

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water :
Company under Section 1102(a) and 1329 of the :
Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 1102(a) :
and 1329, for approval of (1) the transfer, by sale, to :
Pennsylvania-American Water Company, of :
substantially all of the assets, properties and rights :
related to the water treatment and distribution system :
owned and operated by the Indian Creek Valley Water : Docket No. A-2025-3055741, *et al.*
Authority, and (2) the rights of Pennsylvania-American :
Water Company to begin to offer or furnish water service :
to the public in all of the Borough of Ohiopyle and :
portions of the Townships of Saltlick, Springfield, :
Bullskin, Connellsville and Stewart, Fayette County and :
all of the Borough of Donegal and portions of the :
Townships of Donegal and Mount Pleasant, :
Westmoreland County, Pennsylvania :

**DIRECT TESTIMONY OF
JEROME C. WEINERT
UTILITY VALUATION EXPERT
SELECTED BY
PENNSYLVANIA-AMERICAN WATER COMPANY**

Date: November 3, 2025

PAWC Statement No. 4

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Please state your name, business address, and occupation.**

2 **A.** My name is Jerome C. Weinert. My business address is 8555 West Forest Home Avenue,
3 Suite 201, Greenfield, WI 53228. I am a Principal and Owner of Weinert Appraisal and
4 Depreciation Services, LLC (“WADS Consultants”). This testimony was prepared by me.

5
6 **Q. Please describe your qualifications and indicate if you are registered as a Utility
7 Valuation Expert with the Pennsylvania Public Utility Commission.**

8 **A.** My curriculum vitae (“CV”) is attached to my report and this testimony. **PAWC Exhibit
9 JCW-1.** WADS Consultants is a registered Utility Valuation Expert with the Pennsylvania
10 Public Utility Commission (“PUC”) entity code 9925547. We obtained that registration in
11 2016 and were informed of our renewal by the PUC’s Secretary on February 13, 2025.

12
13 **Q. What is the purpose of your testimony?**

14 **A.** This direct testimony provides clarification and explanation of the appraisal I provided to
15 Pennsylvania-American Water Company (“PAWC”), the Acquiring Utility pursuant to
16 66 Pa. C.S. § 1329(a)(5) and in accordance with the Uniform Standards of Professional
17 Appraisal Practice (“USPAP”) (2024 Edition).

18
19 **Q. Are you advocating for any party or outcome?**

20 **A.** No. The Ethics Rule of the USPAP, applicable here pursuant to 66 Pa. C.S. § 1329(a)(3),
21 requires that I perform the appraisal with impartiality, objectivity, and independence, and
22 without accommodation of personal interests. In addition, the USPAP Ethics Rule requires
23 that I not perform the assignment with bias, that I must not advocate for the cause or

DIRECT TESTIMONY OF JEROME C. WEINERT

1 interest of any party or issue and that I must not accept an assignment that includes the
2 reporting of predetermined opinions and conclusions.

3

4 **Q. Do you have any affiliation with either the Selling Utility or the Acquiring Public
5 Utility or Entity?**

6 **A.** No. Other than the current assignment to provide the subject appraisal, I have no business
7 or personal relationships with any party to the proposed acquisition.

8

9 **Q. What is your fee arrangement to deliver the appraisal?**

10 **A.** A copy of the fee arrangement is included with the Application as **Appendix A-7.1**. In
11 summary, WADS Consultants are to receive \$26,000 plus expenses in compensation for
12 our appraisal.

13

14 **Q. Will you receive that fee regardless of whether the Commission approves the
15 proposed transaction or whether it closes?**

16 **A.** Yes. 66 Pa. C.S. § 1329(a)(3) mandates that I comply with the USPAP when developing
17 my appraisal. Under the USPAP, I cannot perform the appraisal with bias and acceptance
18 of a fee contingent on a particular outcome like closing or Commission approval would
19 violate that Ethics Rule.

20

21 **Q. Have you prepared any exhibits, schedules, or appendices to accompany your direct
22 testimony?**

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **A.** Yes. The appraisal I submitted to the Acquiring Utility pursuant to Section 1329(a)(5) is
2 included in the Application as **Appendix A-5.1**. The appraisal includes a narrative and
3 supporting exhibits in sections. All were prepared under my supervision and control. Also,
4 as stated above, attached to this testimony as **PAWC Exhibit JCW-1** is my CV.

5
6 **Q.** **Please summarize your results of the application of the cost, market, and income**
7 **approaches to valuation.**

8 **A.** The summary results of the cost, income, and market approaches is presented below.

Appraisal Approach	Value Indicator	Weight	Wtd Value Indicator
Cost	38,688,712	33%	12,896,237
Income	38,944,750	33%	12,981,583
Market	38,432,673	33%	12,810,891
Appraisal Conclusion			38,688,711

9
10
11
12 **Q.** **Please describe any assumptions, extraordinary assumptions, hypothetical**
13 **conditions, and/or limiting conditions that you applied to the valuation.**

14 **A.** The major assumptions and limiting conditions used in preparing our appraisal of the
15 Indian Creek Valley Water Authority’s Water Production, Treatment and Distribution
16 System are described in our appraisal report “Fair Market Appraisal Report of Indian Creek
17 Valley Water Authority Water Production, Treatment, and Distribution System, as of
18 May 30, 2025.” Beyond the above-described assumptions, there are no extraordinary¹ or
19 hypothetical² assumptions (as defined in the 2024 edition of USPAP).

¹ Extraordinary assumption: an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions. 2024 USPAP page 4.

² Hypothetical condition: a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but used for the purpose of analysis. 2024 USPAP page 4.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. How was each assumption used and what was its result?**

2 **A.** The assumptions are detailed in my appraisal report and are discussed further in this
3 testimony.

4

5 **Q. Did you use the default valuation weights of one-third each for cost, market, and**
6 **income?**

7 **A.** Yes.

8

9 **Q. If you did not use the default weights of one-third each for cost, market, and income,**
10 **explain how did you developed the weighting applied to each approach in your**
11 **appraisal and why are the individual weights you chose are appropriate for this**
12 **proposed transaction?**

13 **A.** Not Applicable.

14

15 **Q. Did you conduct an on-site inspection of the Selling Utility assets, and if so, what was**
16 **its result on the appraisal?**

17 **A.** No.

18 **Q. What Utility Earnings Report was used to create the capital structure used in your**
19 **appraisal?**

20 **A.** I used a market required capital structure based on an analysis of the market capital
21 structure analysis (detailed in the Cost of Capital / Required Return portion of our appraisal
22 report). Information used in developing the market capital structure was obtained from

DIRECT TESTIMONY OF JEROME C. WEINERT

1 financial statistics reported in Value Line Investment Survey for the water / wastewater
 2 industry published in their April 1, 2025, issue.

3

4 **Q. What capital structure was used in your appraisal?**

5 **A.** The capital structure used in my appraisal is included below.

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	Type of Data	Capital Cost	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost
	AUS Input		AUS Input				(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%

6

7 **Cost Approach**

8 **Q. Regarding your application of the cost approach, what method did you use to**
 9 **determine the cost approach result (e.g., original cost, replacement cost, reproduction**
 10 **cost)?**

11 **A.** I used the replacement cost method.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Please explain why you chose the replacement cost method.**

2 **A.** I chose the replacement cost method because it is considered the proper starting point for
3 a cost approach. Replacement cost reflects the appraisal date cost of providing the
4 property's functionality and capacity at the appraisal date cost using recognized materials
5 and labor costs.

6

7 **Q. What index did you use for that method?**

8 **A.** I used the Handy Whitman Index of Public Utility Construction Costs for the Water
9 Industry (Northeastern US Region), AUS Telephone Index (General Plant), and various
10 United States Bureau of Labor Statistics cost index series.

11

12 **Q. Under your application of the cost approach what assets did you value or trend**
13 **differently from other assets and why was that necessary?**

14 **A.** I costed each property account with cost trends appropriate for the property contained in
15 the account. As such, the costing of each property account may differ from account to
16 account. It is my opinion that an accurate appraisal requires each property account be
17 costed with cost trends reflective of the property contained in the account. Indian Creek
18 Valley Water Authority's property as detailed in the Bankson Engineers, Inc.'s "Engineer's
19 Assessment" of \$33,029,748.41 was determined to have a replacement cost new of
20 \$97,747,904 summarized as follows:

DIRECT TESTIMONY OF JEROME C. WEINERT

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 Assmt NARUC Code	AUS Input NARUC Code	Indian Creek Valley Water Authority Asset Description	Eng Assmt Original Cost	AUS Input Cost Index Table			AUS Input COR / RCN Factor	Col (14) * (15) 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

1

2

3

These results are detailed in the Application **Appendix A-5.1** (WADS Appraisal) under the Cost Approach section.

5

6 **Q. Under your application of the cost approach, what year-end date did you use for calculating the depreciation or condition of the property?**

7

8 **A.** I used the date of May 30, 2025, which is the date the Asset Purchase Agreement was executed.

