Application of Pennsylvania-American Water Company for Acquisition of Substantially All of the Assets, Properties and Rights Related to the Wastewater System Owned and Operated by the City of Pittston

66 Pa. C.S. §1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2025-3056419

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

RESPONSE:

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

Application of Pennsylvania-American Water Company for Acquisition of Substantially All of the Assets, Properties and Rights Related to the Wastewater System Owned and Operated by the City of Pittston

66 Pa. C.S. §1329

Application Filing Checklist – Water/Wastewater

Docket No. A-2025-3056419

APPENDIX A-5.1

UVE APPRAISAL OF WADS CONSULTING

City of Pittston's (Pennsylvania) Wastewater Collection, Conveyance System and Contracted Treatment Capacity

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

WADS Consultants
Weinert Appraisal and Depreciation Services, LLC
8555 West Forest Home Avenue Suite 201
Greenfield, Wisconsin 53228
Office: 414-529-5755
Cell: 414-698-8371
E-Mail: weinertj@auswest.net

WADS CONSULTANTS

Jerome C. Weinert
Principal and Owner

WADS Consultants
Weinert Appraisal and Depreciation Services LLC
8555 West Forest Home Avenue
Suite 201
Greenfield, WI 53228
Telephone 414-529-5755
Cell 414-698-8371
E-Mail weinertj@auswest.net

December 5, 2025

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

RE: UVE Market Value Appraisal of City of Pittston's Wastewater Collection, Conveyance, and Contracted Treatment Capacity

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

Based on our appraisal the Fair Market Value of City of Pittston's wastewater system's property, plant, and equipment operating as a Pennsylvania rate regulated wastewater utility is $32,900,153 determined based on the cost, income, and market approaches to value, as detailed in the following table:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value Appraisal

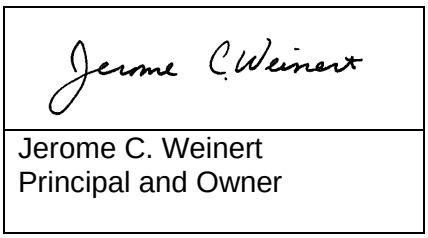
Appraisal Approach	Investor-owned Utility			Weight	Wtd Valuation Indications
Cost Approach		**Cost Approach**			
Depreciated Original Cost ($OCLD)		**Replacement Cost**			
Tangible Assets		**Tangible Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Intangible Assets		**Intangible Assets**			
Original Cost ($OC)	-	**Replacement Cost New (COR)**	-		
Depreciated Original Cost ($OCLD)	-	**Depreciated Replacement Cost New (CORLD)**	-		
Total Assets		**Total Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Economic Obsolescence (EO)		**Economic Obsolescence (EO)**			
Economic Indicators (Average of Income and Market)	32,900,148	Economic Indicators (Average of Income and Market)	32,900,148		
Preliminary OCLD Total Assets	16,376,975	Preliminary Replacement Cost	45,224,277		
Economic Obsolescence (EO $s)	-	Economic Obsolescence (EO $s)	12,324,129		
EO % of Preliminaary RCNLD	0.0000%	EO % of Preliminaary RCNLD	27.2511%		
Fair Market Value (FMV) Tangible Assets (OCLD)		**Fair Market Value (FMV) Tangible Assets**			
FMV Tangible Assets	16,376,975	FMV Tangible Assets	32,900,164		
FMV Intangible Assets	-	FMV Intangible Assets	-		
FMV Total Assets	16,376,975	FMV Total Assets	32,900,164		
Cost Approach Conclusion			**32,900,164**	**33.33%**	**10,966,721**
Income Approach					
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	33,588,266				
Income Approach Conclusion	**33,588,266**			**33.33%**	**11,196,089**
Market Approach					
Market Comparables to:					
OCLD	30,678,987				
CORLD	26,574,559				
Customers	27,621,162				
Cash Flows					
EBITDA Periods 1-5	41,667,709				
EBITDA Periods 1-13	33,745,073				
Value Line	34,145,993				
Mean	32,405,581				
Median	32,212,030				
Conclusion	32,212,030				
Market Approach Conclusion	**32,212,030**			**33.33%**	**10,737,343**
Appraisal Conclusion	**$ 32,900,153**			**100.00%**	**32,900,153**
Conclusion (cost approach)	**$ 32,900,164**				

As the purpose of this appraisal was to fulfill the requirements of Act 12 in the establishment of value for rate making of the City of Pittston's wastewater collection, conveyance, and contracted treatment capacity system's property, plant, and equipment the appraisal's conclusion of $32,900,153 is consistent with the purpose of this appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the wastewater industry account

classifications and the installation year of the property this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

Respectfully Submitted,
WADS Consultants
December 5, 2025

By:



Jerome C. Weinert
Principal and Owner

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

City of Pittston's (Pennsylvania) Wastewater Collection, Conveyance System and Contracted Treatment Capacity

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

WADS Consultants
Weinert Appraisal and Depreciation Services, LLC
8555 West Forest Home Avenue Suite 201
Greenfield, Wisconsin 53228
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WADS CONSULTANTS

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PAWC-City of Pittston ASSET PURCHASE AGREEMENT
Treatment Agreement among Wyoming Valley Sanitary Authority and the City of Pittston
PAWC – WADS CONSULTANTS UVE CONTRACT

December 5, 2025

Pennsylvania American Water Company
Mechanicsburg, Pennsylvania

WADS Consultants
Weinert Appraisal and Depreciation Services, LLC
8555 West Forest Home Avenue
Suite 201
Greenfield, WI 53228
Telephone 414-529-5755
Cell 414-698-8371
E-Mail weinertj@auswest.net

RE: UVE Market Value Appraisal of City of Pittston's Wastewater Collection, Conveyance System, and Contracted Treatment Capacity

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

Based on our appraisal, the Fair Market Value of the City of Pittston's (Pennsylvania) wastewater collection, conveyance and contracted treatment capacity the system's property, plant, and equipment operating as Pennsylvania rate regulated wastewater utility is $32,900,153 determined based on the cost, income, and market approaches to value, as detailed in the following table:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value Appraisal

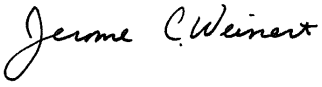
Appraisal Approach	Investor-owned Utility			Weight	Wtd Valuation Indications
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Intangible Assets		**Intangible Assets**			
Original Cost ($OC)	-	**Replacement Cost New (COR)**	-		
Depreciated Original Cost ($OCLD)	-	**Depreciated Replacement Cost New (CORLD)**	-		
Total Assets		**Total Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
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Cost Approach Conclusion			**32,900,164**	**33.33%**	**10,966,721**
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Value Line	34,145,993				
Mean	32,405,581				
Median	32,212,030				
Conclusion	32,212,030				
Market Approach Conclusion	**32,212,030**			**33.33%**	**10,737,343**
Appraisal Conclusion	**$** **32,900,153**			**100.00%**	**32,900,153**
Conclusion (cost approach)	**$** **32,900,164**				

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the City of Pittston's wastewater collection and treatment, conveyance system's property, plant and equipment this appraisal's conclusion of $32,900,153 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners'

(NARUC) Uniform System of Accounts (USOA) for the wastewater industry account classifications and the installation year of the property, this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

Respectfully Submitted,
WADS Consultants
December 5, 2025

By:



Jerome C. Weinert
Principal and Owner

ASA: Accredited Senior Appraiser in the Machinery and Equipment (Public Utilities) discipline of the American Society of Appraisers
P.E.: Registered Professional Engineer State of Wisconsin
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APPRAISAL CERTIFICATION
for the Fair Market Appraisal of
City of Pittston, Pennsylvania's
Wastewater Collection, Conveyance System and Contracted Treatment Capacity
As of May 30, 2025
Prepared for
Pennsylvania American Water Company

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

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

- Prior to this appraisal during the last three-year period, WADS Consultants has not previously appraised these properties.

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

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

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

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

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

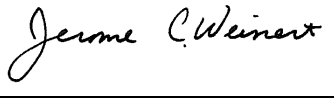
- The signers of this report have not made personal inspections of the property that is the subject of this report.

- No individuals provided significant professional assistance to the persons signing this report. However, Scott Fogelsanger of American Water Company provided assistance in obtaining information and data from the City of Pittston, Pennsylvania and the Engineer's Assessment report prepared by Pennoni Associates Inc. which was the inventory starting point of the Cost Approach.

WADS CONSULTANTS

WADS Consultants
December 5, 2025

By:



Jerome C. Weinert
Principal and Owner

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

WADS CONSULTANTS

NARRATIVE REPORT

WADS CONSULTANTS

EXECUTIVE SUMMARY

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

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

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

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

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

Reproduction cost and replacement cost are defined as:

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

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

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

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

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

(1)	(2)	(3)				
		(3a)	(3b)	(3c)	(3d)	(3e)
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
353.20	Land & Land Rights - Easements	USBLS	PPI	1.00	USBLS1	1.00
361.21	Collection Sewers - Gravity - Mains	HW	W-1	34.00	HWW-134	1.00
361.23	Collection Sewers - Gravity - Manholes & Structures	HW	W-1	34.00	HWW-134	1.00
363.20	Service Laterals	HW	W-1	39.00	HWW-139	1.00

Using the trended original cost method, the System's investment in plant, property and equipment of $23,222,746 was determined to have a reproduction cost new of $121,357,951 as summarized in the following table:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt NARUC Code	WAD Input NARUC Code	Pennoni Associates, Inc. 10/20/2024 Asset Description	Eng Assmnt Original Cost	WAD Input Cost Index Table	Translator	RCN	WAD Input COR / RCN Factor	Col (14) * (15) COR
353.20	353.20	Land & Land Rights - Easements	14	USBLS1	2.93	41	315.17	12,922
361.21	361.21	Collection Sewers - Gravity - Mains	19,535,876	HWW-134	4.18	81,738,438	1.00	81,738,438
361.23	361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	HWW-134	4.74	10,395,270	1.00	10,395,270
363.20	363.20	Service Laterals	1,494,188	HWW-139	19.55	29,211,321	1.00	29,211,321
		Total Pittson Wastewater Utility	23,222,746			121,345,070		121,357,951
Grand Total	Grand Total	Grand Total	23,222,746		5.23	121,345,070	1.00	121,357,951
		Difference	-			-		-

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

> Normal depreciation/deterioration, akin to physical deterioration, is "loss in value caused by wear, tear, age and use."[4]
>
> Functional obsolescence is "the loss in value or usefulness of a property caused by inefficiencies or inadequacies of the property itself, when compared to a more efficient or less costly replacement property that new technology has developed."[5]
>
> Economic, or external, obsolescence is defined as "a loss in value caused by factors outside a property"[6] and is most often indicated by insufficient earning.

[4] The Dictionary of Real Estate Appraisal, 4th Edition
[5] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition. Page 67.
[6] The Appraisal of Real Estate, 13th Edition, page 442.

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

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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)		(7)
		(4a)	(4b)		(6a)	(6b)	
Account Number	Description	Iowa Survivor / Retirement Curve	Normal Service Life	RCNLD Economic Obsolescence	Tax Depreciation		OCLD Economic Obsolescence
			years	% of CORLD	Table	Life	% of CORLD
353.20	Land & Land Rights - Easements	ZNonDep	0.00	27.25%	Non-Depr	0.00	0.00%
361.21	Collection Sewers - Gravity - Mains	R2.5	80.00	27.25%	MACRS	25.00	0.00%
361.23	Collection Sewers - Gravity - Manholes & Structures	R2.5	80.00	27.25%	MACRS	25.00	0.00%
363.20	Service Laterals	R3.0	70.00	27.25%	MACRS	25.00	0.00%

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

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

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

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

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

When the above depreciation lives are used to quantify the property's depreciation is applied to the replacement cost new (COR) of $121,357,951 the resultant COR less normal depreciation (CORLD) was found to be $45,224,277 detailed as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Pennoni Associates, Inc. 10/20/2024		Col (16)	WAD Input	WAD Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
353.20	Land & Land Rights - Easements	24.75	12,922	ZNonDep	-	24.75	24.75	-	12,922
361.21	Collection Sewers - Gravity - Mains	56.63	81,738,438	R2.5	80.00	38.79	95.42	80.00	37,220,394
361.23	Collection Sewers - Gravity - Manholes & Structures	48.02	10,395,270	R2.5	80.00	41.10	89.12	80.00	5,003,023
363.20	Service Laterals	97.26	29,211,321	R3.0	70.00	7.97	105.23	70.00	2,987,938
	Total Pittson Wastewater Utility		121,357,951						45,224,277
Grand Total	Grand Total	65.67	121,357,951 -		77.58	31.56	97.23	0.37	45,224,277 -

The preliminary cost approach to value of City of Pittston's wastewater system property was found to be $45,224,277.

Original Cost less Depreciation

With the Pennsylvania PUC's Final Supplemental Implementation Order (2024 FSIO) the importance of the original cost less depreciation (OCLD) requires that the Utility Valuation Experts' (UVE) appraisal address the OCLD. The Engineers Assessment provided the original cost by account and installation year for the development of the OCLD and the previously discussed depreciation lives were used to quantify the depreciation. The following table presents the development of the preliminary OCLD of $16,376,975 as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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
WAD Input	Eng Assmnt	Eng Assmnt	WAD Input	WAD 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
353.20	Land & Land Rights - Easements	14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains	19,535,876	R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals	1,494,188	R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility	23,222,746							6,845,771	16,376,975
Grand Total	Grand Total	23,222,746		79.36	25.04	57.67	82.72	0.29	6,845,771	16,376,975
		-							-	-

Income Approach

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

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

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

In preparing this appraisal's DCF analysis (Income Approach tab), first the results from the City of Pittston's wastewater system's operations were evaluated based on an analysis of historical operating performances over the period 2021 through 2023 and budgetary 2023 through 2025 (Financials tab) resulting in operating statistics such as revenues and their growth, various operating expenses stated as function of their typical drivers (revenues, plant investment, income from operations, etc.). Next, the results of future periods operations were forecast for a period of 20 years based on the migration of the City of Pittston's historical operations over time to operations of the wastewater operation similar to a public investor-owned water/wastewater utility. Finally, the resultant cash flows from future period operations of the System were discounted to the appraisal date using a market derived discount rate for a public investor-owned water/wastewater utility. The following table details the market discount rate developed using the weighted average cost of capital (WACC) of the market debt and equity:

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	**100.0%**						**7.65%**
Growth (g)							**2.99%**
Rate without Growth: [(1+r)/(1+g)]-1							**4.52%**

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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	1,985,648	487,960	1,083,357	1,497,688	414,331	119,700	709,367	11,914	656,707	0.964	633,066	633,066
2	1.5	2,531,701	489,763	1,105,094	2,041,938	936,844	270,654	715,882	29,487	1,025,915	0.895	918,194	1,551,260
3	2.5	2,848,164	492,083	1,127,161	2,356,081	1,228,920	355,035	721,251	17,089	1,262,706	0.832	1,050,571	2,601,831
4	3.5	3,489,001	494,918	1,149,610	2,994,083	1,844,473	532,868	726,660	34,605	1,699,950	0.773	1,314,061	3,915,892
5	4.5	3,925,126	498,265	1,172,446	3,426,861	2,254,415	651,301	732,111	23,551	2,019,898	0.718	1,450,287	5,366,179
6	5.5	4,121,382	512,027	1,195,672	3,609,355	2,413,683	697,313	737,601	10,598	2,163,843	0.667	1,443,283	6,809,462
7	6.5	4,203,810	526,202	1,219,294	3,677,608	2,458,314	710,207	743,210	4,451	2,219,740	0.619	1,374,019	8,183,481
8	7.5	4,414,001	540,802	1,243,315	3,873,199	2,629,884	759,773	748,783	11,350	2,353,293	0.575	1,353,143	9,536,624
9	8.5	4,502,281	555,840	1,267,742	3,946,441	2,678,699	773,876	754,399	4,767	2,413,399	0.534	1,288,755	10,825,379
10	9.5	4,727,395	571,329	1,292,578	4,156,066	2,863,488	827,262	760,057	12,157	2,556,590	0.496	1,268,069	12,093,448
11	10.5	4,821,943	587,283	1,317,828	4,234,660	2,916,832	842,673	765,757	5,105	2,621,125	0.461	1,208,339	13,301,787
12	11.5	5,063,040	603,715	1,343,498	4,459,325	3,115,827	900,163	771,500	13,019	2,774,643	0.428	1,187,547	14,489,334
13	12.5	5,164,301	620,640	1,369,591	4,543,661	3,174,070	916,989	777,286	5,468	2,843,918	0.398	1,131,879	15,621,213
14	13.5	5,422,516	638,073	1,396,113	4,784,443	3,388,330	978,888	783,117	13,943	3,008,495	0.370	1,113,143	16,734,356
15	14.5	5,530,966	656,029	1,423,069	4,874,937	3,451,868	997,245	788,989	5,857	3,082,846	0.343	1,057,416	17,791,772
16	15.5	5,807,514	674,523	1,450,464	5,132,991	3,682,527	1,063,882	794,907	14,934	3,259,268	0.319	1,039,706	18,831,478
17	16.5	5,923,664	693,573	1,478,302	5,230,091	3,751,789	1,083,892	800,868	6,272	3,339,059	0.296	988,361	19,819,839
18	17.5	6,219,847	713,195	1,506,590	5,506,652	4,000,062	1,155,618	806,875	15,994	3,528,165	0.275	970,245	20,790,084
19	18.5	6,344,244	733,405	1,535,332	5,610,839	4,075,507	1,177,414	812,926	6,717	3,613,782	0.256	925,128	21,715,212
20 and beyond	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	3.111	11,873,054	33,588,266
								15,270,570					
Age				19.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.238				Net Plant		23,210,795			
PW to Perpetuity = 1/Capitalization Rate				13.072				ADIT		(2,236,692)			
$PW_{(20and\ Beyond)}$ = PW to Perpetuity * PW Factor$_{(19.5)}$				3.111				Rate Base		20,974,103	0.238	4,991,836	26,707,048
								Annual Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 19.5 years		47,940,744	0.238	11,409,897	33,125,109
								PP	26,440,000				
								OCLD	16,376,975				
								PP/OCLD	1.614				
								RCNLD	45,224,277				
								RCNLD/PP		1.710449206			
										35,875,137.34	0.238	8,538,283	30,253,495
								Average					30,918,480

Based on the above-described discounted cash flow analysis, the Income Approach to value of the System's property operating as a rate regulated wastewater utility under the regulation of the Pennsylvania Public Utility Commission (PA PUC) was determined to be $33,588,266. To ensure that the above-described forecast captured the entire economic returns of the property an additional 40-year period beyond the original 20-year forecast was made. This additional forecast indicated the reasonableness of the initial forecast results.

Market Approach

The market or comparable sales approach to value looks to market sales of comparable properties in order to arrive at value. In this appraisal, the market approach was addressed from a comparable sales approach of Pennsylvania water and wastewater systems and market value to book value ratios based on investor-owned water utilities' financial performance as reported in Value Line Investment Survey (April 4, 2025).

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

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	3,252	Post
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	2,190	Post
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post
	End of Section 1329 Data											
					Count 20			Wastewater Collection and Treatment	18			
								Wastewater Collection	7			
								Water Treatment and Distribution	4			
								Water Distribution	1			
								All section 1329				
								Mean	30			

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

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

Company	
American States Water (NYSE-AWR)	American Water ((NYSE-AWK)
California Water (NYSE-CWT)	Essential Utilities, Inc. (NYSE-WTRG)
Middlesex Water (NDQ-MSEX)	SJW Corporation (NYSE-SJW) rebranded H2O America (NYSE-HTO)

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

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Market Sales Analysis - PP/OCLD	Simple		**Market Sales Analysis - PP/CORLD**	Simple	
All Section 1329 Acquistions			All Section 1329 Acquistions		
Mean	2.0050		Mean	0.8001	
Standard Deviation	1.0152		Standard Deviation	0.2319	
Median	1.5514		Median	0.835	
Water Treatment & Distribution			Water Treatment & Distribution		
Mean	1.4354		Mean	0.853616667	
Water Distribution			Water Distribution		
Mean	1.35		Mean	0.7686	
Wastewater Collection & Treatment			Wastewater Collection & Treatment		
Mean	1.7972		Mean	0.8536	
Wastewater Collection			Wastewater Collection		
Mean	1.8733		Mean	0.8077	
Wastewater Treatment Only			Wastewater Treatment Only		
Mean	-0.07607		Mean	0.0459	
WADS Conclusion	1.8733	WADS Input	WADS Conclusion	0.8077	WADS Input
		Cost Approach -			Cost Approach
City of Pittston OCLD	16,376,975	OCLD	City of Pittston CORLD	32,900,164	- CORLD
Market Value Indication	**30,678,987**		**Market Value Indication**	**26,574,559**	

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer			**Financial Basis[1]**		
	Simple		Financial Markets	Market Value per Share to Book Value per Share	
All Section 1329 Acquistions					
Mean	8,910		Market to Book (equity)	3.21	
Standard Deviation	3,883				
Median	8,551		Market to Book (equity and debt)	2.09	
Water Treatment and Distribution					
Mean	7,696		Use (equity and debt)	2.09	WADS Input
Water Distribution					
Mean	3,992				
Wastewater Collection & Treatment					
Mean	10,622				
Wastewater Collection					
Mean	6,268				
Watewater Treatment Only					
Mean	4,354				
Conclusion					
City of Pittston, PA Sanitary Sewer System (Collection)					Cost Approach
Customers:	4,406	WADS Input	City of Pittston	16,376,975	- OCLD
Wastewater Collection	6,268	WADS Input			
Collection and Treatement Customers Market Value Indication	**27,616,808**		**Market Value Indication**	**34,145,993**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	4,354	WADS Input			
Treatment Only Customers	-	WADS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**27,621,162**				

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple	
All Section 1329 Acquistions		
Mean	18.50	
Standard Deviation	10.01	
Median	17.41	
Conclusion	16.95	WADS Input
Water Treatment and Distribution		
Mean	14.94	
Water Distribution		
Mean	20.24	
Wastewater Collection & Treatment		
Mean	19.90	
Wastewater Collection		
Mean	17.88	
Watewater Treatment Only		
Mean	2.02	
Conclusion		
		Income
City of Pittson Cash Flows	2,330,633	Approach
Wastewater Collection	17.88	
Market Value Indication	**41,667,709**	

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)	Simple	
All Section 1329 Acquistions		
Mean	14.23	
Standard Deviation	10.55	
Median	12.59	
Conclusion	12.04	WADS Input
Water Treatment and Distribution		
Mean	10.50	
Water Distribution		
Mean	13.59	
Wastewater Collection & Treatment		
Mean	16.09	
Wastewater Collection		
Mean	12.70	
Watewater Treatment Only		
Mean	3.39	
Conclusion		
		Income
City of Pittson Cash Flows	2,657,062	Approach
Wastewater Collection	12.70	
Market Value Indication	**33,745,073**	

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Summary of Market Analyses

Indicators	
OCLD	30,678,987
CORLD	26,574,559
Customers	27,621,162
Cash Flows	
EBITDA Periods 1-5	41,667,709
EBITDA Periods 1-13	33,745,073
Value Line	34,145,993
Mean	32,405,581
Median	32,212,030
Conclusion	**32,212,030**

The market approach conclusion of this appraisal was determined to be $32,212,030.

Cost Approach Revisited – Before concluding this appraisal's fair market value, the preliminary cost approach conclusion of $45,224,277 needs to be reviewed in light of the above-described income and market analyses in order to evaluate if external obsolescence exists in the preliminary replacement cost new less depreciation conclusion. The appraisal literature in regard to developing a cost approach states:

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

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

The above-described income approach value conclusion of $33,588,266 and the market approach conclusion of $32,212,030 for the City of Pittston's future wastewater system compared to the preliminary cost approach conclusion of $45,224,277 indicates 27.2511% external obsolescence exists in the cost approach conclusion of $32,900,164 detailed as follows:

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

	Column Reference in OCLD & RCNLD	Amount in $s			
Depreciated Replacement Cost (RCNLD)					
RCNLD Tangible Assets					
Original Cost (OC)	(9)	23,222,746			
Replacement Cost New (RCN)	(16)	121,357,951			
Replacement Cost New less Depreciation (RCNLD)	(31)	45,224,277			
Intangible Assets - Treatment Contract					
Original Cost (OC)	(9)				
Replacement Cost New (RCN)	(16)				
Replacement Cost New less Depreciation (RCNLD)	(31)				
Preliminary Replacement Cost less Depreciation (RCNLD) Tangible and Intangible Assets		**45,224,277**			
Economic Obsolescence (EO)					
Economic Indicators (Average of Income and Market)		**32,900,148**	Market Approach	32,212,030	
					JCW Input in order to keep the calc's
Preliminary Replacement Cost		**45,224,277**	Income Approach	33,588,266	non-circular
Economic Obsolescence (EO $s)		12,324,129	Conclusion	32,900,148	32,900,148
EO % of Preliminaary RCNLD	(40)	27.2511%			
Fair Market Value (FMV) Tangible Assets					
FMV Tangible Assets		32,900,164			
FMV Intangible Assets		-			
FMV Total Assets	(41)	32,900,164			

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(39)	(40)	(41)
Account	Description	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
		CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Col (31)	WAD Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Prelim CORLD	EO%	FMV
353.20	Land & Land Rights - Easements	12,922	27.30%	9,394
361.21	Collection Sewers - Gravity - Mains	37,220,394	27.25%	27,077,427
361.23	Collection Sewers - Gravity - Manholes & Structures	5,003,023	27.25%	3,639,644
363.20	Service Laterals	2,987,938	27.25%	2,173,692
	Total Pittson Wastewater Utility	45,224,277		32,900,164
Grand Total	Grand Total	45,224,277	27.25%	32,900,164
		-		-

Development of the Final Original Cost less Depreciation

The above-described income approach value conclusion of $33,588,266 and the market approach conclusion of $32,212,030 for the City of Pittston's future wastewater system compared to the preliminary original cost approach conclusion of $16,376,975 indicates no external obsolescence exists in the cost approach conclusion of $16,376,975 detailed as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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
WAD Input	Eng Assmnt	Eng Assmnt	WAD Input	WAD 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
353.20	Land & Land Rights - Easements	14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains	19,535,876	R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals	1,494,188	R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility	23,222,746							6,845,771	16,376,975
Grand Total	Grand Total	23,222,746		79.36	25.04	57.67	82.72	0.29	6,845,771	16,376,975
		-							-	-

The following table presents the final original cost less depreciation:

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Depreciated Original Cost (OCLD)		
OCLD Tangible Assets		
Original Cost (OC) Tangible Assets	(46)	23,222,746
Original Cost less Depreciation (OCLD)	(57)	16,376,975
Intangible Assets - Treatment Contract		
Original Cost (OC) Intangible Assets	(46)	
Original Cost less Depreciation (OCLD)	(57)	
Preliminary OCLD Total assets		
Original Cost (OC) Total Assets		23,222,746
Original Cost less Depreciation (OCLD) Total Assets		16,376,975
Economic Obsolescence (EO)		
Economic Indicators (Average of Income and Market)		**32,900,148**
Preliminary OCLD Total Assets		16,376,975
Economic Obsolescence (EO $s)		-
EO % of Preliminaary RCNLD		0.00%
Depreciated Original Cost (OCLD)	(57)	
OCLD Tangible Assets		16,376,975
OCLD Intangible Assets		-
OCLD Total Assets		16,376,975

Value Conclusion

The Fair Market Value of City of Pittston's wastewater collection system's property, plant and equipment and its operation was determined to be $32,900,153 as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value Appraisal

Appraisal Approach	Investor-owned Utility			Weight	Wtd Valuation Indications
Cost Approach		**Cost Approach**			
Depreciated Original Cost ($OCLD)		**Replacement Cost**			
Tangible Assets		**Tangible Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Intangible Assets		**Intangible Assets**			
Original Cost ($OC)	-	**Replacement Cost New (COR)**	-		
Depreciated Original Cost ($OCLD)	-	**Depreciated Replacement Cost New (CORLD)**	-		
Total Assets		**Total Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Economic Obsolescence (EO)		**Economic Obsolescence (EO)**			
Economic Indicators (Average of Income and Market)	32,900,148	Economic Indicators (Average of Income and Market)	32,900,148		
Preliminary OCLD Total Assets	16,376,975	Preliminary Replacement Cost	45,224,277		
Economic Obsolescence (EO $s)	-	Economic Obsolescence (EO $s)	12,324,129		
EO % of Preliminaary RCNLD	0.0000%	EO % of Preliminaary RCNLD	27.2511%		
Fair Market Value (FMV) Tangible Assets (OCLD)		**Fair Market Value (FMV) Tangible Assets**			
FMV Tangible Assets	16,376,975	FMV Tangible Assets	32,900,164		
FMV Intangible Assets	-	FMV Intangible Assets	-		
FMV Total Assets	16,376,975	FMV Total Assets	32,900,164		
Cost Approach Conclusion			**32,900,164**	**33.33%**	**10,966,721**
Income Approach					
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	33,588,266				
Income Approach Conclusion	**33,588,266**			**33.33%**	**11,196,089**
Market Approach					
Market Comparables to:					
OCLD	30,678,987				
CORLD	26,574,559				
Customers	27,621,162				
Cash Flows					
EBITDA Periods 1-5	41,667,709				
EBITDA Periods 1-13	33,745,073				
Value Line	34,145,993				
Mean	32,405,581				
Median	32,212,030				
Conclusion	32,212,030				
Market Approach Conclusion	**32,212,030**			**33.33%**	**10,737,343**
Appraisal Conclusion	**$ 32,900,153**			**100.00%**	**32,900,153**
Conclusion (cost approach)	**$ 32,900,164**				

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the City of Pittston's property, plant and equipment this appraisal's conclusion of $32,900,153 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the wastewater industry account classifications and the installation year of the property this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

PURPOSE AND SCOPE OF WORK

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

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

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

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

- Annual (year-ending December 31) City of Pittston (Pennsylvania) wastewater collection and treatment operational financial statements cover the period 2021 through 2023 and budgets for 2023 through 2025.

- The Pennoni Associates Inc.'s Engineer's Assessment and inventory of the City of Pittston's wastewater system's property dated November 20, 2025.

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

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

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

WATER/WASTEWATER INDUSTRY NATIONALLY AND IN PENNSYLVANIA
AND
CITY OF PITTSTON'S WASTEWATER COLLECTION AND CONTRACTED TREATMENT SYSTEM FACILITIES

Water/wastewater Industry

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

Pennsylvania Water / Wastewater Industry

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

City of Pittston's Wastewater Collection and Treatment System Facilities, its Property and Operations[8]

1. SYSTEM DESCRIPTION

System Summary

The City of Pittston, Luzerne County, PA borders Jenkins Township to the south, Pittston Township and Hughestown Borough to the east, Duryea Borough to the north and the Susquehanna River to the west.

The wastewater system in the City consists of approximately 22 miles of gravity sanitary sewer collectors and combined sanitary/stormwater collector systems consisting of seven outflow chambers for overtaxing the system, there have not any reported CSO in over 12-plus years. The existing City of Pittston sanitary sewer facilities range in pipe material and size as indicated below:

Pipe Material	Pipe Size	Approximate Length
Plastic	6" to 36"	9.99 Miles
Metal	15" to 30"	0.02 Miles
VCP	4" to 60"	10.43 Miles
Concrete	12" to 72"	1.3 Miles
Unidentified	Unknown	0.34 Miles

There are approximately 4,142 City of Pittston customers consisting of 5,446 EDUs connected to the City's sewer system as direct customers of the City of Pittston. All 5,446 EDUs are conveyed through the City's system to the Wyoming Valley Sanitary Sewer Authority (WVSA) system and ultimately treated at the facility in Hanover Township, Luzerne County. The above information was contained in the "City of Pittston's Request for Qualifications for Sanitary Sewer System Sale Exploration".

Over the past 15-years the City has invested over 11 million dollars in capital improvement projects including the separation of sanitary sewers and upgrades to antiquated and poorly functioning sanitary sewers. This includes the following projects:

- Broad Street sewer separation and rehabilitation to the existing Vitrified Clay Pipe (Terra Cotta) to PVC and new precast manholes and laterals to cleanouts behind the curbline and the separation of the storm sewer facilities.

[8] Extracted from Engineer's Assessment

- Panama Street Sanitary Sewer improvements project, which included the sewer separation of the combined system with new sanitary sewer line, laterals and cleanouts and required restorations.
  Willow Lane Sanitary Sewer

APPRAISAL PROCEDURES AND RESULTS

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

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

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

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

- Annual (year-ending December 31) City of Pittston's wastewater system's operational financial statements cover the period 2021 through 2023 and budgetary 2023 through 2025.

- The Pennoni Associates Inc.'s Engineer's Assessment and inventory of the City of Pittston's wastewater system's property date November 20, 2025.

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

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

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

Reproduction cost and replacement cost are defined as:

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

The trended original cost method was utilized in preparing the replacement cost new. "Trending is a method of estimating a property's replacement cost new in which an *index* or *trend factor* is applied to the property's *historical cost* to convert the known cost into an indication of current cost. Simply put, trending reflects the movement of price over

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

time."[11] In the trended original cost method, the System's investment in wastewater plant and equipment is restated to costs reflective of the appraisal date, by the application of cost trends to the property's original investment. WADS Consultants utilized the Engineer's Assessment performed by Pennoni Associates Inc.'s (Engineer's Assessment tab) as the starting point of the Cost Approach. Utilizing the Engineer's Assessment of the System's original cost in property, plant and equipment WADS Consultants developed the plant's depreciated original cost (OCLD) and depreciated replacement cost (RCNLD) on May 30, 2025 (Cost Approach tab).

