment	0.0799	27.31%						39						
Accumulated Depreciation	0.0749	26.92%						41						
NET PPE	0.0699	26.52%						42						
	0.0649	26.13%						40.66666667						
Total Debt	0.0599	25.73%						13.55555556						
Net Equity	0.0549	25.34%												
Investor Provided Capital	0.0499	24.94%												
Depreciation Rate														
Depreciation Expense														

CAPX

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of prior year-end GROSS Property, plant and equipment.

% of prior year-end GROSS Property, plant and equipment.

	WORKING NOTES										WORKING NOTES	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS Property, plant and equipment	-	-	-		53,500,000	53,500,000	54,195,222	55,725,222	57,255,222	58,785,222	60,315,222	61,845,222
Accumulated Depreciation	-	-	-		-	-	716,380	1,301,654	1,910,795	2,543,804	3,200,682	3,881,427
NET PPE	-	-	-		53,500,000	53,500,000	53,478,842	54,423,568	55,344,427	56,241,418	57,114,540	57,963,795
Total Debt	-	-	-	-	-	*2,294,126*						
Net Equity	-	-	-	-	-	*15,329,906*						
Investor Provided Capital	-	-	-	-	-	17,624,032	-					
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.56%				1800000	1800000	
				Muni CAPX	0	581,610	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
			IOU savings	0%			100%	100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.53%	1.53%	1.53%	1.53%	1.53%	1.53%
				CAPX	746,550	581,610	817,908	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
				Dep rate	0.00%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
				Half yr. Dep	0.00%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%
				Dep on CAPX	-	4,537	6,380	14,040	14,040	14,040	14,040	14,040
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	111,983	87,242	122,686	270,000	270,000	270,000	270,000	270,000
				Dep on Retired property	-	1,361	1,914	4,212	4,212	4,212	4,212	4,212
				Dep on Prior yr. GROSS	703,714	689,166	834,600	845,445	869,313	893,181	917,049	940,917
				Total Dep	703,714	-	839,066	855,273	879,141	903,009	926,877	950,745
ICVWA												
Depreciation Expense	-	680,918	697,781	703,714	689,166							
				part of OCN								
				NET PPE			PURTA	0.001527765				
				Rev			Reg Assessment Fee	0.005652534				

							1	2	3	4	5	6
					2024	2025	2026	2027	2028	2029	2030	2031
ICVWA												
	FIX CIP			CIP	$ -	$ -	$ -	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000
					part of OCN	= to DepX						
					746,550	581,610						
									191	71	72	56
					2024	2025						
						-	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges	0	2,388,093	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	1,632,540	1,634,380	1,636,220		
EDUs	0	0	0	0	3,543	3,543	3547	3551	3555	3559	3563	3567
					0	0	4.00	4.00	4.00	4.00	4	4
		0	0	0	1771.5	3543	3545	3549	3553	3557		
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	781.1196726							
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00		
		#DIV/0!	#DIV/0!	#DIV/0!	1562.239345	770.9963308						
ICVWA					C	2,600	3					
					E	3,543	4					
						0.73						
				1742000								
	Customer Growth					0	3	3	3	3	0.10%	0.10%
	Delivered to Customer		-	23.08	23	23	23	23	23	23	23	23
ICVWA	Customers		2,600	2,600	2,600	2,600	2,603	2,606	2,609	2,612	2,615	2,617
	Total Revenue (Less TAP)		2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791	4,380,706	4,385,746	4,390,460	5,273,821
										100.00%		
	avg CUST rev		934.07	1,056.58	1,064.43	1,050.63	1,050.03	1,049.42	1,679.07	1,679.08	1,679.20	2,015.04
	avg CUST flow		-	0	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	781.12	771.00	770.57	770.15	1,232.27	1,232.30	1,232.24	1,478.50
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0	0
	Rev Calculated					2,767,507	2,733,216	2,734,791	2,736,365	4,383,225	4,387,939	4,392,655

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
GROSS Property, plant and equipment	62,648,888	63,462,998	64,287,687	65,123,092	65,969,354	66,826,612	67,695,010	68,574,693	69,465,807	70,368,501	71,282,926	72,209,233	73,147,578	74,098,116
Accumulated Depreciation	4,709,551	5,548,438	6,398,225	7,259,054	8,131,071	9,014,419	9,909,245	10,815,700	11,733,933	12,664,099	13,606,353	14,560,850	15,527,752	16,507,218
NET PPE	57,939,337	57,914,560	57,889,462	57,864,038	57,838,283	57,812,193	57,785,765	57,758,993	57,731,874	57,704,402	57,676,573	57,648,383	57,619,826	57,590,898
Total Debt														
Net Equity														
Investor Provided Capital														

Depreciation / GROSS PPE

	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%
	945,490	957,776	970,222	982,830	995,602	1,008,539	1,021,645	1,034,921	1,048,370	1,061,993	1,075,794	1,089,773	1,103,935	1,118,280
	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%
	7,375	7,471	7,568	7,666	7,766	7,867	7,969	8,072	8,177	8,284	8,391	8,500	8,611	8,723
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	141,824	143,666	145,533	147,425	149,340	151,281	153,247	155,238	157,256	159,299	161,369	163,466	165,590	167,742
	2,212	2,241	2,270	2,300	2,330	2,360	2,391	2,422	2,453	2,485	2,517	2,550	2,583	2,617
	964,785	977,323	990,023	1,002,888	1,015,920	1,029,122	1,042,495	1,056,042	1,069,765	1,083,667	1,097,749	1,112,014	1,126,464	1,141,102
	969,948	982,552	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208

ICVWA

Depreciation Expense

	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges														
EDUs	3571	3575	3579	3583	3587	3591	3595	3599	3603	3607	3611	3615	3619	3623
	4	4	4	4	4	4	4	4	4	4	4	4	4	4

ICVWA

	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	23	23	23	23	23	23	23	23	23	23	23	24	24	24
ICVWA	2,620	2,622	2,625	2,628	2,630	2,633	2,636	2,638	2,641	2,644	2,646	2,649	2,651	2,654
	5,279,094	5,284,374	5,554,141	5,559,695	5,565,255	5,793,653	5,799,446	5,805,246	6,014,438	6,020,452	6,177,135	6,183,312	6,353,517	6,359,870
	100.00%													
	2,015.04	2,015.04	2,115.79	2,115.79	2,115.79	2,200.43	2,200.43	2,200.43	2,277.44	2,277.44	2,334.38	2,334.38	2,396.24	2,396.24
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,478.32	1,478.15	1,551.87	1,551.69	1,551.51	1,613.38	1,613.20	1,613.02	1,669.29	1,669.10	1,710.64	1,710.46	1,755.60	1,755.42
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	5,276,458	5,281,734	5,287,016	5,556,918	5,562,475	5,568,038	5,796,550	5,802,346	5,808,149	6,017,445	6,023,462	6,180,224	6,186,404	6,356,694

WORKING NOTES											WORKING NOTES	
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
					2025	2026	2027	2028	2029	2030	2031	
					Change		60.0%			20.0%		
				$ 1,064.43	$ 1,050.63	$ 1,050.03	$ 1,680.04	$ 1,680.04	$ 1,680.04	$ 2,016.05	$ 2,016.05	
							$ 630.02	$ -	$ -	$ 336.01	$ -	
					-	1,576	1,575	4,380,706	2,519	2,193	2,195	
					2,767,507	2,733,216	2,734,791	4,380,706	4,385,746	4,390,460	5,273,821	
					-	-	1,640,875	-	-	878,092	-	

Prior yr								
NET PURTA	0.1432%			76,612	76,582	77,935	79,253	80,538	81,788	
REV Reg Assessment	0.5690%			15,645	15,654	24,999	25,028	25,057	30,080	
				92,257	92,236	102,934	104,281	105,595	111,868	

Indian Creek Valley Water Authority Water System Assets	
Investor Providec	17,624,032
Gross PP&E	53,500,000
Net PP&E	53,500,000
Revenues	2,749,540
EBITDA	800,890
EBIT	(33,710)
Customers	2,600
Population	6,780

	2020	2021	2022	2023	2024	2025	2026		
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-	0.15	LESS: EOS - Wages Wages & Benefits
LESS: EOS - Professional Services	0	0	0	0	-	-	-	0.5	LESS: EOS - Profes Net Professional Servi
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-		LESS: EOS - Elir Line Rentals
Wages			0	0	0	0	0		
Professional Services					0	0	0		
Eliminated Exp			0	0	0	0			

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		5.0%			4.0%			3.5%		2.5%		2.7%		2.8%
	$ 2,016.05	$ 2,116.85	$ 2,116.85	$ 2,116.85	$ 2,201.53	$ 2,201.53	$ 2,201.53	$ 2,278.58	$ 2,278.58	$ 2,335.54	$ 2,335.54	$ 2,397.43	$ 2,397.43	$ 2,463.36
	$ -	$ 100.80	$ -	$ -	$ 84.67	$ -	$ -	$ 77.05	$ -	$ 56.96	$ -	$ 61.89	$ -	$ 65.93
	2,637	2,640	2,642	2,777	2,780	2,783	2,897	2,900	2,903	3,007	3,010	3,089	3,092	3,177
	5,279,094	5,284,374	5,554,141	5,559,695	5,565,255	5,793,653	5,799,446	5,805,246	6,014,438	6,020,452	6,177,135	6,183,312	6,353,517	6,359,870
	-	264,219	-	-	222,610	-	-	203,184	-	150,511	-	163,858	-	174,896
												3.07%		3.11%
	83,004	82,969	82,934	82,898	82,861	82,824	82,787	82,749	82,711	82,672	82,633	82,593	82,552	82,512
	30,110	30,140	31,673	31,705	31,737	33,035	33,068	33,101	34,290	34,324	35,215	35,250	36,217	36,253
	113,114	113,109	114,607	114,603	114,598	115,859	115,855	115,850	117,001	116,996	117,848	117,843	118,769	118,765

LESS: EOS - Wages & Benefits		15% savings	15%	0.15
LESS: EOS - Professional Services	ices	50% savings	50%	0.5
LESS: EOS - Eliminated Expenses		10% savings	100%	1

Wages
Professional Services

Eliminated Exp

WORKING NOTES												WORKING NOTES
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
					included in OCN	= to DepX						
Reported CAPX - from the financials	0	108,032	552,104	1,516,365	746,550	581,610						

	2020	2021	2022	2023	2024	Assets	Per Books	Difference	
GROSS Property, plant and equipment	-	-	-	-	53,500,000	53,500,000	-		2023
Accumulated Depreciation	-	-	-	-	-	-	-		2024
NET PPE	-	-	-	-	53,500,000	53,500,000	-	53,500,000	2025
									2026
Total Debt	-	-	-	-	2,294,126	834,600			2027
Net Equity	-	-	-	-	15,329,906				2028
Investor Provided Capital	-	-	-	-	17,624,032				2029
									2030
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.56%				2031
Depreciation Expense	-	680,918	697,781	703,714	689,166	834,600.00	OCNLD Study		

	2025	2026	2027	2028	2029
CAPX	0	0	1,800,000	1,800,000	1,800,000

1,350,000

	2025	2026	2027	2028	2029	2030	2031
XYZ's LTCP	0	0	0	0	0	0	0
ICVWA State of Good Repair	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
XYZ's Base CAPX	0	0	0	0	0	0	0
Base & LTCP	0	0	0	0	0	0	0
Base & LTCP & Expand WWTP	0	0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
Expand WWTP		0	0	0	0	0	0
PWD Base charge		0	0	0	0	0	0
CAPX	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Expand WWTP work area		0	0	0	0	0	0
State of Good Repair		0	0	0	0	0	0
XYZ's Base CAPX		0	0	0	0	0	0
Base & LTCP		0	0	0	0	0	0
Base & LTCP & Expand WWTP		0	0	0	0	0	0
OpEx	0	0	0	0	0	0	0

ICVWA State of Good Repair	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53%
XYZ's Base CAPX	dummy
Base & LTCP	dummy
Base & LTCP & Expand WWTP	dummy
CAPX note	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53%
State of Good Repair	No Additional O&M.
XYZ's Base CAPX	dummy
Base & LTCP	dummy
Base & LTCP & Expand WWTP	dummy
Additional OpEx note	No Additional O&M.

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Reported CAPX - from the financials														
										1.500%		3.250%		3.370%
	0.0899	28.10%								1.35%				
	0.0849	27.71%								2.850%				
GROSS Property, plant and equipment	0.0799	27.31%						39						
Accumulated Depreciation	0.0749	26.92%						41						
NET PPE	0.0699	26.52%						42						
	0.0649	26.13%						40.66666667						
Total Debt	0.0599	25.73%						13.55555556						
Net Equity	0.0549	25.34%												
Investor Provided Capital	0.0499	24.94%												
Depreciation Rate														
Depreciation Expense														

CAPX

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of prior year-end GROSS Property, plant and equipment.

% of prior year-end GROSS Property, plant and equipment.

	WORKING NOTES										WORKING NOTES	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
GROSS Property, plant and equipment	-	-	-		53,500,000	53,500,000	54,195,222	55,725,222	57,255,222	58,785,222	60,315,222	61,845,222
Accumulated Depreciation	-	-	-		-	-	716,380	1,301,654	1,910,795	2,543,804	3,200,682	3,881,427
NET PPE	-	-	-		53,500,000	53,500,000	53,478,842	54,423,568	55,344,427	56,241,418	57,114,540	57,963,795
Total Debt	-	-	-	-	-	*2,294,126*						
Net Equity	-	-	-	-	-	*15,329,906*						
Investor Provided Capital	-	-	-	-	-	17,624,032	-					
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.56%				1800000	1800000	
				Muni CAPX	0	581,610	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
			IOU savings	0%			100%	100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.53%	1.53%	1.53%	1.53%	1.53%	1.53%
				CAPX	746,550	581,610	817,908	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
				Dep rate	0.00%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
				Half yr. Dep	0.00%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%
				Dep on CAPX	-	4,537	6,380	14,040	14,040	14,040	14,040	14,040
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	111,983	87,242	122,686	270,000	270,000	270,000	270,000	270,000
				Dep on Retired property	-	1,361	1,914	4,212	4,212	4,212	4,212	4,212
				Dep on Prior yr. GROSS	703,714	689,166	834,600	845,445	869,313	893,181	917,049	940,917
				Total Dep	703,714	-	839,066	855,273	879,141	903,009	926,877	950,745
ICVWA												
Depreciation Expense	-	680,918	697,781	703,714	689,166							
				part of OCN								
				NET PPE			PURTA	0.001527765				
				Rev			Reg Assessment Fee	0.005652534				

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030	6 2031
ICVWA												
	FIX CIP			CIP	$ -	$ -	$ -	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 1,800,000
					part of OCN	= to DepX						
					746,550	581,610						
									191	71	72	56
					2024	2025						
						-	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges	0	2,388,093	2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	1,632,540	1,634,380	1,636,220		
EDUs	0	0	0	0	3,543	3,543	3547	3551	3555	3559	3563	3567
					0	0	4.00	4.00	4.00	4.00	4	4
		0	0	0	1771.5	3543	3545	3549	3553	3557		
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	781.1196726							
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00		
		#DIV/0!	#DIV/0!	#DIV/0!	1562.239345	770.9963308						
ICVWA					C	2,600	3					
					E	3,543	4					
						0.73						
				1742000								
	Customer Growth					0	3	3	3	3	0.10%	0.10%
	Delivered to Customer		-	23.08	23	23	23	23	23	23	23	23
ICVWA	Customers		2,600	2,600	2,600	2,600	2,603	2,606	2,609	2,612	2,615	2,617
	Total Revenue (Less TAP)		2,428,587	2,747,112	2,767,507	2,731,640	2,733,216	2,734,791	5,202,088	5,208,073	5,213,671	7,306,439
										100.00%		
	avg CUST rev		934.07	1,056.58	1,064.43	1,050.63	1,050.03	1,049.42	1,993.90	1,993.90	1,994.05	2,791.67
	avg CUST flow		-	0	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	781.12	771.00	770.57	770.15	1,463.32	1,463.35	1,463.28	2,048.34
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0	0
	Rev Calculated					2,767,507	2,733,216	2,734,791	2,736,365	5,205,079	5,210,677	5,216,278

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
GROSS Property, plant and equipment	62,648,888	63,462,998	64,287,687	65,123,092	65,969,354	66,826,612	67,695,010	68,574,693	69,465,807	70,368,501	71,282,926	72,209,233	73,147,578	74,098,116
Accumulated Depreciation	4,709,551	5,548,438	6,398,225	7,259,054	8,131,071	9,014,419	9,909,245	10,815,700	11,733,933	12,664,099	13,606,353	14,560,850	15,527,752	16,507,218
NET PPE	57,939,337	57,914,560	57,889,462	57,864,038	57,838,283	57,812,193	57,785,765	57,758,993	57,731,874	57,704,402	57,676,573	57,648,383	57,619,826	57,590,898
Total Debt														
Net Equity														
Investor Provided Capital														
Depreciation / GROSS PPE														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%	1.53%
	945,490	957,776	970,222	982,830	995,602	1,008,539	1,021,645	1,034,921	1,048,370	1,061,993	1,075,794	1,089,773	1,103,935	1,118,280
	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%	0.78%
	7,375	7,471	7,568	7,666	7,766	7,867	7,969	8,072	8,177	8,284	8,391	8,500	8,611	8,723
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	141,824	143,666	145,533	147,425	149,340	151,281	153,247	155,238	157,256	159,299	161,369	163,466	165,590	167,742
	2,212	2,241	2,270	2,300	2,330	2,360	2,391	2,422	2,453	2,485	2,517	2,550	2,583	2,617
	964,785	977,323	990,023	1,002,888	1,015,920	1,029,122	1,042,495	1,056,042	1,069,765	1,083,667	1,097,749	1,112,014	1,126,464	1,141,102
	969,948	982,552	995,320	1,008,254	1,021,357	1,034,629	1,048,073	1,061,692	1,075,489	1,089,466	1,103,622	1,117,964	1,132,492	1,147,208
ICVWA														
Depreciation Expense														
	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00	19,000.00
Sewer Rental Charges														
EDUs	3571	3575	3579	3583	3587	3591	3595	3599	3603	3607	3611	3615	3619	3623
	4	4	4	4	4	4	4	4	4	4	4	4	4	4
ICVWA														
	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	23	23	23	23	23	23	23	23	23	23	23	24	24	24
ICVWA	2,620	2,622	2,625	2,628	2,630	2,633	2,636	2,638	2,641	2,644	2,646	2,649	2,651	2,654
	7,313,745	7,321,059	10,259,732	10,269,992	10,280,262	10,702,164	10,712,866	10,723,579	11,163,675	11,174,838	11,353,804	11,365,157	11,547,170	11,558,717
	100.00%													
	2,791.67	2,791.67	3,908.34	3,908.34	3,908.34	4,064.67	4,064.67	4,064.67	4,227.26	4,227.26	4,290.67	4,290.67	4,355.03	4,355.03
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2,048.09	2,047.85	2,866.65	2,866.31	2,865.98	2,980.27	2,979.93	2,979.60	3,098.44	3,098.10	3,144.23	3,143.89	3,190.71	3,190.37
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	7,310,092	7,317,402	7,324,720	10,264,862	10,275,127	10,285,402	10,707,515	10,718,222	10,728,941	11,169,257	11,180,425	11,359,481	11,370,840	11,552,944

WORKING NOTES											WORKING NOTES	
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
					2025	2026	2027	2028	2029	2030	2031	
					Change		90.0%			40.0%		
				$ 1,064.43	$ 1,050.63	$ 1,050.03	$ 1,995.05	$ 1,995.05	$ 1,995.05	$ 2,793.07	$ 2,793.07	
							$ 945.02	$ -	$ -	$ 798.02	$ -	
					-	1,576	1,575	5,202,088	2,991	2,604	2,607	
					2,767,507	2,733,216	2,734,791	5,202,088	5,208,073	5,213,671	7,306,439	
					-	-	2,461,312	-	-	2,085,469	-	

Prior yr									
NET PURTA	0.1432%			76,612	76,582	77,935	79,253	80,538	81,788
REV Reg Assessment	0.5690%			15,645	15,654	29,668	29,702	29,736	41,634
				92,257	92,236	107,603	108,955	110,274	123,422

Indian Creek Valley Water Authority Water System Assets	
Investor Providec	17,624,032
Gross PP&E	53,500,000
Net PP&E	53,500,000
Revenues	2,749,540
EBITDA	800,890
EBIT	(33,710)
Customers	2,600
Population	6,780

	2020	2021	2022	2023	2024	2025	2026		
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-	0.15	LESS: EOS - Wages Wages & Benefits
LESS: EOS - Professional Services	0	0	0	0	-	-	-	0.5	LESS: EOS - Profes Net Professional Servi
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-		LESS: EOS - Elir Line Rentals
Wages			0	0	0	0	0		
Professional Services					0	0	0		
Eliminated Exp			0	0	0	0			

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
		40.0%			4.0%			4.0%		1.5%		1.5%		1.5%
	$ 2,793.07	$ 3,910.29	$ 3,910.29	$ 3,910.29	$ 4,066.71	$ 4,066.71	$ 4,066.71	$ 4,229.37	$ 4,229.37	$ 4,292.82	$ 4,292.82	$ 4,357.21	$ 4,357.21	$ 4,422.57
	$ -	$ 1,117.23	$ -	$ -	$ 156.41	$ -	$ -	$ 162.67	$ -	$ 63.44	$ -	$ 64.39	$ -	$ 65.36
	3,653	3,657	3,661	5,130	5,135	5,140	5,351	5,356	5,362	5,582	5,587	5,677	5,683	5,774
	7,313,745	7,321,059	10,259,732	10,269,992	10,280,262	10,702,164	10,712,866	10,723,579	11,163,675	11,174,838	11,353,804	11,365,157	11,547,170	11,558,717
	-	2,928,424	-	-	411,210	-	-	428,943	-	167,623	-	170,477	-	173,381
												1.59%		1.63%
	83,004	82,969	82,934	82,898	82,861	82,824	82,787	82,749	82,711	82,672	82,633	82,593	82,552	82,512
	41,675	41,717	58,421	58,480	58,538	60,936	60,997	61,058	63,560	63,623	64,640	64,705	65,740	65,805
	124,679	124,686	141,355	141,378	141,399	143,760	143,784	143,807	146,271	146,295	147,273	147,298	148,292	148,317

LESS: EOS - Wages & Benefits		15% savings	15%	0.15
LESS: EOS - Professional Services	ices	50% savings	50%	0.5
LESS: EOS - Eliminated Expenses		10% savings	100%	1

Wages
Professional Services

Eliminated Exp

WORKING NOTES												WORKING NOTES
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
					included in OCN	= to DepX						
Reported CAPX - from the financials	0	108,032	552,104	1,516,365	746,550	581,610						

	2020	2021	2022	2023	2024			Assets	Per Books	Difference	
GROSS Property, plant and equipment	-	-	-	-	53,500,000			53,500,000	-		2023
Accumulated Depreciation	-	-	-	-	-			-	-		2024
NET PPE	-	-	-	-	53,500,000			53,500,000	-	53,500,000	2025
											2026
Total Debt	-	-	-	-	2,294,126			834,600			2027
Net Equity	-	-	-	-	15,329,906						2028
Investor Provided Capital	-	-	-	-	17,624,032						2029
											2030
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.56%						2031
Depreciation Expense	-	680,918	697,781	703,714	689,166	834,600.00	OCNLD Study				

	2025	2026	2027	2028	2029
CAPX	0	0	1,800,000	1,800,000	1,800,000

1,350,000

	2025	2026	2027	2028	2029	2030	2031
XYZ's LTCP	0	0	0	0	0	0	0
ICVWA							
State of Good Repair	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
XYZ's Base CAPX	0	0	0	0	0	0	0
Base & LTCP	0	0	0	0	0	0	0
Base & LTCP & Expand WWTP	0	0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
xyz LTCP		0	0	0	0	0	0
Expand WWTP		0	0	0	0	0	0
PWD Base charge		0	0	0	0	0	0
CAPX	0	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Expand WWTP work area		0	0	0	0	0	0
State of Good Repair		0	0	0	0	0	0
XYZ's Base CAPX		0	0	0	0	0	0
Base & LTCP		0	0	0	0	0	0
Base & LTCP & Expand WWTP		0	0	0	0	0	0
OpEx	0	0	0	0	0	0	0

ICVWA	State of Good Repair	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53%
	XYZ's Base CAPX	dummy
	Base & LTCP	dummy
	Base & LTCP & Expand WWTP	dummy
	CAPX note	Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on APA and 1.53%
	State of Good Repair	No Additional O&M.
	XYZ's Base CAPX	dummy
	Base & LTCP	dummy
	Base & LTCP & Expand WWTP	dummy
	Additional OpEx note	No Additional O&M.

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Reported CAPX - from the financials														
										1.500%		3.250%		3.370%
	0.0899	28.10%								1.35%				
	0.0849	27.71%								2.850%				
GROSS Property, plant and equipment	0.0799	27.31%						39						
Accumulated Depreciation	0.0749	26.92%						41						
NET PPE	0.0699	26.52%						42						
	0.0649	26.13%						40.66666667						
Total Debt	0.0599	25.73%						13.55555556						
Net Equity	0.0549	25.34%												
Investor Provided Capital	0.0499	24.94%												
Depreciation Rate														
Depreciation Expense														
CAPX														

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of prior year-end GROSS Property, plant and equipment.

% of prior year-end GROSS Property, plant and equipment.

Indian Creek Valley Water Authority Water System Assets			
Total Debt	2,309,647	2,685,901	1,919,999
Purchase of Capital Assets	2,245,108	1,516,365	552,104
	2024	2023	2022
Income (Loss) Before Transfers	504,181	186,167	(132,802)
Interest paid	86,514	41,086	35,244
Depreciation	747,594	703,714	697,781
Total Source	$1,338,289	$930,967	$600,223
Income tax	0	0	0
Principal	392,435	356,430	353,240
Interest paid	86,514	41,086	35,244
Total Use	$478,949	$397,516	$388,484
W/Out Trans			
Debt Service Coverage	2.79	2.34	1.55
Pre-Tax Interest Coverage - Including AFC(3)(x)	6.83	5.53	-2.77
Post-Tax Interest Coverage - Including AFC(3)(x)	6.83	5.53	-2.77
GCF / Interest Coverage(4)(x)	15.47	22.66	17.03
GCF / Tot. Debt(7)(%)	54.20	33.13	29.43
GCF / Construction(6)(%)	55.76	58.69	102.33

Comparable Group

Debt Service Coverage - As Reported			
	2024	2023	2022
Comparable Group			
AMERICAN STATES WATER COMPANY	2.2	4.9	5.4
AMERICAN WATER WORKS COMPANY, INC.	2.4	2.8	4.2
ARTESIAN RESOURCES CORPORATION	3.9	3.5	3.9
CALIFORNIA WATER SERVICE GROUP	6.3	4.2	5.0
ESSENTIAL UTILITIES, INC.	1.0	1.0	0.8
H2O AMERICA	2.3	3.7	1.6
MIDDLESEX WATER COMPANY	4.0	2.4	4.7
THE YORK WATER COMPANY	0.6	0.6	0.5
Median	2.4	3.2	4.1

	2024	2023	2022	2024	2023	2022
Company Name	**DEPRECIATION**	**DEPRECIATION**	**DEPRECIATION**	**TOTAL INTERST EXPENSE**	**TOTAL INTERST EXPENSE**	**TOTAL INTERST EXPENSE**
AMERICAN STATES WATER COMPANY	44.226	43.254	41.697	50.382	42.762	27.027
AMERICAN WATER WORKS COMPANY, INC.	788.000	704.000	649.000	523.000	460.000	433.000
ARTESIAN RESOURCES CORPORATION	13.629	13.335	12.620	8.779	9.156	8.502
CALIFORNIA WATER SERVICE GROUP	134.139	123.124	117.364	60.698	52.809	46.686
ESSENTIAL UTILITIES, INC.	369.552	343.695	321.177	302.467	283.362	238.116
H2O AMERICA	115.050	108.138	106.439	71.390	66.144	58.062
MIDDLESEX WATER COMPANY	28.038	29.442	27.475	14.023	13.143	9.367
THE YORK WATER COMPANY	12.962	11.746	10.139	8.904	7.047	5.114

	2024	2023	2022	2024	2023	2022
	INCOME TO PREF+COMM	**INCOME TO PREF+COMM**	**INCOME TO PREF+COMM**	**REPAY LT DEBT**	**REPAY LT DEBT**	**REPAY LT DEBT**
AMERICAN STATES WATER COMPANY	50.382	42.762	27.027	44.870	0.334	0.377
AMERICAN WATER WORKS COMPANY, INC.	523.000	460.000	433.000	475.000	282.000	15.000
ARTESIAN RESOURCES CORPORATION	8.779	9.156	8.502	2.257	2.010	1.643
CALIFORNIA WATER SERVICE GROUP	60.698	52.809	46.686	0.889	1.811	5.423
ESSENTIAL UTILITIES, INC.	302.467	283.362	238.116	1,027.473	876.379	977.175
H2O AMERICA	71.390	66.144	58.062	48.975	4.347	89.177
MIDDLESEX WATER COMPANY	14.023	13.143	9.367	7.646	17.463	7.423
THE YORK WATER COMPANY	8.904	7.047	5.114	61.213	64.148	61.458

Company Name	Pretax Operating Income			Interest expense			Net Income		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	199.823	209.282	129.087	50.382	42.762	27.027	119.268	124.921	78.396
AMERICAN WATER WORKS COMPANY, INC.	1,882.000	1,656.000	1,441.000	523.000	460.000	433.000	1,051.000	944.000	820.000
ARTESIAN RESOURCES CORPORATION	36.488	32.203	32.378	8.779	9.156	8.502	20.394	16.699	17.998
CALIFORNIA WATER SERVICE GROUP	293.994	97.939	149.072	60.698	52.809	46.686	190.807	51.911	96.011
ESSENTIAL UTILITIES, INC.	875.945	715.143	689.024	302.467	283.362	238.116	595.314	498.226	465.237
H2O AMERICA	174.327	157.087	140.386	71.390	66.144	58.062	93.967	84.987	73.828
MIDDLESEX WATER COMPANY	65.279	45.708	55.036	14.023	13.143	9.367	44.351	31.524	42.429
THE YORK WATER COMPANY	30.579	32.081	24.709	8.904	7.047	5.114	20.325	23.757	19.580

Company Name	Gross Cash Flow			Total debt			CAPX		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	165.536	172.958	122.896	938.235	917.883	734.428	231.960	188.540	166.240
AMERICAN WATER WORKS COMPANY, INC.	1,974.000	1,832.000	1,535.000	14,124.000	12,445.000	12,455.000	2,856.000	2,575.000	2,297.000
ARTESIAN RESOURCES CORPORATION	32.958	31.418	30.882	179.119	181.063	198.307	45.942	62.177	48.483
CALIFORNIA WATER SERVICE GROUP	351.478	165.261	215.546	1,395.496	1,247.007	1,140.700	470.800	386.563	335.523
ESSENTIAL UTILITIES, INC.	915.800	745.109	739.704	7,780.482	7,108.766	6,874.589	1,329.747	1,199.103	1,062.763
H2O AMERICA	215.848	181.715	172.320	1,829.676	1,747.174	1,655.903	353.029	271.772	218.784
MIDDLESEX WATER COMPANY	75.360	55.556	69.024	386.533	411.706	366.948	74.622	90.179	91.335
THE YORK WATER COMPANY	31.710	31.880	28.222	205.947	180.639	140.145	49.009	65.265	53.920

Company Name	Pretax Interest Coverage			Posttax Interest Coverage			GCF Interest Coverage		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	4.0	4.9	4.8	3.4	3.9	3.9	4.3	5.0	5.5
AMERICAN WATER WORKS COMPANY, INC.	3.6	3.6	3.3	3.0	3.1	2.9	4.8	5.0	4.5
ARTESIAN RESOURCES CORPORATION	4.2	3.5	3.8	3.3	2.8	3.1	4.8	4.4	4.6
CALIFORNIA WATER SERVICE GROUP	4.8	1.9	3.2	4.1	2.0	3.1	6.8	4.1	5.6
ESSENTIAL UTILITIES, INC.	2.9	2.5	2.9	3.0	2.8	3.0	4.0	3.6	4.1
H2O AMERICA	2.4	2.4	2.4	2.3	2.3	2.3	4.0	3.7	4.0
MIDDLESEX WATER COMPANY	4.7	3.5	5.9	4.2	3.4	5.5	6.4	5.2	8.4
THE YORK WATER COMPANY	3.4	4.6	4.8	3.3	4.4	4.8	4.6	5.5	6.5
Median	3.8	3.5	3.6	3.3	3.0	3.1	4.7	4.7	5.1

Company Name	GCF To Debt			GCF To CAPX		
	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	17.6	18.8	16.7	71.4	91.7	73.9
AMERICAN WATER WORKS COMPANY, INC.	14.0	14.7	12.3	69.1	71.1	66.8
ARTESIAN RESOURCES CORPORATION	18.4	17.4	15.6	71.7	50.5	63.7
CALIFORNIA WATER SERVICE GROUP	25.2	13.3	18.9	74.7	42.8	64.2
ESSENTIAL UTILITIES, INC.	11.8	10.5	10.8	68.9	62.1	69.6
H2O AMERICA	11.8	10.4	10.4	61.1	66.9	78.8
MIDDLESEX WATER COMPANY	19.5	13.5	18.8	101.0	61.6	75.6
THE YORK WATER COMPANY	15.4	17.6	20.1	64.7	48.8	52.3
Median	16.5	14.1	16.2	70.3	61.9	68.2

	2024	2023	2022
Pre-Tax Interest Coverage - Including AFC(3)(x)	3.8	3.5	3.6
Post-Tax Interest Coverage - Including AFC(3)(x)	3.3	3.0	3.1
GCF / Interest Coverage(4)(x)	4.7	4.7	5.1
GCF / Tot. Debt(7)(%)	16.5	14.1	16.2
GCF / Construction(6)(%)	70.3	61.9	68.2

Bulletin No. 201

1912 to January1, 2025

The Handy-Whitman Index® of Public Utility Construction Costs™

Trends of Construction Costs

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Baltimore, Maryland 21231
410-235-3450

	BCWSA			ACSA			CRWA		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	540,008,150	536,640,274	458,738,341	976,534,842	828,595,274	708,595,336	291,296,387	259,108,984	238,929,570
Operating Income	16,596,456	17,210,783	19,882,598	107,595,279	99,605,915	91,358,404	21,519,175	21,732,619	24,357,342
ROR/N PPE	3.07%	3.21%	4.33%	11.02%	12.02%	12.89%	7.39%	8.39%	10.19%
3-Year Average	3.54%			11.98%			8.66%		
Median of Each Year		6.32%							
Median of Each Entity		6.02%							
Conclusion			6.17%						

	CHESTER WATER AUTHORITY			DELCORA			ERIE CITY WATER AUTHORITY			LASA*		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	287,868,153	286,754,067	285,180,639	331,393,541	322,410,805	276,768,326	250,900,906	236,455,664	213,346,735	156,992,998	152,872,595	146,644,636
Operating Income	(813,090)	682,966	3,560,108	21,426,788	21,552,339	19,062,611	18,212,368	15,544,238	17,164,895	6,048,103	7,872,136	8,029,263
ROR/N PPE	-0.28%	0.24%	1.25%	6.47%	6.68%	6.89%	7.26%	6.57%	8.05%	3.85%	5.15%	5.48%
3-Year Average	0.40%			6.68%			7.29%			4.83%		
Median of Each Year												
Median of Each Entity												
Conclusion												

* Fiscal year 3/31

	RAWA			WCMA*			PITTSBURGH WATER & SEWER		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	55,651,505	57,431,307	61,048,731	673,454,865	640,527,167	629,477,093	1,206,020,000	1,110,785,000	1,041,255,000
Operating Income	3,188,031	3,680,375	3,942,963	10,869,952	19,417,767	27,709,981	55,267,000	74,487,000	64,835,000
ROR/N PPE	5.73%	6.41%	6.46%	1.61%	3.03%	4.40%	4.58%	6.71%	6.23%
3-Year Average	6.20%			3.02%			5.84%		

*Fiscal Year 3/31

Median of Each Year

Median of Each Entity

Conclusion

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2021 AND 2020

Assets and Deferred Outflows of Resources

	2021	2020
Assets:		
Current assets:		
Cash and cash equivalents	$ 256,262,201	$ 209,431,473
Accounts receivable:		
Billed sewer revenue	20,251,775	20,446,710
Unbilled sewer revenue	46,174,198	44,044,901
Other	145,244	4,734
Other current assets	6,736,857	6,634,434
Total current assets	329,570,275	280,562,252
Restricted/designated assets:		
Cash and cash equivalents	205,156,065	272,815,362
Total restricted/designated assets	205,156,065	272,815,362
Prepaid bond costs	5,333,878	5,815,062
Nondepreciable capital assets:		
Land	5,344,896	5,344,896
Construction in progress	170,406,333	94,302,298
Total nondepreciable capital assets	175,751,229	99,647,194
Depreciable capital assets - at cost, net of accumulated depreciation	532,844,107	543,854,942
Total	708,595,336	643,502,136
Net pension asset	1,680,266	-
Total Assets	1,250,335,820	1,202,694,812
Deferred Outflows of Resources:		
Related to pensions	26,830,110	27,581,534
Related to other post-retirement benefits	2,392,336	1,758,333
Refunding adjustment	4,682,815	5,247,763
Total Deferred Outflows of Resources	33,905,261	34,587,630
Total Assets and Deferred Outflows of Resources	$ 1,284,241,081	$ 1,237,282,442

Liabilities, Deferred Inflows of Resources, and Net Position

	2021	2020
Liabilities:		
Current liabilities:		
Accounts payable	$ 9,426,774	$ 2,927,005
Accounts payable - capital	11,618,234	3,165,967
Accrued liabilities:		
Compensated absences	5,640,410	5,950,167
Salaries and wages	2,064,530	1,985,019
Accrued interest on bonds	2,473,080	2,592,551
Reserve for litigation	2,371,900	2,371,900
Pretreatment advance payments	-	2,600
Current maturities of sewer revenue bonds	31,255,000	28,785,000
Total current liabilities	64,849,928	47,780,209
Long-term liabilities:		
Other post-employment benefits	14,074,940	13,901,968
Net pension liability	1,344,126	7,266,922
Sewer revenue bonds - less current maturities	639,240,000	670,495,000
Unamortized bond premium	62,134,271	67,960,993
Net long-term debt	701,374,271	738,455,993
Total long-term liabilities	716,793,337	759,624,883
Total Liabilities	781,643,265	807,405,092
Deferred Inflows of Resources:		
Related to pensions	28,103,085	25,133,372
Related to other post-retirement benefits	3,934,376	3,169,749
Total Deferred Inflows of Resources	32,037,461	28,303,121
Net Position:		
Net investment in capital assets	185,804,945	154,324,268
Unrestricted	283,075,144	247,249,961
Restricted - pension	1,680,266	-
Total Net Position	470,560,355	401,574,229
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,284,241,081	$ 1,237,282,442

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues	$ 197,355,657	$ 186,799,875
Operating Expenses:		
Treatment	50,925,066	50,981,608
Intercepting sewer systems	8,693,262	8,771,952
Upper Allegheny system	398,157	307,944
Administrative and engineering	16,108,332	15,682,596
Billing and collecting	4,052,673	4,461,391
Management information systems	4,088,595	4,071,959
Total operating expenses before depreciation	84,266,085	84,277,450
Operating Income Before Depreciation	113,089,572	102,522,425
Depreciation	21,731,168	22,374,952
Operating Income	91,358,404	80,147,473
Non-operating Revenues (Expenses):		
Interest income	100,243	2,002,687
Interest expense on bonds	(25,729,360)	(27,485,399)
Amortization of prepaid bond costs	(481,184)	(516,597)
Capital fees recognized	159,694	-
Loss on capital assets retired	-	(4,573,423)
Change in value of pension related items	3,881,925	(2,469,057)
Change in value of OPEB related items	(303,596)	(2,175,059)
Total non-operating revenues (expenses)	(22,372,278)	(35,216,848)
Change in Net Position	68,986,126	44,930,625
Net Position:		
Beginning of year	401,574,229	356,643,604
End of year	$ 470,560,355	$ 401,574,229