9

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. How did you determine the depreciation parameters of survival/retirement**
2 **characteristics and service lives for the utility property under the cost approach?**

3 **A.** I determined those parameters based on our review of the depreciation studies filed by
4 PAWC in support of its depreciation parameters (Iowa-type Survival Characteristics and
5 Service Lives) and the resultant depreciation expense and rate base (net book) in its recent
6 General Rate Cases (R-2017-2595853 and R-2020-3019371) and PAWC's June 30, 2025
7 Annual Depreciation Report, and WADS Consultants' experience in preparing
8 depreciation studies for the water and wastewater industry and our experience appraising
9 water and wastewater properties. The following table summarizes those studies and
10 WADS Consultants' review of the depreciation parameters:

DIRECT TESTIMONY OF JEROME C. WEINERT

PENNEY/LANA-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)	2029 SURVIVOR CURVE (2)	2029 Service Life	2017 SURVIVOR CURVE	2017 Service Life
	INTANGIBLE PLANT										
301.00	301.00 Organization			NONDEPR.			NONDEPR.				
302.00	302.00 Franchises and Consents			NONDEPR.			NONDEPR.				
303.00	303.00 Miscellaneous Intangible Plant			NONDEPR.			NONDEPR.				
	total intangible plant										
	NONDEPRECIABLE PLANT										
303.20	303.20 POWER AND PUMPING LAND			NONDEPR.			NONDEPR.				
303.30	303.30 PURIFICATION LAND			NONDEPR.			NONDEPR.				
303.40	303.40 TRANSMISSION AND DISTRIBUTION LAND AND RIGHTS OF WAY			NONDEPR.			NONDEPR.				
303.50	303.50 DISTRIBUTION RESERVOIRS AND STANDPIPES LAND			NONDEPR.			NONDEPR.				
303.51	303.51 TRANSMISSION AND DISTRIBUTION - LAND			NONDEPR.			NONDEPR.				
303.52	303.52 TRANSMISSION AND DISTRIBUTION - RIGHTS OF WAY			NONDEPR.			NONDEPR.				
303.61	303.61 OFFICE LAND			NONDEPR.			NONDEPR.				
	TOTAL NONDEPRECIABLE PLANT										
	DEPRECIABLE PLANT										
303.14	303.14 WATER RIGHTS - HIBERNA	\$0	25	25-SQ	\$0	25	25-SQ	\$0	25	\$0	25
303.35	303.35 WASTE HANDLING AND TREATMENT LAND	\$2	100	100-R2	\$2	100	100-R2	\$2	100	\$2	100
303.99	303.99 COMPREHENSIVE PLANNING STUDIES	\$0	5	5-SQ	\$0	5	5-SQ	\$0	5	\$0	5
	TOTAL ACCOUNT 303.XX										
304.15	304.15 OTHER WATER SOURCE STRUCTURES	\$1.5	50	50-S0.5	\$0.5	50	60-R1.5	\$1.5	60	\$0.5	50
304.2X	304.2X POWER AND PUMPING STRUCTURES										
304.21	304.21 LARGE STRUCTURES	\$2.5	75	75-S0.5	\$0.5	75	70-R2.5	\$2.5	70	\$0.5	75
304.22	304.22 OTHER STRUCTURES	\$3	55	55-R3	\$3	55	55-R3	\$3	55	\$3	55
	TOTAL ACCOUNT 304.2X										
304.3X	304.3X PURIFICATION BUILDINGS										
304.31	304.31 LARGE STRUCTURES	\$2.5	65	65-S1	\$1	65	60-R2.5	\$2.5	60	\$1	65
304.32	304.32 OTHER STRUCTURES	\$3	60	60-R3	\$3	60	60-R3	\$3	60	\$3	60
	TOTAL ACCOUNT 304.3X										
304.36	304.36 WASTE HANDLING AND TREATMENT STRUCTURES	\$2.5	65	65-S1.0	\$1.0	65	60-S2.5	\$2.5	60	\$1.0	65
304.38	304.38 WASTE HANDLING AND TREATMENT STRUCTURES PAINTING	\$0.0	10	10-SQ.0	\$0.0	10	10-SQ.0	\$0.0	10	\$0.0	10
304.39	304.39 PURIFICATION BUILDINGS - TANK PAINTING	\$0.0	10	10-SQ.0	\$0.0	10	10-SQ.0	\$0.0	10	\$0.0	10
	TOTAL ACCOUNT 304.3XX										
304.61	304.61X OFFICE BUILDINGS										
304.61	304.61X LARGE STRUCTURES	\$1.5	50	50-S0.0	\$0.0	50	50-R1.5	\$1.5	50	\$0.0	50
304.61	304.61X OTHER OTHER STRUCTURES	\$0.0	50	50-R0.0	\$0.0	50	50-R3	\$0.0	50	\$0.0	50
	TOTAL ACCOUNT 304.61X										
304.62X	304.62X STORES, SHIP AND GARAGE BUILDINGS										
304.62	304.62X LARGE STRUCTURES	\$0.0	45	45-S0.5	\$0.0	45	45-S0.5	\$0.0	45	\$0.0	45
304.62	304.62X OTHER OTHER STRUCTURES	\$3	45	45-R3	\$3	45	45-R3	\$3	45	\$3	45
	TOTAL ACCOUNT 304.62X										
304.63	304.63 MISCELLANEOUS STRUCTURES AND IMPROVEMENTS	\$0.5	35	35-S0.5	\$0.5	35	35-S0.5	\$0.5	35	\$0.5	35
	TOTAL ACCOUNT 304										
305.XX	305.XX COLLECTING AND IMPOUNDING RESERVOIRS										
305.10	305.10 LARGE RESERVOIRS	\$2.0	130	130-R2.0	\$2.0	130	125-R2.0	\$2.0	125	\$2.0	130
305.20	305.20 OTHER RESERVOIRS	\$0.0	75	75-R0.0	\$0.0	75	75-R3	\$0.0	75	\$0.0	75
	TOTAL ACCOUNT 305.X										
306.XX	306.XX LAKE, RIVER AND OTHER INTAKES										
306.10	306.10 LARGE RESERVOIRS	\$1.5	65	65-S1.5	\$1.5	65	55-S1	\$1.5	55	\$1.5	65
306.20	306.20 OTHER RESERVOIRS	\$1	50	50-S1	\$1	50	50-S0.5	\$1	50	\$1	50
	TOTAL ACCOUNT 306.X										
307.00	307.00 WELLS AND SPRINGS	\$0.0	55	55-S0.0	\$0.0	55	55-S0	\$0.0	55	\$0.0	55
310.00	310.00 POWER GENERATION EQUIPMENT	\$1	60	60-S0.5	\$0.5	60	43-S1	\$1	43	\$0.5	60
	TOTAL 307-310										
311.XX	311.XX PUMPING EQUIPMENT										
311.30	311.30 ELECTRIC PUMPING EQUIPMENT	\$0	39	39-S0	\$0	39	43-S0	\$0	42	\$0	39
311.50	311.50 OTHER	\$0	39	39-S0	\$0	39	43-S0	\$0	42	\$0	39
311.52	311.52 SOURCE OF SUPPLY	\$0	39	39-S0	\$0	39	43-S0	\$0	42	\$0	39
311.53	311.53 WATER TREATMENT	\$0	39	39-S0	\$0	39	43-S0	\$0	42	\$0	39
311.54	311.54 TRANSMISSION AND DISTRIBUTION	\$0	39	39-S0	\$0	39	43-S0	\$0	42	\$0	39
	TOTAL ACCOUNT 311.XX										
320.1X	320.1X PURIFICATION SYSTEM										
320.10	320.10 PURIFICATION STRUCTURES										
320.11	320.11 LARGE STRUCTURES	\$1	50	50-S1	\$1	50	60-S0.5	\$1	60	\$1	50
320.12	320.12 OTHER OTHER STRUCTURES	\$3	55	55-R3	\$3	55	55-R3	\$3	55	\$3	55
	TOTAL ACCOUNT 320.1										
320.18	320.18 LARGE STRUCTURES PAINT	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
320.19	320.19 LARGE STRUCTURES PAINT	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
320.20	320.20 CHEMICAL TREATMENT	\$1	32	32-R1	\$1	32	36-R0.5	\$1	36	\$1	32
320.29	320.29 CHEMICAL TREATMENT PLANT			FULLY ACCRUED			FULLY ACCRUED				
	TOTAL PURIFICATION SYSTEM 320.XX										
320.30	320.30 GRANULAR ACTIVATED CARBON	\$0.5	11	11-L0.5	\$0.5	11	7-L2	\$0.5	7	\$0.5	11
320.37	320.37 WASTE HANDLING AND TREATMENT - EQUIPMENT	\$3	30	30-R3	\$3	30	30-R3	\$3	30	\$3	30
	TOTAL ACCOUNT 320										
330.00	330.00 DISTRIBUTION RESERVOIRS AND STANDPIPES	\$0.5	65	65-S0.5	\$0.5	65	65-S0.5	\$0.5	65	\$0.5	65
330.10	330.10 ELEVATED TANKS AND STANDPIPES	\$0.5	65	65-S0.5	\$0.5	65	65-S0.5	\$0.5	65	\$0.5	65
330.20	330.20 GROUND LEVEL FACILITIES	\$0.5	65	65-S0.5	\$0.5	65	65-S0.5	\$0.5	65	\$0.5	65
330.30	330.30 BELOW GRADE FACILITIES	\$0.5	65	65-S0.5	\$0.5	65	65-S0.5	\$0.5	65	\$0.5	65
330.40	330.40 CLEARWELL	\$0.5	65	65-S0.5	\$0.5	65	65-S0.5	\$0.5	65	\$0.5	65
330.58	330.58 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
330.59	330.59 DISTRIBUTION RESERVOIRS AND STANDPIPES - PAINTING	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
	TOTAL ACCOUNT 330										
	DISTRIBUTION PLANT										
331.00	331.00 MANS AND ACCESSORIES	\$2	90	90-R2	\$2	90	110-R2	\$2	110	\$2	90
333.00	333.00 SERVICES	\$2.5	65	65-R2.5	\$2.5	65	70-R2.5	\$2.5	70	\$2.5	65
334.00	334.00 METERS AND METER INITIAL LATIONS	\$1.5	20	20-L1.5	\$1.5	20	21-L1	\$1.5	21	\$1.5	20
335.00	335.00 FRESH GRANTS	\$2	60	60-R2	\$2	60	75-R2.5	\$2	75	\$2	60
	Distribution Plant										
340.X	340.X OFFICE FURNITURE AND EQUIPMENT										
340.10	340.1 FURNITURE	\$0	20	20-SQ	\$0	20	20-SQ	\$0	20	\$0	20
340.20	340.2 COMPUTERS AND PERIPHERAL EQUIPMENT	\$0	5	5-SQ	\$0	5	5-SQ	\$0	5	\$0	5
340.30	340.3 COMPUTER SOFTWARE - 5 YEAR	\$0	5	5-SQ	\$0	5	5-SQ	\$0	5	\$0	5
340.40	340.4 COMPUTER SOFTWARE - 10YEAR	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
340.50	340.5 OTHER OFFICE EQUIPMENT	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
	TOTAL ACCOUNT 340.X										
341.X	341.X TRANSPORTATION EQUIPMENT										
341.10	341.1 NOT CLASSIFIED	\$2.5	10	10-L2.5	\$2.5	10	7-L3	\$2.5	7	\$2.5	10
341.20	341.2 LIGHT DUTY TRUCKS	\$2.5	10	10-L2.5	\$2.5	10	7-L3	\$2.5	7	\$2.5	10
341.30	341.3 EQUIPMENT	\$2.5	10	10-L2.5	\$2.5	10	7-L3	\$2.5	7	\$2.5	10
341.40	341.4 AUTOS	\$2.5	10	10-L2.5	\$2.5	10	7-L3	\$2.5	7	\$2.5	10
341.50	341.5 OTHER	\$2.5	10	10-L2.5	\$2.5	10	7-L3	\$2.5	7	\$2.5	10
	TOTAL ACCOUNT 341.X										
342.00	342.00 STORES EQUIPMENT	\$0	20	20-SQ	\$0	20	20-SQ	\$0	20	\$0	20
343.00	343.00 TOOLS AND WORK EQUIPMENT	\$0	20	20-SQ	\$0	20	20-SQ	\$0	20	\$0	20
344.00	344.00 LABORATORY EQUIPMENT	\$0	20	20-SQ	\$0	20	20-L0.5	\$0	20	\$0	20
345.00	345.00 POWER OPERATED EQUIPMENT	\$0.5	21	21-S0.5	\$0.5	21	19-S0.5	\$0.5	19	\$0.5	21
	TOTAL ACCOUNT 342-345										
346.X	346.X COMMUNICATION EQUIPMENT										
346.10	346.1 EQUIPMENT	\$0	15	15-SQ	\$0	15	15-SQ	\$0	15	\$0	15
346.20	346.2 NON-TELEPHONE	\$0	15	15-SQ	\$0	15	15-SQ	\$0	15	\$0	15
346.30	346.3 REMOTE CONTROL AND INSTRUMENTATION	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
346.40	346.4 TELEPHONE	\$0	10	10-SQ	\$0	10	10-SQ	\$0	10	\$0	10
	TOTAL ACCOUNT 346.X										
347.00	347.00 MISCELLANEOUS EQUIPMENT	\$0	25	25-SQ	\$0	25	25-SQ	\$0	25	\$0	25
348.00	348.00 OTHER TANGIBLE EQUIPMENT	\$0	25	25-SQ	\$0	25	25-SQ	\$0	25	\$0	25