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

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

(1)	(2)	(3a)	(3b)	(3c)	(3d)	(3e)
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
353.20	Land & Land Rights - Easements	USBLS	PPI	1.00	USBLS1	1.00
361.21	Collection Sewers - Gravity - Mains	HW	W-1	34.00	HWW-134	1.00
361.23	Collection Sewers - Gravity - Manholes & Structures	HW	W-1	34.00	HWW-134	1.00
363.20	Service Laterals	HW	W-1	39.00	HWW-139	1.00

The following table presents the development of the cost approach for the Gravity Collection Mains (Accounts 361.21) portion of the City of Pittston's wastewater service area this example will be used to describe the entire cost approach process:

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Average Year Installed	Average Year Installed	Units	Quantity	Replacement cost per unit	Original Cost	Costing Parameter	Placement Date Cost Index	Appraisal Date Cost Index	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
								OC $s					RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt	AUS Input	Pennoni Associates, Inc. 10/20/2024	Eng Assmnt	AUS Input	Eng Assmnt	Eng Assmnt	AUS Input	Eng Assmnt	AUS Input	Cost Indices Lookup Cols(10) & (5)	Cost Indices Lookup Cols(10) & Study YR	Col (12) / (11)	Col (5) * (13)	AUS Input	Col (14) * (15)
NARUC Code	NARUC Code	Asset Description	Service Date	Year Installed	Units	Quantity	COR Cost	Original Cost	Cost Index Table	YearIndex	APPCostIndex	Translator	RCN	COR / RCN Factor	COR
361															
361.21	361.21	RCP - 60-inch	1980	1980	Note 5	392	Not Used	113,989.68	HWW-134	202.00	1161.00	5.75	655,213	1.000	655,213
361.21	361.21	PVC/HDPE - 6-inch	1980	1980	Note 5	588	Not Used	42,747.60	HWW-134	202.00	1161.00	5.75	245,713	1.000	245,713
361.21	361.21	PVC/HDPE - 8-inch	1980	1980	Note 5	1,001	Not Used	97,026.93	HWW-134	202.00	1161.00	5.75	557,711	1.000	557,711
361.21	361.21	PVC/HDPE - 10-inch	1980	1980	Note 5	4,297	Not Used	468,587.85	HWW-134	202.00	1161.00	5.75	2,693,443	1.000	2,693,443
361.21	361.21	PVC/HDPE - 12-inch	1980	1980	Note 5	7,272	Not Used	881,075.52	HWW-134	202.00	1161.00	5.75	5,064,422	1.000	5,064,422
361.21	361.21	PVC/HDPE - 15-inch	1980	1980	Note 5	15,021	Not Used	2,001,998.88	HWW-134	202.00	1161.00	5.75	11,507,490	1.000	11,507,490
361.21	361.21	PVC/HDPE - 18-inch	1980	1980	Note 5	4,576	Not Used	676,424.32	HWW-134	202.00	1161.00	5.75	3,888,087	1.000	3,888,087
361.21	361.21	PVC/HDPE - 24-inch	2013	2013	0	80	Not Used	99,732.00	HWW-134	701.00	1161.00	1.66	165,156	1.000	165,156
361.21	361.21	PVC/HDPE - 36-inch	1980	1980	Note 5	158	Not Used	32,544.84	HWW-134	202.00	1161.00	5.75	187,068	1.000	187,068
361.21	361.21	PVC/HDPE - 54-inch(6)	2021	2021	0	1,318	Not Used	177,798.20	HWW-134	922.30	1161.00	1.26	223,848	1.000	223,848
361.21	361.21	Unknown - Unknown	1980	1980	Note 5	976	Not Used	144,272.32	HWW-134	202.00	1161.00	5.75	829,277	1.000	829,277
	Subtotal							**4,736,198.14**					**26,017,428**		**26,017,428**

Using the trended original cost method, City of Pittston's investment in this example of $4,736,198.14 was determined to have a replacement cost new of $26,017,428.

When the trended cost method is applied to each of City of Pittston's investment in plant, property and equipment of $23,222,746 was determined to have a replacement cost new of $121,357,951 detailed as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt NARUC Code	WAD Input NARUC Code	Pennoni Associates, Inc. 10/20/2024 Asset Description	Eng Assmnt Original Cost	WAD Input Cost Index Table	Translator	RCN	WAD Input COR / RCN Factor	Col (14) * (15) COR
353.20	353.20	Land & Land Rights - Easements	14	USBLS1	2.93	41	315.17	12,922
361.21	361.21	Collection Sewers - Gravity - Mains	19,535,876	HWW-134	4.18	81,738,438	1.00	81,738,438
361.23	361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	HWW-134	4.74	10,395,270	1.00	10,395,270
363.20	363.20	Service Laterals	1,494,188	HWW-139	19.55	29,211,321	1.00	29,211,321
		Total Pittson Wastewater Utility	23,222,746			121,345,070		121,357,951
Grand Total	Grand Total	Grand Total	23,222,746		5.23	121,345,070	1.00	121,357,951
		Difference	-			-		-

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

> Normal depreciation/deterioration, akin to physical deterioration, is "loss in value caused by wear, tear, age and use."[12]
>
> Functional obsolescence is "the loss in value or usefulness of a property caused by inefficiencies or inadequacies of the property itself, when compared to a more efficient or less costly replacement property that new technology has developed."[13]

[12] The Dictionary of Real Estate Appraisal, 4th Edition
[13] Valuing Machinery and Equipment: The Fundamentals of Appraising Machinery and Technical Assets, Second Edition. Page 67.

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

Wastewater Depreciation Service Life Experience in Pennsylvania

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

[14] The Appraisal of Real Estate, 13th Edition, page 442.

Summary of PAWC & Aqua Depreciation Studies Prepared for Rate Case

Account	Account Description	Iowa Curves				Service Life				Remaining Life			
		PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018	PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018	PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018
						years	years	years	years	years	years	years	years
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	R3	R3	R3	S0.5	45	45	45	55	39.1	33.3	36.7	35.3
354.30	STRUCTURES AND IMPROVEMENTS - SPP	R2.5	S0	S0	S1.0	50	55	55	60	45.2	32.6	31.7	44.6
354.40	STRUCTURES AND IMPROVEMENTS - TDP	R2	S0	S0	R2.0	65	55	55	50	56.6	31.7	26.8	28.9
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	S1	S1	S1	R3.0	35	35	35	50	33.3	23.2	24.4	17.3
355.00	POWER GENERATION EQUIPMENT	R2.5	S0.5	S0.5		35	35	35		29.7	19.3	19.3	
360.10	COLLECTION SEWERS - FORCE MAINS	S2	R3	R3.0	R2.5	70	75	75	75	53.1	52.5	51.9	52
361.10	COLLECTION SEWERS - GRAVITY MAINS	R2.5	R2.5	R2.5	R2.5	70	80	80	75	56.9	54.8	46.7	50.3
361.20	MANHOLES & STRUCTURES	S1.5	S2.5	S2.5		50	50	50		41.3	32.2	14.8	
363.00	SERVICES	R3	R3	R3.0	R4.0	38	47	47	70	22.9	30.2	16.4	54.3
364.00	FLOW MEASURING DEVICES	L3	L2.5	L2.5		20	15	15		13.3	5.1	5	
365.00	FLOW MEASURING INSTALLATIONS	S1.5	S2	S2.5		30	25	25		23.1	10.8	4.1	
370.00	RECEIVING WELLS	R3	R3	R3		50	50	50		42.7	33.7	38.4	
371.00	PUMPING EQUIPMENT	SO	S0.5	S0.5	L0.5	40	30	30	25	35.5	18.2	17.6	13.2
380.00	TREATMENT EQUIPMENT	5-R2	S1.5	S1.5	S0.0	45	35	35	40	37.1	20.1	18.6	21.5
381.00	PLANT SEWERS	R3	R3	R3	R1.5	50	50	50	40	43.1	32.7	33	9.9
382.00	OUTFALL SEWER LINES	R3	R3	R3	R2.5	50	50	50	40	37.8	28.3	27.9	7
389.10	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - INTANGIBLES	52.5	S2.5	S2.5		20	20	20		13.6	11.3	16.3	
389.60	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - CPS	SQ	SQ		L3.0	20	5		20	12.3	3.5		11.3
390.00	OFFICE FURNITURE AND EQUIPMENT	L4	SQ	SQ	SQ	15	20	20	20	9.5	10.1	16	
391.00	TRANSPORTATION EQUIPMENT	SQ	L4	L4		25	14	14		19,9	9.8	9.5	
392.00	STORES EQUIPMENT	SQ	SQ	SQ		20	25	25		16.4	17.2	16.7	
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	SQ	SQ	SQ	SQ	15	20	20	20	11,3	15.4	15	
394.00	LABORATORY EQUIPMENT	L2.5	SQ	SQ	SQ	16	15	15	25	8.7	10.4	4.9	
395.00	POWER OPERATED EQUIPMENT	SQ	R2	R2		15	22	22		10.3	13.2	12.8	
396.00	COMMUNICATION EQUIPMENT	SQ	SQ	SQ		15	15	15		9.6	6.9	10.2	
397.00	MISCELLANEOUS EQUIPMENT		SQ	SQ			15	15			12.8	13.4	
398.00	OTHER TANGIBLE PLANT		SQ	SQ			25	25			21.5	21	
	TOTAL DEPRECIABLE PLANT												
	NONDEPRECIABLE PLANT												
352.10	FRANCHISES												
353.20	LAND AND LAND RIGHTS - COLLECTION												
353.30	LAND AND LAND RIGHTS - SPP												
353.40	LAND AND LAND RIGHTS - TDP												
	TOTAL NONDEPRECIABLE PLANT												
	AMORTIZATION OF NET SALVAGE												
	TOTAL UTILITY PLANT												

It is of particular importance in the above table the service life extension of the mains plant categories between the 2016 and the 2020 studies. The mains service lives increased as follows:

Account	Description	Service Life	
		2016	2020
360.10	COLLECTION SEWERS - FORCE MAINS	70	75
361.10	COLLECTION SEWERS - GRAVITY MAINS	70	80

WADS Consultants believe this increase in service lives is attributable to the widespread use of relining older mains instead of replacing mains which are in need of repair. The practice of relining mains with a cured in place plastic liner not only repairs specific main but has the effect of extending the life of the original mains by the length of time which the relining can be expected to last. Most relining vendors warranty their product and procedure for 50 years. Thus, in essence the original main's service life will be extended

by 50 plus years at the date the relining occurred. For those mains associated with relining their installation date was established at the date of their relining and their depreciation parameters were established the same as the depreciation parameters of the relining, i.e., R2.5 – 60 years.

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

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

(1)	(2)	(4)	(4a)	(4b)	(5)	(6)	(6a)	(6b)	(7)
Account Number	Description	Iowa Survivor / Retirement Curve		Normal Service Life	RCNLD Economic Obsolescence	Tax Depreciation			OCLD Economic Obsolescence
				years	% of CORLD	Table		Life	% of CORLD
353.20	Land & Land Rights - Easements	ZNonDep		0.00	27.25%	Non-Depr		0.00	0.00%
361.21	Collection Sewers - Gravity - Mains	R2.5		80.00	27.25%	MACRS		25.00	0.00%
361.23	Collection Sewers - Gravity - Manholes & Structures	R2.5		80.00	27.25%	MACRS		25.00	0.00%
363.20	Service Laterals	R3.0		70.00	27.25%	MACRS		25.00	0.00%

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

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

$$\text{Depreciation (\%)} = \frac{\text{Age (years) x100\%}}{\text{Service Life (years)}}$$

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

where: the property's Service Life = Age + Remaining Life

and Remaining Life = f(Survival Characteristic, Service Life, Age)

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

When the above depreciation lives are used to quantify the property's depreciation is applied to the replacement cost new of the example Gravity Collection Mains portion of the City of Pittston's wastewater service area of $26,017,428, the replacement cost new less depreciation was determined to be $12,665,742 detailed as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
Account	Description	Placement Year	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
			years	COR $s		years	% of NSL	Lookup	%	years	years	% of COR	CORLD $s
Input	Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Lookup	Calculation	Calculation	Calculation	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	2025-[(20)+0.5]	Col (16)	AUS Input	AUS Input	Col (21) / (24)	Col (23) & (25)	Lookup Iowa Curves Life Tables @ col (26)	Col (24) * (27)	Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Year1	Age	RCN	Iowa	NLife	AgeP	IowaLookup	IowaCondition	Rem Life	Total Life	Condition	CORLD
361.21													
361.21	RCP - 60-inch	1980	44.50	655,213	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	314,713
361.21	PVC/HDPE - 6-inch	1980	44.50	245,713	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	118,021
361.21	PVC/HDPE - 8-inch	1980	44.50	557,711	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	267,881
361.21	PVC/HDPE - 10-inch	1980	44.50	2,693,443	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	1,293,721
361.21	PVC/HDPE - 12-inch	1980	44.50	5,064,422	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	2,432,555
361.21	PVC/HDPE - 15-inch	1980	44.50	11,507,490	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	5,527,304
361.21	PVC/HDPE - 18-inch	1980	44.50	3,888,087	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	1,867,535
361.21	PVC/HDPE - 24-inch	2013	11.50	165,156	R2.5	80.0	14	R2.5014	0.86951	69.56	81.06	85.812978%	141,725
361.21	PVC/HDPE - 36-inch	1980	44.50	187,068	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	89,853
361.21	PVC/HDPE - 54-inch(6)	2021	3.50	223,848	R2.5	80.0	4	R2.5004	0.96231	76.98	80.48	95.651093%	214,113
361.21	Unknown - Unknown	1980	44.50	829,277	R2.5	80.0	56	R2.5056	0.51411	41.13	85.63	48.032232%	398,320
				26,017,428									**12,665,742**

When the above depreciation lives are used to quantify the property's depreciation is applied to each of the City of Pittston's investment in plant, property and equipment the replacement cost new (RCN) of $121,357,951 the resultant RCN less depreciation (RCNLD) was found to be $45,224,277 detailed as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Pennoni Associates, Inc. 10/20/2024		Col (16)	WAD Input	WAD Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
353.20	Land & Land Rights - Easements	24.75	12,922	ZNonDep	-	24.75	24.75	-	12,922
361.21	Collection Sewers - Gravity - Mains	56.63	81,738,438	R2.5	80.00	38.79	95.42	80.00	37,220,394
361.23	Collection Sewers - Gravity - Manholes & Structures	48.02	10,395,270	R2.5	80.00	41.10	89.12	80.00	5,003,023
363.20	Service Laterals	97.26	29,211,321	R3.0	70.00	7.97	105.23	70.00	2,987,938
	Total Pittson Wastewater Utility		121,357,951						45,224,277
Grand Total	Grand Total	65.67	121,357,951 -		77.58	31.56	97.23	0.37	45,224,277 -

The preliminary cost approach to value of the City of Pittston's wastewater utility property was found to be $45,224,277.

Original Cost less Depreciation

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
Description	Placement Year	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Eng Assmnt	Eng Assmnt	AUS Input	AUS Input	2025-[(45)+0.5]	Col (49) / (48)	Col (47) & (50)	Lookup Iowa Curves Life Tables @ col (51)	Col (48) * (52)	Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Descrip	Year	Original Cost	Iowa	Life	age	AgeP	IowaLookup	IowaCondition	Rem Life	Total Lif	Theo%	Theo Reserve	Net Book
361.21													
RCP - 60-inch	1980	113,990	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	59,238	54,752
PVC/HDPE - 6-inch	1980	42,748	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	22,215	20,533
PVC/HDPE - 8-inch	1980	97,027	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	50,423	46,604
PVC/HDPE - 10-inch	1980	468,588	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	243,516	225,072
PVC/HDPE - 12-inch	1980	881,076	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	457,877	423,198
PVC/HDPE - 15-inch	1980	2,001,999	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	1,040,399	961,600
PVC/HDPE - 18-inch	1980	676,424	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	351,524	324,900
PVC/HDPE - 24-inch	2013	99,732	R2.5	80	11.50	14	R2.5014	0.86951	69.56	81.06	0.14187	14,149	85,583
PVC/HDPE - 36-inch	1980	32,545	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	16,913	15,632
PVC/HDPE - 54-inch(6)	2021	177,798	R2.5	80	3.50	4	R2.5004	0.96231	76.98	80.48	0.04349	7,732	170,066
Unknown - Unknown	1980	144,272	R2.5	80	44.50	56	R2.5056	0.51411	41.13	85.63	0.51968	74,975	69,297
		4,736,198										**2,338,962**	**2,397,236**

The following table presents the development of the preliminary OCLD of $16,376,975 as follows:

Pennsylvania American Water Company
City of Pittson, PA
Sanitary Sewer System (Collection)
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
WAD Input	Eng Assmnt	Eng Assmnt	WAD Input	WAD 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
353.20	Land & Land Rights - Easements	14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains	19,535,876	R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes	2,192,668	R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals	1,494,188	R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility	23,222,746							6,845,771	16,376,975

Income Approach (Income Approach tabs)

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

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

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

In preparing this appraisal's DCF analysis first the results from the City of Pittston's wastewater utility's operations were evaluated based on an analysis of historical operating performances over the period 2021 through 2023 and budgetary 2023 through 2025 (Financials tab). In this analysis operating statistics such as revenues and their growth, various operating expenses were stated as function of their typical drivers (revenues, plant investment, income from operations, etc.) were analyzed. Details are provided in Income Approach tab. Using the above-described analyses, the results of future periods operations were forecast based on the migration of the City of Pittston's of historical operations type experience over time to operations of the wastewater operation similar to a public investor-owned water/wastewater utilities. These forecasts are detailed in the Income Approach tab.

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

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

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

- Plant Investment
  - Initial Investment/ Beginning Plant Balance
  - Additions (Capital Expenditures)

Retirements
Ending Plant Balance

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

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

In these forecasts, the initial plant investment was based on the allocated purchase price of $26,440,000. Initially, the Cost Approach results are utilized to allocate the purchase price by category of plant (NARUC account). The Cost Approach results also define the property's ages and remaining lives of the various plant investment categories. Using these inputs, the future periods book and tax depreciation can be forecast, as well as the accumulated deferred taxes and resulting rate base.

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

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	**100.0%**						**6.97%**
Growth (g)						Not Applicable	**0.00%**
Rate without Growth: [(1+r)/(1+g)]-1							**6.97%**

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

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

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	**100.0%**						**7.65%**
Growth (g)							**2.99%**
Rate without Growth: [(1+r)/(1+g)]-1							**4.52%**

The market cost of debt was developed based on market returns for utilities debt as reported in the Value Line Investment Survey. The market cost of equity was developed using the capital asset pricing model (CAPM) and the dividend-growth model (DGM). Input to these equity costing models were developed based on Value Line Investment Surveys for the water industry published for April 4, 2025, consisting of the following nine companies:

Company	
American States Water (NYSE-AWR)	American Water ((NYSE-AWK)
California Water (NYSE-CWT)	Essential Utilities, Inc. (NYSE-WTRG)
Middlesex Water (NDQ-MSEX)	SJW Corporation (NYSE-SJW) rebranded H2O America (NYSE-HTO)

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

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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	1,985,648	487,960	1,083,357	1,497,688	414,331	119,700	709,367	11,914	656,707	0.964	633,066	633,066
2	1.5	2,531,701	489,763	1,105,094	2,041,938	936,844	270,654	715,882	29,487	1,025,915	0.895	918,194	1,551,260
3	2.5	2,848,164	492,083	1,127,161	2,356,081	1,228,920	355,035	721,251	17,089	1,262,706	0.832	1,050,571	2,601,831
4	3.5	3,489,001	494,918	1,149,610	2,994,083	1,844,473	532,868	726,660	34,605	1,699,950	0.773	1,314,061	3,915,892
5	4.5	3,925,126	498,265	1,172,446	3,426,861	2,254,415	651,301	732,111	23,551	2,019,898	0.718	1,450,287	5,366,179
6	5.5	4,121,382	512,027	1,195,672	3,609,355	2,413,683	697,313	737,601	10,598	2,163,843	0.667	1,443,283	6,809,462
7	6.5	4,203,810	526,202	1,219,294	3,677,608	2,458,314	710,207	743,210	4,451	2,219,740	0.619	1,374,019	8,183,481
8	7.5	4,414,001	540,802	1,243,315	3,873,199	2,629,884	759,773	748,783	11,350	2,353,293	0.575	1,353,143	9,536,624
9	8.5	4,502,281	555,840	1,267,742	3,946,441	2,678,699	773,876	754,399	4,767	2,413,399	0.534	1,288,755	10,825,379
10	9.5	4,727,395	571,329	1,292,578	4,156,066	2,863,488	827,262	760,057	12,157	2,556,590	0.496	1,268,069	12,093,448
11	10.5	4,821,943	587,283	1,317,828	4,234,660	2,916,832	842,673	765,757	5,105	2,621,125	0.461	1,208,339	13,301,787
12	11.5	5,063,040	603,715	1,343,498	4,459,325	3,115,827	900,163	771,500	13,019	2,774,643	0.428	1,187,547	14,489,334
13	12.5	5,164,301	620,640	1,369,591	4,543,661	3,174,070	916,989	777,286	5,468	2,843,918	0.398	1,131,879	15,621,213
14	13.5	5,422,516	638,073	1,396,113	4,784,443	3,388,330	978,888	783,117	13,943	3,008,495	0.370	1,113,143	16,734,356
15	14.5	5,530,966	656,029	1,423,069	4,874,937	3,451,868	997,245	788,989	5,857	3,082,846	0.343	1,057,416	17,791,772
16	15.5	5,807,514	674,523	1,450,464	5,132,991	3,682,527	1,063,882	794,907	14,934	3,259,268	0.319	1,039,706	18,831,478
17	16.5	5,923,664	693,573	1,478,302	5,230,091	3,751,789	1,083,892	800,868	6,272	3,339,059	0.296	988,361	19,819,839
18	17.5	6,219,847	713,195	1,506,590	5,506,652	4,000,062	1,155,618	806,875	15,994	3,528,165	0.275	970,245	20,790,084
19	18.5	6,344,244	733,405	1,535,332	5,610,839	4,075,507	1,177,414	812,926	6,717	3,613,782	0.256	925,128	21,715,212
20 and beyond	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	3.111	11,873,054	33,588,266
								15,270,570					

Age	19.5			
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$	0.238	Net Plant	23,210,795	
PW to Perpetuity = 1/Capitalization Rate	13.072	ADIT	(2,236,692)	
$PW_{(20and Beyond)}$ = PW to Perpetuity * PW Factor$_{(19.5)}$	3.111	Rate Base	20,974,103	0.238
		Annual Plant Construction Inflation Rate	0.0422 Input	
		Plant Inflation over 19.5 years	47,940,744	0.238
		PP	26,440,000	
		OCLD	16,376,975	
		PP/OCLD	1.614	
		RCNLD	45,224,277	
		RCNLD/PP	1.710449206	
			35,875,137.34	0.238

4,991,836	26,707,048		
11,409,897	33,125,109		
8,538,283	30,253,495		
	30,918,480	Average	

Based on the above-described discounted cash flow analysis, the Income Approach to value of the System's wastewater property and its operations was determined to be $33,588,266. To ensure that the above-described forecast captured the entire economic returns of the property an additional 40-year period beyond the original 20-year forecast was made. This additional forecast indicated the reasonableness of the initial forecast results.

Market Approach (Market Approach tab)

The market or comparable sales approach to value looks to market sales of comparable properties in order to arrive at value. In this appraisal, the market approach was

addressed from a comparable sales approach using Pennsylvania water and wastewater systems and market value to book value ratios based on investor-owned water utilities reported in Value Line Investment Survey.

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

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	3,252	Post
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	2,190	Post
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post
	End of Section 1329 Data											
					Count 20			Wastewater Collection and Treatment	18			
								Wastewater Collection	7			
								Water Treatment and Distribution	4			
								Water Distribution	1			
								All section 1329				
								Mean	30			

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

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

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Market Sales Analysis - PP/OCLD	Simple	
All Section 1329 Acquistions		
Mean	2.0050	
Standard Deviation	1.0152	
Median	1.5514	
Water Treatment & Distribution		
Mean	1.4354	
Water Distribution		
Mean	1.35	
Wastewater Collection & Treatment		
Mean	1.7972	
Wastewater Collection		
Mean	1.8733	
Wastewater Treatment Only		
Mean	-0.07607	
WADS Conclusion	1.8733	WADS Input Cost Approach - OCLD
City of Pittston OCLD	16,376,975	
Market Value Indication	**30,678,987**	

Market Sales Analysis - PP/CORLD	Simple	
All Section 1329 Acquistions		
Mean	0.8001	
Standard Deviation	0.2319	
Median	0.835	
Water Treatment & Distribution		
Mean	0.853616667	
Water Distribution		
Mean	0.7686	
Wastewater Collection & Treatment		
Mean	0.8536	
Wastewater Collection		
Mean	0.8077	
Wastewater Treatment Only		
Mean	0.0459	
WADS Conclusion	0.8077	WADS Input Cost Approach - CORLD
City of Pittston CORLD	32,900,164	
Market Value Indication	**26,574,559**	

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

All Section 1329 Acquisitions

Water Treatment and Distribution

Water Distribution

Wastewater Collection and Treatment

Wastewater Collection

Wastewater Treatment Only (derived)

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329	Average Purchase Price per Customer	AUS Market Value per Customer
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post	7,242.75	7,243
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post	14,007.60	14,008
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post	11,846.41	11,846
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post	4,006.41	4,006
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post	3,992.24	3,992
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post	3,284.08	3,284
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post	4,785.71	4,786
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post	9,354.84	9,355
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post	8,617.23	8,617
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post	10,388.89	10,389
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post	4,242.42	4,242
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post	8,753.74	8,754
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post	8,145.36	8,145
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post	5,020.56	5,021
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post	8,485.40	8,485
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending	16,785.04	16,785
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post	9,628.85	9,629
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post	4,752.94	4,753
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post	14,019.91	14,020
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post	7,628.60	7,629
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post	14,825.56	14,826
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending	10,421.93	10,422
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post	4,095.56	4,096
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending	4,828.97	4,829
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	3,252	Post	11,608.24	11,608
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post	15,433.33	15,433
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post	7,922.54	7,923
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	2,190	Post	12,785.39	12,785
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post	8,083.14	8,083
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post	12,312.31	12,312
	End of Section 1329 Data													
					Count 20			Wastewater Collection and Treatment	18				10,622	10,622
								Wastewater Collection	7				6,268	6,267
								Water Treatment and Distribution	4				7,696	6,157
								Water Distribution	1				3,992	3,992
								All section 1329						
								Mean	30				8,910	8,910
								Standard Deviation					3,883	3,883
								Median					8,551	8,551

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer			**Financial Basis**[1]		
	Simple		Financial Markets	Market Value per Share to Book Value per Share	
All Section 1329 Acquistions					
Mean	8,910		Market to Book (equity)	3.21	
Standard Deviation	3,883				
Median	8,551				
			Market to Book (equity and debt)	2.09	
Water Treatment and Distribution					
Mean	7,696				
			Use (equity and debt)	2.09	WADS Input
Water Distribution					
Mean	3,992				
Wastewater Collection & Treatment					
Mean	10,622				
Wastewater Collection					
Mean	6,268				
Watewater Treatment Only					
Mean	4,354				
Conclusion					
City of Pittston, PA Sanitary Sewer System (Collection)					Cost Approach
Customers:	4,406	WADS Input	City of Pittston	16,376,975	- OCLD
Wastewater Collection	6,268	WADS Input			
Collection and Treatement Customers Market Value Indication	**27,616,808**		**Market Value Indication**	**34,145,993**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	4,354	WADS Input			
Treatment Only Customers	-	WADS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**27,621,162**				

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

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

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Engineers Assessment	Original Cost	OCLD Depreciation	Original Cost less Depreciation (OCLD)	Purchase Price to OCLD	COR Translator	Cost New	Replacement Cost less Depreciation (CORLD)	Cost New less Depreciation (RCNLD)	Purchase Price to RCNLD
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	KUH Engineers, Inc.	108,231,570	74.0%	80,085,602	1.9854	2.986	323,139,630	48.4%	156,524,909	1.0158
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	AUS Consultants	27,146,852	68.4%	18,567,728	1.5888	2.219	60,232,051	50.8%	30,615,410	0.9636
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	PennoniAssociates, Inc.	63,480,402	72.7%	46,153,867	1.3948	1.966	124,772,705	58.6%	73,068,377	0.8810
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	AUS Consultants	8,294,930	64.9%	5,383,591	0.9287	1.817	15,073,739	61.3%	9,236,581	0.5413
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	Larson Design Group	5,294,272	66.2%	3,507,138	1.3500	2.777	14,699,682	60.5%	8,899,336	0.5320
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	Larson Design Group	4,931,649	65.6%	3,234,859	1.4731	2.859	14,097,938	56.7%	7,991,234	0.5963
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	Boucher & James, Inc.	19,818,218	79.6%	15,784,463	3.1835	7.342	145,511,461	34.3%	49,940,486	1.0062
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	Herbert, Rowland & Grubic, Inc (HRG)	19,739,906	73.1%	14,433,435	1.5069	2.626	51,836,769	46.1%	23,921,473	0.9092
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	Herbert, Rowland & Grubic, Inc (HRG)	7,480,601	81.9%	6,128,876	1.40	1.424	10,652,193	80.0%	8,517,587	1.0097
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	Gannett Fleming	68,404,345	58.6%	40,057,634	2.3341	3.065	209,693,218	47.5%	99,589,819	0.9389
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	Carroll Engineering corporation	16,246,828	51.7%	8,407,007	2.4979	4.356	70,770,233	38.8%	27,461,356	0.7647
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	Gannett Fleming	21,023,527	57.4%	12,070,455	1.4548	2.642	55,539,558	52.2%	29,015,055	0.6052
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	PennoniAssociates, Inc.	7,666,492	67.5%	5,173,559	2.5128	5.325	40,821,536	32.8%	13,376,109	0.9719
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	PennoniAssociates, Inc.	6,843,616	78.5%	5,370,438	1.3639	2.239	15,320,978	76.1%	11,664,026	0.6280
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	PennoniAssociates, Inc.	13,389,110	68.8%	9,214,738	1.5139	2.370	31,729,237	60.7%	19,252,333	0.7246
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	PennoniAssociates, Inc.	263,682,616	72.7%	191,774,486	1.4418	3.005	792,388,731	50.4%	399,664,111	0.6918
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	LTL Consultnats & AUS Consultants	15,295,347	77.0%	11,769,925	1.1682	1.686	25,786,184	71.6%	18,460,028	0.7449
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	Ebert Engineering, Inc.	32,003,924	64.5%	20,644,920	2.5672	3.030	96,986,192	53.0%	51,454,555	1.0308
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	PennoniAssociates, Inc.	43,447,309	76.9%	33,403,972	1.6444	1.979	85,964,664	67.6%	58,078,339	0.9458
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	PennoniAssociates, Inc.	19,641,520	68.9%	13,524,101	1.2940	2.540	49,898,907	60.3%	30,113,231	0.5811
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	Buchart Horn	155,875,776	62.3%	97,106,105	2.4200	3.042	474,152,569	46.1%	218,366,227	1.0762
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	Gannett Fleming	12,898,487	60.9%	7,850,687	5.2543	6.380	82,286,857	40.1%	32,994,154	1.2502
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000		19,380,636	55.6%	10,784,743	1.1127	6.972	135,118,824	33.9%	45,836,624	0.2618
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	Gateway Engineers	9,942,191	73.0%	7,260,988	2.6443	5.849	58,151,497	41.8%	24,334,695	0.7890
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	Gannett Fleming	12,898,487	60.9%	7,850,687	4.8085	6.380	82,286,857	48.6%	39,994,154	0.9439
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	Herbert, Rowland & Grubic, Inc (HRG)	144,573,880	62.4%	90,190,859	2.5668	3.637	525,870,564	45.8%	240,895,239	0.9610
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	KUH Engineers, Inc.	13,638,921	50.3%	6,854,439	2.6260	6.715	91,587,383	35.5%	32,473,810	0.5543
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	Senate Engineering, Inc.	19,220,012	86.8%	16,678,044	1.6789	2.139	41,115,131	62.8%	25,820,745	1.0844
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	Carroll Engineering Corporation	9,445,761	74.1%	6,999,001	1.0001	2.227	21,038,513	72.8%	15,313,526	0.4571
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	Bankson Engineering Inc.	33,029,748	69.4%	22,911,559	1.4316	2.959	97,747,904	61.9%	60,489,847	0.5422
	End of Section 1329 Data																			
					Count 20			Wastewater Collection and Treatment	18						1.7972					0.8536
								Wastewater Collection	7						1.8733					0.8077
								Water Treatment and Distribution	4						1.4354					0.7686
								Water Distribution	1						1.3500					
								All section 1329												
								Mean	30						2.0050					0.8001
								Standard Deviation							1.0152					0.2319
								Median							1.5514					0.8350

The following table presents the market ratios derived from the Value Line Investment Survey information published on its January 5, 2024, issue:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

Comparable Sales Approach

Financial Basis[1]

	Industry Averages	American & Aqua Averages	American States Water	American Water	Essential Utilities	California Water	Middlesex Water	SJW Corp	
Price per Share			93.72	153.02	47.57	61.78	86.05	81.02	
Book value per share			19.8	42.8	20.8	23.45	22.55	36.55	
Market to Book Equity Ratio			4.73	3.58	2.29	2.63	3.82	2.22	
Minimum	2.22	2.29							
Mean	3.21	2.935		3.58	2.29				
Standard Deviation	0.91	0.645							
Weighted Market to Debt Ratio	3.18		19,375.29	141,991.01	43,542.01	11,878.99	6,977.75	8,689.35	232,454.40
Median	3.105	2.935							
Maximum	4.73	3.58							
Debt (Total) $s millions			685.7	11,839.0	6,536.8	1,129.7	308.8	1,458.0	
Outstanding Shares (millions)			36.39	181.83	262.29	54.82	17.64	30.32	
Debt per share			18.84	65.11	24.92	20.61	17.51	48.1	
Equity (Total) $s millions			3,410.55	27,823.29	12,477.18	3,387.03	1,517.84	2,456.12	
Total Capital (Debt + Equity)			4,096.25	39,662.29	19,013.98	4,516.73	1,826.64	3,914.12	73,030.01
			0.06	0.54	0.26	0.06	0.03	0.05	1.00
Market Value per Share (Equity+Debt)			112.56	218.13	72.49	82.39	103.56	129.12	
Book Value per Share (Equity+Debt)			38.64	107.91	45.72	44.06	40.06	84.65	
Market to Book (Total Capital) Ratio			2.91	2.02	1.59	1.87	2.59	1.53	
Minimum	1.53	1.59							
Mean	2.09	1.805		2.02	1.59				
Standard Deviation	0.51	0.215							
Weighted Market to Book (Debt&Equity) Ratio	1.94		11,920.10	80,117.83	30,232.22	8,446.28	4,730.99	5,988.61	141,436.03
Variance to Wtd Mean	0.1189		0.97	0.08	(0.35)	(0.07)	0.65	(0.41)	
Median	1.945	1.805							
Maximum	2.91	2.02							

1. Value Line Investment Survey January 10, 2020
2. Value Line dropped Connecticut Water in its January 10, 2020 publication

The following table presents the market derived ratios of purchase price to the projected earnings before interest income taxes depreciation and amortization (EBITDA) for forecast periods 1-5 years and 1- 3 years:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple		**Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)**	Simple
All Section 1329 Acquistions			All Section 1329 Acquistions	
Mean	18.50		Mean	14.23
Standard Deviation	10.01		Standard Deviation	10.55
Median	17.41		Median	12.59
Conclusion	16.95	WADS Input	Conclusion	12.04
Water Treatment and Distribution			Water Treatment and Distribution	
Mean	14.94		Mean	10.50
Water Distribution			Water Distribution	
Mean	20.24		Mean	13.59
Wastewater Collection & Treatment			Wastewater Collection & Treatment	
Mean	19.90		Mean	16.09
Wastewater Collection			Wastewater Collection	
Mean	17.88		Mean	12.70
Watewater Treatment Only			Watewater Treatment Only	
Mean	2.02		Mean	3.39
Conclusion			**Conclusion**	
		Income		
City of Pittson Cash Flows	2,330,633	Approach	City of Pittson Cash Flows	2,657,062
Wastewater Collection	17.88		Wastewater Collection	12.70
Market Value Indication	**41,667,709**			**33,745,073**

The following table presents the derivation of the market ratios of purchase price per projected earnings before interest income taxes depreciation and amortization (EBITDA) for forecast periods 1-5 years and 1- 3 years:

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

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Period 1	Purchase Price to EBITDA Period 1	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-5	Purchase Price to EBITDA Average Periods 1-5	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-13	Purchase Price to EBITDA Average Periods 1-13
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	5,247,843.00	29.7265	7,409,096.00	21.0552	11,958,224.00	13.0454
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	1,409,768.00	20.9254	1,717,347.00	17.1777	2,625,115.00	11.2376
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	2,154,798.00	34.8525	3,542,124.20	21.2020	5,212,045.23	14.4089
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	100,053.00	49.9735	283,367.00	17.6450	632,892.00	7.9002
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	58,541.50	80.8794	233,922.00	20.2409	348,408.96	13.5898
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	58,541.50	81.3987	233,922.00	20.3709	348,408.96	13.6770
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	50,250,000	50,250,000	5,270,576.00	9.5341	4,754,020.00	10.5700	4,326,210.00	11.6152
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidd	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	1,568,999.00	14.3404	2,278,514.00	9.8749	3,893,757.00	5.7785
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	580,238.00	15.9417	714,645.00	12.9435	895,128.00	10.3337
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	7,121,227.00	13.4808	7,279,978.00	13.1869	8,011,315.00	11.9831
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidd	Montgomery	Wastewater Collection	21,000,000	21,000,000	925,477.00	22.6910	1,265,269.00	16.5973	2,011,465.00	10.4402
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	680,463.00	25.8060	1,039,593.00	16.8912	1,446,948.00	12.1359
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	404,071.00	32.1726	600,765.00	21.6391	1,209,765.00	10.7459
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	217,969.00	33.6057	398,458.00	18.3834	817,993.00	8.9548
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	193,013.00	72.2749	392,972.00	35.4987	844,046.00	16.5275
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	25,621,637.00	10.7917	25,883,282.00	10.6826	28,960,161.85	9.5476
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	768,794.00	17.8852	845,182.00	16.2687	932,042.00	14.7526
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	2,472,701.00	21.4341	2,839,988.00	18.6621	3,432,340.00	15.4414
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	14,465,272.00	3.7974	15,872,367.00	3.4607	18,521,227.00	2.9658
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	723,189.00	24.1984	892,978.00	19.5973	1,168,600.00	14.9752
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	12,149,592.00	19.3422	13,874,600.00	16.9374	18,001,021.00	13.0548
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	706,202.00	58.4110	1,848,649.20	22.3136	2,092,981.46	19.7087
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	502,680.00	23.8720	724,217.00	16.5696	715,085.06	16.7812
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	1,303,713.00	14.7272	1,488,494.60	12.8989	1,661,649.46	11.5548
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	706,202.00	53.4550	610,767.60	61.8075	582,375.77	64.8207
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	13,603,503.00	17.0177	17,584,863.20	13.1647	23,491,122.15	9.8548
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	798,809.00	22.5335	750,396.40	23.9873	655,111.69	27.4762
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	1,324,106.00	21.1463	1,485,443.00	18.8496	1,973,423.00	14.1885
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	637,067	10.9879	831,408	8.4195	1,121,619	6.2410
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	1,279,814	25.6287	1,820,229	18.0197	2,510,455	13.0654
	End of Section 1329 Data															
					Count 20			Wastewater Collection and Treatment	18					19.8976		16.0877
								Wastewater Collection	7					17.8783		12.7001
								Water Treatment and Distribution	4					14.9426		10.5048
								Water Distribution	1					20.2409		13.5898
								All section 1329								
								Mean	30					18.4972		14.2267
								Standard Deviation						10.0102		10.5521
								Median						17.4113		12.5907

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Summary of Market Analyses

Indicators	
OCLD	30,678,987
CORLD	26,574,559
Customers	27,621,162
Cash Flows	
EBITDA Periods 1-5	41,667,709
EBITDA Periods 1-13	33,745,073
Value Line	34,145,993
Mean	32,405,581
Median	32,212,030
Conclusion	**32,212,030**

The market approach conclusion of this appraisal was determined to be $32,212,030.

