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December 12, 2025

## Via eFiling Only

Matthew L. Homsher, Esq., Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**RE: Newtown Artesian Water Company  
State Tax Adjustment Surcharge  
Notice of Impact of Reduction of Pennsylvania Corporate Net Income Tax  
Docket No. M-2025-3059055**

Dear Secretary Homsher:

Please be advised that I am general counsel to Newtown Artesian Water Company, Inc. (“NAWC”) in the above-referenced matter. By electronic filing, I am submitting NAWC’s required Notice pursuant to the Commission’s December 4, 2025 Secretarial Letter (the “Letter”).

The Letter directs all jurisdictional fixed utilities that are subject to the Pennsylvania Corporate Net Income Tax (“CNIT”) to file a notice and/or tariff supplement, together with a recomputed State Tax Adjustment Surcharge (“STAS”) if necessary, reflecting the reduction in the CNIT rate occasioned by Act 53 of 2022 (the “Act”). The Act will lower the CNIT rate from 7.99% to 7.49% effective January 1, 2026.

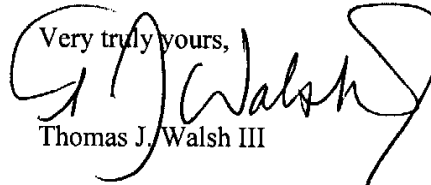
Kindly accept this Notice that NAWC will not presently be submitting a STAS rate revision or tariff supplement to account for the reduction in CNIT. NAWC’s current STAS rate is 0% which became effective April 18, 2025. This rate was set through Supplement No. 164 to NAWC’s Tariff Water Pa. P.U.C. No. 9 (“Tariff”), also effective April 18, 2025. Supplement No. 164 to the Tariff implemented NAWC’s new base rates approved at Docket No. R-2024-3050208, which also included re-setting the STAS rate from 0.970% to 0%. A copy of NAWC’s full Tariff Supplement No. 164 and the Commission’s approval thereof dated April 29, 2025, are attached to this Notice as Attachment “1.”

NAWC’s preliminary STAS reconciliation analysis, with a *pro forma* projected STAS rate of 0.509%, is attached to this Notice as Attachment “2.” The supporting documentation demonstrates that both the Pennsylvania Public Utility Realty Tax (“PURTA”) and the CNIT



impact NAWC's STAS surcharge. When finalized, NAWC will record its CNIT revenue collected versus tax liability adjustment and will incorporate this amount as a reconciling item in its March 2026 STAS filing, for a new STAS rate to be effective April 1, 2026.

Thank you for your assistance in this matter. If you have any questions or require any information relating to this filing, please feel free to contact me.

Very truly yours,  
  
Thomas J. Walsh III

TJW/

Enclosure

cc: Bureau of Technical Utility Services (via email, w/enc.)  
Bureau of Investigation and Enforcement (via email, w/enc.)  
Office of Consumer Advocate (via email, w/enc.)  
Office of Small Business Advocate (via email, w/enc.)  
Daniel Angove (via email, w/enc.)  
Jennifer Leahy (via email, w/enc.)

# **ATTACHMENT “1”**

## **TARIFF SUPPLEMENT NO. 164 AND COMMISSION APPROVAL**

**THE NEWTOWN ARTESIAN WATER COMPANY**

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Rates and Rules  
Governing the Supply  
of Water Service  
in  
Newtown Borough,  
the Township of Newtown, and  
the Township of Middletown,  
Bucks County, Pennsylvania

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ISSUED: April 11, 2025

EFFECTIVE: April 18, 2025

Daniel J. Angove, Secretary / CEO  
The Newtown Artesian Water Company  
Newtown, Pennsylvania 18940

Filed in Compliance with the Order of the Pennsylvania Public Utility Commission  
entered February 20, 2025, at docket no. R-2024-3050208

# NOTICE

THIS TARIFF MAKES INCREASES, DECREASES AND CHANGES IN  
EXISTING RATES, RULES AND REGULATIONS

(See One Hundred Forty Sixth Revised Page No. 2)

**LIST OF CHANGES MADE BY THIS SUPPLEMENT**

**A. Increases.**

1. This tariff supplement increases all meter rates and flat rates to produce additional annual revenue of \$750,000.00 per annum, effective April 18, 2025.
2. This tariff supplement increases the Wholesale Water Service – Demand Charge rate from \$0.970 per thousand gallons to \$1.11 per thousand gallons on page 6, effective April 18, 2025.