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2022 AND 2021

Assets and Deferred Outflows of Resources

	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	$ 311,516,031	$ 256,262,201
Accounts receivable:		
Billed sewer revenue	23,428,325	20,251,775
Unbilled sewer revenue	48,333,723	46,174,198
Other	84,200	145,244
Other current assets	6,943,836	6,736,857
Total current assets	390,306,115	329,570,275
Restricted/designated assets:		
Cash and cash equivalents	111,375,912	205,156,065
Investments	240,867,599	-
Accrued interest receivable	732,112	-
Total restricted/designated assets	352,975,623	205,156,065
Prepaid bond costs	6,953,344	5,333,878
Nondepreciable capital assets:		
Land	13,343,651	5,344,896
Construction in progress	197,768,039	170,406,333
Total nondepreciable capital assets	211,111,690	175,751,229
Depreciable capital assets - at cost, net of accumulated depreciation	617,483,584	532,844,107
Total	828,595,274	708,595,336
Net pension asset	24,141,265	1,680,266
Total Assets	1,602,971,621	1,250,335,820
Deferred Outflows of Resources:		
Related to pensions	20,709,578	26,830,110
Related to other post-retirement benefits	2,428,808	2,392,336
Refunding adjustment	4,170,832	4,682,815
Total Deferred Outflows of Resources	27,309,218	33,905,261
Total Assets and Deferred Outflows of Resources	$ 1,630,280,839	$ 1,284,241,081

Liabilities, Deferred Inflows of Resources, and Net Position

	2022	2021
Liabilities:		
Current liabilities:		
Accounts payable	$ 13,347,080	$ 9,426,774
Accounts payable - capital	9,294,858	11,618,234
Accrued liabilities:		
Compensated absences	5,274,999	5,640,410
Salaries and wages	2,138,052	2,064,530
Accrued interest on bonds	3,673,712	2,473,080
Reserve for litigation	2,371,900	2,371,900
Current maturities of sewer revenue bonds	32,830,000	31,255,000
Total current liabilities	68,930,601	64,849,928
Long-term liabilities:		
Other post-employment benefits	14,817,512	14,074,940
Net pension liability	-	1,344,126
Sewer revenue bonds - less current maturities	873,560,000	639,240,000
Unamortized bond premium	72,852,963	62,134,271
Net long-term debt	946,412,963	701,374,271
Total long-term liabilities	961,230,475	716,793,337
Total Liabilities	1,030,161,076	781,643,265
Deferred Inflows of Resources:		
Related to pensions	36,738,124	28,103,085
Related to other post-retirement benefits	3,444,236	3,934,376
Total Deferred Inflows of Resources	40,182,360	32,037,461
Net Position:		
Net investment in capital assets	206,498,766	185,804,945
Unrestricted	329,297,372	283,075,144
Restricted - pension	24,141,265	1,680,266
Total Net Position	559,937,403	470,560,355
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,630,280,839	$ 1,284,241,081

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues	$ 211,516,526	$ 197,355,657
Operating Expenses:		
Treatment	54,028,555	50,925,066
Intercepting sewer systems	10,592,060	8,693,262
Upper Allegheny system	429,310	398,157
Administrative and engineering	16,662,143	16,108,332
Billing and collecting	4,333,268	4,052,673
Management information systems	4,393,392	4,088,595
Total operating expenses before depreciation	90,438,728	84,266,085
Operating Income Before Depreciation	121,077,798	113,089,572
Depreciation	21,471,883	21,731,168
Operating Income	99,605,915	91,358,404
Non-operating Revenues (Expenses):		
Intergovernmental grants	247,500	-
Interest income	7,049,207	100,243
Interest expense on bonds	(25,903,240)	(25,729,360)
Amortization of prepaid bond costs	(455,928)	(481,184)
Capital fees recognized	-	159,694
Change in value of pension related items	9,049,554	3,881,925
Change in value of OPEB related items	(215,960)	(303,596)
Total non-operating revenues (expenses)	(10,228,867)	(22,372,278)
Change in Net Position	89,377,048	68,986,126
Net Position:		
Beginning of year	470,560,355	401,574,229
End of year	$ 559,937,403	$ 470,560,355

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2023 AND 2022

Assets and Deferred Outflows of Resources

	2023	2022
Assets:		
Current assets:		
Cash and cash equivalents	$ 382,535,262	$ 311,516,031
Accounts receivable:		
Billed sewer revenue	23,638,302	23,428,325
Unbilled sewer revenue	51,387,922	48,333,723
Other	30,626	84,200
Other current assets	7,217,236	6,943,836
Total current assets	464,809,348	390,306,115
Restricted/designated assets:		
Cash and cash equivalents	178,954,345	111,375,912
Investments	21,883,846	240,867,599
Accrued interest receivable	55,339	732,112
Total restricted/designated assets	200,893,530	352,975,623
Prepaid bond costs	6,418,365	6,953,344
Nondepreciable capital assets:		
Land	23,110,313	13,343,651
Construction in progress	299,726,893	197,768,039
Total nondepreciable capital assets	322,837,206	211,111,690
Depreciable capital assets - at cost, net of accumulated depreciation	653,697,636	617,483,584
Total	976,534,842	828,595,274
Net pension asset	-	24,141,265
Total Assets	1,648,656,085	1,602,971,621
Deferred Outflows of Resources:		
Related to pensions	60,980,053	20,709,578
Related to other post-retirement benefits	2,272,198	2,428,808
Refunding adjustment	3,714,432	4,170,832
Total Deferred Outflows of Resources	66,966,683	27,309,218
Total Assets and Deferred Outflows of Resources	$ 1,715,622,768	$ 1,630,280,839

Liabilities, Deferred Inflows of Resources, and Net Position

	2023	2022
Liabilities:		
Current liabilities:		
Accounts payable	$ 16,132,729	$ 13,347,080
Accounts payable - capital	15,205,717	9,294,858
Accrued liabilities:		
Compensated absences	4,985,334	5,274,999
Salaries and wages	2,418,572	2,138,052
Accrued interest on bonds	3,401,697	3,673,712
Reserve for litigation	2,365,905	2,371,900
Current maturities of sewer revenue bonds	31,490,000	32,830,000
Total current liabilities	75,999,954	68,930,601
Long-term liabilities:		
Other post-employment benefits	11,203,983	14,817,512
Net pension liability	29,541,132	-
Sewer revenue bonds - less current maturities	842,070,000	873,560,000
Unamortized bond premium	66,935,029	72,852,963
Net long-term debt	909,005,029	946,412,963
Total long-term liabilities	949,750,144	961,230,475
Total Liabilities	1,025,750,098	1,030,161,076
Deferred Inflows of Resources:		
Related to pensions	25,868,844	36,738,124
Related to other post-retirement benefits	6,658,653	3,444,236
Total Deferred Inflows of Resources	32,527,497	40,182,360
Net Position:		
Net investment in capital assets	240,647,775	206,498,766
Unrestricted	416,697,398	329,297,372
Restricted - pension	-	24,141,265
Total Net Position	657,345,173	559,937,403
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,715,622,768	$ 1,630,280,839

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues	$ 225,649,201	$ 211,516,526
Operating Expenses:		
Treatment	57,357,729	54,028,555
Intercepting sewer systems	11,238,294	10,592,060
Upper Allegheny system	471,611	429,310
Administrative and engineering	18,510,806	16,662,143
Billing and collecting	4,322,436	4,333,268
Management information systems	4,332,080	4,393,392
Total operating expenses before depreciation	96,232,956	90,438,728
Operating Income Before Depreciation	129,416,245	121,077,798
Depreciation	21,820,966	21,471,883
Operating Income	107,595,279	99,605,915
Non-Operating Revenues (Expenses):		
Intergovernmental grants	-	247,500
Interest income	30,149,114	7,049,207
Interest expense on bonds	(37,501,503)	(25,903,240)
Amortization of prepaid bond costs	(534,980)	(455,928)
Change in value of pension related items	(2,542,642)	9,049,554
Change in value of OPEB related items	242,502	(215,960)
Total non-operating revenues (expenses)	(10,187,509)	(10,228,867)
Change in Net Position	97,407,770	89,377,048
Net Position:		
Beginning of year	559,937,403	470,560,355
End of year	$ 657,345,173	$ 559,937,403

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

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 6,432,360	$ 5,872,075
Investments	17,874,746	17,122,426
Accounts Receivable, Net of Allowance for Doubtful Accounts	2,117,621	8,310,705
Unbilled Revenue Receivable	10,372,592	9,768,802
Prepaid Expenses	360,952	729,044
Total Current Assets	37,158,271	41,803,052
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	3,228,837	3,617,503
Investments	102,212,622	63,732,897
Interest Receivable	1,121,119	920,477
Total Restricted Assets	106,562,578	68,270,877
Net Pension Asset	8,271,425	-
Net OPEB Asset	1,380,862	-
Capital Assets		
Land, Rights-of-Way and Construction in Progress	93,684,793	81,292,208
Other Capital Assets, Net of Accumulated Depreciation	365,053,548	376,251,860
Total Capital Assets, Net	458,738,341	457,544,068
Total Non-Current Assets	565,300,919	525,814,945
Total Assets	612,111,477	567,617,997
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	6,844,887	7,790,319
Pension: Changes in Assumptions	394,071	591,106
Pension: Difference Between Expected and Actual Experience	615,126	805,127
Pension: Difference Between Projected and Actual Earnings on Investments	-	1,691,386
Pension: Contributions Made Subsequent to Measurement Date	1,404,507	4,326,752
OPEB: Difference Between Expected and Actual Experience	17,483	26,180
Total Deferred Outflows of Resources	9,276,074	15,230,870
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	10,097,700	12,749,312
Current Portion of Bonds Payable	23,230,000	22,375,000
Interest Payable	731,832	745,039
Total Current Liabilities	34,059,532	35,869,351
Non-Current Liabilities		
Customer and Developer Deposits	3,240,339	3,613,254
Bonds Payable, Net of Unamortized Bond Discount and Premium	248,092,224	223,030,306
Line of Credit	34,191	-
Net Pension Liability	-	1,880,256
Net OPEB Liability	-	4,026,011
Total Non-Current Liabilities	251,366,754	232,549,827
Total Liabilities	285,426,286	268,419,178
Deferred Inflows of Resources		
Pension: Changes in Assumptions	21,411	32,118
Pension: Difference Between Projected and Actual Earnings on Investments	4,388,041	-
OPEB: Changes in Assumptions	169,859	241,345
OPEB: Difference Between Projected and Actual Earnings on Investments	42,467	86,429
OPEB: Difference Between Expected and Actual Experience	1,210,371	-
Proceeds from Sale of Future Revenues	3,622,933	3,795,454
Total Deferred Inflows of Resources	9,455,082	4,155,346
Net Position		
Net Investment in Capital Assets	201,178,213	229,523,791
Restricted for Capital Activity	54,384,207	15,719,591
Restricted for Debt Service	31,553,004	31,553,004
Unrestricted	39,390,759	33,477,957
Total Net Position	$ 326,506,183	$ 310,274,343

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues		
Retail Sewer Service	$ 55,151,489	$ 54,861,161
Wholesale Sewer Service	14,937,200	14,337,247
Retail Water Service	12,474,575	11,747,314
Wholesale Water Service	4,208,255	4,663,441
Improvement and Tapping Fees	435,475	263,705
Other Revenues	5,090,592	3,557,822
Total Operating Revenues	92,297,586	89,430,690
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	21,056,048	19,678,584
Water Procurement	5,713,269	5,736,644
Total Sewage Treatment and Water Procurement	26,769,317	25,415,228
Plant Operations		
Payroll and Related Costs	2,692,828	2,732,227
Repairs and Maintenance	1,942,332	1,945,504
Electricity	448,383	521,131
Water and Sewage Testing	317,490	249,680
Total Plant Operations	5,401,033	5,448,542
Collection, Transmission and Distribution Service		
Payroll and Related Costs	7,678,484	8,845,809
Repairs and Maintenance	2,640,708	3,084,311
Electricity	1,021,448	885,701
Other Related Costs	223,666	216,408
Total Collection, Transmission and Distribution Service	11,564,306	13,032,229
Total Operating Expenses	43,734,656	43,895,999
General and Administrative Expenses		
Payroll and Related Costs	4,143,623	4,412,980
Professional Fees	2,499,480	2,329,876
Insurance	556,650	497,923
Other	2,867,918	2,382,465
Total General and Administrative Expense	10,067,671	9,623,244
Total Expenses	53,802,327	53,519,243
Income From Operations Before Depreciation	38,495,259	35,911,447
Depreciation	(18,612,661)	(17,966,462)
Operating Income	19,882,598	17,944,985
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(8,423,982)	(7,770,635)
Investment Income	474,617	628,113
Improvement and Tapping Fees	4,722,418	1,821,485
Amortization	(476,546)	(253,291)
Total Nonoperating Expense	(3,703,493)	(5,574,328)
Increase In Net Position Before Contributed Capital	16,179,105	12,370,657
Contributed Capital	52,735	-
Increase in Net Position	16,231,840	12,370,657
Net Position - Beginning of Year	310,274,343	297,903,686
Net Position - End of Year	$ 326,506,183	$ 310,274,343

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 2,499,078	$ 6,432,360
Investments	17,248,047	17,874,746
Accounts Receivable, Net of Allowance for Doubtful Accounts	1,814,619	2,117,621
Unbilled Revenue Receivable	10,292,003	10,372,592
Prepaid Expenses	408,111	360,952
Total Current Assets	32,261,858	37,158,271
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	2,955,980	3,228,837
Investments	222,607,789	102,212,622
Interest Receivable	1,677,958	1,121,119
Total Restricted Assets	227,241,727	106,562,578
Net Pension Asset	14,969,897	8,271,425
Net OPEB Asset	123,382	1,380,862
Capital Assets		
Land, Rights-of-Way and Construction in Progress	119,858,159	93,684,793
Other Capital Assets, Net of Accumulated Depreciation	416,782,115	365,053,548
Total Capital Assets, Net	536,640,274	458,738,341
Total Non-Current Assets	763,882,001	565,300,919
Total Assets	811,237,138	612,111,477
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	6,006,582	6,844,887
Pension: Changes in Assumptions	363,476	394,071
Pension: Difference Between Expected and Actual Experience	1,301,548	615,126
Pension: Difference Between Projected and Actual Earnings on Investments	-	-
Pension: Contributions Made Subsequent to Measurement Date	1,342,657	1,404,507
OPEB: Difference Between Projected and Actual Earnings on Investments	853,556	-
OPEB: Difference Between Expected and Actual Experience	103,823	17,483
Total Deferred Outflows of Resources	9,971,642	9,276,074
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	10,920,922	10,097,700
Current Portion of Bonds Payable	17,173,000	23,230,000
Interest Payable	1,831,417	731,832
Total Current Liabilities	29,925,339	34,059,532
Non-Current Liabilities		
Customer and Developer Deposits	2,872,771	3,240,339
Bonds Payable, Net of Unamortized Bond Discount and Premium	434,474,548	248,092,224
Line of Credit	282,123	34,191
Net Pension Liability	-	-
Net OPEB Liability	-	-
Total Non-Current Liabilities	437,629,442	251,366,754
Total Liabilities	467,554,781	285,426,286
Deferred Inflows of Resources		
Pension: Changes in Assumptions	-	21,411
Pension: Difference Between Projected and Actual Earnings on Investments	10,558,960	4,388,041
OPEB: Changes in Assumptions	87,542	169,859
OPEB: Difference Between Projected and Actual Earnings on Investments	-	42,467
OPEB: Difference Between Expected and Actual Experience	912,983	1,210,371
Proceeds from Sale of Future Revenues	3,622,933	3,622,933
Total Deferred Inflows of Resources	15,182,418	9,455,082
Net Position		
Net Investment in Capital Assets	279,739,588	201,178,213
Restricted for Capital Activity	10,832,631	54,384,207
Restricted for Debt Service	30,091,903	31,553,004
Unrestricted	17,807,459	39,390,759
Total Net Position	$ 338,471,581	$ 326,506,183

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues		
Retail Sewer Service	$ 56,053,277	$ 55,151,489
Wholesale Sewer Service	13,089,053	14,937,200
Retail Water Service	12,112,909	12,474,575
Wholesale Water Service	4,388,017	4,208,255
Improvement and Tapping Fees	1,298,050	435,475
Other Revenues	3,614,871	5,090,592
Total Operating Revenues	90,556,177	92,297,586
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	19,467,392	21,056,048
Water Procurement	5,965,165	5,713,269
Total Sewage Treatment and Water Procurement	25,432,557	26,769,317
Plant Operations		
Payroll and Related Costs	2,878,756	2,692,828
Repairs and Maintenance	2,569,969	1,942,332
Electricity	459,108	448,383
Water and Sewage Testing	287,226	317,490
Total Plant Operations	6,195,059	5,401,033
Collection, Transmission and Distribution Service		
Payroll and Related Costs	6,837,299	7,678,484
Repairs and Maintenance	2,883,152	2,640,708
Electricity	983,945	1,021,448
Other Related Costs	288,202	223,666
Total Collection, Transmission and Distribution Service	10,992,598	11,564,306
Total Operating Expenses	42,620,214	43,734,656
General and Administrative Expenses		
Payroll and Related Costs	3,738,609	4,143,623
Professional Fees	2,258,136	2,499,480
Insurance	713,750	556,650
Other	2,935,796	2,867,918
Total General and Administrative Expense	9,646,291	10,067,671
Total Expenses	52,266,505	53,802,327
Income From Operations Before Depreciation	38,289,672	38,495,259
Depreciation	(21,078,889)	(18,612,661)
Operating Income	17,210,783	19,882,598
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(9,749,173)	(8,423,982)
Investment Income	1,921,363	474,617
Improvement and Tapping Fees	2,582,427	4,722,418
Amortization	-	(476,546)
Total Nonoperating Expense	(5,245,383)	(3,703,493)
Increase In Net Position Before Contributed Capital	11,965,400	16,179,105
Contributed Capital	-	52,735
Increase in Net Position	11,965,400	16,231,840
Net Position - Beginning of Year	326,506,183	310,274,343
Net Position - End of Year	$ 338,471,583	$ 326,506,183

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 2,440,109	$ 2,499,078
Investments	15,766,106	17,248,047
Accounts Receivable, Net of Allowance for Doubtful Accounts	8,442,736	1,814,619
Unbilled Revenue Receivable	10,842,556	10,292,003
Prepaid Expenses	2,380,972	408,111
Total Current Assets	39,872,479	32,261,858
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	3,129,508	2,955,980
Investments	217,825,182	222,607,789
Interest Receivable	1,943,898	1,677,958
Total Restricted Assets	222,898,588	227,241,727
Net Pension Asset	-	14,969,897
Net OPEB Asset	1,552,496	123,382
Capital Assets		
Land, Rights-of-Way and Construction in Progress	136,786,758	119,858,159
Other Capital Assets, Net of Accumulated Depreciation	403,221,392	416,782,115
Total Capital Assets, Net	540,008,150	536,640,274
Total Non-Current Assets	764,459,234	778,975,280
Total Assets	804,331,713	826,330,417
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	5,261,229	6,006,584
Pension: Changes in Assumptions	272,607	363,476
Pension: Difference Between Expected and Actual Experience	2,991,523	1,301,548
Pension: Difference Between Projected and Actual Earnings on Investments	2,768,344	-
Pension: Contributions Made Subsequent to Measurement Date	3,665,364	1,342,657
OPEB: Difference Between Projected and Actual Earnings on Investments	-	853,556
OPEB: Difference Between Expected and Actual Experience	459,263	103,823
Total Deferred Outflows of Resources	15,418,330	9,971,644
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	12,136,667	10,920,922
Current Portion of Note Payable	305,972	-
Current Portion of Bonds Payable	18,928,000	17,173,000
Interest Payable	1,050,318	1,831,418
Total Current Liabilities	32,420,957	29,925,340
Non-Current Liabilities		
Customer and Developer Deposits	2,862,316	2,872,771
Note Payable, Net of Current Portion	9,450,376	-
Bonds Payable, Net of Unamortized Bond Discount and Premium	413,835,533	434,474,548
Line of Credit	-	282,123
Net Pension Liability	1,157,469	-
Total Non-Current Liabilities	427,305,694	437,629,442
Total Liabilities	459,726,651	467,554,782
Deferred Inflows of Resources		
Pension: Difference Between Projected and Actual Earnings on Investments	-	10,558,960
OPEB: Changes in Assumptions	907,009	87,542
OPEB: Difference Between Projected and Actual Earnings on Investments	617,646	-
OPEB: Difference Between Expected and Actual Experience	-	912,983
Proceeds from Sale of Future Revenues	3,277,891	3,622,933
Total Deferred Inflows of Resources	4,802,546	15,182,418
Net Position		
Net Investment in Capital Assets	168,969,226	279,739,588
Restricted for Capital Activity	155,033,771	10,832,632
Restricted for Debt Service	33,949,869	30,091,903
Unrestricted (Deficit)	(2,732,020)	17,807,459
Total Net Position	$ 355,220,846	$ 338,471,582

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues		
Retail Sewer Service	$ 61,051,538	$ 56,053,277
Wholesale Sewer Service	15,968,805	13,089,053
Retail Water Service	12,806,653	12,112,909
Wholesale Water Service	4,390,343	4,388,017
Improvement and Tapping Fees	233,090	1,298,050
Other Revenues	4,333,498	3,614,871
Total Operating Revenues	98,783,927	90,556,177
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	21,499,275	19,467,392
Water Procurement	5,582,443	5,965,165
Total Sewage Treatment and Water Procurement	27,081,718	25,432,557
Plant Operations		
Payroll and Related Costs	3,567,877	2,878,756
Repairs and Maintenance	3,263,557	2,569,969
Electricity	414,119	459,108
Water and Sewage Testing	422,475	287,226
Total Plant Operations	7,668,028	6,195,059
Collection, Transmission and Distribution Service		
Payroll and Related Costs	8,899,132	6,837,299
Repairs and Maintenance	3,514,979	2,883,152
Electricity	1,225,008	983,945
Other Related Costs	336,699	288,202
Total Collection, Transmission and Distribution Service	13,975,818	10,992,598
Total Operating Expenses	48,725,564	42,620,214
General and Administrative Expenses		
Payroll and Related Costs	3,891,114	3,738,609
Professional Fees	1,985,039	2,258,136
Insurance	1,110,595	713,750
Other	3,835,502	2,935,796
Total General and Administrative Expense	10,822,250	9,646,291
Total Expenses	59,547,814	52,266,505
Income From Operations Before Depreciation	39,236,113	38,289,672
Depreciation	(22,639,657)	(21,078,889)
Operating Income	16,596,456	17,210,783
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(16,011,716)	(9,749,172)
Investment Income	11,742,363	1,921,363
Improvement and Tapping Fees	4,422,162	2,582,425
Total Nonoperating Expense	152,809	(5,245,384)
Increase In Net Position	16,749,265	11,965,399
Net Position - Beginning of Year	338,471,581	326,506,183
Net Position - End of Year	$ 355,220,846	$ 338,471,582

See accompanying notes to the financial statements.

Chester Water Authority
Statements of Net Position
December 31, 2021 and 2020

Assets and Deferred Outflows of Resources

	December 31, 2021	December 31, 2020
Current Assets		
Cash and cash equivalents	$ 19,728,089	$ 15,530,656
Accounts receivable, net of allowance for doubtful accounts of $300,000 in both 2020 and 2019	6,854,771	6,430,271
Unbilled revenue	4,765,392	4,654,512
Materials and supplies	3,444,198	3,960,894
Other current assets	144,416	144,954
Total Current Assets	34,936,866	30,721,287
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	285,180,639	280,862,318
Total Non-Current Assets	285,180,639	280,862,318
Restricted Assets		
Cash and cash equivalents	13,952,651	23,092,782
Total Restricted Assets	13,952,651	23,092,782
Total Assets	334,070,156	334,676,387
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	12,765,793	8,625,661
Changes in OPEB investment returns and actuarial assumptions	2,660,741	1,822,033
Total Deferred Outflows of Resources	15,426,534	10,447,694
Total Assets and Deferred Outflows of Resources	$ 349,496,690	$ 345,124,081

See accompanying notes to financial statements.

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2021 and 2020

	December 31, 2021	December 31, 2020
Operating Revenues		
Residential	$ 16,899,827	$ 17,121,643
Commercial	7,125,290	6,768,994
Industrial	9,004,424	9,367,380
Fire protection	4,290,826	4,295,482
Capacity charges, flat and late fee revenues	516,504	520,960
Sales to other water utilities	6,980,638	7,166,136
Total Operating Revenues	44,817,509	45,240,595
Operating Expenses		
Purification and Pumping	8,304,031	7,593,847
Distribution	7,334,492	6,454,917
Administrative	12,895,219	12,980,171
Finance/customer service, billing and collections	3,574,232	3,994,762
Depreciation	9,149,427	9,287,985
Total Operating Expenses	41,257,401	40,311,682
Operating Income	3,560,108	4,928,913
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(1,743,358)	(804,757)
Net investment income	136,156	254,729
Interest expense	(3,032,935)	(3,209,698)
Other nonoperating revenues	275,427	267,789
Amortization of bond discounts and debt issuance costs	502,180	549,445
Gain (loss) on disposal of property and equipment	46,789	11,160
Total Non-Operating Revenues/(Expenses)	(3,815,741)	(2,931,332)
Income Before Contributions	(255,633)	1,997,581
Capital Contributions	1,800,147	2,911
Change In Net Position	1,544,514	2,000,492
Net Position - Beginning of year	240,073,508	238,073,016
Net Position - End of year	$ 241,618,022	$ 240,073,508

See accompanying notes to financial statements.

Chester Water Authority
Statements of Net Position
December 31, 2022 and 2021

Assets and Deferred Outflows of Resources

	December 31, 2022	December 31, 2021
Current Assets		
Cash and cash equivalents	$ 19,396,127	$ 19,728,089
Accounts receivable, net of allowance for doubtful accounts of $412,168 and $300,000 2022 and 2021	9,014,961	6,854,771
Unbilled revenue	4,824,012	4,765,392
Materials and supplies	3,665,397	3,444,198
Other current assets	185,425	144,416
Total Current Assets	37,085,922	34,936,866
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	286,653,987	285,180,639
Right of use asset	100,080	-
Total Non-Current Assets	286,754,067	285,180,639
Restricted Assets		
Cash and cash equivalents	24,434,336	13,952,651
Total Restricted Assets	24,434,336	13,952,651
Total Assets	348,274,325	334,070,156
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	14,721,139	12,765,793
Changes in OPEB investment returns and actuarial assumptions	2,911,564	2,660,741
Total Deferred Outflows of Resources	17,632,703	15,426,534
Total Assets and Deferred Outflows of Resources	$ 365,907,028	$ 349,496,690

See accompanying notes to financial statements.

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2022 and 2021

	December 31, 2022	December 31, 2021
Operating Revenues		
Residential	$ 17,866,610	$ 16,899,827
Commercial	7,816,426	7,125,290
Industrial	9,642,989	9,004,424
Fire protection	4,463,708	4,290,826
Capacity charges, flat and late fee revenues	460,147	516,504
Sales to other water utilities	4,379,246	6,980,638
Total Operating Revenues	44,629,126	44,817,509
Operating Expenses		
Purification and Pumping	9,978,367	8,304,031
Distribution	8,119,945	7,334,492
Administrative	13,338,620	12,895,219
Finance/customer service, billing and collections	3,332,798	3,574,232
Depreciation	9,176,430	9,149,427
Total Operating Expenses	43,946,160	41,257,401
Operating Income	682,966	3,560,108
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(3,958,644)	(1,743,358)
Net investment income	196,553	136,156
Interest expense	(3,417,547)	(3,032,935)
Other nonoperating revenues	938,288	275,427
Amortization of bond discounts and debt issuance costs	489,835	502,180
Gain (loss) on disposal of property and equipment	-	46,789
Total Non-Operating Revenues/(Expenses)	(5,751,515)	(3,815,741)
Loss Before Contributions	(5,068,549)	(255,633)
Capital Contributions	1,686,616	1,800,147
Change In Net Position	(3,381,933)	1,544,514
Net Position - Beginning of year	241,618,022	240,073,508
Net Position - End of year	$ 238,236,089	$ 241,618,022

See accompanying notes to financial statements.

Chester Water Authority
Statements of Net Position
December 31, 2023 and 2022

	2023	2022
Assets and Deferred Outflows of Resources		
Assets		
Current Assets		
Cash and cash equivalents	$ 16,186,527	$ 19,396,127
Accounts receivable, net of allowance for credit losses of $713,850 and $412,168 for 2023 and 2022	8,966,040	9,014,961
Unbilled revenue	4,870,076	4,824,012
Materials and supplies	3,326,824	3,665,397
Other current assets	338,957	185,425
Total Current Assets	33,688,424	37,085,922
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	287,802,943	286,653,987
Right of use asset - operating leases	65,210	100,080
Total Non-Current Assets	287,868,153	286,754,067
Restricted Assets		
Cash and cash equivalents	20,366,893	24,434,336
Total Restricted Assets	20,366,893	24,434,336
Total Assets	341,923,470	348,274,325
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	8,661,367	14,721,139
Changes in OPEB investment returns and actuarial assumptions	1,702,184	2,911,564
Total Deferred Outflows of Resources	10,363,551	17,632,703
Total Assets and Deferred Outflows of Resources	$ 352,287,021	$ 365,907,028

See accompanying notes to financial statements.

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2023 and 2022

	2023	2022
Operating Revenues		
Residential	$ 18,718,420	$ 17,866,610
Commercial	7,917,233	7,816,426
Industrial	9,652,062	9,642,989
Fire protection	4,552,198	4,463,708
Capacity charges, flat and late fee revenues	1,299,777	460,147
Sales to other water utilities	3,875,439	4,379,246
Total Operating Revenues	46,015,129	44,629,126
Operating Expenses		
Purification and Pumping	10,178,290	9,978,367
Distribution	7,758,826	8,119,945
Administrative	14,556,591	13,338,620
Finance/customer service, billing and collections	4,592,742	3,332,798
Depreciation	9,741,770	9,176,430
Total Operating Expenses	46,828,219	43,946,160
Operating Income (Loss)	(813,090)	682,966
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(970,730)	(3,958,644)
Net investment income	819,966	196,553
Interest expense	(3,395,113)	(3,417,547)
Other nonoperating revenues	272,803	938,288
Amortization of bond discounts and debt issuance costs	639,566	489,835
Total Non-Operating Revenues/(Expenses), net	(2,633,508)	(5,751,515)
Loss Before Capital Contributions	(3,446,598)	(5,068,549)
Capital Contributions	620,063	1,686,616
Change In Net Position	(2,826,535)	(3,381,933)
Net Position - Beginning of year	238,236,089	241,618,022
Net Position - End of year	$ 235,409,554	$ 238,236,089

See accompanying notes to financial statements.

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

	2021	2020
Assets and Deferred Outflows of Resources		
Assets:		
Current assets:		
Cash and cash equivalents	$ 33,460,091	$ 33,125,086
Accounts receivable, net of allowance for uncollectible accounts of $6,528,063 and $6,812,663	12,970,971	12,990,450
Grants receivable	470,408	207,125
Due from the City of Harrisburg	3,154,272	3,247,428
Prepaid expenses	499,149	631,891
Inventory	389,700	226,727
Total current assets	50,944,591	50,428,707
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	9,982,127	10,339,323
Investments - restricted under trust indentures	18,706,514	19,133,382
Total restricted assets	28,688,641	29,472,705
Noncurrent assets:		
Capital assets, not being depreciated	47,399,049	41,304,196
Capital assets, net of accumulated depreciation of $144,683,414 and $138,312,983	191,530,521	182,981,052
Net pension asset	2,269,724	793,994
Total noncurrent assets	241,199,294	225,079,242
Total Assets	320,832,526	304,980,654
Deferred Outflows of Resources:		
Deferred loss on refunding	5,432,538	6,138,866
Deferred outflows of resources for other postemployment benefits	264,303	154,587
Deferred outflows of resources for pension	950,272	1,018,573
Total Deferred Outflows of Resources	6,647,113	7,312,026
Total Assets and Deferred Outflows of Resources	$ 327,479,639	$ 312,292,680

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues:		
User charges	$ 52,548,506	$ 46,053,281
Total operating revenues	52,548,506	46,053,281
Operating Expenses:		
Operating	16,094,648	15,078,242
Administrative	5,686,814	5,832,986
Depreciation	6,409,702	6,058,571
Total operating expenses	28,191,164	26,969,799
Operating Income	24,357,342	19,083,482
Non-Operating Revenues (Expenses):		
Investment income	75,084	426,489
Grant revenue	263,283	177,024
Gain on sale of easements	-	191,516
Miscellaneous income (expense)	975,524	921,942
Gain (loss) on disposal of capital assets	-	2,000
Interest expense	(5,617,642)	(5,725,558)
Total non-operating revenues (expenses)	(4,303,751)	(4,006,587)
Change in Net Position	20,053,591	15,076,895
Net Position:		
Beginning of year	$109,699,768	$ 94,622,873
End of year	$129,753,359	$109,699,768

The accompanying notes are an integral part of these financial statements.

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

	2022	2021
Assets and Deferred Outflows of Resources		
Assets:		
Current assets:		
Cash and cash equivalents	$ 25,410,234	$ 33,460,091
Investments	5,000,000	-
Accounts receivable, net of allowance for uncollectible accounts of $7,465,495 and $6,528,063	11,386,611	12,970,971
Grants receivable	-	470,408
Current portion of lease receivable	47,672	46,162
Due from the City of Harrisburg	3,110,046	3,154,272
Prepaid expenses	512,306	499,149
Inventory	420,144	389,700
Total current assets	45,887,013	50,990,753
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	10,211,157	9,982,127
Investments - restricted under trust indentures	18,883,549	18,706,514
Total restricted assets	29,094,706	28,688,641
Noncurrent assets:		
Lease receivable, net of current portion	3,574,845	3,622,517
Capital assets, not being depreciated	53,883,822	47,399,049
Capital assets, net of accumulated depreciation of $151,267,081 and $144,683,414	201,650,317	191,530,521
Net pension asset	2,159,758	2,269,724
Total noncurrent assets	261,268,742	244,821,811
Total Assets	336,250,461	324,501,205
Deferred Outflows of Resources:		
Deferred loss on refunding	4,731,128	5,432,538
Deferred outflows of resources for other postemployment benefits	218,185	264,303
Deferred outflows of resources for pension	1,771,949	950,272
Total Deferred Outflows of Resources	6,721,262	6,647,113
Total Assets and Deferred Outflows of Resources	$ 342,971,723	$ 331,148,318

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues:		
User charges	$ 53,517,987	$ 52,548,506
Total operating revenues	53,517,987	52,548,506
Operating Expenses:		
Operating	19,139,084	16,094,648
Administrative	5,989,706	5,686,814
Depreciation	6,656,578	6,409,702
Total operating expenses	31,785,368	28,191,164
Operating Income	21,732,619	24,357,342
Non-Operating Revenues (Expenses):		
Investment income	493,957	75,084
Grant revenue	279,442	263,283
Miscellaneous income (expense)	310,431	974,028
Gain (loss) on disposal of capital assets	89,272	-
Lease principal revenue	114,049	26,281
Lease interest revenue	2,918	1,719
Interest expense	(5,503,238)	(5,617,642)
Total non-operating revenues (expenses)	(4,213,169)	(4,277,247)
Change in Net Position	17,519,450	20,080,095
Net Position:		
Beginning of year, restated	129,779,863	109,699,768
End of year	$147,299,313	$129,779,863

The accompanying notes are an integral part of these financial statements.