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Why are those parameters appropriate?**

2 **A.** Those parameters are appropriate because the parameters reflect the actual service life
 3 experienced by PAWC in serving water customers in the Commonwealth of Pennsylvania
 4 and which were adjudicated by the PUC in the 2017 General Rate Cases and the 2020
 5 General Rate Cases (Docket Nos. R-2020-3019369 and R-2020-30193371). The
 6 parameters in the following table also reflect WADS Consultants’ experience of the
 7 survival / retirement characteristics of normal and functional service lives of water
 8 properties:

**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)	(5)	(6)	(6b)	
Account Number	Description	(4a) Iowa Survivor / Retirement Curve	(4b) Normal Service Life years	Economic Obsolescence % of CORLD	(6a) Tax Depreciation 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

10

11 Also, due the age of Indian Creek Valley Water Authority’s early property installations the
 12 maximum depreciation was limited to 85% of the cost new.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. What was the result of the application of the depreciation parameters to the**
 2 **previously described replacement cost new of \$60,489,847?**

3 **A. With the application of the above-described depreciation parameters, the replacement cost**
 4 **new of \$99,747,904 results in a replacement cost new less depreciation of \$60,489,847**
 5 **determined 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 \$\$		years	years	years	% of COR	CORLD \$\$
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	Structures & 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	COMMUNICATION 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

6
 7
 8 The above replacement cost new less depreciation represents the preliminary cost approach
 9 conclusion which was tested for economic obsolescence based on the results of the income
 10 and market approaches which will be described in the remainder of this testimony. The
 11 income approach value conclusion of \$38,944,750 and the market approach conclusion of
 12 \$38,432,673 for the Indian Creek Valley Water Authority’s future water system compared

DIRECT TESTIMONY OF JEROME C. WEINERT

1 to the preliminary cost approach conclusion of \$60,489,847 indicates 36.04% external
 2 obsolescence exists in the cost approach conclusion of \$38,688,712 detailed as follows:

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 Assets		38,688,712
Intangible Assets		-
Total Assets		38,688,712
Cost Approach Conclusion		
Fair Market Value (FMV)	(41)	38,688,712

3
 4
 5 These results are detailed in the Application **Appendix A-5.1** (WADS Appraisal) under
 6 the Cost Approach section.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Did WADS Consultants also prepare a Depreciated Original Cost (DOC) estimate in**
 2 **your appraisal workpapers?**

3 **A.** Yes, I utilized the original cost based on the previously described Engineers Assessment
 4 in developing an estimate of the DOC, using the same depreciation lives and methods as
 5 were used in the development of the replacement cost less depreciation. The Depreciated
 6 Original Cost was determined to be \$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

7
8 **Market Approach**

9 **Q. Regarding your application of the market approach, what methods did you use to**
 10 **determine the market approach result?**

11 **A.** I used the comparable sales of water and wastewater properties in the Commonwealth of
 12 Pennsylvania subsequent to the passage of Section 1329 and financial market value ratios

DIRECT TESTIMONY OF JEROME C. WEINERT

1 of publicly traded water and wastewater companies as reported in the April 4, 2025, issue
2 of Value Line Investment Survey.

3

4 **Q. What assumptions, analyses, and/or adjustments did you make under each method?**

5 **A.** Under the comparable sales method, it is my opinion that sales amount to depreciated
6 replacement cost is the best indicator in arriving at the appraised value of physical assets
7 operating as a water production, treatment, and distribution system. Under the financial
8 ratios method, I believe that an accurate result depends on using the weighted mean of the
9 ratio of the market debt and equity to book debt and equity.

10 **Q. What were the results of each analysis you performed?**

11 **A.** The comparable sales analyses are detailed as follows:

DIRECT TESTIMONY OF JEROME C. WEINERT

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

1

DIRECT TESTIMONY OF JEROME C. WEINERT

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 Basis¹		
	Weighted		Financial Markets	Market Value per Share to Book Value per Share	
All Section 1329 Acquisitions					
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				
Wastewater Treatment Only					
Mean	4,142				
Count	Calculated				
Conclusion					
Indian Creek Valley Water Authority Customers	2,664	AUS Input	Indian Creek Valley Water Authority OCLD	22,911,559	Cost Approach - OCLD
Water Treatment and Distribution \$PP/Customer	6,157	AUS Input			
Collection and Treatment Customers Market Value Indication	16,402,248		Market Value Indication	37,804,073	
Treatment 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				

1

DIRECT TESTIMONY OF JEROME C. WEINERT

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)			Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)		
	Simple		Simple		
All Section 1329 Acquisitions			All Section 1329 Acquisitions		
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	
Wastewater Treatment Only			Wastewater 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		Income	Indian Creek Valley Water		Income
Cash Flows	1,820,229	Approach	Authority Cash Flows	2,510,455	Approach
Water Treatment and Distribution	14.94		Water Treatment and Distribution	10.50	
Market Value Indication	27,198,978			26,371,954	

1

2

3 **Q. What was your market approach result?**

4 **A.** I used the average results of \$38,432,673 because I believe it represents an accurate
5 assessment and it was based on the relationship of market comparable sales to all of the
6 comparable sales indicators. These results are detailed in the Application **Appendix A-5.1**
7 (WADS Appraisal) under the Market Approach section.

DIRECT TESTIMONY OF JEROME C. WEINERT

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	

1

2 **Q. What comparable transactions or comparable sales did you evaluate to develop your**
3 **market approach?**

4 **A.** I examined the following transactions to develop the result of my market approach:

DIRECT TESTIMONY OF JEROME C. WEINERT

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 bidd	Montgomery	Wastewater Collection
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	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 bidd	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 (DELCOA)			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

1 **Income Approach**

2 **Q. Regarding your application of the income approach, what method did you use to**
3 **determine the income approach result?**

4 **A.** I used the discounted cash flow method.

5
6 **Q. What assumptions did you employ to develop your income approach result?**

7 **A.** Under the income approach, it is my opinion that the results of the future operations of the
8 Indian Creek Valley Water Authority's Water Production, Treatment, and Distribution
9 System must be considered. I believe that an accurate result depends on adjusting recent
10 results of the systems operation to better reflect how those results will migrate over future
11 periods under the operation as a rate regulated water system regulated by the PUC.