**B. Decreases.**

1. This tariff supplement decreases the Distribution System Improvement Charge (DSIC) surcharge from 3.02% to 0% on page 4, effective April 18, 2025.
2. This tariff supplement decreases the State Tax Adjustment Surcharge (STAS) surcharge rate from 0.970% to 0% on page 4, effective April 18, 2025.
3. This tariff supplement decreases the Purchased Water Adjustment Clause (PWAC) surcharge from \$0.2471 per thousand gallons to \$0.00 per thousand gallons on pages 4 and 5.

**C. Changes.**

1. This tariff supplement changes the Purchased Water Adjustment Clause (PWAC) surcharge language by clarifying the abbreviations and recalculating baseline items included in the PWAC calculation on page 31.

**INDEX**

Title Page .....	1	
List of Changes Made by this Supplement .....	2 – One Hundred Forty-Sixth Revised	(C)
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Schedule of Meter Rates .....	5 – Thirty-Second Revised	(C)
Schedule of Flat Rates		
Public and Private Fire Protection Service .....	6 – Twelfth Revised	(C)
Wholesale Water Service.....	6 – Eleventh Revised	
Rules and Regulations		
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1. General Description .....	26 – Third Revised	
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3, 4. Quarterly Updates; Customer Safeguards .....	29 – Second Revised	
Purchased Water Adjustment Charge .....	31 – Seventh Revised	(C)

(C) Indicates change

## SURCHARGES

**A. State Tax Adjustment Surcharge.**

1. In addition to the net charges provided for in this Tariff, a State Tax Adjustment surcharge of 0.0% will apply to all bills for services rendered on or after April 18, 2025. (D)
2. The above surcharge will be recomputed, using the elements prescribed by the Commission:
  - (a) Whenever any of the tax rates used in calculation of the surcharge are changed;
  - (b) Whenever the utility makes effective increased or decreased rates;
  - (c) On March 31, 1975, and year thereafter.

**B. Distribution System Improvement Charge (DSIC).**

In addition to the net charges provided for in this Tariff, a Distribution System Improvement Charge (DSIC) surcharge of 0.00% will apply consistent with the Commission order dated January 1, 1999 at Docket No. R-00994900 approving the DSIC. (D)

**C. Purchased Water Adjustment Clause (PWAC).**

In addition to the net charges provided for in this Tariff, a Purchased Water Adjustment Clause (PWAC) surcharge of \$0.00 per thousand gallons will apply consistent with the Commission order dated April 15, 2010, at Docket No. R-2009-2117550 approving the PWAC. (D)

(D) Indicates Decrease

**Schedule of Meter Rates**

Application

This schedule is applicable to metered domestic, commercial, industrial and public customers.

Meter Rates

Per 1,000 Gallons

All water used	\$7.676	(I)
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Minimum Charges

Based upon the size of the meter required to render adequate service, each metered customer shall pay a service charge, billed quarterly or monthly at the Company’s discretion. The Company is converting from quarterly to monthly billing. Eventually, all customers will be billed monthly. The conversion to monthly billing is ongoing. Customers should consult their bills to determine if they are billed on a quarterly or monthly basis or contact the Company to inquire.

<u>Size of Meter</u>	<u>Quarterly Service Charge</u>	<u>Monthly Service Charge</u>	
5/8 inch	\$26.27	\$8.76	(I)
3/4 inch	\$39.46	\$13.15	(I)
1 inch	\$65.74	\$21.91	(I)
1 1/2 inch	\$131.48	\$43.83	(I)
2 inch	\$210.34	\$70.11	(I)
3 inch	\$394.43	\$131.48	(I)
4 inch	\$657.43	\$219.14	(I)
6 inch	\$1,314.88	\$438.29	(I)
8 inch	\$2,103.75	\$701.25	(I)
10 inch	\$3,024.17	\$1,008.06	(I)

Purchased Water Adjustment Clause

A Purchased Water Adjustment Clause of \$0.00 per 1,000 gallons is applied to metered sales.	(D)
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(I) Indicates Increase  
(D) Indicates Decrease

<u>Public and Private Fire Protection</u>	<u>Per Quarter</u>	(C)
Hydrants.....	\$117.72	(I)
Each sprinkler system		
First 300 sprinkler heads or less		
4-inch connection .....	\$140.12	(I)
6-inch connection .....	\$140.12	(I)
8-inch connection .....	\$163.46	(I)
Each sprinkler head over 300.....	\$0.30	(I)

Wholesale Water Service

For water sold to Pennsylvania-American Water Company – Yardley Service Area. In the event wholesale sales to Pennsylvania-American Water Company result in an increase in Newtown Artesian Water Company’s minimum take-or-pay obligations to the Bucks County Water and Sewer Authority and to the extent Newtown Artesian Water Company is unable to sell all such water it is obligated to purchase, Pennsylvania-American Water Company will pay Newtown Artesian Water Company for all such unsold water at its actual costs for a period ending June 7, 2024.