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

	2023	2022
Assets and Deferred Outflows of Resources		
Assets:		
Current assets:		
Cash and cash equivalents	$ 33,894,864	$ 25,410,234
Investments	3,626,713	5,000,000
Accounts receivable, net of allowance for uncollectible accounts of $8,664,074 and $7,465,495	11,324,629	11,386,611
Current portion of lease receivable	49,227	47,672
Due from the City of Harrisburg	3,213,665	3,110,046
Prepaid expenses	533,373	512,306
Inventory	420,525	420,144
Total current assets	53,062,996	45,887,013
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	8,709,226	10,211,157
Investments - restricted under trust indentures	18,748,885	18,883,549
Total restricted assets	27,458,111	29,094,706
Noncurrent assets:		
Lease receivable, net of current portion	3,525,618	3,574,845
Capital assets, not being depreciated	40,597,028	53,883,822
Capital assets, net of accumulated depreciation	247,173,741	201,650,317
Net pension asset	-	2,159,758
Total noncurrent assets	291,296,387	261,268,742
Total Assets	371,817,494	336,250,461
Deferred Outflows of Resources:		
Deferred loss on refunding	4,034,882	4,731,128
Deferred outflows of resources for other postemployment benefits	174,249	218,185
Deferred outflows of resources for pension	4,255,789	1,771,949
Total Deferred Outflows of Resources	8,464,920	6,721,262
Total Assets and Deferred Outflows of Resources	$ 380,282,414	$ 342,971,723

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues:		
User charges	$ 55,510,850	$ 53,517,987
Total operating revenues	55,510,850	53,517,987
Operating Expenses:		
Operating	19,736,954	19,139,084
Administrative	6,683,072	5,989,706
Depreciation	7,571,649	6,656,578
Total operating expenses	33,991,675	31,785,368
Operating Income	21,519,175	21,732,619
Non-Operating Revenues (Expenses):		
Investment income	1,979,193	493,957
Grant revenue	100,867	279,442
Miscellaneous income (expense)	99,513	310,431
Gain (loss) on disposal of capital assets	155,234	89,272
Lease principal revenue	115,444	114,049
Lease interest revenue	2,881	2,918
Interest expense	(5,388,973)	(5,503,238)
Total non-operating revenues (expenses)	(2,935,841)	(4,213,169)
Change in Net Position	18,583,334	17,519,450
Net Position:		
Beginning of year	147,299,313	129,779,863
End of year	$165,882,647	$147,299,313

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2021	2020
ASSETS		
Current:		
Cash and cash equivalents	$ 86,690,610	$ 89,049,989
Investments	1,102,135	2,162,546
Receivables:		
Western Region		
Residental, net of allowance for doubtful accounts of $909,826 and $544,202 in 2021 and 2020, respectively	1,421,750	1,095,888
Municipal	2,107,274	2,148,298
Major Industries	493,065	135,440
Permit industries	223,516	397,439
Notes receivable, current portion	-	80,460
Other receivables	1,300,045	1,448,595
Prepaid expenses	545,529	335,511
Total current assets	93,883,924	96,854,166
Non current:		
Capital assets, net of accumulated depreciation	294,241,463	276,768,326
Notes receivable, net of current portion	-	1,593,511
Restricted cash and cash equivalents	11,648,746	11,648,746
Total non current assets	305,890,209	290,010,583
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	3,249,968	3,521,742
Pension plan related deferred outflows	10,483,842	11,682,586
Total assets and deferred outflows of resources	$ 413,507,943	$ 402,069,077
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 7,535,576	$ 5,323,543
Payable to the City of Philadelphia	1,754,708	1,589,057
Current portion of long-term debt	6,192,051	6,142,851
Accrued bond interest payable	1,028,843	1,075,979
Advances on services		
Residential	213,348	126,993
Central Delaware County Authority	1,060,064	793,146
Muckinipates Authority	635,630	464,278
Darby Creek Joint Authority	1,384,002	1,374,210
Municipal	-	447,261
Major Industries	933,410	512,873
Total current liabilities	20,737,632	17,850,191
Noncurrent		
Long term debt, net of current portion	145,460,209	152,189,228
Net pension liability	7,100,169	8,473,571
Deferred compensation plan	573,017	459,586
Total non current liabilities	153,133,395	161,122,385
Total liabilities	173,871,027	178,972,576
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	4,326,029	2,870,217
Total liabilities and deferred inflows of resources	178,197,056	181,842,793
NET POSITION		
Invested in capital assets, net of related debt	141,560,360	118,436,483
Restricted for debt service	11,022,139	-
Unrestricted	82,728,388	101,789,801
Total net position	235,310,887	220,226,284
TOTAL LIABILITIES AND NET POSITION	$ 413,507,943	$ 402,069,077

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2021	2020
Operating revenues		
Western Region:		
Major Industries	$ 8,483,823	$ 7,988,950
Residential	9,337,233	8,797,981
Municipal	11,091,658	10,509,730
Contract operation fees	461,772	634,364
Permit Industries	1,554,144	1,489,836
Total Western Region	30,928,630	29,420,861
Eastern Region:		
Darby Creek Joint Authority	20,923,500	18,967,409
Central Delaware County Authority	10,362,238	9,591,402
Muckinipates Authority	4,538,196	4,272,642
Total Eastern Region	35,823,934	32,831,453
Sludge disposal and processing	6,384,090	6,621,620
Total operating revenues	73,136,654	68,873,934
Operating expenses, including depreciation of $9,445,142 in 2021 and $8,590,205 in 2020	54,074,043	53,391,628
Operating income	19,062,611	15,482,306
Non-operating revenues (expense)		
Interest income	147,467	900,936
Interest expense	(6,314,072)	(6,568,009)
Bond premium amortization	1,322,851	1,322,852
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income (see Note 9)	242,176	10,694,498
Total non-operating revenues (expense)	(4,873,352)	6,078,503
Net income before capital contributions	14,189,259	21,560,809
Capital contributions:	895,344	761,060
Net income	15,084,603	22,321,869
Net position - beginning	220,226,284	197,904,415
Net position - ending	$ 235,310,887	$ 220,226,284

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2022	2021
ASSETS		
Current:		
Cash and cash equivalents	$ 70,487,931	$ 86,690,610
Investments	485,673	1,102,135
Receivables:		
Western Region		
Residential, net of allowance for doubtful accounts of $1,172,935 and $909,826 in 2022 and 2021, respectively	2,401,935	1,421,750
Municipal	2,338,630	2,107,274
Major industries	476,208	493,065
Permit industries	203,853	223,516
Other receivables	1,869,725	1,300,045
Prepaid expenses	268,067	545,529
Total current assets	78,532,022	93,883,924
Non current:		
Capital assets, net of accumulated depreciation	322,299,993	294,241,463
Right to use asset	110,812	-
Restricted cash and cash equivalents	11,740,850	11,648,746
Total non current assets	334,151,655	305,890,209
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	2,978,193	3,249,968
Pension plan related deferred outflows	10,610,065	10,483,842
Total assets and deferred outflows of resources	$ 426,271,935	$ 413,507,943
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,772,098	$ 7,535,576
Payable to the City of Philadelphia	1,948,014	1,754,708
Current portion of long-term debt	6,453,914	6,192,051
Accrued bond interest payable	994,978	1,028,843
Current portion of operating lease liability	43,532	-
Advances on services		
Eastern Region		
Residential	158,048	213,348
Central Delaware County Authority	1,280,721	1,060,064
Muckinipates Authority	554,152	635,630
Darby Creek Joint Authority	2,202,771	1,384,002
Major industries	31,796	933,410
Total current liabilities	20,440,024	20,737,632
Noncurrent		
Operating lease liability - net of current protion	67,280	-
Long term debt, net of current portion	138,964,327	145,460,209
Net pension liability	2,366,661	7,100,169
Deferred compensation plan	485,673	573,017
Total non current liabilities	141,883,941	153,133,395
Total liabilities	162,323,965	173,871,027
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	10,138,949	4,326,029
Total liabilities and deferred inflows of resources	172,462,914	178,197,056
NET POSITION		
Invested in capital assets, net of related debt	176,881,753	141,560,360
Restricted for debt service	11,740,850	11,022,139
Unrestricted	65,186,418	82,728,388
Total net position	253,809,021	235,310,887
TOTAL LIABILITIES AND NET POSITION	$ 426,271,935	$ 413,507,943

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2022	2021
Operating revenues		
Western Region:		
Major Industries	$ 9,711,481	$ 8,483,823
Residential	10,927,364	9,337,233
Municipal	11,550,992	11,091,658
Contract operation fees	551,853	461,772
Permit Industries	1,780,740	1,554,144
Total Western Region	34,522,430	30,928,630
Eastern Region:		
Darby Creek Joint Authority	22,547,367	20,923,500
Central Delaware County Authority	11,237,212	10,362,238
Muckinipates Authority	4,965,915	4,538,196
Total Eastern Region	38,750,494	35,823,934
Sludge disposal and processing	6,190,959	6,384,090
Total operating revenues	79,463,883	73,136,654
Operating expenses, including depreciation of $9,792,367 in 2022 and $9,445,142 in 2021	57,911,544	54,074,043
Operating income	21,552,339	19,062,611
Non-operating revenues (expense)		
Interest income	1,294,078	147,467
Interest expense	(6,118,633)	(6,314,072)
Bond premium amortization	1,322,851	1,322,851
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income	138,573	242,176
Total non-operating revenues (expense)	(3,634,905)	(4,873,352)
Net income before capital contributions	17,917,434	14,189,259
Capital contributions:	580,700	895,344
Net income	18,498,134	15,084,603
Net position - beginning	235,310,887	220,226,284
Net position - ending	$ 253,809,021	$ 235,310,887

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2023	2022
ASSETS		
Current:		
Cash and cash equivalents	$ 80,027,579	$ 70,487,931
Investments	5,428,897	485,673
Receivables:		
Western Region		
Residential, net of allowance for doubtful accounts of $827,905 and $1,172,935 in 2023 and 2022, respectively	1,768,423	2,401,935
Municipal	3,587,623	2,338,630
Major industries	333,719	476,208
Permit industries	166,554	203,853
Other receivables	1,764,514	1,869,725
Prepaid expenses	201,488	268,067
Total current assets	93,278,797	78,532,022
Non current:		
Capital assets, net of accumulated depreciation	331,304,329	322,299,993
Right to use asset	89,212	110,812
Restricted cash and cash equivalents	14,148,555	11,740,850
Pension funding	1,193,299	-
Total non current assets	346,735,395	334,151,655
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	2,706,419	2,978,193
Pension plan related deferred outflows	7,364,785	10,610,065
Total assets and deferred outflows of resources	$ 450,085,396	$ 426,271,935
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,732,388	$ 6,772,098
Payable to the City of Philadelphia	1,922,141	1,948,014
Current portion of long-term debt	6,704,762	6,453,914
Accrued bond interest payable	1,076,358	994,978
Current portion of operating lease liability	27,175	43,532
Advances on services		
Eastern Region		
Residential	183,190	158,048
Central Delaware County Authority	1,530,298	1,280,721
Muckinipates Authority	811,418	554,152
Darby Creek Joint Authority	2,601,579	2,202,771
Major industries	193,617	31,796
Total current liabilities	21,782,926	20,440,024
Noncurrent		
Operating lease liability - net of current protion	62,037	67,280
Long term debt, net of current portion	144,364,378	138,964,327
Net pension liability	-	2,366,661
Deferred compensation plan	618,903	485,673
Total non current liabilities	145,045,318	141,883,941
Total liabilities	166,828,244	162,323,965
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	9,505,985	10,138,949
Total liabilities and deferred inflows of resources	176,334,229	172,462,914
NET POSITION		
Invested in capital assets, net of related debt	180,237,083	176,881,753
Restricted for debt service	14,148,555	11,740,850
Unrestricted	79,365,529	65,186,418
Total net position	273,751,167	253,809,021
TOTAL LIABILITIES AND NET POSITION	$ 450,085,396	$ 426,271,935

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2023	2022
Operating revenues		
Western Region:		
Major Industries	$ 9,253,941	$ 9,711,481
Residential	11,753,876	10,927,364
Municipal	12,253,797	11,550,992
Contract operation fees	625,939	551,853
Permit Industries	1,719,335	1,780,740
Total Western Region	35,606,888	34,522,430
Eastern Region:		
Darby Creek Joint Authority	23,166,612	22,547,367
Central Delaware County Authority	11,460,816	11,237,212
Muckinipates Authority	5,011,092	4,965,915
Total Eastern Region	39,638,520	38,750,494
Sludge disposal and processing	6,507,209	6,190,959
Total operating revenues	81,752,617	79,463,883
Operating expenses, including depreciation of $10,891,213 in 2023 and $9,792,367 in 2022	60,325,829	57,911,544
Operating income	21,426,788	21,552,339
Non-operating revenues (expense)		
Interest income	3,742,325	1,294,078
Interest expense	(6,414,305)	(6,118,633)
Bond premium amortization	1,322,851	1,322,851
Bond issuance costs	(344,000)	-
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income	163,821	138,573
Total non-operating revenues (expense)	(1,801,082)	(3,634,905)
Net income before capital contributions	19,625,706	17,917,434
Capital contributions	316,440	580,700
Net income	19,942,146	18,498,134
Net position - beginning	253,809,021	235,310,887
Net position - ending	$ 273,751,167	$ 253,809,021

The accompanying notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2021 and 2020

	2021	2020
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 18,499,233**	$ 15,840,370
Restricted cash - workers' compensation fund	**317,269**	279,455
Investments - cash and certificates of deposit (at par)	**794,729**	795,109
Receivables - customers, net	**5,006,643**	5,791,611
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**1,227,692**	1,549,331
Prepaid expenses	**3,357,083**	1,340,963
Total current assets	**29,222,249**	25,616,439
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,678,971**	7,686,000
Amount provided for future system improvements	**6,110,198**	11,941,433
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,210,000**	5,225,000
Long-term customer receivables	**96,705**	117,932
Capital assets, net of accumulated depreciation		
Contributed capital assets	**2,225,557**	2,508,257
Purchased capital assets	**211,121,178**	197,500,684
Total non-current assets	**238,442,609**	229,979,306
Total assets	**267,664,858**	255,595,745
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**98,201,989**	103,067,058
Changes in pension experience	**1,187,254**	1,753,594
Changes in pension assumptions	**1,214,688**	1,969,111
Deferred loss on advanced bond refunding, net	**28,165,906**	23,376,680
Deferred bond swap fee, net	**10,447,114**	11,179,830
Total deferred outflow of resources	**139,216,951**	141,346,273
Total assets and deferred outflow of resources	**$ 406,881,809**	$ 396,942,018

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2021 and 2020

	2021	2020
Operating revenues	**$ 42,221,410**	$ 40,725,085
Operating expenses		
Personnel	**6,419,997**	6,112,365
Personnel benefits	**3,002,841**	3,504,971
Supplies and materials	**2,691,295**	2,012,909
Other services and charges	**5,608,226**	5,037,083
City of Erie lease	**-**	2,850,000
Total operating expenses	**17,722,359**	19,517,328
Operating income before depreciation	**24,499,051**	21,207,757
Depreciation	**7,334,156**	7,746,138
Operating income	**17,164,895**	13,461,619
Non-operating revenue (expense)		
Interest expense	**(14,994,518)**	(13,588,313)
Other revenue (expense), net	**(2,498,599)**	(153,290)
Net loss before contributed capital	**(328,222)**	(279,984)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**(328,222)**	(279,984)
Net Position		
Beginning of year	**(56,066,078)**	(55,786,094)
End of year	**$ (56,394,300)**	$ (56,066,078)

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2022 and 2021

	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 11,399,995**	$ 18,499,233
Restricted cash - workers' compensation fund	**339,314**	317,269
Investments - cash and certificates of deposit (at par)	**786,698**	794,729
Receivables - customers, net	**5,273,855**	5,006,643
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**1,604,945**	1,227,692
Prepaid expenses	**3,243,579**	3,357,083
Total current assets	**22,667,986**	29,222,249
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,719,261**	8,678,971
Amount provided for future system improvements	**483,482**	6,110,198
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,195,000**	5,210,000
Long-term customer receivables	**77,384**	96,705
Capital assets, net of accumulated depreciation		
Contributed capital assets	**1,968,299**	2,225,557
Purchased capital assets	**234,487,365**	211,121,178
Total non-current assets	**255,930,791**	238,442,609
Total assets	**278,598,777**	267,664,858
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**95,394,890**	98,201,989
Changes in pension experience	**-**	1,187,254
Changes in pension assumptions	**630,016**	1,214,688
Deferred loss on advanced bond refunding, net	**26,675,474**	28,165,906
Deferred bond swap fee, net	**9,714,398**	10,447,114
Total deferred outflow of resources	**132,414,778**	139,216,951
Total assets and deferred outflow of resources	**$ 411,013,555**	$ 406,881,809

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2022 and 2021

	2022	2021
Operating revenues	**$ 42,909,437**	$ 42,221,410
Operating expenses		
Personnel	**6,816,018**	6,419,997
Personnel benefits	**3,995,453**	4,602,810
Supplies and materials	**2,759,799**	2,691,295
Other services and charges	**6,711,191**	5,608,226
Total operating expenses	**20,282,461**	19,322,328
Operating income before depreciation	**22,626,976**	22,899,082
Depreciation	**7,082,738**	7,334,156
Operating income	**15,544,238**	15,564,926
Non-operating revenue (expense)		
Interest expense	**(14,669,271)**	(14,994,518)
Other revenue (expense), net	**(10,209,483)**	(898,630)
Net loss before contributed capital	**(9,334,516)**	(328,222)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**(9,334,516)**	(328,222)
Net Position		
Beginning of year	**(56,394,300)**	(56,066,078)
End of year	**$ (65,728,816)**	$ (56,394,300)

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 4,909,700**	$ 11,399,995
Restricted cash - workers' compensation fund	**17,403**	14,419
Investments - cash and certificates of deposit (at par)	**820,393**	786,698
Receivables - customers, net	**7,130,686**	5,273,855
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**2,141,613**	1,604,945
Prepaid expenses	**3,317,608**	3,243,579
Total current assets	**18,357,003**	22,343,091
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,843,081**	8,719,261
Amount provided for future system improvements	**9,366,985**	483,482
Amount for workers compensation benefits	**326,034**	324,895
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,180,000**	5,195,000
Long-term customer receivables	**66,579**	77,384
Capital assets, net of accumulated depreciation		
Contributed capital assets	**1,742,089**	1,968,299
Purchased capital assets	**249,158,817**	234,487,365
Total non-current assets	**279,683,585**	256,255,686
Total assets	**298,040,588**	278,598,777
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**92,587,791**	95,394,890
Changes in pension investment returns	**1,486,347**	-
Changes in pension assumptions	**-**	630,016
Deferred loss on advanced bond refunding, net	**25,185,043**	26,675,474
Deferred bond swap fee, net	**8,981,681**	9,714,398
Total deferred outflow of resources	**128,240,862**	132,414,778
Total assets and deferred outflow of resources	**$ 426,281,450**	$ 411,013,555

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2023 and 2022

	2023	2022
Operating revenues	**$ 45,297,990**	$ 42,909,437
Operating expenses		
Personnel	**6,746,696**	6,816,018
Personnel benefits	**3,699,993**	3,995,453
Supplies and materials	**2,950,064**	2,759,799
Other services and charges	**6,798,166**	6,711,191
Total operating expenses	**20,194,919**	20,282,461
Operating income before depreciation	**25,103,071**	22,626,976
Depreciation	**6,890,703**	7,082,738
Operating income	**18,212,368**	15,544,238
Non-operating revenue (expense)		
Interest expense	**(15,456,722)**	(14,669,271)
Other revenue (expense), net	**13,427,632**	(10,209,483)
Net gain (loss) before contributed capital	**16,183,278**	(9,334,516)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**16,183,278**	(9,334,516)
Net Position		
Beginning of year	**(65,728,816)**	(56,394,300)
End of year	**$ (49,545,538)**	$ (65,728,816)

The notes to the financial statements are an integral part of these statements.

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2022 and 2021

	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 3,093,973	$ 4,644,074
Investments	2,000,000	-
Funds in custody of trustee, restricted cash	4,365,000	4,210,000
Accounts receivable	4,021,035	3,593,825
Prepaid expenses	85,877	71,764
Total Current Assets	13,565,885	12,519,663
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	6,976,467	4,742,245
Capital assets being depreciated		
Sewer system - lines	123,302,525	122,165,152
Sewer system - pump stations	42,146,759	41,931,866
Sewer system - treatment plant	73,994,644	72,170,735
Buildings and improvements	4,126,937	4,090,201
Technology	1,473,958	1,424,091
Vehicles	2,276,708	2,529,916
Equipment	1,329,764	1,077,480
Accumulated depreciation	(109,858,307)	(103,992,369)
Capital Assets, Net	146,644,636	147,014,498
Accounts receivable, net of current portion	118,356	161,167
Net pension asset	1,363,728	-
Funds in custody of trustee, restricted cash, net of current portion	10,744,085	16,446,170
Funds in custody of trustee, restricted investments	21,738,103	9,338,053
Total Assets	194,174,793	185,479,551
Deferred Outflows of Resources		
Pension	330,943	496,415
Total Assets and Deferred Outflows of Resources	$ 194,505,736	$ 185,975,966

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2022 and 2021

	2022	2021
Operating Revenue		
Sewer rental	$ 24,357,660	$ 22,534,309
Industrial waste surcharges	453,949	357,471
Bulk treatment fees	521,606	406,091
Trucked waste program	531,510	503,123
Interest and penalties	339,750	254,311
Miscellaneous income	395,505	321,335
Total operating revenue	26,599,980	24,376,640
Operating Expenses		
Administrative	3,375,692	3,841,748
Collection department	8,357,491	7,913,564
Treatment plant	5,190,388	5,168,757
Pretreatment program and laboratory department	384,804	306,245
Columbia Borough	566,414	741,975
West Earl	695,928	335,295
Total operating expenses	18,570,717	18,307,584
Operating income	8,029,263	6,069,056
Nonoperating Revenues (Expenses)		
Interest income (losses)	(208,801)	99,485
Tapping fees	3,056,393	1,322,458
Capacity reservation fees	299,814	287,960
Gain (loss) on sale of assets	73,257	66,100
Interest expense	(2,430,336)	(2,519,082)
Bond issue costs	-	(109,314)
Amortization	415,469	555,179
Total nonoperating revenues (expenses)	1,205,796	(297,214)
Income before capital contributions	9,235,059	5,771,842
Capital contributions	1,231,729	1,075,815
Increase in net position	10,466,788	6,847,657
Net position at beginning of year	110,933,742	104,086,085
Net position at end of year	$ 121,400,530	$ 110,933,742

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2023 and 2022

	2023	2022
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 1,680,572	$ 3,093,973
Investments	3,982,781	2,000,000
Funds in custody of trustee, restricted cash	4,565,000	4,365,000
Accounts receivable	4,494,373	4,021,035
Prepaid expenses	81,491	85,877
Total Current Assets	14,804,217	13,565,885
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	7,358,747	6,976,467
Capital assets being depreciated		
Sewer system - lines	134,414,746	123,302,525
Sewer system - pump stations	42,635,900	42,146,759
Sewer system - treatment plant	74,205,462	73,994,644
Buildings and improvements	4,126,937	4,126,937
Technology	1,473,958	1,473,958
Vehicles	2,601,170	2,276,708
Equipment	1,362,764	1,329,764
Accumulated depreciation	(116,182,270)	(109,858,307)
Capital Assets, Net	152,872,595	146,644,636
Accounts receivable, net of current portion	92,935	118,356
Net pension asset	-	1,363,728
Funds in custody of trustee, restricted cash, net of current portion	6,697,677	10,744,085
Funds in custody of trustee, restricted investments	22,402,017	21,738,103
Total Assets	196,869,441	194,174,793
Deferred Outflows of Resources		
Pension	2,075,744	330,943
Total Assets and Deferred Outflows of Resources	$ 198,945,185	$ 194,505,736

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2023 and 2022

	2023	2022
Operating Revenue		
Sewer rental	$ 25,947,712	$ 24,357,660
Industrial waste surcharges	872,975	453,949
Bulk treatment fees	474,082	521,606
Trucked waste program	494,463	531,510
Interest and penalties	400,987	339,750
Miscellaneous income	475,872	395,505
Total operating revenue	28,666,091	26,599,980
Operating Expenses		
Administrative	4,541,457	3,372,804
Collection department	8,498,149	8,203,509
Treatment plant	6,081,353	5,313,976
Pretreatment program and laboratory department	435,039	384,804
Columbia Borough	665,941	598,689
West Earl	572,016	696,935
Total operating expenses	20,793,955	18,570,717
Operating income	7,872,136	8,029,263
Nonoperating Revenues (Expenses)		
Interest income (losses)	696,384	(208,801)
Tapping fees	1,124,462	3,056,393
Capacity reservation fees	317,626	299,814
Gain on sale of assets	6,600	73,257
Interest expense	(2,275,786)	(2,430,336)
Amortization	431,369	415,469
Total nonoperating revenues (expenses)	300,655	1,205,796
Income before capital contributions	8,172,791	9,235,059
Capital contributions	1,583,529	1,231,729
Increase in net position	9,756,320	10,466,788
Net position at beginning of year	121,400,530	110,933,742
Net position at end of year	$ 131,156,850	$ 121,400,530

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2024 and 2023

	2024	2023
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 7,104,220	$ 1,680,572
Investments	600,000	3,982,781
Funds in custody of trustee, restricted cash	4,750,000	4,565,000
Accounts receivable	7,020,753	4,494,373
Prepaid expenses	85,344	81,491
Total Current Assets	19,560,317	14,804,217
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	14,102,795	7,358,747
Capital assets being depreciated		
Sewer system - lines	136,134,891	134,414,746
Sewer system - pump stations	43,853,820	42,635,900
Sewer system - treatment plant	74,747,800	74,205,462
Buildings and improvements	4,163,886	4,126,937
Technology	1,203,611	1,473,958
Vehicles	2,860,507	2,601,170
Equipment	1,376,515	1,362,764
Accumulated depreciation	(122,326,008)	(116,182,270)
Capital Assets, Net	156,992,998	152,872,595
Accounts receivable, net of current portion	42,928	92,935
Funds in custody of trustee, restricted cash, net of current portion	16,734,276	6,697,677
Funds in custody of trustee, restricted investments	15,444,885	22,402,017
Total Assets	208,775,404	196,869,441
Deferred Outflows of Resources		
Pension	1,486,574	2,075,744
Total Assets and Deferred Outflows of Resources	$ 210,261,978	$ 198,945,185

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2024 and 2023

	2024	2023
Operating Revenue		
Sewer rental	$ 26,576,175	$ 25,947,712
Industrial waste surcharges	439,223	872,975
Bulk treatment fees	566,110	474,082
Trucked waste program	532,608	494,463
Interest and penalties	432,364	400,987
Miscellaneous income	405,048	475,872
Total operating revenue	28,951,528	28,666,091
Operating Expenses		
Administrative	5,369,092	4,589,551
Collection department	10,642,577	9,123,996
Treatment plant	6,000,920	6,081,353
Pretreatment program and laboratory department	501,626	435,039
West Earl	389,210	564,016
Total operating expenses	22,903,425	20,793,955
Operating income	6,048,103	7,872,136
Nonoperating Revenues (Expenses)		
Interest income	2,147,390	696,384
Tapping fees	4,067,355	1,124,462
Capacity reservation fees	399,991	317,626
Gain on sale of assets	9,600	6,600
Interest expense	(2,057,536)	(2,275,786)
Amortization	449,032	431,369
Total nonoperating revenues (expenses)	5,015,832	300,655
Income before capital contributions	11,063,935	8,172,791
Capital contributions	467,165	1,583,529
Increase in net position	11,531,100	9,756,320
Net position at beginning of year	131,156,850	121,400,530
Net position at end of year	$ 142,687,950	$ 131,156,850

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2021 AND 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 76,422	$ 60,210
Accounts receivable, net:		
Water:		
Billed	8,332	7,400
Unbilled	8,576	7,955
Total water	16,908	15,355
Wastewater treatment:		
Billed	4,886	3,676
Unbilled	4,219	3,457
Total wastewater treatment	9,105	7,133
Other receivables	555	1,924
Total accounts receivable, net	26,568	24,412
Prepaid expenses	1,747	1,737
Inventory	2,028	2,075
Total current assets	106,765	88,434
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	16,785	16,201
Investments	9,099	9,705
Total restricted assets	25,884	25,906
Capital assets, not being depreciated	158,128	155,050
Capital assets, net of accumulated depreciation	857,243	766,600
Total noncurrent assets	1,041,255	947,556
Total Assets	1,148,020	1,035,990
Deferred Outflows of Resources		
Deferred charge on refunding	84,644	91,827
Accumulated decrease in fair value of hedging derivatives	21,465	33,863
Total Deferred Outflows of Resources	106,109	125,690

(Continued)

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

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues:		
Residential, commercial, and industrial water sales	$ 181,870	$ 162,676
Wastewater treatment	76,774	71,899
Other	10,477	7,422
Total operating revenues	269,121	241,997
Operating Expenses:		
Direct operating expenses	99,160	92,134
Wastewater treatment	76,802	72,698
Reimbursement for City of Pittsburgh indirect services	3,818	4,289
Expense of water provided by other entities	120	386
Depreciation	24,386	21,659
Total operating expenses	204,286	191,166
Operating Income	64,835	50,831
Non-operating Revenues (Expenses):		
Federal and private grants	1,347	7,001
Interest revenue	24	201
Interest and amortization	(39,431)	(37,463)
Bond issuance costs	-	(2,075)
Total non-operating revenues (expenses)	(38,060)	(32,336)
Net Income before Capital Contribution and Special Item	26,775	18,495
Capital Contribution:		
Donated property	567	76
Special Item:		
Private lead line replacement	(3,088)	(18,832)
Net Income (Loss)	24,254	(261)
Net Position:		
Beginning of year	1,274	1,535
End of year	$ 25,528	$ 1,274

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

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2022 AND 2021

	2022	2021 (restated)
Assets		
Current assets:		
Cash and cash equivalents	$ 83,695	$ 76,422
Accounts receivable, net:		
Water:		
Billed	16,053	8,332
Unbilled	8,746	8,576
Total water	24,799	16,908
Wastewater treatment:		
Billed	2,706	4,886
Unbilled	3,880	4,219
Total wastewater treatment	6,586	9,105
Other receivables	3,297	555
Total accounts receivable, net	34,682	26,568
Prepaid expenses	1,804	1,747
Inventory	2,645	2,028
Total current assets	122,826	106,765
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	17,129	16,785
Investments	9,183	9,099
Total restricted assets	26,312	25,884
Hedging derivative - interest rate swap	20,167	-
Capital assets, not being depreciated	212,414	158,128
Capital assets, net of accumulated depreciation/amortization	898,371	861,249
Total noncurrent assets	1,157,264	1,045,261
Total Assets	1,280,090	1,152,026
Deferred Outflows of Resources		
Deferred charge on refunding	75,822	84,644
Accumulated decrease in fair value of hedging derivatives	384	21,465
Total Deferred Outflows of Resources	76,206	106,109

(Continued)

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

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021 (restated)
Operating Revenues:		
Residential, commercial, and industrial sales	$ 199,761	$ 181,870
Wastewater treatment	80,868	76,774
Other	6,537	10,477
Total operating revenues	287,166	269,121
Operating Expenses:		
Direct operating expenses	98,962	99,160
Wastewater treatment	81,804	76,802
Reimbursement for City of Pittsburgh indirect services	3,805	3,818
Expense of water provided by other entities	172	120
Depreciation and amortization	27,936	24,386
Total operating expenses	212,679	204,286
Operating Income	74,487	64,835
Non-operating Revenues (Expenses):		
Federal and private grants	9,264	1,347
Interest revenue	348	24
Interest and amortization	(40,687)	(39,431)
Bond issuance costs	(536)	-
Total non-operating revenues (expenses)	(31,611)	(38,060)
Net Income before Capital Contribution and Special Item	42,876	26,775
Capital Contribution:		
Donated property	876	567
Special Item:		
Private lead line replacement, net	(4,748)	(3,088)
Net Income (Loss)	39,004	24,254
Net Position:		
Beginning of year	25,528	1,274
End of year	$ 64,532	$ 25,528

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

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2023 AND 2022

	2023	2022 (restated)
Assets		
Current assets:		
Cash and cash equivalents	$ 67,966	$ 83,695
Accounts receivable, net:		
Water:		
Billed	16,235	16,053
Unbilled	9,950	8,746
Total water	26,185	24,799
Wastewater treatment:		
Billed	3,325	2,706
Unbilled	4,144	3,880
Total wastewater treatment	7,469	6,586
Other receivables	8,683	3,297
Total accounts receivable, net	42,337	34,682
Prepaid expenses	2,080	1,804
Inventory	2,702	2,645
Total current assets	115,085	122,826
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	20,393	17,129
Investments	10,266	9,183
Total restricted assets	30,659	26,312
Hedging derivative - interest rate swap	12,896	20,167
Capital assets, not being depreciated	244,278	212,414
Capital assets, net of accumulated depreciation/amortization	961,742	901,685
Total noncurrent assets	1,249,575	1,160,578
Total Assets	1,364,660	1,283,404
Deferred Outflows of Resources		
Deferred charge on refunding	63,130	75,822
Accumulated decrease in fair value of hedging derivatives	-	384
Total Deferred Outflows of Resources	63,130	76,206

(Continued)

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

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues:		
Residential, commercial, and industrial sales	$ 207,487	$ 199,761
Wastewater treatment	87,791	80,868
Other	3,438	6,537
Total operating revenues	298,716	287,166
Operating Expenses:		
Direct operating expenses	116,056	98,962
Wastewater treatment	90,060	81,804
Reimbursement for City of Pittsburgh indirect services	4,073	3,805
Expense of water provided by other entities	164	172
Depreciation and amortization	33,096	27,936
Total operating expenses	243,449	212,679
Operating Income	55,267	74,487
Non-operating Revenues (Expenses):		
Federal and private grants	11,901	9,264
Interest revenue	1,890	348
Interest and amortization	(43,210)	(40,687)
Bond issuance costs	(1,917)	(536)
Total non-operating revenues (expenses)	(31,336)	(31,611)
Net Income before Capital Contribution and Special Item	23,931	42,876
Capital Contribution:		
Donated property	3,168	876
Special Item:		
Private lead line replacement, net	(7,894)	(4,748)
Net Income (Loss)	19,205	39,004
Net Position:		
Beginning of year	64,532	25,528
End of year	$ 83,737	$ 64,532

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

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2021	2020
Assets		
Current Assets, Unrestricted		
Cash	$ 17,689,072	$ 16,436,716
Accounts receivable, water billings, net of allowance 2021 and 2020 $2,820,082	3,969,397	4,157,344
Accounts receivable, trash and recycling billings, net of allowance 2021 $56,489; 2020 $78,819	8,601	8,978
Unbilled water usage	1,033,025	995,687
Inventory	146,694	114,583
Total Current Assets, Unrestricted	22,846,789	21,713,308
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	26	9
Construction Account	-	2
Debt Service Account	24	29
Debt Service Reserve Account	2,511,922	4,018,568
Total Current Assets, Restricted	2,511,972	4,018,608
Capital Assets		
Capital assets not being depreciated, construction in progress	81,951	304,561
Capital assets being depreciated		
Leasehold improvements	82,407,773	80,754,706
Acquired systems	922,519	879,745
Equipment	13,176,176	12,589,754
Vehicles	3,189,248	3,153,520
Computers and software	933,646	933,646
	100,629,362	98,311,371
Accumulated depreciation	(39,662,582)	(35,278,978)
	60,966,780	63,032,393
Capital Assets, Net	61,048,731	63,336,954
Other Asset		
Leased land rights	849,525	883,620
Deferred Outflow of Resources, Refinancing Loss	5,100,539	5,280,266
Total Assets and Deferred Outflow of Resources	92,357,556	95,232,756

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2021	2020
Operating Revenues		
Water billings	$ 31,847,547	$ 31,735,206
Tampered meter and other charges	535,209	344,642
Interest and penalty charges	452,716	619,149
Tapping and connection fees	167,474	54,873
Abandonment fees	17,604	21,664
Total Operating Revenues	33,020,550	32,775,534
Operating Expenses		
Lease payments, City of Reading	12,538,372	12,543,495
Salaries and payroll taxes	5,025,425	5,182,418
Employee benefits	1,273,912	1,253,169
Chemical supplies	1,198,734	1,156,151
Contracted services	1,038,313	928,007
Repairs and maintenance	897,848	489,663
Utilities	644,695	668,639
Supplies	539,606	444,116
Bank charges	418,972	381,017
Legal fees	380,804	444,124
Bad debt expense	275,164	564,837
Insurance	138,484	149,321
Engineering	93,283	175,475
Dues and subscriptions	71,899	71,492
Grant expenditures	58,304	75,769
Advertising	32,686	17,929
Professional services	29,690	34,250
Education	3,697	1,215
Development	-	20,875
Total Operating Expenses	24,659,888	24,601,962
Operating Income before Depreciation and Amortization	8,360,662	8,173,572
Depreciation and Amortization	4,417,699	4,519,916
Operating Income	3,942,963	3,653,656

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2022	2021
Assets		
Current Assets, Unrestricted		
Cash	$ 17,892,202	$ 17,689,072
Accounts receivable, water billings, net of allowance 2022 $2,988,313; 2021 $2,820,082	4,557,294	3,969,397
Accounts receivable, trash and recycling billings, net of allowance 2022 $38,964; 2021 $56,489	5,608	8,601
Due from the City of Reading	154,040	-
Unbilled water usage	1,060,154	1,033,025
Inventory	334,406	146,694
Total Current Assets, Unrestricted	24,003,704	22,846,789
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	8	26
Debt Service Account	7,500	24
Debt Service Reserve Account	2,553,761	2,511,922
Total Current Assets, Restricted	2,561,269	2,511,972
Capital Assets		
Capital assets not being depreciated, construction in progress	298,848	81,951
Capital assets being depreciated		
Leasehold improvements	82,661,102	82,407,773
Acquired systems	922,519	922,519
Equipment	13,481,181	13,176,176
Vehicles	3,189,248	3,189,248
Computers and software	939,118	933,646
	101,193,168	100,629,362
Accumulated depreciation	(44,060,709)	(39,662,582)
	57,132,459	60,966,780
Capital Assets, Net	57,431,307	61,048,731
Other Asset		
Prepaid expenses	868,113	849,525
Deferred Outflow of Resources, Refinancing Loss	4,924,291	5,100,539
Total Assets and Deferred Outflow of Resources	89,788,684	92,357,556

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2022	2021
Operating Revenues		
Water billings	$ 33,383,684	$ 31,847,547
Tampered meter and other charges	334,857	535,209
Interest and penalty charges	456,642	452,716
Tapping and connection fees	159,235	167,474
Abandonment fees	8,552	17,604
Total Operating Revenues	34,342,970	33,020,550
Operating Expenses		
Lease payments, City of Reading	12,670,536	12,538,372
Salaries and payroll taxes	5,225,977	5,025,425
Employee benefits	1,471,525	1,273,912
Chemical supplies	1,658,599	1,198,734
Contracted services	936,570	1,038,313
Repairs and maintenance	776,928	897,848
Utilities	1,036,602	644,695
Supplies	565,324	539,606
Bank charges	469,976	418,972
Legal fees	603,244	380,804
Bad debt expense	281,628	275,164
Insurance	156,383	138,484
Engineering	167,494	93,283
Dues and subscriptions	76,493	71,899
Grant expenditures	67,987	58,304
Advertising	34,352	32,686
Professional services	27,800	29,690
Education	2,955	3,697
Total Operating Expenses	26,230,373	24,659,888
Operating Income before Depreciation and Amortization	8,112,597	8,360,662
Depreciation and Amortization	4,432,222	4,417,699
Operating Income	3,680,375	3,942,963

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2023	2022
Assets		
Current Assets, Unrestricted		
Cash	$ 17,354,085	$ 17,892,202
Accounts receivable, water billings, net of allowance 2023 $3,500,826; 2022 $2,988,313	4,622,837	4,557,294
Accounts receivable, trash and recycling billings, net of allowance 2023 $32,663; 2022 $38,964	2,482	5,608
Due from the City of Reading	(51,869)	154,040
Unbilled water usage	1,162,581	1,060,154
Inventory	371,785	334,406
Total Current Assets, Unrestricted	23,461,901	24,003,704
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	9	8
Debt Service Account	19,840	7,500
Debt Service Reserve Account	2,655,698	2,553,761
Total Current Assets, Restricted	2,675,547	2,561,269
Capital Assets		
Capital assets not being depreciated, construction in progress	1,223,264	298,848
Capital assets being depreciated		
Leasehold improvements	83,795,945	82,661,102
Acquired systems	922,519	922,519
Equipment	13,700,417	13,481,181
Vehicles	3,189,248	3,189,248
Computers and software	933,646	939,118
	102,541,775	101,193,168
Accumulated depreciation	(48,113,534)	(44,060,709)
	54,428,241	57,132,459
Capital Assets, Net	55,651,505	57,431,307
Other Asset		
Prepaid expenses	845,295	868,113
Deferred Outflow of Resources, Refinancing Loss	4,751,795	4,924,291
Total Assets and Deferred Outflow of Resources	87,386,043	89,788,684

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2023	2022
Operating Revenues		
Water billings	$ 33,603,238	$ 33,383,684
Tampered meter and other charges	308,571	334,857
Interest and penalty charges	503,250	456,642
Tapping and connection fees	252,744	159,235
Abandonment fees	19,401	8,552
Total Operating Revenues	34,687,204	34,342,970
Operating Expenses		
Lease payments, City of Reading	12,675,512	12,670,536
Salaries and payroll taxes	5,365,387	5,225,977
Employee benefits	1,583,746	1,471,525
Chemical supplies	2,388,334	1,658,599
Contracted services	986,286	936,570
Repairs and maintenance	772,843	776,928
Utilities	998,169	1,036,602
Supplies	696,376	565,324
Bank charges	281,590	469,976
Legal fees	471,085	603,244
Bad debt expense	552,364	281,628
Insurance	158,304	156,383
Engineering	209,875	167,494
Dues and subscriptions	110,665	76,493
Grant expenditures	71,061	67,987
Advertising	49,432	34,352
Professional services	29,800	27,800
Education	11,424	2,955
Total Operating Expenses	27,412,253	26,230,373
Operating Income before Depreciation and Amortization	7,274,951	8,112,597
Depreciation and Amortization	4,086,920	4,432,222
Operating Income	3,188,031	3,680,375

See accompanying notes.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Net Position
March 31, 2022 and 2021

	2022	2021
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 36,150,461	$ 32,955,491
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2022 and 2021)	7,377,787	6,110,790
Unbilled water and sewer service	9,995,199	10,669,704
Surcharges receivable, current portion	350,000	350,000
Other receivables	619,743	235,285
Material and supplies	3,808,950	3,914,453
Prepaid expenses	1,138,084	1,023,104
Total Current Assets	59,440,224	55,258,827
Property, Plant and Equipment		
Property, plant and equipment (Note 2)	881,298,641	858,530,155
Less: accumulated depreciation	(251,821,548)	(241,031,877)
Property, Plant and Equipment, Net	629,477,093	617,498,278
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2022 and 2021	1,603,849	1,166,543
Prepaid bond insurance	871,552	920,538
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	120,369,951	140,795,056
Restricted cash held by the Authority (Note 6)	1,767,245	3,613,385
Total Non-Current Assets	124,612,597	146,495,522
Total Assets	813,529,914	819,252,627
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	5,145,157	-
Changes in assumptions related to pensions	12,005	29,403
Difference between expected and actual experience related to pensions	1,900,074	549,765
Contribution to pension plan subsequent to measurement date	51,452	51,812
Difference between expected and actual experience related to OPEB	4,756,335	16,345
Changes in assumptions related to OPEB	5,911,510	7,818,150
Deferred losses on bond refundings, net of amortization (Note 8)	2,879,725	3,104,156
Total Deferred Outflows of Resources	20,656,258	11,569,631

(continued)

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2022 and 2021

	2022	2021
Operating Revenues		
Water	$ 87,548,661	$ 88,548,010
Wastewater	17,638,554	17,024,421
Other operating revenues	4,290,022	1,945,458
Total Operating Revenues	109,477,237	107,517,889
Operating Expenses		
Source of supply	992,302	1,075,085
Treatment system	9,109,157	8,688,752
Distribution	20,556,330	21,126,537
Engineering	1,537,634	1,674,676
Wastewater system	10,444,798	9,424,097
Landfill	4,765	4,842
Depreciation and amortization	16,491,844	15,777,383
Commercial and general	21,067,926	21,858,960
Management fee	1,562,500	1,350,000
Total Operating Expenses	81,767,256	80,980,332
Operating Income Before Non-Operating Expenses	27,709,981	26,537,557
Non-Operating Revenues (Expenses)		
Investment income	1,983,251	2,891,362
Net increase (decrease) in the fair value of investments	(249,750)	40,103
Interest expense	(17,959,022)	(19,831,042)
Loss on disposals of property, plant and equipment	(365,140)	(199,495)
Total Non-Operating Expenses	(16,590,661)	(17,099,072)
Income Before Capital Contributions	11,119,320	9,438,485
Capital Contributions	9,261,867	6,497,060
Increase in Net Position	20,381,187	15,935,545
Total Net Position, Beginning of Fiscal Year	172,443,334	156,507,789
Total Net Position, End of Fiscal Year	$ 192,824,521	$ 172,443,334

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Net Position
March 31, 2023 and 2022

	2023	2022
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 30,684,527	$ 36,150,461
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2023 and 2022)	7,327,912	7,377,787
Unbilled water and sewer service	9,928,769	9,995,199
Surcharges receivable, current portion	350,000	350,000
Other receivables	381,570	619,743
Material and supplies	7,080,136	3,808,950
Prepaid expenses	682,919	1,138,084
Total Current Assets	56,435,833	59,440,224
Property, Plant and Equipment		
Property, plant and equipment (Note 2)	908,356,457	881,298,641
Less: accumulated depreciation	(267,829,290)	(251,821,548)
Property, Plant and Equipment, Net	640,527,167	629,477,093
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2023 and 2022	1,347,243	1,603,849
Prepaid bond insurance	819,296	871,552
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	97,754,612	120,369,951
Restricted cash held by the Authority (Note 6)	2,628,293	1,767,245
Total Non-Current Assets	102,549,444	124,612,597
Total Assets	799,512,444	813,529,914
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	11,129,745	5,145,157
Changes in assumptions related to pensions	-	12,005
Difference between expected and actual experience related to pensions	1,108,993	1,900,074
Contribution to pension plan subsequent to measurement date	-	51,452
Difference between expected and actual experience related to OPEB	3,987,075	4,756,335
Changes in assumptions related to OPEB	4,004,870	5,911,510
Deferred losses on bond refundings, net of amortization (Note 8)	2,655,295	2,879,725
Total Deferred Outflows of Resources	22,885,978	20,656,258

(continued)

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2023 and 2022

	2023	2022
Operating Revenues		
Water	$ 89,737,982	$ 87,595,488
Wastewater	17,821,176	17,638,554
Other operating revenues	4,787,897	4,243,196
Total Operating Revenues	112,347,055	109,477,238
Operating Expenses		
Source of supply	1,037,374	992,302
Treatment system	11,670,279	9,109,157
Distribution	23,950,276	20,704,504
Engineering	1,644,530	1,537,634
Wastewater system	12,130,597	10,444,798
Landfill	4,765	4,765
Depreciation and amortization	16,531,917	16,491,844
Commercial and general	23,653,356	20,919,753
Management fee	1,750,000	1,562,500
Loss on disposals of property, plant and equipment	556,194	365,140
Total Operating Expenses	92,929,288	82,132,397
Operating Income before Non-Operating Expenses	19,417,767	27,344,841
Non-Operating Revenues (Expenses)		
Investment income	2,810,346	1,983,251
Net increase (decrease) in the fair value of investments	511,226	(249,750)
Interest expense	(16,880,321)	(17,959,022)
Total Non-Operating Revenues (Expenses)	(13,558,749)	(16,225,521)
Income before Capital Contributions	5,859,018	11,119,320
Capital Contributions	4,350,561	9,261,867
Increase in Net Position	10,209,579	20,381,187
Total Net Position, Beginning of Fiscal Year	192,824,521	172,443,334
Total Net Position, End of Fiscal Year	$ 203,034,100	$ 192,824,521

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Net Position
March 31, 2024 and 2023

	2024	Restated 2023
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 13,869,356	$ 30,684,527
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2024 and 2023)	8,084,838	7,327,912
Unbilled water and sewer service	10,322,094	9,928,769
Surcharges receivable, current portion	350,000	350,000
Other receivables	513,241	381,570
Material and supplies	7,458,718	7,080,136
Prepaid expenses	1,214,622	595,682
Total Current Assets	41,812,869	56,348,596
Capital Assets		
Capital assets (Note 2)	958,074,217	911,281,664
Less: accumulated depreciation and amortization	(284,619,352)	(268,150,448)
Capital Assets, Net	673,454,865	643,131,216
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2024 and 2023	1,119,752	1,343,974
Prepaid bond insurance	773,581	822,566
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	62,765,189	97,754,612
Restricted cash held by the Authority (Note 6)	3,628,507	2,628,293
Total Non-Current Assets	68,287,029	102,549,445
Total Assets	783,554,763	802,029,257
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	6,991,296	11,129,745
Changes in assumptions related to pensions	137,509	-
Difference between expected and actual experience related to pensions	604,021	1,108,993
Difference between expected and actual experience related to OPEB	3,217,815	3,987,075
Changes in assumptions related to OPEB	2,098,230	4,004,870
Deferred losses on bond refundings, net of amortization (Note 8)	2,455,041	2,655,295
Total Deferred Outflows of Resources	15,503,912	22,885,978

(continued)

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2024 and 2023

	2024	Restated 2023
Operating Revenues		
Water	$ 86,458,074	$ 88,048,607
Wastewater	18,706,777	17,821,176
Other operating revenues	3,337,442	6,437,391
Total Operating Revenues	108,502,293	112,307,174
Operating Expenses		
Source of supply	1,075,349	1,038,900
Treatment system	13,600,497	11,671,599
Distribution	27,388,726	23,650,647
Engineering	1,735,261	1,644,530
Wastewater system	13,537,077	12,079,508
Landfill	8,978	4,765
Depreciation and amortization	18,002,750	16,853,075
Commercial and general	20,934,092	23,573,776
Management fee	1,750,000	1,750,000
(Gain) loss on disposals of capital assets	(400,389)	556,194
Total Operating Expenses	97,632,341	92,822,994
Operating Income before Non-Operating	10,869,952	19,484,180
Non-Operating Revenues (Expenses)		
Investment income	2,673,917	2,810,346
Net increase in the fair value of investments	2,339,794	511,226
Interest expense	(15,572,984)	(16,951,350)
Total Non-Operating Revenues (Expenses)	(10,559,273)	(13,629,778)
Income before Capital Contributions	310,679	5,854,402
Capital Contributions	6,296,359	4,350,561
Increase in Net Position	6,607,038	10,204,963
Total Net Position, Beginning of Fiscal Year	203,029,484	192,824,521
Total Net Position, End of Fiscal Year	$ 209,636,522	$ 203,029,484

See accompanying notes to the financial statements.