Cost Approach Revisited – Before concluding this appraisal's fair market value, the preliminary cost approach conclusion of $45,224,277 needs to be evaluated to determine if external obsolescence exists in the preliminary replacement cost new less depreciation. The appraisal literature regarding developing a cost approach state:

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

> entire business (i.e., all tangible and intangible assets) rather than individual assets or isolated groups of assets, it is sometimes measured using the income approach or by using the income approach to help identify the existence of economic influences on value. However, the cost approach can be used to measure some forms of economic obsolescence."[15]

The above-described income approach value conclusion of $33,588,266 and the market approach conclusion of $32,212,030 for the City of Pittston's future wastewater system compared to the preliminary cost approach conclusion of $45,224,277 indicates 27.2511% external obsolescence exists in the cost approach conclusion of $32,900,164 detailed as follows:

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

	Column Reference in OCLD & RCNLD	Amount in $s			
Depreciated Replacement Cost (RCNLD)					
RCNLD Tangible Assets					
Original Cost (OC)	(9)	23,222,746			
Replacement Cost New (RCN)	(16)	121,357,951			
Replacement Cost New less Depreciation (RCNLD)	(31)	45,224,277			
Intangible Assets - Treatment Contract					
Original Cost (OC)	(9)				
Replacement Cost New (RCN)	(16)				
Replacement Cost New less Depreciation (RCNLD)	(31)				
Preliminary Replacement Cost less Depreciation (RCNLD) Tangible and Intangible Assets		**45,224,277**			
Economic Obsolescence (EO)					
Economic Indicators (Average of Income and Market)		**32,900,148**	Market Approach	32,212,030	
					JCW Input in order to keep the calc's
Preliminary Replacement Cost		**45,224,277**	Income Approach	33,588,266	non-circular
Economic Obsolescence (EO $s)		12,324,129	Conclusion	32,900,148	32,900,148
EO % of Preliminaary RCNLD	(40)	27.2511%			
Fair Market Value (FMV) Tangible Assets					
FMV Tangible Assets		32,900,164			
FMV Intangible Assets		-			
FMV Total Assets	(41)	32,900,164			

The following table presents the application of the above described 25.2511% economic obsolescence to the gravity collection mains example:

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

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

(36)	(37)	(38)	(39)	(40)	(41)
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Input	Calculation	Input	Calculation
AUS Input	Eng Assmnt	Eng Assmnt	CORLD	AUS Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Year	Prelim CORLD	EO%	FMV
	361.21				
361.21	RCP - 60-inch	1980	314,713	27.25%	228,951
361.21	PVC/HDPE - 6-inch	1980	118,021	27.25%	85,859
361.21	PVC/HDPE - 8-inch	1980	267,881	27.25%	194,881
361.21	PVC/HDPE - 10-inch	1980	1,293,721	27.25%	941,168
361.21	PVC/HDPE - 12-inch	1980	2,432,555	27.25%	1,769,657
361.21	PVC/HDPE - 15-inch	1980	5,527,304	27.25%	4,021,053
361.21	PVC/HDPE - 18-inch	1980	1,867,535	27.25%	1,358,611
361.21	PVC/HDPE - 24-inch	2013	141,725	27.25%	103,104
361.21	PVC/HDPE - 36-inch	1980	89,853	27.25%	65,367
361.21	PVC/HDPE - 54-inch(6)	2021	214,113	27.25%	155,765
361.21	Unknown - Unknown	1980	398,320	27.25%	289,774
			12,665,742		**9,214,188**

Therefore, the final cost approach conclusion of $32,900,164 can be considered the final cost approach conclusion as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(39)	(40)	(41)
Account	Description	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
		CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Col (31)	WAD Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Prelim CORLD	EO%	FMV
353.20	Land & Land Rights - Easements	12,922	27.30%	9,394
361.21	Collection Sewers - Gravity - Mains	37,220,394	27.25%	27,077,427
361.23	Collection Sewers - Gravity - Manholes & Structures	5,003,023	27.25%	3,639,644
363.20	Service Laterals	2,987,938	27.25%	2,173,692
	Total Pittson Wastewater Utility	45,224,277		32,900,164
Grand Total	Grand Total	45,224,277	27.25%	32,900,164
		-		-

Development of the Final Original Cost less Depreciation

The above-described income approach value conclusion of $33,588,266 and the market approach conclusion of $32,212,030 for the City of Pittston's future wastewater system compared to the preliminary original cost approach conclusion of $16,376,975 indicates no external obsolescence exists in the cost approach conclusion of $16,376,975 detailed as follows:

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Depreciated Original Cost (OCLD)		
OCLD Tangible Assets		
Original Cost (OC) Tangible Assets	(46)	23,222,746
Original Cost less Depreciation (OCLD)	(57)	16,376,975
Intangible Assets - Treatment Contract		
Original Cost (OC) Intangible Assets	(46)	
Original Cost less Depreciation (OCLD)	(57)	
Preliminary OCLD Total assets		
Original Cost (OC) Total Assets		23,222,746
Original Cost less Depreciation (OCLD) Total Assets		16,376,975
Economic Obsolescence (EO)		
Economic Indicators (Average of Income and Market)		**32,900,148**
Preliminary OCLD Total Assets		16,376,975
Economic Obsolescence (EO $s)		-
EO % of Preliminaary RCNLD		0.00%
Depreciated Original Cost (OCLD)	(57)	
OCLD Tangible Assets		16,376,975
OCLD Intangible Assets		-
OCLD Total Assets		16,376,975

The following table presents the final original cost less depreciation:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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
WAD Input	Eng Assmnt	Eng Assmnt	WAD Input	WAD 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
353.20	Land & Land Rights - Easements	14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains	19,535,876	R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals	1,494,188	R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility	23,222,746							6,845,771	16,376,975
Grand Total	Grand Total	23,222,746		79.36	25.04	57.67	82.72	0.29	6,845,771	16,376,975
		-							-	-

Value Conclusion

The Fair Market Value of the City of Pittston's, Pennsylvania's wastewater property, plant and equipment and its operation were determined to be $32,900,153 as follows:

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value Appraisal

Appraisal Approach	Investor-owned Utility			Weight	Wtd Valuation Indications
Cost Approach		**Cost Approach**			
Depreciated Original Cost ($OCLD)		**Replacement Cost**			
Tangible Assets		**Tangible Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Intangible Assets		**Intangible Assets**			
Original Cost ($OC)	-	**Replacement Cost New (COR)**	-		
Depreciated Original Cost ($OCLD)	-	**Depreciated Replacement Cost New (CORLD)**	-		
Total Assets		**Total Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Economic Obsolescence (EO)		**Economic Obsolescence (EO)**			
Economic Indicators (Average of Income and Market)	32,900,148	Economic Indicators (Average of Income and Market)	32,900,148		
Preliminary OCLD Total Assets	16,376,975	Preliminary Replacement Cost	45,224,277		
Economic Obsolescence (EO $s)	-	Economic Obsolescence (EO $s)	12,324,129		
EO % of Preliminaary RCNLD	0.0000%	EO % of Preliminaary RCNLD	27.2511%		
Fair Market Value (FMV) Tangible Assets (OCLD)		**Fair Market Value (FMV) Tangible Assets**			
FMV Tangible Assets	16,376,975	FMV Tangible Assets	32,900,164		
FMV Intangible Assets	-	FMV Intangible Assets	-		
FMV Total Assets	16,376,975	FMV Total Assets	32,900,164		
Cost Approach Conclusion			**32,900,164**	**33.33%**	**10,966,721**
Income Approach					
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	33,588,266				
Income Approach Conclusion	**33,588,266**			**33.33%**	**11,196,089**
Market Approach					
Market Comparables to:					
OCLD	30,678,987				
CORLD	26,574,559				
Customers	27,621,162				
Cash Flows					
EBITDA Periods 1-5	41,667,709				
EBITDA Periods 1-13	33,745,073				
Value Line	34,145,993				
Mean	32,405,581				
Median	32,212,030				
Conclusion	32,212,030				
Market Approach Conclusion	**32,212,030**			**33.33%**	**10,737,343**
Appraisal Conclusion	**$ 32,900,153**			**100.00%**	**32,900,153**
Conclusion (cost approach)	**$ 32,900,164**				

As the purpose of this appraisal was to fulfill the requirements of Section 1329 of the PA CS in the establishment of value for rate making of the City of Pittston's wastewater collection and treatment system's property, plant and equipment this appraisal's conclusion of $32,900,153 is consistent with the purpose of the appraisal. As the cost approach work papers detail our value conclusion by National Association of Regulatory Utility Commissioners' (NARUC) Uniform System of Accounts (USOA) for the water industry account classifications and the installation year of the property, this detail can be used to allocate the appraisal conclusion to establish the booked value for future accounting and rate making.

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

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

- State the intended use of the appraisal
  To establish the Fair Market Value of City of Pittston, PA's Sanitary Collection System and Contracted Treatment Capacity (System).

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

  The system consists of collection mains and laterals of various sizes and types, pumping structures, improvements and equipment, and purchased treatment capacity. The property is in good condition based on physical inspections and reviews or operating statements. The property is an operating wastewater system the economics of which were analyzed based on seven years of operating financials which were incorporated into the income approach to value analysis in this appraisal.

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

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

- State the effective date of the appraisal and the date of the report
  The effective date of the appraisal is May 30, 2025, and the appraisal report date is December 5, 2025.

- Describe sufficient information to disclose to the client and any other intended users of the appraisal the scope of work used to develop the appraisal
  The appraisal considered all three approaches to value: the cost, income and market. Briefly the scopes of work for each are as follows:

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

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

Income Approach – The income approach utilized the discounted cash flow (DCF) method that facilitates the development of cash flows from operations as the property migrates from municipal operation to a regulated investor-owned operation. The City's operating experience was analyzed (2021-2023 and budgetary 2023-2025) in order to estimate the initial cash flows. Future customer tariff rates address the rates agreed to by the parties in the Asset Purchase Agreement between the parties. The operations were forecast for 19 periods in the future and a 20th period which is intended to reflect operation beyond that time. The discount rate was developed based on market debt and equity rates at the appraisal date.

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

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

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

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

  - State that their use might have affected the assignment results

    Not applicable.

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

  Not applicable.

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

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

See scope of work above.

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

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

  No departures for Standard 1 were made.

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

  Contained in Narrative Report.

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

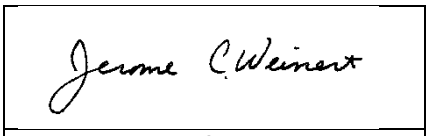
WADS Consultants certify that, to the best of its knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- WADS Consultants has not performed an appraisal of the City of Pittston, PA sanitary collection system and contract treatment capacity previously in the last three year.
- WADS Consultants nor its professional staff has any present or prospective interest in the property that is the subject of this report and has no interest or bias with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment is not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice 2024.
- The signers of this report have not made a personal inspection of the property that is the subject of this report.
- Individuals providing significant appraisal assistance to the person signing this certification includes Scott Fogelsanger of American Water Company provided information obtained from the City of Pittston, PA and the Engineer's Assessment report prepared by Pennoni Associates Inc. which was the inventory starting point of the Cost Approach.

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

WADS Consultants,
By:



Jerome C. Weinert
Principal and Director

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

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Valuation Summary

WADS Consultants
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J. Weinert's Cell: 414-698-8371
J. Weinert's E-Mail: weinertj@auswest.net

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value Appraisal

Appraisal Approach	Investor-owned Utility			Weight	Wtd Valuation Indications
Cost Approach		**Cost Approach**			
Depreciated Original Cost ($OCLD)		**Replacement Cost**			
Tangible Assets		**Tangible Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Intangible Assets		**Intangible Assets**			
Original Cost ($OC)	-	**Replacement Cost New (COR)**	-		
Depreciated Original Cost ($OCLD)	-	**Depreciated Replacement Cost New (CORLD)**	-		
Total Assets		**Total Assets**			
Original Cost ($OC)	23,222,746	**Replacement Cost New (COR)**	121,357,951		
Depreciated Original Cost ($OCLD)	16,376,975	**Depreciated Replacement Cost New (CORLD)**	45,224,277		
Economic Obsolescence (EO)		**Economic Obsolescence (EO)**			
Economic Indicators (Average of Income and Market)	32,900,148	Economic Indicators (Average of Income and Market)	32,900,148		
Preliminary OCLD Total Assets	16,376,975	Preliminary Replacement Cost	45,224,277		
Economic Obsolescence (EO $s)	-	Economic Obsolescence (EO $s)	12,324,129		
EO % of Preliminaary RCNLD	0.0000%	EO % of Preliminaary RCNLD	27.2511%		
Fair Market Value (FMV) Tangible Assets (OCLD)		**Fair Market Value (FMV) Tangible Assets**			
FMV Tangible Assets	16,376,975	FMV Tangible Assets	32,900,164		
FMV Intangible Assets	-	FMV Intangible Assets	-		
FMV Total Assets	16,376,975	FMV Total Assets	32,900,164		
Cost Approach Conclusion			**32,900,164**	33.33%	**10,966,721**
Income Approach					
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	33,588,266				
Income Approach Conclusion	**33,588,266**			33.33%	**11,196,089**
Market Approach					
Market Comparables to:					
OCLD	30,678,987				
CORLD	26,574,559				
Customers	27,621,162				
Cash Flows					
EBITDA Periods 1-5	41,667,709				
EBITDA Periods 1-13	33,745,073				
Value Line	34,145,993				
Mean	32,405,581				
Median	32,212,030				
Conclusion	32,212,030				
Market Approach Conclusion	**32,212,030**			33.33%	**10,737,343**
Appraisal Conclusion	**$ 32,900,153**			**100.00%**	**32,900,153**
Conclusion (cost approach)	$ 32,900,164				

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach

WADS Consultants
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J. Weinert's E-Mail: weinertj@auswest.net

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

	Column Reference in OCLD & RCNLD	Amount in $s			
Depreciated Replacement Cost (RCNLD)					
RCNLD Tangible Assets					
Original Cost (OC)	(9)	23,222,746			
Replacement Cost New (RCN)	(16)	121,357,951			
Replacement Cost New less Depreciation (RCNLD)	(31)	45,224,277			
Intangible Assets - Treatment Contract					
Original Cost (OC)	(9)				
Replacement Cost New (RCN)	(16)				
Replacement Cost New less Depreciation (RCNLD)	(31)				
Preliminary Replacement Cost less Depreciation (RCNLD) Tangible and Intangible Assets		45,224,277			
Economic Obsolescence (EO)					
Economic Indicators (Average of Income and Market)		32,900,148	Market Approach	32,212,030	
Preliminary Replacement Cost		45,224,277	Income Approach	33,588,266	JCW Input in order to keep the calc's non-circular
Economic Obsolescence (EO $s)		12,324,129	Conclusion	32,900,148	32,900,148
EO % of Preliminaary RCNLD	(40)	27.2511%			
Fair Market Value (FMV) Tangible Assets					
FMV Tangible Assets		32,900,164			
FMV Intangible Assets		-			
FMV Total Assets	(41)	32,900,164			

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Depreciated Original Cost (OCLD)		
OCLD Tangible Assets		
Original Cost (OC) Tangible Assets	(46)	23,222,746
Original Cost less Depreciation (OCLD)	(57)	16,376,975
Intangible Assets - Treatment Contract		
Original Cost (OC) Intangible Assets	(46)	
Original Cost less Depreciation (OCLD)	(57)	
Preliminary OCLD Total assets		
Original Cost (OC) Total Assets		23,222,746
Original Cost less Depreciation (OCLD) Total Assets		16,376,975
Economic Obsolescence (EO)		
Economic Indicators (Average of Income and Market)		32,900,148
Preliminary OCLD Total Assets		16,376,975
Economic Obsolescence (EO $s)		-
EO % of Preliminaary RCNLD		0.00%
Depreciated Original Cost (OCLD)	(57)	
OCLD Tangible Assets		16,376,975
OCLD Intangible Assets		-
OCLD Total Assets		16,376,975

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach
Replacement Cost New

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) to Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt	WAD Input	Pennoni Associates, Inc. 10/20/2024	Eng Assmnt	WAD Input			WAD Input	Col (14) * (15)
NARUC Code	NARUC Code	Asset Description	Original Cost	Cost Index Table	Translator	RCN	COR / RCN Factor	COR
353.20	353.20	Land & Land Rights - Easements	14	USBLS1	2.93	41	315.17	12,922
361.21	361.21	Collection Sewers - Gravity - Mains	19,535,876	HWW-134	4.18	81,738,438	1.00	81,738,438
361.23	361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	HWW-134	4.74	10,395,270	1.00	10,395,270
363.20	363.20	Service Laterals	1,494,188	HWW-139	19.55	29,211,321	1.00	29,211,321
		Total Pittson Wastewater Utility	**23,222,746**			**121,345,070**		**121,357,951**
Grand Total	Grand Total	Grand Total	23,222,746		5.23	121,345,070	1.00	121,357,951
		Difference	-			-		-

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

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

(1)	(2)	(3a)	(3b)	(3c)	(3d)	(3e)
				(3)		
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
353.20	Land & Land Rights - Easements	USBLS	PPI	1.00	USBLS1	1.00
361.21	Collection Sewers - Gravity - Mains	HW	W-1	34.00	HWW-134	1.00
361.23	Collection Sewers - Gravity - Manholes & Structures	HW	W-1	34.00	HWW-134	1.00
363.20	Service Laterals	HW	W-1	39.00	HWW-139	1.00

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach
Replacement Cost New less Depreciation

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Pennoni Associates, Inc. 10/20/2024		Col (16)	WAD Input	WAD Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
353.20	Land & Land Rights - Easements	24.75	12,922	ZNonDep	-	24.75	24.75	-	12,922
361.21	Collection Sewers - Gravity - Mains	56.63	81,738,438	R2.5	80.00	38.79	95.42	80.00	37,220,394
361.23	Collection Sewers - Gravity - Manholes & Structures	48.02	10,395,270	R2.5	80.00	41.10	89.12	80.00	5,003,023
363.20	Service Laterals	97.26	29,211,321	R3.0	70.00	7.97	105.23	70.00	2,987,938
	Total Pittson Wastewater Utility		**121,357,951**						**45,224,277**
Grand Total	Grand Total	65.67	121,357,951		77.58	31.56	97.23	0.37	45,224,277
			-						-

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Depreciation & Obsolescence

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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)		(7)
		(4a)	(4b)		(6a)	(6b)	
Account Number	Description	Iowa Survivor / Retirement Curve	Normal Service Life	RCNLD Economic Obsolescence	Tax Depreciation		OCLD Economic Obsolescence
			years	% of CORLD	Table	Life	% of CORLD
353.20	Land & Land Rights - Easements	ZNonDep	0.00	27.25%	Non-Depr	0.00	0.00%
361.21	Collection Sewers - Gravity - Mains	R2.5	80.00	27.25%	MACRS	25.00	0.00%
361.23	Collection Sewers - Gravity - Manholes & Structures	R2.5	80.00	27.25%	MACRS	25.00	0.00%
363.20	Service Laterals	R3.0	70.00	27.25%	MACRS	25.00	0.00%

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach

Replacement Cost New less Depreciation to Fair Market Value

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(39)	(40)	(41)
Account	Description	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
		CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Col (31)	WAD Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Prelim CORLD	EO%	FMV
353.20	Land & Land Rights - Easements	12,922	27.30%	9,394
361.21	Collection Sewers - Gravity - Mains	37,220,394	27.25%	27,077,427
361.23	Collection Sewers - Gravity - Manholes & Structures	5,003,023	27.25%	3,639,644
363.20	Service Laterals	2,987,938	27.25%	2,173,692
	Total Pittson Wastewater Utility	**45,224,277**		**32,900,164**
Grand Total	Grand Total	45,224,277	27.25%	32,900,164

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Original Cost less Depreciation

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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
WAD Input	Eng Assmnt	Eng Assmnt	WAD Input	WAD 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
353.20	Land & Land Rights - Easements	14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains	19,535,876	R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals	1,494,188	R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility	**23,222,746**							**6,845,771**	**16,376,975**
Grand Total	Grand Total	23,222,746		79.36	25.04	57.67	82.72	0.29	6,845,771	16,376,975
		-							-	-

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Income Approach

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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	1,985,648	487,960	1,083,357	1,497,688	414,331	119,700	709,367	11,914	656,707	0.964	633,066	633,066
2	1.5	2,531,701	489,763	1,105,094	2,041,938	936,844	270,654	715,882	29,487	1,025,915	0.895	918,194	1,551,260
3	2.5	2,848,164	492,083	1,127,161	2,356,081	1,228,920	355,035	721,251	17,089	1,262,706	0.832	1,050,571	2,601,831
4	3.5	3,489,001	494,918	1,149,610	2,994,083	1,844,473	532,868	726,660	34,605	1,699,950	0.773	1,314,061	3,915,892
5	4.5	3,925,126	498,265	1,172,446	3,426,861	2,254,415	651,301	732,111	23,551	2,019,898	0.718	1,450,287	5,366,179
6	5.5	4,121,382	512,027	1,195,672	3,609,355	2,413,683	697,313	737,601	10,598	2,163,843	0.667	1,443,283	6,809,462
7	6.5	4,203,810	526,202	1,219,294	3,677,608	2,458,314	710,207	743,210	4,451	2,219,740	0.619	1,374,019	8,183,481
8	7.5	4,414,001	540,802	1,243,315	3,873,199	2,629,884	759,773	748,783	11,350	2,353,293	0.575	1,353,143	9,536,624
9	8.5	4,502,281	555,840	1,267,742	3,946,441	2,678,699	773,876	754,399	4,767	2,413,399	0.534	1,288,755	10,825,379
10	9.5	4,727,395	571,329	1,292,578	4,156,066	2,863,488	827,262	760,057	12,157	2,556,590	0.496	1,268,069	12,093,448
11	10.5	4,821,943	587,283	1,317,828	4,234,660	2,916,832	842,673	765,757	5,105	2,621,125	0.461	1,208,339	13,301,787
12	11.5	5,063,040	603,715	1,343,498	4,459,325	3,115,827	900,163	771,500	13,019	2,774,643	0.428	1,187,547	14,489,334
13	12.5	5,164,301	620,640	1,369,591	4,543,661	3,174,070	916,989	777,286	5,468	2,843,918	0.398	1,131,879	15,621,213
14	13.5	5,422,516	638,073	1,396,113	4,784,443	3,388,330	978,888	783,117	13,943	3,008,495	0.370	1,113,143	16,734,356
15	14.5	5,530,966	656,029	1,423,069	4,874,937	3,451,868	997,245	788,989	5,857	3,082,846	0.343	1,057,416	17,791,772
16	15.5	5,807,514	674,523	1,450,464	5,132,991	3,682,527	1,063,882	794,907	14,934	3,259,268	0.319	1,039,706	18,831,478
17	16.5	5,923,664	693,573	1,478,302	5,230,091	3,751,789	1,083,892	800,868	6,272	3,339,059	0.296	988,361	19,819,839
18	17.5	6,219,847	713,195	1,506,590	5,506,652	4,000,062	1,155,618	806,875	15,994	3,528,165	0.275	970,245	20,790,084
19	18.5	6,344,244	733,405	1,535,332	5,610,839	4,075,507	1,177,414	812,926	6,717	3,613,782	0.256	925,128	21,715,212
20 and beyond	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	3.111	11,873,054	33,588,266
								15,270,570					

Age				19.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.238									
PW to Perpetuity = 1/Capitalization Rate				13.072									
$PW_{(20and Beyond)}$ = PW to Perpetuity * PW $Factor_{(19.5)}$				3.111									
								Net Plant		23,210,795			
								ADIT		(2,236,692)			
								Rate Base		20,974,103	0.238	4,991,836	26,707,048
								Annual Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 19.5 years		47,940,744	0.238	11,409,897	33,125,109
								PP	26,440,000				
								OCLD	16,376,975				
								PP/OCLD	1.614				
								RCNLD	45,224,277				
								RCNLD/PP		1.710449206			
										35,875,137.34	0.238	8,538,283	30,253,495
								Average					30,918,480

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Calculated Rates of Return on Rate Base and Equity
(Years 1 through 20)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Period	Age	Revenues	O&M Expenses	Book Depreciation	Ratemaking Interest Expense	Book Taxable Income (Current + Deferred)	State and Federal Taxes @ 28.89%	Net Operating Income	Net (Equity) Income	Net Plant	Working Capital	Accumulated Deferred Income Taxes (ADIT)	Rate Base	Return on Rate Base	Net Equity	Return on Equity
						(3)-(4)-(5)-(6)	(7) *28.89%	(7)-(8)+(6)	(9) - (6)				(11)+(12)+(13)	(9)/(14)		(10)/(16)
1	0.5	1,985,648	487,960	914,212	1,404,696	(821,220)	(237,250)	820,726	(583,970)	26,235,155	107,225	(48,866)	26,293,514	3.12%	44,820,354	-1.30%
2	1.5	2,531,701	489,763	907,987	1,361,097	(227,146)	(65,622)	1,199,573	(161,524)	26,043,050	136,712	(105,811)	26,073,951	4.60%	44,658,830	-0.36%
3	2.5	2,848,164	492,083	916,699	1,319,736	119,646	34,566	1,404,816	85,080	25,847,602	153,801	(166,614)	25,834,789	5.44%	44,743,910	0.19%
4	3.5	3,489,001	494,918	913,740	1,275,745	804,598	232,448	1,847,895	572,150	25,660,522	188,406	(234,757)	25,614,171	7.21%	45,316,060	1.26%
5	4.5	3,925,126	498,265	921,222	1,233,220	1,272,419	367,602	2,138,037	904,817	25,471,412	211,957	(307,336)	25,376,033	8.43%	46,220,878	1.96%
6	5.5	4,121,382	512,027	910,111	1,192,113	1,507,131	435,410	2,263,834	1,071,721	25,298,901	222,555	(389,834)	25,131,622	9.01%	47,292,598	2.27%
7	6.5	4,203,810	526,202	922,604	1,152,376	1,602,628	462,999	2,292,005	1,139,629	25,119,488	227,006	(475,547)	24,870,947	9.22%	48,432,227	2.35%
8	7.5	4,414,001	540,802	913,039	1,113,963	1,846,197	533,366	2,426,794	1,312,831	24,955,214	238,356	(570,964)	24,622,606	9.86%	49,745,059	2.64%
9	8.5	4,502,281	555,840	925,639	1,076,831	1,943,971	561,613	2,459,189	1,382,358	24,783,955	243,123	(669,797)	24,357,281	10.10%	51,127,417	2.70%
10	9.5	4,727,395	571,329	920,462	1,040,937	2,194,667	634,039	2,601,565	1,560,628	24,623,531	255,280	(777,301)	24,101,510	10.79%	52,688,045	2.96%
11	10.5	4,821,943	587,283	926,051	1,006,239	2,302,370	665,155	2,643,454	1,637,215	24,463,218	260,385	(890,486)	23,833,117	11.09%	54,325,260	3.01%
12	11.5	5,063,040	603,715	923,219	972,698	2,563,408	740,569	2,795,537	1,822,839	24,311,479	273,404	(1,011,905)	23,572,978	11.86%	56,148,099	3.25%
13	12.5	5,164,301	620,640	928,808	940,274	2,674,579	772,686	2,842,167	1,901,893	24,159,937	278,872	(1,139,247)	23,299,562	12.20%	58,049,992	3.28%
14	13.5	5,422,516	638,073	925,849	908,932	2,949,662	852,157	3,006,437	2,097,505	24,017,184	292,815	(1,275,106)	23,034,893	13.05%	60,147,496	3.49%
15	14.5	5,530,966	656,029	936,229	878,634	3,060,074	884,055	3,054,653	2,176,019	23,869,925	298,672	(1,415,754)	22,752,843	13.43%	62,323,516	3.49%
16	15.5	5,807,514	674,523	931,811	849,346	3,351,834	968,345	3,232,835	2,383,489	23,733,000	313,606	(1,565,593)	22,481,013	14.38%	64,707,004	3.68%
17	16.5	5,923,664	693,573	938,800	821,035	3,470,256	1,002,557	3,288,734	2,467,699	23,595,049	319,878	(1,721,455)	22,193,472	14.82%	67,174,704	3.67%
18	17.5	6,219,847	713,195	934,229	793,667	3,778,756	1,091,683	3,480,740	2,687,073	23,467,674	335,872	(1,886,811)	21,916,735	15.88%	69,861,777	3.85%
19	18.5	6,344,244	733,405	946,736	767,211	3,896,892	1,125,812	3,538,291	2,771,080	23,333,842	342,589	(2,056,856)	21,619,575	16.37%	72,632,856	3.82%
20	19.5	6,661,456	754,221	942,051	741,638	4,223,546	1,220,183	3,745,001	3,003,363	23,210,795	359,719	(2,236,692)	21,333,822	17.55%	75,636,220	3.97%
										5,524,169.14						