	<u>Per 1,000</u>	
	<u>Gallons</u>	
Demand Charge.....	\$1.11	(I)
Electric pumping.....	actual cost	
Purchased water cost.....	actual cost	

(I) Indicates Increase  
(C) Indicates Change

**Purchased Water Adjustment Charge**

The Company may apply a Purchased Water Adjustment Clause (“PWAC”) to its water rates set forth under Schedule of Metered Rates to reflect an increase or decrease in the rates charged by its wholesale water suppliers, Bucks County Water and Sewer Authority (“BCWSA”) and Pennsylvania American Water Company (“PENN-AM”), who are referred to jointly as “Wholesalers.” The purchased water adjustment charges will not apply to wholesale customers because they are billed the actual cost of purchased water each month on a current basis.

The PWAC will be calculated based on changes in the Company’s Wholesalers rates from the purchased water included in the Company’s Baseline Cost. For the purpose of calculating the PWAC the Baseline Cost is the annual purchased water cost reflected as an operating expense in the Company’s most recently concluded base rate case. This amount will remain constant until such time base rates are reset.

Customers shall be notified of changes in the PWAC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

When the Company’s water suppliers change their rates for water purchased by the Company, the Company will re-compute the PWAC based upon its annual purchased water costs reflecting the level of consumption and other billing determinants that formed the basis for the Baseline Cost.

**Determination of Purchased Water Adjustment Charge**

A PWAC may be implemented on the effective date of a change in Wholesalers’ rates charged to the Company for purchased water but not on less than forty-five (45) days’ notice. The Company may, at its option, implement a PWAC, to recover an increase in purchased water costs. However, if the rate is a decrease, the Company must implement a credit PWAC to reflect the decrease.

The baseline items determined in the Company’s most recently concluded base rate case are:

Baseline Purchased Water Cost (per thousand gallons)		\$3.581	(I)
BCWSA (Customer)	\$0.017		(D)
BCWSA (Consumption)	\$3.614		(I)
PENN-AM	\$3.328		(I)
Baseline 1,000 Gallons of Purchased Water		446,135	(D)
BCWSA	372,081		(D)
PENN-AM	74,054		(D)
Baseline 1,000 Gallons of Water Sales		671,941	(D)

The PWAC, per thousand gallons, shall be computed to the nearest one-hundredth cent (0.01¢) in accordance with the formulas set forth below:

$$\text{PWAC} = \frac{(\text{CHGPWC} \times 446,135)}{671,941} \quad \text{(C)}$$

- (C) Indicates change
- (D) Indicates decrease
- (I) Indicates increase



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET  
HARRISBURG, PENNSYLVANIA 17120

April 29, 2025

Docket No. R-2024-3050208  
Utility Code: 212070

Thomas J. Walsh III, Esq.  
Thomas J. Walsh III & Associates, P.C.  
3655 Route 202, Suite 105  
Doylestown, PA 18902  
[twalsh@twalshlaw.com](mailto:twalsh@twalshlaw.com)

Re: Newtown Artesian Water Company's Supplement No. 164 to Water – Pa.  
P.U.C. No. 9; Compliance Filing

Dear Attorney Walsh:

On April 11, 2025, the Newtown Artesian Water Company (the Company) filed Supplement No. 164 to Water – Pa. P.U.C. No. 9 to become effective on April 18, 2025. Supplement No. 164 to Water – Pa. P.U.C. No. 9 was filed in compliance with the Commission's Order entered February 20, 2025 at Docket No. R-2024-3050208, and authorizes the Company to allow increases in rates for water services and exhibits notice of the reset of various surcharges, consistent with Appendix A of the Joint Petition. The Company re-filed pages due to minor formatting and language corrections at the behest of Commission staff.