12
13 **Q. What discount rate did you use to calculate your income approach?**

14 **A.** I used a discount rate of 8.22% and 5.08% capitalization rate.

15
16 **Q. Please explain how you developed the discount rate.**

17 **A.** In each case, the discount rate was a market discount rate at the appraisal date and was
18 determined using the weighted average cost of capital ("WACC") of both debt and equity.
19 The inputs to the WACC determination, capital structure, cost of debt, cost of equity, and
20 income tax rate (state and federal) were determined based on an analysis of Value Line
21 Investment Surveys and past Ibbotson Stock, Bonds, Bills, and Inflation ("Ibbotson SBBI")
22 updated to 2025 Edition by WADS Consultants. The cost of debt was determined at April
23 4, 2025, based on the Mergent Bond Record publication. The cost of equity was based on

DIRECT TESTIMONY OF JEROME C. WEINERT

1 the capital asset pricing model (“CAPM”) and the Dividend Growth Model (“DGM”), two
2 recognized cost of equity estimating models and the PUC’s Bureau of Technical Utility
3 Services’ Report on Quarterly Earnings of Jurisdictional Utilities for Year-ending
4 March 31, 2025. The above-described data for the Indian Creek Valley Water Authority’s
5 appraisal can be found in the exhibits to my appraisal report in the section entitled Cost of
6 Capital / Required Return.

7
8 **Q. What capital structure inputs differ from those identified in capital structure set forth
9 earlier in your testimony?**

10 **A.** None. As described in the previous discussion of the capital structure, we utilized a market
11 required capital structure based on analysis of the water / wastewater industry’s market
12 capital structure as defined by analysis of market financials as published in Value Line
13 Investment Survey (April 4, 2025). The theory in appraisal is to estimate the value of a
14 property in an arm’s length transaction wherein the purchaser finances the purchase with
15 capital (debt and equity) available in the financial markets at the appraisal date. Those are
16 the current (appraisal date) financial markets.

17
18 **Q. What is the source and basis of the alternative input you propose in the income
19 approach?**

20 **A.** As discussed above, we used Value Line Investment Survey to develop a market required
21 capital structure. Please see Application **Appendix A-5.1** (WADS Appraisal) Income
22 Approach section for the cost of capital of the Income Approach and Cost of Capital /
23 Required Return section for the basis of the Cost of Capital / Required Return.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. If you used a terminal value in your discounted cash flow analysis what is the number**
2 **of years over which the cash flows are considered?**

3 **A.** I considered those cash flows over 19 periods with period 20 representing all future periods.
4

5 **Q. What is the basis for using this number of years?**

6 **A.** It is my opinion that the use of 19 periods is a reasonable number of periods for the forecast
7 revenues and expenses to stabilize.
8

9 **Q. What is your Income Approach conclusion?**

10 **A.** WADS Consultants' income approach conclusion was determined to be \$38,944,750
11 detailed as follows:
12

DIRECT TESTIMONY OF JEROME C. WEINERT

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	1,844,202,652				
									48,261,933.38	0.214	10,328,054	35,384,514	
								Average					35,710,773

1
2
3
4
5
6
7
8
9
10

These results are detailed in the Application **Appendix A-5.1** (WADS Appraisal) under the Income Approach section.

Q. What number of Selling Utility customers or equivalent dwelling units did you use to value the Seller’s system and how did you develop that number?

A. I used 2,664 customers, based on a customer listing provided by Indian Creek Valley Water Authority in developing the forecasted revenues and expenses. I also used past and budgeted results from operations to establish forecasted operating results.

DIRECT TESTIMONY OF JEROME C. WEINERT

1 **Q. Does this conclude your direct testimony?**

2 **A.** It does. However, by filing this direct testimony I understand that I may have the
3 opportunity to submit additional testimony responsive to challenges to my appraisal.

Curriculum Vitae (CV) of Jerome C. Weinert

Mr. Weinert is currently the Principal and Owner of Weinert Appraisal and Depreciation Services, LLC (WADS Consultants) a Wisconsin limited partnership established in August of 2022. He has fifty-three (2025-1972) years' experience in valuation and depreciation consulting and management. A partial list of services provided includes valuations and depreciation studies

Prior to WADS Consultants Mr. Weinert was a Principal and Director of AUS Consultants, Depreciation and Valuation. AUS, with offices across the country, has provided consulting services to the regulated utility industry nationally for over thirty-nine years.

Prior to joining AUS in 1987, Mr. Weinert was employed by American Appraisal Associates, Inc. (American) for sixteen years in their Regulated Industries Group. He held various positions at American, the last being supervising appraiser. Among his other valuation responsibilities, he directed the firm's utility industry capital recovery studies and AUS Consultant's valuation of communication company assets and businesses.

Mr. Weinert graduated from the Milwaukee School of Engineering with a Bachelor of Science degree in Mechanical Engineering and received a master's in business administration from Marquette University. He was a registered professional engineer (1976) (by examination) in the state of Wisconsin through July 2025 as well as a senior member (1982) of the American Society of Appraisers in the public utility valuation field through 2025. This latter designation is obtained by written examination primarily in the areas of utility valuation, depreciation, and the economics of regulated firms. He was also a Certified Depreciation Professional (1997) (CDP) through 2025 and founding member of the Society of Depreciation Professionals and the Society's 1995 President and sponsor of the Society's Certification and re-certification program as such Mr. Weinert developed these programs and oversaw their initial introduction into the Society. He also worked in conjunction with Society members in the development of the Society's training programs which as of 2003 has become the only such formalized depreciation training program in the North America and is an instructor in several of its courses.

During his professional career related to valuations and depreciation matters Mr. Weinert has testified before various courts and public service commissions on these subjects. He has also assisted numerous utilities in preparing capital recovery plans which specifically address the issues of plant replacement. Mr. Weinert has also presented expert testimony on valuation matters. Mr. Weinert has testified before the Pennsylvania Public Utility Commission on regulatory matters associated with Pennsylvania Section 1329 matters. On matters related to eminent domain issues, Mr. Weinert has presented expert testimony in the Massachusetts Superior Court, the Court of Common Pleas, Fayette County, Ohio, the New Hampshire Public Utilities Commission, the Twentieth Judicial Court (deposition only) in Charlotte County, Florida, the Nineteenth Judicial Circuit Court in St. Lucie County, Florida (deposition only). In regard to ad valorem taxation, Mr. Weinert has presented study results to the New York State Board of Equalization and Assessment (now the New York Office of Real Property Services (NY ORPS)), pertaining to useful life and net salvage values for all types of utility property subject to the Board's mass appraisal model. Mr. Weinert has appeared before the Valuation Adjustment Board in Florida for Duval, Hillsborough, Okeechobee, and Palm Beach counties, the Twelfth Judicial Circuit Sarasota County, Florida, the California Board of Equalization and Assessment, the Arizona Board of Assessment, the Missouri Board of Taxation, the Colorado and Texas Departments of Review, the Massachusetts Tax Appeal Court, the Superior Court of the State of Arizona in the County of Maricopa, the State Tax Appeal Board of the State of Montana, the New York City Tax Commission and the Public Utility Commission of Pennsylvania Section 1329 hearings (8).

Mr. Weinert has appeared before regulatory bodies in Alaska, Arkansas, Illinois, Indiana, Iowa, Missouri,

Nevada, Nebraska, North Carolina, Ohio, Oregon, Pennsylvania, and South Carolina in support of rate-base valuation determination and capital recovery. He has presented testimony on depreciation matters before the Canadian Radio-Television and Telecommunications Commission (CRTC) and the United States Federal Energy Regulatory Commission (FERC). In terms of water and wastewater acquisitions and applications for regulatory approval of rate base Mr. Weinert has testified for two investor-owned acquisitions of municipal wastewater authorities one representing the municipality and secondly for the acquiring investor-owned utility. He has submitted study results to the State Commissions of Alabama, Alaska, Arkansas, Idaho, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, North Carolina, Oregon, Pennsylvania, South Carolina, Washington, and Wisconsin, and the Federal Communications Commission.

Mr. Weinert has presented papers on valuation and depreciation topics to professional and utility industry trade organizations. He also directed AUS Consultants' semi-annual week-long depreciation training programs (1988-1997). These specialized training courses, offered at basic and advanced levels, teach depreciation study techniques to public utility and public service commission staff specialists. The training includes depreciation theory and concepts and hands-on experience with personal computer-based analytical depreciation programs.

