



The York Water Company

"That good York water"
SINCE 1816

December 15, 2025

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P O Box 3265
Harrisburg, PA 17105-3265

Dear Secretary Homsher:

I am enclosing one (1) copy of the Distribution System Improvement Charge (DSIC) Attachment, as updated through November 30, 2025, effective January 1, 2026, which maintains the DSIC rate at 4.89%. This rate is unchanged from Supplement No. 168 to Tariff Water-Pa. P.U.C. No 14, effective October 1, 2025.

Sincerely,

Dan Coppersmith
Finance Manager

Enclosure

York Water Company
DSIC Computation
Effective January 1, 2026

DSIC =	<u>(DSI X PTRR) + Dep + e</u>	<u>PQR</u>	<u>Annual</u>	<u>Quarterly</u>	
	Distribution System Improvement Costs			39,789,972	
	Less Accumulated Depreciation			(478,281)	
	Less Accumulated Deferred Income Taxes			(7,056)	
DSI	Net Distribution System Improvement Costs			<u>39,304,635</u>	
	Annual Pretax Rate of Return		9.43%		
PTRR	Quarterly Pretax Rate of Return			2.36%	
DSI X PTRR	Quarterly Capital Cost Recovery			926,803	
	Annual Depreciation Expense		573,937		<u>Monthly</u>
DEP	Quarterly Depreciation Expense			143,484	<u>Recoverable</u>
	Adjust to 5% Cap			(291,800)	<u>Amount</u>
(DSI X PTRR) +				<u>778,487</u>	259,496
Dep	Current Period Recoverable Cost Amount				5.00%
	Current Cost Recovery Rate				
	(Over) / Under Collection	(41,479)			
	Interest Refundable	(2,655)			
	Prior Period 'E' Factor Residual	(24,743)			
	Misc. Adjustments (Refund)/Recoup	-			
	Net 'E' Factor Amount	<u>(68,877)</u>			
E	Quarterly 'E' Factor Amount			<u>(17,219)</u>	(5,740)
	Misc. Adjustments (Refund)/Recoup	-			
	Quarterly 'E' Factor Amount (x2)			<u>-</u>	0
	E' Factor Rate				-0.11%
(DSI X PTRR) +				<u>761,268</u>	253,756
Dep + E	Total DSIC Revenue Requirement				
PQR	Projected Quarterly Revenue			15,577,018	
DSIC	DSIC Surcharge Rate				4.89%

York Water Company
DSIC Computation
Effective January 1, 2026

<u>PTRR =</u>	<u>Capital Structure</u> <u>December 1, 2025</u> (1)	<u>Capital Structure Ratio</u> (2)	<u>Cost Rate</u> (3)	<u>Effective Income Tax Component</u> (4)	<u>Calculated PTRR</u> (5) = (2) x (3) / (4)
Debt	\$192,040,000	44.8%	0.0454 (a)		0.0203
Equity	<u>\$236,293,873</u>	<u>55.2%</u>	0.0975 (b)	0.7274 (c)	0.0740
	<u><u>\$428,333,873</u></u>	<u><u>100.0%</u></u>			<u><u>0.0943</u></u>

- (a) Actual Long-Term Debt Cost Rate from last Quarterly Report.
- (b) Common Equity Cost Rate as of September 24, 2025 published by the Commission. (The Company has not had a fully litigated rate case in more than twenty years.)
- (c) $1 - ((1 - .0793) \times .21) - .0793$
(State tax rate is the effective tax rate adjusted for accelerated tax depreciation on DSIC - eligible property.)

$$\frac{(\text{DSI} \times \text{PTRR}) + \text{Dep} + e}{\text{PQR}} = \underline{4.89\%}$$

$$\frac{(\$39,789,972 - 478,281 - 7,056) \times 0.0943/4 + 573,937/4 - 291,800 - 41,479/4 - 2,655/4 - 24,743/4}{\$15,577,018} = \underline{4.89\%}$$

EXHIBIT A

**THE YORK WATER COMPANY
Distribution System Improvement Charge
Eligible Property as of December 1, 2025**

Eligible Property	To-Date August 2025	September 2025	October 2025	November 2025	Total
Services	\$ 5,702,853	\$ 159,069	\$ 233,652	\$ 418,625	\$ 6,514,199
Meters	\$ 1,357,879	\$ 74,531	\$ 129,818	\$ 117,739	\$ 1,679,967
Hydrants					
Installed as In-Kind Replacements	\$ 822,766	\$ 136,957	\$ 31,910	\$ 1,510	\$ 993,143
Mains and Valves					
Installed as In-Kind Replacements	\$ 23,211,331	\$ 3,935,871	\$ 2,203,485	\$ 946,326	\$ 30,297,013
Main Cleaning and Relining	\$ -	\$ -	\$ -	\$ -	\$ -
Main Extensions					
Installed to Eliminate Dead-Ends and/or Implement Solutions to Regional Water Supply Problems	\$ 72,419	\$ -	\$ -	\$ -	\$ 72,419
Unreimbursed Funds to Relocate Company Facilities due to Highway Relocations	\$ 233,231	\$ -	\$ -	\$ -	\$ 233,231
	<u>\$ 31,400,479</u>	<u>\$ 4,306,428</u>	<u>\$ 2,598,865</u>	<u>\$ 1,484,200</u>	<u>\$ 39,789,972</u>

EXHIBIT A

**Depreciation for Distribution System
Improvement Charge on Eligible Property
As of December 1, 2025**

<u>Account</u>	<u>System Improvement</u>	<u>Rate</u>	<u>Annual Depreciation</u>
Mains and Valves	30,297,013	1.17%	354,475
Main Extensions	305,650	1.17%	3,576
Services	6,514,199	1.80%	117,256
Meters	1,679,967	4.73%	79,462
Hydrants	993,143	1.93%	19,168
			<u>573,937</u>

Accrued Depreciation as of December 1, 2025

Annual Depreciation on DSIC Eligible Property	\$573,937
Accrued Depreciation as of December 1, 2025	
Using Half-Year Convention (573,937 x 20/12 x .5)	<u>\$478,281</u>