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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)
20	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	0.238	908,321	22,623,533
21	20.5	6,794,685	775,661	1,594,200	6,019,024	4,424,824	1,278,332	825,167	7,194	3,908,331	0.221	863,741	23,487,274
22	21.5	7,134,419	797,745	1,624,336	6,336,674	4,712,338	1,361,394	831,356	18,345	4,125,579	0.205	845,744	24,333,018
23	22.5	7,277,107	820,490	1,654,947	6,456,617	4,801,670	1,387,202	837,590	7,706	4,224,119	0.190	802,583	25,135,601
24	23.5	7,640,962	843,918	1,686,041	6,797,044	5,111,003	1,476,569	843,873	19,648	4,456,954	0.177	788,881	25,924,482
25	24.5	7,793,781	868,049	1,717,619	6,925,732	5,208,113	1,504,624	850,201	8,252	4,562,655	0.164	748,275	26,672,757
26	25.5	8,183,470	892,905	856,491	7,290,565	6,434,074	1,858,804	856,578	21,044	4,554,139	0.153	696,783	27,369,540
27	26.5	8,347,139	918,505	862,914	7,428,634	6,565,720	1,896,837	863,002	8,838	4,659,957	0.142	661,714	28,031,254
28	27.5	8,764,496	944,874	869,386	7,819,622	6,950,236	2,007,923	869,474	22,537	4,919,688	0.132	649,399	28,680,653
29	28.5	8,939,786	972,034	875,907	7,967,752	7,091,845	2,048,834	875,996	9,465	5,033,457	0.122	614,082	29,294,735
30	29.5	9,386,775	1,000,009	882,476	8,386,766	7,504,290	2,167,989	882,566	24,138	5,312,073	0.114	605,576	29,900,311
31	30.5	9,574,511	1,028,824	889,095	8,545,687	7,656,592	2,211,989	889,185	10,138	5,434,375	0.106	576,044	30,476,355
32	31.5	10,053,237	1,058,502	895,762	8,994,735	8,098,973	2,339,793	895,853	25,850	5,733,239	0.098	561,857	31,038,212
33	32.5	10,254,302	1,089,072	902,481	9,165,230	8,262,749	2,387,108	902,573	10,859	5,864,690	0.091	533,687	31,571,899
34	33.5	10,767,017	1,120,558	909,250	9,646,459	8,737,209	2,524,180	909,342	27,686	6,185,251	0.085	525,746	32,097,645
35	34.5	10,982,357	1,152,989	916,069	9,829,368	8,913,299	2,575,052	916,162	11,628	6,326,526	0.079	499,796	32,597,441
36	35.5	11,531,475	1,186,393	922,939	10,345,082	9,422,143	2,722,057	923,033	29,653	6,670,339	0.073	486,935	33,084,376
37	36.5	11,762,105	1,220,799	929,862	10,541,306	9,611,444	2,776,746	929,957	12,453	6,822,150	0.068	463,906	33,548,282
38	37.5	12,350,210	1,256,237	936,835	11,093,973	10,157,138	2,934,397	936,930	31,759	7,190,887	0.063	453,026	34,001,308
39	38.5	12,597,214	1,292,738	943,862	11,304,476	10,360,614	2,993,181	943,958	13,338	7,353,999	0.059	433,886	34,435,194
40	39.5	13,227,075	1,330,334	950,941	11,896,741	10,945,800	3,162,242	951,038	34,012	7,749,449	0.054	418,470	34,853,664
41	40.5	13,491,617	1,369,058	958,073	12,122,559	11,164,486	3,225,420	958,170	14,286	7,924,683	0.051	404,159	35,257,823
42	41.5	14,166,198	1,408,943	965,259	12,757,255	11,791,996	3,406,708	965,357	36,426	8,348,764	0.047	392,392	35,650,215
43	42.5	14,449,522	1,450,025	1,011,397	12,999,497	11,988,100	3,463,362	972,596	15,300	8,548,239	0.044	376,123	36,026,338
44	43.5	15,171,998	1,492,339	1,058,174	13,679,659	12,621,485	3,646,347	979,891	39,013	9,014,408	0.040	360,576	36,386,914
45	44.5	15,475,438	1,535,923	1,066,110	13,939,515	12,873,405	3,719,127	987,239	16,387	9,216,762	0.038	350,237	36,737,151
46	45.5	16,249,210	1,580,815	1,074,106	14,668,395	13,594,289	3,927,390	994,644	41,784	9,704,577	0.035	339,660	37,076,811
47	46.5	16,574,194	1,627,053	1,082,163	14,947,141	13,864,978	4,005,592	1,002,105	17,548	9,921,896	0.032	317,501	37,394,312
48	47.5	17,402,904	1,674,679	1,090,278	15,728,225	14,637,947	4,228,903	1,009,620	44,751	10,444,951	0.030	313,349	37,707,661
49	48.5	17,750,962	1,723,733	1,098,456	16,027,229	14,928,773	4,312,922	1,017,192	18,795	10,678,320	0.028	298,993	38,006,654
50	49.5	18,638,510	1,774,258	1,106,694	16,864,252	15,757,558	4,552,358	1,024,821	47,928	11,239,145	0.026	292,218	38,298,872
51	50.5	19,011,280	1,826,300	1,114,995	17,184,980	16,069,985	4,642,619	1,032,508	20,129	11,489,724	0.024	275,753	38,574,625
52	51.5	19,961,844	1,879,903	1,123,357	18,081,941	16,958,584	4,899,335	1,040,251	51,330	12,091,025	0.022	266,003	38,840,628
53	52.5	20,361,081	1,935,114	1,131,782	18,425,967	17,294,185	4,996,290	1,048,053	21,560	12,360,064	0.021	259,561	39,100,189
54	53.5	21,379,135	1,991,981	1,140,270	19,387,154	18,246,884	5,271,525	1,055,913	54,974	13,004,742	0.019	247,090	39,347,279
55	54.5	21,806,718	2,050,554	1,148,823	19,756,164	18,607,341	5,375,661	1,063,833	23,090	13,293,580	0.018	239,284	39,586,563
56	55.5	22,897,054	2,110,884	1,157,438	20,786,170	19,628,732	5,670,741	1,071,811	58,878	13,984,740	0.017	237,741	39,824,304
57	56.5	23,354,995	2,173,024	1,166,119	21,181,971	20,015,852	5,782,580	1,079,850	24,729	14,294,812	0.016	228,717	40,053,021
58	57.5	24,522,745	2,237,029	1,174,865	22,285,716	21,110,851	6,098,925	1,087,949	63,059	15,035,783	0.014	210,501	40,263,522
59	58.5	25,013,200	2,302,953	1,183,678	22,710,247	21,526,569	6,219,026	1,096,109	26,484	15,368,628	0.013	199,792	40,463,314
60	59.5	26,263,860	2,370,855	1,192,554	23,893,005	22,700,451	6,558,160	1,104,329	67,536	16,162,980	0.157	2,537,588	43,000,902
								39,145,099					
Age				59.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.012									
PW to Perpetuity = 1/Capitalization Rate				13.072									
PW$_{(20\text{and Beyond})}$ = PW to Perpetuity * PW Factor$_{(19.5)}$				0.157									
								Net Plant		20,816,236			
								ADIT		(3,145,673)			
								Rate Base		17,670,563	0.012	212,047	40,675,361
								Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 59.5 years		206,699,288	0.012	2,480,391	42,943,705
								PP	26,440,000				
								RCNLD	45,224,277				
								RCNLD/PP		1.710449206			
										30,224,600.28	0.012	362,695	40,826,009

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Calculated Rates of Return on Rate Base and Equity
(Years 1 through 20)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Period	Age	Revenues	O&M Expenses	Book Depreciation	Ratemaking Interest Expense	Book Taxable Income (Current + Deferred)	State and Federal Taxes @ 28.89%	Net Operating Income	Net (Equity) Income	Net Plant	Working Capital	Accumulated Deferred Income Taxes (ADIT)	Rate Base	Return on Rate Base	Net Equity	Return on Equity
						(3)-(4)-(5)-(6)	(7) *28.89%	(7)-(8)+(6)	(9) - (6)				(11)+(12)+(13)	(9)/(14)		(10)/(16)
20	19.5	6,661,456	754,221	942,051	741,638	4,223,546	1,220,183	3,745,001	3,003,363	23,210,795	359,719	(2,236,692)	21,333,822	17.55%	75,636,220	3.97%
20	20.5	6,794,685	775,661	955,407	716,916	4,346,701	1,255,762	3,807,855	3,090,939	23,080,533	366,913	(2,421,239)	21,026,207	18.11%	78,727,158	3.93%
20	21.5	7,134,419	797,745	949,896	693,019	4,693,759	1,356,027	4,030,751	3,337,732	22,961,973	385,258	(2,616,085)	20,731,146	19.44%	82,064,891	4.07%
20	22.5	7,277,107	820,490	957,739	669,918	4,828,960	1,395,087	4,103,791	3,433,873	22,841,803	392,964	(2,817,509)	20,417,258	20.10%	85,498,764	4.02%
20	23.5	7,640,962	843,918	957,763	647,588	5,191,693	1,499,880	4,339,401	3,691,813	22,727,892	412,612	(3,027,908)	20,112,596	21.58%	89,190,577	4.14%
20	24.5	7,793,781	868,049	954,171	626,002	5,345,559	1,544,332	4,427,229	3,801,227	22,623,899	420,864	(3,248,468)	19,796,295	22.36%	92,991,803	4.09%
20	25.5	8,183,470	892,905	965,653	605,135	5,719,777	1,652,444	4,672,468	4,067,333	22,514,803	441,908	(3,216,932)	19,739,779	23.67%	97,059,137	4.19%
20	26.5	8,347,139	918,505	961,958	584,964	5,881,712	1,699,227	4,767,449	4,182,485	22,415,825	450,746	(3,188,319)	19,678,252	24.23%	101,241,622	4.13%
20	27.5	8,764,496	944,874	968,426	565,465	6,285,731	1,815,948	5,035,248	4,469,783	22,316,851	473,283	(3,159,707)	19,630,427	25.65%	105,711,405	4.23%
20	28.5	8,939,786	972,034	969,762	546,616	6,451,374	1,863,802	5,134,188	4,587,572	22,223,063	482,748	(3,132,592)	19,573,219	26.23%	110,298,977	4.16%
20	29.5	9,386,775	1,000,009	982,249	528,396	6,876,121	1,986,511	5,418,006	4,889,610	22,123,358	506,886	(3,103,767)	19,526,477	27.75%	115,188,587	4.24%
20	30.5	9,574,511	1,028,824	976,202	510,782	7,058,703	2,039,259	5,530,226	5,019,444	22,036,318	517,024	(3,078,601)	19,474,741	28.40%	120,208,031	4.18%
20	31.5	10,053,237	1,058,502	975,924	493,756	7,525,055	2,173,988	5,844,823	5,351,067	21,956,224	542,874	(3,055,442)	19,443,656	30.06%	125,559,098	4.26%
20	32.5	10,254,302	1,089,072	986,195	477,298	7,701,737	2,225,032	5,954,003	5,476,705	21,872,579	553,733	(3,031,257)	19,395,055	30.70%	131,035,803	4.18%
20	33.5	10,767,017	1,120,558	984,465	461,388	8,200,606	2,369,155	6,292,839	5,831,451	21,797,433	581,419	(3,009,527)	19,369,325	32.49%	136,867,254	4.26%
20	34.5	10,982,357	1,152,989	991,849	446,008	8,391,511	2,424,308	6,413,211	5,967,203	21,721,723	593,047	(2,987,635)	19,327,135	33.18%	142,834,457	4.18%
20	35.5	11,531,475	1,186,393	994,476	431,141	8,919,465	2,576,833	6,773,773	6,342,632	21,650,257	622,700	(2,966,968)	19,305,989	35.09%	149,177,089	4.25%
20	36.5	11,762,105	1,220,799	994,198	416,770	9,130,338	2,637,755	6,909,353	6,492,583	21,585,992	635,153	(2,948,382)	19,272,763	35.85%	155,669,672	4.17%
20	37.5	12,350,210	1,256,237	1,009,449	402,878	9,681,646	2,797,027	7,287,497	6,884,619	21,513,449	666,912	(2,927,403)	19,252,958	37.85%	162,554,291	4.24%
20	38.5	12,597,214	1,292,738	1,001,969	389,448	9,913,059	2,863,883	7,438,624	7,049,176	21,455,414	680,250	(2,910,616)	19,225,048	38.69%	169,603,467	4.16%
20	39.5	13,227,075	1,330,334	1,002,233	376,467	10,518,041	3,038,662	7,855,846	7,479,379	21,404,195	714,262	(2,895,798)	19,222,659	40.87%	177,082,846	4.22%
20	40.5	13,491,617	1,369,058	1,019,366	363,918	10,739,275	3,102,576	8,000,617	7,636,699	21,342,975	728,548	(2,878,090)	19,193,433	41.68%	184,719,545	4.13%
20	41.5	14,166,198	1,408,943	1,010,791	351,787	11,394,677	3,291,922	8,454,542	8,102,755	21,297,515	764,974	(2,864,936)	19,197,553	44.04%	192,822,299	4.20%
20	42.5	14,449,522	1,450,025	1,029,864	340,061	11,629,572	3,359,783	8,609,850	8,269,789	21,240,223	780,274	(2,859,600)	19,160,897	44.93%	201,092,089	4.11%
20	43.5	15,171,998	1,492,339	1,027,532	328,726	12,323,401	3,560,231	9,091,896	8,763,170	21,192,557	819,287	(2,868,453)	19,143,391	47.49%	209,855,259	4.18%
20	44.5	15,475,438	1,535,923	1,025,330	317,768	12,596,417	3,639,105	9,275,080	8,957,312	21,154,440	835,674	(2,880,235)	19,109,879	48.54%	218,812,570	4.09%
20	45.5	16,249,210	1,580,815	1,043,003	307,176	13,318,216	3,847,633	9,777,759	9,470,583	21,106,057	877,458	(2,889,221)	19,094,294	51.21%	228,283,154	4.15%
20	46.5	16,574,194	1,627,053	1,040,768	296,937	13,609,436	3,931,766	9,974,607	9,677,670	21,067,369	895,006	(2,901,180)	19,061,195	52.33%	237,960,824	4.07%
20	47.5	17,402,904	1,674,679	1,042,609	287,039	14,398,577	4,159,749	10,525,867	10,238,828	21,034,354	939,757	(2,914,952)	19,059,159	55.23%	248,199,652	4.13%
20	48.5	17,750,962	1,723,733	1,051,136	277,471	14,698,622	4,246,432	10,729,661	10,452,190	21,000,384	958,552	(2,928,623)	19,030,313	56.38%	258,651,842	4.04%
20	49.5	18,638,510	1,774,258	1,048,734	268,222	15,547,296	4,491,614	11,323,904	11,055,682	20,976,445	1,006,480	(2,945,368)	19,037,557	59.48%	269,707,524	4.10%
20	50.5	19,011,280	1,826,300	1,050,499	259,281	15,875,200	4,586,345	11,548,136	11,288,855	20,958,428	1,026,609	(2,964,001)	19,021,036	60.71%	280,996,379	4.02%
20	51.5	19,961,844	1,879,903	1,067,033	250,638	16,764,270	4,843,198	12,171,710	11,921,072	20,931,620	1,077,939	(2,980,273)	19,029,286	63.96%	292,917,451	4.07%
20	52.5	20,361,081	1,935,114	1,066,316	242,284	17,117,367	4,945,207	12,414,444	12,172,160	20,913,330	1,099,499	(2,999,186)	19,013,643	65.29%	305,089,611	3.99%
20	53.5	21,379,135	1,991,981	1,068,809	234,208	18,084,137	5,224,507	13,093,838	12,859,630	20,900,407	1,154,473	(3,019,831)	19,035,049	68.79%	317,949,241	4.04%
20	54.5	21,806,718	2,050,554	1,087,742	226,401	18,442,021	5,327,900	13,340,522	13,114,121	20,876,471	1,177,563	(3,037,477)	19,016,557	70.15%	331,063,362	3.96%
20	55.5	22,897,054	2,110,884	1,089,568	218,854	19,477,748	5,627,121	14,069,481	13,850,627	20,858,686	1,236,441	(3,057,084)	19,038,043	73.90%	344,913,988	4.02%
20	56.5	23,354,995	2,173,024	1,092,111	211,559	19,878,301	5,742,841	14,347,019	14,135,460	20,846,398	1,261,170	(3,078,465)	19,029,103	75.40%	359,049,448	3.94%
20	57.5	24,522,745	2,237,029	1,104,105	204,507	20,977,104	6,060,285	15,121,326	14,916,819	20,830,213	1,324,229	(3,098,907)	19,055,535	79.35%	373,966,266	3.99%
20	58.5	25,013,200	2,302,953	1,105,911	197,690	21,406,646	6,184,380	15,419,956	15,222,266	20,820,384	1,350,713	(3,121,374)	19,049,723	80.95%	389,188,533	3.91%
20	59.5	26,263,860	2,370,855	1,108,449	191,100	22,593,456	6,527,250	16,257,306	16,066,206	20,816,236	1,418,249	(3,145,673)	19,088,812	85.17%	405,254,739	3.96%

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	100.0%						7.65%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							4.52%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Capitlization Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Market Capital Cost (2)*(3)
Debt	36%	Market	5.50%	Market	Not Applicable	Not Applicable	1.98%
Equity	64%	Market	9.75%	Market	Not Applicable	Not Applicable	6.24%
Total Capital r	100.0%						8.22%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							5.08%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	100.0%						6.97%
Growth (g)						Not Applicable	0.00%
Rate without Growth: [(1+r)/(1+g)]-1							6.97%

Statement of Revenues and Expenses	2021	2022	2023		2023	2024	2025	Use
Revenues								
Charges for service	1,489,486	1,581,106	1,648,579					
Investment Earnings	54	4,563	23,065					
Miscellaneous Revenues			40,515					
Total Revenues	1,489,540	1,585,669	1,712,159	Revenues	1,702,023	1,766,024	1,727,025	1,727,025
Expenses								
Current				expenses				Use
Public Works	707,890	558,230	972,522	Contract Service	128,270	184,900	150,500	150,500
				Administration	20,300	26,900	20,500	20,500
Debt Service				Legal Service	122,000	50,000	-	50,000
Principal	395,000	400,000	405,000	Sanitary sewer	267,830	254,000	255,200	255,200
Interest	207,848	91,325	109,189	Bad Debt	8,200	10,000	20,000	20,000
Subtotal Debt Service	602,848	491,325	514,189	Subtotal Sewer	546,600	525,800	446,200	496,200
Total Expenses	1,310,738	1,049,555	1,486,711	Depreciation			364,169	364,169
				Subtotal Operations			810,369	860,369
Excess (Deficiency) of Revenues over Expenses	178,802	536,114	225,448	Debt Interest			129,800	129,800
				Debt Principal			442,000	442,000
Other Financing Sources (Uses)				Subtotal Debt			571,800	571,800
Proceeds fromissuance of Short-term debt				Total Expenses			1,382,169	1,432,169
Transfers Inn								
Transfers Out	(300,000)	(336,000)	(360,000)	Net Income			344,856	294,856
Total other financing	(300,000)	(336,000)	(360,000)					
Net Change in Fund Balance	(121,198)	200,114	(134,552)					
Fund Balance Beginning Year	341,667	220,469	420,583					
Fund Balance Ending Year	220,469	420,583	286,031					

Projections				Forecast Parameters for Periods									
				1-5	6-15	6-15	16-20	21-26	27-33	34-40	40-46	47-53	54-60
	Year of Estimate	Annual Rate c	First Year of Projection										
	2025.25	4.50%	2025.75										
		Translator											
Revenues		1.022											
Revenues	1,727,025.00	1.022	1,765,020	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
See Rate Increase Schedule on tab: DCF Investor Owned Cells: L263:BS263													
Customer Growth													
Annual				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Periodic				10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Population													
Operating Expenses													
Expense Level 1. Contract Expense	150,500.00	1.022	153,811	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 2. Administration expense	20,500.00	1.022	20,951	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 3. Legal Expense	50,000.00	1.022	51,100	-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense Level 4. Sanitary Sewer Expense	255,200.00	1.022	260,814	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 5. Bad Debt	20,000.00	1.022	20,440	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Leve 6. Debt Interest	129,800.00	1.022	132,656	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Debt Principal	442,000.00	1.022	451,724	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Depreciation	364,169.05	1.022	372,181	Book Depreciation Expense Based on CORLD, Plant Depreciation Parameters, and CORLD Aging; Tax Depreciation based on CORLD and MACRS									
Total Expenses	1,432,169.05		1,091,496.00										
Expenses less Depreciatior	496,200.00		507,116.00										
Total Operating Expenses Levels 1-7	1,432,169.05		1,091,496.00										
Working Capital													
Current Assets				28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	
Current Liabilities				22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	

Balance Sheet	2021	2022	2023
Assets			
Current Assets			
Cash	235,212	218,400	296,071
Account Receivables, Net	519,570	539,205	527,961
Taxes Receivables	-	-	-
Prepaid Expenses			5,906
Grants Receivables	-	65,505	-
Account Receivables Other	8,200	8,200	-
Total Current Assets	**762,982**	**831,310**	**829,938**
NonCurrent			
Property Held	-	-	-
Total assets	**762,982**	**831,310**	**829,938**
Liabilities			
Account Payables	272,204	97,059	113,998
Accrued Liabilities	15,308	11,733	139,218
Total Liabilities	**287,512**	**108,792**	**253,216**
Deferred Inflows of Resources			
Unavailaable Revenues			
Sewer Fees	255,001	301,935	290,691
Total Deferred inflows	**255,001**	**301,935**	**290,691**
Fund Balances			
Nonspendables			
Uassigned fund Balances	-	-	-
Restricted fund Balances	220,469	420,583	286,031
Total Fund Balances	**220,469**	**420,583**	**286,031**
Total Liabilities and fund Balances	**762,982**	**831,310**	**829,938**

Budget			2023	2024	2025
Revenues					
Interest Earnings			21,000	19,000	19,000
WVSA Reimbursment - Sanitary			25,000	25,000	25,000
WVSA Reimbursment - Stormwater			15,000	18,000	10,000
City Seweer Maintenaance Fees			1,639,000	1,700,000	1,650,000
Appropriation of Unreserved Fund Balance			-	2,000	21,000
Total Revenues			1,702,023	1,766,024	1,727,025
Expenses					
	FINANCE-PROFESSIONAL SERVICES	Contract Service	0.00	15,000.00	30,000.00
	, FINANCE-PROF SERV-ACCOUNTING	Contract Service	8,000.00	10,000.00	11,000.00
	FINANCE-PROF SERV-ANNUAL CITY AUDIT CAFR	Contract Service	5,000.00	6,500.00	7,500.00
	FINANCE CONTRACTUAL THIRD PARTY BILLING F	Contract Service	112,270.00	118,000.00	100,000.00
	FINANCE-CONTRACTUAL-THIRD PARTY DELINQ C	Administration	8,100.00	8,000.00	0.00
	TREASURER-BANK CHARGES/FEES	Administration	100.00	0.00	0.00
	LEGAL-SPECIAL LEGAL SERVICES	Legal Service	62,000.00	50,000.00	0.00
	LEGAL--EXPERT WITNESS/CONSULTANT	Legal Service	35,000.00	0.00	0.00
	LEGAL--MEDIATION FEES	Legal Service	25,000.00	0.00	0.00
	ADMIN-ORDINANCE CODIFICATION	Administration	3,600.00	4,000.00	5,000.00
	IT-TYLER ACCOUNTING SYSTEM	Administration	1,000.00	1,000.00	2,500.00
	IT-COMPUTER MEMORY BACKUP	Administration	2,000.00 2000		2,000.00
	IT--IWORQ/DEBT BOOKS SUPPORT	Administration	5,500.00	11,500.00	11,000.00
	ENGINEERING-OTHER SERV CHARGES	Contract Service	3,000.00	35,400.00	2,000.00
	SANITARY SEWERS-SUPPLIES	Sanitary sewer	4,900.00	6,000.00	7,000.00
	SANITARY SEWERS-SMALL TOOLS/EQUIP	Sanitary sewer	2,000.00	1,000.00	1,000.00
	SANITARY SEWERS-OTH SERVICES/CHARGES	Sanitary sewer	3,000.00	3,000.00	3,000.00
	SANITARY SEWERS-MAINT/REPAIR	Sanitary sewer	152,500.00	95,000.00	95,000.00
	SANITARY SEWERS--CONTRACTUAL SERVICE	Sanitary sewer	98,930.00	95,000.00	95,000.00
	SANITARY SEWERS-CAPITAL LEASES	Sanitary sewer	4000.00	48,000.00	50,000.00
	STREET-BLDG MAINT/RE PAIR	Streets	2,000.00	2,000.00	2,000.00
	STREET-MOTOR POOL REPAIR/MAINTENANCE	Streets	2,500.00	4,750.00	5,000.00
	ST SWEEP-MOTOR POOL REPAIR/MAINTENAN	Streets	3,000.00	2,500.00	2,000.00
	ST SWEEP--CAPITAL LEASE	Streets	0.00	0.00	12,000.00
	SIDEWALKS/CROSSWALKS OTHER SERV CHA	Streets	4,000.00	4,000.00	4,000.00
	SIDEWALKS/CROSSWALKS-CONTRACTUAL SI	Streets	5,000.00	7,000.00	4,500.00
	STORM SEWERS--MS4 PERMIT ADMIN STIPEN	Storm sewer	1,500.00	1,500.00	1,500.00
	STORM SEWERS-SUPPLIES	Storm sewer	9,000.00	9,000.00	9,000.00
	STORM SEWERS--SAFETY EQUIPMENT	Storm sewer	1,500.00	3,000.00	2,500.00
	STORM SEWERS-SMALL TOOLS/EQUIP	Storm sewer	2,000.00	1,500.00	1,500.00
	STORM SEWERS-OTH SERVICES/CHARGES	Storm sewer	0.00	500.00	500.00
	STORM SEWERS-MS4 PERMIT COSTS	Storm sewer	2,000.00	1,000.00	500.00
	STORM SEWER-INSURANCE	Storm sewer	7,000.00	15,100.00	20,000.00
	STORM SEWERS-MAINT/REPAIRS	Storm sewer	39,000.00	75,000.00	75,000.00
	STORM SEWERS-CONTRACTUAL SERVICES	Storm sewer	93,000.00	75,000.00	75,000.00
	STORM SEWERS-EQUIPMENT LEASE PURCHA	Storm sewer	53,000.00	45,000.00	55,000.00
	STORM SEWER-PAYGO CAPITAL	Storm sewer	24,000.00	30,000.00	40,000.00
	EQUIP REPAIRS-OTHER SERVICE CHARGES	Streets	2500	2,000.00	5,000.00
	SHADE TREES-PROFESSIONAL SERVICES	Streets	25,000.00	10,000.00	15,000.00
	DEBT-BOND-2020A	Debt Payment	405,000.00	425,000.00	440,000.00
	DEBT--SERIES 2023A	Debt Payment	0.00	2,000.00	2,000.00
	INT-BOND-2020A	Debt Interest	76,200.00	34,600.00	18,000.00
	INTEREST--BOND--SERIES 2023A	Debt Interest	0.00	112,250.00	111,800.00
	UNCLASSIFIED-GEN OTHR MISC EXPENSE	Sanitary sewer	2,500.00	6,000.00	4,200.00
	TRANSFER TO GF-COST RECOVERY	Transfer	365,000.00	375,000.00	375,000.00
	SPECIAL EXPENSE--BAD DEBT	Bad Debt	8,200.00	10,000.00	20,000.00
	FUND BAL-PRIOR YR LIABILITIES	Funds	200.00	500.00	2,000.00
			1,669,000.00	1,764,000.00	1,725,000.00
	Total Expense:		1,700,000.00	1,764,000.00	1,725,000.00
	Report Total:		0.00	0.00	0.00
			31,000.00		
		Contract Service	128,270	184,900	150,500
		Administration	20,300	26,900	20,500
		Legal Service	122,000	50,000	-
		Sanitary sewer	267,830	254,000	255,200
		Streets	44,000	32,250	49,500
		Storm sewer	232,000	256,600	280,500
		Debt Payment	405,000	427,000	442,000
		Debt Interest	76,200	146,850	129,800
		Transfer	365,000	375,000	375,000
		Bad Debt	8,200	10,000	20,000
		Funds	200	500	2,000
			1,669,000	1,764,000	1,725,000
		Contract Service	128,270	184,900	150,500
		Administration	20,300	26,900	20,500
		Legal Service	122,000	50,000	-
		Sanitary sewer	267,830	254,000	255,200
		Bad Debt	8,200	10,000	20,000
		Subtotal Sewer	546,600	525,800	446,200
		Debt Payment	405,000	427,000	442,000
		Debt Interest	76,200	146,850	129,800
		Subtotal Debt	481,200	573,850	571,800

CITY OF PITTSTON WASTEWATER SYSTEM
SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM
AS OF NOVEBER 14, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST ($)	Book Life	Annaul Depreciation
353.2	LAND AND LAND RIGHTS - COLLECTION	$ 14.00		-
361.21	COLLECTION SEWERS - GRAVITY MAINS	$ 19,535,876.20	65.00	300,551.94
361.23	COLLECTION SEWERS - GRAVITY - STRUCTURES	$ 2,192,668.04	65.00	33,733.35
363.20	SERVICES TO CUSTOMERS	$ 1,494,187.75	50.00	29,883.76
	SYSTEM TOTAL	$ 23,222,745.99		364,169.05

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Market Approach

WADS Consultants
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Greenfield, Wisconsin 53228
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J. Weinert's Cell: 414-698-8371
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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Summary of Market Analyses

Indicators	
OCLD	30,678,987
CORLD	26,574,559
Customers	27,621,162
Cash Flows	
EBITDA Periods 1-5	41,667,709
EBITDA Periods 1-13	33,745,073
Value Line	34,145,993
Mean	32,405,581
Median	32,212,030
Conclusion	**32,212,030**

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Market Sales Analysis - PP/OCLD	Simple		**Market Sales Analysis - PP/CORLD**	Simple	
All Section 1329 Acquistions			All Section 1329 Acquistions		
Mean	2.0050		Mean	0.8001	
Standard Deviation	1.0152		Standard Deviation	0.2319	
Median	1.5514		Median	0.835	
Water Treatment & Distribution			Water Treatment & Distribution		
Mean	1.4354		Mean	0.853616667	
Water Distribution			Water Distribution		
Mean	1.35		Mean	0.7686	
Wastewater Collection & Treatment			Wastewater Collection & Treatment		
Mean	1.7972		Mean	0.8536	
Wastewater Collection			Wastewater Collection		
Mean	1.8733		Mean	0.8077	
Wastewater Treatment Only			Wastewater Treatment Only		
Mean	-0.07607		Mean	0.0459	
WADS Conclusion	1.8733	WADS Input Cost Approach - OCLD	WADS Conclusion	0.8077	WADS Input Cost Approach - CORLD
City of Pittston OCLD	16,376,975		City of Pittston CORLD	32,900,164	
Market Value Indication	**30,678,987**		**Market Value Indication**	**26,574,559**	

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer

	Simple
All Section 1329 Acquistions	
Mean	8,910
Standard Deviation	3,883
Median	8,551
Water Treatment and Distribution	
Mean	7,696
Water Distribution	
Mean	3,992
Wastewater Collection & Treatment	
Mean	10,622
Wastewater Collection	
Mean	6,268
Watewater Treatment Only	
Mean	4,354

Financial Basis[1]

Financial Markets	Market Value per Share to Book Value per Share	
Market to Book (equity)	3.21	
Market to Book (equity and debt)	2.09	
Use (equity and debt)	2.09	WADS Input

Conclusion

City of Pittston, PA Sanitary Sewer System (Collection) Customers:	4,406	WADS Input	City of Pittston	16,376,975	Cost Approach - OCLD
Wastewater Collection	6,268	WADS Input			
Collection and Treatement Customers Market Value Indication	**27,616,808**		**Market Value Indication**	**34,145,993**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	4,354	WADS Input			
Treatment Only Customers	-	WADS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**27,621,162**				

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple	
All Section 1329 Acquistions		
Mean	18.50	
Standard Deviation	10.01	
Median	17.41	
Conclusion	16.95	WADS Input
Water Treatment and Distribution		
Mean	14.94	
Water Distribution		
Mean	20.24	
Wastewater Collection & Treatment		
Mean	19.90	
Wastewater Collection		
Mean	17.88	
Watewater Treatment Only		
Mean	2.02	
Conclusion		
		Income
City of Pittson Cash Flows	2,330,633	Approach
Wastewater Collection	17.88	
Market Value Indication	**41,667,709**	

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)	Simple	
All Section 1329 Acquistions		
Mean	14.23	
Standard Deviation	10.55	
Median	12.59	
Conclusion	12.04	WADS Input
Water Treatment and Distribution		
Mean	10.50	
Water Distribution		
Mean	13.59	
Wastewater Collection & Treatment		
Mean	16.09	
Wastewater Collection		
Mean	12.70	
Watewater Treatment Only		
Mean	3.39	
Conclusion		
		Income
City of Pittson Cash Flows	2,657,062	Approach
Wastewater Collection	12.70	
	33,745,073	

Pennsylvania Public Utility Commission Case

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	159,000,000	21,953	Post
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller	Competitive 2 bidders	Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post
5	A-2018-3003519	4/26/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post
6	A-2018-3003517	4/26/2018	SUEZ	Mahoning			Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidder	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post
9	A-2018-3002437	1/1/2017	PA American Water	Salisbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post
10	A-2018-3004933	5/24/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection and Treatment	21,000,000	21,000,000	4,950	Post
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Water Treatment and Distribution	13,000,000	13,000,000	1,596	Post
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	7,325,000	7,325,000	1,459	Post
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection and Treatment	13,950,000	13,950,000	1,644	Post
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending
17	A-2020-3022460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 RDAs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post
20	A-2021-3027948	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Water Treatment and Distribution	41,250,000	41,250,000	3,958	Pending
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	3,252	Post
26	A-2022-3037047	10/1/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post
28	A-2025-3052983	10/4/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	2,190	Post
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post
	End of Section 1329 Data											
					Count 20			Wastewater Collection and Treatment	18			
								Water Treatment and Distribution	7			
								Wastewater Collection	4			
								Water Treatment and Distribution	1			
								All Section 1329 Mkts	30			

Market Comparables 4-1-2024

Prepare Wastewater Collection System valuation as of 5-30-2025 - Created 12-7-2025

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach

WADS Consultants
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City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

	Column Reference in OCLD & RCNLD	Amount in $s
Depreciated Replacement Cost (RCNLD)		
RCNLD Tangible Assets		
Original Cost (OC)	(9)	23,222,746
Replacement Cost New (RCN)	(16)	121,357,951
Replacement Cost New less Depreciation (RCNLD)	(31)	45,224,277
Intangible Assets - Treatment Contract		
Original Cost (OC)	(9)	
Replacement Cost New (RCN)	(16)	
Replacement Cost New less Depreciation (RCNLD)	(31)	
Preliminary Replacement Cost less Depreciation (RCNLD) Tangible and Intangible Assets		45,224,277
Economic Obsolescence (EO)		
Economic Indicators (Average of Income and Market)		32,900,148
Preliminary Replacement Cost		45,224,277
Economic Obsolescence (EO $s)		12,324,129
EO % of Preliminaary RCNLD	(40)	27.2511%
Fair Market Value (FMV) Tangible Assets		
FMV Tangible Assets		32,900,164
FMV Intangible Assets		-
FMV Total Assets	(41)	32,900,164