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
2025				
Pennsylvania American Water Company	Rock Spring Water Company	2025	2025	Fair Market Value
New Jersey American Water Company	Borough of Hopewell, NJ Water System	2025	2025	Fair Market Value
Texas Water Utilities	Project Clifford	2025	2025	Fair Market Value
2024				
Lehigh County, PA Authority	Lehigh County	2024	2024	Bond Refinancing
Gainesville, FL Region Utilities	Telecommunications	2024	2024	Planning
Pennsylvania American Water Company	Elizabeth Borough Municipal Authority	2023	2024	Fair Market Value 1329
Pennsylvania American Water Company	East Coventry Township	2024	2024	Fair Market Value 1329
New Jersey American Water Company	Township of Shrewsbury, NJ	2024	2024	Fair Market Value
2023				
Verizon Business (formerly MCI)	North America	2022	2023	Ad Valorem Tax Appraisal
Verizon New York, Inc.	New York	2022	2023	Ad Valorem Tax Appraisal
Borough of Brentwood, PA Wastewater	Brentwood Wastewater	2023	2023	Fair Market Value 1329
2022				
AT&T Communications	North America	2021	2022	Ad Valorem Tax Appraisal
AT&T Communications	California	2021	2022	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2021	2022	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2021	2022	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2019	2020	Ad Valorem Tax Appraisal
Verizon New York, Inc.	New York	2019	2020	Ad Valorem Tax Appraisal
2021				
AT&T Communications	North America	2020	2021	Ad Valorem Tax Appraisal
AT&T Communications	California	2020	2021	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2020	2021	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2020	2021	Ad Valorem Tax Appraisal
Lower Makefield, PA	Lower Makefield Wastewater	2021	2021	Fair Market Value 1329
Cozen O'Connor	Egg Harbor, NJ Water &			
Butler Area Sewer Authority, PA	BASA Wastewater	2021	2021	Fair Market Value 1329
2020				
AT&T Communications	North America	2019	2020	Ad Valorem Tax Appraisal
AT&T Communications	California	2019	2020	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2019	2020	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2019	2020	Ad Valorem Tax Appraisal
Verizon New York, Inc.	New York	2019	2020	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2019	2020	Ad Valorem Tax Appraisal
East Norriton Township, PA	East Norriton Wastewater	2019	2020	Fair Market Value 1329

QUALIFICATIONS 3

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Pennsylvania American Water Company	Kane Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Royersford Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Valley Wastewater	2019	2020	Fair Market Value 1329
Pennsylvania American Water Company	Valley Water	2019	2020	Fair Market Value 1329
Lehigh County Authority	Allentown Water & Sewer	2020	2020	Financing
Pennsylvania American Water Company	Upper Pottsgrove wastewater	2020	2020	Fair Market Value 1329
2019				
AT&T Communications	North America	2018	2019	Ad Valorem Tax Appraisal
AT&T Communications	California	2018	2019	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2018	2019	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2018	2019	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2018	2019	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2018	2019	Ad Valorem Tax Appraisal
Cheltenham Township, PA	Cheltenham Wastewater	2018	2019	Fair Market Value 1329
Pennsylvania American Water Company	Steelton Water	2018	2019	Fair Market Value 1329
Pennsylvania American Water Company	Exeter Wastewater	2018	2019	Fair Market Value 1329
2018				
AT&T Communications	North America	2017	2018	Ad Valorem Tax Appraisal
AT&T Communications	California	2017	2018	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2017	2018	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2017	2018	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2017	2018	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2017	2018	Ad Valorem Tax Appraisal
Level 3 Communications, LLC	North America	2017	2018	Ad Valorem Tax Appraisal
Level 3 Communications, LLC	California	2017	2018	Ad Valorem Tax Appraisal
CenturyLink Communications, LLC	North America	2017	2018	Ad Valorem Tax Appraisal
CenturyLink Communications, LLC	California	2017	2018	Ad Valorem Tax Appraisal
East Bradford Township, PA	East Bradford Wastewater	2018	2018	Fair Market Value 1329
Pennsylvania American Water Company	Sadsbury Wastewater	2017	2018	Fair Market Value Appraisal
Pennsylvania American Water Company	Kane Wastewater	2017	2018	Fair Market Value
Appraisal				
2017				
AT&T Communications	North America	2016	2017	Ad Valorem Tax Appraisal
AT&T Communications	California	2016	2017	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2016	2017	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2016	2017	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2016	2017	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2016	2017	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2016	2017	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2016	2017	Ad Valorem Tax Appraisal
Level 3 Communications	California	2016	2017	Ad Valorem Tax Appraisal
Whitpain Township, PA	Whitpain Wastewater	2016	2017	Appraisal for Planning
Plymouth Township, PA	Plymouth Wastewater	2016	2017	Appraisal for Planning
East Norriton Township, PA	East Norriton Wastewater	2016	2017	Appraisal for Planning
Pennsylvania American Water Company	Sadsbury Wastewater	2016	2017	Fair Market Value Appraisal
Pennsylvania American Water Company	McKeesport Wastewater	2016	2017	Fair Market Value Appraisal
Intermountain Gas Company	Idaho	2016	2017	Depreciation Study

QUALIFICATIONS 4

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
2016				
AT&T Communications	North America	2015	2016	Ad Valorem Tax Appraisal
AT&T Communications	California	2015	2016	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2015	2016	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2015	2016	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2015	2016	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2015	2016	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2015	2016	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2015	2016	Ad Valorem Tax Appraisal
Level 3 Communications	California	2015	2016	Ad Valorem Tax Appraisal
New Garden Township, PA	New Garden Wastewater	2016	2016	Fair Market Value Appraisal
2015				
AT&T Communications	North America	2014	2015	Ad Valorem Tax Appraisal
AT&T Communications	California	2014	2015	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2014	2015	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2014	2015	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2014	2015	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2014	2015	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2014	2015	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2014	2015	Ad Valorem Tax Appraisal
Level 3 Communications	California	2014	2015	Ad Valorem Tax Appraisal
Verizon Wireless	Nationwide	2014	2015	Ad Valorem Tax Appraisal
2014				
AT&T Communications	North America	2013	2014	Ad Valorem Tax Appraisal
AT&T Communications	California	2013	2014	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2013	2014	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2013	2014	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2013	2014	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2013	2014	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2013	2014	Ad Valorem Tax Appraisal
Level 3 Communications	North America,	2013	2014	Ad Valorem Tax Appraisal
Level 3 Communications	California	2013	2014	Ad Valorem Tax Appraisal
Cascade Natural Gas Corporation	Oregon & Washington	2013	2014	Depreciation Study
Intermountain Gas Company	Idaho	2013	2014	Depreciation Study
Virgin Islands Telephone Corporation	US Virgin Islands	2013	2014	Depreciation Study
Verizon Wireless	Nationwide	2013	2014	Ad Valorem Tax Appraisal
2013				
AT&T Communications	North America	2012	2013	Ad Valorem Tax Appraisal
AT&T Communications	California	2012	2013	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2012	2013	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2012	2013	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2012	2013	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2012	2013	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2012	2013	Ad Valorem Tax Appraisal

QUALIFICATIONS 5

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Verizon Communications	New England - Mass	2012	2013	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2012	2013	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2012	2013	Ad Valorem Tax Appraisal
Sprint Nextel Corporation	North America	2012	2013	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2012	2013	Ad Valorem Tax Appraisal
Verizon Communications	New England Mass	2002-2007	2013	Ad Valorem Tax Appraisal
2012				
AT&T Communications	North America	2011	2012	Ad Valorem Tax Appraisal
AT&T Communications	California	2011	2012	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2011	2012	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2011	2012	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2011	2012	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2011	2012	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2011	2012	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2011	2012	Ad Valorem Tax Appraisal
Sprint Nextel Corporation	North America	2011	2012	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2011	2012	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2011	2012	Ad Valorem Tax Appraisal
Verizon Communications	Florida - revised	2008	2012	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2012	2012	Ad Valorem Tax Appraisal
2011				
AT&T Communications	North America	2010	2011	Ad Valorem Tax Appraisal
AT&T Communications	California	2010	2011	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2010	2011	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2010	2011	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2010	2011	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2010	2011	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2010	2011	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2010	2011	Ad Valorem Tax Appraisal
Global Crossing	North America	2010	2011	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2010	2011	Depreciation Study
Sprint Nextel Corporation	North America	2010	2011	Ad Valorem Tax Appraisal
Verizon Wireless	Palm Beach, Florida	2010	2011	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2010	2011	Ad Valorem Tax Appraisal
Verizon Communications	Florida - revised	2008	2011	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2010	2011	Depreciation Study
Virgin Islands Telephone Corporation	US Virgin Islands	2010	2011	Technical Update of Depreciation
			Study	
2010				
AT&T Communications	North America	2009	2010	Ad Valorem Tax Appraisal
AT&T Communications	California	2009	2010	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2009	2010	Ad Valorem Tax Appraisal

QUALIFICATIONS 6

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
AT&T - Indiana Bell Telephone Company	Indiana	2009	2010	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2009	2010	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2009	2010	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2009	2010	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2009	2010	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2009	2010	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2009	2010	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California	2009	2010	Ad Valorem Tax Appraisal
Global Crossing	North America	2009	2010	Ad Valorem Tax Appraisal
MetroPCS	Palm Beach, Florida	2009	2010	Ad Valorem Tax Appraisal

2009

AT&T Communications	North America	2008	2009	Ad Valorem Tax Appraisal
AT&T Communications	California	2008	2009	Ad Valorem Tax Appraisal
AT&T Communications	Florida	2008	2009	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2008	2009	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2008	2009	Ad Valorem Tax Appraisal
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2008	2009	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2008	2009	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2008	2009	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas	2008	2009	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2008	2009	Ad Valorem Tax Appraisal
Embarq Northwest	Washington	2008	2009	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2008	2009	Ad Valorem Tax Appraisal
Verizon Communications	New England - Mass	2008	2009	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2008	2009	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California, Michigan & Arizona	2008	2009	Ad Valorem Tax Appraisal
Global Crossing	North America	2008	2009	Ad Valorem Tax Appraisal
AboveNet, Inc	North America/California	2003	2009	Ad Valorem Tax Appraisal
Verizon Wireless	Ohio Properties	2004-2005	2009	Ad Valorem Tax Appraisal
Virgin Islands Telephone Corporation	US Virgin Islands	2008	2009	Depreciation Study
Sprint Nextel Corporation	North America	2008	2009	Ad Valorem Tax Appraisal

2008

AT&T Communications	North America	2007	2008	Ad Valorem Tax Appraisal
AT&T Communications	California	2007	2008	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2007	2008	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2007	2008	Ad Valorem Tax Appraisal
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2007	2008	Ad Valorem Tax Appraisal
AT&T - Southwestern Bell Telephone Company	Arkansas, Kansas, Missouri, Oklahoma, Texas	2007	2008	Ad Valorem Tax Appraisal