Series Id: CUUR0000SA0,CUUS0000SA0
Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174	174.1	174	170.8	173.6
2001	175.1	175.8	176.2	176.9	177.7	178	177.5	177.5	178.3	177.7	177.4	176.7	176.6	177.5
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181	181.3	181.3	180.9	178.9	180.9
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185	184.5	184.3	183.3	184.6
2004	185.2	186.2	187.4	188	189.1	189.7	189.4	189.5	189.9	190.9	191	190.3	187.6	190.2
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	193.2	197.4
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	200.6	202.6
2007	202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.49	208.936	210.177	210.036	205.709	208.976
2008	211.08	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	214.429	216.177
2009	211.143	212.193	212.709	213.24	213.856	215.693	215.351	215.834	215.969	216.177	216.33	215.949	213.139	215.935
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.23	225.672	223.598	226.28
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.85	230.338
2013	230.28	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548
2014	233.916	234.781	236.293	237.072	237.9	238.343	238.25	237.852	238.031	237.433	236.151	234.812	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.28	260.388	260.229	260.474	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.31	276.589	277.948	278.802	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	288.347	296.963
2023	299.17	300.84	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	302.408	306.996
2024	308.417	310.326	312.332	313.548	314.069	314.175	314.54	314.796	315.301	315.664	315.493	315.605	312.145	315.233
2025	317.671	319.082	319.799	320.795	321.465	322.561	323.048	323.976					320.229	

Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	
Line #	Line #	Line #	Line #	Line #	Line #	Line #	Line #	
8	**9**	**16**	**23**	**34**	**39**	**40**	**42**	
								1
				9	**6**		**35**	
				9				
1912	**0**	**0**	**0**	**0**	**9**	**6**	**0**	**0**	
1913	**0**	**0**	**0**	**0**	**10**	**6**	**0**	**0**	
1914	**0**	**0**	**0**	**4**	**8**	**5**	**0**	**0**	
1915	**0**	**0**	**0**	**0**	**9**	**6**	**0**	**0**	
1916	**0**	**0**	**0**	**0**	**11**	**6**	**0**	**0**	
1917	**0**	**0**	**0**	**0**	**16**	**9**	**0**	**0**	
1918	**0**	**0**	**0**	**0**	**19**	**10**	**0**	**0**	
1919	**0**	**0**	**0**	**0**	**20**	**11**	**0**	**0**	
1920	**0**	**0**	**0**	**0**	**22**	**12**	**0**	**35**	
1921	**0**	**0**	**0**	**0**	**22**	**13**	**0**	**35**	
1922	**0**	**0**	**0**	**0**	**20**	**12**	**0**	**35**	
1923	**0**	**0**	**0**	**0**	**21**	**12**	**0**	**35**	
1924	**0**	**0**	**0**	**0**	**22**	**13**	**0**	**35**	
1925	**18**	**0**	**20**	**0**	**21**	**13**	**0**	**35**	
1926	**19**	**0**	**0**	**0**	**21**	**13**	**0**	**35**	
1927	**18**	**0**	**0**	**0**	**21**	**13**	**0**	**35**	
1928	**18**	**0**	**0**	**0**	**20**	**13**	**0**	**35**	
1929	**18**	**0**	**0**	**0**	**20**	**14**	**0**	**35**	
1930	**17**	**0**	**0**	**0**	**20**	**14**	**0**	**35**	
1931	**16**	**0**	**0**	**0**	**20**	**14**	**0**	**35**	
1932	**15**	**0**	**0**	**0**	**18**	**13**	**0**	**35**	
1933	**15**	**0**	**0**	**0**	**18**	**11**	**0**	**35**	
1934	**16**	**0**	**0**	**0**	**19**	**12**	**0**	**35**	
1935	**16**	**0**	**0**	**0**	**19**	**13**	**0**	**35**	1
1936	**16**	**0**	**0**	**0**	**20**	**13**	**0**	**35**	1
1937	**18**	**0**	**0**	**0**	**21**	**14**	**0**	**35**	1

	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	
	Line #	Line #	Line #	Line #	Line #	Line #	Line #	Line #	
	8	**9**	**16**	**23**	**34**	**39**	**40**	**42**	
1938	**18**	**0**	**0**	**0**	**22**	**14**	**0**	**35**	1
1939	**18**	**0**	**20**	**0**	**22**	**14**	**0**	**35**	1
1940	**20**	**0**	**0**	**14**	**24**	**14**	**0**	**35**	1
1941	**0**	**0**	**0**	**16**	**0**	**15**	**0**	**35**	1
1942	**0**	**0**	**0**	**16**	**0**	**16**	**0**	**35**	1
1943	**0**	**0**	**0**	**13**	**0**	**16**	**0**	**35**	1
1944	**21**	**0**	**0**	**14**	**25**	**17**	**0**	**35**	1
1945	**22**	**0**	**0**	**16**	**26**	**17**	**0**	**35**	1
1946	**24**	**0**	**0**	**20**	**29**	**19**	**0**	**35**	1
1947	**28**	**0**	**32**	**26**	**35**	**22**	**0**	**35**	1
1948	**32**	**0**	**35**	**29**	**41**	**25**	**0**	**35**	1
1949	**35**	**0**	**36**	**27**	**42**	**27**	**52**	**35**	1
1950	**36**	**0**	**38**	**28**	**43**	**28**	**59**	**37**	1
1951	**38**	**0**	**40**	**30**	**45**	**29**	**61**	**41**	1
1952	**38**	**0**	**41**	**31**	**47**	**31**	**61**	**41**	1
1953	**39**	**0**	**42**	**32**	**48**	**33**	**65**	**43**	1
1954	**41**	**55**	**0**	**0**	**48**	**35**	**67**	**44**	1
1955	**43**	**56**	**0**	**0**	**53**	**36**	**70**	**44**	1
1956	**46**	**63**	**0**	**0**	**57**	**0**	**77**	**48**	1
1957	**49**	**69**	**50**	**0**	**60**	**41**	**78**	**50**	1
1958	**50**	**73**	**0**	**0**	**63**	**44**	**78**	**51**	1
1959	**52**	**74**	**54**	**36**	**65**	**46**	**78**	**53**	1
1960	**53**	**74**	**55**	**35**	**68**	**48**	**78**	**54**	1
1961	**53**	**71**	**56**	**35**	**69**	**50**	**78**	**55**	1
1962	**54**	**71**	**58**	**35**	**71**	**51**	**84**	**56**	1
1963	**55**	**71**	**59**	**41**	**72**	**53**	**87**	**57**	1
1964	**56**	**73**	**60**	**44**	**73**	**55**	**87**	**58**	1
1965	**57**	**74**	**62**	**45**	**74**	**58**	**93**	**58**	1
1966	**56**	**78**	**64**	**46**	**75**	**60**	**101**	**61**	1
1967	**61**	**81**	**67**	**47**	**76**	**63**	**101**	**64**	1
1968	**64**	**81**	**69**	**49**	**77**	**66**	**101**	**68**	1

Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	
Line #	Line #	Line #	Line #	Line #	Line #	Line #	Line #	
8	**9**	**16**	**23**	**34**	**39**	**40**	**42**	
1969	**69**	**84**	**73**	**53**	**80**	**72**	**106**	**72**	1
1970	**75**	**89**	**79**	**75**	**84**	**79**	**108**	**80**	1
1971	**84**	**93**	**89**	**82**	**94**	**89**	**108**	**90**	1
1972	**92**	**96**	**96**	**85**	**98**	**96**	**106**	**96**	1
1973	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	1
1974	**117**	**122**	**118**	**140**	**110**	**115**	**93**	**123**	1
1975	**127**	**155**	**134**	**159**	**146**	**123**	**93**	**143**	1
1976	**130**	**174**	**144**	**171**	**154**	**130**	**98**	**157**	1
1977	**137**	**184**	**152**	**172**	**162**	**139**	**101**	**167**	1
1978	**148**	**192**	**162**	**173**	**173**	**145**	**105**	**182**	1
1979	**163**	**205**	**175**	**178**	**185**	**160**	**108**	**194**	1
1980	**181**	**222**	**191**	**191**	**202**	**175**	**122**	**207**	1
1981	**191**	**245**	**208**	**208**	**219**	**184**	**127**	**222**	1
1982	**198**	**260**	**227**	**210**	**231**	**198**	**128**	**245**	1
1983	**206**	**271**	**242**	**182**	**239**	**207**	**141**	**264**	1
1984	**218**	**277**	**251**	**184**	**244**	**215**	**148**	**270**	1
1985	**225**	**282**	**262**	**181**	**254**	**221**	**135**	**285**	1
1986	**233**	**284**	**269**	**184**	**255**	**226**	**135**	**296**	1
1987	**239**	**299**	**276**	**196**	**263**	**230**	**137**	**307**	1
1988	**251**	**311**	**286**	**220**	**280**	**245**	**140**	**320**	1
1989	**265**	**330**	**301**	**216**	**295**	**258**	**150**	**343**	1
1990	**271**	**349**	**313**	**229**	**301**	**262**	**159**	**363**	1
1991	**274**	**355**	**322**	**253**	**307**	**272**	**162**	**372**	1
1992	**281**	**368**	**332**	**261**	**311**	**283**	**196**	**348**	1
1993	**294**	**386**	**342**	**248**	**321**	**292**	**195**	**385**	1
1994	**308**	**428**	**348**	**246**	**327**	**300**	**175**	**391**	1
1995	**316**	**442**	**357**	**250**	**332**	**307**	**200**	**398**	1
1996	**321**	**450**	**367**	**251**	**339**	**321**	**207**	**418**	1
1997	**331**	**473**	**380**	**255**	**347**	**323**	**197**	**475**	1

	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	Handy-Whitman	
	Line #	Line #	Line #	Line #	Line #	Line #	Line #	Line #	
	8	**9**	**16**	**23**	**34**	**39**	**40**	**42**	
1998	**337**	**489**	**391**	**268**	**355**	**330**	**197**	**493**	1
1999	**343**	**505**	**401**	**268**	**361**	**334**	**198**	**508**	1
2000	**362**	**530**	**413**	**270**	**377**	**348**	**205**	**526**	1
2001	**378**	**527**	**428**	**274**	**391**	**354**	**206**	**551**	1
2002	**389**	**529**	**443**	**275**	**404**	**360**	**207**	**565**	1
2003	**394**	**543**	**452**	**276**	**407**	**368**	**207**	**570**	1
2004	**421**	**572**	**466**	**308**	**432**	**388**	**207**	**585**	1
2005	**448**	**612**	**486**	**338**	**469**	**410**	**214**	**601**	1
2006	**466**	**624**	**504**	**398**	**499**	**454**	**248**	**643**	1
2007	**496**	**634**	**537**	**526**	**530**	**485**	**289**	**674**	1
2008	**538**	**663**	**586**	**676**	**588**	**514**	**373**	**706**	1
2009	**544**	**691**	**619**	**722**	**614**	**537**	**373**	**734**	1
2010	**560**	**704**	**637**	**759**	**624**	**555**	**376**	**728**	1
2011	**584**	**752**	**654**	**777**	**648**	**576**	**379**	**737**	1
2012	**604**	**788**	**680**	**798**	**687**	**598**	**379**	**762**	1
2013	**614**	**836**	**699**	**763**	**701**	**602**	**381**	**787**	1
2014	**631**	**896**	**725**	**735**	**731**	**608**	**386**	**846**	1
2015	**647**	**945**	**741**	**742**	**740**	**618**	**402**	**927**	1
2016	**661**	**1017**	**761**	**769**	**755**	**624**	**403**	**974**	1
2017	**675**	**1117**	**785**	**788**	**777**	**650**	**419**	**989**	1
2018	**704**	**1210**	**813**	**818**	**803**	**668**	**436**	**1027**	1
2019	**716**	**1332**	**847**	**833**	**830**	**688**	**447**	**1069**	1
2020	**735**	**1430**	**893**	**836**	**858**	**705**	**466**	**1123**	
2021	**818**	**1490**	**957**	**982**	**922**	**743**	**565**	**1227**	
2022	**901**	**1742**	**1066**	**1192**	**1027**	**804**	**857**	**1365**	
2023	**948**	**1867**	**1151**	**1231**	**1105**	**854**	**998**	**1440**	
2024	**981**	**2020**	**1207**	**1297**	**1156**	**892**	**1084**	**1488**	
2025	**978**	**2043**	**1185**	**1395**	**1140**	**918**	**1114**	**1528**	
SPOT	**978**	**2043**	**1185**	**1395**	**1140**	**918**	**1114**	**1528**	

Series Id: PCU3372--3372--

Series Title: PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted

Industry: Office furniture (including fixtures) mfg

Product: Office furniture (including fixtures) mfg

Base Date: 200312

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Series Id: PCU3372--3372--

Series Title: PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted

Industry: Office furniture (including fixtures) mfg

Product: Office furniture (including fixtures) mfg

Base Date: 200312

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Series Id: PCU3372--3372--

Series Title: PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted

Industry: Office furniture (including fixtures) mfg

Product: Office furniture (including fixtures) mfg

Base Date: 200312

1969	
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1981	
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1983	
1984	
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1986	
1987	
1988	
1989	100.000
1990	100.000
1991	100.000
1992	100.000
1993	100.000
1994	100.000
1995	100.000
1996	100.000
1997	100.000

Series Id: PCU3372--3372--

Series Title: PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted

Industry: Office furniture (including fixtures) mfg

Product: Office furniture (including fixtures) mfg

Base Date: 200312

	Year	
1998		100.000
1999		100.000
2000		100.000
2001		100.000
2002		100.000
2003	2003	100.000
2004	2004	105.142
2005	2005	111.458
2006	2006	113.817
2007	2007	116.675
2008	2008	121.225
2009	2009	124.625
2010	2010	125.642
2011	2011	128.900
2012	2012	131.367
2013	2013	132.208
2014	2014	135.617
2015	2015	136.658
2016	2016	137.150
2017	2017	139.367
2018	2018	145.058
2019	2019	151.150
2020	2020	155.075
2021	2021	166.692
2022	2022	188.363
2023	2023	198.910
2024	2024	204.625
2025	2025	209.741
SPOT	SPOT	211.262

Series Id: PCU334118334118

Series Title: PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally

Industry: Computer terminal and other computer peripheral equipment mfg

Product: Computer terminal and other computer peripheral equipment mfg

Base Date: 199312

Series Id: PCU336110336110

Series Title: PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted

Industry: Automobile, light truck and utility vehicle mfg

Product: Automobile, light truck and utility vehicle mfg

Base Date: 198206

Series Id: PCU333991333991

Series Title: PPI industry data for Power-driven handtool mfg, not seasonally adjusted

Industry: Power-driven handtool mfg

Product: Power-driven handtool mfg

Base Date: 198012

Series Id: PCU334516334516

Series Title: PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted

Industry: Analytical laboratory instrument mfg

Product: Analytical laboratory instrument mfg

Base Date: 198512

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Series Id: PCU334118334118
Series Title: PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally
Industry: Computer terminal and other computer peripheral equipment mfg
Product: Computer terminal and other computer peripheral equipment mfg
Base Date: 199312

Series Id: PCU336110336110
Series Title: PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted
Industry: Automobile, light truck and utility vehicle mfg
Product: Automobile, light truck and utility vehicle mfg
Base Date: 198206

Series Id: PCU333991333991
Series Title: PPI industry data for Power-driven handtool mfg, not seasonally adjusted
Industry: Power-driven handtool mfg
Product: Power-driven handtool mfg
Base Date: 198012

Series Id: PCU334516334516
Series Title: PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted
Industry: Analytical laboratory instrument mfg
Product: Analytical laboratory instrument mfg
Base Date: 198512

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Series Id: PCU334118334118

Series Title: PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally

Industry: Computer terminal and other computer peripheral equipment mfg

Product: Computer terminal and other computer peripheral equipment mfg

Base Date: 199312

Year	
1993	100.000
1994	97.742
1995	95.708
1996	93.142
1997	90.533

Series Id: PCU336110336110

Series Title: PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted

Industry: Automobile, light truck and utility vehicle mfg

Product: Automobile, light truck and utility vehicle mfg

Base Date: 198206

Year	
1975	62.900
1976	64.025
1977	68.192
1978	72.892
1979	78.667
1980	85.983
1981	94.533
1982	99.567
1983	102.108
1984	104.625
1985	107.208
1986	111.008
1987	112.967
1988	114.117
1989	117.358
1990	119.850
1991	125.292
1992	129.108
1993	133.167
1994	137.950
1995	139.100
1996	140.433
1997	138.700

Series Id: PCU333991333991

Series Title: PPI industry data for Power-driven handtool mfg, not seasonally adjusted

Industry: Power-driven handtool mfg

Product: Power-driven handtool mfg

Base Date: 198012

Year	
1976	72.500
1977	75.533
1978	80.558
1979	86.517
1980	95.842
1981	106.792
1982	113.492
1983	116.775
1984	118.892
1985	122.583
1986	124.592
1987	126.308
1988	129.633
1989	134.892
1990	139.150
1991	143.083
1992	144.642
1993	147.475
1994	154.725
1995	161.958
1996	165.767
1997	168.367

Series Id: PCU334516334516

Series Title: PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted

Industry: Analytical laboratory instrument mfg

Product: Analytical laboratory instrument mfg

Base Date: 198512

Year	
1985	100.000
1986	99.967
1987	100.800
1988	103.242
1989	105.742
1990	107.650
1991	108.867
1992	110.867
1993	112.192
1994	113.075
1995	114.608
1996	115.867
1997	117.508

Series Id: PCU334118334118

Series Title: PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally

Industry: Computer terminal and other computer peripheral equipment mfg

Product: Computer terminal and other computer peripheral equipment mfg

Base Date: 199312

1998	1998	84.650
1999	1999	80.083
2000	2000	78.842
2001	2001	78.325
2002	2002	78.625
2003	2003	78.083
2004	2004	76.983
2005	2005	76.600
2006	2006	76.125
2007	2007	75.417
2008	2008	74.192
2009	2009	74.375
2010	2010	72.725
2011	2011	72.733
2012	2012	73.333
2013	2013	74.575
2014	2014	76.217
2015	2015	71.108
2016	2016	64.842
2017	2017	65.917
2018	2018	66.775
2019	2019	64.075
2020	2020	62.083
2021	2021	62.106
2022	2022	63.895
2023	2023	63.503
2024	2024	63.575
2025	2025	64.447
SPOT	SPOT	66.097

Series Id: PCU336110336110

Series Title: PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted

Industry: Automobile, light truck and utility vehicle mfg

Product: Automobile, light truck and utility vehicle mfg

Base Date: 198206

1998	1998	136.842
1999	1999	137.642
2000	2000	138.767
2001	2001	137.542
2002	2002	134.892
2003	2003	135.083
2004	2004	136.475
2005	2005	135.067
2006	2006	130.817
2007	2007	131.117
2008	2008	132.892
2009	2009	136.742
2010	2010	136.783
2011	2011	137.683
2012	2012	141.250
2013	2013	142.733
2014	2014	145.333
2015	2015	148.883
2016	2016	150.108
2017	2017	152.067
2018	2018	153.250
2019	2019	153.592
2020	2020	153.108
2021	2021	157.532
2022	2022	164.066
2023	2023	167.926
2024	2024	169.448
2025	2025	172.034
SPOT	SPOT	171.848

Series Id: PCU333991333991

Series Title: PPI industry data for Power-driven handtool mfg, not seasonally adjusted

Industry: Power-driven handtool mfg

Product: Power-driven handtool mfg

Base Date: 198012

1998	1998	168.308
1999	1999	168.008
2000	2000	169.142
2001	2001	171.975
2002	2002	172.800
2003	2003	173.217
2004	2004	174.525
2005	2005	176.133
2006	2006	175.217
2007	2007	176.267
2008	2008	178.975
2009	2009	180.058
2010	2010	178.700
2011	2011	179.783
2012	2012	184.442
2013	2013	185.700
2014	2014	188.375
2015	2015	192.383
2016	2016	196.683
2017	2017	199.592
2018	2018	203.517
2019	2019	206.617
2020	2020	209.150
2021	2021	221.816
2022	2022	245.123
2023	2023	266.852
2024	2024	276.553
2025	2025	281.847
SPOT	SPOT	288.571

Series Id: PCU334516334516

Series Title: PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted

Industry: Analytical laboratory instrument mfg

Product: Analytical laboratory instrument mfg

Base Date: 198512

1998	1998	118.325
1999	1999	116.933
2000	2000	119.217
2001	2001	121.583
2002	2002	124.017
2003	2003	126.208
2004	2004	128.217
2005	2005	129.683
2006	2006	132.208
2007	2007	133.142
2008	2008	136.225
2009	2009	137.945
2010	2010	138.708
2011	2011	139.625
2012	2012	140.383
2013	2013	142.258
2014	2014	144.417
2015	2015	147.000
2016	2016	149.358
2017	2017	153.350
2018	2018	155.183
2019	2019	159.258
2020	2020	161.408
2021	2021	164.466
2022	2022	175.369
2023	2023	185.836
2024	2024	191.418
2025	2025	195.290
SPOT	SPOT	195.324

Series Id: PCU333120333120	Series Id: PCU3342--3342--
Series Title: PPI industry data for Construction machinery mfg, not seasonally adjusted	Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted
Industry: Construction machinery mfg	Industry: Communications equipment mfg
Product: Construction machinery mfg	Product: Communications equipment mfg
Base Date: 198012	Base Date: 198512

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Series Id: PCU333120333120	Series Id: PCU3342--3342--
Series Title: PPI industry data for Construction machinery mfg, not seasonally adjusted	Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted
Industry: Construction machinery mfg	Industry: Communications equipment mfg
Product: Construction machinery mfg	Product: Communications equipment mfg
Base Date: 198012	Base Date: 198512

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Series Id: PCU333120333120

Series Title: PPI industry data for Construction machinery mfg, not seasonally adjusted

Industry: Construction machinery mfg

Product: Construction machinery mfg

Base Date: 198012

Series Id: PCU3342--3342--

Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted

Industry: Communications equipment mfg

Product: Communications equipment mfg

Base Date: 198512

	Year	
1969		
1970		
1971		
1972		
1973		
1974		
1975		
1976	1976	67.800
1977	1977	70.867
1978	1978	77.317
1979	1979	84.833
1980	1980	95.700
1981	1981	106.333
1982	1982	112.133
1983	1983	114.383
1984	1984	116.750
1985	1985	119.450
1986	1986	120.792
1987	1987	122.642
1988	1988	125.767
1989	1989	132.408
1990	1990	137.642
1991	1991	141.983
1992	1992	146.950
1993	1993	151.250
1994	1994	153.767
1995	1995	157.250
1996	1996	161.583
1997	1997	164.392

Year	
1985	100.000
1986	101.867
1987	103.492
1988	103.875
1989	105.775
1990	107.475
1991	108.500
1992	109.742
1993	111.683
1994	113.325
1995	113.908
1996	114.983
1997	115.708

Series Id: PCU333120333120

Series Title: PPI industry data for Construction machinery mfg, not seasonally adjusted

Industry: Construction machinery mfg

Product: Construction machinery mfg

Base Date: 198012

1998	1998	167.775
1999	1999	170.833
2000	2000	172.708
2001	2001	173.517
2002	2002	175.942
2003	2003	178.358
2004	2004	183.933
2005	2005	192.367
2006	2006	201.058
2007	2007	206.817
2008	2008	213.375
2009	2009	221.125
2010	2010	220.475
2011	2011	227.800
2012	2012	235.408
2013	2013	239.167
2014	2014	242.375
2015	2015	245.258
2016	2016	247.083
2017	2017	248.408
2018	2018	250.850
2019	2019	262.108
2020	2020	266.758
2021	2021	278.793
2022	2022	307.754
2023	2023	336.694
2024	2024	347.329
2025	2025	350.388
SPOT	SPOT	354.483

Series Id: PCU3342--3342--

Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted

Industry: Communications equipment mfg

Product: Communications equipment mfg

Base Date: 198512

1998	114.983
1999	112.975
2000	110.408
2001	108.625
2002	105.033
2003	101.717
2004	98.358
2005	97.042
2006	95.883
2007	95.783
2008	97.083
2009	97.200
2010	96.925
2011	96.342
2012	95.625
2013	95.367
2014	95.625
2015	95.825
2016	95.208
2017	93.725
2018	93.075
2019	93.167
2020	93.658
2021	94.333
2022	98.592
2023	102.083
2024	105.603
2025	108.488
SPOT	109.046

OFFICE FURNITURE AND EQUIPMENT

Series Id: PCU3372--3372--
Series Tit PPI industry group data for Office furniture (including fixtures) mfg, not seasonally adjusted
Industry: Office furniture (including fixtures) mfg
Product: Office furniture (including fixtures) mfg
Base Dat 200312

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2003												100
2004	99.7	101.3	101.6	102.9	105.2	105.6	105.8	107.1	107	108	108.4	109.1
2005	109.6	110.1	109.8	110.5	111.6	111.8	112.2	111.8	112.4	113	112.2	112.5
2006	112.6	112.6	112.8	112.5	113.6	113.7	114.3	114.3	114.6	114.8	115.1	114.9
2007	116.1	116.7	116.4	116.8	116.9	116.7	116.4	116.5	116.4	116.6	117.4	117.2
2008	117.5	117.7	117.6	119.3	119.3	120.6	121.8	123	123.7	124.9	124.5	124.8
2009	125	125	124.9	124.5	124.1	124.1	124.1	124.2	124.9	125	125	124.7
2010	124.6	124.2	124.7	126	125.5	126	126.4	126.1	126.1	126	126.2	125.9
2011	126.9	127.8	128.5	128.7	128.7	128.8	129.6	129.1	129.2	129.4	129.8	130.3
2012	131	131.6	130.9	131.2	131.2	130.9	131.3	131.6	131.7	132.3	131.8	130.9
2013	131.7	130.8	130.6	131.6	132.4	132.3	132.4	132.5	133.2	133.1	133.3	132.6
2014	133.6	133.6	133.9	133.9	135.6	136.3	137	137.2	137.2	137.1	135.8	136.2
2015	136.7	136.5	136.4	136.4	136.2	136.7	136.7	136.8	137.1	136.9	136.8	136.7
2016	137.3	137.1	137	136.8	136.7	136.8	137	138	137.6	136.8	137.2	137.5
2017	137.5	139	138.5	138.9	139.4	138.9	139.9	140.1	140.3	139.6	139.9	140.4
2018	141	141.3	141.4	142.6	143.5	146	145.1	146.1	147.5	148	148.5	149.7
2019	150.1	149.6	149.8	149.1	151.1	150.9	152.1	151.8	151.9	152.2	152.4	152.8
2020	152.5	153.6	155.3	155.1	155.6	154.8	156	154.7	155.9	156	155.4	156
2021	156.5	158.9	159.7	161.7	164.4	168.6	169.426	168.977	171.921	172.699	173.241	174.243
2022	177.734	180.764	184.071	183.87	185.553	189.763	188.687	190.543	192.447	193.169	195.886	197.865
2023	196.379	197.567	198.58	197.898	199.108	198.587	200.17	199.482	199.69	199.817	200.718	198.919
2024	199.783	203.078	203.63	203.48	204.037	204.402	204.401	205.284	206.879	206.678	206.862	206.984
2025	207.803	209.194	209.316	211.129	211.262	214.006	215.301	215.206	0	0	0	0
P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.												
	207.803	209.194	209.316	211.129	211.262(P)	214.006(P)	15.301(P)	215.206(P)				

COMPUTER AND SOFTWARE

Series Id: PCU334118334118
Series Tit PPI industry data for Computer terminal and other computer peripheral equipment mfg, not seasonally adjusted
Industry: Computer terminal and other computer peripheral equipment mfg
Product: Computer terminal and other computer peripheral equipment mfg
Base Dat 199312

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1993												100
1994	98.5	98	99	97.6	97.5	97.7	97.4	97.5	97.3	97.2	97.5	97.7
1995	97.1	96.2	95.8	96.1	95.8	96	95.6	95.2	95.2	95.4	95.1	95
1996	93.7	94	94.1	94	93.6	93.9	93	93	92.7	91.9	91.9	91.9
1997	91.4	91.3	91.4	91.1	91.1	90.5	90.2	90.3	89.8	89.8	89.8	89.7
1998	89.1	89	86.5	84.2	84.2	84	83.9	83.8	83.7	82.9	83	81.5
1999	80.7	80.7	80.2	80.1	80.1	80.1	80	79.8	79.9	79.9	79.9	79.6
2000	79.4	79.5	79.1	79	78.9	78.6	78.7	78.5	78.5	78.7	78.6	78.6
2001	78.7	78.4	78.4	78.3	78.3	78.3	78.1	77.8	78.5	78.4	78.4	78.3
2002	78.3	78.2	78.2	78.8	78.8	78.8	78.9	78.9	78.7	78.7	78.6	78.6
2003	78.5	78.6	78.6	78.5	78.5	78.5	78.5	78.1	77.9	77.1	77.1	77.1
2004	77.1	77.1	77.3	77.4	77.4	76.9	76.9	76.7	76.8	76.6	76.6	77
2005	76.7	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.6	76.5
2006	76.6	76.6	76.6	76.1	76.1	76	76	75.9	75.9	75.9	75.9	75.9
2007	75.6	75.6	75.6	76	75.8	75.8	75.8	75.2	75.2	75	74.7	74.7
2008	74.8	74.8	74.4	74.2	74.2	74.2	74	73.9	73.9	73.9	73.9	74.1
2009	74.3	74.6	74.6	74.7	74.6	74.6	74.6	74.6	74.6	74.8	73.3	73.2
2010	73.2	73.1	73.9	73.2	73	73	72.6	72.2	72.2	72.1	72.1	72.1
2011	72.1	72.1	72.1	72.8	72.8	72.9	72.9	72.9	72.9	72.9	73.1	73.3
2012	73.5	73.5	73.5	73.5	73.3	73.1	73.2	73.2	73.1	73.4	73.3	73.4
2013	73.6	74.2	74.3	74.5	74.6	74.6	74.6	74.6	74.5	74.5	75.3	75.6
2014	75.6	75.6	75.6	76.1	76.1	76.1	76.3	76.7	76.7	76.6	76.6	76.6
2015	77.1	71.2	71.2	70.7	70.6	70.7	70.7	70.3	70.2	70.2	70.2	70.2
2016	70.6	70.7	63.4	64	63.9	63.9	63.5	63.5	63.5	63.7	63.7	63.7
2017	63.7	64	64	66.5	66.5	66.5	66.5	66.5	66.5	66.8	66.8	66.7
2018	66.7	66.7	66.8	66.8	66.8	66.8	66.8	66.8	66.8	66.8	66.7	66.8
2019	65.7	65.7	65.7	65.7	63.5	63.5	63.5	63.1	63.1	63.1	63.1	63.2
2020	62	62	62.1	62.1	62.1	62.1	62.1	62.1	62.1	62.1	62.1	62.1
2021	62.1	62.1	62.1	62.1	62.1	62.7	62.303	61.888	61.857	61.857	62.095	62.075
2022	65.058	65.171	65.171	65.198	65.212	65.241	62.608	62.575	62.622	62.662	62.563	62.663
2023	64.702	64.698	64.69	62.904	62.907	62.909	62.997	63.243	63.243	63.246	63.247	63.247
2024	63.257	63.243	63.244	63.281	63.353	63.353	63.758	63.731	63.924	63.921	63.919	63.913
2025	63.917	63.93	63.943	64.346	66.097	66.097	66.097	69.478	0	0	0	0
P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.												
	63.917	63.93	63.943	64.346	66.097(P)	66.097(P)	66.097(P)	69.478(P)				

TRANSPORTATION EQUIPMENT

Series Id: PCU336110336110
Series Tit PPI industry data for Automobile, light truck and utility vehicle mfg, not seasonally adjusted
Industry: Automobile, light truck and utility vehicle mfg
Product: Automobile, light truck and utility vehicle mfg
Base Dat 198206

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1975												62.9
1976	63	62.9	63	63.1	62.9	63	63	63.3	63.4	66.9	66.9	66.9
1977	66.8	66.8	66.9	67.1	67.2	67.3	67.3	67.4	67.4	71.4	71.3	71.4
1978	71.4	71.4	71.4	71.4	72.5	72.7	72.5	72.5	72.5	75.4	75.4	75.6
1979	76.7	76.9	77	78.3	78.4	78.5	78.7	76.8	77	81.9	81.8	82
1980	83.5	82.8	82.9	85.2	84.6	84.6	86.3	86.7	82.7	90.9	91	90.6
1981	91.4	91.6	90.7	93.3	94.1	94.5	94.6	94.4	90.2	99.7	99.8	100.1
1982	100.5	97.5	97.5	97.4	98.8	100	100.1	100.4	94.9	102.5	102.5	102.7
1983	102.2	101.8	101.4	101.6	101.7	101.8	102	102.3	97.8	104.2	104.2	104.3
1984	104.5	104.5	104.6	104.9	104.6	104.4	104.7	104.4	101	106.1	106.3	105.5
1985	106.7	106.8	106.5	106.5	107	107.3	107.3	107.2	100.2	110.4	110.4	110.2
1986	109	109.3	108.7	110.3	110	110.2	110.3	109.7	105.6	116.9	116.7	115.4
1987	115.3	112.6	111.9	113.7	112.9	112.5	112.4	111.4	108.4	116.5	115.2	112.8
1988	113	113	112.5	112.6	113	113.1	113.2	113.3	110.2	119.5	118.1	117.9
1989	117.8	118.1	116.4	115.4	116.6	116.9	114.7	114.6	113.3	122.5	121.2	120.8
1990	118.4	118.5	118	117.8	117.3	119	119.2	118.2	117.2	125	124.8	124.8
1991	125.1	125.9	125.5	124.4	123.2	122.9	122.8	122.6	120.3	131	130.3	129.5
1992	129.2	129	129.3	129.2	128.9	128.3	128.4	127.5	123.5	132.1	132.1	131.8
1993	132.1	132.9	133	132.9	132.6	132.8	132.9	132.6	128	135.7	136.2	136.3
1994	137.3	137.5	137.4	137.4	138.3	138.1	138.2	138.2	133.9	140	139.3	139.8
1995	140.1	139.9	139.3	139.1	138.7	137.8	137.7	137.2	132.9	141.7	142.4	142.4
1996	141.2	141.1	141.1	140.5	140.6	140.7	139.5	139.2	135.6	142.2	141.9	141.6
1997	141.7	141.5	141.2	140.3	138.4	138	135.9	135.9	133.7	140.6	139.4	137.8
1998	137.8	138	137.8	137.2	135.4	134.3	134.8	133.9	132.7	140.6	140.4	139.2
1999	138.2	138.7	137.7	138	137.2	136	134.7	134.4	133.4	142.1	140.8	140.5
2000	139.9	139.4	139	138.9	138.9	137.4	136.8	135.8	135.5	141.2	141.3	141.1
2001	140.3	137.7	138.1	138.9	136.9	135.9	136.5	136	135.8	138.3	137.8	138.3
2002	136.8	137.7	136.4	136	134.9	134.4	131.3	130.3	130.4	139	136.5	135
2003	135.7	135.8	138.5	134	133.6	132	131.6	132	130.5	140.7	139	137.6
2004	137.4	136.8	137.1	135.9	136.2	136.2	132.8	132.4	131.5	142	139.9	139.5
2005	139.8	137.4	136.8	136.5	135.8	132.6	132.8	131.7	131.9	137.8	134.8	132.9
2006	133.7	133.7	133.4	132.3	132	130.6	123.7	125.7	126.5	129.4	135	133.8
2007	132.8	132.5	131.9	130.5	130.1	129.8	129.2	128.2	126.6	134.1	134.8	132.9
2008	133.6	133.5	132.1	133.1	132.2	129.5	128.2	129.1	128.7	139.4	137.7	137.6
2009	137	136.8	136	136.7	136.1	137.9	134.6	136.1	133.8	138.3	139.5	138.1
2010	139.3	139	137.8	137.2	137.3	135.4	134.8	135	134.5	137.7	137	136.4
2011	137	137	136.7	137.4	136.7	136.9	136.7	136.5	135.7	140.6	140.7	140.3
2012	141	140.4	140.3	140.6	139.7	140.1	140.9	140.8	139.6	143.9	144.1	143.6
2013	143.4	143.3	142.6	142.4	141.7	141.3	140.7	140.4	140.2	144.8	145.6	146.4
2014	146.8	146.6	145.5	145.2	144.4	143.8	143.6	143.4	142.6	148	147.8	146.3
2015	147.8	149.4	149.2	148.7	148.5	148.1	148.5	147.4	147.2	150.7	150.6	150.5
2016	149.9	150.2	149.8	149.6	149.7	149.8	148.5	147.7	147.6	152.7	152.4	153.4
2017	152.6	152.3	152.9	152.8	151.2	151.2	150.1	149.8	149.8	153.5	154.3	154.3
2018	153.3	152.9	152.9	152.5	152.5	152.7	152.2	152.1	152.4	155.3	155.2	155
2019	154.8	154.5	153.7	153.4	153.2	153	152.6	152	151.7	154.6	155.1	154.5
2020	152.9	153.6	152	153	152.4	152	152.1	152.3	152.3	154.3	154.9	155.5
2021	156	155.8	155.4	155.7	156.7	157.5	157.86	158.19	158.147	159.507	159.73	159.847
2022	160.201	161.186	161.19	162.807	163.481	164.007	164.545	164.812	164.878	166.89	167.079	167.712
2023	168.284	168.284	167.938	167.559	167.456	167.097	167.295	167.146	167.138	169.13	169.361	168.428
2024	168.849	169.17	169.054	168.815	168.441	168.731	168.798	168.839	168.802	170.619	171.297	171.96
2025	172.016	172.28	172.205	171.819	171.848	171.954	171.83	171.926	0	0	0	0