Market Approach	32,212,030	
Income Approach	33,588,266	JCW Input in order to keep the calc's non-circular
Conclusion	32,900,148	32,900,148

City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Depreciated Original Cost (OCLD)		
OCLD Tangible Assets		
Original Cost (OC) Tangible Assets	(46)	23,222,746
Original Cost less Depreciation (OCLD)	(57)	16,376,975
Intangible Assets - Treatment Contract		
Original Cost (OC) Intangible Assets	(46)	
Original Cost less Depreciation (OCLD)	(57)	
Preliminary OCLD Total assets		
Original Cost (OC) Total Assets		23,222,746
Original Cost less Depreciation (OCLD) Total Assets		16,376,975
Economic Obsolescence (EO)		
Economic Indicators (Average of Income and Market)		32,900,148
Preliminary OCLD Total Assets		16,376,975
Economic Obsolescence (EO $s)		-
EO % of Preliminaary RCNLD		0.00%
Depreciated Original Cost (OCLD)	(57)	
OCLD Tangible Assets		16,376,975
OCLD Intangible Assets		-
OCLD Total Assets		16,376,975

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach
Replacement Cost New

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

(1)	(2)	(3)	(9)	(10)	(13)	(14)	(15) Reproduction Cost New (RCN) to Replacement Cost New (COR)	(16)
Account	Account	Asset Description	Original Cost	Costing Parameter	Cost Translator	Reproduction Cost New (RCN)	Replacement Cost New (COR)	Replacement Cost New (COR)
			OC $s			RCN $s	COR $s / RCN $s	COR $s
Input	Input	Input	Input	Input	Calculation	Calculation	Input	Calculation
Eng Assmnt NARUC Code	WAD Input NARUC Code	Pennoni Associates, Inc. 10/20/2024 Asset Description	Eng Assmnt Original Cost	WAD Input Cost Index Table	Translator	RCN	WAD Input COR / RCN Factor	Col (14) * (15) COR
353.20	353.20	Land & Land Rights - Easements	14	USBLS1	2.93	41	315.17	12,922
361.21	361.21	Collection Sewers - Gravity - Mains	19,535,876	HWW-134	4.18	81,738,438	1.00	81,738,438
361.23	361.23	Collection Sewers - Gravity - Manholes & Structures	2,192,668	HWW-134	4.74	10,395,270	1.00	10,395,270
363.20	363.20	Service Laterals	1,494,188	HWW-139	19.55	29,211,321	1.00	29,211,321
		Total Pittson Wastewater Utility	23,222,746			121,345,070		121,357,951
Grand Total	Grand Total	Grand Total	23,222,746		5.23	121,345,070	1.00	121,357,951
		Difference	-			-		-

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

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

(1)	(2)	(3a)	(3b)	(3c)	(3d)	(3e)
Account Number	Description	Costing Parameters				Reproduction to Replacement Cost Factor
		Index Series	Table	Line Reference	Lookup	AUS Input
353.20	Land & Land Rights - Easements	USBLS	PPI	1.00	USBLS1	1.00
361.21	Collection Sewers - Gravity - Mains	HW	W-1	34.00	HWW-134	1.00
361.23	Collection Sewers - Gravity - Manholes & Structures	HW	W-1	34.00	HWW-134	1.00
363.20	Service Laterals	HW	W-1	39.00	HWW-139	1.00

0	1	2	3	4	5	6	7	8.00	9.00	10	11	12	13	14	15
	Pennsylvania American Water Company **City of Pittston, PA** **Sanitary Sewer System (Collection)** **Investor-Owned Utility** **As of May 30, 2025**														
	Replacement Cost New (RCN)														
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) Reproduction Cost New (RCN) to Replacement Cost New (COR)
Industry	Account	Account	Asset Description	Year Installed	Effective Installation Year	Units	Quantity	Replacement cost per unit	Original Cost	Costing Parameter	Placement Date Cost Index	Appraisal Date Cost Index	Cost Translator	Reproduction Cost New (RCN)	
									OC $s					RCN $s	COR $s / RCN $s
Input	Input	Input	Input	Input	Input				Input	Input	Input	Input	Calculation	Calculation	Input
Eng Assmnt	Eng Assmnt	WADS Input	Pennoni Associates, Inc. 10/20/2024	Eng Assmnt	WADS Input				Eng Assmnt	WADS Input	Cost Indices Lookup Cols(10) & (5)	Cost Indices Lookup Cols(10) & Study YR	Col (12) / (11)	Col (5) * (13)	WADS Input
Industry	NARUC Code	NARUC Code	Asset Description	Service Date					Original Cost	Cost Index Table	YearIndex	APPCostIndex	Translator	RCN	COR / RCN Factor
Wastewater	353.2	353.20	LAND AND LAND RIGHTS - COLLECTION												
Wastewater	353.2	353.20	Foundry Street West to Oconnell Street Easement Note 1	1967	1967			923.00	1.00	USBLS1	33	320.3595	9.708	10	1.000
Wastewater	353.2	353.20	Plank Street to Collection Chamber Easement Note 1	1967	1967			923.00	1.00	USBLS1	33	320.3595	9.708	10	1.000
Wastewater	353.2	353.20	Front Street to Rear Tunnel Street Easement Note 1	1967	1967			923.00	1.00	USBLS1	33	320.3595	9.708	10	1.000
Wastewater	353.2	353.20	Powers Easement - 103 Broad Street (Parcel: 72E11NE3012006000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Constantino and Elizabeth Turco Easement - 300 Kennedy Blvd (Parcel: 72E11NE4010002000 & 72E11NE401003A000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Angelo and Lena Parente Easement - Fear Street (Parcel: 72E11SE2017020000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Three-One Company Easement - 301 Kennedy Blvd (Parcel: 72E11NE401100200)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Lombardo Easement - 49 Broad Street (Parcel: 72E11NE3012002000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Northeast Windows Inc. Easement - Front Street (Parcel: 72E11SE201721A000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Marvin L. Slomowitz Easement - N Township Blvd (Parcel: 72E11SE200708A000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Cyprich Development, L.L.P. Easement - 351 Kennedy Blvd (Parcel: 72E11NE4011001000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Jeffrey M. and Laura McHugh Easement - 18 Tunnel Street (Parcel: 72E11NE301218D000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Landmark Community Bank Easement - 18 Charles Street (Parcel: 72E11NE3025034000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	353.2	353.20	Joseph and Margaret Rogo Easement - 55 Front Street (Parcel: 72E11SE2017020A000)	2009	2009			923.00	1.00	USBLS1	215	320.3595	1.490	1	1.000
Wastewater	Subtotal 353.2		Subtotal Land and Land Rights						14.00					41	
Wastewater			COLLECTION SEWERS - GRAVITY MAINS(2)												
Wastewater	361.21	361.21	VCP - 4-inch	1908	1912	Note 3	332	2.03	675.06	HWW-134	9	1161	129.000	87,082	1.000
Wastewater	361.21	361.21	VCP - 6-inch	1908	1912	Note 3	1,039	2.18	2,263.91	HWW-134	9	1161	129.000	292,044	1.000
Wastewater	361.21	361.21	VCP - 8-inch	1908	1912	Note 3	16,863	2.90	48,980.31	HWW-134	9	1161	129.000	6,318,460	1.000
Wastewater	361.21	361.21	VCP - 10-inch	1908	1912	Note 3	17,412	3.27	56,896.62	HWW-134	9	1161	129.000	7,339,664	1.000
Wastewater	361.21	361.21	VCP - 12-inch	1908	1912	Note 3	7,770	3.63	28,211.84	HWW-134	9	1161	129.000	3,639,327	1.000
Wastewater	361.21	361.21	VCP - 15-inch	1908	1912	Note 3	3,763	3.99	15,028.82	HWW-134	9	1161	129.000	1,938,718	1.000
Wastewater	361.21	361.21	VCP - 18-inch	1908	1912	Note 3	4,586	4.43	20,313.90	HWW-134	9	1161	129.000	2,620,493	1.000
Wastewater	361.21	361.21	VCP - 20-inch	1908	1912	Note 3	2,379	4.57	10,882.32	HWW-134	9	1161	129.000	1,403,819	1.000
Wastewater	361.21	361.21	VCP - 24-inch	1908	1912	Note 3	151	4.79	723.69	HWW-134	9	1161	129.000	93,356	1.000
Wastewater	361.21	361.21	VCP - 30-inch	1908	1912	Note 3	426	5.45	2,320.07	HWW-134	9	1161	129.000	299,289	1.000
Wastewater	361.21	361.21	VCP - 36-inch	1908	1912	Note 3	357	6.17	2,203.52	HWW-134	9	1161	129.000	284,254	1.000
Wastewater	361.21	361.21	VCP - 60-inch	1908	1912	Note 3	17	8.71	148.14	HWW-134	9	1161	129.000	19,110	1.000
Wastewater	361.21	361.21	Unknown - 12-inch	1908	1912	Note 3	52	3.63	188.80	HWW-134	9	1161	129.000	24,355	1.000
Wastewater	361.21	361.21	Unknown - Unknown	1908	1912	Note 3	768	4.43	3,401.90	HWW-134	9	1161	129.000	438,845	1.000
Wastewater	361.21	361.21	CMP - 15-Inch	1970	1970	Note 4	25	56.86	1,421.53	HWW-134	84	1161	13.821	19,647	1.000
Wastewater	361.21	361.21	CI - 30-inch	1970	1970	Note 4	62	77.54	4,807.34	HWW-134	84	1161	13.821	66,442	1.000
Wastewater	361.21	361.21	AC - 12-inch	1980	1980	Note 5	28	121.16	3,392.57	HWW-134	202	1161	5.748	19,501	1.000
Wastewater	361.21	361.21	AC - 15-inch	1980	1980	Note 5	285	133.28	37,984.71	HWW-134	202	1161	5.748	218,336	1.000
Wastewater	361.21	361.21	AC - 18-inch	1980	1980	Note 5	291	147.82	43,015.41	HWW-134	202	1161	5.748	247,253	1.000
Wastewater	361.21	361.21	AC - 24-inch	1980	1980	Note 5	476	159.94	76,129.35	HWW-134	202	1161	5.748	437,592	1.000
Wastewater	361.21	361.21	AC - 30-inch	1980	1980	Note 5	42	181.75	7,633.29	HWW-134	202	1161	5.748	43,876	1.000
Wastewater	361.21	361.21	AC - 36-inch	1980	1980	Note 5	539	205.98	111,021.98	HWW-134	202	1161	5.748	638,154	1.000
Wastewater	361.21	361.21	AC - 48-inch	1980	1980	Note 5	2,231	242.33	540,630.86	HWW-134	202	1161	5.748	3,107,546	1.000

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Industry	Account	Account	Asset Description	Year Installed	Effective Installation Year	Units	Quantity	Replacement cost per unit	Original Cost	Costing Parameter	Placement Date Cost Index	Appraisal Date Cost Index	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (COR)
Input	Input	Input	Input	Input	Input				Input	Input	Input	Input	Calculation	Calculation	Input
									Orig $s					RCN $s	COR $s / RCN $s
Eng Assmt	Eng Assmt	WARS Input	Pennsylvania American Water, Inc. 10/28/2024	Eng Assmt Service Date	WARS Input				Eng Assmt	WARS Input	Cost Indices Lookup Cost(10) & Study Yr (5)	Cost Indices Lookup Cost(10) & Study Yr	Col (12) / (11)	Col (6) * (13)	WARS Input
Industry	NARUC Code	NARUC Code	Asset Description						Original Cost	Cost Index Table	YearIndex	APPCostIndex	Translator	RCN	COR / RCN Factor
Wastewater	361.21	361.21	AC - 60-inch	1980	1980 Note 5		548	290.79	159,354.04	HWW-134	202	1161	5.748	915,967	1.000
Wastewater	361.21	361.21	AC - 66-inch	1980	1980 Note 5		309	363.49	112,318.42	HWW-134	202	1161	5.748	645,606	1.000
Wastewater	361.21	361.21	AC - 72-inch	1980	1980 Note 5		1,337	411.96	550,784.35	HWW-134	202	1161	5.748	3,165,908	1.000
Wastewater	361.21	361.21	RCP - 30-inch	1960	1980 Note 5		184	181.75	33,442.00	HWW-134	202	1161	5.748	192,225	1.000
Wastewater	361.21	361.21	RCP - 60-inch	1980	1980 Note 5		392	290.79	113,989.68	HWW-134	202	1161	5.748	655,213	1.000
Wastewater	361.21	361.21	PVC/HDPE - 6-inch	1980	1980 Note 5		588	72.70	42,747.60	HWW-134	202	1161	5.748	245,713	1.000
Wastewater	361.21	361.21	PVC/HDPE - 8-inch	1980	1980 Note 5		1,001	96.93	97,026.93	HWW-134	202	1161	5.748	557,711	1.000
Wastewater	361.21	361.21	PVC/HDPE - 10-inch	1980	1980 Note 5		4,297	109.05	468,587.85	HWW-134	202	1161	5.748	2,693,443	1.000
Wastewater	361.21	361.21	PVC/HDPE - 12-inch	1980	1980 Note 5		7,272	121.16	881,075.52	HWW-134	202	1161	5.748	5,064,422	1.000
Wastewater	361.21	361.21	PVC/HDPE - 15-inch	1980	1980 Note 5		15,021	133.28	2,001,998.88	HWW-134	202	1161	5.748	11,507,480	1.000
Wastewater	361.21	361.21	PVC/HDPE - 18-inch	1980	1980 Note 5		4,576	147.82	676,424.32	HWW-134	202	1161	5.748	3,888,087	1.000
Wastewater	361.21	361.21	PVC/HDPE - 24-inch	2013	2013		80	1,246.65	99,732.00	HWW-134	701	1161	1.656	165,156	1.000
Wastewater	361.21	361.21	PVC/HDPE - 36-inch	1980	1980 Note 5		156	205.98	32,544.84	HWW-134	202	1161	5.748	187,068	1.000
Wastewater	361.21	361.21	PVC/HDPE - 54-inch(6)	2021	2021		1,316	134.90	177,798.20	HWW-134	922.3	1161	1.259	223,848	1.000
Wastewater	361.21	361.21	Unknown - Unknown	1980	1980 Note 5		976	147.82	144,272.32	HWW-134	202	1161	5.748	829,277	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2010	2010		320	1,000.00	320,000.00	HWW-134	624	1161	1.861	595,520	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2010	2010		4,766	1,090.53	5,197,480.28	HWW-134	624	1161	1.861	9,672,511	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2010	2010		1,000	1,000.00	1,000,000.00	HWW-134	624	1161	1.861	1,861,000	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2011	2011		495	1,721.00	851,895.00	HWW-134	647.5	1161	1.793	1,527,448	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2012	2012		120	845.54	101,464.80	HWW-134	686.8	1161	1.690	171,476	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2014	2014		1,080	830.13	896,540.40	HWW-134	730.5	1161	1.589	1,424,603	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2015	2015		480	800.00	384,000.00	HWW-134	739.8	1161	1.569	602,496	1.000
Wastewater	361.21	361.21	PVC - 10-inch(6)	2015	2015		80	950.00	76,000.00	HWW-134	739.8	1161	1.569	119,244	1.000
Wastewater	361.21	361.21	HDPE - 18-inch(6)	2015	2015		40	1,286.93	51,477.20	HWW-134	739.8	1161	1.569	80,768	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2016	2016		630	96.93	61,068.33	HWW-134	755.3	1161	1.537	93,659	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2017	2017		1,060	109.05	115,589.83	HWW-134	777	1161	1.494	172,691	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2018	2018		880	640.90	563,992.00	HWW-134	802.8	1161	1.446	815,532	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2019	2019		1,545	121.16	187,197.37	HWW-134	829.5	1161	1.400	262,076	1.000
Wastewater	361.21	361.21	HDPE - 60-inch(6)	2020	2020		1,875	868.60	1,628,626.88	HWW-134	857.5	1161	1.354	2,205,161	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2020	2020		311	500.00	155,500.00	HWW-134	857.5	1161	1.354	210,547	1.000
Wastewater	361.21	361.21	PVC - 10-inch(6)	2020	2020		20	1,233.95	24,679.00	HWW-134	857.5	1161	1.354	33,415	1.000
Wastewater	361.21	361.21	PVC - 10-inch(6)	2021	2021		20	1,234.95	24,699.00	HWW-134	922.3	1161	1.259	31,086	1.000
Wastewater	361.21	361.21	PVC - 10-inch(6)	2021	2021		20	1,235.95	24,719.00	HWW-134	922.3	1161	1.259	31,121	1.000
Wastewater	361.21	361.21	PVC - 10-inch(6)	2021	2021		20	1,236.95	24,739.00	HWW-134	922.3	1161	1.259	31,146	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2022	2022		487	174.13	84,801.31	HWW-134	1026.5	1161	1.131	95,910	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2023	2023		524	435.27	228,081.48	HWW-134	1104.8	1161	1.051	239,714	1.000
Wastewater	361.21	361.21	HDPE - 60-inch(6)	2024	2024		150	1,863.33	279,499.50	HWW-134	1156.3	1161	1.004	280,617	1.000
Wastewater	361.21	361.21	PVC - 8-inch(6)	2024	2024		2,468	247.65	611,200.20	HWW-134	1156.3	1161	1.004	613,645	1.000
Wastewater	361.21	361.21	CIP - 18-inch(6)	2025	2025		55	586.45	32,254.75	HWW-134	1150.5	1161	1.009	32,545	1.000
	Subtotal 361.21	total 361.21	TOTAL COLLECTION SEWERS - GRAVITY MAINS						19,535,876.20					81,738,458	
Wastewater	361.23	361.23	COLLECTION SEWERS - GRAVITY - STRUCTURES												
Wastewater	361.23	361.23	Initial Installation - Original System	1908	1912 Note 3		119	72.62	8,641.26	HWW-134	9	1161	129.000	1,114,723	1.000
Wastewater	361.23	361.23	Sewer Extensions	1980	1980 Note 5		337	2,423.27	816,640.96	HWW-134	202	1161	5.748	4,694,052	1.000
Wastewater	361.23	361.23	Combined Sewer Inlets	1980	1980 Note 5		89	6,500.00	578,500.00	HWW-134	202	1161	5.748	3,325,216	1.000
Wastewater	361.23	361.23	2010 Pennvest Sewer Project(6)	2010	2010		40	12,000.00	480,000.00	HWW-134	624	1161	1.861	893,280	1.000
Wastewater	361.23	361.23	Grandview Drive Extension	2012	2012		3	6,968.11	20,904.33	HWW-134	686.8	1161	1.690	35,328	1.000
Wastewater	361.23	361.23	Panama Street Extension(6)	2020	2020		4	8,563.62	34,334.48	HWW-134	857.5	1161	1.354	46,489	1.000

Pittson OCLD&RCNLD

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New (RCN)

0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Industry	Account	Account	Asset Description	Year Installed	Effective Installation Year	Units	Quantity	Replacement cost per unit	Original Cost	Costing Parameter	Placement Date Cost Index	Appraisal Date Cost Index	Cost Translator	Reproduction Cost New (RCN)	Reproduction Cost New (RCN) / as Replacement Cost New (COR)
Input	Input	Input	Input	input	input				input	input	Cost Indices Lookup Cost(10) & (5)	Cost Indices Lookup Cost(10) & Study Yr	Calculation	Calculation	input
									OC $s					RCN $s	COR $s / RCN $s
Eng Assmnt	Eng Assmnt	WABS Input	Pennoni Associates, Inc. 10/30/2024	Eng Assmnt	WABS Input				Eng Assmnt	WABS Input			Col (12) / (11)	Col (5) * (13)	WABS Input
Industry	NARUC Code	NARUC Code	Asset Description	Service Date					Original Cost	Cost Index Table	Yearindex	APPCostIndex	Translator	RCN	COR / RCN Factor
Wastewater	361.23	361.23	North Main Street Extension(6)	2024	2024	1	1	10,000.00	10,000.00	HWW-134	1156.3	1161	1.004	10,040	1.000
Wastewater	361.23	361.23	North Main Street Extension(6)	2024	2024	1	1	10,000.00	10,000.00	HWW-134	1156.3	1161	1.004	10,040	1.000
Wastewater	361.23	361.23	Willow Lane Sewer Project(6)	2024	2024	3	3	8,500.00	25,500.00	HWW-134	1156.3	1161	1.004	25,602	1.000
Wastewater	361.23	361.23	100 Block of LaGrange Street (6)	2024	2024	1	1	16,489.00	16,489.00	HWW-134	1156.3	1161	1.004	16,555	1.000
Wastewater	361.23	361.23	531 N Main Street (6)	2024	2024	1	1	2,672.00	2,672.00	HWW-134	1156.3	1161	1.004	2,683	1.000
Wastewater	361.23	361.23	Intersection of William and Church Street (6)	2024	2024	1	1	4,868.00	4,868.00	HWW-134	1156.3	1161	1.004	4,887	1.000
Wastewater	361.23	361.23	Prospect and Leonard Street (6)	2024	2024	2	2	5,558.00	11,116.00	HWW-134	1156.3	1161	1.004	11,160	1.000
Wastewater	361.23	361.23	Market Street and Spring Street(6)	2024	2024	1	1	2,105.00	2,105.00	HWW-134	1156.3	1161	1.004	2,113	1.000
Wastewater	361.23	361.23	Intersection Leonard and Searle Street(6)	2024	2024	1	1	2,344.00	2,344.00	HWW-134	1156.3	1161	1.004	2,353	1.000
Wastewater	361.23	361.23	Prospect Street and Leonard Street(6)	2024	2024	1	1	4,749.00	4,749.00	HWW-134	1156.3	1161	1.004	4,768	1.000
Wastewater	361.23	361.23	Sand Street(6)	2024	2024	1	1	18,444.00	18,444.00	HWW-134	1156.3	1161	1.004	18,518	1.000
Wastewater	361.23	361.23	LaGrange Street and East Oak Street(6)	2023	2023	1	1	6,810.00	6,810.00	HWW-134	1104.8	1161	1.051	7,157	1.000
Wastewater	361.23	361.23	79 LaGrange Street (6)	2023	2023	1	1	1,020.00	1,020.00	HWW-134	1104.8	1161	1.051	1,072	1.000
Wastewater	361.23	361.23	324 Laurel Street (6)	2023	2023	1	1	11,290.00	11,290.00	HWW-134	1104.8	1161	1.051	11,866	1.000
Wastewater	361.23	361.23	745 North Main Street(6)	2023	2023	1	1	2,760.00	2,760.00	HWW-134	1104.8	1161	1.051	2,901	1.000
Wastewater	361.23	361.23	Prospect and Leonard Street (6)	2022	2022	1	1	4,111.00	4,111.00	HWW-134	1026.5	1161	1.131	4,650	1.000
Wastewater	361.23	361.23	Plank and Gravity Street(6)	2022	2022	1	1	1,655.00	1,655.00	HWW-134	1026.5	1161	1.131	1,872	1.000
Wastewater	361.23	361.23	Rear Broad Street(6)	2022	2022	1	1	2,929.00	2,929.00	HWW-134	1026.5	1161	1.131	3,313	1.000
Wastewater	361.23	361.23	North Main Street and Panama Street (6)	2022	2022	1	1	1,500.00	1,500.00	HWW-134	1026.5	1161	1.131	1,697	1.000
Wastewater	361.23	361.23	120 Panama Street (6)	2022	2022	1	1	4,000.00	4,000.00	HWW-134	1026.5	1161	1.131	4,524	1.000
Wastewater	361.23	361.23	Panama Street (6)	2022	2022	1	1	4,000.00	4,000.00	HWW-134	1026.5	1161	1.131	4,524	1.000
Wastewater	361.23	361.23	194 Panama Street (6)	2022	2022	1	1	4,000.00	4,000.00	HWW-134	1026.5	1161	1.131	4,524	1.000
Wastewater	361.23	361.23	198 Panama Street (6)	2022	2022	1	1	4,000.00	4,000.00	HWW-134	1026.5	1161	1.131	4,524	1.000
Wastewater	361.23	361.23	Rear Miller Street(6)	2022	2022	1	1	4,000.00	4,000.00	HWW-134	1026.5	1161	1.131	4,524	1.000
Wastewater	361.23	361.23	Custom Chamber(6)	2021	2021	1	1	40,000.00	40,000.00	HWW-134	922.3	1161	1.259	50,360	1.000
Wastewater	361.23	361.23	Broad Street and Church Street(6)	2021	2021	1	1	2,973.00	2,973.00	HWW-134	922.3	1161	1.259	3,743	1.000
Wastewater	361.23	361.23	Church Street(6)	2021	2021	1	1	4,006.00	4,006.00	HWW-134	922.3	1161	1.259	5,044	1.000
Wastewater	361.23	361.23	46 Wilford Street(6)	2021	2021	1	1	2,680.00	2,680.00	HWW-134	922.3	1161	1.259	3,374	1.000
Wastewater	361.23	361.23	Kennedy Blouvead(6)	2021	2021	1	1	3,670.00	3,670.00	HWW-134	922.3	1161	1.259	4,621	1.000
Wastewater	361.23	361.23	Kennedy Blouvead(6)	2021	2021	1	1	4,591.00	4,591.00	HWW-134	922.3	1161	1.259	5,780	1.000
Wastewater	361.23	361.23	Butler Street(6)	2021	2021	1	1	9,400.00	9,400.00	HWW-134	922.3	1161	1.259	11,835	1.000
Wastewater	361.23	361.23	East Oak Street and Spring Court(6)	2021	2021	1	1	9,375.00	9,375.00	HWW-134	922.3	1161	1.259	11,803	1.000
Wastewater	361.23	361.23	Miller Street(6)	2020	2020	1	1	3,318.00	3,318.00	HWW-134	857.5	1161	1.354	4,493	1.000
Wastewater	361.23	361.23	25 Johnson Street(6)	2020	2020	1	1	3,269.00	3,269.00	HWW-134	857.5	1161	1.354	4,426	1.000
Wastewater	361.23	361.23	10 Pine Street(6)	2020	2020	1	1	1,592.00	1,592.00	HWW-134	857.5	1161	1.354	2,156	1.000
Wastewater	361.23	361.23	41 Center Street and 13 Sand Street(6)	2020	2020	1	1	2,411.00	2,411.00	HWW-134	857.5	1161	1.354	3,264	1.000
Wastewater	361.23	361.23	Underwood Lane(6)	2015	2015	1	1	6,000.00	6,000.00	HWW-134	739.8	1161	1.569	9,414	1.000
Wastewater	Subtotal 361.23	subtotal 361.23	TOTAL COLLECTION SEWERS - GRAVITY - MANHOLES						2,192,668.04					10,395,270	
Wastewater	363.2	363.20	SERVICE TO CUSTOMERS												
Wastewater	363.2	363.20	VCP - 4-inch	1908	1912 Note 3		3,302	44.43	146,707.86	HWW-139	6	927	154.500	22,666,364	1.000
Wastewater	363.2	363.20	PVC - 4-inch	1980	1980 Note 5		799	1,494.59	1,194,177.41	HWW-139	175	927	5.297	6,325,558	1.000
Wastewater	363.2	363.20	PVC - 4-inch	2012	2012		32	3,414.14	109,252.48	HWW-139	597.8	927	1.551	169,451	1.000
Wastewater	363.2	363.20	PVC - 6-inch	2021	2021		5	4,000.00	20,000.00	HWW-139	743	927	1.248	24,960	1.000
Wastewater	363.2	363.20	PVC - 6-inch	2024	2024		4	6,012.50	24,050.00	HWW-139	891.8	927	1.039	24,998	1.000
Wastewater	Subtotal 363.2	subtotal 363.2	TOTAL SERVICE TO CUSTOMERS						1,494,187.75					29,211,321	
Wastewater	Grand total	Grand total							23,222,745.99					121,345,070	

Pittson OCLO&RCNLD

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach
Replacement Cost New less Depreciation

WADS Consultants
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Greenfield, Wisconsin 53228
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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

(18)	(19)	(21)	(22)	(23)	(24)	(28)	(29)	(30)	(31)
Account	Description	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa type	Normal Service Life (NSL)	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)
		years	COR $s		years	years	years	% of COR	CORLD $s
Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Pennoni Associates, Inc. 10/20/2024		Col (16)	WAD Input	WAD Input		Col (21) + (28)	Col (28) / (29)	Col (22) * (30)
Account	Description	Age	RCN	Iowa	NL	Rem Life	Total Life	Condition	CORLD
353.20	Land & Land Rights - Easements	24.75	12,922	ZNonDep	-	24.75	24.75	-	12,922
361.21	Collection Sewers - Gravity - Mains	56.63	81,738,438	R2.5	80.00	38.79	95.42	80.00	37,220,394
361.23	Collection Sewers - Gravity - Manholes & Structures	48.02	10,395,270	R2.5	80.00	41.10	89.12	80.00	5,003,023
363.20	Service Laterals	97.26	29,211,321	R3.0	70.00	7.97	105.23	70.00	2,987,938
	Total Pittson Wastewater Utility		121,357,951						45,224,277
Grand Total	Grand Total	65.67	121,357,951		77.58	31.56	97.23	0.37	45,224,277

18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
Pennsylvania American Water Company **City of Pittston, PA** **Sanitary Sewer System (Collection)** **Investor-Owned Utility** **As of May 30, 2025**																	
Replacement Cost New less Depreciation (RCNLD)																	
(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)
Account	Description	Placement Year	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)	COR Weighted Age	COR Weighted Normal Remaining Life	COR Weighted Total Life Expectancy	COR Weighted Normal Service Life (NSL)
			years	COR $s		years	% of NSL	Lookup	%	years	years	% of COR	CORLD $s	COR $s * Years	COR $s * Years	COR $s * Years	COR $s * Years
Input	Input	Input	Calculation	Calculation	Input	Input	Calculation	Calculation	Lookup Lookup Iowa Curves Life Tables @ col (26)	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
Eng Assmnt	Eng Assmnt	Eng Assmnt	2025-[(20)+0.5]	Col (16)	WADS Input	WADS Input	Col (21) / (24)	Col (23) & (25)		Col (24) * (27)	Col (21) + (28)	Col (28) / (29)	Col (22) * (30)	Col (22) * (21)	Col (22) * (28)	Col (22) * (29)	Col (22) * (24)
Account	Description	Year1	Age	RCN	Iowa	NL	AgeP	IowaLookup	IowaCondition	Rem Life	Total Life	Condition	CORLD	COR * Age	COR * RL	COR * TL	COR * NL
353.2	Foundry Street West to Oconnell Street Easement Note 1	1967	57.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	57.75	57.75	100.000000%	923	53,303	53,303	53,303	-
353.2	Plank Street to Collection Chamber Easement Note 1	1967	57.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	57.75	57.75	100.000000%	923	53,303	53,303	53,303	-
353.2	Front Street to Rear Tunnel Street Easement Note 1	1967	57.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	57.75	57.75	100.000000%	923	53,303	53,303	53,303	-
353.2	Powers Easement - 103 Broad Street(Parcel: 72E11NE3012006000)	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Constantino and Elizabeth Turco Easement - 300 Kennedy Blvd(Parcel: 72E1	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Angelo and Lena Parente Easement - Fear Street(Parcel: 72E11SE2017020C	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Three-One Company Easement - 301 Kennedy Blvd(Parcel: 72E11NE40110(	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Lombardo Easement - 49 Broad Street(Parcel: 72E11NE3012002000)	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Northeast Windows Inc. Easement - Front Street(Parcel: 72E11SE201721A0	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Marvin L. Slomowitz Easement - N Township Blvd(Parcel: 72E11SE200708A	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Cyprich Development, L.L.P. Easement - 351 Kennedy Blvd(Parcel: 72E11NE	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Jeffrey M. and Laura McHugh Easement - 18 Tunnel Street(Parcel: 72E11NE	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Landmark Community Bank Easement - 18 Charles Street(Parcel: 72E11NE:	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
353.2	Joseph and Margaret Rogo Easement - 55 Front Street(Parcel: 72E11SE201	2009	15.75	923	ZNonDep	0.0	0	ZNonDep000	0.00000	15.75	15.75	100.000000%	923	14,537	14,537	14,537	-
				12,922									12,922	319,816	319,816	319,816	-
361.21	VCP - 4-inch	1912	112.75	87,082	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	6,291	9,818,496	764,580	10,583,075	6,966,560
361.21	VCP - 6-inch	1912	112.75	292,044	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	21,099	32,927,961	2,564,146	35,492,107	23,363,520
361.21	VCP - 8-inch	1912	112.75	6,318,460	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	456,481	712,406,365	55,476,079	767,882,444	505,476,800
361.21	VCP - 10-inch	1912	112.75	7,339,664	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	530,258	827,547,116	64,442,250	891,989,366	587,173,120
361.21	VCP - 12-inch	1912	112.75	3,639,327	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	262,925	410,334,119	31,953,291	442,287,410	291,146,160
361.21	VCP - 15-inch	1912	112.75	1,938,718	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	140,064	218,590,455	17,021,944	235,612,399	155,097,440
361.21	VCP - 18-inch	1912	112.75	2,620,493	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	189,319	295,460,586	23,007,929	318,468,514	209,639,440
361.21	VCP - 20-inch	1912	112.75	1,403,819	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	101,420	158,280,592	12,325,531	170,606,123	112,305,520
361.21	VCP - 24-inch	1912	112.75	93,356	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	6,745	10,525,889	819,666	11,345,555	7,468,480
361.21	VCP - 30-inch	1912	112.75	299,289	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	21,622	33,744,835	2,627,757	36,372,592	23,943,120
361.21	VCP - 36-inch	1912	112.75	284,254	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	20,536	32,049,639	2,495,750	34,545,389	22,740,320
361.21	VCP - 60-inch	1912	112.75	19,110	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	1,381	2,154,653	167,786	2,322,438	1,528,800
361.21	Unknown - 12-inch	1912	112.75	24,355	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	1,760	2,746,026	213,837	2,959,863	1,948,400
361.21	Unknown - Unknown	1912	112.75	438,845	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	31,705	49,479,774	3,853,059	53,332,833	35,107,600
361.21	CMP - 15-inch	1970	54.75	19,647	R2.5	80.0	68	R2.5068	0.42666	34.13	88.88	38.400090%	7,544	1,075,673	670,552	1,746,225	1,571,760
361.21	CI - 30-inch	1970	54.75	66,442	R2.5	80.0	68	R2.5068	0.42666	34.13	88.88	38.400090%	25,514	3,637,700	2,267,665	5,905,365	5,315,360
361.21	AC - 12-inch	1980	44.75	19,501	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	9,339	872,670	802,076	1,674,746	1,560,080
361.21	AC - 15-inch	1980	44.75	218,336	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	104,566	9,770,536	8,980,160	18,750,696	17,466,880
361.21	AC - 18-inch	1980	44.75	247,253	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	118,415	11,064,572	10,169,516	21,234,088	19,780,240
361.21	AC - 24-inch	1980	44.75	437,592	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	209,573	19,582,242	17,998,159	37,580,401	35,007,360
361.21	AC - 30-inch	1980	44.75	43,876	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	21,013	1,963,451	1,804,620	3,768,071	3,510,080
361.21	AC - 36-inch	1980	44.75	638,154	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	305,627	28,557,392	26,247,274	54,804,666	51,052,320
361.21	AC - 48-inch	1980	44.75	3,107,546	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	1,488,279	139,062,684	127,813,367	266,876,050	248,603,680
361.21	AC - 60-inch	1980	44.75	915,967	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	438,679	40,989,523	37,673,723	78,663,246	73,277,360
361.21	AC - 66-inch	1980	44.75	645,606	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	309,196	28,890,869	26,553,775	55,444,643	51,648,480