QUALIFICATIONS 7

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Embarq Florida, Inc.	Florida	2007	2008	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas	2007	2008	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2007	2008	Ad Valorem Tax Appraisal
Embarq Northwest	Washington	2007	2008	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	California	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2007	2008	Ad Valorem Tax Appraisal
Verizon Communications	New England Mass	2002-2007	2008	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2007	2008	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California, Michigan & Arizona	2007	2008	Ad Valorem Tax Appraisal
Global Crossing	North America	2007	2007	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2007	2008	Depreciation Study

2007

AT&T Communications	North America	2006	2007	Ad Valorem Tax Appraisal
AT&T Communications	California	2006	2007	Ad Valorem Tax Appraisal
AT&T - Indiana Bell Telephone Company	Indiana	2006	2007	Ad Valorem Tax Appraisal
AT&T - Michigan Bell Telephone Company	Michigan	2006	2007	Ad Valorem Tax Appraisal
AT&T - Wisconsin Bell Telephone Company	Wisconsin	2006	2007	Ad Valorem Tax Appraisal
Embarq Florida, Inc.	Florida	2006	2007	Ad Valorem Tax Appraisal
Embarq Texas, Inc.	Texas,	2006	2007	Ad Valorem Tax Appraisal
Embarq Missouri, Inc.	Missouri	2006	2007	Ad Valorem Tax Appraisal
Embarq North Carolina	North Carolina	2006	2007	Ad Valorem Tax Appraisal
Embarq Virginia	Virginia	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	California	2006	2007	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2006	2007	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	North America	2006	2007	Ad Valorem Tax Appraisal
Qwest Communications Corporation	North America California	2006	2007	Ad Valorem Tax Appraisal
Level 3 Communications	North America, California, Michigan, & Arizona	2006	2007	Ad Valorem Tax Appraisal
Level 3 Communications	Arizona	2002 - 2006	2007	Ad Valorem Tax Appraisal
Global Crossing	North America	2006	2007	Ad Valorem Tax Appraisal
Alaska Communications System, Inc. (ACS)	ACS of Alaska ACS of Anchorage ACS of Fairbanks ACS of the Northland ACS Holdings	2006	2007	Depreciation Studies
Intermountain Gas Company	Idaho	2006	2007	Depreciation Study

2006

AT&T Communications	Palm Beach Florida	2000 - 2003	2006	Ad Valorem Tax Appraisal
AT&T Communications	North America	2005	2006	Ad Valorem Tax Appraisal
AT&T Communications	California	2005	2006	Ad Valorem Tax Appraisal
Sprint Florida, Inc.	Florida	2005	2006	Ad Valorem Tax Appraisal
Sprint Texas, Inc.	Texas,	2005	2006	Ad Valorem Tax Appraisal

QUALIFICATIONS 8

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Sprint Missouri, Inc.	Missouri	2005	2006	Ad Valorem Tax Appraisal
Sprint North Carolina	North Carolina	2005	2006	Ad Valorem Tax Appraisal
Sprint Virginia	Virginia	2005	2006	Ad Valorem Tax Appraisal
Embarq Nevada	Nevada	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	California	2005	2006	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2005	2006	Ad Valorem Tax Appraisal
Verizon Business (formerly MCI)	Massachusetts	2002-2--5	2006	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2005	2006	Ad Valorem Tax Appraisal
Level 3 Communications	Arizona	2002-2006	2006	Ad Valorem Tax Appraisal
Global Crossing	North America	2005	2006	Ad Valorem Tax Appraisal
Indianapolis Power & Light	IPL	2005	2006	Depreciation Study
2005				
AT&T Communications	North America	2004	2005	Ad Valorem Tax Appraisal
AT&T Communications	California	2004	2005	Ad Valorem Tax Appraisal
Sprint Florida, Inc.	Florida	2004	2005	Ad Valorem Tax Appraisal
Sprint PCS	North America	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	Florida	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	California	2004	2005	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2004	2005	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2004	2005	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2004	2005	Ad Valorem Tax Appraisal
Global Crossing	North America	2004	2005	Ad Valorem Tax Appraisal
Global Crossing	New York Special Franchise Property	2003 & 2004	2005	Ad Valorem Tax Appraisal
Indianapolis Power & Light	IPL	2004	2005	Depreciation Study
2004				
Sprint Florida, Inc.	Florida	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	California	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2003	2004	Ad Valorem Tax Appraisal
Verizon Communications	New England	2003	2004	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2003	2004	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2003	2004	Ad Valorem Tax Appraisal
Global Crossing	North America	2003	2004	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2003	2004	Ad Valorem Tax Appraisal
AT&T Communications	North America	2003	2004	Ad Valorem Tax Appraisal
AT&T Communications	California	2003	2004	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2003	2004	Depreciation Study
2003				
Sprint Florida, Inc.	Florida	2002	2003	Ad Valorem Tax Appraisal
Verizon Communications	California	2002	2003	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2002	2003	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2002	2003	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2002	2003	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2002	2003	Ad Valorem Tax Appraisal
AT&T Communications	North America	2002	2003	Ad Valorem Tax Appraisal
AT&T Communications	California	2002	2003	Ad Valorem Tax Appraisal
Global Crossing	North America	2002	2003	Ad Valorem Tax Appraisal

QUALIFICATIONS 9

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Verizon Wireless	Broward County, FL	1998 through 2002	2003	Ad Valorem Tax Appraisal
2002				
Sprint Florida, Inc.	Florida	2001	2002	Ad Valorem Tax Appraisal
Verizon Communications	California	2001	2002	Ad Valorem Tax Appraisal
Verizon Communications	Northwest	2001	2002	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2001	2002	Ad Valorem Tax Appraisal
Level 3 Communications	North America	2001	2002	Ad Valorem Tax Appraisal
Global Crossing	North America	2001	2002	Ad Valorem Tax Appraisal
AT&T Wireless	Plymouth, MI	2001	2002	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2001	2002	Ad Valorem Tax Appraisal
AT&T Communications	North America	2001	2002	Ad Valorem Tax Appraisal
Intermountain Gas Company	Idaho	2001	2002	Depreciation Study
AT&T Communications	California	2001	2002	Ad Valorem Tax Appraisal
2001				
Verizon	Verizon - New York	2001	2001-2	Functional Obsolescence & Useful Life studies for valuation
Sprint Florida, Inc.	Sprint Florida, Inc.	2000	2001	Ad Valorem Tax Appraisal
Verizon Communications	California	2000	2001	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	2000	2001	Ad Valorem Tax Appraisal
Global Crossing	North America	2000	2001	Ad Valorem Tax Appraisal
Sprint PCS	Cost Indexes	2000	2001	Ad Valorem Tax Appraisal
Sprint Corporation	Centel - Nevada	2000	2001-2	Depreciation Study
Alaska Communications System, Inc. (ACS)	ACS of Alaska	2000	2001	Depreciation Study
	ACS of Anchorage			
	ACS of Fairbanks			
	ACS of the Northland			
	ACS Holdings			
2000				
Sprint PCS	BTS Equipment	2000	2000	Economic Life Study
Telus Communications	Telus - Alberta & British Columbia	2000	2000	Depreciation study Phase III Price Caps
Sprint Florida, Inc.	Florida	1999	2000	Ad Valorem Tax Appraisal
Verizon Communications	California	1999	2000	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1999	2000	Ad Valorem Tax Appraisal
1999				
Sprint Corporation	Centel - Nevada	1998	1999	Depreciation Study
Intermountain Gas Company	Intermountain Gas Company	1998	1999	Depreciation Study
Sprint Florida, Inc.	Florida	1998	1999	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1998	1999	Ad Valorem Tax Appraisal
1998				
Frontier Corporation	Frontier Telephone of Rochester	1998	1997	Valuation depreciation Lives and Net Salvage

QUALIFICATIONS 10

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
				Parameters
Pacific Telecom, Inc.	Telephone Utilities of Washington	1997	1998	Depreciation Study
Sprint Florida, Inc.	Florida	1997	1998	Ad Valorem Tax Appraisal
Verizon Communications	Florida	1997	1998	Ad Valorem Tax Appraisal
Sprint Communications, LP	North America	1997	1998	Ad Valorem Tax Appraisal
Sprint Corporation	United Telephone Company of South Carolina	1998	1998	Depreciation Expense Universal Service Fund
Sprint Corporation	Carolina Telephone and Telegraph and Central Telephone of North Carolina	1998	1998	Depreciation Expense Universal Service Fund
Telus Communications	Telus - Edmonton (TCE)	1997	1998	Depreciation Study Phase II Price Caps
1997				
Sprint Corporation	Centel - Nevada	1997	1997	Unbundling/ Inter-connection Depreciation Study
Pacific Telecom, Inc.	Telephone Utilities of Oregon	1996	1997	Depreciation Study
Pacific Telecom, Inc.	Telephone Utilities of Alaska 1996 And the Northland		1997	Depreciation Study
Telus Communications	Telus - TCI formerly AGT	1996	1997	Depreciation Study Phase II Price Caps
Indianapolis Power & Light	IPL	1996	1997	Depreciation Study
Sprint Florida, Inc.	Florida	1996	1997	Ad Valorem Tax Appraisal
Verizon Communications	Florida	1996	1997	Ad Valorem Tax Appraisal
Pacific Telecom, Inc.	Eagle Telephone (Colorado) 1996		1997	Depreciation Study
1996				
Intermountain Gas Company	Intermountain Gas Company	1995	1996	Depreciation Study
Sprint Florida, Inc.	Florida	1995	1996	Ad Valorem Tax Appraisal
Century Telephone	Century Telephone of Ohio, Inc.	1995	1996	Depreciation Study
Telus Communications	AGT Limited (Alberta Government Telephones)	1995	1996	Depreciation Study
Johnson County Kansas Office of the Assessor	Useful Life of Computer Equipment	1995	1995	Useful/Market Life Analysis
Milwaukee Metropolitan Sewerage District	Milwaukee Metropolitan Sewerage District	1995	1996	Depreciation Study
Sprint Corporation	Long Distance Division	1995	1995	Depreciation/Recovery Status Study