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

	172.016	172.28	172.205	171.819	171.848(P)	171.954(P)	171.830(P)	171.926(P)

TOOLS, SHOP AND GARAGE EQUIPMENT

Series Id: PCU333991333991
Series Tit PPI industry data for Power-driven handtool mfg, not seasonally adjusted
Industry: Power-driven handtool mfg
Product: Power-driven handtool mfg
Base Dat 198012

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1976												72.5
1977	73.6	74.4	74.5	74.9	75.1	75.4	75.9	76.1	76.2	76.4	76.9	77
1978	78.8	79.1	79.4	79.7	79.9	80.1	80.2	80.7	81	82.2	82.7	82.9
1979	83.7	84.3	84.8	85.3	85.4	86.1	86.4	87.2	87.3	88.5	89	90.2
1980	91.6	91.8	92.3	93.6	95.2	95.1	96.8	97.5	98.1	99	99.1	100
1981	103.4	105.1	105.3	106.1	106.6	106.6	107.4	107.6	107.8	108.4	108.4	108.8
1982	111.2	111.1	111.6	112.2	113.3	113.3	114.9	115	114.7	115	114.8	114.8
1983	115.6	115.7	115.7	116.7	116.7	116.7	117.4	116.7	116.8	117.1	117	119.2
1984	118	118.9	118	118.3	118	117	119.1	119.2	119.7	120.3	120	120.2
1985	121.2	122.3	122.4	122.4	122.3	122.4	123.2	123.2	122.6	122.8	123	123.2
1986	123.1	123.1	124.2	124.2	124.2	124.7	124.4	124.9	125.1	125.7	125.7	125.8
1987	126.7	126.7	126.7	126.2	126	126	125.7	125.9	126	126.4	126.6	126.8
1988	128.3	128.5	128.6	129.2	129.3	129.3	129.4	129.6	129.6	129.7	130.9	133.2
1989	134.2	134.3	134.3	134	134	134	135.2	135.4	135.4	135.4	135.7	136.8
1990	138	138.3	138.3	138.7	138.9	139.2	139.6	139.6	139.6	139.7	139.8	140.1
1991	142.8	142.8	142.8	143.5	143.2	142.8	143.2	143.1	143.1	143.2	143.2	143.3
1992	143.7	144.4	144.4	144.7	144.8	144.8	144.8	144.8	144.8	144.8	144.8	144.9
1993	147.1	147.4	147.4	147.5	147.5	147.5	147.6	147.6	147.7	147.6	147.7	147.1
1994	150.1	150.6	153	153	153.5	156.2	156.4	157.1	156.7	156.7	156.6	156.8
1995	158.2	162.5	163.4	162.7	162.6	162	161.9	162.3	162.1	162.1	161.9	161.8
1996	164.5	165	164.5	164.6	164.2	164.3	168.6	168.7	166.9	166.7	166.7	164.5
1997	170.1	168.5	167.9	169	169.3	168.9	168.9	169.5	168.4	169.3	164.1	166.5
1998	168.2	168	169	168.4	167.3	166.9	167.9	168.3	169.1	169.2	168.3	169.1
1999	168.2	167.8	168.2	168	168.1	166.6	166.9	167.6	167.6	169.6	168.6	168.9
2000	168.4	169	167.5	168.4	169.8	170.2	169.9	169.2	169.2	169.2	169.3	169.6
2001	170.4	170.3	170.3	172	173	173	172.9	173	172.2	172.2	172.2	172.2
2002	173.3	173.2	173.2	173.1	173.1	173.1	173.1	172.3	172.3	172.3	172.3	172.3
2003	172.9	173.4	173.4	173.4	173.3	173.3	172.9	172.9	172.9	173.4	173.4	173.4
2004	173.7	173.8	173.8	173.6	173.8	174.8	174.8	175.2	175.2	175.2	175.2	175.2
2005	176.6	176.5	176.2	175.8	176	176.1	176	176.1	176.1	176.1	176.1	176
2006	175.8	175.8	175.3	175.4	174.5	174.5	174.6	174.6	174.3	175.8	176	176
2007	176	176.4	176.4	176.4	176.5	176.5	175	175.9	175.9	175.9	177.1	177.2
2008	176.1	176.3	178.2	178.4	178.9	179	180.8	180.5	179.6	179.7	179.7	180.5
2009	179.6	180.4	180.4	180.5	180.5	179.9	179.9	179.9	179.9	179.9	179.9	179.9
2010	180	180	178.1	178.6	178.7	178.4	178.4	178.3	178.7	178.4	178.4	178.4
2011	178.6	178.9	179.2	179.3	179.8	179.8	179.8	179.7	179.8	179.9	180	182.6
2012	183.4	183.4	184.7	184.7	184.3	184.3	184.3	184.7	184.8	184.8	184.8	185.1
2013	186.2	185.2	185.2	185.2	185.2	185.2	185.2	185.2	185.3	186.7	186.7	187.1
2014	187.2	188	188	188.5	188.5	188.5	188.5	188.5	188.5	188.5	188.5	189.3
2015	190.1	190.7	190.9	192.7	192.7	192.7	192.7	192.7	192.7	192.7	192.7	195.3
2016	196.1	196.1	196.8	196.8	196.8	196.8	196.8	196.8	196.8	196.8	196.8	196.8
2017	197.7	200.5	200.5	199.4	199.4	199.4	199.4	199.4	199.4	199.4	199.4	201.2
2018	203.9	203.6	203.6	203.3	203.3	203.3	203.3	203.3	203.3	203.3	203.3	204.7
2019	206.3	206.4	206.4	206.5	206.5	206.5	206.8	206.8	206.8	206.8	206.8	206.8
2020	209	209	209	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2	209.2
2021	217.8	217.9	217.9	218.1	218.1	218.6	220.244	218.914	218.914	231.458	231.572	232.29
2022	237.595	237.595	234.393	244.929	245.022	245.024	245.06	245.06	245.06	253.912	253.914	253.914
2023	256.104	256.104	256.193	256.262	272.183	272.183	272.183	272.183	272.183	272.214	272.214	272.214
2024	270.432	270.433	270.433	270.441	279.439	279.5	279.652	279.652	279.652	279.662	279.667	279.667
2025	280.167	280.171	280.163	280.163	288.571	288.571	0	0	0	0	0	0
P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.												
	280.167	280.171	280.163	280.163	288.571(P)	288.571(P)						

LABORATORY EQUIPMENT

Series Id: PCU334516334516
Series Tit PPI industry data for Analytical laboratory instrument mfg, not seasonally adjusted
Industry: Analytical laboratory instrument mfg
Product: Analytical laboratory instrument mfg
Base Dat 198512

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1985												100
1986	100.1	99.8	99.5	99.4	99.5	99.7	99.9	100	100.3	100.3	100.5	100.6
1987	101.2	101.3	101.3	101.3	101.4	99.7	99.9	99.9	100.7	100.8	100.7	101.4
1988	102	103.1	104.6	102.9	103	103	103.2	103.4	103.5	103.2	103.4	103.6
1989	104.8	105.1	105.1	105.5	105.3	105.6	106	106.1	105.9	106	106	107.5
1990	108.6	107.9	108.6	108.8	109.1	107.6	107.5	106.6	106.5	106.5	106.9	107.2
1991	108.9	108.9	108.9	109	109	109.1	108.8	108.9	108.7	108.5	108.7	109
1992	109.9	109.1	110	109.7	110.1	110.7	111.6	111.5	111.9	111.9	112.2	111.8
1993	112.2	112.5	112.1	112.2	112.1	112	112.1	112.1	112	112.3	112.4	112.3
1994	112.8	112.6	112.7	112.8	113	113.2	112.8	113.1	113.3	113.5	113.5	113.6
1995	113.5	113.8	114.1	114.3	114.3	114.6	115.2	115	115	115.4	115.4	114.7
1996	115.4	115.9	115.5	115.3	115.4	115.8	115.9	116	115.8	116.4	116.5	116.5
1997	116.5	117.1	117.3	117.1	117.6	117.4	117.4	118.1	118.2	117.8	117.8	117.8
1998	118.6	118.5	118.5	118.5	118.5	118.3	118.3	118.4	118.3	118.2	117.9	117.9
1999	118.7	118.6	117	116.5	116.4	116.3	116.3	116.3	116.3	116.8	116.8	117.2
2000	118.4	118.5	118.6	118.8	118.7	118.6	118.7	118.7	120.4	120.4	120.4	120.4
2001	120.5	121.1	121.3	121.3	121.3	121.7	121.7	121.7	121.7	121.8	122.4	122.5
2002	123.6	123.6	123.6	123.8	124.1	124.2	124.1	124.1	124.1	123.8	124.6	124.6
2003	125.7	125.8	125.8	126.2	126.2	126.3	126.4	126.4	126.4	126.4	126.4	126.5
2004	127.7	127.9	127.9	127.9	128	128.2	128.2	128.3	128.6	128.6	128.6	128.7
2005	129.3	129.5	129.4	129.5	129.3	129.3	129.6	129.6	129.6	130.3	130.4	130.4
2006	131.4	132.1	132.1	132	132.1	132.3	132.3	132.3	132.4	132.5	132.5	132.5
2007	133.2	132.5	132.4	132.4	132.9	132.9	133	133	133.4	134	134	134
2008	135.2	135.3	135.5	135.7	135.6	135.8	135.8	136.1	137.3	137.4	137.5	137.5
2009	137.5	137.6	137.9	138.2	138.2	138	138	138	137.7	138	138.3	
2010	138.6	138.6	138.6	138.6	138.7	138.7	138.6	138.6	138.7	138.8	139	139
2011	139.2	139.4	139.3	139.4	139.4	139.8	139.8	139.8	139.8	139.9	139.8	139.9
2012	140.2	140.3	140.3	140.3	140.3	140.3	140.3	140.4	140.4	140.4	140.4	141
2013	141.8	142.1	142.1	142.1	142.1	142.2	142.3	142.5	142.5	142.5	142.4	142.5
2014	143.3	143.4	144	144.2	144.2	144.3	144.5	144.7	144.7	145.2	145.2	145.3
2015	146.7	146.7	146.7	146.7	147	147	147	147	146.7	147.5	147.5	147.5
2016	148.6	149.2	149.1	149.4	149.4	149.4	149.5	149.5	149.5	149.5	149.5	149.7
2017	152.4	153	153.5	153.5	153.5	153.5	153.1	153.3	153.3	153.7	153.7	153.7
2018	155.1	155.1	155	155.2	155.2	155.4	155.2	155.2	155.2	155.2	155.2	155.2
2019	158.8	158.8	159.3	159.3	159.3	159.3	159.3	159.4	159.4	159.4	159.4	159.4
2020	161.3	161.3	161.3	161.3	161.4	161.4	161.4	161.5	161.5	161.5	161.5	161.5
2021	163.9	163.9	163.9	163.8	163.8	163.8	164.504	164.504	164.504	165.572	165.766	165.64
2022	168.224	172.306	172.102	175.349	176.226	176.601	176.47	176.624	177.247	177.504	177.688	178.086
2023	181.774	184.508	184.916	185.264	186.813	186.983	186.385	186.33	186.823	186.786	186.753	186.698
2024	188.821	191.379	191.793	191.619	191.873	191.672	191.684	191.311	191.68	191.562	191.994	191.633
2025	195.315	196.052	194.508	195.25	195.324	195.905	195.751	195.943	0	0	0	0

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

	195.315	196.052	194.508	195.25	195.324(P)	195.905(P)	195.751(P)	195.943(P)

POWER OPERATED EQUIPMENT

Series Id: PCU333120333120
Series Tit PPI industry data for Construction machinery mfg, not seasonally adjusted
Industry: Construction machinery mfg
Product: Construction machinery mfg
Base Dat 198012

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1976												67.8
1977	68.6	69	69.1	69.7	70.2	70.4	71	71.4	71.4	72.2	73.4	74
1978	74.2	74.7	75	75.9	76.5	76.7	77.3	77.9	78.7	79.7	80.4	80.8
1979	81.4	82.1	82.5	83.4	84	84.1	85.1	85.6	85.8	87.4	87.8	88.8
1980	91.3	92	92.4	94	94.6	95.2	96.2	96.8	97.5	99	99.4	100
1981	101.7	102.7	103.5	104.7	105.3	106.4	107.9	108.2	108.5	109.2	109.6	108.3
1982	110.2	110.1	110.7	111.4	112.1	112.2	112.9	113	113.1	113.2	113.3	113.4
1983	113.5	113.5	114.2	114.3	114	114.1	114.2	114.8	115	115	115	115
1984	115.7	116	115.7	116.3	116.9	117	117.3	117.1	117.2	117.2	117.3	117.3
1985	118.9	119.1	118.8	118.8	118.8	119.7	119.8	119.8	119.9	120	120.1	119.7
1986	120.3	120.4	120.4	120.6	120.7	120.8	120.8	120.8	120.8	120.8	121.5	121.6
1987	122.2	122.3	122.8	121.7	122.6	122.6	122.7	122.8	122.9	122.9	123	123.2
1988	124.3	124.7	124.7	124.8	125	125.1	126	126.4	126.4	126.4	127.6	127.8
1989	129.9	130.1	130.5	130.8	131	132.4	133.1	134	134	134.2	134.4	134.5
1990	135.5	136.2	136.3	136.3	136.5	137.2	138.4	138.9	138.8	138.9	139.2	139.5
1991	140	140.6	140.7	140.7	140.8	141.8	142.8	142.8	142.9	143.1	143.7	143.9
1992	144.2	144.8	145	145.7	145.9	146.8	148	148.1	148.3	148.4	148.8	149.4
1993	150.6	151.4	151.5	151.1	151.3	151.2	151.3	151.3	151	151.3	151.4	151.6
1994	153.2	153.3	153.4	153.6	153.5	153.4	153.6	153.6	153.9	154.3	154.6	154.8
1995	156	156.4	156.5	156.7	157.1	157.3	157.1	157.1	157.6	157.9	158.1	159.2
1996	160.3	160.9	160.9	161.1	161.3	161.5	161.8	161.9	162	162.3	162.5	162.5
1997	164.1	164.1	164	164.2	164.2	163.9	164	164.3	164.3	164.8	165.4	165.4
1998	167.2	167.3	167.4	167.5	167.8	167.8	167.8	168	168	168	168	168.5
1999	169.5	170	170	170.8	171	171	171	171.1	171.1	171.4	171.6	171.5
2000	172.3	172.3	172.4	172.7	172.6	172.6	172.8	172.8	173	173	173	173
2001	173.1	172.9	173	173.6	173.5	173.5	173.5	173.6	173.5	174.1	174.2	173.7
2002	174.2	174.2	176.2	176.4	176.3	176.1	176.1	176.1	176.3	176.3	176.5	176.6
2003	177.7	177.9	177.9	178.4	178.6	178.7	178.4	178.5	178.4	178.5	178.6	178.7
2004	180	181.1	181.4	182.6	182.6	183.1	185.3	186	186.2	186.5	186.2	186.2
2005	188.6	188.3	189.2	189.7	193.2	193.4	193.9	194.5	194.1	194.2	194.5	194.8
2006	197.8	199.1	199.9	199.8	200.3	201.3	201.3	201.3	202.3	202.6	203.5	203.5
2007	205.2	205.8	205.7	206.3	206.3	206.8	207.2	207.3	207.2	207.8	208	208.2
2008	209.5	210.2	210.9	211.3	211.7	212.6	213.9	214.3	215	215.5	218	217.6
2009	220.7	220.5	221.8	221.2	221.7	221.7	221.6	220.9	220.3	220.2	221.2	221.7
2010	221.4	221.1	221.1	221.7	220.9	218.5	218.4	219.8	220.8	220.4	220.1	221.5
2011	222.8	224.4	225.6	225.2	226.2	227.4	228.3	228.8	230.2	230.7	231.6	232.4
2012	234.1	235.7	234.4	234.8	234.6	234.8	235.3	235.3	234.7	235.9	237.4	237.9
2013	239.1	239.3	237.9	238.6	238.6	238.9	239.6	239.3	239.4	239.8	239.2	240.3
2014	242.1	242.1	241.9	242.7	242.6	242.7	242.4	242.5	242.1	242.2	242.6	242.6
2015	245.1	245.1	245	245.2	245.2	245.2	245.2	245.3	245.4	245.4	245.5	245.5
2016	246.9	247	246.7	246.8	247.1	247.2	247.3	247.3	247.2	247.3	247.1	247.1
2017	247.8	247.5	247.9	247.5	248.3	248.3	248.6	248.7	248.8	248.8	249.3	249.4
2018	245.1	245.4	245.7	245.9	246.2	246.7	247.9	256.6	257.5	257.5	257.8	257.9
2019	260.6	261	261	261.2	261.6	261.7	261.8	261.9	263.2	263.1	263.9	264.3
2020	266.2	266.6	266.6	266.8	266.8	266.8	266.7	266.7	266.7	266.9	266.9	267.4
2021	271.3	271.9	272.2	272.4	273.6	277	277.356	278.263	279.552	289.054	290.326	292.563
2022	293.518	293.693	294.221	302.832	304.699	305.899	308.245	316.722	317.622	317.637	318.94	319.016
2023	330.716	331.467	332.046	333.156	333.233	333.362	339.443	339.486	340.175	340.148	343.543	343.548
2024	345.628	346.363	346.288	347.071	347.297	347.541	348.25	348.08	347.474	347.608	348.45	347.895
2025	348.008	348.425	348.93	352.096	354.483	358.339	359.746	361.936	0	0	0	0

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

	348.008	348.425	348.93	352.096	354.483(P)	358.339(P)	59.746(P)	361.936(P)

COMMUNICATION EQUIPMENT

Series Id: PCU3342--3342--
Series Tit PPI industry group data for Communications equipment mfg, not seasonally adjusted
Industry: Communications equipment mfg
Product: Communications equipment mfg
Base Dat 198512

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1985												100
1986	100.7	100.7	101.1	101.1	101.3	101.3	102.5	102.2	102.8	102.9	102.9	102.9
1987	103.6	103.4	103.4	103.4	103.4	103	103.6	103.6	103.4	103.6	103.7	103.8
1988	104.3	104.3	103.3	103.5	103.7	103.2	103.8	103.8	103.9	104.1	104.3	104.3
1989	105	105	104.9	105.2	105.3	105.5	106.5	106.3	106.3	106.4	106.4	106.5
1990	107.6	107.2	107.1	107.2	107.2	107.3	107.6	107.5	107.6	107.7	107.8	107.9
1991	108	108	108.2	108.4	108.4	108.4	108.7	108.7	108.7	108.7	108.9	108.9
1992	109.4	109.5	109.7	109.7	109.7	109.8	109.6	109.8	109.8	109.9	109.9	110.1
1993	111	111.3	111.4	111.1	111.1	111.2	111.6	112	112	112.6	112.3	112.6
1994	113.3	113.5	113.8	113.7	113.7	113.4	113.4	113.2	113.2	113	112.9	112.8
1995	114	114	114.1	114.3	114.3	113.8	113.7	113.8	113.8	113.8	113.7	113.6
1996	114.6	114.7	114.7	114.8	114.7	114.7	114.9	115.1	115.1	115.3	115.6	115.6
1997	115.7	115.8	115.4	115.5	115.7	115.7	116	115.7	115.8	115.8	115.7	115.7
1998	115.9	115.8	115.5	115.1	114.7	114.7	114.9	114.8	114.8	114.8	114.7	114.1
1999	114.5	113.8	113.8	113.5	113.4	113.1	113.2	113.2	111.9	112.1	111.9	111.3
2000	111.4	110.9	110.7	110.4	110.1	110.1	110.2	110.2	110.3	110.2	110.2	110.2
2001	110.4	110.4	110.4	108.5	108.6	108.5	108.1	107.6	107.8	107.8	107.7	107.7
2002	107.5	106.6	106.5	105.7	105.6	105.3	104.3	104.5	104.5	103.6	103.5	102.8
2003	102.7	101.9	102.8	102.7	102.6	102.1	101	101.1	101.4	100.5	100.9	100.9
2004	100.7	98.6	98.6	98.5	98.6	98.2	97.9	98.3	97.9	97.3	97.9	97.8
2005	97.5	97.3	97.4	97.5	97.4	97.2	97.1	97	96.6	96.6	96.5	96.4
2006	95.7	96.1	95.9	96	96	96.1	95.8	96	96.1	95.8	95.8	95.3
2007	95.5	95.7	95.9	95.8	95.8	95.8	95.8	95.8	95.8	95.9	95.8	95.8
2008	96.2	96.9	96.8	96.9	97.2	97.1	97.3	97.3	97.3	97.2	97.4	97.4
2009	97.5	97.2	97.2	97.2	97.1	97.1	97.2	97.1	97.2	97.2	97.2	97.2
2010	97.2	97.1	97.1	96.9	96.8	96.7	97	96.9	96.8	96.8	96.9	96.9
2011	96.8	96.7	96.8	96.4	96.4	96.2	96.3	96.4	96.4	95.9	95.9	95.9
2012	96	96	96	96	96.1	96.1	96	95.9	95	94.8	94.8	94.8
2013	95	95.1	95.1	95.3	95.2	95.5	95.5	95.6	95.8	95.4	95.4	95.5
2014	95.5	95.7	95.7	95.7	95.6	95.7	95.7	95.4	95.6	95.7	95.5	95.7
2015	95.8	95.8	95.9	95.9	96.1	96.1	96	95.9	95.4	95.7	95.7	95.6
2016	95.5	95.7	95.6	95.7	95.6	95.4	95.3	95.4	95.2	94.5	94.7	93.9
2017	94.1	93.9	94.1	94	93.8	93.9	93.9	93.6	93.3	93.2	93.5	93.4
2018	93.3	93.4	93.2	93.1	93.1	93.1	93	93.1	92.9	92.9	92.9	92.9
2019	93.3	93	93	93	93	93	93.1	93.1	93.1	93.3	93.5	93.6
2020	93.7	93.6	93.8	93.6	93.7	93.6	93.8	93.7	93.8	93.4	93.6	93.6
2021	93.5	93.8	93.8	93.9	93.7	93.6	94.108	94.197	94.65	95.308	95.645	95.791
2022	96.311	97.127	97.247	97.75	98.173	98.138	98.988	99.116	99.322	99.519	100.694	100.713
2023	101.378	101.16	101.168	101.98	101.913	102.569	102.287	102.321	102.345	102.459	102.71	102.701
2024	103.357	104.204	104.212	104.267	104.959	105.257	105.456	105.442	107.305	107.606	107.562	107.608
2025	107.999	108.15	108.466	108.779	109.046	109.108	109.619	109.848	0	0	0	0

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

	107.999	108.15	108.466	108.779	109.046(P)	109.108(P)	09.619(P)	109.848(P)

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Valuation Date
12/31/2020

Returns Reference – Start Year
EARLIEST YEAR (Y

Returns Reference – End Year
2020

Returns Calculation - Mean
Arithmetic
Geometric

RPE ERP Size Premium IRP CoE WACC Summary

	Firms			Portfolio		Size Premium	
Decile	Count	Min size ('000)	Max Size ('000)	Annual Return	Beta	S&P 500	Beta Adjusted
1 - Largest	199	$29,075,803	$1,966,078,882	11.06%	0.92	(0.75%)	

2	186	$13,178,743	$28,808,073	12.82%	1.04	1.01%
3	210	$6,743,361	$13,177,828	13.66%	1.11	1.85%
4	218	$3,861,858	$6,710,676	13.67%	1.13	1.86%
5	255	$2,445,693	$3,836,536	14.49%	1.17	2.68%
6	246	$1,591,865	$2,444,745	14.82%	1.18	3.01%
7	306	$911,586	$1,591,765	15.63%	1.26	3.82%
8	365	$451,955	$911,103	15.91%	1.31	4.10%
9	412	$190,019	$451,800	16.69%	1.34	4.88%
10 - Smallest	569	$2,194	$189,831	19.64%	1.40	7.83%
1 through 2	385	$13,178,743	$1,966,078,882	11.32%	0.94	(0.48%)
3 through 5	683	$2,445,693	$13,177,828	13.80%	1.13	1.99%
6 through 8	917	$451,955	$2,444,745	15.27%	1.23	3.46%
9 through 10	981	$2,194	$451,800	17.53%	1.35	5.72%
1 through 5	1,068	$2,445,693	$1,966,078,882	11.64%	0.96	(0.17%)
6 through 10	1,898	$2,194	$2,444,745	15.49%	1.24	3.68%

S&P 500 Annual Return for Period 1928 - 2020 : 11.81%

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KROLL

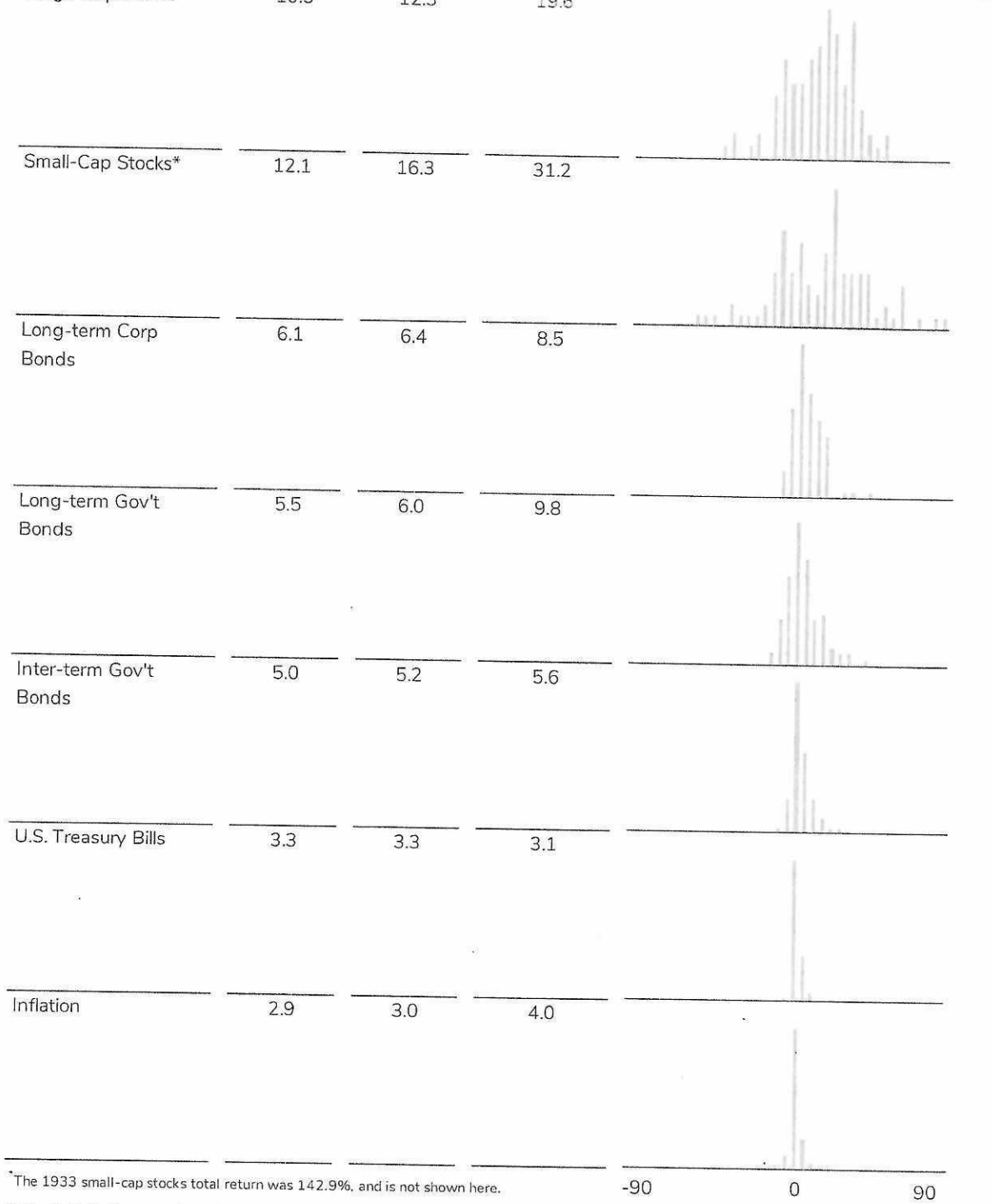
2022 SBBI® Yearbook

Stocks, Bonds, Bills, and Inflation®

U.S. Capital Markets Performance by
Asset Class 1926–2021

Exhibit 2.3: Basic Series, Summary Statistics of Annual Total Returns (%)
1926–2021

Series	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)	Distribution (%)
Large-Cap Stocks	10.5	12.3	19.6	
Small-Cap Stocks*	12.1	16.3	31.2	
Long-term Corp Bonds	6.1	6.4	8.5	
Long-term Gov't Bonds	5.5	6.0	9.8	
Inter-term Gov't Bonds	5.0	5.2	5.6	
U.S. Treasury Bills	3.3	3.3	3.1	
Inflation	2.9	3.0	4.0	



*The 1933 small-cap stocks total return was 142.9%, and is not shown here.

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Exhibit 6.8: Total Returns, Income Returns, and Capital Appreciation Returns of the SBBI® Asset Classes; Summary Statistics of Annual Returns (%)
1926–2021

	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)	Serial Correlation
Large-Cap Stocks				
Total Return	10.5	12.3	19.6	0.01
Income	3.9	3.9	1.6	0.92
Capital Appreciation	6.4	8.2	19.0	0.01
Small-Cap Stocks (TR)	12.1	16.3	31.2	0.05
Long-term Corp Bonds (TR)	6.1	6.4	8.5	0.01
Long-term Gov't Bonds				
Total Return	5.5	6.0	9.8	-0.16
Income	4.8	4.9	2.6	0.96
Capital Appreciation	0.5	0.9	8.9	-0.25
Inter-term Gov't Bonds				
Total Return	5.0	5.2	5.6	0.14
Income	4.3	4.3	2.9	0.96
Capital Appreciation	0.6	0.7	4.4	-0.17
U.S. Treasury Bills (TR)	3.3	3.3	3.1	0.92
Inflation	2.9	3.0	4.0	0.62

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In general, risk is rewarded by a higher return over the long term. For example, Exhibit 6.8 shows that over the 1926–2021 time horizon small-cap stocks were the riskiest asset class with a standard deviation of 31.2%, but also provided the greatest rewards to long-term investors, with an arithmetic mean annual return of 16.3%. Comparably, the risk (as measured by standard deviation) of large-cap stocks was significantly lower at 19.6%, and the reward (as measured by arithmetic average annual return) of large-cap stocks was correspondently lower at 12.3%.

U.S. Treasury bills, with a standard deviation of 3.1%, were nearly riskless and had the lowest arithmetic mean annual return at 3.3%.

Inflation-Adjusted Series Summary Statistics

Inflation-adjusted basic series summary statistics are presented in Exhibit 6.9. Note that the real rate of interest is close to zero (0.4%) on average. For the 96-year period, the geometric and arithmetic means are lower by the amount of inflation than those of the nominal series.

Note that this increased return comes at a price: risk (as measured by standard deviation) increased from 19.6% for large-cap stocks to 31.2% for small-cap stocks. The relationship between risk and return is a fundamental principle of finance. History tells us that small companies are riskier than large companies. Investors are compensated for taking on this additional risk by the higher returns provided by small companies.

Exhibit 7.1: Summary Statistics of Large-Cap Stocks and Small-Cap Stocks (%) 1926–2021

	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)
Large-Cap Stocks	10.5	12.3	19.6
Small-Cap Stocks	12.1	16.3	31.2

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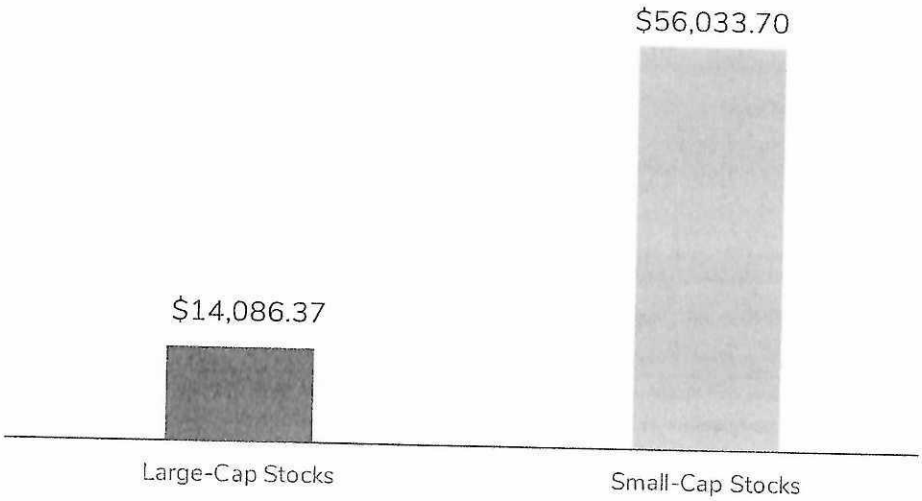
The differences in the performance of large-cap stocks and small-cap stocks can have important implications for investors. Exhibit 7.2 is a graphical depiction of the value of $1 invested at the end of 1925 in large-cap and small-cap stocks and held through December 31, 2021 (a total of 96 years).

Exhibit 7.2: The Value of $1 Invested in Large-Cap and Small-Cap Stocks, 1926–2021
Index (Year-end 1925 = $1.00)



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120 months (10-years), to 240 months (20-years) and finally to 360 months (30-years), small stocks increasingly outperform large stocks (55%, 66%, 88%, and 96% of the time, respectively).

This same pattern of increasing outperformance of small stocks as the holding period is increased can also be seen in the three "Post Banz" periods.

Long-term Returns in Excess of Systematic Risk

The capital asset pricing model, or CAPM, does not fully account for the higher returns of small-cap stocks. The textbook CAPM can be expressed as follows:

$$k_e = R_f + \beta \times (RP_m)$$

Where:

k_e	=	Cost of equity capital
R_f	=	Risk-free rate
β	=	Beta
RP_m	=	Equity risk premium (also referred as ERP)

According to the CAPM, the expected return on a security should consist of the riskless rate plus an additional return to compensate for the systematic risk of the security. The return in excess of the riskless rate is estimated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is the return that compensates investors for taking on risk equal to the risk of the market as a whole (systematic risk). Beta measures the extent to which a security or portfolio is exposed to systematic risk.

The beta of each decile indicates the degree to which the decile's return moves with that of the overall market. A beta greater than one indicates that the security or portfolio has greater systematic risk than the market; according to the CAPM equation, investors are compensated for taking on this additional risk.

CAPM is an attempt to predict *future* returns. CAPM can be used to see how well it would have done predicting returns that we *already know* (i.e., historical returns; returns that have already occurred). This is called "back-testing". If what "actually happened" is greater than "what CAPM would have predicted", then CAPM fell short of explaining what actually happened.

Smaller companies tend to have returns that are not fully explained by their higher betas, so return in excess of that predicted by CAPM tends to *increase* as one moves from the largest companies to the smallest companies. This size related phenomenon prompted a revision to the CAPM to include a size premium. A size premium (as used in the CAPM equation) is thus a measure of "what actually happened" minus "what textbook CAPM predicted":

Size Premium = Actual Excess Return – Excess Return Predicted by CAPM

A size premium is a common adjustment that analysts make to the textbook CAPM when developing cost of equity capital estimates.[189] [190] This is sometimes referred to as the "modified" CAPM:

$$k_e = R_f + \beta \times (RP_m) + RPs$$

Where:

k_e	=	Cost of equity capital
R_f	=	Risk-free rate
β	=	Beta
RP_m	=	Equity risk premium (also referred as ERP)
RPs	=	Size Premium

The size effect is not without controversy, nor is this controversy something new. Traditionally, small companies are believed to have greater required rates of return than large companies because small companies are inherently riskier. It is not clear, however, whether this is due to size itself, or to other factors closely related to or correlated with size (e.g., liquidity).[191]

189 The CRSP Deciles Size Study and Risk Premium Report Study, both of which provide size premia and other risk premia based upon data licensed from the Center for Research in Security Prices (CRSP) at the University of Chicago Booth School of Business, are fully available in the Kroll Cost of Capital Navigator platform at kroll.com/costofcapitalnavigator (subscription required). CRSP® is a registered trademark and service mark of Center for Research in Security Prices, LLC and has been licensed for use by Kroll, LLC. The Kroll publications and services are not sponsored, sold or promoted by CRSP®, its affiliates or its parent company. To learn more about CRSP, visit www.crsp.org.

190 A detailed discussion of company size and return (and size premia) based upon CRSP deciles 1-10 and the 10th decile split (10a, 10b, 10w, 10x, 10y, and 10z) is available in the Resources Library of the Cost of Capital Navigator at kroll.com/costofcapitalnavigator. (subscription required).

191 For more information, see the Resources section of the Cost of Capital Navigator at kroll.com/costofcapitalnavigator. A comprehensive discussion of the size effect is in the Cost of Capital Navigator "U.S. Cost of Capital Module's" Resources Library.

Exhibit 10.8: Equity Risk Premium Calculated Using the S&P 500 and the Income Return on Three Government Bonds of Different Horizons (%)
1926–2021

	Long-horizon	Intermediate-horizon	Short-horizon
S&P 500	7.46	8.04	9.03

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The equity risk premium is calculated by subtracting the arithmetic mean of the government bond income return from the arithmetic mean of the stock market total return. Exhibit 10.9 demonstrates this calculation for the long-horizon equity risk premium, the intermediate-horizon equity risk premium, and the short-horizon equity risk premium.

Exhibit 10.9: Calculation of the Long-Horizon Equity Risk Premium, the Intermediate-Horizon Equity Risk Premium, and the Short-Horizon Equity Risk Premium (%)
1926–2021

	Arithmetic Annual Mean			
	S&P 500 (the "Market")	Risk-free Rate		Equity Risk Premium
S&P 500	12.33	4.87	=	7.46
Intermediate-horizon	12.33	4.29	=	8.04
Short-horizon	12.33	3.30	=	9.03

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The Market Benchmark and Firm Size

Although not restricted to the 500 largest companies, the S&P 500 is considered a large-cap index. The returns of the S&P 500 are market-cap-weighted. The larger companies in the index therefore receive the majority of the weight. If using a large-cap index to calculate the equity risk premium, an adjustment is usually needed to account for the different risk and return characteristics of small stocks. This was discussed in Chapter 7 on the size premium.