Commission Staff has reviewed the tariff revisions and found that suspension or further investigation does not appear warranted at this time. Therefore, in accordance with 52 Pa. Code Chapter 53, Supplement No. 164 to Water – Pa. P.U.C. No. 9 is effective by operation of law as of the effective date contained on each page of the supplement. However, this is without prejudice to any formal complaints timely filed against said tariff revisions.

If you have any questions in this matter, please contact Vanessa Johns, Bureau of Technical Utility Services, at (717) 214-9114 or [vanjohns@pa.gov](mailto:vanjohns@pa.gov).

Sincerely,

Matthew L. Homsher  
Secretary

**ATTACHMENT “2”**

**PRO FORMA STAS  
RECONCILIATION CALCULATIONS  
EFFECTIVE JANUARY 1, 2026**

Computation of surcharge to be applied to Water Company's services for services rendered on or after the effective date of this Supplement.

**Adjustment to PURTA Liability**

Assessment dated August 1, 2025 (see Exhibit A)

Net increase 12/20-12/23	\$	(231)	
Amount due based on 24.8531 mills		450,687	
Amount of Purta tax included in rate base		432,686	
			<u>18,001</u>
			17,770

**Reconciliation**

Total amount to be collected/ (refunded)			<u>\$35,810</u>
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**Intrastate Operating Revenue**

Intrastate Revenue Base	\$	<u>7,030,086</u>
Total Intrastate Revenue Base		7,030,086
Effective time period (1/1/2025 - 12/31/2025)	365 / 365	<u>1.0000</u>

Total Adjusted Intrastate Operating Revenues		<u>7,030,086</u>
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Calculation of State Tax Adjustment Surcharge	35,810 /	7,030,086
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Surcharge Rate		<u>0.509%</u>
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NEWTOWN ARTESIAN WATER COMPANY  
 STAS RECONCILIATION ANALYSIS  
 PERIOD - 1/1/2025 THROUGH 12/31/2025

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I. Intrastate Operating / STAS Revenues  
 Collected - 1/1/2025 through 12/31/2025

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User Category	Intrastate Operating Revenue				STAS Revenue Collected
	Gross		Net		
	Amount	% of Total	Amount	% of Total	
Water	\$7,034,063	100.00%	\$7,030,086	100.00%	\$3,977

II. Allocation of STAS Revenue Collected  
 1/1/2025 through 12/31/2025 by STAS Category

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STAS Tax Category	Estimated Tax Liability from Original Filing		Allocation of STAS Revenue Collected
	Amount	% of Total	Water
PURTA	25,324	100.92%	4,014
RECONCILIATION	(231)	-0.92%	(37)
Total	\$25,093	100.00%	\$3,977

III. Reconciliation - STAS Revenues Collected versus  
 Tax Liability 1/1/2025 through 12/31/2025

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STAS Reconciliation			
STAS Tax Category	Revenue Collected	Tax Liability	Over/(Under) Collection
PURTA	4,014	25,324	(21,310)
CNIT adjustment	49,160	46,084	3,076
RECONCILIATION	(37)	(231)	194
Total	\$3,977	\$25,093	(\$18,040)

NEWTOWN ARTESIAN WATER COMPANY  
 2024 CASH RECEIPTS FOR STAS RECONCILIATION

<u>MONTH</u>	<u>GROSS RECEIPTS</u>	<u>STAS COLLECTED</u>	<u>NET RECEIPTS</u>
January-25	633,476	0	633,476
February-25	462,914	0	462,914
March-25	496,681	0	496,681
April-25	555,722	1,968	553,754
May-25	504,272	1,775	502,497
June-25	509,232	88	509,144
July-25	648,624	67	648,557
August-25	670,610	51	670,559
September-25	774,340	1	774,339
October-25	698,492	11	698,481
November-25	571,832	16	571,816
December-25	507,868	0	507,868
Grand Total	<u>7,034,063</u>	<u>3,977</u>	<u>7,030,086</u>



NEWTOWN ARTESIAN WATER C  
201 N LINCOLN AVE  
NEWTOWN PA 18940-2215

Date Issued 07/30/2025  
Letter ID L0035875073  
FEIN \*\*-\*\*\*7080  
Account ID 80015829085  
Period Ending 12/31/2024

**Public Utility Realty Tax Notice of Determination**

This is a notice of the state taxable values of Public Utility Realty and the millage rate for tax year 2024.

**Why you are receiving this notice**

If you have any questions regarding this notice, please contact the department using the information provided.