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Replacement Cost New less Depreciation (RCNLD)

18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)
Account	Description	Placement Year	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)	COR Weighted Age	COR Weighted Normal Remaining Life	COR Weighted Total Life Expectancy	COR Weighted Normal Service Life (NSL)
Input	Input	Input	years	COR $s	Input	years	% of NSL	Lookup	%	years	years	% of COR	COR/LD $s	COR $s * Years	COR $s * Years	COR $s * Years	COR $s * Years
Eng Asumnt	Eng Asumnt	Eng Asumnt	2025-(2001+0.5)	Col (16)	Iowa-type	Input	Col (21) / (24)	Col (23) & (25)	Iowa Condition Curves Life Values @ col (26)	Col (24) * (27)	Col (21) + (28)	Col (29) / (29)	Col (22) * (30)	Col (22) * (21)	Col (22) * (28)	Col (22) * (29)	Col (22) * (24)
Account	Description	Year1	Age	RCN	Iowa	NL	Age%	IowaLookup	IowaCondition	Rem Life	Total Life	Condition	CORLD	COR * Age	COR * RL	COR * TL	COR * NL
361.21	AC - 72-inch	1980	44.75	3,165,906	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	1,516,230	141,674,383	130,213,796	271,888,179	253,272,640
361.21	RCP - 30-inch	1980	44.75	192,225	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	92,061	8,602,069	7,906,214	16,508,283	15,376,000
361.21	RCP - 60-inch	1980	44.75	655,213	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	313,797	29,320,782	26,948,911	56,269,692	52,417,040
361.21	PVC/HDPE - 6-inch	1980	44.75	245,713	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	117,678	10,995,657	10,106,178	21,101,832	19,657,040
361.21	PVC/HDPE - 8-inch	1980	44.75	557,711	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	267,101	24,957,567	22,938,653	47,896,221	44,616,880
361.21	PVC/HDPE - 10-inch	1980	44.75	2,693,443	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	1,289,955	120,531,574	110,781,311	231,312,885	215,475,440
361.21	PVC/HDPE - 12-inch	1980	44.75	5,064,422	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	2,425,474	226,632,885	208,299,677	434,932,561	405,153,760
361.21	PVC/HDPE - 15-inch	1980	44.75	11,507,490	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	5,511,214	514,960,178	473,303,064	988,263,241	920,599,200
361.21	PVC/HDPE - 18-inch	1980	44.75	3,888,087	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	1,862,098	173,991,893	159,917,018	333,908,912	311,046,960
361.21	PVC/HDPE - 24-inch	2013	11.75	165,156	R2.5	80.0	15	R2.5015	0.86036	68.83	80.58	85.416218%	141,073	1,940,883	11,367,687	13,308,270	13,212,480
361.21	PVC/HDPE - 36-inch	1980	44.75	187,068	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	89,591	8,371,293	7,694,107	16,065,400	14,965,440
361.21	PVC/HDPE - 54-inch(6)	2021	3.75	223,848	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	213,353	839,430	17,063,933	17,903,363	17,907,840
361.21	Unknown - Unknown	1980	44.75	829,277	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	397,161	37,110,146	34,108,163	71,218,309	66,342,160
361.21	PVC - 6-inch(6)	2010	14.75	595,520	R2.5	80.0	18	R2.5018	0.83306	66.64	81.39	81.877381%	487,596	8,793,820	39,685,453	48,479,373	47,641,600
361.21	PVC - 8-inch(6)	2010	14.75	9,672,511	R2.5	80.0	18	R2.5018	0.83306	66.64	81.39	81.877381%	7,919,599	142,669,537	644,576,133	787,245,670	773,800,880
361.21	PVC - 8-inch(6)	2010	14.75	1,861,000	R2.5	80.0	18	R2.5018	0.83306	66.64	81.39	81.877381%	1,523,738	27,449,750	124,017,040	151,466,790	148,880,000
361.21	PVC - 8-inch(6)	2011	13.75	1,527,448	R2.5	80.0	17	R2.5017	0.84214	67.37	81.12	83.046803%	1,268,543	21,002,410	102,904,172	123,906,582	122,195,840
361.21	PVC - 8-inch(6)	2012	12.75	171,476	R2.5	80.0	16	R2.5016	0.85124	68.10	80.85	84.230056%	144,434	2,186,319	11,677,516	13,863,835	13,718,080
361.21	PVC - 8-inch(6)	2014	10.75	1,424,603	R2.5	80.0	13	R2.5013	0.87869	70.30	81.05	86.736562%	1,235,652	15,314,482	100,149,591	115,464,073	113,968,240
361.21	PVC - 8-inch(6)	2015	9.75	602,466	R2.5	80.0	12	R2.5012	0.88789	71.03	80.78	87.930181%	529,776	5,874,336	42,795,291	48,669,627	48,199,680
361.21	PVC - 10-inch(6)	2015	9.75	119,244	R2.5	80.0	12	R2.5012	0.88789	71.03	80.78	87.930181%	104,851	1,162,629	8,469,901	9,632,530	9,539,520
361.21	HDPE - 18-inch(6)	2015	9.75	80,768	R2.5	80.0	12	R2.5012	0.88789	71.03	80.78	87.930181%	71,019	787,488	5,736,951	6,524,439	6,461,440
361.21	PVC - 8-inch(6)	2016	8.75	93,859	R2.5	80.0	11	R2.5011	0.89711	71.77	80.52	89.133135%	83,659	821,266	6,736,260	7,557,527	7,508,720
361.21	PVC - 8-inch(6)	2017	7.75	172,691	R2.5	80.0	10	R2.5010	0.90636	72.51	80.26	90.343882%	156,016	1,338,355	12,521,824	13,860,180	13,815,280
361.21	PVC - 8-inch(6)	2018	6.75	815,332	R2.5	80.0	8	R2.5008	0.92492	73.99	80.74	91.639832%	747,352	5,504,841	60,341,213	65,846,054	65,242,560
361.21	PVC - 8-inch(6)	2019	5.75	262,076	R2.5	80.0	7	R2.5007	0.93424	74.74	80.49	92.856255%	243,354	1,506,937	19,587,560	21,094,497	20,966,080
361.21	HDPE - 60-inch(6)	2020	4.75	2,205,161	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.080259%	2,074,621	10,474,515	166,467,804	176,942,119	176,412,880
361.21	PVC - 10-inch(6)	2020	4.75	210,547	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.080259%	198,083	1,000,098	15,894,193	16,894,291	16,843,760
361.21	PVC - 10-inch(6)	2021	3.75	33,415	R2.5	80.0	5	R2.5005	0.95293	76.23	80.24	95.311328%	31,437	118,721	2,522,488	2,641,220	2,673,200
361.21	PVC - 10-inch(6)	2021	3.75	31,086	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	29,638	116,610	2,370,448	2,487,058	2,487,680
361.21	PVC - 10-inch(6)	2021	3.75	31,121	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	29,662	116,704	2,372,354	2,489,058	2,489,680
361.21	PVC - 10-inch(6)	2021	3.75	31,146	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	29,686	116,798	2,374,260	2,491,057	2,491,680
361.21	PVC - 8-inch(6)	2022	2.75	95,910	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.983427%	92,633	263,753	7,456,043	7,719,796	7,672,800
361.21	PVC - 8-inch(6)	2023	1.75	239,714	R2.5	80.0	2	R2.5002	0.98112	78.48	80.24	97.819043%	234,486	419,500	18,815,152	19,234,651	19,177,120
361.21	HDPE - 60-inch(6)	2024	0.75	280,617	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	277,996	210,463	22,236,091	22,446,554	22,449,360
361.21	PVC - 8-inch(6)	2024	0.75	613,645	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	607,891	460,234	48,625,230	49,085,464	49,091,600
361.21	CCIP - 18-inch(6)	2025	0.00	32,545	R2.5	80.0	0	R2.5000	1.00000	80.00	80.00	100.000000%	32,545	-	2,603,600	2,603,600	2,603,600
Subtotal 361.21	TOTAL COLLECTION SEWERS - GRAVITY MAINS			81,738,436									37,220,394	4,628,201,924	3,170,299,980	7,798,501,488	6,539,075,040
361.23	Initial Installation - Original System	1912	112.75	1,114,723	R2.5	80.0	141	R2.5141	0.10976	8.78	121.53	7.224554%	80,534	125,685,018	9,787,268	135,472,286	99,177,840
361.23	Sewer Extensions	1980	44.75	4,694,052	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	2,248,095	210,058,827	193,066,358	403,125,186	375,524,160
361.23	Combined Sewer Inlds	1980	44.75	3,325,218	R2.5	80.0	56	R2.5056	0.51411	41.13	85.88	47.892408%	1,592,527	148,803,506	136,766,216	285,569,722	266,017,440
361.23	2010 Pennwest Sewer Project(6)	2010	14.75	893,280	R2.5	80.0	18	R2.5018	0.83306	66.64	81.39	81.877381%	731,394	13,175,880	59,528,179	72,704,059	71,462,400
361.23	Grandview Drive Extension	2012	12.75	35,328	R2.5	80.0	16	R2.5016	0.85124	68.10	80.85	84.230056%	29,757	450,432	2,405,837	2,856,269	2,826,240
361.23	Panama Street Extension(6)	2020	4.75	46,489	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.080259%	43,737	220,823	3,509,455	3,730,277	3,719,120
361.23	North Main Street Extension(6)	2024	0.75	10,040	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	9,946	7,530	795,570	803,100	803,200
361.23	North Main Street Extension(6)	2024	0.75	10,040	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	9,946	7,530	795,570	803,100	803,200
361.23	Willow Lane Sewer Project(6)	2024	0.75	25,602	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	25,362	19,202	2,028,702	2,047,904	2,048,160
361.23	100 Block of LuGrange Street (6)	2024	0.75	16,555	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	16,400	12,416	1,311,816	1,324,234	1,324,400
361.23	531 N Main Street (6)	2024	0.75	2,683	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	2,658	2,012	212,601	214,613	214,640

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Replacement Cost New less Depreciation (RCNLD)

18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)
Account	Description	Placement Year	Age at May 30, 2025 Appraisal Date	Replacement Cost New (COR)	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Condition	Preliminary Cost Approach (COR less Normal Depreciation)	COR Weighted Age	COR Weighted Normal Remaining Life	COR Weighted Total Life Expectancy	COR Weighted Normal Service Life (NSL)
Input	Input	Input	years	COR $s	Input	years	% of NSL	Lookup	%	years	years	% of COR	CORLD $s	COR $s * Years	COR $s * Years	COR $s * Years	COR $s * Years
Eng Assmnt	Eng Assmnt	Year1	Age:	RCN	Iowa	NL	AgeP	IowaLookup	IowaCondition	Rem Life	Total Life	Condition	CORLD	COR * Age	COR * RL	COR * TL	COR * NL
361.23	Intersection of William and Church Street (6)	2024	0.75	4,887	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	4,841	3,665	397,246	390,911	390,960
361.23	Prospect and Leonard Street (6)	2024	0.75	11,160	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	11,055	8,370	894,318	882,688	892,800
361.23	Market Street and Spring Street(6)	2024	0.75	2,113	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	2,093	1,585	167,434	169,019	168,040
361.23	Intersection Leonard and Searle Street(6)	2024	0.75	2,353	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	2,331	1,765	186,452	188,216	188,240
361.23	Prospect Street and Leonard Street(6)	2024	0.75	4,769	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	4,723	3,576	377,816	381,392	381,440
361.23	Sand Street(6)	2024	0.75	18,518	R2.5	80.0	1	R2.5001	0.99055	79.24	79.99	99.052383%	18,344	13,888	1,467,365	1,481,255	1,481,440
361.23	LaGrange Street and East Oak Street(6)	2023	1.75	7,157	R2.5	80.0	2	R2.5002	0.98112	78.49	80.24	97.819043%	7,001	12,525	561,753	574,278	572,560
361.23	79 LaGrange Street (6)	2023	1.75	1,072	R2.5	80.0	2	R2.5002	0.98112	78.49	80.24	97.819043%	1,049	1,876	84,141	86,017	85,760
361.23	324 Laurel Street (6)	2023	1.75	11,886	R2.5	80.0	2	R2.5002	0.98112	78.49	80.24	97.819043%	11,607	20,766	931,362	952,128	949,280
361.23	745 North Main Street(6)	2023	1.75	2,901	R2.5	80.0	2	R2.5002	0.98112	78.49	80.24	97.819043%	2,836	5,077	227,699	232,776	232,080
361.23	Prospect and Leonard Street (6)	2022	2.75	4,650	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,491	12,788	361,491	374,279	372,000
361.23	Plank and Gravity Street(6)	2022	2.75	1,872	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	1,808	5,148	145,529	150,677	149,760
361.23	Rear Broad Street(6)	2022	2.75	3,313	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	3,200	9,111	257,553	266,663	265,040
361.23	North Main Street and Panama Street (6)	2022	2.75	1,697	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	1,639	4,667	131,925	136,592	135,760
361.23	120 Panama Street (6)	2022	2.75	4,524	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,369	12,441	351,696	364,137	361,920
361.23	Panama Street (6)	2022	2.75	4,524	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,369	12,441	351,696	364,137	361,920
361.23	194 Panama Street (6)	2022	2.75	4,524	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,369	12,441	351,696	364,137	361,920
361.23	198 Panama Street (6)	2022	2.75	4,524	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,369	12,441	351,696	364,137	361,920
361.23	Rear Miller Street(6)	2022	2.75	4,524	R2.5	80.0	3	R2.5003	0.97170	77.74	80.49	96.583427%	4,369	12,441	351,696	364,137	361,920
361.23	Custom Chamber(6)	2021	3.75	50,360	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	47,999	188,850	3,838,943	4,027,793	4,028,800
361.23	Broad Street and Church Street(6)	2021	3.75	3,743	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	3,566	14,036	285,329	299,365	299,440
361.23	Church Street(6)	2021	3.75	5,044	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	4,806	18,915	384,504	403,419	403,520
361.23	46 Wilford Street(6)	2021	3.75	3,374	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	3,216	12,653	257,200	269,853	269,920
361.23	Kennedy Blowoard(6)	2021	3.75	4,621	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	4,404	17,329	352,259	369,588	369,680
361.23	Kennedy Blowoard(6)	2021	3.75	5,780	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	5,509	21,675	440,609	462,284	462,400
361.23	Butler Street(6)	2021	3.75	11,835	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	11,280	44,381	902,182	946,563	946,800
361.23	East Oak Street and Spring Court(6)	2021	3.75	11,803	R2.5	80.0	5	R2.5005	0.95293	76.23	79.98	95.311328%	11,250	44,251	899,743	944,004	944,240
361.23	Miller Street(6)	2020	4.75	4,493	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.086259%	4,227	21,342	339,177	360,518	359,440
361.23	25 Johnson Street(6)	2020	4.75	4,426	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.086259%	4,164	21,024	334,119	355,142	354,080
361.23	10 Pine Street(6)	2020	4.75	2,156	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.086259%	2,028	10,241	162,756	172,997	172,480
361.23	41 Center Street and 13 Sand Street(6)	2020	4.75	3,264	R2.5	80.0	6	R2.5006	0.94357	75.49	80.24	94.086259%	3,071	15,504	246,399	261,903	261,120
361.23	Underwood Lane(6)	2015	9.75	9,414	R2.5	80.0	12	R2.5012	0.88789	71.03	80.76	87.930181%	8,278	91,787	668,676	760,463	753,120
				10,396,270									5,003,023	499,132,187	427,250,036	926,382,218	831,621,600
363.2	VCP - 4-inch	1912	112.75	22,666,364	R3.0	70.0	161	R3.0161	0.01926	1.35	114.10	1.183173%	268,152	2,555,632,541	30,599,591	2,586,232,132	1,586,645,480
363.2	PVC - 4-inch	1980	44.75	6,325,558	R3.0	70.0	64	R3.0064	0.42883	29.88	74.63	40.037518%	2,532,596	283,058,721	189,007,673	472,076,394	442,780,060
363.2	PVC - 4-inch	2012	12.75	169,451	R3.0	70.0	18	R3.0018	0.82519	57.76	70.51	81.917459%	138,810	2,160,500	9,787,490	11,947,990	11,661,570
363.2	PVC - 8-inch	2021	3.75	24,960	R3.0	70.0	5	R3.0005	0.95090	66.56	70.31	94.666477%	23,629	93,600	1,661,338	1,754,938	1,747,200
363.2	PVC - 8-inch	2024	0.75	24,988	R3.0	70.0	1	R3.0001	0.99015	69.31	70.06	98.929489%	24,721	18,741	1,731,918	1,750,659	1,749,160
				29,211,321									2,987,938	2,840,974,103	232,788,010	3,073,762,113	2,044,792,470
				121,357,951									45,224,277	7,968,628,030	3,830,657,442	11,799,965,645	9,415,489,110

Pittson OCLD&RCNLD

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Depreciation & Obsolescence

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
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)		(7)
		(4a)	(4b)		(6a)	(6b)	
Account Number	Description	Iowa Survivor / Retirement Curve	Normal Service Life	RCNLD Economic Obsolescence	Tax Depreciation		OCLD Economic Obsolescence
			years	% of CORLD	Table	Life	% of CORLD
353.20	Land & Land Rights - Easements	ZNonDep	0.00	27.25%	Non-Depr	0.00	0.00%
361.21	Collection Sewers - Gravity - Mains	R2.5	80.00	27.25%	MACR5	25.00	0.00%
361.23	Collection Sewers - Gravity - Manholes & Structures	R2.5	80.00	27.25%	MACRS	25.00	0.00%
363.20	Service Laterals	R3.0	70.00	27.25%	MACR5	25.00	0.00%

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Cost Approach

Replacement Cost New less Depreciation to Fair Market Value

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(39)	(40)	(41)
Account	Description	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
		CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Col (31)	WAD Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Prelim CORLD	EO%	FMV
353.20	Land & Land Rights - Easements	12,922	27.30%	9,394
361.21	Collection Sewers - Gravity - Mains	37,220,394	27.25%	27,077,427
361.23	Collection Sewers - Gravity - Manholes & Structures	5,003,023	27.25%	3,639,644
363.20	Service Laterals	2,987,938	27.25%	2,173,692
	Total Pittson Wastewater Utility	45,224,277		32,900,164
Grand Total	Grand Total	45,224,277	27.25%	32,900,164

36	37	38	39	40	41

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(38)	(39)	(40)	(41)
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Eng Assmnt	Col (31)	WADS Economic Obsolescence Analysis	(39) * [1.00-Col (40)]
Account	Description	Year	Prelim CORLD	EO%	FMV
353.2	Foundry Street West to Oconnell St	1967	923	27.25%	671
353.2	Plank Street to Collection Chamber	1967	923	27.25%	671
353.2	Front Street to Rear Tunnel Street E	1967	923	27.25%	671
353.2	Powers Easement - 103 Broad Stre	2009	923	27.25%	671
353.2	Constantino and Elizabeth Turco Ea	2009	923	27.25%	671
353.2	Angelo and Lena Parente Easemen	2009	923	27.25%	671
353.2	Three-One Company Easement - 3(	2009	923	27.25%	671
353.2	Lombardo Easement - 49 Broad Str	2009	923	27.25%	671
353.2	Northeast Windows Inc. Easement -	2009	923	27.25%	671
353.2	Marvin L. Slomowitz Easement - N '	2009	923	27.25%	671
353.2	Cyprich Development, L.L.P. Easer	2009	923	27.25%	671
353.2	Jeffrey M. and Laura McHugh Ease	2009	923	27.25%	671
353.2	Landmark Community Bank Easem	2009	923	27.25%	671
353.2	Joseph and Margaret Rogo Easeme	2009	923	27.25%	671
			12,922		9,394
361.21	VCP - 4-inch	1912	6,291	27.25%	4,577
361.21	VCP - 6-inch	1912	21,099	27.25%	15,349
361.21	VCP - 8-inch	1912	456,481	27.25%	332,085
361.21	VCP - 10-inch	1912	530,258	27.25%	385,757
361.21	VCP - 12-inch	1912	262,925	27.25%	191,275
361.21	VCP - 15-inch	1912	140,064	27.25%	101,895
361.21	VCP - 18-inch	1912	189,319	27.25%	137,727
361.21	VCP - 20-inch	1912	101,420	27.25%	73,782
361.21	VCP - 24-inch	1912	6,745	27.25%	4,907
361.21	VCP - 30-inch	1912	21,622	27.25%	15,730
361.21	VCP - 36-inch	1912	20,536	27.25%	14,940
361.21	VCP - 60-inch	1912	1,381	27.25%	1,005
361.21	Unknown - 12-inch	1912	1,760	27.25%	1,280
361.21	Unknown - Unknown	1912	31,705	27.25%	23,065
361.21	CMP - 15-inch	1970	7,544	27.25%	5,488
361.21	CI - 30-inch	1970	25,514	27.25%	18,561
361.21	AC - 12-inch	1980	9,339	27.25%	6,794
361.21	AC - 15-inch	1980	104,566	27.25%	76,071
361.21	AC - 18-inch	1980	118,415	27.25%	86,146
361.21	AC - 24-inch	1980	209,573	27.25%	152,462
361.21	AC - 30-inch	1980	21,013	27.25%	15,287
361.21	AC - 36-inch	1980	305,627	27.25%	222,340
361.21	AC - 48-inch	1980	1,488,279	27.25%	1,082,707

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

36	37	38	39	40	41
(36)	(37)	(38)	(39)	(40)	(41)

Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
Input	Input	Input	Calculation	Input	Calculation
Eng Assmnt	Eng Assmnt	Eng Assmnt	Col (31)	WADS Economic Obsolescence Analysis	(39) * (1.00-Col (40))
Account	Description	Year	Prelim CORLD	EO%	FMV
361.21	AC - 60-inch	1980	438,679	27.25%	319,134
361.21	AC - 66-inch	1980	309,196	27.25%	224,937
361.21	AC - 72-inch	1980	1,516,230	27.25%	1,103,041
361.21	RCP - 30-inch	1980	92,061	27.25%	66,973
361.21	RCP - 60-inch	1980	313,797	27.25%	228,284
361.21	PVC/HDPE - 6-inch	1980	117,678	27.25%	85,609
361.21	PVC/HDPE - 8-inch	1980	267,101	27.25%	194,313
361.21	PVC/HDPE - 10-inch	1980	1,289,855	27.25%	938,428
361.21	PVC/HDPE - 12-inch	1980	2,425,474	27.25%	1,764,506
361.21	PVC/HDPE - 15-inch	1980	5,511,214	27.25%	4,009,348
361.21	PVC/HDPE - 18-inch	1980	1,862,098	27.25%	1,354,656
361.21	PVC/HDPE - 24-inch	2013	141,073	27.25%	102,629
361.21	PVC/HDPE - 36-inch	1980	89,591	27.25%	65,176
361.21	PVC/HDPE - 54-inch(6)	2021	213,353	27.25%	155,212
361.21	Unknown - Unknown	1980	397,161	27.25%	288,930
361.21	PVC - 6-inch(6)	2010	487,596	27.25%	354,721
361.21	PVC - 8-inch(6)	2010	7,919,599	27.25%	5,761,421
361.21	PVC - 8-inch(6)	2010	1,523,738	27.25%	1,108,503
361.21	PVC - 8-inch(6)	2011	1,268,543	27.25%	922,851
361.21	PVC - 8-inch(6)	2012	144,434	27.25%	105,074
361.21	PVC - 8-inch(6)	2014	1,235,652	27.25%	898,923
361.21	PVC - 8-inch(6)	2015	529,776	27.25%	385,408
361.21	PVC - 10-inch(6)	2015	104,851	27.25%	76,278
361.21	HDPE - 18-inch(6)	2015	71,019	27.25%	51,666
361.21	PVC - 8-inch(6)	2016	83,659	27.25%	60,861
361.21	PVC - 8-inch(6)	2017	156,016	27.25%	113,500
361.21	PVC - 8-inch(6)	2018	747,352	27.25%	543,690
361.21	PVC - 8-inch(6)	2019	243,354	27.25%	177,037
361.21	HDPE - 60-inch(6)	2020	2,074,621	27.25%	1,509,264
361.21	PVC - 8-inch(6)	2020	198,083	27.25%	144,103
361.21	PVC - 10-inch(6)	2020	31,437	27.25%	22,870
361.21	PVC - 10-inch(6)	2021	29,636	27.25%	21,561
361.21	PVC - 10-inch(6)	2021	29,662	27.25%	21,579
361.21	PVC - 10-inch(6)	2021	29,666	27.25%	21,582
361.21	PVC - 8-inch(6)	2022	92,633	27.25%	67,369
361.21	PVC - 8-inch(6)	2023	234,486	27.25%	170,586
361.21	HDPE - 60-inch(6)	2024	277,886	27.25%	202,232
361.21	PVC - 8-inch(6)	2024	607,891	27.25%	442,234
361.21	CCIP - 18-inch(6)	2025	32,545	27.25%	23,676
			37,220,394		27,077,427
361.23	Initial Installation - Original System	1912	80,534	27.25%	58,588
361.23	Sewer Extensions	1980	2,248,095	27.25%	1,635,464
361.23	Combined Sewer Inlets	1980	1,592,527	27.25%	1,158,546
361.23	2010 Pennvest Sewer Project(6)	2010	731,394	27.25%	532,081
361.23	Grandview Drive Extension	2012	29,757	27.25%	21,648
361.23	Panama Street Extension(6)	2020	43,737	27.25%	31,818

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	36	37	38	39	40	41

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

	(36)	(37)	(38)	(39)	(40)	(41)
Account		Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value
				CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s
	Input	Input	Input	Calculation	Input	Calculation
Eng Assmnt		Eng Assmnt	Eng Assmnt	Col (31)	WADS Economic Obsolescence Analysis	(39) * (1.00-Col (40))
Account		Description	Year	Prelim CORLD	EO%	FMV
361.23		North Main Street Extension(6)	2024	9,846	27.25%	7,236
361.23		North Main Street Extension(6)	2024	9,846	27.25%	7,236
361.23		Willow Lane Sewer Project(6)	2024	25,362	27.25%	18,461
361.23		100 Block of LaGrange Street (6)	2024	16,400	27.25%	11,931
361.23		531 N Main Street (6)	2024	2,658	27.25%	1,934
361.23		Intersection of William and Church S	2024	4,841	27.25%	3,522
361.23		Prospect and Leonard Street (6)	2024	11,055	27.25%	8,042
361.23		Market Street and Spring Street(6)	2024	2,093	27.25%	1,523
361.23		Intersection Leonard and Searle Str	2024	2,331	27.25%	1,696
361.23		Prospect Street and Leonard Stree	2024	4,723	27.25%	3,436
361.23		Sand Street(6)	2024	18,344	27.25%	13,345
361.23		LaGrange Street and East Oak Stre	2023	7,001	27.25%	5,093
361.23		79 LaGrange Street (6)	2023	1,049	27.25%	763
361.23		324 Laurel Street (6)	2023	11,607	27.25%	8,444
361.23		745 North Main Street(6)	2023	2,836	27.25%	2,065
361.23		Prospect and Leonard Street (6)	2022	4,491	27.25%	3,267
361.23		Plank and Gravity Street(6)	2022	1,808	27.25%	1,315
361.23		Rear Broad Street(6)	2022	3,200	27.25%	2,328
361.23		North Main Street and Panama Stre	2022	1,638	27.25%	1,192
361.23		120 Panama Street (6)	2022	4,369	27.25%	3,178
361.23		Panama Street (6)	2022	4,369	27.25%	3,178
361.23		194 Panama Street (6)	2022	4,369	27.25%	3,178
361.23		198 Panama Street (6)	2022	4,369	27.25%	3,178
361.23		Rear Miller Street(6)	2022	4,369	27.25%	3,178
361.23		Custom Chamber(6)	2021	47,999	27.25%	34,919
361.23		Broad Street and Church Street(6)	2021	3,568	27.25%	2,596
361.23		Church Street(6)	2021	4,808	27.25%	3,498
361.23		46 Wilford Street(6)	2021	3,216	27.25%	2,340
361.23		Kennedy Blouveard(6)	2021	4,404	27.25%	3,204
361.23		Kennedy Blouveard(6)	2021	5,509	27.25%	4,008
361.23		Butler Street(6)	2021	11,280	27.25%	8,206
361.23		East Oak Street and Spring Court(6	2021	11,250	27.25%	8,184
361.23		Miller Street(6)	2020	4,227	27.25%	3,075
361.23		25 Johnson Street(6)	2020	4,164	27.25%	3,029
361.23		10 Pine Street(6)	2020	2,028	27.25%	1,475
361.23		41 Center Street and 13 Sand Stee	2020	3,071	27.25%	2,234
361.23		Underwood Lane(6)	2015	8,276	27.25%	6,022
				5,003,023		3,639,644
363.2		VCP - 4-inch	1912	268,162	27.25%	195,069
363.2		PVC - 4-inch	1980	2,532,596	27.25%	1,842,436
363.2		PVC - 4-inch	2012	138,810	27.25%	100,983
363.2		PVC - 6-inch	2021	23,629	27.25%	17,190
363.2		PVC - 6-inch	2024	24,721	27.25%	17,984
				2,987,938		2,173,692
				45,224,277		32,900,164

Pittson OCLD&RCNLD

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Original Cost less Depreciation

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

	(43)		(44)	(45)	(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
	WAD Input		Eng Assmnt	Eng Assmnt		WAD Input	WAD Input Normal			Col (46) + (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
	Acct		Descrip	Original Cost		Iowa	Life	age	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
353.20	Land & Land Rights - Easements				14	ZNonDep	-	25.00	25.00	25.00	-	-	14
361.21	Collection Sewers - Gravity - Mains			19,535,876		R2.5	80.00	22.45	60.45	82.90	0.26	5,128,873	14,407,003
361.23	Collection Sewers - Gravity - Manholes & Structures			2,192,668		R2.5	80.00	32.62	51.62	84.23	0.38	834,792	1,357,876
363.20	Service Laterals			1,494,188		R3.0	70.00	47.83	30.24	78.07	0.59	882,106	612,082
	Total Pittson Wastewater Utility			23,222,746								6,845,771	16,376,975
Grand Total	Grand Total			23,222,746			79.36	25.04	57.67	82.72	0.29	6,845,771	16,376,975

Cost Approach for Report

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

(36)	(37)	(38)	(39)	(40)	(41)	(42)
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value	
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s	
Input	Input	Input	Calculation	Input	Calculation	
Eng Assmnt	Eng Assmnt	Eng Assmnt	Col (31)	WADS Economic Obsolescence Analysis	(39) * [1.00-Col (40)]	
Account	Description	Year	Prelim CORLD	EO%	FMV	
353.2	Foundry Street West to Oconnell S	1967	923	27.25%	671	
353.2	Plank Street to Collection Chamber	1967	923	27.25%	671	
353.2	Front Street to Rear Tunnel Street I	1967	923	27.25%	671	
353.2	Powers Easement - 103 Broad Stre	2009	923	27.25%	671	
353.2	Constantino and Elizabeth Turco Ei	2009	923	27.25%	671	
353.2	Angelo and Lena Parente Easemer	2009	923	27.25%	671	
353.2	Three-One Company Easement - 3	2009	923	27.25%	671	
353.2	Lombardo Easement - 49 Broad St	2009	923	27.25%	671	
353.2	Northeast Windows Inc. Easement	2009	923	27.25%	671	
353.2	Marvin L. Slomowitz Easement - N	2009	923	27.25%	671	
353.2	Cyprich Development, L.L.P. Easer	2009	923	27.25%	671	
353.2	Jeffrey M. and Laura McHugh Ease	2009	923	27.25%	671	
353.2	Landmark Community Bank Easem	2009	923	27.25%	671	
353.2	Joseph and Margaret Rogo Easem	2009	923	27.25%	671	
			12,922		9,394	
361.21	VCP - 4-inch	1912	6,291	27.25%	4,577	
361.21	VCP - 6-inch	1912	21,099	27.25%	15,349	
361.21	VCP - 8-inch	1912	456,481	27.25%	332,085	
361.21	VCP - 10-inch	1912	530,258	27.25%	385,757	
361.21	VCP - 12-inch	1912	262,925	27.25%	191,275	
361.21	VCP - 15-inch	1912	140,064	27.25%	101,895	
361.21	VCP - 18-inch	1912	189,319	27.25%	137,727	
361.21	VCP - 20-inch	1912	101,420	27.25%	73,782	
361.21	VCP - 24-inch	1912	6,745	27.25%	4,907	
361.21	VCP - 30-inch	1912	21,622	27.25%	15,730	
361.21	VCP - 36-inch	1912	20,536	27.25%	14,940	
361.21	VCP - 60-inch	1912	1,381	27.25%	1,005	
361.21	Unknown - 12-inch	1912	1,760	27.25%	1,280	
361.21	Unknown - Unknown	1912	31,705	27.25%	23,065	
361.21	CMP - 15-inch	1970	7,544	27.25%	5,488	
361.21	CI - 30-inch	1970	25,514	27.25%	18,561	
361.21	AC - 12-inch	1980	9,339	27.25%	6,794	
361.21	AC - 15-inch	1980	104,566	27.25%	76,071	
361.21	AC - 18-inch	1980	118,415	27.25%	86,146	
361.21	AC - 24-inch	1980	209,573	27.25%	152,462	
361.21	AC - 30-inch	1980	21,013	27.25%	15,287	
361.21	AC - 36-inch	1980	305,627	27.25%	222,340	
361.21	AC - 48-inch	1980	1,488,279	27.25%	1,082,707	
361.21	AC - 60-inch	1980	438,679	27.25%	319,134	
361.21	AC - 66-inch	1980	309,196	27.25%	224,937	
361.21	AC - 72-inch	1980	1,516,230	27.25%	1,103,041	
361.21	RCP - 30-inch	1980	92,061	27.25%	66,973	