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Returns Reference – Start Year
EARLIEST YEAR

Returns Reference – End Year
2020

Returns Calculation - Mean
Arithmetic
Geometric

RPS ERP Size Premium IRP CoE WACC Summary

	Firms			Portfolio		Size Premium	
Decile	Count	Min size ('000)	Max Size ('000)	Annual Return	Beta	S&P 500	Beta Adjusted
1 - Largest	199	$29,075,803	$1,966,078,882	11.06%	0.92	(0.75%)	

2	186	$13,178,743	$28,808,073	12.82%	1.04	1.01%
3	210	$6,743,361	$13,177,828	13.66%	1.11	1.85%
4	218	$3,861,858	$6,710,676	13.67%	1.13	1.86%
5	255	$2,445,693	$3,836,536	14.49%	1.17	2.68%
6	246	$1,591,865	$2,444,745	14.82%	1.18	3.01%
7	306	$911,586	$1,591,765	15.63%	1.26	3.82%
8	365	$451,955	$911,103	15.91%	1.31	4.10%
9	412	$190,019	$451,800	16.69%	1.34	4.88%
10 - Smallest	569	$2,194	$189,831	19.64%	1.40	7.83%
1 through 2	385	$13,178,743	$1,966,078,882	11.32%	0.94	(0.48%)
3 through 5	683	$2,445,693	$13,177,828	13.80%	1.13	1.99%
6 through 8	917	$451,955	$2,444,745	15.27%	1.23	3.46%
9 through 10	981	$2,194	$451,800	17.53%	1.35	5.72%
1 through 5	1,068	$2,445,693	$1,966,078,882	11.64%	0.96	(0.17%)
6 through 10	1,898	$2,194	$2,444,745	15.49%	1.24	3.68%

S&P 500 Annual Return for Period 1928 - 2020 : 11.81%

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DEALS AUGUST 6, 2018 / 5:11 PM / 6 MONTHS AGO

SJW Group makes $1.1 billion all-cash offer for Connecticut Water

3 MIN READ

NEW YORK (Reuters) - SJW Group (SJW.N) and Connecticut Water Service Inc (CTWS.O) said on Monday they were changing from a merger to an acquisition agreement, with SJW offering to buy the New England utility for $1.1 billion in cash instead of combining stock.

The switch to an all-cash offer is worth $70 per Connecticut Water share, a 33 percent premium to Connecticut Water's share price prior to the original deal announced in March, according to a joint statement.

It was also higher than the implied $61.86 per share value of the Clinton, Connecticut-based firm under the merger-of-equals transaction, which would have created a combined company in which existing SJW shareholders would hold 60 percent of the stock.

SJW closed 2.3 percent lower, while Connecticut Water was 9 percent higher at $68.50.

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To pay for the acquisition, SJW will initially utilize a $975 million bridge loan from financial adviser JP Morgan Chase (JPM.N). Ultimately, the purchase would be covered by debt and between $450 million and $500 million of equity finance.

The new deal aims to conclude in the first quarter of 2019, subject to approvals from Connecticut Water's shareholders, as well as regulators in Connecticut and Maine.

The duo's original all-stock merger announcement in March triggered competing offers from Eversource Energy (ES.N) and California Water Service Group (CWT.N).

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"We have converted from a stock-for-stock deal to a cash offer, which will resolve any further market distractions from the inferior proposals," SJW Chief Executive Eric Thornburg told Reuters, in reference to the actions by Eversource and CalWater.

Switching to an acquisition, versus a merger structure, means that SJW shareholders will no longer be required to vote on approving the deal, the statement said.

CalWater has an open tender offer to acquire SJW that runs until Sept. 28.

However, asked if the change was aimed at heading off any shareholder challenge to the deal, Thornburg told Reuters it "wasn't a consideration" and it had received nothing but support from its shareholders.

RBS sounds alarm over Brexit

CalWater declined to comment. A spokesman for Eversource said the company was evaluating developments but, as it has made clear, it will be disciplined in pursuing this or any other transaction.

Reporting by David French in New York; Additional Reporting by Liana B. Baker; Editing by Lisa Shumaker

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Created by EDGAR Online, Inc.

CONNECTICUT WATER SERVICE INC / CT
BALANCE_SHEET2
Form Type: 10-K
Period End: Dec 31, 2017
Date Filed: Mar 15, 2018
Table Of Contents

CONNECTICUT WATER SERVICE, INC.

CONSOLIDATED BALANCE SHEETS

December 31, (in thousands, except share amounts)	2017	2016
ASSETS		
Utility Plant	$ 927,289	$ 777,860
Construction Work in Progress	11,761	33,748
	939,050	811,608
Accumulated Provision for Depreciation	(241,327)	(210,212)
Net Utility Plant	697,723	601,396
Other Property and Investments	10,662	9,071
Cash and Cash Equivalents	3,618	1,564
Accounts Receivable (Less Allowance, 2017 - $1,265; 2016 - $1,100)	14,965	13,024
Accrued Unbilled Revenues	8,481	8,171
Materials and Supplies, at Average Cost	1,593	1,536
Prepayments and Other Current Assets	7,021	5,069
Total Current Assets	35,678	29,364
Unrecovered Income Taxes - Regulatory Asset	66,631	93,264
Pension Benefits - Regulatory Asset	11,339	12,266
Post-Retirement Benefits Other Than Pension - Regulatory Asset	116	265
Goodwill	67,016	30,427
Deferred Charges and Other Costs	9,618	8,449
Total Regulatory and Other Long-Term Assets	154,720	144,671
Total Assets	$ 898,783	$ 784,502
CAPITALIZATION AND LIABILITIES		
Common Stockholders' Equity:		
Common Stock Without Par Value: Authorized - 25,000,000 Shares		
Issued and Outstanding:		
2017 - 12,065,016; 2016 - 11,248,458	$ 191,641	$ 145,739
Retained Earnings	102,417	91,213
Accumulated Other Comprehensive Loss	(428)	(924)
Common Stockholders' Equity	293,630	236,028
Preferred Stock	772	772
Long-Term Debt	253,367	197,047
Total Capitalization	547,769	433,847
Current Portion of Long-Term Debt	6,173	4,859
Interim Bank Loans Payable	19,281	32,953
Accounts Payable and Accrued Expenses	11,319	13,116
Accrued Interest	1,439	1,012
Current Portion of Refund to Customers - Regulatory Liability	64	855
Other Current Liabilities	3,262	2,330
Total Current Liabilities	41,538	55,125
Advances for Construction	20,024	19,127
Deferred Federal and State Income Taxes	33,579	50,558
Unfunded Future Income Taxes	58,384	90,977
Long-Term Compensation Arrangements	32,649	33,540
Unamortized Investment Tax Credits - Regulatory Liability	1,133	1,189
Excess Accumulated Deferred Income Tax - Regulatory Liability	30,937	4,373
Refund to Customers - Regulatory Liability	-	108
Other Long-Term Liabilities	1,241	701
Total Long-Term Liabilities	177,947	200,573
Contributions in Aid of Construction	131,529	94,957
Commitments and Contingencies	-	-
Total Capitalization and Liabilities	$ 898,783	$ 784,502

Created by EDGAR Online, Inc.

CONNECTICUT WATER SERVICE INC / CT
INCOME_STATEMENT2
Form Type: 10-K
Period End: Dec 31, 2017
Date Filed: Mar 15, 2018
Table Of Contents

CONNECTICUT WATER SERVICE, INC.

CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, (in thousands, except per share data)	2017	2016	2015
Operating Revenues	$ 107,054	$ 98,667	$ 96,041
Operating Expenses			
Operation and Maintenance	48,017	44,191	48,052
Depreciation	16,684	13,905	12,871
Income Taxes	(1,993)	2,570	(818)
Taxes Other Than Income Taxes	10,941	9,796	9,294
Total Operating Expenses	73,649	70,462	69,399
Net Operating Revenues	33,405	28,205	26,642
Other Utility Income, Net of Taxes	824	744	797
Total Utility Operating Income	34,229	28,949	27,439
Other Income (Deductions), Net of Taxes			
(Loss) Gain on Real Estate Transactions	33	(54)	349
Non-Water Sales Earnings	1,167	1,219	1,394
Allowance for Funds Used During Construction	774	1,198	530
Other	(2,308)	(1,009)	(214)
Total Other Income (Loss), Net of Taxes	(334)	1,354	2,059
Interest and Debt Expenses			
Interest on Long-Term Debt	9,054	7,714	7,087
Other Interest Income, Net	(359)	(922)	(458)
Amortization of Debt Expense and Premium, Net	146	124	108
Total Interest and Debt Expenses	8,841	6,916	6,737
Net Income	25,054	23,387	22,761
Preferred Stock Dividend Requirement	38	38	38
Total Net Income Applicable to Common Stock	$ 25,016	$ 23,349	$ 22,723
Weighted Average Common Shares Outstanding:			
Basic	11,540	11,009	10,958
Diluted	11,762	11,228	11,164
Earnings Per Common Share:			
Basic	$ 2.17	$ 2.12	$ 2.07
Diluted	$ 2.13	$ 2.08	$ 2.04

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, (in thousands)	2017	2016	2015
Net Income	$ 25,054	$ 23,387	$ 22,761
Other Comprehensive Income (Loss), net of tax			
Adjustment to post-retirement benefit plans, net of tax benefit (expense) of $(419), $15, and $(505) in 2017, 2016, and 2015, respectively	289	(24)	765
Unrealized Investment gain (loss), net of tax (expense) benefit of $(13), $(22) and $62, in 2017, 2016, and 2015, respectively	207	35	(97)
Other Comprehensive Income, net of tax	$ 496	$ 11	$ 668
Comprehensive Income	$ 25,550	$ 23,398	$ 23,429

A-6 LIST OF TOWNS SERVED

List by operating divisions the towns served directly, indicating those in which franchise is for limited area by an asterisk (*) after name. Give population of the area and the number of customers.

Line No.	Town	Population of Area	Number of Customers	Line No.	Town	Population of Area	Number of Customers
					Sub Totals Forward:	30,120	725
1	Belmont N. H.	7,356	160	16			
2	Bow, N.H.	7,519	95	17			
3	Carroll, N.H.	763	409	18			
4	Belmont, NH	7,356	22	19			
5	Gilford, NH	7,126	39	20			
6				21			
7				22			
8				23			
9				24			
10				25			
11				26			
12				27			
13				28			
14				29			
15	Sub Totals Forward:	30,120	725	30	Total	30,120	725

A-7 PAYMENTS TO INDIVIDUALS

List names of all individuals, partnerships, or corporations to whom payments totaling $10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total $10,000 or more, list each individual and the amount paid or due each.

Line No.	Name	Address	Amount
1	NESC	Plainville,, Ct.	222,877
2	City of Laconia	Laconia, NH	91,004
3	Rowell's Services	Northfield, NH	57,242
4	Eversource	Boston, MA	43,226
5	CoBank	Greenwood Village, CO	43,000
6	Stephen P. St. Cyr & Associates	Biddeford, Me.	40,959
7	NH Brown Law	Somersworth, NH	37,206
8	PKF O'Conner Davies	Shelton, Ct.	36,020
9	State of NH	Concord, NH	16,544
10	Fortin Construction	Londonderry, NH	16,155
11	Town of Carroll	Carroll, NH	15,201
12	Town of Belmont	Belmont, NH	14,953
13	Harcros Chemicals	Chicago, IL	12,909
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	Total		$ 647,296

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CONSUMPTION INFORMATION (Dover Division)

1. Estimated total population of territory covered by franchise		
2. Estimated population reached by the distributing system		
3. Estimated population actually supplied		1,809
4. Total consumption during the year in gallons		50,866,736
5. Average daily consumption (in gallons)		138,429
6. Day on which the greatest amount was pumped		8/13/2020
7. Gallons pumped on above day		368,000
8. Week during which greatest amount was pumped	8/9/20-8/15/20	
9. Gallons pumped during above week		1,906,000
10. Gallons per day per service		218
11. Consumption metered		50,866,736
12. Consumption metered,	100 percent of total consumption	

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
637	1	0	636

Name of City, Town, or District	Number of Customers as of December 31
Dover, MA	636

Sixty-four of these connections represent contractual service to Town of Dover plus one master meter at town connection.

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CONSUMPTION INFORMATION (Plymouth Division)

1. Estimated total population of territory covered by franchise	2,513
2. Estimated population reached by the distributing system	2,513
3. Estimated population actually supplied	2,513
4. Total consumption during the year (GALS)	101,211,880
5. Average daily consumption	294,414
6. Day on which the greatest amount was pumped	7/27/2020
7. Gallons pumped on above day	724,300
8. Week during which greatest amount was pumped	7/26/2020-8/1/2020
9. Gallons pumped during above week	4,544,900
10. Gallons per day per service	219
11. Consumption metered	101,211,880
12. Consumption metered,	100% percent of total consumption

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
853	0	9	862

Name of City, Town, or District	Number of Customers as of December 31
Plymouth, MA	862

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CONSUMPTION INFORMATION (Springdale Division)

1. Estimated total population of territory covered by franchise		115
2. Estimated population reached by the distributing system		115
3. Estimated population actually supplied		115
4. Total consumption during the year (GALS)		7,463,606
5. Average daily consumption		20,448
6. Day on which the greatest amount was pumped		6/27/2020
7. Gallons pumped on above day		88,000
8. Week during which greatest amount was pumped	6/21/20-6/27/20	
9. Gallons pumped during above week		407,000
10. Gallons per day per service		418
11. Consumption metered		7,463,606
12. Consumption metered,	100 percent of total consumption	

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
41	0	1	42

Name of City, Town, or District	Number of Customers as of December 31
Dover, MA	42

Annual Return of Mountain Water Systems, Inc. Calendar year ending December 31, 2020

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CONSUMPTION INFORMATION

1. Estimated total population of territory covered by franchise	1100	
2. Estimated population reached by the distributing system	1100	
3. Estimated population actually supplied	1100	
4. Total consumption during the year	31,956,826	gals.
5. Average daily consumption	87,553	gals.
6. Day on which the greatest amount was pumped	7/20/2020	
7. Gallons pumped on above day	173,596	
8. Week during which greatest amount was pumped	7/16/20-7/25/20	
9. Gallons pumped during above week	975,066	
10. Gallons per day per service	180	
11. Consumption metered	31,956,826	gals.
12. Consumption metered,	100	% of total consumption

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
487	0		487

Name of City, Town, or District	Number of Customers as of December 31
Sheffield, MA	
*487 metered customers, 3 fixed fee customers	490

425 1 tm2112545d1_425.htm 425

Filed by Eversource Energy
(Commission File No. 001-05324) pursuant
to Rule 425 under the Securities Act of 1933

Subject Company: New England Service Company

JOINT NEWS RELEASE

New England Service Company To be Acquired by Aquarion Water Company

Region's largest private water company expands operations in
Connecticut, Massachusetts and New Hampshire

BRIDGEPORT, CONN. – April 8, 2021 – Aquarion Company (Aquarion), parent of Aquarion Water Company, and New England Service Company (NESC) (OTC Pink Sheets Trading Symbol: NESW) today announced that they have entered into a definitive agreement whereby Aquarion will acquire all outstanding shares of NESC and NESC will become a wholly-owned subsidiary of Aquarion. Aquarion is a water supply company and holding company based in Bridgeport, Connecticut, providing regulated water service to customers in Connecticut, Massachusetts, and New Hampshire. NESC is a holding company based in Plainville, Connecticut providing regulated water service to customers in Connecticut, Massachusetts, and New Hampshire.

Under the agreement, which was unanimously approved by the Boards of Directors of both Aquarion and NESC, the acquisition will be executed through a stock-for-stock transaction that is structured to be a tax-free reorganization. The agreement provides that the stockholders of NESC will receive 0.51208 shares of the common shares of Aquarion's parent, Eversource Energy (Eversource) (NYSE: ES), in exchange for each share of NESC common stock. The fixed exchange ratio implies a $44.90 per share price based on the $87.68 closing price of Eversource Energy common shares on April 6, 2021. In connection with the exchange, Eversource Energy will issue approximately 463,000 shares of ES Common Stock at closing.

The merger includes NESC's Valley Water System in Connecticut, Colonial Water Company and Mountain Water Systems in Massachusetts, and Abenaki Water Company in New Hampshire, as well as unregulated service operations throughout New England. The merger will add nearly 10,000 customers to Aquarion's existing base of 216,000 customers. Under the agreement, all NESC employees will be retained.

"This merger will create long-term benefits for customers, employees, and the communities we serve," said Donald Morrissey, President of Aquarion Water Company. "We will make investments in these water systems focused on reliability and water quality and deliver a superior customer experience. We also welcome NESC's dedicated employees to the Aquarion team. I'm confident that we share a similar passion for delivering superior water service to customers and the communities we serve and being great stewards of the environment."

Over the last ten years, Aquarion has integrated over 70 water systems into its operations, strengthening the company's ability to deliver high-quality water to communities throughout the region.

"I am pleased to announce the NESC and Aquarion combination and look forward to working with Aquarion's leadership team on a smooth transition for our customers and employees," said Don Vaughan, NESC Chairman. He also noted, "Aquarion is well-positioned to deliver the reliable high-quality water service that our customers expect." NESC President, Nicholas LaChance, added "The stockholders, customers and employees of NESC will benefit from this deal with Aquarion. We view this transaction with Aquarion as a win for all of our stakeholders, and we look forward to working closely with their team."

The completion of the transaction will require approval by the stockholders of NESC, and the NESC Board of Directors has resolved to recommend the adoption of the merger agreement by the stockholders. The transaction is also subject to the approval of regulatory authorities, including the Connecticut Public Utilities Regulatory Authority, Massachusetts Department of Public Utilities, and New Hampshire Public Utilities Commission, and satisfaction of several other conditions. The parties plan to file all required regulatory applications over the coming months with an anticipated closing by the end of 2021.

Advisors and Counsel

Ropes & Gray LLP served as counsel to Aquarion Company and Eversource Energy in the transaction. Boenning & Scattergood, Inc. provided a fairness opinion to the Board of Directors of New England Service Company. Cranmore, FitzGerald and Meaney served as counsel to New England Service Company.

About Aquarion Water Company:

Aquarion Water Company is the public water supply company for more than 625,000 people in 52 cities and towns throughout Connecticut, as well as serving customers in Massachusetts and New Hampshire. It is the largest investor-owned water utility in New England and among the seven largest in the U.S. Based in Bridgeport, CT, Aquarion has been in the public water supply business since 1857. Across its operations, Aquarion strives to act as a responsible steward of the environment and to assist the communities it serves in promoting sustainable practices. Aquarion Company is a wholly-owned subsidiary of Eversource.

For more information on Aquarion Water Company, please visit www.aquarionwater.com or www.facebook.com/aquarionwater.

About New England Service Company

Headquartered in Plainville, Connecticut, NESC is predominantly involved in the operation, management and financing of water systems and other related activities. NESC was formed in 1997 to operate in both regulated and unregulated water markets. NESC is the sole stockholder of four regulated water companies.

For more information on New England Service Company please visit
www.NewEnglandServiceCompany.com

This news release includes statements concerning Aquarion and Aquarion Water Company's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts, including statements regarding the planned merger with New England Service Company, the timing of such transaction and benefits anticipated from such transaction. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, readers can identify these forward-looking statements through the use of words or phrases such as "will," "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to: the transaction is subject to conditions to closing, including regulatory approvals, that may not be satisfied; it may take longer than anticipated to consummate the transaction; we may not realize the benefits we anticipate from the transaction; unforeseen liabilities; risks relating to integration of the acquired business; and other presently unknown or unforeseen factors.

Other risk factors are detailed in Eversource Energy's reports filed with the Securities and Exchange Commission (SEC) and updated as necessary, and are available on Eversource Energy's website at www.eversource.com and on the SEC's website at www.sec.gov. All such factors are difficult to predict and contain uncertainties that may materially affect Aquarion or Aquarion Water Company's actual results, many of which are beyond our control. You should not place undue reliance on the forward-looking statements; each speaks only as of the date on which such statement is made, except as required by federal securities laws, and Aquarion Water Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

Additional Information

This communication does not constitute an offer to buy or solicitation of any offer to sell securities. This communication relates to a proposed business combination transaction between Aquarion Company and New England Service Company. In connection with the proposed business combination, Eversource Energy will file a registration statement with the SEC. This communication is not a substitute for any registration statement, prospectus/proxy statement or other document Eversource Energy, Aquarion Company and/or New England Service Company may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF NEW ENGLAND SERVICE COMPANY ARE URGED TO READ CAREFULLY THE REGISTRATION STATEMENT, PROSPECTUS, PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT EVERSOURCE ENERGY, AQUARION COMPANY, NEW ENGLAND SERVICE COMPANY AND THE PROPOSED TRANSACTION. Investors and security holders may obtain free copies of these documents (when they are available) and other related documents filed with the SEC at the SEC's web site at www.sec.gov or by directing a request to Eversource's Investor Relations department at (860) 665-5154 or by email to jeffrey.kotkin@eversource.com.

Certain Information Regarding Participants

This filing may be deemed solicitation material in respect of the proposed business combination transaction between Aquarion Company and New England Service Company. The directors, trustees, executive officers and certain other members of management and employees of Eversource Energy, Aquarion Company and New England Service Company may be deemed "participants" in the solicitation of proxies from stockholders of New England Service Company in favor of the proposed merger. You can find information about Eversource's trustees and executive officers in Eversource's annual report on Form 10-K for the year ended December 31, 2020, which was filed with the SEC on February 17, 2021 and its proxy statement for its 2021 annual meeting filed with the SEC on March 26, 2021. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of New England Service Company in connection with the proposed merger will be set forth in the registration statement, prospectus/proxy statement or other documents filed with the SEC if any when they become available. You may obtain these documents (when they become available) free of charge at the SEC's web site at www.sec.gov and from Investor Relations at Eversource as described above.

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NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

	December 31, 2020	December 31, 2019
ASSETS		
Utility plant, at cost	$ 52,176,919	$ 50,866,999
Less accumulated depreciation and amortization	(17,108,971)	(16,242,563)
Net Utility Plant	35,067,948	34,624,436
Non-utility property, plant and equipment	2,340,344	2,229,441
Less: accumulated depreciation	(841,502)	(736,994)
Net Non-Utility Property, Plant and Equipment	1,498,842	1,492,447
Current Assets		
Cash and cash equivalents	1,217,863	781,095
Marketable securities	387,294	456,385
Accounts receivable	682,735	728,725
Accrued unbilled revenues	391,450	369,136
Regulatory asset - revenue adjustment mechanism, current portion	83,303	218,322
Income taxes receivable	-	5,286
Materials and supplies inventory	105,343	99,032
Prepaid expenses	51,811	52,968
Total Current Assets	2,919,799	2,710,949
Other Assets		
Investment in cooperative capital plan	28,473	21,500
Deferred charges and other regulatory assets	2,243,524	1,750,628
Regulatory asset - revenue adjustment mechanism, net of current portion	10,426	48,847
Preliminary survey and investigation	5,111	4,883
Regulatory asset - income taxes recoverable	4,263,900	4,238,900
Total Other Assets	6,551,434	6,064,758
Total Assets	$ 46,038,023	$ 44,892,590

See Notes to Consolidated Financial Statements

NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets *(continued)*

	December 31, 2020	December 31, 2019
STOCKHOLDERS' EQUITY AND LIABILITIES		
Stockholders' Equity		
Common stock, no par; 3,000,000 shares authorized; 906,418 shares issued, 903,325 and 900,850 shares outstanding at December 31, 2020 and 2019	$ 3,784,217	$ 3,784,217
Additional paid in capital	297,426	297,426
Treasury stock, at cost, 3,093 and 5,568 shares at December 31, 2020 and 2019	(72,974)	(128,758)
Retained earnings	12,776,934	12,511,864
Total Stockholders' Equity	16,785,603	16,464,749
Long-term debt, net of current portion	9,148,153	9,349,951
Current Liabilities		
Note payable, bank	122,000	70,500
Current portion of long-term debt	678,831	570,170
Accounts payable and accrued expenses	765,365	544,412
Accrued property and other taxes	234,396	215,792
Deferred revenues	117,927	76,874
Total Current Liabilities	1,918,519	1,477,748
Other Liabilities		
Deferred income taxes	5,739,210	5,443,590
Regulatory - excess deferred income taxes	762,275	763,669
Regulatory - excess income taxes	293,643	195,762
Security deposits and other deferred credits	105,525	109,249
Customer advances for construction	97,586	42,738
Contributions in aid of construction	9,519,329	9,431,954
Amortized contributions in aid of construction	1,668,180	1,614,180
Total Other Liabilities	18,185,748	17,601,142
Total Stockholder's Equity and Liabilities	$ 46,038,023	$ 44,893,590

See Notes to Consolidated Financial Statements

NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Income

	Year Ended December 31, 2020	2019
OPERATING REVENUES		
Contracts with customers		
Utility revenues	$ 6,531,154	$ 6,047,244
Contracting and jobbing	1,519,110	1,497,323
Total Contracts with Customers	8,050,264	7,544,567
Alternative revenue programs	(56,176)	97,506
Total Operating Revenues	7,994,088	7,642,073
OPERATING EXPENSES		
Operation expenses	3,399,314	3,292,866
Maintenance expenses	369,749	322,583
Cost of contracting and jobbing	737,715	804,274
Depreciation and amortization	1,170,093	1,129,426
Taxes other than income taxes	757,357	743,266
Interest charges	347,298	350,372
Total Operating Expenses	6,781,526	6,642,787
Income from Operations	1,212,562	999,286
OTHER INCOME AND (DEDUCTIONS)		
Rental income and other	2,000	3,114
Investment income	21,350	70,550
Allowance for funds used during construction	10,771	5,275
Non-operating expense	(3,454)	(2,676)
Total Other Income	30,667	76,263
Income Before Income Taxes	1,243,229	1,075,549
Income tax expense	310,230	289,200
Net Income	$ 932,999	$ 786,349
PER SHARE AMOUNTS		
Weighted average shares outstanding	902,454	897,030
Net income	$ 1.03	$ 0.88
Dividends	$ 0.74	$ 0.70
Book value	$ 18.60	$ 18.35

See Notes to Consolidated Financial Statements

VALLEY WATER SYSTEMS, INC.

Notes to Financial Statements
Years Ended December 31, 2020 and 2019

1. Description of the Company

Valley Water Systems, Inc. (the "Company"), a wholly owned subsidiary of New England Service Company ("NESC"), is a public utility distributing water to approximately 6,760 customers in the towns of Plainville, Farmington, and Southington, Connecticut area. As a public utility operating in Connecticut, the Company functions under rules and regulations prescribed by the State of Connecticut Public Utilities Regulatory Authority ("PURA").

2. Summary of Significant Accounting Policies

Basis of Presentation

The Company maintains its accounts in accordance with the PURA Uniform System of Accounts as prescribed for Water Utilities Class A. The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America which include the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 980, *Regulated Operations* ("ASC 980"). Under ASC 980, regulated companies defer costs and credits on the balance sheet as regulatory assets and liabilities when it is probable that those costs and credits will be recognized in the rate setting process in a period different from the period in which they would have been reflected in income by an unregulated company. These deferred regulatory assets and liabilities are then reflected in the income statement in the period in which the same amounts are reflected in rates charged for service.

Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes cash balances held in bank accounts and highly liquid debt instruments with maturities of three months or less at the time of purchase.

From time to time, the Company had on deposit at financial institutions cash and cash equivalents which exceed current federal deposit insurance limitations. The Company had not experienced any losses in such accounts to date and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company continuously monitors the creditworthiness of customers and establishes, when necessary, an allowance for amounts that may become uncollectible in the future based on current economic trends, historical payment and bad debt write-off experience.

subsidiary water companies, serving approximately 200,000 customers in 52 towns and cities with a population of approximately 674,000 throughout Connecticut's seven counties.[2] A map showing AWC-CT's current service area is attached to the Joint Application as Exhibit I. AWC-CT has provided water and water services to Connecticut residents and customers continuously since 1857. AWC-CT is well known to PURA and well respected by the water industry in Connecticut, and nationally. AWC-CT had over $1.68 billion of utility plant assets as of December 31, 2020 and operating revenues of $189.6 million in 2020.

Q. Please describe New England Service Company.

A. NESC is a Connecticut stock corporation. NESC was formed in 1996 as a holding company to operate in both regulated and unregulated water utility markets. NESC has one regulated water distribution operating subsidiary in Connecticut. VWS, a utility established in 1884 as the Plainville Water Company, delivers water to over 6,800 customers or a population of approximately 18,000 in Plainville, Southington, and Farmington, Connecticut. A map showing VWS' current service area is attached to the Joint Application as Exhibit I.

In addition to owning VWS, NESC is also the sole stockholder of Colonial Water Company, a utility that provides water to about 1,530 customers in Dover and Plymouth, Massachusetts; Mountain Water Systems, a utility that provides water to about 490 customers in Sheffield, Massachusetts; and Abenaki Water Company, a combination of

[2] AWC-CT has acquired and integrated 16 new water systems since its last general rate proceeding in September 2013 via the acquisitions of the assets of the Indian Fields, West Service Corp. (2 systems), Bedrock, East Derby, Litchfield Hills, Southeastern CT Water Authority Lantern Hill Division, Hickory Hills Corporation, Arlington Acres, Pleasure Valley, Hillside Water Corporation, Town of Marlborough, and Town of New Fairfield systems, in addition to the transfer of the Laurel Ridge, West Shore Owners Association and Interlaken Water System assets.

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Filed by Eversource Energy
(Commission File No. 001-05324) pursuant
to Rule 425 under the Securities Act of 1933
Subject Company: The Torrington Water Company

THE TORRINGTON WATER COMPANY LETTERHEAD

March 8, 2022

Dear Stockholder:

We are pleased to announce that on March 7, 2022, the Board of Directors of The Torrington Water Company (OTC Pink Sheets Trading Symbol: TORW) unanimously approved an Agreement and Plan of Merger (the "Agreement") with Aquarion Company (" Aquarion"), a wholly-owned subsidiary of Eversource Energy (NYSE: ES). Aquarion is a holding company based in Bridgeport, Connecticut with regulated water operations in Connecticut, Massachusetts, and New Hampshire. The Torrington Water Company ("TWC") is a public utility that provides water service to approximately 10,000 customers in the city of Torrington and the towns of Burlington, Harwinton, Litchfield and New Hartford, Connecticut.

Under the terms of the Agreement, which has been unanimously approved by the boards of directors of Aquarion and TWC, TWC would merge with and become a wholly-owned subsidiary of Aquarion, and the stockholdcrs of TWC would receive in exchange for their TWC shares a number of validly issued, fully paid and nonassessable common shares, par value $5.00 per share, of Eversource Energy. The exchange ratio ("Exchange Ratio") that determines the number of Eversource Energy common shares issued in the merger will float between 1.0241 and 1.07 IO and will be determined by dividing $93.51 by Eversource's volume weighted average share price for IO full trading days ending on and including the second full trading day prior to closing date of the merger ("Eversource Share Value"). The Exchange Ratio becomes fixed at 1.0710 if the Eversource Share Value is less than $87.32 and becomes fixed at 1.0241 if the Eversource Share Value is greater than $91.32. An Exchange Ratio of 1.0710 implies a $92.81 per share value based on the closing price of $88.66 for Eversource Energy common shares on March 7, 2022, or a market premium of approximately I 04% over TWC's $45.50 closing price on March 7, 2022. Boenning & Scattergood, Inc. provided a fairness opinion to the Board of Directors of TWC. Based on an Exchange Ratio or 1.07 IO and the most recently declared dividends by TWC and Eversource Energy, TWC shareholders would receive an equivalent dividend of $2.58 per share compared to their current dividend on TWC shares of$1.38 per share.

The completion of the merger will require approval by the stockholders of TWC, and the TWC Board of Directors has resolved to recommend the adoption of the Agreement by the stockholders. The merger is also subject to the satisfaction of several other customary closing conditions, including the approval of the Connecticut Public Utilities Regulatory Authority. The parties plan to file for the approval of the Connecticut Public Utilities Regulatory Authority shortly, with an anticipated consummation of the merger by the end of 2022.

Within the coming weeks, you will be mailed a Proxy Statement/Prospectus for the TWC Stockholder Meeting, at which TWC stockholders will consider and vote with respect to the proposed merger.

Enclosed with this letter is the press release announcing the signing of the Agreement. The press release provides additional information that will answer many of your questions.

Sincerely yours,
Susan Suhanovsky
President

Forward-Looking Statements

This letter includes statements concerning The Torrington Water Company's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts, including statements regarding the planned merger with Aquarion Water Company, the timing of such transaction and benefits anticipated from such transaction. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, readers can identify these forward-looking statements through the use of words or phrases such as "will," "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to: the transaction is subject to conditions to closing, including regulatory approvals, that may not be satisfied; it may take longer than anticipated to consummate the transaction; we may not realize the benefits we anticipate from the transaction; unforeseen liabilities; risks relating to integration of the acquired business; and other presently unknown or unforeseen factors.

This Communication Does Not Constitute a Solicitation of Proxies

This communication does not constitute an offer to buy or solicitation of any offer to sell securities. This communication relates to a proposed business combination transaction between Aquarion Company and The Torrington Water Company. In connection with the proposed business combination, Eversource Energy will file a registration statement with the SEC. This communication is not a substitute for any registration statement, prospectus/proxy statement or other document Eversource Energy, Aquarion Company and/or The Torrington Water Company may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF THE TORRINGTON WATER COMPANY ARE URGED TO READ CAREFULLY THE REGISTRATION STATEMENT, PROSPECTUS, PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT EVERSOURCE ENERGY, AQUARION COMPANY, THE TORRINGTON WATER COMPANY AND THE PROPOSED TRANSACTION. Investors and security holders may be able to obtain free copies of these documents (when they are available) and other related documents filed with the SEC at the SEC's website at www.sec.gov. The materials may also be obtained for free by directing a written request to: Susan Suhanovsky, President, The Torrington Water Company, PO Box 867, Torrington, CT 06790, telephone (860) 489-4149. Investors should read the proxy materials/prospectus before making a decision regarding the merger.

This filing may be deemed solicitation material in respect of the proposed business combination transaction between Aquarion Company and The Torrington Water Company. The directors, trustees, executive officers and certain other members of management and employees of Eversource Energy, Aquarion Company and The Torrington Water Company may be deemed "participants" in the solicitation of proxies from stockholders of The Torrington Water Company in favor of the proposed merger. You can find information about Eversource's trustees and executive officers in Eversource's annual report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 17, 2022 and its proxy statement for its 2021 annual meeting filed with the SEC on March 26, 2021. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of The Torrington Water Company in connection with the proposed merger will be set forth in the registration statement, prospectus/proxy statement or other documents filed with the SEC if any when they become available. You may obtain these documents (when they become available) free of charge at the SEC's web site at www.sec.gov and from Susan Suhanovsky at The Torrington Water Company as described above.

About Aquarion Water Company:

Aquarion Water Company is the public water supply company for more than 700,000 people in 68 cities and towns in Connecticut, Massachusetts and New Hampshire. It is the largest investor-owned water utility in New England and among the seven largest in the U.S. Based in Bridgeport, CT, Aquarion has been in the public water supply business since 1857. Across its operations, Aquarion strives to act as a responsible steward of the environment and to assist the communities it serves in promoting sustainable practices. Aquarion Water Company is a wholly-owned subsidiary of Eversource.

For more information on Aquarion Water Company, please visit www.aquarionwater.com or www.facebook.com/aquarionwater.

MUNICIPALITIES SUPPLIED

1. Show below the names of the municipalities in which the respondent supplies water and the number of customers in each.

Line No.	Name (a)	Estimated Population Supplied*** (b)	Number of customers served by meter* (c)	Number of customers not served by meter** (d)	Total customers supplied (e)
1	Torrington	29,000	9,789	-	9,789
2	New Hartford	18	7	-	7
3	Litchfield	171	57	-	57
4	Harwinton	402	134	-	134
5	Burlington	414	138		138
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55	Total	30,005	10,125	-	10,125

THE TORRINGTON WATER COMPANY

Balance Sheets

	December 31,		
	2021	2020	2019
ASSETS			
Utility plant, at cost	$74,999,793	$71,847,851	$69,057,611
Less: accumulated depreciation	26,458,744	25,210,076	24,139,469
Net utility plant	48,541,049	46,637,775	44,918,142
Nonutility property, net of accumulated depreciation	202,624	372,935	372,935
Current Assets			
Cash and cash equivalents	1,577,648	2,781,302	1,064,441
Accounts receivable	554,416	757,705	518,129
Accrued unbilled revenues	876,500	858,000	821,000
Regulatory asset-water revenue adjustment, current portion	627,149	631,461	707,560
Materials and supplies inventory	196,635	369,507	300,436
Prepaid expenses	168,630	183,413	132,139
Total Current Assets	4,000,978	5,581,388	3,543,705
Other Assets			
Other assets	1,924,448	1,976,334	2,306,894
Preliminary survey and investigation charges	154,216	154,216	230,862
Regulatory asset-income taxes recoverable	7,375,800	6,855,660	6,476,000
Regulatory asset-water revenue adjustment, net of current portion	146,373	142,065	154,160
Regulatory asset-unfunded postretirement benefits	3,371,985	3,205,165	3,038,255
Total Other Assets	12,972,822	12,333,440	12,206,171
Total Assets	$65,717,473	$64,925,538	$61,040,953

See notes to financial statements

THE TORRINGTON WATER COMPANY

Balance Sheets *(continued)*

	December 31,		
	2021	2020	2019
STOCKHOLDERS' EQUITY AND LIABILITIES			
Stockholders' Equity			
Common stock, no par; 1,000,000 shares authorized; 864,000 issued and outstanding	$ 1,800,000	$ 1,800,000	$ 1,800,000
Retained earnings	21,930,762	21,326,808	20,524,284
Total Stockholders' Equity	23,730,762	23,126,808	22,324,284
Long-term debt, net	12,305,080	12,656,619	10,515,289
Current Liabilities			
Current portion of long-term debt	360,000	360,000	360,000
Accounts payable	191,921	586,707	329,619
Accrued taxes	501,964	695,550	611,538
Accrued interest	173,400	179,520	185,640
Other current liabilities	113,561	131,691	133,408
Total Current Liabilities	1,340,846	1,953,468	1,620,205
Other Liabilities			
Deferred income taxes	9,589,665	8,889,230	8,416,575
Regulatory liability-excess deferred income taxes	1,139,918	1,200,609	1,261,300
Unfunded postretirement benefits	3,371,985	3,205,165	3,038,255
Customer advances for construction	506,436	544,075	515,481
Contributions in aid of construction	11,078,991	10,772,973	10,850,172
Amortized contributions in aid of construction	2,653,790	2,576,591	2,499,392
Total Other Liabilities	28,340,785	27,188,643	26,581,175
Total Stockholders' Equity and Liabilities	$65,717,473	$64,925,538	$61,040,953

See notes to financial statements

THE TORRINGTON WATER COMPANY

Statements of Income and Retained Earnings

	Year Ended December 31,		
	2021	2020	2019
OPERATING REVENUES			
Contracts with customers	$ 6,934,525	$ 6,956,272	$ 6,268,405
Alternative revenue programs	900,619	762,420	1,211,817
Total Operating Revenues	7,835,144	7,718,692	7,480,222
OPERATING EXPENSES			
Operation expenses	2,485,521	2,570,359	2,381,493
Maintenance expenses	703,589	698,831	647,629
Depreciation expense	1,217,968	1,170,187	1,146,922
Taxes other than income taxes	1,382,016	1,333,810	1,319,487
Income taxes	133,200	135,900	74,200
Total Operating Expenses	5,922,294	5,909,087	5,569,731
Utility Operating Income	1,912,850	1,809,605	1,910,491
Other Income and Deductions			
Merchandising and jobbing, net	123,068	123,170	116,208
Interest income	2,411	2,212	4,025
Miscellaneous non-operating income	247,496	192,286	160,412
Gain on forgiveness of Paycheck Protection Program loan	-	276,057	-
Allowance for funds used during construction	42,306	26,707	10,905
Total Other Income and Deductions	415,281	620,432	291,550
Taxes applicable to other income	33,604	28,604	21,055
Net Other Income and Deductions	381,677	591,828	270,495
Income Before Interest Expense	2,294,527	2,401,433	2,180,986
Interest Expense			
Interest on long-term debt	489,624	466,235	446,760
Amortization of deferred financing costs	8,461	7,998	7,350
Other interest	168	1,476	1,538
Total Interest Expense	498,253	475,709	455,648
Net Income	1,796,274	1,925,724	1,725,338
RETAINED EARNINGS			
Dividends declared	(1,192,320)	(1,123,200)	(1,080,000)
Retained earnings, beginning	21,326,808	20,524,284	19,878,946
Retained earnings, ending	$21,930,762	$21,326,808	$20,524,284
PER SHARE AMOUNTS			
Net income, basic	$ 2.08	$ 2.23	$ 2.00
Dividends declared	$ 1.38	$ 1.30	$ 1.25
Book value	$ 27.47	$ 26.77	$ 25.84

See notes to financial statements

The vast majority of water systems in the United States are run by states and local municipalities, which do not issue equities. That's the main reason why the Water Utility Industry has only six companies and is one of the smaller groups followed by *Value Line*.

Water utility stocks have not performed well over the past few years. However, in 2025 almost every member of the group has turned in a good showing. Investors concerned about the impact of tariffs and other economic uncertainties have rotated part of their portfolios into utility stocks. These equities are often in demand when there is market turbulence because of their defensive characteristics. Indeed, these equities have predictable earnings and dividends, while the demand for water is relatively inelastic.

Industry fundamentals do not change quickly in this space. Over the past decade, the companies here have all been involved in major construction programs. Large amounts of funds are being spent to upgrade existing pipelines, which are often old and in poor condition.

The Timeliness rank of the Industry has moved higher since our last report, but still falls in the bottom half of the 93 Industries under review.