This notice is based on information provided by County Tax Assessor offices and any discrepancies must be addressed with that office. Any net liabilities resulting from prior years' adjustments are due and payable with the current year liability.

ra-purta@pa.gov

Tax Year	Total Realty Tax Equivalent	Total State Taxable Value (STV) for all utilities	PURTA millage rate, including PTA	Utility STV	Utility Liability Adjustment
2020	\$29,731,547.00	\$1,465,683,373.00	0.0278851	\$13,688,521.60	-\$544.00
2021	\$29,360,384.00	\$1,526,018,803.00	0.0268399	\$14,674,972.00	-\$537.00
2022	\$29,630,957.00	\$1,715,237,831.00	0.0248751	\$16,684,408.00	\$223.00
2023	\$31,243,925.00	\$1,924,891,465.00	0.0238315	\$18,182,351.20	\$627.00
2024	\$32,071,557.00	\$2,040,316,463.00	0.0233189	\$19,327,120.80	\$450,687.00
				<b>Total Liability:</b>	<b>450,456.00</b>

**General Information**

Payment of tax is required within 45 days of the date issued of this notice. Previous payments, adjustments and credits should be taken into consideration when remitting payment.

**How to pay**

Payments may be submitted online via *my.path.pa.gov*.

000001551822814 01 01 00098 100



Payments of \$1,000.00 or greater that are not submitted electronically are subject to a penalty of 3 percent of the face value of the check up to a maximum penalty of \$500.00.

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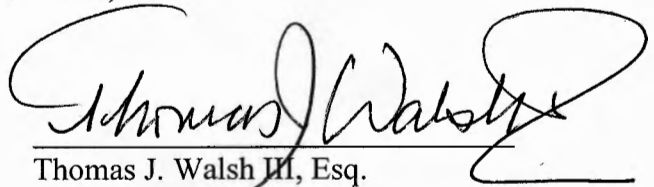
**How to file an appeal**

If you disagree with this determination, you may file a petition with the Board of Finance and Revenue. The petition must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within 30 days of the issue date of this notice.

**VERIFICATION**

I, **Thomas J. Walsh III, Esq.**, General Counsel for and Officer of Newtown Artesian Water Company, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. §4904 (relating to unsworn falsification to authorities).

Date: 12/12/2025

  
Thomas J. Walsh III, Esq.

Thomas J. Walsh III, Esquire  
Attorney I.D. #73528  
3655 Route 202, Suite 105  
Doylestown, PA 18902  
Email: [twalsh@twalshlaw.com](mailto:twalsh@twalshlaw.com)

Attorney and Officer for  
Newtown Artesian  
Water Company

**CERTIFICATE OF SERVICE**

I, Thomas J. Walsh III, Esq., attorney for and officer of Newtown Artesian Water Company, hereby certify that I am this 12<sup>th</sup> day of December, 2025, serving copies of the foregoing **Notice of Newtown Artesian Water of Impact of Reduction of Pennsylvania Corporate Net Income Tax** and supporting documentation and this proof of service on the following persons and/or offices in the manner indicated:

By Electronic Mail:

Allison Kaster, Director  
Bureau of Investigation and Enforcement  
Pennsylvania Public Utility Commission  
Email: [akaster@pa.gov](mailto:akaster@pa.gov)

By Electronic Mail:

Darryl A. Lawrence  
Pennsylvania Office of Consumer Advocate  
Attn: Resource Account  
Email: [ra-oca@paoca.org](mailto:ra-oca@paoca.org)

By Electronic Mail:

NazAarah Sabree  
Small Business Advocate  
Office of Small Business Advocate  
Attn: Resource Account  
Email: [ra-sba@pa.gov](mailto:ra-sba@pa.gov)

By Electronic Mail:

Marc Hoffer, Financial Analyst  
Richard Layton, Financial Analyst  
Bureau of Technical Utility Services  
Pennsylvania Public Utility Commission  
Email: [mhoffer@pa.gov](mailto:mhoffer@pa.gov); [rlayton@pa.gov](mailto:rlayton@pa.gov)

I understand that the statements herein are made subject to the penalties of 18 Pa. C.S.A. §4904 (relating to unsworn falsification to authorities).

*/S/ THOMAS J. WALSH III, Esq.*

By: \_\_\_\_\_  
Thomas J. Walsh III, Esquire  
Newtown Artesian Water Company  
Email: [twalsh@twalshlaw.com](mailto:twalsh@twalshlaw.com)