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
Account	Description	Placement Year	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
WADS Input	Eng Assmnt	Eng Assmnt	Eng Assmnt	WADS Input	WADS Input	2025-[(45)+0.5]	Col (49) / (48)	Col (47) & (50)	Lookup Iowa Curves Life Tables @ col (51)	Col (48) * (52)	Col (48) * (53)	Col (53) / (54)	Col (46) * (55)	Col (46) - (56)
Acct	Descrip	Year	Original Cost	Iowa	Normal Life	age	AgeP	IowaLookup	Iowa Condition	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
353.2	Foundry Street West to Oconnell Stre	1967	1	ZNonDep	0	57.75	2	ZNonDep000	0.00000	57.75	57.75	0	-	1
353.2	Plank Street to Collection Chamber E	1967	1	ZNonDep	0	57.75	2	ZNonDep000	0.00000	57.75	57.75	0	-	1
353.2	Front Street to Rear Tunnel Street Ea	1967	1	ZNonDep	0	57.75	2	ZNonDep000	0.00000	57.75	57.75	0	-	1
353.2	Powers Easement - 103 Broad Street	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Constantino and Elizabeth Turco Eas	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Angelo and Lena Parente Easement -	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Three-One Company Easement - 301	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Lombardo Easement - 49 Broad Stree	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Northeast Windows Inc. Easement - I	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Marvin L. Slomowitz Easement - N To	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Cyprich Development, L.L.P. Easeme	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Jeffrey M. and Laura McHugh Easem	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Landmark Community Bank Easemer	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
353.2	Joseph and Margaret Rogo Easemen	2009	1	ZNonDep	0	15.75	6	ZNonDep000	0.00000	15.75	15.75	0	-	1
			14										-	14
361.21	VCP - 4-inch	1912	675	R2.5	80	112.75	599	R2.5141	0.10976	8.78	121.53	0.92775	626	49
361.21	VCP - 6-inch	1912	2,264	R2.5	80	112.75	2,008	R2.5141	0.10976	8.78	121.53	0.92775	2,100	164
361.21	VCP - 8-inch	1912	48,980	R2.5	80	112.75	43,442	R2.5141	0.10976	8.78	121.53	0.92775	45,441	3,539
361.21	VCP - 10-inch	1912	56,897	R2.5	80	112.75	50,463	R2.5141	0.10976	8.78	121.53	0.92775	52,786	4,111
361.21	VCP - 12-inch	1912	28,212	R2.5	80	112.75	25,022	R2.5141	0.10976	8.78	121.53	0.92775	26,174	2,038
361.21	VCP - 15-inch	1912	15,029	R2.5	80	112.75	13,329	R2.5141	0.10976	8.78	121.53	0.92775	13,943	1,086
361.21	VCP - 18-inch	1912	20,314	R2.5	80	112.75	18,017	R2.5141	0.10976	8.78	121.53	0.92775	18,846	1,468
361.21	VCP - 20-inch	1912	10,882	R2.5	80	112.75	9,652	R2.5141	0.10976	8.78	121.53	0.92775	10,096	786
361.21	VCP - 24-inch	1912	724	R2.5	80	112.75	642	R2.5141	0.10976	8.78	121.53	0.92775	671	53
361.21	VCP - 30-inch	1912	2,320	R2.5	80	112.75	2,058	R2.5141	0.10976	8.78	121.53	0.92775	2,152	168
361.21	VCP - 36-inch	1912	2,204	R2.5	80	112.75	1,954	R2.5141	0.10976	8.78	121.53	0.92775	2,044	160
361.21	VCP - 60-inch	1912	148	R2.5	80	112.75	131	R2.5141	0.10976	8.78	121.53	0.92775	137	11
361.21	Unknown - 12-inch	1912	189	R2.5	80	112.75	167	R2.5141	0.10976	8.78	121.53	0.92775	175	14
361.21	Unknown - Unknown	1912	3,402	R2.5	80	112.75	3,017	R2.5141	0.10976	8.78	121.53	0.92775	3,156	246
361.21	CMP - 15-inch	1970	1,422	R2.5	80	54.75	2,596	R2.5068	0.42666	34.13	88.88	0.616	876	546
361.21	CI - 30-inch	1970	4,807	R2.5	80	54.75	8,781	R2.5068	0.42666	34.13	88.88	0.616	2,961	1,846
361.21	AC - 12-inch	1980	3,393	R2.5	80	44.75	7,581	R2.5056	0.51411	41.13	85.88	0.52108	1,768	1,625
361.21	AC - 15-inch	1980	37,985	R2.5	80	44.75	84,882	R2.5056	0.51411	41.13	85.88	0.52108	19,793	18,192
361.21	AC - 18-inch	1980	43,015	R2.5	80	44.75	96,124	R2.5056	0.51411	41.13	85.88	0.52108	22,414	20,601
361.21	AC - 24-inch	1980	76,129	R2.5	80	44.75	170,121	R2.5056	0.51411	41.13	85.88	0.52108	39,669	36,460
361.21	AC - 30-inch	1980	7,633	R2.5	80	44.75	17,058	R2.5056	0.51411	41.13	85.88	0.52108	3,978	3,655
361.21	AC - 36-inch	1980	111,022	R2.5	80	44.75	248,094	R2.5056	0.51411	41.13	85.88	0.52108	57,851	53,171
361.21	AC - 48-inch	1980	540,631	R2.5	80	44.75	1,208,114	R2.5056	0.51411	41.13	85.88	0.52108	281,712	258,919
361.21	AC - 60-inch	1980	159,354	R2.5	80	44.75	356,098	R2.5056	0.51411	41.13	85.88	0.52108	83,036	76,318
361.21	AC - 66-inch	1980	112,318	R2.5	80	44.75	250,991	R2.5056	0.51411	41.13	85.88	0.52108	58,527	53,791
361.21	AC - 72-inch	1980	550,784	R2.5	80	44.75	1,230,803	R2.5056	0.51411	41.13	85.88	0.52108	287,003	263,781
361.21	RCP - 30-inch	1980	33,442	R2.5	80	44.75	74,731	R2.5056	0.51411	41.13	85.88	0.52108	17,426	16,016

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57
(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value		Account	Description	Placement Year	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	Calculation	Input	Calculation		Input	Input	Input	Input	Input	Input	Calculation	Calculation	Calculation	Lookup Iowa Curves Life Tables (Blue 37)	Calculation	Calculation	Calculation	Calculation	Calculation
Eng Assmt	Eng Assmt	Eng Assmt	COR/LD $s	% of Preliminary Cost Approach	Appraisal Date Value $s		WADS Input	Eng Assmt	Eng Assmt	Original Cost	Iowa	WADS Input	2025 (-49)+0.5	Col (49) / (48)	Col (47) & (50)	Iowa/Lookup	Iowa Condition	Rem Life	Total Life	Thpct%	Col (48) * (55)	Col (48) - (56)
Account	Description	Year	Prelim CORLD	EQ %	FMV		Acct	Descrip	Year	Original Cost	Iowa	Normal Life	age	AgePct	Iowa/Lookup	Iowa Condition	Rem Life	Total Life	Thpct%	Theo Reserve	Net Book
361.21	RCP - 60-Inch	1980	313,797	27.25%	228,284		361.21	RCP - 60-Inch	1980	113,990	R2.5	80	44.75	254,726	R2.5056	0.51411	41.13	85.88	0.52108	59,398	54,592
361.21	PVC/HDPE - 6-Inch	1980	117,678	27.25%	85,609		361.21	PVC/HDPE - 6-Inch	1980	42,748	R2.5	80	44.75	95,525	R2.5056	0.51411	41.13	85.88	0.52108	22,275	20,473
361.21	PVC/HDPE - 8-Inch	1980	267,101	27.25%	194,313		361.21	PVC/HDPE - 8-Inch	1980	97,027	R2.5	80	44.75	216,820	R2.5056	0.51411	41.13	85.88	0.52108	50,559	46,468
361.21	PVC/HDPE - 10-Inch	1980	1,288,955	27.25%	938,428		361.21	PVC/HDPE - 10-Inch	1980	468,588	R2.5	80	44.75	1,047,124	R2.5056	0.51411	41.13	85.88	0.52108	244,172	224,416
361.21	PVC/HDPE - 12-Inch	1980	2,426,474	27.25%	1,764,506		361.21	PVC/HDPE - 12-Inch	1980	881,076	R2.5	80	44.75	1,968,884	R2.5056	0.51411	41.13	85.88	0.52108	459,111	421,965
361.21	PVC/HDPE - 15-Inch	1980	5,511,214	27.25%	4,008,348		361.21	PVC/HDPE - 15-Inch	1980	2,001,999	R2.5	80	44.75	4,473,741	R2.5056	0.51411	41.13	85.88	0.52108	1,043,202	958,797
361.21	PVC/HDPE - 18-Inch	1980	1,862,098	27.25%	1,354,056		361.21	PVC/HDPE - 18-Inch	1980	676,424	R2.5	80	44.75	1,511,563	R2.5056	0.51411	41.13	85.88	0.52108	352,471	323,953
361.21	PVC/HDPE - 24-Inch	2013	141,073	27.25%	102,629		361.21	PVC/HDPE - 24-Inch	2013	99,732	R2.5	80	11.75	848,783	R2.5015	0.96036	68.83	80.58	0.14582	14,543	85,189
361.21	PVC/HDPE - 36-Inch	1980	89,591	27.25%	65,176		361.21	PVC/HDPE - 36-Inch	1980	32,545	R2.5	80	44.75	72,726	R2.5056	0.51411	41.13	85.88	0.52108	16,958	15,587
361.21	PVC/HDPE - 54-Inch(6)	2021	213,353	27.25%	155,212		361.21	PVC/HDPE - 54-Inch(6)	2021	177,798	R2.5	80	3.75	4,741,285	R2.5005	0.95293	76.23	79.98	0.04689	8,337	169,461
361.21	Unknown - Unknown	1980	397,161	27.25%	288,930		361.21	Unknown - Unknown	1980	144,272	R2.5	80	44.75	322,366	R2.5056	0.51411	41.13	85.88	0.52108	75,177	69,095
361.21	PVC - 6-Inch(6)	2010	487,596	27.25%	354,721		361.21	PVC - 6-Inch(6)	2010	320,000	R2.5	80	14.75	2,169,492	R2.5018	0.83306	66.64	81.39	0.18123	57,994	262,006
361.21	PVC - 8-Inch(6)	2010	7,919,589	27.25%	5,761,421		361.21	PVC - 8-Inch(6)	2010	5,197,480	R2.5	80	14.75	35,237,154	R2.5018	0.83306	66.64	81.39	0.18123	941,939	4,255,541
361.21	PVC - 8-Inch(6)	2010	1,523,738	27.25%	1,108,503		361.21	PVC - 8-Inch(6)	2010	1,000,000	R2.5	80	14.75	6,779,661	R2.5018	0.83306	66.64	81.39	0.18123	181,230	818,770
361.21	PVC - 8-Inch(6)	2011	1,268,543	27.25%	922,851		361.21	PVC - 8-Inch(6)	2011	851,895	R2.5	80	13.75	6,195,600	R2.5017	0.84214	67.37	81.12	0.1686	144,396	707,499
361.21	PVC - 8-Inch(6)	2012	144,434	27.25%	105,074		361.21	PVC - 8-Inch(6)	2012	101,485	R2.5	80	12.75	795,802	R2.5016	0.85124	68.1	80.85	0.1577	16,001	85,484
361.21	PVC - 8-Inch(6)	2014	1,235,652	27.25%	898,923		361.21	PVC - 8-Inch(6)	2014	896,540	R2.5	80	10.75	8,339,811	R2.5013	0.87869	70.3	81.05	0.13263	118,908	777,632
361.21	PVC - 8-Inch(6)	2015	539,776	27.25%	392,706		361.21	PVC - 8-Inch(6)	2015	384,000	R2.5	80	9.75	3,938,462	R2.5012	0.88789	71.03	80.78	0.1207	46,349	337,651
361.21	PVC - 10-Inch(6)	2015	104,851	27.25%	76,278		361.21	PVC - 10-Inch(6)	2015	76,000	R2.5	80	9.75	779,487	R2.5012	0.88789	71.03	80.78	0.1207	9,173	66,827
361.21	HDPE - 18-Inch(6)	2015	71,019	27.25%	51,666		361.21	HDPE - 18-Inch(6)	2015	51,477	R2.5	80	9.75	527,971	R2.5012	0.88789	71.03	80.78	0.1207	6,213	45,264
361.21	PVC - 8-Inch(6)	2016	83,659	27.25%	60,861		361.21	PVC - 8-Inch(6)	2016	61,066	R2.5	80	8.75	697,901	R2.5011	0.89711	71.77	80.52	0.10867	6,636	54,430
361.21	PVC - 8-Inch(6)	2017	156,016	27.25%	113,500		361.21	PVC - 8-Inch(6)	2017	115,590	R2.5	80	7.75	1,491,482	R2.5010	0.90636	72.51	80.26	0.09656	11,161	104,429
361.21	PVC - 8-Inch(6)	2018	747,352	27.25%	543,690		361.21	PVC - 8-Inch(6)	2018	563,992	R2.5	80	6.75	8,355,437	R2.5008	0.92492	73.99	80.74	0.0836	47,150	516,842
361.21	PVC - 8-Inch(6)	2019	243,354	27.25%	177,037		361.21	PVC - 8-Inch(6)	2019	187,197	R2.5	80	5.75	3,255,606	R2.5007	0.93424	74.74	80.49	0.07144	13,373	173,824
361.21	HDPE - 60-Inch(6)	2020	2,074,621	27.25%	1,509,264		361.21	HDPE - 60-Inch(6)	2020	1,628,827	R2.5	80	4.75	34,286,882	R2.5006	0.94357	75.49	80.24	0.0592	96,415	1,532,212
361.21	PVC - 8-Inch(6)	2020	198,083	27.25%	144,103		361.21	PVC - 8-Inch(6)	2020	155,500	R2.5	80	4.75	3,273,684	R2.5006	0.94357	75.49	80.24	0.0592	9,206	146,294
361.21	PVC - 10-Inch(6)	2020	31,437	27.25%	22,870		361.21	PVC - 10-Inch(6)	2020	24,679	R2.5	80	4.75	519,558	R2.5006	0.94357	75.49	80.24	0.0592	1,461	23,218
361.21	PVC - 10-Inch(6)	2021	29,638	27.25%	21,561		361.21	PVC - 10-Inch(6)	2021	24,699	R2.5	80	3.75	658,640	R2.5005	0.95293	76.23	79.98	0.04689	1,158	23,541
361.21	PVC - 10-Inch(6)	2021	29,662	27.25%	21,579		361.21	PVC - 10-Inch(6)	2021	24,719	R2.5	80	3.75	659,173	R2.5005	0.95293	76.23	79.98	0.04689	1,159	23,560
361.21	PVC - 10-Inch(6)	2021	29,686	27.25%	21,596		361.21	PVC - 10-Inch(6)	2021	24,739	R2.5	80	3.75	659,707	R2.5005	0.95293	76.23	79.98	0.04689	1,160	23,579
361.21	PVC - 8-Inch(6)	2022	92,633	27.25%	67,389		361.21	PVC - 8-Inch(6)	2022	84,801	R2.5	80	2.75	3,083,684	R2.5003	0.97170	77.74	80.49	0.03417	2,898	81,903
361.21	PVC - 8-Inch(6)	2023	234,486	27.25%	170,586		361.21	PVC - 8-Inch(6)	2023	228,081	R2.5	80	1.75	13,033,227	R2.5002	0.98112	78.49	80.24	0.02181	4,974	223,107
361.21	HDPE - 60-Inch(6)	2024	277,986	27.25%	202,232		361.21	HDPE - 60-Inch(6)	2024	279,500	R2.5	80	0.75	37,266,600	R2.5001	0.99055	79.24	79.99	0.00938	2,622	276,878
361.21	PVC - 8-Inch(6)	2024	607,891	27.25%	442,234		361.21	PVC - 8-Inch(6)	2024	611,200	R2.5	80	0.75	81,493,360	R2.5001	0.99055	79.24	79.99	0.00938	5,733	605,467
361.21	CCIP - 18-Inch(6)	2025	32,545	27.25%	23,676		361.21	CCIP - 18-Inch(6)	2025	32,255	R2.5	80	0.00	#DIV/0!	R2.5000	1.00000	80	80	0	-	32,255
			37,220,394		27,077,427					19,535,876										5,128,873	14,407,003
361.23	Initial Installation - Original System	1912	80,534	27.25%	58,586		361.23	Initial Installation - Original System	1912	8,641	R2.5	80	112.75	7,664	R2.5141	0.10976	8.78	121.53	0.92775	8,017	624
361.23	Sewer Extensions	1980	2,248,095	27.25%	1,635,464		361.23	Sewer Extensions	1980	816,641	R2.5	80	44.75	1,824,896	R2.5056	0.51411	41.13	85.88	0.52108	425,535	391,106
361.23	Combined Sewer Inlets	1980	1,592,527	27.25%	1,158,546		361.23	Combined Sewer Inlets	1980	578,500	R2.5	80	44.75	1,292,737	R2.5056	0.51411	41.13	85.88	0.52108	301,445	277,055
361.23	2010 Pennvest Sewer Project(6)	2010	731,394	27.25%	532,081		361.23	2010 Pennvest Sewer Project(6)	2010	490,000	R2.5	80	14.75	3,254,237	R2.5018	0.83306	66.64	81.39	0.18123	86,990	393,010
361.23	Grandview Drive Extension	2012	29,757	27.25%	21,648		361.23	Grandview Drive Extension	2012	20,904	R2.5	80	12.75	163,956	R2.5016	0.85124	68.1	80.85	0.1577	3,297	17,607
361.23	Panama Street Extension(6)	2020	43,737	27.25%	31,818		361.23	Panama Street Extension(6)	2020	34,334	R2.5	80	4.75	722,831	R2.5006	0.94357	75.49	80.24	0.0592	2,033	32,301
361.23	North Main Street Extension(6)	2024	9,946	27.25%	7,236		361.23	North Main Street Extension(6)	2024	10,000	R2.5	80	0.75	1,333,333	R2.5001	0.99055	79.24	79.99	0.00938	94	9,906
361.23	North Main Street Extension(6)	2024	9,946	27.25%	7,236		361.23	North Main Street Extension(6)	2024	10,000	R2.5	80	0.75	1,333,333	R2.5001	0.99055	79.24	79.99	0.00938	94	9,906
361.23	Willow Lane Sewer Project(6)	2024	25,362	27.25%	18,451		361.23	Willow Lane Sewer Project(6)	2024	25,500	R2.5	80	0.75	3,400,000	R2.5001	0.99055	79.24	79.99	0.00938	239	25,261
361.23	100 Block of LuGrange Street (6)	2024	16,400	27.25%	11,931		361.23	100 Block of LuGrange Street (6)	2024	16,468	R2.5	80	0.75	2,196,533	R2.5001	0.99055	79.24	79.99	0.00938	155	16,334
361.23	531 N Main Street (6)	2024	2,658	27.25%	1,934		361.23	531 N Main Street (6)	2024	2,672	R2.5	80	0.75	356,267	R2.5001	0.99055	79.24	79.99	0.00938	25	2,647
361.23	Intersection of William and Church	2024	4,841	27.25%	3,522		361.23	Intersection of William and Church St	2024	4,866	R2.5	80	0.75	649,067	R2.5001	0.99055	79.24	79.99	0.00938	46	4,822
361.23	Prospect and Leonard Street (6)	2024	11,055	27.25%	8,042		361.23	Prospect and Leonard Street (6)	2024	11,116	R2.5	80	0.75	1,482,133	R2.5001	0.99055	79.24	79.99	0.00938	104	11,012
361.23	Market Street and Spring Street(6)	2024	2,093	27.25%	1,523		361.23	Market Street and Spring Street(6)	2024	2,105	R2.5	80	0.75	280,667	R2.5001	0.99055	79.24	79.99	0.00938	20	2,085
361.23	Intersection Leonard and Searle Sa	2024	2,331	27.25%	1,696		361.23	Intersection Leonard and Searle Stree	2024	2,344	R2.5	80	0.75	312,533	R2.5001	0.99055	79.24	79.99	0.00938	22	2,322

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Fair Market Value

36	37	38	39	40	41	42
Account	Description	Placement Year	Preliminary Cost Approach	Economic Obsolescence	Fair Market Value	
			CORLD $s	% of Preliminary Cost Approach	Appraisal Date Value $s	
Account	Description	Year	Prelim CORLD	EO%	FMV	
361.23	Prospect Street and Leonard Stre	2024	4,723	27.25%	3,436	
361.23	Sand Street(6)	2024	18,344	27.25%	13,345	
361.23	LaGrange Street and East Oak Str	2023	7,001	27.25%	5,093	
361.23	79 LaGrange Street (6)	2023	1,049	27.25%	763	
361.23	324 Laurel Street (6)	2023	11,607	27.25%	8,444	
361.23	745 North Main Street(6)	2023	2,868	27.25%	2,085	
361.23	Prospect and Leonard Street (6)	2022	4,491	27.25%	3,267	
361.23	Plank and Gravity Street(6)	2022	1,808	27.25%	1,315	
361.23	Rear Broad Street(6)	2022	3,200	27.25%	2,328	
361.23	North Main Street and Panama Str	2022	1,639	27.25%	1,192	
361.23	120 Panama Street (6)	2022	4,369	27.25%	3,178	
361.23	Panama Street (6)	2022	4,369	27.25%	3,178	
361.23	194 Panama Street (6)	2022	4,369	27.25%	3,178	
361.23	198 Panama Street (6)	2022	4,369	27.25%	3,178	
361.23	Rear Miller Street(6)	2022	4,369	27.25%	3,178	
361.23	Custom Chamber(6)	2021	47,999	27.25%	34,919	
361.23	Broad Street and Church Street(6)	2021	3,568	27.25%	2,596	
361.23	Church Street(6)	2021	4,808	27.25%	3,498	
361.23	46 Wilford Street(6)	2021	3,216	27.25%	2,340	
361.23	Kennedy Blouvard(6)	2021	4,404	27.25%	3,204	
361.23	Kennedy Blouvard(6)	2021	5,569	27.25%	4,008	
361.23	Butler Street(6)	2021	11,280	27.25%	8,206	
361.23	East Oak Street and Spring Court(	2021	11,250	27.25%	8,184	
361.23	Miller Street(6)	2020	4,227	27.25%	3,075	
361.23	25 Johnson Street(6)	2020	4,164	27.25%	3,029	
361.23	10 Pine Street(6)	2020	2,028	27.25%	1,475	
361.23	41 Center Street and 13 Sand Stre	2020	3,071	27.25%	2,234	
361.23	Underwood Lane(6)	2015	8,278	27.25%	6,022	
			5,003,023		3,639,844	
363.2	VCP - 4-inch	1912	268,182	27.25%	195,099	
363.2	PVC - 4-inch	1980	2,532,596	27.25%	1,842,436	
363.2	PVC - 4-inch	2012	138,810	27.25%	100,963	
363.2	PVC - 6-inch	2021	23,629	27.25%	17,190	
363.2	PVC - 6-inch	2024	24,721	27.25%	17,984	
			2,987,938		2,173,692	
			45,224,277		32,900,157	

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Determination of the Depreciated Original Cost

36	37	38	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57
Account	Description	Placement Year	Account	Description	Placement Year	Original Costs	Retirement Dispersion Iowa-type	Normal Service Life (NSL)	Age at May 30, 2025 Appraisal Date	Age as % of NSL	Iowa Lookup	Iowa Condition Percent of Percent New	Normal Remaining Life	Total Life Expectancy	Theoretical Reserve Percent	Theoretical Reserve	Depreciated Original Cost
Input	Input	Input	WADS Input	Input	Input	Input	WADS Input	Input	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation	Calculation
Eng Assmt	Eng Assmt	Eng Assmt	Eng Assmt	Eng Assmt	Eng Assmt	Eng Assmt						Lookup Iowa Curves Life Tables @ age (51)					
Account	Description	Year	Acct	Descrip	Year	Original Cost	Iowa	Normal Life	age	AgeP	IowaLookup	Iowa Condition	Rem Life	Total Life	Theo%	Theo Reserve	Net Book
361.23	Prospect Street and Leonard Street	2024	361.23	Prospect Street and Leonard Street	2024	4,749	R2.5	80	0.75	833,200	R2.5001	0.99055	79.24	79.99	0.00938	45	4,704
361.23	Sand Street(6)	2024	361.23	Sand Street(6)	2024	18,444	R2.5	80	0.75	2,459,200	R2.5001	0.99055	79.24	79.99	0.00938	173	18,271
361.23	LaGrange Street and East Oak Str	2023	361.23	LaGrange Street and East Oak Street	2023	6,810	R2.5	80	1.75	369,143	R2.5002	0.98112	78.49	80.24	0.02181	149	6,661
361.23	79 LaGrange Street (6)	2023	361.23	79 LaGrange Street (6)	2023	1,020	R2.5	80	1.75	55,286	R2.5002	0.98112	78.49	80.24	0.02181	22	998
361.23	324 Laurel Street (6)	2023	361.23	324 Laurel Street (6)	2023	11,290	R2.5	80	1.75	645,143	R2.5002	0.98112	78.49	80.24	0.02181	246	11,044
361.23	745 North Main Street(6)	2023	361.23	745 North Main Street(6)	2023	2,760	R2.5	80	1.75	157,714	R2.5002	0.98112	78.49	80.24	0.02181	60	2,700
361.23	Prospect and Leonard Street (6)	2022	361.23	Prospect and Leonard Street (6)	2022	4,111	R2.5	80	2.75	149,491	R2.5003	0.97170	77.74	80.49	0.03417	140	3,971
361.23	Plank and Gravity Street(6)	2022	361.23	Plank and Gravity Street(6)	2022	1,655	R2.5	80	2.75	60,182	R2.5003	0.97170	77.74	80.49	0.03417	57	1,598
361.23	Rear Broad Street(6)	2022	361.23	Rear Broad Street(6)	2022	2,929	R2.5	80	2.75	106,509	R2.5003	0.97170	77.74	80.49	0.03417	100	2,829
361.23	North Main Street and Panama Str	2022	361.23	North Main Street and Panama Street	2022	1,500	R2.5	80	2.75	54,545	R2.5003	0.97170	77.74	80.49	0.03417	51	1,449
361.23	120 Panama Street (6)	2022	361.23	120 Panama Street (6)	2022	4,000	R2.5	80	2.75	145,455	R2.5003	0.97170	77.74	80.49	0.03417	137	3,863
361.23	Panama Street (6)	2022	361.23	Panama Street (6)	2022	4,000	R2.5	80	2.75	145,455	R2.5003	0.97170	77.74	80.49	0.03417	137	3,863
361.23	194 Panama Street (6)	2022	361.23	194 Panama Street (6)	2022	4,000	R2.5	80	2.75	145,455	R2.5003	0.97170	77.74	80.49	0.03417	137	3,863
361.23	198 Panama Street (6)	2022	361.23	198 Panama Street (6)	2022	4,000	R2.5	80	2.75	145,455	R2.5003	0.97170	77.74	80.49	0.03417	137	3,863
361.23	Rear Miller Street(6)	2022	361.23	Rear Miller Street(6)	2022	4,000	R2.5	80	2.75	145,455	R2.5003	0.97170	77.74	80.49	0.03417	137	3,863
361.23	Custom Chamber(6)	2021	361.23	Custom Chamber(6)	2021	40,000	R2.5	80	3.75	1,066,667	R2.5005	0.95293	76.23	79.98	0.04689	1,876	38,124
361.23	Broad Street and Church Street(6)	2021	361.23	Broad Street and Church Street(6)	2021	2,973	R2.5	80	3.75	79,280	R2.5005	0.95293	76.23	79.98	0.04689	139	2,834
361.23	Church Street(6)	2021	361.23	Church Street(6)	2021	4,006	R2.5	80	3.75	106,827	R2.5005	0.95293	76.23	79.98	0.04689	188	3,818
361.23	46 Wilford Street(6)	2021	361.23	46 Wilford Street(6)	2021	2,660	R2.5	80	3.75	71,467	R2.5005	0.95293	76.23	79.98	0.04689	125	2,554
361.23	Kennedy Blouvard(6)	2021	361.23	Kennedy Blouvard(6)	2021	3,670	R2.5	80	3.75	97,867	R2.5005	0.95293	76.23	79.98	0.04689	172	3,498
361.23	Kennedy Blouvard(6)	2021	361.23	Kennedy Blouvard(6)	2021	4,591	R2.5	80	3.75	122,427	R2.5005	0.95293	76.23	79.98	0.04689	215	4,376
361.23	Butler Street(6)	2021	361.23	Butler Street(6)	2021	9,400	R2.5	80	3.75	250,667	R2.5005	0.95293	76.23	79.98	0.04689	441	8,959
361.23	East Oak Street and Spring Court(	2021	361.23	East Oak Street and Spring Court(6)	2021	9,375	R2.5	80	3.75	250,000	R2.5005	0.95293	76.23	79.98	0.04689	440	8,935
361.23	Miller Street(6)	2020	361.23	Miller Street(6)	2020	3,318	R2.5	80	4.75	69,853	R2.5006	0.94357	75.49	80.24	0.0592	196	3,122
361.23	25 Johnson Street(6)	2020	361.23	25 Johnson Street(6)	2020	3,269	R2.5	80	4.75	68,821	R2.5006	0.94357	75.49	80.24	0.0592	194	3,075
361.23	10 Pine Street(6)	2020	361.23	10 Pine Street(6)	2020	1,592	R2.5	80	4.75	33,516	R2.5006	0.94357	75.49	80.24	0.0592	94	1,498
361.23	41 Center Street and 13 Sand Stre	2020	361.23	41 Center Street and 13 Sand Street	2020	2,411	R2.5	80	4.75	50,758	R2.5006	0.94357	75.49	80.24	0.0592	143	2,268
361.23	Underwood Lane(6)	2015	361.23	Underwood Lane(6)	2015	6,000	R2.5	80	9.75	61,538	R2.5012	0.88789	71.03	80.78	0.1207	724	5,276
						2,192,668										834,792	1,357,876
363.2	VCP - 4-inch	1912	363.2	VCP - 4-inch	1912	146,709	R3.0	70	112.75	130,118	R3.0161	0.01926	1.35	114.1	0.98817	144,972	1,736
363.2	PVC - 4-inch	1980	363.2	PVC - 4-inch	1980	1,194,177	R3.0	70	44.75	2,668,553	R3.0064	0.42683	29.88	74.63	0.59962	716,053	478,124
363.2	PVC - 4-inch	2012	363.2	PVC - 4-inch	2012	109,252	R3.0	70	12.75	856,882	R3.0018	0.82519	57.76	70.51	0.18083	19,756	89,496
363.2	PVC - 6-inch	2021	363.2	PVC - 6-inch	2021	20,000	R3.0	70	3.75	533,333	R3.0005	0.95090	66.56	70.31	0.05334	1,067	18,933
363.2	PVC - 6-inch	2024	363.2	PVC - 6-inch	2024	24,050	R3.0	70	0.75	3,206,667	R3.0001	0.99015	69.31	70.06	0.01071	256	23,792
						1,494,188										882,106	612,082
						23,222,746										6,845,771	16,376,975

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City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Income Approach

WADS Consultants
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8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
Office Telephone: 414-529-5755
J. Weinert's Cell: 414-698-8371
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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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	1,985,648	487,960	1,083,357	1,497,688	414,331	119,700	709,367	11,914	656,707	0.964	633,066	633,066
2	1.5	2,531,701	489,763	1,105,094	2,041,938	936,844	270,654	715,882	29,487	1,025,915	0.895	918,194	1,551,260
3	2.5	2,848,164	492,083	1,127,161	2,356,081	1,228,920	355,035	721,251	17,089	1,262,706	0.832	1,050,571	2,601,831
4	3.5	3,489,001	494,918	1,149,610	2,994,083	1,844,473	532,868	726,660	34,605	1,699,950	0.773	1,314,061	3,915,892
5	4.5	3,925,126	498,265	1,172,446	3,426,861	2,254,415	651,301	732,111	23,551	2,019,898	0.718	1,450,287	5,366,179
6	5.5	4,121,382	512,027	1,195,672	3,609,355	2,413,683	697,313	737,601	10,598	2,163,843	0.667	1,443,283	6,809,462
7	6.5	4,203,810	526,202	1,219,294	3,677,608	2,458,314	710,207	743,210	4,451	2,219,740	0.619	1,374,019	8,183,481
8	7.5	4,414,001	540,802	1,243,315	3,873,199	2,629,884	759,773	748,783	11,350	2,353,293	0.575	1,353,143	9,536,624
9	8.5	4,502,281	555,840	1,267,742	3,946,441	2,678,699	773,876	754,399	4,767	2,413,399	0.534	1,288,755	10,825,379
10	9.5	4,727,395	571,329	1,292,578	4,156,066	2,863,488	827,262	760,057	12,157	2,556,590	0.496	1,268,069	12,093,448
11	10.5	4,821,943	587,283	1,317,828	4,234,660	2,916,832	842,673	765,757	5,105	2,621,125	0.461	1,208,339	13,301,787
12	11.5	5,063,040	603,715	1,343,498	4,459,325	3,115,827	900,163	771,500	13,019	2,774,643	0.428	1,187,547	14,489,334
13	12.5	5,164,301	620,640	1,369,591	4,543,661	3,174,070	916,989	777,286	5,468	2,843,918	0.398	1,131,879	15,621,213
14	13.5	5,422,516	638,073	1,396,113	4,784,443	3,388,330	978,888	783,117	13,943	3,008,495	0.370	1,113,143	16,734,356
15	14.5	5,530,966	656,029	1,423,069	4,874,937	3,451,868	997,245	788,989	5,857	3,082,846	0.343	1,057,416	17,791,772
16	15.5	5,807,514	674,523	1,450,464	5,132,991	3,682,527	1,063,882	794,907	14,934	3,259,268	0.319	1,039,706	18,831,478
17	16.5	5,923,664	693,573	1,478,302	5,230,091	3,751,789	1,083,892	800,868	6,272	3,339,059	0.296	988,361	19,819,839
18	17.5	6,219,847	713,195	1,506,590	5,506,652	4,000,062	1,155,618	806,875	15,994	3,528,165	0.275	970,245	20,790,084
19	18.5	6,344,244	733,405	1,535,332	5,610,839	4,075,507	1,177,414	812,926	6,717	3,613,782	0.256	925,128	21,715,212
20 and beyond	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	3.111	11,873,054	33,588,266
								15,270,570					
Age				19.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.238									
PW to Perpetuity = 1/Capitalization Rate				13.072									
$PW_{(20and Beyond)}$ = PW to Perpetuity * $PW Factor_{(19.5)}$				3.111									
								Net Plant		23,210,795			
								ADIT		(2,236,692)			
								Rate Base		20,974,103	0.238	4,991,836	26,707,048
								Annual Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 19.5 years		47,940,744	0.238	11,409,897	33,125,109
								PP	26,440,000				
								OCLD	16,376,975				
								PP/OCLD	1.614				
								RCNLD	45,224,277				
								RCNLD/PP		1.710449206			
										35,875,137.34	0.238	8,538,283	30,253,495
								Average					30,918,480