A Small Niche

To cover all of the investor-owned electric utilities in the United States, the industry must be broken up into three different *Value Line* issues. That's not the case for the six-company Water Utility Industry. As measured by market capitalization, just two of these utilities can be classified as large cap stocks: *American Water Works* and *Essential Utilities*. The remaining four have a combined market cap of $8.4 billion. One of the problems with such a limited selection is that the price of the equities can be driven to high evaluations, as demand can outstrip supply.

An Encouraging Start

As we go to press, the S&P 500 Index is down by about 2% in 2025. The average gain on water utilities is more than 5.5%. Shares of *American Water Works* and *Middlesex* are both up by double digits, while *American States* is the sole stock that has lost value. The Industry's performance has been aided by the turmoil in the equity market this year, especially among technology stocks.

State Of The Industry

Water utilities have been playing catch up for more than a decade. The industry had deferred capital spending for years, partially to keep customers' bills artificially low. As a result, the condition of the nation's water infrastructure has deteriorated significantly. In many parts of the country, the average age of pipelines can vary from 40 to 75 years. In addition to leaky pipes, many valves are broken. This causes a portion of the water being transported to never make it to its destination. The companies here have increased their capital budgets aggressively and have been hard at work upgrading their systems. Nevertheless, there is so much work ahead that the construction cycle should continue for the foreseeable future.

INDUSTRY TIMELINESS: 51 (of 93)

Improving Finances

Due to large modernization projects, water utilities were forced to rely heavily on debt for funding. This led to the typical company having a leveraged balance sheet. Over the past two years, though, this trend has reversed and all but *California Water* (B++) now have an A Financial Strength rating. The two largest companies in this group have also been acquiring smaller water districts. They have proven that they can integrate them into their existing assets and achieved meaningful economies of scale, which has provided a boost to their earnings. In any case, the stronger balance sheets provides the Industry with some cushion, as it may have to rely on the fixed-income markets more in the future.

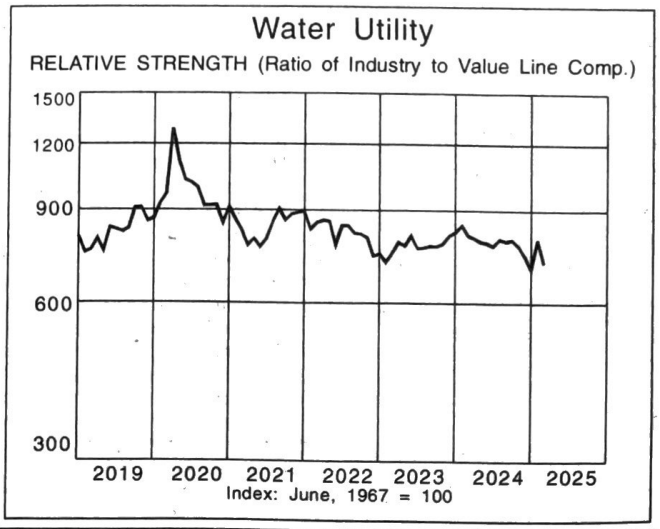
Regulatory Climate

One of the more surprising developments occurring in this space has been the ability of state authorities to maintain a constructive relationship with the firms that they regulate. For example, electric utilities and state regulators are known for long drawn-out confrontations over determining rates that can be charged. Whether the positive coexistence continues will have a major impact on the companies' ability to earn decent profits in the future. We are optimistic, but realize that state authorities are under tremendous pressure from ratepayers to not raise monthly bills, even when a utility's increased expenses are justified.

Conclusion

For investors that think the economy is headed in the wrong direction, the Water Industry might not be a bad place to park some money until a clearer outlook emerges. *American States Water* is the only equity here ranked to outperform the market in the coming year. Income-seeking accounts may also want to take a look. Although the current dividend yields are only moderately above average, most of the companies have good and predictable distribution growth prospects. *American States*, *American Water Works*, and *Essential Utilities* could all post annual 8% gains in their payouts through 2028-2030.

James A. Flood



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To subscribe call 1-800-VALUELINE

AMER. STATES WATER NYSE-AWR

RECENT PRICE 74.72 | P/E RATIO 22.3 (Trailing: 23.6 Median: 30.0) | RELATIVE P/E RATIO 1.27 | DIV'D YLD 2.6% | VALUE LINE 1771

TIMELINESS 2 Raised 3/28/25
SAFETY 1 Raised 4/5/24
TECHNICAL 5 Lowered 3/21/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

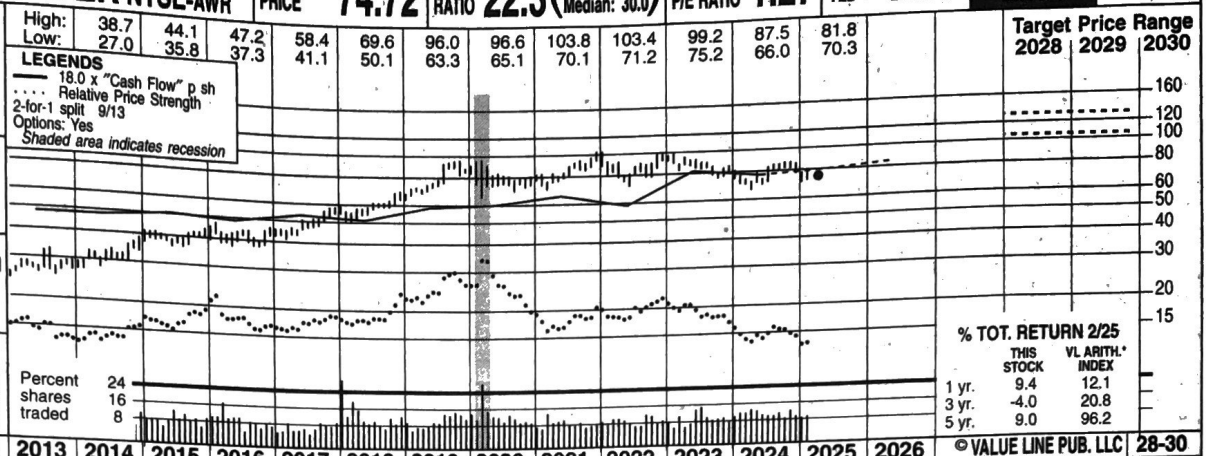
Low-High	Midpoint (% to Mid)
$63-$97	$80 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	130	(+75%)	17%
Low	105	(+40%)	11%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	167	146	158
to Sell	136	154	153
Hld's(000)	28544	35221	36704



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	38.7	44.1	47.2	58.4	69.6	96.0	96.6	103.8	103.4	99.2	87.5	81.8								
Low:	27.0	35.8	37.3	41.1	50.1	63.3	65.1	70.1	71.2	75.2	66.0	70.3								
	9.74	10.71	11.12	12.12	12.19	12.17	12.56	11.92	12.01	11.88	12.86	13.24	13.51	13.30	16.11	15.61	*17.00*	*17.20*	Revenues per sh	*19.65*
	1.70	2.11	2.13	2.48	2.65	2.67	2.81	2.70	2.96	2.84	3.26	3.34	3.64	3.25	4.55	4.29	*4.45*	*4.70*	"Cash Flow" per sh	*5.90*
	.81	1.11	1.12	1.41	1.61	1.57	1.61	1.62	1.88	1.72	2.28	2.33	2.55	2.11	3.36	3.17	*3.30*	*3.45*	Earnings per sh [A]	*4.35*
	.51	.52	.55	.64	.76	.83	.87	.91	.99	1.06	1.16	1.28	1.40	1.53	1.66	1.79	*1.95*	*2.10*	Div'd Decl'd per sh [B■]	*2.65*
	2.09	2.12	2.13	1.77	2.52	1.89	2.39	3.55	3.08	3.44	4.12	3.54	3.91	4.50	5.10	6.08	*5.65*	*5.40*	Cap'l Spending per sh	*5.50*
	9.70	10.13	10.84	11.80	12.72	13.24	12.77	13.52	14.45	15.19	16.33	17.39	18.57	19.20	20.99	24.12	*25.90*	*28.20*	Book Value per sh [D]	*33.25*
	37.06	37.26	37.70	38.53	38.72	38.29	36.50	36.57	36.68	36.76	36.85	36.89	36.94	36.96	36.98	38.15	*38.25*	*39.00*	Common Shs Outst'g [C]	*40.00*
	21.2	15.7	15.4	14.3	17.2	20.1	24.6	25.6	25.7	34.0	34.4	34.3	33.2	41.0	25.7	24.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*27.0*
	1.41	1.00	.97	.91	.97	1.06	1.24	1.34	1.29	1.84	1.83	1.76	1.79	2.37	1.43	1.30			Relative P/E Ratio	*1.50*
	2.9%	3.0%	3.2%	3.1%	2.7%	2.6%	2.2%	2.2%	2.0%	1.8%	1.5%	1.6%	1.7%	1.8%	1.9%	2.3%			Avg Ann'l Div'd Yield	*2.4%*
							458.6	436.1	440.6	436.8	473.9	488.2	498.9	491.5	595.7	595.5	*650*	*670*	Revenues ($mill)	*785*
							60.5	59.7	69.4	63.9	84.3	86.4	94.3	78.4	124.9	119.3	*125*	*135*	Net Profit ($mill)	*175*
							38.4%	36.8%	36.0%	22.0%	22.6%	24.6%	24.4%	23.2%	25.0%	20.2%	*23.5%*	*24.0%*	Income Tax Rate	*24.0%*
							--	--	--	--	--	--	--	--	2.5%	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
							41.1%	39.4%	38.0%	40.5%	44.4%	47.2%	46.1%	39.9%	52.8%	46.7%	*48.5%*	*49.0%*	Long-Term Debt Ratio	*49.0%*
							58.9%	60.6%	62.0%	59.5%	55.6%	52.8%	53.9%	60.1%	47.2%	53.3%	*51.5%*	*51.0%*	Common Equity Ratio	*51.0%*
							791.5	815.3	854.9	938.4	1082.5	1216.2	1272.6	1181.5	1643.2	1725.4	*1930*	*2100*	Total Capital ($mill)	*2600*
							1060.8	1150.9	1205.0	1296.3	1415.7	1512.0	1626.0	1753.8	1892.3	2099.6	*2300*	*2500*	Net Plant ($mill)	*3100*
							9.0%	8.6%	9.3%	7.9%	8.9%	8.0%	8.3%	7.6%	8.8%	8.3%	*8.0%*	*7.5%*	Return on Total Cap'l	*8.0%*
							13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Shr. Equity	*13.0%*
							13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Com Equity	*13.0%*
							6.0%	5.3%	6.2%	4.5%	6.9%	6.1%	6.2%	3.1%	8.2%	5.7%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
							54%	56%	52%	61%	51%	55%	55%	72%	49%	56%	*58%*	*61%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $929.4 mill. **Due in 5 Yrs** $325.0 mill.
LT Debt $805.0 mill. **LT Interest** $42.0 mill. (53% of Cap'l)

Leases, Uncapitalized: Annual rentals $2.4 mill.
Pension Assets-12/24 $195.0 mill. **Oblig.** $217.0 mill.

Pfd Stock None

Common Stock 38,156,568 shs. as of 2/18/25

MARKET CAP: $2.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	6.0	14.1	26.7
Accts Receivable	26.2	34.3	37.7
Other	119.1	157.6	168.9
Current Assets	151.3	206.0	233.3
Accts Payable	84.9	68.7	88.6
Debt Due	255.9	42.4	124.4
Other	55.7	55.5	72.5
Current Liab.	396.5	166.6	285.5

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	4.0%	*4.5%*
"Cash Flow"	4.5%	6.0%	*6.5%*
Earnings	6.5%	8.0%	*7.0%*
Dividends	8.5%	9.0%	*8.0%*
Book Value	5.5%	7.0%	*7.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	108.6	122.5	135.0	125.4	491.5
2023	161.4	157.4	151.7	125.2	595.7
2024	135.3	155.3	161.8	143.1	595.5
2025	*145*	*170*	*180*	*155*	*650*
2026	*150*	*175*	*185*	*160*	*670*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.38	.54	.69	.50	2.11
2023	.93	1.03	.85	.55	3.36
2024	.62	.85	.95	.75	3.17
2025	*.68*	*.90*	*1.02*	*.70*	*3.30*
2026	*.70*	*.93*	*1.08*	*.74*	*3.45*

Calendar	QUARTERLY DIVIDENDS PAID [B■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.335	.335	.365	.365	1.40
2022	.365	.365	.3975	.3975	1.53
2023	.3975	.3975	.43	.43	1.66
2024	.43	.43	.4655	.4655	1.79
2025	.4655				

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Golden State Water Co., it supplies water to 264,557 customers in 10 California counties. Service areas include the metropolitan areas of Los Angeles and Orange Counties. The company also provides electricity to 24,857 customers in Big Bear Lake and San Bernardino Cnty. Provides water & wastewater services to U.S. military bases through its ASUS subsidiary. Sold Chaparral City Wtr. of AZ. (6/11). Employs 846. BlackRock, Inc. owns 18.2% of out. shares; Vanguard, 12.4%; off. & dir., 0.8% (4/24 Proxy). Chair.: Anne M. Holloway. Pres. & CEO: Robert Sprowls. Inc: CA. Address: 630 East Foothill Blvd., San Dimas, CA 91773. Tel.: 909-394-3600. Int.: www.aswater.com.

Shares of American States Water ought to appeal to an assortment of investors. For starters, the equity is ranked to outperform the market averages in the year ahead. Moreover, AWR has a solid 2.6% yield and good distribution growth prospects. Over the pull to 2028-2030, the stock offers attractive potential on a risk-adjusted basis. Indeed, even though its projected total returns are just modestly above the *Value Line* median, this is favorable because American States carries a 1 (Highest) ranking for Safety. It also scores a 95 (out of 100) for Price Stability and has a Beta coefficient of only 0.75, compared with the 1.0 average.

Meanwhile, state regulators have settled a long-delayed rate case. The company's water utility, Golden State Water (GSW), originally filed for rate relief for the 2025 to 2027 period in August, 2023. On January 30th, 2025, the California Public Utility Commission (CPUC) finally made its decision. And, while some of GSW's requests were denied, the ruling wasn't meaningfully different from what the utility and the Public Advocates Office agreed to much earlier.

The company's earnings will be better than they appear in 2025 and 2026. Due to delays in regulatory rulings, sometimes the utility will have to absorb costs for several or more quarters and then be allowed to recoup them retroactively. This can distort year-over-year comparisons, as was the case in 2023 and 2024. With higher rates in effect since February 1st, we expect the company's share earnings to rise 4% to $3.30 this year, and move 5% higher in 2026, to $3.45.

Nonutility operations could make our estimates look conservative. American States has a nonregulated business called ASUS that aids in privatizing the United States military's water operations. Bids are being sought to transform military facilities on a base-by-base basis. The contract terms are typically for 50 years. ASUS has been successful in the past and currently oversees 11 military bases. Though the bidding process is competitive, we expect ASUS to continue to be awarded more work. Since the CPUC has no jurisdiction, ASUS's returns are not capped here, as is the case for GSW.

James A. Flood *April 4, 2025*

(A) Primary earnings. Excludes nonrecurring gains/(losses): '10, (23¢); '11, 10¢. Next earnings report due mid-May.
(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.
(C) In millions, adjusted for split.
(D) Includes intangibles. As of 12/31/24: $8.0 million/$0.21 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	80

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AMERICAN WATER NYSE-AWK

RECENT PRICE 139.70 | P/E RATIO 24.0 (Trailing: 25.9) (Median: 29.0) | RELATIVE P/E RATIO 1.36 | DIV'D YLD 2.3% | VALUE LINE 1772

TIMELINESS 3 Raised 3/14/25
SAFETY 2 Raised 10/4/24
TECHNICAL 5 Lowered 2/28/25
BETA .85 (1.00 = Market)

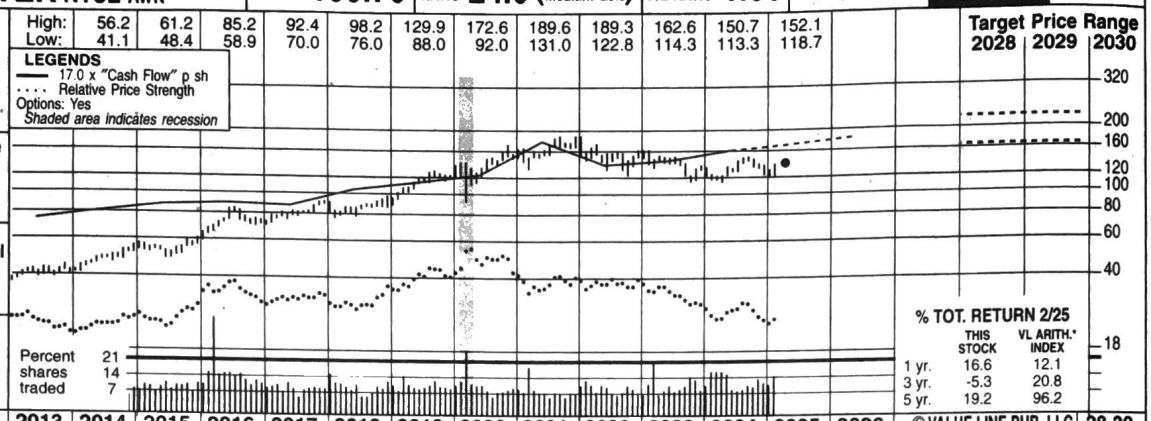
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$101-$162 $132 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	225	(+60%)	14%
Low	165	(+20%)	7%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	458	469	496
to Sell	477	430	502
Hld's(000)	172197	188107	193458



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
13.98	15.49	15.18	16.25	16.28	16.78	17.72	18.54	18.81	19.04	19.97	20.83	21.58	20.85	21.74	24.03	*25.20*	*26.85*	Revenues per sh	*31.25*
2.89	3.56	3.73	4.27	4.36	4.75	5.13	5.26	5.14	6.15	6.65	7.24	10.46	8.08	8.46	9.43	*10.05*	*10.75*	"Cash Flow" per sh	*12.60*
1.25	1.53	1.72	2.11	2.06	2.39	2.64	2.62	2.38	3.15	3.43	3.91	6.95	4.51	4.90	5.39	*5.70*	*6.15*	Earnings per sh [A]	*7.50*
.82	.86	.90	1.21	.84	1.21	1.33	1.47	1.62	1.78	1.96	2.15	2.36	2.57	2.78	3.00	*3.25*	*3.50*	Div'd Decl'd per sh [B■]	*4.45*
4.50	4.38	5.27	5.25	5.50	5.33	6.51	7.36	8.04	8.78	9.15	10.05	9.71	12.63	13.22	14.65	*16.90*	*15.25*	Cap'l Spending per sh	*16.00*
22.91	23.59	24.11	25.11	26.52	27.39	28.25	29.24	30.13	32.42	33.83	35.58	40.18	42.30	50.31	53.01	*55.55*	*58.30*	Book Value per sh [D]	*75.70*
174.63	175.00	175.66	176.99	178.25	179.46	178.28	178.10	178.44	180.68	180.81	181.30	181.61	181.86	194.73	194.92	*195.20*	*195.50*	Common Shs Outst'g [C]	*210.00*
15.6	14.6	16.8	16.7	19.9	20.0	20.5	27.7	33.8	27.3	32.9	35.3	23.6	33.6	28.6	24.4	*Bold figures are*		Avg Ann'l P/E Ratio	*26.0*
1.04	.93	1.05	1.06	1.12	1.05	1.03	1.45	1.70	1.47	1.75	1.81	1.28	1.94	1.59	1.30	*Value Line*		Relative P/E Ratio	*1.45*
4.2%	3.8%	3.1%	3.4%	2.0%	2.5%	2.5%	2.0%	2.0%	2.1%	1.7%	1.6%	1.4%	1.7%	2.0%	2.3%	*estimates*		Avg Ann'l Div'd Yield	*2.3%*
3159.0	3302.0	3357.0	3440.0	3610.0	3777.0	3920.0	3792.0	4234.0	4684.0	*4920*	*5250*	Revenues ($mill)	*6250*
476.0	468.0	426.0	567.0	621.0	709.0	1263.0	820.0	944.0	1051.0	*1115*	*1200*	Net Profit ($mill)	*1575*
39.1%	39.2%	53.3%	28.2%	25.5%	23.3%	23.0%	18.7%	21.1%	22.7%	*22.5%*	*22.5%*	Income Tax Rate	*22.5%*
--	--	--	--	--	--	--	--	5.1%	2.9%	*3.0%*	*3.5%*	AFUDC % to Net Profit	*3.5%*
53.7%	52.4%	54.7%	56.3%	58.5%	59.1%	58.6%	58.7%	54.5%	54.8%	*57.0%*	*59.0%*	Long-Term Debt Ratio	*56.5%*
46.2%	47.5%	45.3%	43.6%	41.4%	40.9%	41.4%	41.3%	45.5%	45.2%	*43.0%*	*41.0%*	Common Equity Ratio	*43.5%*
10911	10967	11875	13433	14760	15787	17639	18619	21512	22850	*25340*	*27600*	Total Capital ($mill)	*36500*
13933	14992	16246	17409	18232	19710	21084	23223	25438	28038	*30500*	*32500*	Net Plant ($mill)	*39000*
5.7%	5.6%	4.9%	5.4%	5.4%	5.7%	8.2%	5.5%	5.4%	5.7%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Shr. Equity	*10.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Com Equity	*10.0%*
4.7%	4.0%	2.5%	4.2%	4.4%	5.0%	11.4%	4.6%	4.2%	4.5%	*4.5%*	*4.5%*	Retained to Com Eq	*4.0%*
50%	56%	68%	56%	57%	55%	34%	57%	56%	56%	*56%*	*57%*	All Div'ds to Net Prof	*59%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $14049 mil. **Due in 5 Yrs** $4140 mil.
LT Debt $12533 mil. **LT Interest** $506 mil.
(55% of Cap'l)

Leases, Uncapitalized: Annual rentals $10.0 mill.
Pension Assets 12/23 $1622.0 mill
Oblig. $1431.0 mill.
Pfd Stock $3.0 mill. **Pfd Div'd** $.1 mill

Common Stock 194,947,313 shares
as of 2/10/25

MARKET CAP: $27.2 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	117	364	125
Accts Receivable	334	339	416
Other	799	686	674
Current Assets	1250	1389	1215
Accts Payable	254	294	346
Debt Due	1456	654	1516
Other	1101	1203	1288
Current Liab.	2811	2151	3150

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	3.0%	*4.0%*
"Cash Flow"	7.0%	7.5%	*3.0%*
Earnings	8.5%	10.5%	*4.5%*
Dividends	10.0%	9.5%	*8.5%*
Book Value	6.5%	8.5%	*6.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	842.0	937.0	1082	931.0	3792.0
2023	938.0	1097	1167	1032	4234.0
2024	1011	1149	1323	1201	4684.0
2025	*1090*	*1200*	*1385*	*1245*	*4920*
2026	*1170*	*1280*	*1475*	*1325*	*5250*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.87	1.20	1.63	.81	4.51
2023	.91	1.45	1.66	.88	4.90
2024	.95	1.42	1.80	1.22	5.39
2025	*1.10*	*1.55*	*1.95*	*1.10*	*5.70*
2026	*1.15*	*1.70*	*2.15*	*1.15*	*6.15*

Calendar	QUARTERLY DIVIDENDS PAID [B■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.55	.6025	.6025	.6025	2.36
2022	.6025	.655	.655	.655	2.57
2023	.655	.7075	.7075	.7075	2.28
2024	.7075	.765	.765	.765	3.00
2025	.765				

BUSINESS: American Water Works Company, Inc. is the largest investor-owned water and wastewater utility in the U.S., providing services to approximately 14 million people in 24 states. Nonregulated business assists municipalities and military bases with the maintenance and upkeep as well. Regulated operations made up 92% of 2024 revenues. Pennslyvania (23%); New Jersey (21%); Missouri (14%); and Illinois (11%) are its largest markets. Has 6,700 employees. Vanguard owns 12.3% of outstanding shares; BlackRock, 9.5%; State St., 5.7%; officers & directors, less than 1.0% (3/24 Proxy). President & Chief Executive Officer: M. Susan Hardwick. . Address: 1 Water Street, Camden, NJ 08102. Telephone: 856-346-8200. Internet: www.amwater.com.

American Water Works has bright prospects. In 2024, the water utility had a strong bottom-line showing, as its share earnings rose 10%, to $5.39. We estimate that the company's profit growth can increase by 6% and 8%, in 2025 and 2026, respectively. This is within leadership's 7%-10% annual five-year target projections. A larger rate base and rate relief, along with its acquisition strategy ought to support this level of growth.

The fragmentation of the United States' water utility industry provides American Water with significant opportunities. Excluding the smallest ones, there are an estimated 50,000 different water utilities in this country. Almost all are municipally run, inefficient, poorly capitalized, and in need of capital investment to replace aging pipelines. The company has been steadily purchasing some of these districts and increasing operating margins meaningfully (about $417 million was spent in 2024). Moreover, it plans on investing $1.5 billion to $2.0 billion over the next five years on additional acquisitions. We would not be surprised if this range was exceeded by $500 million to $1 billion, as many districts do not have the wherewithal to modernize their pipelines. American Water also has a good historical track record of using these purchases to boost earnings.

Capital expenditures will remain burdensome for the foreseeable future. Leadership recently released a projected spending budget for upgrading its existing pipeline and wastewater assets. Over the period from 2025 to 2029, expenditures are estimated at $15.5 billion to $16.0 billion. We think it will be near the higher end of the range and average $3.3 billion a year. What's more, this is not cyclical. The company's infrastructure (like all of its peers) is in such poor condition that these outlays will probably continue for decades.

These shares do not stand out for either short- or long-term performance. The equity's Timeliness rank is only a 3 (Average) while its 18-month prospects are subpar. Furthermore, though American Water has healthy share earnings and dividend growth prospects, the stock's 12% rise in 2025 seems to have factored in the good news.

James A. Flood *April 4, 2025*

(A) Diluted earnings. Excludes nonrecur. losses: '08, $4.62; '09, $2.63; '11, $0.07. Disc. oper.: '06, ($0.04); '11, $0.03; '12, ($0.10); '13,($0.01). GAAP used as of 2014. Includes $2.70 sh. gain from sale of HOS sub.in Q4,'21. Next earnings report due mid-May.
(B) Dividends paid in March, June, September, and December. ■ Div. reinvestment available.
(C) In millions. (D) Includes intangibles. On 12/31/24: $1.229 billion, $6.31/share.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	65

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CALIFORNIA WATER NYSE-CWT

RECENT PRICE 45.87 | P/E RATIO 17.1 (Trailing: 14.0) (Median: 29.0) | RELATIVE P/E RATIO 0.97 | DIV'D YLD 2.4% | VALUE LINE 1773

TIMELINESS 4 Lowered 11/1/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .85 (1.00 = Market)

18-Month Target Price Range

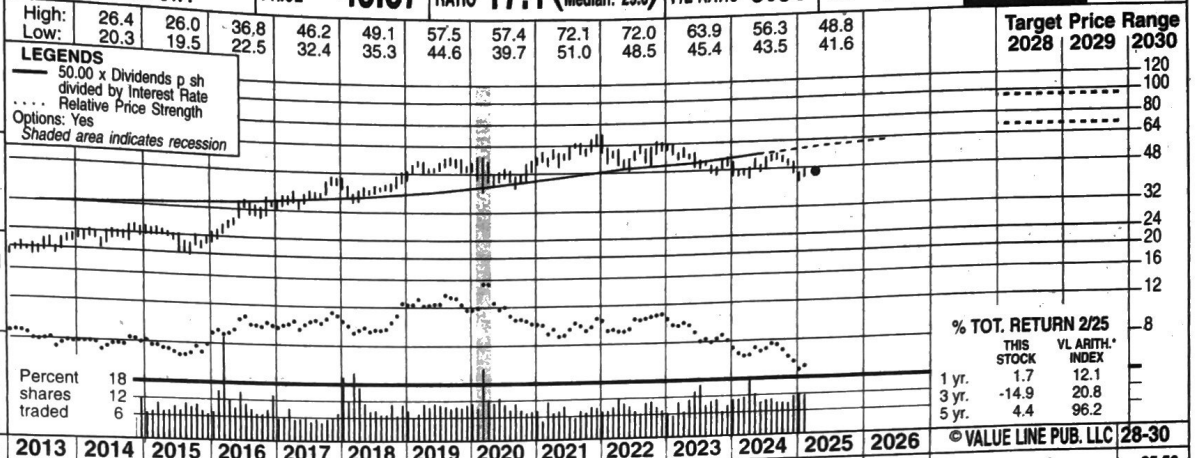
Low-High	Midpoint (% to Mid)
$39-$66	$52 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+105%)	21%
Low	70	(+55%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	144	155	167
to Sell	131	135	141
Hld's(000)	48438	58328	59582



% TOT. RETURN 2/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.7	12.1
3 yr.	-14.9	20.8
5 yr.	4.4	96.2

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
10.82	11.05	12.00	13.34	12.23	12.50	12.29	12.70	13.89	14.53	14.72	15.78	14.72	15.22	13.77	17.43	*19.75*	*21.15*	Revenues per sh	*25.50*
1.93	1.93	2.07	2.32	2.21	2.47	2.22	2.34	3.00	3.11	3.14	3.88	3.91	3.79	3.03	5.46	*4.45*	*4.70*	"Cash Flow" per sh	*5.05*
.98	.91	.86	1.02	1.02	1.19	.94	1.01	1.40	1.36	1.31	1.97	1.96	1.77	.91	3.26	*3.00*	*3.20*	Earnings per sh [A]	*3.45*
.59	.60	.62	.63	.64	.65	.67	.69	.72	.75	.79	.85	.92	1.00	1.04	1.12	*1.20*	*1.25*	Div'd Decl'd per sh [B] ■	*1.45*
2.66	2.97	2.83	3.04	2.58	2.76	3.69	4.77	5.40	5.65	5.64	5.93	5.46	5.90	6.65	7.91	*6.75*	*6.50*	Cap'l Spending per sh	*6.45*
10.13	10.45	10.76	11.28	12.54	13.11	13.41	13.75	14.44	15.19	16.07	18.30	21.92	23.70	24.72	27.49	*29.10*	*31.60*	Book Value per sh [C]	*35.00*
41.53	41.67	41.82	41.98	47.74	47.81	47.88	47.97	48.01	48.07	48.53	50.33	53.72	55.60	57.72	59.48	*55.00*	*53.00*	Common Shs Outst'g [D]	*50.00*
19.7	20.3	21.3	17.9	20.1	19.7	24.8	29.6	26.9	30.3	39.3	24.9	30.5	33.0	NMF	15.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*24.0*
1.31	1.29	1.34	1.14	1.13	1.04	1.25	1.55	1.35	1.64	2.09	1.28	1.65	1.91	NMF	.81			Relative P/E Ratio	*1.30*
3.1%	3.2%	3.4%	3.5%	3.1%	2.8%	2.9%	2.3%	1.9%	1.8%	1.5%	1.7%	1.5%	1.7%	1.9%	2.3%			Avg Ann'l Div'd Yield	*1.8%*
588.4	609.4	666.9	698.2	714.6	794.3	790.9	846.4	794.6	1036.8	*1085*	*1120*	Revenues ($mill) [E]	*1275*
45.0	48.7	67.2	65.6	63.1	96.8	101.1	96.0	51.9	190.8	*165*	*170*	Net Profit ($mill)	*173*
36.0%	35.5%	30.1%	24.5%	19.1%	11.1%	20.1%	3.3%	3.3%	18.3%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
4.3%	6.1%	3.5%	3.1%	5.8%	3.3%	1.7%	--	1.7%	1.7%	*2.0%*	*3.0%*	AFUDC % to Net Profit	*5.0%*
44.4%	44.6%	42.7%	49.3%	50.2%	45.9%	47.3%	44.4%	42.5%	40.3%	*37.5%*	*35.0%*	Long-Term Debt Ratio	*34.0%*
55.6%	55.4%	57.3%	50.7%	49.8%	54.1%	52.7%	55.6%	57.5%	59.7%	*62.5%*	*65.0%*	Common Equity Ratio	*66.0%*
1154.4	1191.2	1209.3	1440.2	1566.7	1702.4	2233.4	2370.1	2479.5	2739.8	*2550*	*2575*	Total Capital ($mill)	*2650*
1701.8	1859.3	2048.0	2232.7	2406.4	2650.6	2846.9	3058.9	3773.3	4134.6	*4200*	*4350*	Net Plant ($mill)	*4500*
5.2%	5.5%	7.1%	5.9%	5.5%	7.0%	5.5%	5.0%	3.1%	7.9%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Shr. Equity	*10.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Com Equity	*10.0%*
2.0%	2.4%	4.7%	4.0%	3.2%	6.0%	4.6%	3.2%	NMF	7.7%	*6.0%*	*6.0%*	Retained to Com Eq	*5.5%*
71%	68%	51%	55%	60%	43%	47%	56%	114%	34%	*40%*	*39%*	All Div'ds to Net Prof	*42%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1177.0 mill. **Due in 5 Yrs** $357.0 mill.
LT Debt $1104.6 mill. **LT Interest** $40.0 mill.
(Total interest coverage: 1.8x) (40% of Cap'l)

Pension Assets-12/24 $750.0 mill.
Oblig. $524.0 mill.

Pfd Stock None

Common Stock 59,484,000 shs.

MARKET CAP: $2.7 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	62.1	39.6	50.1
Other	233.4	256.7	274.0
Current Assets	295.5	296.3	324.1
Accts Payable	141.0	157.3	167.5
Debt Due	73.3	180.7	72.4
Other	80.4	92.3	298.5
Current Liab.	294.7	430.3	538.4

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	1.5%	*8.5%*
"Cash Flow"	6.0%	6.0%	*3.5%*
Earnings	6.5%	8.0%	*9.5%*
Dividends	5.0%	7.0%	*5.5%*
Book Value	7.5%	10.5%	*5.5%*

Calendar	QUARTERLY REVENUES ($ mill.) [E] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	173.0	206.2	266.3	200.9	846.4
2023	131.1	194.0	255.0	214.5	794.6
2024	270.7	244.3	299.6	222.2	1036.8
2025	*255*	*265*	*315*	*250*	*1085*
2026	*260*	*270*	*325*	*265*	*1120*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.02	.36	1.03	.35	1.77
2023	d.40	.17	.60	.52	.91
2024	1.21	.70	1.03	.33	3.26
2025	*.50*	*.65*	*1.20*	*.65*	*3.00*
2026	*.55*	*.70*	*1.25*	*.70*	*3.20*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.230	.230	.230	.230	.92
2022	.250	.250	.250	.250	1.00
2023	.260	.260	.260	.260	1.04
2024	.280	.280	.280	.280	1.12
2025	.300				

BUSINESS: California Water Service Group provides regulated and nonregulated water service to 499,400 customers in 100 communities in the state of California. Accounts for about 90% of total customers. Also operates in Washington, New Mexico, and Hawaii. Main service areas: San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles. Acquired Rio Grande Corp; West Hawaii Utilities (9/08). Revenue breakdown, '24: residential, 67%; business, 20%; industrial, 3%; public authorities, 5%; other 5%. Off. and dir. own 1% of common stock (4/24 proxy). Has 1,184 employees. Pres. and CEO: Martin A. Kropelnicki. Inc.: DE. Addr.: 1720 North First St., San Jose, CA 95112-4598. Tel.: 408-367-8200. Internet: www.calwatergroup.com.

California Water Service Group posted mixed financial results to close out 2024. Fourth-quarter revenues of $222 million rose slightly versus the previous-year tally, as higher customer rates during the period offset relatively lower water usage. Meanwhile, operating expenses, namely water production costs and higher wholesale rates, pressured profits. A lower income tax benefit during the period also weighed on the bottom line, resulting in a 37% year-over-year earnings contraction, to $0.33 per share. But despite the tepid December period, California Water's financial performance in 2024 was largely solid.

We look for modest revenue growth and decent earnings this year. The top line ought to be supported by ongoing rate approval activity, specifically in regard to the in-process 2024 general rate case, as well as increased customer water usage and an expanding customer base. On the earnings front, production costs are likely to remain somewhat elevated in the near term. Thus, our model calls for share net to take a slight step back this year, to $3.00.

The company's track record of annual dividend increases has not wavered. The board of directors recently raised the quarterly payout 7%, to $0.30 per share. At present, the yield is slightly above that of the *Value Line* median, making these shares a good selection for income-seeking accounts.

Capital investment is poised to remain solid over the pull to late decade. In tandem with general rate case filings and capital spending budgets to state regulators, management intends to invest more than $1.5 billion over the next several years. The majority of funds will likely be earmarked for infrastructure upgrades on treatment plants and water delivery systems.

Untimely California Water shares may pique the interest of investors with a long-term horizon. At recent levels, the stock offers attractive total return potential over the 2028-2030 time frame. Moreover, the equity is ranked 2 (Above Average) for Safety and is significantly less volatile than the broader market, which adds to the stock's appeal.

Nicholas Patrikis *April 4, 2025*

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	45

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(A) Basic EPS. Excl. nonrecurring gain (loss): '11, 4¢. Next earnings report due late May.
(B) Dividends historically paid in late Feb., May, Aug., and Nov. ■ Div'd reinvestment plan available.
(C) Incl. intangible assets. In '24 : $61.2 mill., $1.03/sh.
(D) In millions.
(E) Excludes non-regulated revenues.

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ESSENTIAL UTIL. NYSE-WTRG

RECENT PRICE 38.15 | P/E RATIO 17.2 (Trailing: 17.6 Median: 26.0) | RELATIVE P/E RATIO 0.98 | DIV'D YLD 3.5% | VALUE LINE 1774

TIMELINESS 3 Raised 11/8/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .90 (1.00 = Market)

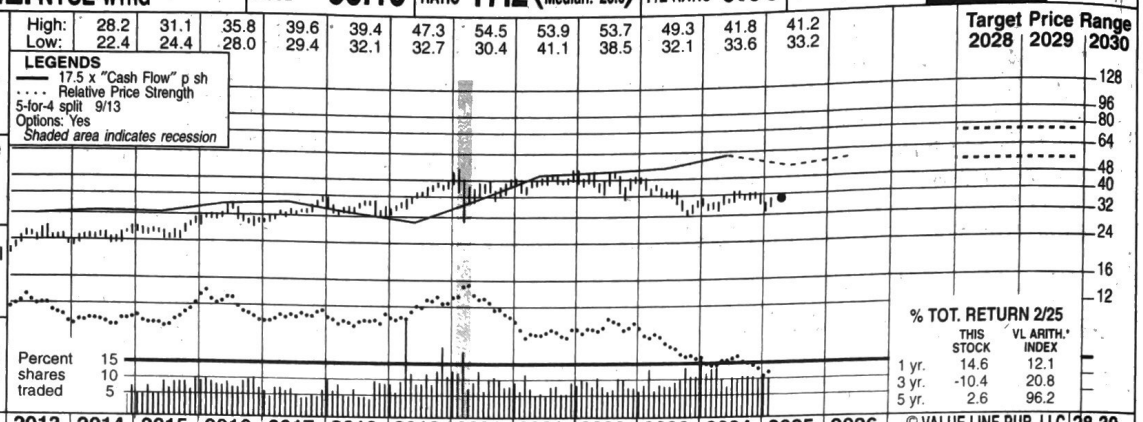
18-Month Target Price Range
Low-High $32-$48 | Midpoint (% to Mid) $40 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+95%)	21%
Low	55	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	273	303	250
to Sell	263	245	317
Hld's(000)	215186	239652	248494



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
3.93	4.21	4.10	4.32	4.32	4.37	4.61	4.62	4.56	4.71	4.03	5.96	7.43	8.68	7.52	7.59	8.50	8.95	Revenues per sh	10.75
1.29	1.42	1.45	1.51	1.82	1.89	1.87	2.07	2.12	1.90	1.73	2.21	2.89	2.98	3.08	3.51	3.60	3.85	"Cash Flow" per sh	4.30
.62	.72	.83	.87	1.16	1.20	1.14	1.32	1.35	1.08	1.04	1.12	1.67	1.77	1.86	2.17	2.25	2.45	Earnings per sh	2.75
.44	.47	.50	.54	.58	.63	.69	.74	.79	.85	.91	.97	1.04	1.11	1.19	1.27	1.35	1.43	Div'd Decl'd per sh B	1.75
1.66	1.89	1.90	1.98	1.73	1.84	2.07	2.16	2.69	2.78	2.49	3.41	4.04	4.03	4.39	4.84	5.00	5.00	Cap'l Spending per sh	5.00
6.50	6.81	7.21	7.90	8.63	9.27	9.78	10.43	11.02	11.28	17.58	19.09	20.50	20.39	21.57	22.56	22.60	23.60	Book Value per sh D	26.05
170.61	172.46	173.60	175.43	177.93	178.59	176.54	177.39	177.71	178.09	220.76	245.39	252.87	263.74	273.30	274.82	279.00	282.00	Common Shs Outst'g C	288.00
23.1	21.1	21.3	21.9	21.2	20.8	23.5	23.9	24.7	32.6	39.1	39.6	28.3	26.6	21.6	17.5	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	24.0
1.54	1.34	1.34	1.39	1.19	1.09	1.18	1.25	1.24	1.76	2.08	2.03	1.53	1.54	1.20	.93			Relative P/E Ratio	1.35
3.1%	3.1%	2.8%	2.8%	2.4%	2.5%	2.6%	2.3%	2.4%	2.4%	2.2%	2.2%	2.2%	2.4%	3.0%	3.3%			Avg Ann'l Div'd Yield	2.8%
814.2	819.9	809.5	838.1	889.7	1462.7	1878.1	2288.0	2053.8	2086.1	2370	2520	Revenues ($mill)	3100
201.8	234.2	239.7	192.0	224.5	284.8	431.6	465.2	498.2	595.3	625	690	Net Profit ($mill)	795
6.9%	8.2%	6.6%	--	--	--	--	--	--	--	5.0%	10.0%	Income Tax Rate	20.0%
3.1%	3.8%	6.3%	6.8%	7.2%	4.5%	4.8%	1.3%	2.2%	2.2%	2.0%	2.0%	AFUDC % to Net Profit	2.0%
50.3%	48.4%	50.6%	54.4%	43.1%	54.0%	52.7%	54.2%	53.7%	54.3%	54.0%	54.0%	Long-Term Debt Ratio	54.5%
49.7%	51.6%	49.4%	45.6%	56.9%	46.0%	47.3%	45.8%	46.3%	45.7%	46.0%	46.0%	Common Equity Ratio	45.5%
3469.5	3587.7	3965.4	4407.8	6824.2	10192	10964	11748	12722	13567	13700	14450	Total Capital ($mill)	16500
4688.9	5001.6	5399.9	5930.3	6345.8	9512.9	10252	11131	12097	13143	14025	15250	Net Plant ($mill)	17100
6.9%	7.6%	7.1%	5.5%	4.2%	3.7%	4.8%	5.0%	5.0%	5.4%	4.5%	5.0%	Return on Total Cap'l	5.0%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Shr. Equity	10.5%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Com Equity	10.5%
4.7%	5.6%	5.1%	2.1%	.9%	1.1%	3.3%	3.3%	3.1%	4.0%	4.0%	4.5%	Retained to Com Eq	4.0%
60%	56%	59%	79%	84%	82%	60%	62%	64%	58%	60%	58%	All Div'ds to Net Prof	64%

CAPITAL STRUCTURE as of 12/31/24
Total Debt $7697.7 mill. **Due in 5 Yrs** $1201 mill.
LT Debt $7368.4 mill. **LT Interest** $300.0 mill. (54% of Cap'l)

Pension Assets-12/24 $312.3 mill.
Oblig. $313.7 mill.