QUALIFICATIONS 11

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
Sprint Corporation	Cellular Division	1995	1995	Depreciation/Recovery Status Study
Pacific Telecom, Inc.	Alascom, Inc.	1994	1995	Depreciation Study
Pacific Telecom, Inc.	Telephone Utilities of the Northland	1993	1994	Depreciation Study
	Telephone Utilities of Alaska	1993	1994	Depreciation Study
Indiana Energy	Indiana Gas Company	1993	1994	Depreciation Study
Columbia Gas Transmission	Gas Pipeline Property in Sullivan County, NY	1993	1993	Useful Life Study
United Telephone - Midwest Group	United Telephone Company of Missouri	1993	1993	Modernization/Depreciation Study
Intermountain Gas Co.	Intermountain Gas Co.	1992	1993	Depreciation Study
Pacific Telecom, Inc.	Alascom, Inc.	1992	1993	Depreciation Study
	Telephone Utilities of Oregon, Inc.	1991	1992	Depreciation Study
	Telephone Utilities of Washington, Inc.	1991	1992	Depreciation Study
Small Telephone Company Coalition	Oregon Small Telephone Companies	1991	1992	Depreciation Support
United Telephone Systems	United Telephone Co. of Pennsylvania	1991	1992	Instructional Depreciation Study
New York State Division of Equalization and Assessment	Electric, Gas, Water, Telephone, Pipeline, Steam, CATV	1991	1992	Useful Lives and Net Salvage Values
Rochester Telephone Company	Enterprise Telephone	1991	1992	Study Review
Indiana Energy	Indiana Gas/Richmond Gas/Terre Haute Gas	1990	1991	Depreciation Study
American Electric Power	Indiana/Michigan Power Co.	1990	1991	Depreciation Study
Rochester Telephone Company	Rochester Telephone Co.	1990	1991	Study Review
United Telephone Systems	United Telephone Co. of Florida	1990	1991	Instructional Depreciation Study

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Year</u>	<u>Study Performed</u>	<u>Year</u>	<u>Activity</u>
United Telephone Systems	United Telephone Co. of Oregon	1989	1990		Study Review
Telephone and Data Systems, Inc.	Quincy Telephone Company	1990	1991		Depreciation Study
Telephone and Data Systems, Inc.	Wolverine Telephone Company	1989	1990		Depreciation Study
Indiana Energy	Indiana Gas Company, Inc.	1989	1990		Depreciation Study
Intermountain Gas Co.	Intermountain Gas Co.	1989	1990		Remaining Life/Net Salvage Support
North-West Telephone Company	North-West Telephone Company	1989	1990		Study Review
United Telephone System	United of Texas	1989	1990		Instructional Depreciation Study
	United of Missouri	1989	1990		Instructional Depreciation Study
Milwaukee Water	Milwaukee Water	1989	1990		Depreciation Study
Indiana Natural Gas Corp.	Indiana Natural Gas Corp.	1989	1990		Depreciation Study
Pacific Telecom	Telephone Utilities of the Northland	1989	1990		Depreciation Study
	Telephone Utilities of Alaska	1989	1990		Depreciation Study
	Alascom	1989	1990		Depreciation Study
	Telephone Utilities of Washington, Inc.	1988	1989		Depreciation Study
WICOR	Wisconsin Gas Company	1988	1989		Depreciation Study
ALLTEL	ALLTEL - Kentucky, Inc.	1987	1989		Depreciation Study
	ALLTEL - Ohio, Inc.	1988	1989		Depreciation Study
	Western Reserve Telephone Company	1988	1989		Depreciation Study
Milwaukee Metropolitan Sewer District	Milwaukee Metropolitan Sewer District	1988	1989		Depreciation Study

**Utility Industries
Capital Recovery Activities Client List**

<u>Company</u>	<u>Property</u>	<u>Year</u>	<u>Study Performed</u>	<u>Year</u>	<u>Activity</u>
United Telephone	United of Ohio	1988	1989	1989	ELG Support
Telephone Company	Telephone Company	1988	1989	1989	ELG Support
United Telecom	U.S. Sprint	1988	1988	1988	Useful Life Study
Pacific Telecom	Telephone Utilities of Oregon	1987	1988	1988	Depreciation Study
	Telephone Utilities of Eastern Oregon	1987	1988	1988	Depreciation Study
	Rose Valley Telephone Company	1987	1988	1988	Depreciation Study
United Telephone	United of Minnesota	1987	1988	1988	Capital Planning Support
Wisconsin Southern Gas	Wisconsin Southern Gas	1987	1988	1988	Depreciation Study
Pacific Telecom	Glacier State Telephone Company	1986	1987	1987	Depreciation Study
	Sitka Telephone Co.	1986	1987	1987	Depreciation Study
	Juneau-Douglas Tel Company	1986	1987	1987	Depreciation Study
Pacific Telecom	Telephone Utilities of Alaska	1986	1987	1987	Depreciation Study
	Alascom	1986	1987	1987	Depreciation Study
Lincoln Telecommunications	Lincoln Telephone and Telegraph Company	1986	1987	1987	Digital Switching Service Life
Northwest Natural Gas Corporation	Northwest Natural Gas Corporation	1985	1986	1986	Depreciation Study
ALLTEL	Western Reserve Telephone Company	1984	1985	1985	Depreciation Study
	ALLTEL - Ohio	1984	1985	1985	Depreciation Study
	ALLTEL - Alabama	1984	1985	1985	Depreciation Study
Gulf Telephone Co.	Gulf Telephone Company	1984	1985	1985	Depreciation Study
United Telephone Systems, Inc.	United of Iowa	1984	1985	1985	Depreciation Study
	United of Arkansas	1984	1985	1985	Depreciation Study
Pacific Telecom	Telephone Utilities of	1983	1984	1984	Depreciation Study

Appraisal & Capital Recovery Activities Client List

<u>Company</u>	<u>Property</u>	<u>Study Year</u>	<u>Year Performed</u>	<u>Activity</u>
	Washington			
	Telephone Utilities of Eastern Oregon	1983	1984	Depreciation Study
Pacific Telecom	Telephone Utilities of Oregon	1983	1984	Depreciation Study
	Northwestern Telephone Systems, Inc., Oregon	1983	1984	Depreciation Study
	Rose Valley Telephone Company	1983	1984	Depreciation Study
United Telecommunications	All United Telephone Companies	1983	1984	Capital Recovery Strategy
Lincoln Telecommunications	Lincoln Telephone & Telegraph Company	1983	1984	Depreciation Study
ALLTEL	ALLTEL - Mississippi	1982	1983	Depreciation Study
	ALLTEL - Michigan	1982	1983	Depreciation Study
North Carolina Natural Gas Corp.	North Carolina Natural Gas Corporation	1982	1983	Depreciation Study
Mid Continent Telephone (Currently ALLTEL)	Western Reserve Telephone	1982	1983	Depreciation Study
	Mid Ohio Telephone	1982	1982	Depreciation Study
	Florence Telephone Company	1980	1981	Depreciation Study
	Leeds Telephone Co.	1980	1981	Depreciation Study
	Elmore Coosa Tel Company	1980	1981	Depreciation Study
	Brookville Telephone Company	1980	1981	Depreciation Study
	Mid-Pennsylvania Telegraph	1980	1981	Depreciation Study
Telephone Utilities (Currently Pacific Telecom)	Telephone Utilities of Oregon	1979	1980	Depreciation Study
	Telephone Utilities of Eastern Oregon	1979	1980	Depreciation Study
	Northwestern Telephone Systems, Inc.-Oregon	1979	1980	Depreciation Study
	Rose Valley Telephone	1979	1980	Depreciation Study

Papers and Seminars

	Company			
United Telephone Systems, Inc.	United of Ohio	1979	1980	Depreciation Study
Telephone Utilities	Telephone Utilities of Washington	1978	1979	Depreciation Study
United Telephone Systems, Inc.	United of Ohio	1978	1979	Depreciation Study
Rochester Telephone	Rochester Telephone (Indiana)	1977	1978	Depreciation Study
United Telephone Systems, Inc.	United of Ohio	1977	1978	Depreciation Study
Princeton Telephone	Princeton Telephone (Indiana)	1976	1977	Depreciation Study
Northwestern Telephone	Northwestern Telephone (Illinois)	1975	1976	Depreciation Study

Papers and Seminars

- 2011 Training Instructor Depreciation Basics Sessions A & B and Life and Salvage Analysis
Society of Depreciation Professionals 25th Annual Meeting
Atlanta, GA September 20-22, 2011
- 2010 Will the Real Cost Approach Please Stand Up?
National Association of Property Tax Representatives Transportation, Energy, & Communications (NAPTR-TEC)
Scottsdale, Arizona October 25-27, 2010
- Issues Affecting Assessment of Regulated Industries
Institute for Professionals in Taxation (IPT) Property Tax Symposium
Austin, Texas October 31 – November 3, 2010
- 2009 (Valuing) Intangibles
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas July 28, 2009
- Fair Value Accounting (Appraisal Panelist)
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas July 29, 2009
- 2008 Valuation Issues Valuation of Assets and the Impact of Depreciation
Society of Depreciation Professionals Annual Meeting
Greenville, SC September 21-26, 2008
- Obsolescence in the Long-Distance and Local Transport Networks
Technology Futures Inc. Asset Valuation Conference
Austin Texas February 8, 2008
- 2007 Communications Industry Issues
National Association of Property Tax Representative – Transportation, Energy, & Communications
New Orleans, LA October 30, 2007
- 2006 Appraisal Procedures & Issues in a Changing communications Industry
Florida Chapter International Association of Assessing Officers' Tangible Personal Property Conference
Ocala, Florida January 12, 2006
- Valuation of Intangibles
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas July 25, 2006
- SDP 20 years of History and Beyond
Society of Depreciation Professionals 20th Annual Meeting
Long Beach, CA September 18, 2006
- 2005 Valuation in a World with Asset Impairments
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas August 1, 2005

Papers and Seminars

- 2004 Depreciation in the Valuation of Assets
Society of Depreciation Professionals' Eighteenth Annual Meeting
Washington, D.C., September 13, 2004
- 2003 Cost Approach and the Use of Appraisal Guidelines
Institute for Professionals in Taxation – Property Tax Symposium
Fort Lauderdale, FL, September 17, 2003
- Cost Approach – Obsolescence and Depreciation
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas, July 28, 2003
- 2000 Appraisal Issues Associated with Technological Change in the Wireline Telecommunications Industry
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas, July 31, 2000
- The Impact of Advancing Technology and the Changing Regulatory Environment on Obsolescence
Calculations for Ad Valorem Valuation Purposes
Journal of Property Tax Management, Spring 2000
- 1996 How to Develop a Reproduction/Replacement Cost New Less Depreciation Approach to Value
Appraisal for Ad Valorem Taxation, Wichita State University
Wichita, Kansas, August 4, 1996
- 1995 Valuation Method, Techniques and Strategies (How to Quantify Stranded Investment) (Market, Income,
& Cost Approach
AGA Depreciation Committee Meeting
Denver, Colorado, August 6-9, 1995, jointly presented with Earl Robinson of AUS Consultants
- 1994 Integrating Future Expectations for the Telephone Industry into Historical Depreciation Analysis
United States Telephone Association (USTA's 1994 Capital Recovery Seminar)
Scottsdale, Arizona, September 12-13, 1994
- 1994 Capital Recovery: United States versus Canada
Canadian Telephone Industry's Annual Capital Recovery Seminar
Edmonton, Alberta, Canada June 14-15, 1994
- 1990 Capital Recovery: Methods, Terminology, Procedures, and Record Keeping
United States Telephone Association (USTA)'s
1990 Non-FCC Subject and Small Company Capital Recovery Seminar
Minneapolis, Minnesota April 10_11, 1990
- Integration of Technology Forecasting Into Historical Life Studies
29th Iowa State Regulatory Conference
Ames, Iowa May 15-17, 1990
- The 1990's and the Second Wave of Major Plant Retirements in the Communications Industry
NARUC's Seventh Biennial Information Conference
Columbus, Ohio September 12-14, 1990

Papers and SeminarsHow Do We Incorporate Change into the Study Filing Procedures?

USTA's 1990 Capital Recovery Seminar
Chicago, Illinois October 16_17, 1990

1989

Plant Modernization: Capital Planning and Capital Recovery

Midwest Utilities Conference
Chicago, Illinois September 11_14, 1989

Price Indexes Today: Procedures, Uses, and Misuses

Society of Depreciation Professionals' Third Annual Meeting
New Orleans, Louisiana December 6_7, 1989

1988

Plant Modernization: Capital Planning and Capital Recovery

National Association of Regulatory Utility Commissioners (NARUC)'s
Sixth Biennial Regulatory Information Conference
Columbus, Ohio September 14_16, 1988

Papers and Seminars

- 1997 Sprint Corporation - West Finance Center
Overland Park, Kansas, August 1997
- 1997 Rochester Telephone Corporation
Rochester, New York, April 1997
- 1996 Sprint-Florida-Vista United Telecommunications
Altamonte Springs, Florida August 27-29, 1996
- 1994 Saskatchewan Telecommunications
Regina, Saskatchewan, Canada, June 1994
- 1994 AUS Consultants/Leroy J. Murphy and Associates 1994 Capital Recovery Seminar
May 1994
- 1993 Manitoba Telephone System, Winnipeg, Manitoba, December 1993
- 1993 Society of Depreciation Professionals Annual Meeting
Charleston, South Carolina September 30, 1993
- 1993 SPRINT - Local Telephone Division
Atlanta, Georgia August 11-12, 1993
- 1993 AUS Consultants/Leroy J. Murphy and Associates 1993 Capital Recovery Seminar
Chicago, Illinois May 11 - 13, 1993
- 1993 Canadian Telephone Capital Recovery Seminar
Halifax, Nova Scotia April 20 - 22, 1993
- 1993 United Telephone, Midwest Group
Overland Park, Kansas January 20, 1993
- 1992 BellSouth Corporation
Birmingham, Alabama November 23, 1992
- 1992 Sprint - Local Telephone Division
Kansas City, Kansas November 18 - 20, 1992
- 1992 Society of Depreciation Professionals Annual Meeting
San Antonio, Texas September 9 - 10, 1992
- 1992 AUS Consultants/Leroy J. Murphy and Associates 1992 Capital Recovery Seminar
Chicago, Illinois October 6 - 8, 1992
- 1991 Society of Depreciation Professionals Annual Meeting
Nashville, Tennessee November 20-22, 1991
- 1991 ALLTEL Corporation Microcomputer Depreciation Studies System Training
Hudson, Ohio October 14-16, 1991

Capital Recovery Training

- 2016 Society of Depreciation Professionals
Annual Training
Charleston, South Carolina, September 18-23, 2016
- 2015 Society of Depreciation Professionals
Annual Training
Austin Texas September 2015
- 2014 Society of Depreciation Professionals
Annual Training
New Orleans, Louisiana September 2014
- 2013 Society of Depreciation Professionals
Annual Training
Salt Lake City, Utah September 2013
- 2012 Society of Depreciation Professionals
Annual Training
Minneapolis, Minnesota, September 16-18, 2012
- 1991 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation
Studies System Training
Kansas City, Kansas September 23-25, 1991
- 1991 AUS Consultants/Leroy J. Murphy and Associates 1991 Capital Recovery Seminar
Lake Geneva, Wisconsin September 17-19, 1991
- 1991 Rochester Telephone Corporation, Capital Recovery/Microcomputer Depreciation Studies
System Training, Rochester, New York September 3-7, 1991
- 1991 Ameritech Services, Microcomputer Depreciation Studies System Training
Chicago, Illinois May 16-17, 1991
- 1991 AUS Consultants/Leroy J. Murphy and Associates 1991 Capital Recovery Seminar
Washington, D.C. April 9_11, 1991
- 1990 United Telecommunications, Inc., Capital Recovery Seminar
Overland Park, Kansas December 1990
- 1990 AUS Consultants/Leroy J. Murphy and Associates 1990 Capital Recovery Seminar
Chicago, Illinois September 24_27, 1990
- 1990 AUS Consultants/Leroy J. Murphy and Associates 1990 Capital Recovery Seminar
Chicago, Illinois January 29-February 1, 1990
- 1990 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation Studies
System Training, Chicago, Illinois July 1990
- 1989 United Telecommunications, Inc., Capital Recovery/Microcomputer Depreciation Studies
System Training, Chicago, Illinois July 1989

Capital Recovery Training

- 1989 AUS Consultants/Leroy J. Murphy and Associates 1989 Capital Recovery Seminar
Chicago, Illinois March 6_9, 1989
- 1988 AUS Consultants/Leroy J. Murphy and Associates 1988 Capital Recovery Seminar
Chicago, Illinois July 25_28, 1988
- 1988 United Telecommunications, Inc., Microcomputer Depreciation Studies System Training
Kansas City, Kansas January 1988

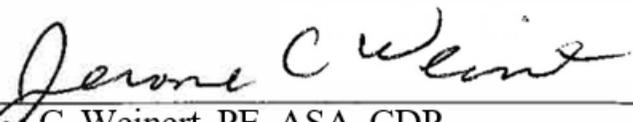
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American :
Water Company under Sections 1102(a) and :
1329 of the Pennsylvania Public Utility Code, :
66 Pa C.S. § § 1102(a) and 1329, for approval :
of (1) the transfer, by sale, to Pennsylvania- :
American Water Company, of substantially :
all of the assets, properties and rights related :
to its water treatment and distribution system :
owned and operated by the Indian Creek : Docket Nos. A-2025-3055741, *et al.*
Valley Water Authority, (2) the rights of :
Pennsylvania-American Water Company to :
begin to offer or furnish water service to the :
public in all of the Borough of Ohio pyle and :
portions of the Townships of Saltlick, :
Springfield, Bullskin, Connellsville and :
Stewart, Fayette County and all of the :
Borough of Donegal and portions of the :
Townships of Donegal and Mount Pleasant, :
Westmoreland County, Pennsylvania :

VERIFICATION

I, Jerome C. Weinert, hereby state that the facts set forth in PAWC Statement No. 4 and accompanying exhibits, if any, are true and correct to the best of my knowledge, information, and belief. I understand that this verification is made subject to the provisions and penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: November 3, 2025



Jerome C. Weinert, PE, ASA, CDP
Principal and Owner
Weinert Appraisal and Depreciation Services, LLC
("WADS Consultants")