Pfd Stock None
Common Stock 274,820,000 shares

MARKET CAP: $10.5 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	11.4	4.6	9.2
Receivables	206.3	144.3	294.5
Inventory (AvgCst)	46.6	47.5	93.9
Other	393.9	295.6	88.3
Current Assets	658.2	492.0	485.9
Accts Payable	238.8	221.2	306.3
Debt Due	427.9	227.5	329.3
Other	355.2	349.0	339.1
Current Liab.	1021.9	797.7	974.7

BUSINESS: Essential Utilities, Inc. became the new name for Aqua America on Feb. 3, 2020, to reflect the acquisition of Peoples, a natural gas utility, which occurred in 3/20. In 2024, Aqua Amer. provided water and wastewater services in the states of PA, OH, TX, IL, NC, NJ, IN, VA, NS, WS. Acquired AquaSource, 7/13; N. Maine Util., 7/15; and others. Water respn. for 59% of revenues in 2024; residential, 32%; commercial, 9%; industrial, wastewater & other, 18%. Gas 40%; other, 1%. Employs 3,291. Off. & dir. own less than 1% of the common stock; BlackRock, 11.3%; Vanguard, 10.2%; Can. Pen. Plan 7.9% (3/24 proxy). Pres. & CEO: Christopher Franklin. Inc.: PA Addr.: 762 W Lancaster Ave., Bryn Mawr, PA 19010. Tel.: 610-525-1400. Int.: www.essential.co.

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	6.0%	12.5%	5.0%
"Cash Flow"	6.5%	10.5%	6.0%
Earnings	6.0%	11.0%	6.0%
Dividends	7.5%	7.0%	6.5%
Book Value	9.5%	10.0%	3.0%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	699.3	448.7	434.6	705.4	2288.0
2023	726.5	436.7	411.1	479.5	2053.8
2024	612.1	434.4	435.3	604.3	2086.1
2025	690	475	490	715	2370
2026	705	515	545	755	2520

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.76	.31	.26	.44	1.77
2023	.72	.34	.30	.50	1.86
2024	.97	.28	.25	.67	2.17
2025	.78	.40	.37	.70	2.25
2026	.85	.45	.40	.75	2.45

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2507	.2507	.2682	.2682	1.04
2022	.2682	.2682	.287	.287	1.11
2023	.287	.287	.3071	.3071	1.19
2024	.3071	.3071	.3255	.3255	1.27
2025	.326				

Essential Utilities delivered mixed results to close out 2024. The diversified utility provider reported December-period revenues of $604 million and earnings of $0.67 per share. The former came in shy of our call, but improved notably year over year, while the latter bested our mark, and jumped 14% versus the previous-year tally. Toward the end of 2024, the company had some wind at its back, including rising water and natural gas volumes, as well as higher rates. These trends likely carried over into 2025, suggesting the company is poised for a strong start to the year.

Modest top- and bottom-line growth is on tap for 2025 and 2026. Based on our model, we look for annual revenue and earnings expansion of 14% and 4%, respectively, for this year. The recently completed acquisition of Greenville Wastewater and the approved Pennsylvania rate case ought to support the advance. For 2026, our introductory estimates suggest that revenues may well improve 6%, to $2.52 billion, while earnings jump roughly 9%, to $2.45 per share.

Capital investments are expected to accelerate in the years ahead. In particular, Essential Utilities will likely be focused on replacing aging water systems and pipelines, removing harmful chemicals such as PFAS contamination, as well as upgrading the safety of its natural gas operations. This will probably prompt the company to seek additional rate hike approvals from regulators going forward, as some of these costs can be recouped via rate increases.

We like these shares predominately for investors with a 3- to 5-year holding period. The stock is just an Average (Timeliness: 3) selection for relative year-ahead price performance, while upside over the 18-month window is also unexciting at recent levels. On the other hand, total return potential over the 2028-2030 time frame is well above the *Value Line Investment Survey* median. This is supported partly by a healthy dividend yield. Finally, the equity's defensive characteristics, including a favorable rank for Safety (2) and a good Financial Strength mark (A), further sweeten the pot for conservative accounts.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Includes unusual gain: '24, Q1, 24¢; Excludes nonrecurring gain: '12, 18¢. Excludes gain from discontinued operations: '12, 7¢; '13, 9¢; '14, 11¢. Next earnings report scheduled for late May.
(B) Dividends historically paid in early March, June, Sept., & Dec. ■ Div'd. reinvestment plan available (5% discount).
(C) In millions, adjusted for stock split.
(D) Includes intangibles: 12/31/24, $2.344 bill./$8.53 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	40
Earnings Predictability	70

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MIDDLESEX WATER NDQ-MSEX

RECENT PRICE 60.49 | P/E RATIO 23.2 (Trailing: 24.5) (Median: 28.0) | RELATIVE P/E RATIO 1.32 | DIV'D YLD 2.1% | VALUE LINE 1775

TIMELINESS 3 Raised 6/7/24
SAFETY 2 New 10/21/11
TECHNICAL 5 Lowered 3/14/25
BETA .80 (1.00 = Market)

18-Month Target Price Range

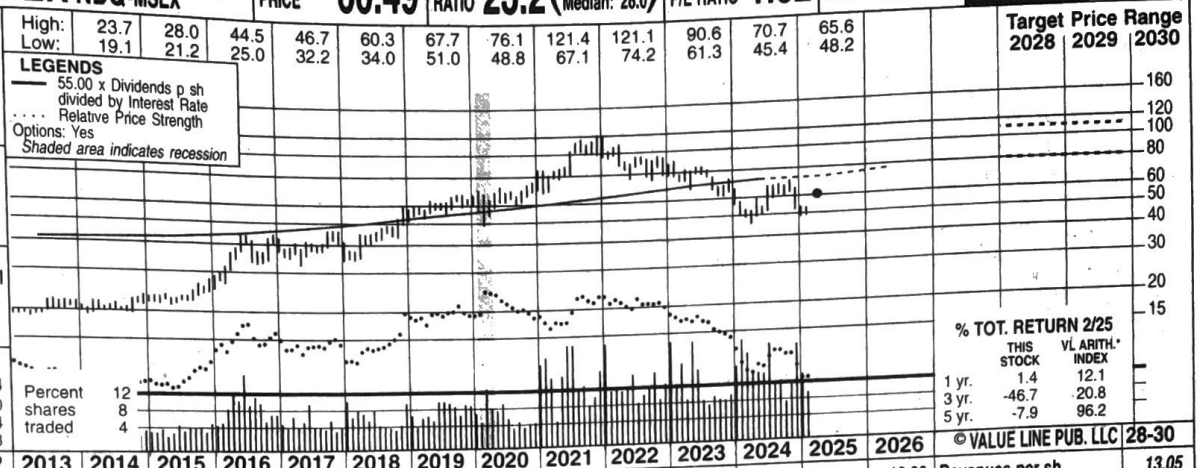
Low-High	Midpoint (% to Mid)
$34-$76	$55 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+80%)	*18%*
Low	80	(+30%)	*10%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	94	73	100
to Sell	86	98	74
Hld's(000)	12771	16934	16718



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
6.75	6.60	6.50	6.98	7.19	7.26	7.77	8.16	8.00	8.42	7.72	8.10	8.17	9.21	9.33	10.73	*11.70*	*12.20*	Revenues per sh	*13.05*
1.40	1.55	1.46	1.56	1.72	1.84	1.97	2.17	2.24	2.89	2.90	3.25	3.28	3.70	3.41	4.04	*3.85*	*4.05*	"Cash Flow" per sh	*4.55*
.72	.96	.84	.90	1.03	1.13	1.22	1.38	1.38	1.96	2.01	2.18	2.07	2.39	1.76	2.47	*2.75*	*2.95*	Earnings per sh A	*3.45*
.71	.72	.73	.74	.75	.76	.78	.81	.86	.91	.98	1.04	1.11	1.18	1.26	1.32	*1.40*	*1.46*	Div'd Decl'd per sh B■	*1.65*
1.49	1.90	1.50	1.36	1.26	1.40	1.59	2.91	3.08	4.40	5.11	6.04	4.53	5.18	5.06	4.17	*5.45*	*5.65*	Cap'l Spending per sh	*6.00*
10.33	11.13	11.27	11.48	11.82	12.24	12.74	13.40	14.02	15.17	18.57	19.81	20.99	22.65	23.74	24.89	*25.05*	*25.85*	Book Value per sh	*26.40*
13.52	15.57	15.70	15.82	15.96	16.12	16.23	16.30	16.35	16.40	17.43	17.47	17.52	17.64	17.82	17.89	*17.95*	*18.00*	Common Shs Outst'g C	*18.00*
21.0	17.8	21.7	20.8	19.7	18.5	19.1	25.6	28.4	22.2	29.7	30.1	44.3	38.6	42.8	23.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*28.0*
1.40	1.13	1.36	1.32	1.11	.97	.96	1.34	1.43	1.20	1.58	1.55	2.39	2.23	2.38	1.25			Relative P/E Ratio	*1.55*
4.7%	4.2%	4.0%	4.0%	3.7%	3.7%	3.3%	2.3%	2.2%	2.1%	1.6%	1.6%	1.2%	1.3%	1.7%	2.3%			Avg Ann'l Div'd Yield	*1.7%*
126.0	132.9	130.8	138.1	134.6	141.6	143.1	162.4	166.3	191.9	*210*	*220*	Revenues ($mill)	*235*
20.0	22.7	22.8	32.5	33.9	38.4	36.5	42.4	31.5	44.4	*49.0*	*53.0*	Net Profit ($mill)	*62.0*
34.5%	34.0%	32.7%	2.8%	--	--	--	7.1%	3.2%	13.5%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
1.9%	2.7%	3.1%	1.4%	3.4%	3.9%	--	--	3.9%	3.9%	*2.5%*	*2.5%*	AFUDC % to Net Profit	*2.5%*
39.4%	37.9%	37.5%	37.8%	41.5%	44.0%	45.3%	41.9%	45.7%	44.1%	*40.0%*	*39.5%*	Long-Term Debt Ratio	*38.0%*
59.8%	61.5%	61.8%	61.6%	58.2%	55.7%	54.4%	57.7%	54.0%	55.7%	*60.0%*	*60.5%*	Common Equity Ratio	*62.0%*
345.4	355.4	370.7	404.1	556.7	621.5	676.3	692.7	783.2	799.7	*750*	*765*	Total Capital ($mill)	*770*
481.9	517.8	557.2	618.5	705.7	796.6	865.4	920.6	998.3	1067.1	*1075*	*1095*	Net Plant ($mill)	*1150*
6.6%	7.1%	6.9%	8.9%	6.7%	6.8%	6.0%	6.8%	4.8%	6.3%	*7.0%*	*7.0%*	Return on Total Cap'l	*8.5%*
9.6%	10.3%	9.8%	12.9%	10.4%	11.0%	9.9%	10.5%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Shr. Equity	*13.0%*
9.6%	10.3%	9.9%	13.0%	10.4%	11.1%	9.9%	10.6%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Com Equity	*13.0%*
3.5%	4.3%	3.8%	7.0%	5.4%	5.8%	4.6%	5.4%	2.1%	4.7%	*5.5%*	*6.0%*	Retained to Com Eq	*7.0%*
63%	58%	62%	46%	48%	48%	53%	49%	72%	53%	*51%*	*49%*	All Div'ds to Net Prof	*48%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $360.5 mill. **Due in 5 Yrs** $43.7 mill.
LT Debt $352.8 mill. **LT Interest** $7.5 mill.
(Total interest coverage: 8.5x)
(44% of Cap'l)

Pension Assets-12/24 $98.6 mill.
Oblig. $87.5 mill.
Pfd Stock $2.4 mill. **Pfd Div'd:** $.1 mill.

Common Stock 17,890,000 shs.

MARKET CAP: $1.1 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	3.8	2.4	4.2
Other	33.5	106.1	38.8
Current Assets	37.3	108.5	43.0
Accts Payable	24.8	27.6	28.1
Debt Due	17.5	7.7	7.7
Other	75.6	68.5	47.1
Current Liab.	117.9	103.8	82.9

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	4.0%	*5.0%*
"Cash Flow"	8.0%	7.0%	*3.5%*
Earnings	8.0%	4.5%	*7.5%*
Dividends	5.0%	6.5%	*4.5%*
Book Value	7.0%	8.5%	*2.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	36.2	39.7	47.7	38.8	162.4
2023	38.2	42.8	46.7	38.6	166.3
2024	40.5	49.1	55.1	47.2	191.9
2025	*50.0*	*52.0*	*58.0*	*50.0*	*210*
2026	*52.0*	*55.0*	*60.0*	*53.0*	*220*

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.68	.50	.80	.40	2.39
2023	.33	.55	.56	.32	1.76
2024	.59	.59	.80	.49	2.47
2025	*.62*	*.67*	*.83*	*.63*	*2.75*
2026	*.68*	*.72*	*.88*	*.67*	*2.95*

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2725	.2725	.2725	.29	1.11
2022	.29	.29	.29	.3125	1.18
2023	.3125	.3125	.3125	.325	1.26
2024	.325	.325	.325	.34	1.32
2025	.34				

BUSINESS: Middlesex Water Company engages in the ownership and operation of regulated water utility systems in New Jersey, Delaware, and Pennsylvania. It also operates water and wastewater systems under contract on behalf of municipal and private clients in NJ and DE. Its Middlesex System provides water services to 61,000 retail customers, primarily in Middlesex County, New Jersey. In 2024, the Middlesex System accounted for 67% of operating revenues. At 12/31/24, the company had 360 employees. Incorporated: NJ. President, CEO, and Chairman: Dennis W. Doll. Officers & directors own 1.8% of the com. stock; BlackRock Inst. Trust Co., 14.6% (4/24 proxy). Add.: 485 C Route 1 South, Suite 400, Iselin, NJ 08830. Tele.: 732-634-1500. Int.: www.middlesexwater.com.

Middlesex Water's stock price has rebounded a bit since our last review in early January. Shares of the regulated water utility are up more than 10% in value over the past three months subsequent to a sharp dip in price in late 2024. Investor enthusiasm likely stemmed from a combination of solid fourth-quarter financial results and a shift in general investor sentiment toward more-conservative securities amidst recent broader market turbulence. The stock remains a middling selection (3) for Timeliness at this juncture.

Revenues and earnings are poised to remain in growth mode, in our view. Indeed, Middlesex delivered strong year-over-year top- and bottom-line expansion for 2024, supported largely by base rate increases associated with New Jersey state regulator's rate case approval last March, as well as resilient customer water demand. We think the company is in good shape for this year. On top of higher water rates, an expanding customer base, particularly in the Delaware System, holds promise. To that end, the company recently announced the purchase of water utility assets from Ocean View for $4.6 million. The acquisition, which will add more than 900 customers to the roster, is slated for completion in April.

Long-term business prospects are bright. In our view, secular growth drivers include a healthier economic backdrop and increased consumer water consumption, along with periodic rate hikes related to the company's future base rate applications with regulators. Meanwhile, capital investment across the company's aging infrastructure is apt to continue over the pull to late decade. Specifically, management plans to invest nearly $400 million on treatment plants and water delivery system upgrades through 2027.

Subscribers with a holding period of one year or longer may find these shares appealing. At recent levels, total return potential over both the 18-month and 3- to 5-year horizons is attractive. Moreover, the stock's defensive characteristics (good Financial Strength mark and high scores for Price Stability and Earnings Predictability) ought to catch the eye of conservative-leaning investors.

Nicholas Patrikis *April 4, 2025*

Company's Financial Strength	A
Stock's Price Stability	70
Price Growth Persistence	65
Earnings Predictability	85

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(A) Diluted earnings. Quarterly figures may not sum due to rounding. Next earnings report due early May.

(B) Dividends historically paid in mid-Feb., May, Aug., and November.■ Div'd reinvestment plan available.

(C) In millions.

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SJW GROUP NYSE-SJW

RECENT PRICE 51.48 | P/E RATIO 16.4 (Trailing: 18.1) (Median: 26.0) | RELATIVE P/E RATIO 0.93 | DIV'D YLD 3.1% | VALUE LINE 1776

TIMELINESS 3 Raised 3/21/25
SAFETY 2 Raised 10/4/24
TECHNICAL 4 Raised 4/4/25
BETA .80 (1.00 = Market)

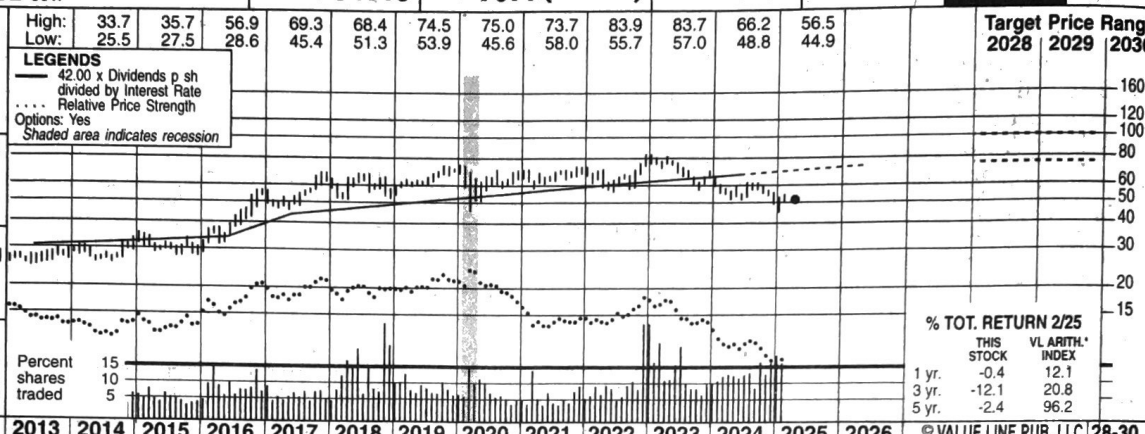
18-Month Target Price Range
Low-High: $44-$83 | Midpoint (% to Mid): $64 (25%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+95%)	20%
Low	75	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	126	126	124
to Sell	104	108	132
Hld's(000)	24970	31090	32049



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
11.68	11.62	12.85	14.01	13.73	15.76	14.97	16.61	18.97	14.00	14.78	19.77	19.01	20.15	20.93	22.26	24.20	25.80	Revenues per sh	28.15
2.21	2.38	2.80	2.97	2.90	4.42	3.86	4.76	5.24	3.29	3.13	5.28	5.13	5.79	6.03	4.35	4.75	5.00	"Cash Flow" per sh	5.40
.81	.84	1.11	1.18	1.12	2.54	1.85	2.57	2.86	1.82	.82	2.14	2.03	2.43	2.68	2.85	3.20	3.40	Earnings per sh A	3.75
.66	.68	.69	.71	.73	.75	.78	.81	1.04	1.12	1.20	1.28	1.36	1.44	1.52	1.60	1.68	1.75	Div'd Decl'd per sh BD■	1.95
3.17	5.65	3.75	5.67	4.68	5.02	5.24	6.95	7.26	5.08	6.25	7.44	8.32	7.85	9.01	8.25	8.50	8.75	Cap'l Spending per sh	8.75
13.66	13.75	14.20	14.71	15.92	17.75	18.83	20.61	22.57	31.31	31.27	32.12	34.28	36.06	38.52	40.65	44.55	47.60	Book Value per sh	51.65
18.50	18.55	18.59	18.67	20.17	20.29	20.38	20.46	20.52	28.40	28.46	28.56	30.18	30.80	32.02	33.63	32.00	31.00	Common Shs Outst'g C	30.00
28.7	29.1	21.2	20.4	24.3	11.2	16.6	15.7	18.8	32.7	NMF	30.0	32.9	27.3	26.4	20.0	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	23.0
1.91	1.85	1.33	1.30	1.37	.59	.84	.82	.95	1.77	NMF	1.54	1.78	1.58	1.47	1.12			Relative P/E Ratio	1.30
2.8%	2.8%	2.9%	3.0%	2.7%	2.6%	2.5%	2.0%	1.9%	1.9%	1.9%	2.0%	2.0%	2.2%	2.1%	2.8%			Avg Ann'l Div'd Yield	2.2%
305.1	339.7	389.2	397.7	420.5	564.5	573.7	620.7	670.4	748.5	775	800	Revenues ($mill)	845
37.9	52.8	59.2	38.8	23.4	61.5	60.5	73.8	85.0	96.0	103	106	Net Profit ($mill)	113
38.1%	38.8%	36.7%	20.6%	26.4%	12.0%	12.2%	10.3%	6.5%	21.0%	21.0%	21.0%	Income Tax Rate	21.0%
--	--	--	--	--	--	--	6.4%	6.4%	1.5%	1.5%	1.5%	AFUDC % to Net Profit	1.5%
49.8%	50.7%	48.2%	32.7%	59.1%	58.4%	59.1%	57.3%	55.3%	55.5%	51.5%	47.0%	Long-Term Debt Ratio	39.0%
50.2%	49.3%	51.8%	67.3%	40.9%	41.6%	40.9%	42.7%	44.7%	44.5%	48.5%	53.0%	Common Equity Ratio	61.0%
764.6	855.0	894.3	1320.7	2173.6	2204.7	2527.5	2602.8	2760.1	3073.9	2925	2775	Total Capital ($mill)	2550
1036.8	1146.4	1239.3	1328.8	2206.5	2334.9	2497.5	2630.3	3155.6	3488.6	3550	3685	Net Plant ($mill)	3880
6.3%	7.4%	7.9%	3.9%	1.8%	4.0%	3.5%	4.0%	4.3%	3.5%	4.0%	4.5%	Return on Total Cap'l	5.0%
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	7.0%	7.0%	7.0%	Return on Shr. Equity	7.5%
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	7.0%	7.0%	7.0%	Return on Com Equity	7.5%
5.7%	8.6%	8.2%	1.8%	NMF	2.7%	2.0%	2.7%	3.0%	3.0%	3.5%	3.5%	Retained to Com Eq	3.5%
42%	31%	36%	60%	NMF	59%	66%	59%	56%	56%	52%	51%	All Div'ds to Net Prof	52%

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1710.5 mill. **Due in 5 Yrs** $44.3 mill.
LT Debt $1706.9 mill. **LT Interest** $50.0 mill.
(LT Interest Coverage: 6.7x)
(55% of Cap'l)

Pension Assets-12/23 $285.5 mill.
Oblig. $297.8 mill.
Pfd Stock None.
Common Stock 33,629,000 shs.

MARKET CAP: $1.7 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	12.3	9.7	11.1
Accts Receivable	58.2	67.9	68.7
Other	84.2	120.8	110.9
Current Assets	154.7	198.4	190.7
Accts Payable	29.6	46.1	56.3
Debt Due	4.4	49.0	3.6
Other	230.7	247.9	201.3
Current Liab.	264.7	343.0	261.2

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	3.5%	5.0%	5.0%
"Cash Flow"	5.5%	9.0%	-.5%
Earnings	4.5%	7.0%	6.5%
Dividends	7.5%	5.5%	4.5%
Book Value	8.5%	5.5%	5.0%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	124.3	149.0	176.0	171.4	620.7
2023	137.3	156.9	204.8	171.4	670.4
2024	149.4	176.2	225.1	197.8	748.5
2025	155	185	235	200	775
2026	165	190	240	205	800

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.12	.38	.82	1.09	2.43
2023	.37	.58	1.13	.59	2.68
2024	.36	.64	1.17	.68	2.85
2025	.50	.70	1.25	.75	3.20
2026	.55	.75	1.30	.80	3.40

Calendar	QUARTERLY DIVIDENDS PAID BD■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.34	.34	.34	.34	1.36
2022	.36	.36	.36	.36	1.44
2023	.38	.38	.38	.38	1.52
2024	.40	.40	.40	.40	1.60
2025					

BUSINESS: SJW Group engages in the production, purchase, storage, purification, distribution, and retail sale of water. It provides water service to approximately 232,000 connections with a total population of roughly one million people in the San Jose area and 16,000 connections that reach about 88,000 residents in the region between San Antonio and Austin, Texas. The company merged with Connecticut Water (10/19) which provides service to approx. 142,000 connections with a total population of 463,000 people. Has 808 employees. Officers and directors own less than 1.0% of outstanding shares (3/24 proxy). Chairman & CEO: Eric Thornburg. Incorporated: California. Address: 110 West Taylor Street, San Jose, CA 95110. Telephone: (408) 279-7800. Internet: www.sjwater.com.

SJW Group recently announced some upper-level management changes. Effective June 30, 2025, current Chief Executive Officer and President Eric W. Thornburg is set to retire, and will be succeeded by Andrew F. Walters (current CFO). In addition, Bruce A. Hauk will be promoted to President in addition to his COO role. Lastly, Mr. Thornburg will remain on as non-executive Chair of the Board.

The company reported decent results for the full-year 2024. The top line advanced 11% year over year, to $749 million, while the bottom line rose by 7%, to $2.85 per share. Driving the performance was a combination of rate increases (+$62 million), higher customer water usage (+$15 million), and customer expansion (+$2.5 million). This more than offset a modest decline in revenues from regulatory adjustments. Elsewhere, rising water production costs and higher administrative fees kept somewhat of a lid on earnings growth during the year. For 2025, our model suggests that revenues may well edge higher 3%, to $775 million, while profits are poised to jump 12%, to $3.20 per share.

Long-term capital spending initiatives are ramping up from previously announced levels. Subsequent to investing more than $350 million on infrastructure and water supply upgrades last year, management has raised its five-year spending plan by 25%, to approximately $2.0 billion. These increased funds will be utilized primarily to support water and wastewater systems, as well as bolster the treatment of harmful chemicals. Indeed, we think these actions ought to prompt increased rate approval activity in the years ahead, as the company seeks to raise customer rates to recoup a good portion of these investments.

These shares are a worthwhile selection for investors with an eye to late decade. The stock, which is now neutrally ranked (3) for Timeliness, offers solid total return potential over the pull to 2028-2030. This is supported partly by a healthy dividend yield. What's more, a Safety rank of 2 (Above Average) and a high score for Price Stability (90 out of 100) should pique the interest of conservative accounts.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Excludes nonrecurring losses: '10, $0.46. GAAP accounting as of 2013. Next earnings report due early May. Quarterly egs. may not add due to rounding.

(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.

(C) In millions.

(D) Paid special dividend of $0.17 per share on 11/17.

Company's Financial Strength	A+
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	50

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Artesian Res Corp NASDAQ:ARTNA

Last Price	Day Change	Trailing P/E	Relative P/E Last FY	Dividend Yield	3 to 5-Year Target Price Range	Performance	Safety	Financial Strength
$34.50	$0.03 (0.09%)		1.82	3.56%	--			

As of 4:00 PM May 09, 2025. Delayed at least 15 minutes.

Industry Rank: Water Utility -

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1 of 4 Close All Next

CHARTING

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QUOTES

Last Price	Day's Change	Volume
$34.50	**$0.03 0.09%**	**31,686**

Bid (size)	Ask (size)	
$34.50 (3)	**$48.00 (3)**	**Below** 10-day avg.

As of 4:00 PM May 9, 2025. Delayed at least 15 minutes.

Previous close	34.47
Open	34.25
Trailing P/E	
Market cap	325.06M
Shares outstanding	9.42M
Beta	0.7
Next earnings date	5/8/2020

52 Week Low & High

$29.45 1/10/2025 7/18/2024 **$41.29**

$34.50

Hist. Prices

INDUSTRY AN

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SEC FILINGS

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Filing	Filing Date	Category
10-Q	May 9, 2025	Quarterly
8-K	May 8, 2025	Quarterly
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
8-K	May 6, 2025	Quarterly
SCHEDULE 13G/A	Apr 17, 2025	Unknown
8-K	Apr 7, 2025	Quarterly

The EDGAR data presented on this website is sourced from the U.S. Securities and Exchange Commission (SEC), as available on https://www.sec.gov/edgar.shtml

PAGE 1 OF 3

SMALL & MID-CAP

Value Line®
Investment Survey - Small & Mid-Cap

An indispensable resource for those who seek the elevated profit potential of smaller company stocks.

The Small and Mid-Cap Survey applies Value Line's data delivery and analysis protocols to a universe of 1,800 companies with market values from less than $1 billion to $5 billion.

VIEW SAMPLE DATA

DOW 30

View complimentary Value Line reports on Dow 30 stocks

Company Name	Ticker	Safety™
3M Company	MMM	2
Amazon com	AMZN	2
American Express Company	AXP	3
Amgen Inc	AMGN	1
Apple Inc	AAPL	1
Boeing Co	BA	3
Caterpillar Inc	CAT	2
Chevron Corporation	CVX	2
Cisco Systems Inc	CSCO	1
Coca Cola Company	KO	1

View all »

INSIDER TRANSACTIONS

Options Buys & Sells

INSTITUTIONAL OWNERSHIP

Number of Transactions Show top holders

FINANCIAL STATEMENTS

Income Statement & Balance Sheet	2024	2 Year Trend
Gross Profit	58	
Total Operating Expenses	74	
Operating Income	**33**	

Buys Sells

All insiders

Date	Insider	Trans.
No data available.		

Buyers Sellers Closing price

Percent Shares Held by Institutions

Income Statement & Balance Sheet	2 Year Trend
Net Income	**20**
Total Liabilities	**559**
Shareholders' Equity	**239**
Total Liab. & Stockholders' Eq.	**799**
Cash Flow	
Closing Cash	**1**
Net CapEx	**--**
Free Cash Flow	**-8**

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York Water Co. (The) NASDAQ:YORW

Last Price	Day Change	Trailing P/E	Relative P/E Last FY	Dividend Yield	3 to 5-Year Target Price Range	Performance	Safety	Financial Strength
$32.79	$0.10 (0.31%)		1.59	2.67%	--			

As of 4:00 PM May 09, 2025. Delayed at least 15 minutes.

Industry Rank: Water Utility -

Securities Banner:
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1 of 4 Close All Next

CHARTING

1d | 5d | 3m | 1y | 5y Show data

QUOTES

Last Price	Day's Change	Volume
$32.79	**$0.10 0.31%**	**61,733**

Bid (size)	Ask (size)	
$32.20 (3)	**$33.42 (1)**	**Below** 10-day avg.

As of 4:00 PM May 9, 2025. Delayed at least 15 minutes.

Previous close	32.69
Open	32.61
Trailing P/E	
Market cap	472.18M
Shares outstanding	14.40M
Beta	0.8
Next earnings date	3/14/2012

52 Week Low & High

$29.86 1/23/2025 — 7/25/2024 **$41.96**

$32.79

Hist. Prices

INDUSTRY AN

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SEC FILINGS

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Filing	Filing Date	Category
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
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Boeing Co	BA	3
Caterpillar Inc	CAT	2
Chevron Corporation	CVX	2
Cisco Systems Inc	CSCO	1
Coca Cola Company	KO	1

View all »

INSIDER TRANSACTIONS

Options | Buys & Sells

INSTITUTIONAL OWNERSHIP

Number of Transactions Show top holders

FINANCIAL STATEMENTS

Income Statement & Balance Sheet	2024	2 Year Trend
Gross Profit	55	
Total Operating Expenses	47	
Operating Income	**28**	

Buys Sells

All insiders

Date	Insider	Trans.
Apr 16	Hand Joseph Th…	Buy
Apr 16	Chiaruttini Al…	Buy
Apr 16	Scarpato Matth…	Buy
Apr 16	Grimm Ashley M	Buy
Apr 16	Snyder Mark S	Buy
Apr 16	Poff Matthew E	Buy
Mar 28	Hand Joseph Th…	Buy

Buyers Sellers Closing price

Percent Shares Held by Institutions

Income Statement & Balance Sheet	2024	2 Year Trend
Net Income	**20**	
Total Liabilities	**402**	
Shareholders' Equity	**231**	
Total Liab. & Stockholders' Eq.	**633**	
Cash Flow		
Closing Cash	**0**	
Net CapEx	**--**	
Free Cash Flow	**-18**	

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	Company Name	AMERICAN STATES WATER COMPANY	AMERICAN WATER WORKS COMPANY, INC.	ARTESIAN RESOURCES CORPORATION	CALIFORNIA WATER SERVICE GROUP	ESSENTIAL UTILITIES, INC.	H2O AMERICA	MIDDLESEX WATER COMPANY	THE YORK WA
2019	Sales-Net[y19]	473.869	3610	83.595	714.557	889.692	420.482	134.598	51.578
2020	Sales-Net[y20]	488.243	3777	88.141	794.307	1462.698	564.526	141.592	53.852
2021	Sales-Net[y21]	498.853	3930	90.859	790.909	1878.144	573.686	143.141	55.119
2022	Sales-Net[y22]	491.528	3792	98.897	846.431	2288.032	620.698	162.434	60.061
2023	Sales-Net[y23]	595.699	4234	98.861	794.632	2053.824	670.363	166.274	71.031
2024	Sales-Net[y24]	595.459	4684	107.952	1036.806	2086.113	748.439	191.877	74.959
2019	Cash & Short Term Investment[y19]	1.334	60	0.596	42.653	1868.922	12.944	2.23	0.002
2020	Cash & Short Term Investment[y20]	36.737	547	0.028	44.555	4.827	5.269	4.491	0.002
2021	Cash & Short Term Investment[y21]	4.963	116	0.092	78.38	10.567	10.908	3.533	0.001
2022	Cash & Short Term Investment[y22]	5.997	85	1.309	62.1	11.398	12.344	3.828	0.001
2023	Cash & Short Term Investment[y23]	14.073	330	2.505	39.591	4.612	9.723	2.39	0.001
2024	Cash & Short Term Investment[y24]	26.661	96	1.147	50.121	9.156	11.114	4.226	0.001
2019	Current Assets-Total[y19]	122.456	1285	14.207	184.712	2015.127	122.046	29.133	9.384
2020	Current Assets-Total[y20]	157.115	1906	17.619	266.016	380.22	127.331	34.123	16.29
2021	Current Assets-Total[y21]	138.052	1554	18.664	300.458	437.795	134.085	34.355	11.262
2022	Current Assets-Total[y22]	151.294	1250	27.804	295.535	658.159	158.386	37.306	14.234
2023	Current Assets-Total[y23]	205.978	1389	30.617	296.285	491.979	198.389	108.536	15.584
2024	Current Assets-Total[y24]	233.346	1215	24.528	324.136	485.911	190.714	42.973	16.451
2019	Debt in Current Liabilities[y19]	7.193	814	9.24	198.42	142.941	139.481	27.178	6.5
2020	Debt in Current Liabilities[y20]	2.371	1611	28.695	376.884	214.22	251.335	9.255	0
2021	Debt in Current Liabilities[y21]	33.421	641	28.33	41.994	286.709	102.102	19.731	7.5
2022	Debt in Current Liabilities[y22]	257.791	1456	22.222	74.375	465.866	163.938	72.962	0
2023	Debt in Current Liabilities[y23]	44.209	654	2.253	181.634	248.256	220.475	50.49	0
2024	Debt in Current Liabilities[y24]	126.459	1527	2.206	278.64	384.654	122.772	31.279	0
2019	Current Liabilities-Total[y19]	115.998	2045	25.599	358.721	323.461	234.567	64.981	15.156
2020	Current Liabilities-Total[y20]	118.572	2881	43.724	588.706	603.873	350.795	56.848	11.993
2021	Current Liabilities-Total[y21]	155.574	2141	47.206	271.937	675.063	203.271	56.619	20.086
2022	Current Liabilities-Total[y22]	396.522	2811	44.07	294.65	1021.869	268.322	117.859	16.981
2023	Current Liabilities-Total[y23]	166.623	2151	22.414	430.339	797.927	342.974	103.829	18.143
2024	Current Liabilities-Total[y24]	285.525	3150	25.593	538.364	974.668	261.173	82.888	18.289
2019	noncash wkcap	12.317	-6	-2.748	-18.242	-34.315	14.016	-10.9	0.726
2020	noncash wkcap	4.177	89	2.562	9.639	-14.26	22.602	-17.961	4.295
2021	noncash wkcap	10.936	-62	-0.304	-7.865	38.874	168.66	30.467	18.761
2022	noncash wkcap	6.566	-190	4.647	13.16	90.758	41.658	-11.419	-2.748
2023	noncash wkcap	69.491	-438	7.951	7.989	-62.304	66.167	52.807	-2.56
2024	noncash wkcap	47.619	-504	-0.006	14.291	-113.259	41.199	-12.862	-1.839
2020	Change Non cashWrk Cap	-8.14	95	5.31	27.881	20.055	8.586	-7.061	3.569
2021	Change Non cashWrk Cap	6.759	-151	-2.866	-17.504	53.134	146.058	48.428	14.466
2022	Change Non cashWrk Cap	-4.37	-128	4.951	21.025	51.884	-127.002	-41.886	-21.509
2023	Change Non cashWrk Cap	62.925	-248	3.304	-5.171	-153.062	24.509	64.226	0.188
2024	Change Non cashWrk Cap	-21.872	-66	-7.957	6.302	-50.955	-24.968	-65.669	0.721
2020		-1.67%	2.52%	6.02%	3.51%	1.37%	1.52%	-4.99%	0.066274
2021	WK cap/sale	1.35%	-3.84%	-3.15%	-2.21%	2.83%	25.46%	33.83%	0.26245
2022	WK cap/sale	-0.89%	-3.38%	5.01%	2.48%	2.27%	-20.46%	-25.79%	-0.35812
2023	WK cap/sale	10.56%	-5.86%	3.34%	-0.65%	-7.45%	3.66%	38.63%	0.002647
2024	WK cap/sale	-3.67%	-1.41%	-7.37%	0.61%	-2.44%	-3.34%	-34.22%	0.009619
	Average	1.14%	-2.39%	0.77%	0.75%	-0.69%	1.37%	1.49%	-0.00343
							Median		0.76%

The following sources of information were reviewed but are not included in the workpapers as they are included separately in the PA PUC section 1329 filing related to this FMV and are considered included by this reference:

"Indian Creek Valley Water Authority, Fayette and Westmoreland Counties, Pennsylvania, Water Facilities Engineering Assessment and Original Cost," dated September 2025, and related files prepared by Bankson Engineers, Inc.;

ICVWA's Intermunicipal and Bulk Service Agreements; and

Asset Purchase Agreement.