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Calculated Rates of Return on Rate Base and Equity
(Years 1 through 20)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Period	Age	Revenues	O&M Expenses	Book Depreciation	Ratemaking Interest Expense	Book Taxable Income (Current + Deferred)	State and Federal Taxes @ 28.89%	Net Operating Income	Net (Equity) Income	Net Plant	Working Capital	Accumulated Deferred Income Taxes (ADIT)	Rate Base	Return on Rate Base	Net Equity	Return on Equity
						(3)-(4)-(5)-(6)	(7) *28.89%	(7)-(8)+(6)	(9) - (6)				(11)+(12)+(13)	(9)/(14)		(10)/(16)
1	0.5	1,985,648	487,960	914,212	1,404,696	(821,220)	(237,250)	820,726	(583,970)	26,235,155	107,225	(48,866)	26,293,514	3.12%	44,820,354	-1.30%
2	1.5	2,531,701	489,763	907,987	1,361,097	(227,146)	(65,622)	1,199,573	(161,524)	26,043,050	136,712	(105,811)	26,073,951	4.60%	44,658,830	-0.36%
3	2.5	2,848,164	492,083	916,699	1,319,736	119,646	34,566	1,404,816	85,080	25,847,602	153,801	(166,614)	25,834,789	5.44%	44,743,910	0.19%
4	3.5	3,489,001	494,918	913,740	1,275,745	804,598	232,448	1,847,895	572,150	25,660,522	188,406	(234,757)	25,614,171	7.21%	45,316,060	1.26%
5	4.5	3,925,126	498,265	921,222	1,233,220	1,272,419	367,602	2,138,037	904,817	25,471,412	211,957	(307,336)	25,376,033	8.43%	46,220,878	1.96%
6	5.5	4,121,382	512,027	910,111	1,192,113	1,507,131	435,410	2,263,834	1,071,721	25,298,901	222,555	(389,834)	25,131,622	9.01%	47,292,598	2.27%
7	6.5	4,203,810	526,202	922,604	1,152,376	1,602,628	462,999	2,292,005	1,139,629	25,119,488	227,006	(475,547)	24,870,947	9.22%	48,432,227	2.35%
8	7.5	4,414,001	540,802	913,039	1,113,963	1,846,197	533,366	2,426,794	1,312,831	24,955,214	238,356	(570,964)	24,622,606	9.86%	49,745,059	2.64%
9	8.5	4,502,281	555,840	925,639	1,076,831	1,943,971	561,613	2,459,189	1,382,358	24,783,955	243,123	(669,797)	24,357,281	10.10%	51,127,417	2.70%
10	9.5	4,727,395	571,329	920,462	1,040,937	2,194,667	634,039	2,601,565	1,560,628	24,623,531	255,280	(777,301)	24,101,510	10.79%	52,688,045	2.96%
11	10.5	4,821,943	587,283	926,051	1,006,239	2,302,370	665,155	2,643,454	1,637,215	24,463,218	260,385	(890,486)	23,833,117	11.09%	54,325,260	3.01%
12	11.5	5,063,040	603,715	923,219	972,698	2,563,408	740,569	2,795,537	1,822,839	24,311,479	273,404	(1,011,905)	23,572,978	11.86%	56,148,099	3.25%
13	12.5	5,164,301	620,640	928,808	940,274	2,674,579	772,686	2,842,167	1,901,893	24,159,937	278,872	(1,139,247)	23,299,562	12.20%	58,049,992	3.28%
14	13.5	5,422,516	638,073	925,849	908,932	2,949,662	852,157	3,006,437	2,097,505	24,017,184	292,815	(1,275,106)	23,034,893	13.05%	60,147,496	3.49%
15	14.5	5,530,966	656,029	936,229	878,634	3,060,074	884,055	3,054,653	2,176,019	23,869,925	298,672	(1,415,754)	22,752,843	13.43%	62,323,516	3.49%
16	15.5	5,807,514	674,523	931,811	849,346	3,351,834	968,345	3,232,835	2,383,489	23,733,000	313,606	(1,565,593)	22,481,013	14.38%	64,707,004	3.68%
17	16.5	5,923,664	693,573	938,800	821,035	3,470,256	1,002,557	3,288,734	2,467,699	23,595,049	319,878	(1,721,455)	22,193,472	14.82%	67,174,704	3.67%
18	17.5	6,219,847	713,195	934,229	793,667	3,778,756	1,091,683	3,480,740	2,687,073	23,467,674	335,872	(1,886,811)	21,916,735	15.88%	69,861,777	3.85%
19	18.5	6,344,244	733,405	946,736	767,211	3,896,892	1,125,812	3,538,291	2,771,080	23,333,842	342,589	(2,056,856)	21,619,575	16.37%	72,632,856	3.82%
20	19.5	6,661,456	754,221	942,051	741,638	4,223,546	1,220,183	3,745,001	3,003,363	23,210,795	359,719	(2,236,692)	21,333,822	17.55%	75,636,220	3.97%
										5,524,169.14						

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Discounted Cash Flow Analysis

Discount Rate: 7.65%
Capitalization Rate: 4.52%

(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)
20	19.5	6,661,456	754,221	1,564,534	5,907,235	4,342,701	1,254,606	819,024	17,130	3,816,475	0.238	908,321	22,623,533
21	20.5	6,794,685	775,661	1,594,200	6,019,024	4,424,824	1,278,332	825,167	7,194	3,908,331	0.221	863,741	23,487,274
22	21.5	7,134,419	797,745	1,624,336	6,336,674	4,712,338	1,361,394	831,356	18,345	4,125,579	0.205	845,744	24,333,018
23	22.5	7,277,107	820,490	1,654,947	6,456,617	4,801,670	1,387,202	837,590	7,706	4,224,119	0.190	802,583	25,135,601
24	23.5	7,640,962	843,918	1,686,041	6,797,044	5,111,003	1,476,569	843,873	19,648	4,456,954	0.177	788,881	25,924,482
25	24.5	7,793,781	868,049	1,717,619	6,925,732	5,208,113	1,504,624	850,201	8,252	4,562,655	0.164	748,275	26,672,757
26	25.5	8,183,470	892,905	856,491	7,290,565	6,434,074	1,858,804	856,578	21,044	4,554,139	0.153	696,783	27,369,540
27	26.5	8,347,139	918,505	862,914	7,428,634	6,565,720	1,896,837	863,002	8,838	4,659,957	0.142	661,714	28,031,254
28	27.5	8,764,496	944,874	869,386	7,819,622	6,950,236	2,007,923	869,474	22,537	4,919,688	0.132	649,399	28,680,653
29	28.5	8,939,786	972,034	875,907	7,967,752	7,091,845	2,048,834	875,996	9,465	5,033,457	0.122	614,082	29,294,735
30	29.5	9,386,775	1,000,009	882,476	8,386,766	7,504,290	2,167,989	882,566	24,138	5,312,073	0.114	605,576	29,900,311
31	30.5	9,574,511	1,028,824	889,095	8,545,687	7,656,592	2,211,989	889,185	10,138	5,434,375	0.106	576,044	30,476,355
32	31.5	10,053,237	1,058,502	895,762	8,994,735	8,098,973	2,339,793	895,853	25,850	5,733,239	0.098	561,857	31,038,212
33	32.5	10,254,302	1,089,072	902,481	9,165,230	8,262,749	2,387,108	902,573	10,859	5,864,690	0.091	533,687	31,571,899
34	33.5	10,767,017	1,120,558	909,250	9,646,459	8,737,209	2,524,180	909,342	27,686	6,185,251	0.085	525,746	32,097,645
35	34.5	10,982,357	1,152,989	916,069	9,829,368	8,913,299	2,575,052	916,162	11,628	6,326,526	0.079	499,796	32,597,441
36	35.5	11,531,475	1,186,393	922,939	10,345,082	9,422,143	2,722,057	923,033	29,653	6,670,339	0.073	486,935	33,084,376
37	36.5	11,762,105	1,220,799	929,862	10,541,306	9,611,444	2,776,746	929,957	12,453	6,822,150	0.068	463,906	33,548,282
38	37.5	12,350,210	1,256,237	936,835	11,093,973	10,157,138	2,934,397	936,930	31,759	7,190,887	0.063	453,026	34,001,308
39	38.5	12,597,214	1,292,738	943,862	11,304,476	10,360,614	2,993,181	943,958	13,338	7,353,999	0.059	433,886	34,435,194
40	39.5	13,227,075	1,330,334	950,941	11,896,741	10,945,800	3,162,242	951,038	34,012	7,749,449	0.054	418,470	34,853,664
41	40.5	13,491,617	1,369,058	958,073	12,122,559	11,164,486	3,225,420	958,170	14,286	7,924,683	0.051	404,159	35,257,823
42	41.5	14,166,198	1,408,943	965,259	12,757,255	11,791,996	3,406,708	965,357	36,426	8,348,764	0.047	392,392	35,650,215
43	42.5	14,449,522	1,450,025	1,011,397	12,999,497	11,988,100	3,463,362	972,596	15,300	8,548,239	0.044	376,123	36,026,338
44	43.5	15,171,998	1,492,339	1,058,174	13,679,659	12,621,485	3,646,347	979,891	39,013	9,014,408	0.040	360,576	36,386,914
45	44.5	15,475,438	1,535,923	1,066,110	13,939,515	12,873,405	3,719,127	987,239	16,387	9,216,762	0.038	350,237	36,737,151
46	45.5	16,249,210	1,580,815	1,074,106	14,668,395	13,594,289	3,927,390	994,644	41,784	9,704,577	0.035	339,660	37,076,811
47	46.5	16,574,194	1,627,053	1,082,163	14,947,141	13,864,978	4,005,592	1,002,105	17,548	9,921,896	0.032	317,501	37,394,312
48	47.5	17,402,904	1,674,679	1,090,278	15,728,225	14,637,947	4,228,903	1,009,620	44,751	10,444,951	0.030	313,349	37,707,661
49	48.5	17,750,962	1,723,733	1,098,456	16,027,229	14,928,773	4,312,922	1,017,192	18,795	10,678,320	0.028	298,993	38,006,654
50	49.5	18,638,510	1,774,258	1,106,694	16,864,252	15,757,558	4,552,358	1,024,821	47,928	11,239,145	0.026	292,218	38,298,872
51	50.5	19,011,280	1,826,300	1,114,995	17,184,980	16,069,985	4,642,619	1,032,508	20,129	11,489,724	0.024	275,753	38,574,625
52	51.5	19,961,844	1,879,903	1,123,357	18,081,941	16,958,584	4,899,335	1,040,251	51,330	12,091,025	0.022	266,003	38,840,628
53	52.5	20,361,081	1,935,114	1,131,782	18,425,967	17,294,185	4,996,290	1,048,053	21,560	12,360,064	0.021	259,561	39,100,189
54	53.5	21,379,135	1,991,981	1,140,270	19,387,154	18,246,884	5,271,525	1,055,913	54,974	13,004,742	0.019	247,090	39,347,279
55	54.5	21,806,718	2,050,554	1,148,823	19,756,164	18,607,341	5,375,661	1,063,833	23,090	13,293,580	0.018	239,284	39,586,563
56	55.5	22,897,054	2,110,884	1,157,438	20,786,170	19,628,732	5,670,741	1,071,811	58,878	13,984,740	0.017	237,741	39,824,304
57	56.5	23,354,995	2,173,024	1,166,119	21,181,971	20,015,852	5,782,580	1,079,850	24,729	14,294,812	0.016	228,717	40,053,021
58	57.5	24,522,745	2,237,029	1,174,865	22,285,716	21,110,851	6,098,925	1,087,949	63,059	15,035,783	0.014	210,501	40,263,522
59	58.5	25,013,200	2,302,953	1,183,678	22,710,247	21,526,569	6,219,026	1,096,109	26,484	15,368,628	0.013	199,792	40,463,314
60	59.5	26,263,860	2,370,855	1,192,554	23,893,005	22,700,451	6,558,160	1,104,329	67,536	16,162,980	0.157	2,537,588	43,000,902
								39,145,099					

Age				59.5									
PW(Age) = 1/(1+Discount Rate)$^{(Age)}$				0.012									
PW to Perpetuity = 1/Capitalization Rate				13.072									
$PW_{(20and\ Beyond)}$ = PW to Perpetuity * $PW\ Factor_{(19.5)}$				0.157									
								Net Plant		20,816,236			
								ADIT		(3,145,673)			
								Rate Base		17,670,563	0.012	212,047	40,675,361
								Plant Construction Inflation Rate		0.0422 Input			
								Plant Inflation over 59.5 years		206,699,288	0.012	2,480,391	42,943,705
								PP	26,440,000				
								RCNLD	45,224,277				
								RCNLD/PP		1.710449206			
										30,224,600.28	0.012	362,695	40,826,009

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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025
Calculated Rates of Return on Rate Base and Equity
(Years 1 through 20)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Period	Age	Revenues	O&M Expenses	Book Depreciation	Ratemaking Interest Expense	Book Taxable Income (Current + Deferred)	State and Federal Taxes @ 28.89%	Net Operating Income	Net (Equity) Income	Net Plant	Working Capital	Accumulated Deferred Income Taxes (ADIT)	Rate Base	Return on Rate Base	Net Equity	Return on Equity
						(3)-(4)-(5)-(6)	(7) *28.89%	(7)-(8)+(6)	(9) - (6)				(11)+(12)+(13)	(9)/(14)		(10)/(16)
20	19.5	6,661,456	754,221	942,051	741,638	4,223,546	1,220,183	3,745,001	3,003,363	23,210,795	359,719	(2,236,692)	21,333,822	17.55%	75,636,220	3.97%
20	20.5	6,794,685	775,661	955,407	716,916	4,346,701	1,255,762	3,807,855	3,090,939	23,080,533	366,913	(2,421,239)	21,026,207	18.11%	78,727,158	3.93%
20	21.5	7,134,419	797,745	949,896	693,019	4,693,759	1,356,027	4,030,751	3,337,732	22,961,973	385,258	(2,616,085)	20,731,146	19.44%	82,064,891	4.07%
20	22.5	7,277,107	820,490	957,739	669,918	4,828,960	1,395,087	4,103,791	3,433,873	22,841,803	392,964	(2,817,509)	20,417,258	20.10%	85,498,764	4.02%
20	23.5	7,640,962	843,918	957,763	647,588	5,191,693	1,499,880	4,339,401	3,691,813	22,727,892	412,612	(3,027,908)	20,112,596	21.58%	89,190,577	4.14%
20	24.5	7,793,781	868,049	954,171	626,002	5,345,559	1,544,332	4,427,229	3,801,227	22,623,899	420,864	(3,248,468)	19,796,295	22.36%	92,991,803	4.09%
20	25.5	8,183,470	892,905	965,653	605,135	5,719,777	1,652,444	4,672,468	4,067,333	22,514,803	441,908	(3,216,932)	19,739,779	23.67%	97,059,137	4.19%
20	26.5	8,347,139	918,505	961,958	584,964	5,881,712	1,699,227	4,767,449	4,182,485	22,415,825	450,746	(3,188,319)	19,678,252	24.23%	101,241,622	4.13%
20	27.5	8,764,496	944,874	968,426	565,465	6,285,731	1,815,948	5,035,248	4,469,783	22,316,851	473,283	(3,159,707)	19,630,427	25.65%	105,711,405	4.23%
20	28.5	8,939,786	972,034	969,762	546,616	6,451,374	1,863,802	5,134,188	4,587,572	22,223,063	482,748	(3,132,592)	19,573,219	26.23%	110,298,977	4.16%
20	29.5	9,386,775	1,000,009	982,249	528,396	6,876,121	1,986,511	5,418,006	4,889,610	22,123,358	506,886	(3,103,767)	19,526,477	27.75%	115,188,587	4.24%
20	30.5	9,574,511	1,028,824	976,202	510,782	7,058,703	2,039,259	5,530,226	5,019,444	22,036,318	517,024	(3,078,601)	19,474,741	28.40%	120,208,031	4.18%
20	31.5	10,053,237	1,058,502	975,924	493,756	7,525,055	2,173,988	5,844,823	5,351,067	21,956,224	542,874	(3,055,442)	19,443,656	30.06%	125,559,098	4.26%
20	32.5	10,254,302	1,089,072	986,195	477,298	7,701,737	2,225,032	5,954,003	5,476,705	21,872,579	553,733	(3,031,257)	19,395,055	30.70%	131,035,803	4.18%
20	33.5	10,767,017	1,120,558	984,465	461,388	8,200,606	2,369,155	6,292,839	5,831,451	21,797,433	581,419	(3,009,527)	19,369,325	32.49%	136,867,254	4.26%
20	34.5	10,982,357	1,152,989	991,849	446,008	8,391,511	2,424,308	6,413,211	5,967,203	21,721,723	593,047	(2,987,635)	19,327,135	33.18%	142,834,457	4.18%
20	35.5	11,531,475	1,186,393	994,476	431,141	8,919,465	2,576,833	6,773,773	6,342,632	21,650,257	622,700	(2,966,968)	19,305,989	35.09%	149,177,089	4.25%
20	36.5	11,762,105	1,220,799	994,198	416,770	9,130,338	2,637,755	6,909,353	6,492,583	21,585,992	635,153	(2,948,382)	19,272,763	35.85%	155,669,672	4.17%
20	37.5	12,350,210	1,256,237	1,009,449	402,878	9,681,646	2,797,027	7,287,497	6,884,619	21,513,449	666,912	(2,927,403)	19,252,958	37.85%	162,554,291	4.24%
20	38.5	12,597,214	1,292,738	1,001,969	389,448	9,913,059	2,863,883	7,438,624	7,049,176	21,455,414	680,250	(2,910,616)	19,225,048	38.69%	169,603,467	4.16%
20	39.5	13,227,075	1,330,334	1,002,233	376,467	10,518,041	3,038,662	7,855,846	7,479,379	21,404,195	714,262	(2,895,798)	19,222,659	40.87%	177,082,846	4.22%
20	40.5	13,491,617	1,369,058	1,019,366	363,918	10,739,275	3,102,576	8,000,617	7,636,699	21,342,975	728,548	(2,878,090)	19,193,433	41.68%	184,719,545	4.13%
20	41.5	14,166,198	1,408,943	1,010,791	351,787	11,394,677	3,291,922	8,454,542	8,102,755	21,297,515	764,974	(2,864,936)	19,197,553	44.04%	192,822,299	4.20%
20	42.5	14,449,522	1,450,025	1,029,864	340,061	11,629,572	3,359,783	8,609,850	8,269,789	21,240,223	780,274	(2,859,600)	19,160,897	44.93%	201,092,089	4.11%
20	43.5	15,171,998	1,492,339	1,027,532	328,726	12,323,401	3,560,231	9,091,896	8,763,170	21,192,557	819,287	(2,868,453)	19,143,391	47.49%	209,855,259	4.18%
20	44.5	15,475,438	1,535,923	1,025,330	317,768	12,596,417	3,639,105	9,275,080	8,957,312	21,154,440	835,674	(2,880,235)	19,109,879	48.54%	218,812,570	4.09%
20	45.5	16,249,210	1,580,815	1,043,003	307,176	13,318,216	3,847,633	9,777,759	9,470,583	21,106,057	877,458	(2,889,221)	19,094,294	51.21%	228,283,154	4.15%
20	46.5	16,574,194	1,627,053	1,040,768	296,937	13,609,436	3,931,766	9,974,607	9,677,670	21,067,369	895,006	(2,901,180)	19,061,195	52.33%	237,960,824	4.07%
20	47.5	17,402,904	1,674,679	1,042,609	287,039	14,398,577	4,159,749	10,525,867	10,238,828	21,034,354	939,757	(2,914,952)	19,059,159	55.23%	248,199,652	4.13%
20	48.5	17,750,962	1,723,733	1,051,136	277,471	14,698,622	4,246,432	10,729,661	10,452,190	21,000,384	958,552	(2,928,623)	19,030,313	56.38%	258,651,842	4.04%
20	49.5	18,638,510	1,774,258	1,048,734	268,222	15,547,296	4,491,614	11,323,904	11,055,682	20,976,445	1,006,480	(2,945,368)	19,037,557	59.48%	269,707,524	4.10%
20	50.5	19,011,280	1,826,300	1,050,499	259,281	15,875,200	4,586,345	11,548,136	11,288,855	20,958,428	1,026,609	(2,964,001)	19,021,036	60.71%	280,996,379	4.02%
20	51.5	19,961,844	1,879,903	1,067,033	250,638	16,764,270	4,843,198	12,171,710	11,921,072	20,931,620	1,077,939	(2,980,273)	19,029,286	63.96%	292,917,451	4.07%
20	52.5	20,361,081	1,935,114	1,066,316	242,284	17,117,367	4,945,207	12,414,444	12,172,160	20,913,330	1,099,499	(2,999,186)	19,013,643	65.29%	305,089,611	3.99%
20	53.5	21,379,135	1,991,981	1,068,809	234,208	18,084,137	5,224,507	13,093,838	12,859,630	20,900,407	1,154,473	(3,019,831)	19,035,049	68.79%	317,949,241	4.04%
20	54.5	21,806,718	2,050,554	1,087,742	226,401	18,442,021	5,327,900	13,340,522	13,114,121	20,876,471	1,177,563	(3,037,477)	19,016,557	70.15%	331,063,362	3.96%
20	55.5	22,897,054	2,110,884	1,089,568	218,854	19,477,748	5,627,121	14,069,481	13,850,627	20,858,686	1,236,441	(3,057,084)	19,038,043	73.90%	344,913,988	4.02%
20	56.5	23,354,995	2,173,024	1,092,111	211,559	19,878,301	5,742,841	14,347,019	14,135,460	20,846,398	1,261,170	(3,078,465)	19,029,103	75.40%	359,049,448	3.94%
20	57.5	24,522,745	2,237,029	1,104,105	204,507	20,977,104	6,060,285	15,121,326	14,916,819	20,830,213	1,324,229	(3,098,907)	19,055,535	79.35%	373,966,266	3.99%
20	58.5	25,013,200	2,302,953	1,105,911	197,690	21,406,646	6,184,380	15,419,956	15,222,266	20,820,384	1,350,713	(3,121,374)	19,049,723	80.95%	389,188,533	3.91%
20	59.5	26,263,860	2,370,855	1,108,449	191,100	22,593,456	6,527,250	16,257,306	16,066,206	20,816,236	1,418,249	(3,145,673)	19,088,812	85.17%	405,254,739	3.96%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	100.0%						7.65%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							4.52%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Capitlization Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Market Capital Cost (2)*(3)
Debt	36%	Market	5.50%	Market	Not Applicable	Not Applicable	1.98%
Equity	64%	Market	9.75%	Market	Not Applicable	Not Applicable	6.24%
Total Capital r	100.0%						8.22%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							5.08%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	100.0%						6.97%
Growth (g)						Not Applicable	0.00%
Rate without Growth: [(1+r)/(1+g)]-1							6.97%

Statement of Revenues and Expenses	2021	2022	2023		2023	2024	2025	Use
Revenues								
Charges for service	1,489,486	1,581,106	1,648,579					
Investment Earnings	54	4,563	23,065					
Miscellaneous Revenues			40,515					
Total Revenues	**1,489,540**	**1,585,669**	**1,712,159**	**Revenues**	1,702,023	1,766,024	1,727,025	1,727,025
Expenses								
Current				expenses				Use
Public Works	707,890	558,230	972,522	Contract Service	128,270	184,900	150,500	150,500
				Administration	20,300	26,900	20,500	20,500
Debt Service				Legal Service	122,000	50,000	-	50,000
Principal	395,000	400,000	405,000	Sanitary sewer	267,830	254,000	255,200	255,200
Interest	207,848	91,325	109,189	Bad Debt	8,200	10,000	20,000	20,000
Subtotal Debt Service	**602,848**	**491,325**	**514,189**	Subtotal Sewer	546,600	525,800	446,200	496,200
Total Expenses	**1,310,738**	**1,049,555**	**1,486,711**	**Depreciation**			364,169	364,169
				Subtotal Operations			810,369	860,369
Excess (Deficiency) of Revenues over Expenses	**178,802**	**536,114**	**225,448**	**Debt Interest**			129,800	129,800
				Debt Principal			442,000	442,000
Other Financing Sources (Uses)				Subtotal Debt			571,800	571,800
Proceeds fromissuance of Short-term debt				Total Expenses			1,382,169	1,432,169
Transfers Inn								
Transfers Out	(300,000)	(336,000)	(360,000)	Net Income			344,856	294,856
Total other financing	**(300,000)**	**(336,000)**	**(360,000)**					
Net Change in Fund Balance	**(121,198)**	**200,114**	**(134,552)**					
Fund Balance Beginning Year	341,667	**220,469**	**420,583**					
Fund Balance Ending Year	**220,469**	**420,583**	**286,031**					

Projections				Forecast Parameters for Periods 1-5	6-15	6-15	16-20	21-26	27-33	34-40	40-46	47-53	54-60
	Year of Estimate 2025.25	Annual Rate c 4.50% Translator	First Year of Projection 2025.75										
Revenues		1.022											
Revenues	1,727,025.00	1.022	1,765,020	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
See Rate Increase Schedule on tab: DCF Investor Owned Cells: L263:BS263													
Customer Growth													
Annual				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Periodic				10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Population													
Operating Expenses													
Expense Level 1. Contract Expense	150,500.00	1.022	153,811	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 2. Administration expense	20,500.00	1.022	20,951	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 3. Legal Expense	50,000.00	1.022	51,100	-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense Level 4. Sanitary Sewer Expense	255,200.00	1.022	260,814	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 5. Bad Debt	20,000.00	1.022	20,440	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Leve 6. Debt Interest	129,800.00	1.022	132,656	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Debt Principal	442,000.00	1.022	451,724	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Depreciation	364,169.05	1.022	372,181	Book Depreciation Expense Based on CORLD, Plant Depreciation Parameters, and CORLD Aging; Tax Depreciation based on CORLD and MACRS									
Total Expenses	1,432,169.05		1,091,496.00										
Expenses less Depreciatior	496,200.00		507,116.00										
Total Operating Expenses Levels 1-7	1,432,169.05		1,091,496.00										
Working Capital													
Current Assets				28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	
Current Liabilities				22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	

Balance Sheet	2021	2022	2023
Assets			
Current Assets			
Cash	235,212	218,400	296,071
Account Receivables, Net	519,570	539,205	527,961
Taxes Receivables	-	-	-
Prepaid Expenses			5,906
Grants Receivables	-	65,505	-
Account Receivables Other	8,200	8,200	-
Total Current Assets	762,982	831,310	829,938
NonCurrent			
Property Held	-	-	-
Total assets	762,982	831,310	829,938
Liabilities			
Account Payables	272,204	97,059	113,998
Accrued Liabilities	15,308	11,733	139,218
Total Liabilities	287,512	108,792	253,216
Deferred Inflows of Resources			
Unavailaable Revenues			
Sewer Fees	255,001	301,935	290,691
Total Deferred inflows	255,001	301,935	290,691
Fund Balances			
Nonspendables			
Uassigned fund Balances	-	-	-
Restricted fund Balances	220,469	420,583	286,031
Total Fund Balances	220,469	420,583	286,031
Total Liabilities and fund Balances	762,982	831,310	829,938

Budget		2023	2024	2025
Revenues				
Interest Earnings		21,000	19,000	19,000
WVSA Reimbursment - Sanitary		25,000	25,000	25,000
WVSA Reimbursment - Stormwater		15,000	18,000	10,000
City Seweer Maintenaance Fees		1,639,000	1,700,000	1,650,000
Appropriation of Unreserved Fund Balance		-	2,000	21,000
Total Revenues		**1,702,023**	**1,766,024**	**1,727,025**
Expenses				
FINANCE-PROFESSIONAL SERVICES	Contract Service	0.00	15,000.00	30,000.00
, FINANCE-PROF SERV-ACCOUNTING	Contract Service	8,000.00	10,000.00	11,000.00
FINANCE-PROF SERV-ANNUAL CITY AUDIT CAFR	Contract Service	5,000.00	6,500.00	7,500.00
FINANCE CONTRACTUAL THIRD PARTY BILLING F	Contract Service	112,270.00	118,000.00	100,000.00
FINANCE-CONTRACTUAL-THIRD PARTY DELINQ C	Administration	8,100.00	8,000.00	0.00
TREASURER-BANK CHARGES/FEES	Administration	100.00	0.00	0.00
LEGAL-SPECIAL LEGAL SERVICES	Legal Service	62,000.00	50,000.00	0.00
LEGAL--EXPERT WITNESS/CONSULTANT	Legal Service	35,000.00	0.00	0.00
LEGAL--MEDIATION FEES	Legal Service	25,000.00	0.00	0.00
ADMIN-ORDINANCE CODIFICATION	Administration	3,600.00	4,000.00	5,000.00
IT-TYLER ACCOUNTING SYSTEM	Administration	1,000.00	1,000.00	2,500.00
IT-COMPUTER MEMORY BACKUP	Administration	2,000.00 2000		2,000.00
IT--IWORQ/DEBT BOOKS SUPPORT	Administration	5,500.00	11,900.00	11,000.00
ENGINEERING-OTHER SERV CHARGES	Contract Service	3,000.00	35,400.00	2,000.00
SANITARY SEWERS-SUPPLIES	Sanitary sewer	4,900.00	6,000.00	7,000.00
SANITARY SEWERS-SMALL TOOLS/EQUIP	Sanitary sewer	2,000.00	1,000.00	1,000.00
SANITARY SEWERS-OTH SERVICES/CHARGES	Sanitary sewer	3,000.00	3,000.00	3,000.00
SANITARY SEWERS-MAINT/REPAIR	Sanitary sewer	152,500.00	95,000.00	95,000.00
SANITARY SEWERS--CONTRACTUAL SERVICE	Sanitary sewer	98,930.00	95,000.00	95,000.00
SANITARY SEWERS-CAPITAL LEASES	Sanitary sewer	4000.00	48,000.00	50,000.00
STREET-BLDG MAINT/RE PAIR	Streets	2,000.00	2,000.00	2,000.00
STREET-MOTOR POOL REPAIR/MAINTENANCE	Streets	2,500.00	4,750.00	5,000.00
ST SWEEP-MOTOR POOL REPAIR/MAINTENAN	Streets	3,000.00	2,500.00	2,000.00
ST SWEEP--CAPITAL LEASE	Streets	0.00	0.00	12,000.00
SIDEWALKS/CROSSWALKS OTHER SERV CHA	Streets	4,000.00	4,000.00	4,000.00
SIDEWALKS/CROSSWALKS-CONTRACTUAL SI	Streets	5,000.00	7,000.00	4,500.00
STORM SEWERS--MS4 PERMIT ADMIN STIPEN	Storm sewer	1,500.00	1,500.00	1,500.00
STORM SEWERS-SUPPLIES	Storm sewer	9,000.00	9,000.00	9,000.00
STORM SEWERS--SAFETY EQUIPMENT	Storm sewer	1,500.00	3,000.00	2,500.00
STORM SEWERS-SMALL TOOLS/EQUIP	Storm sewer	2,000.00	1,500.00	1,500.00
STORM SEWERS-OTH SERVICES/CHARGES	Storm sewer	0.00	500.00	500.00
STORM SEWERS-MS4 PERMIT COSTS	Storm sewer	2,000.00	1,000.00	500.00
STORM SEWER-INSURANCE	Storm sewer	7,000.00	15,100.00	20,000.00
STORM SEWERS-MAINT/REPAIRS	Storm sewer	39,000.00	75,000.00	75,000.00
STORM SEWERS-CONTRACTUAL SERVICES	Storm sewer	93,000.00	75,000.00	75,000.00
STORM SEWERS-EQUIPMENT LEASE PURCHA	Storm sewer	53,000.00	45,000.00	55,000.00
STORM SEWER-PAYGO CAPITAL	Storm sewer	24,000.00	30,000.00	40,000.00
EQUIP REPAIRS-OTHER SERVICE CHARGES	Streets	2500	2,000.00	5,000.00
SHADE TREES-PROFESSIONAL SERVICES	Streets	25,000.00	10,000.00	15,000.00
DEBT-BOND-2020A	Debt Payment	405,000.00	425,000.00	440,000.00
DEBT--SERIES 2023A	Debt Payment	0.00	2,000.00	2,000.00
INT-BOND-2020A	Debt Interest	76,200.00	34,600.00	18,000.00
INTEREST--BOND--SERIES 2023A	Debt Interest	0.00	112,250.00	111,800.00
UNCLASSIFIED-GEN OTHR MISC EXPENSE	Sanitary sewer	2,500.00	6,000.00	4,200.00
TRANSFER TO GF-COST RECOVERY	Transfer	365,000.00	375,000.00	375,000.00
SPECIAL EXPENSE--BAD DEBT	Bad Debt	8,200.00	10,000.00	20,000.00
FUND BAL-PRIOR YR LIABILITIES	Funds	200.00	500.00	2,000.00
		1,669,000.00	1,764,000.00	1,725,000.00
Total Expense:		1,700,000.00	1,764,000.00	1,725,000.00
Report Total:		0.00	0.00	0.00

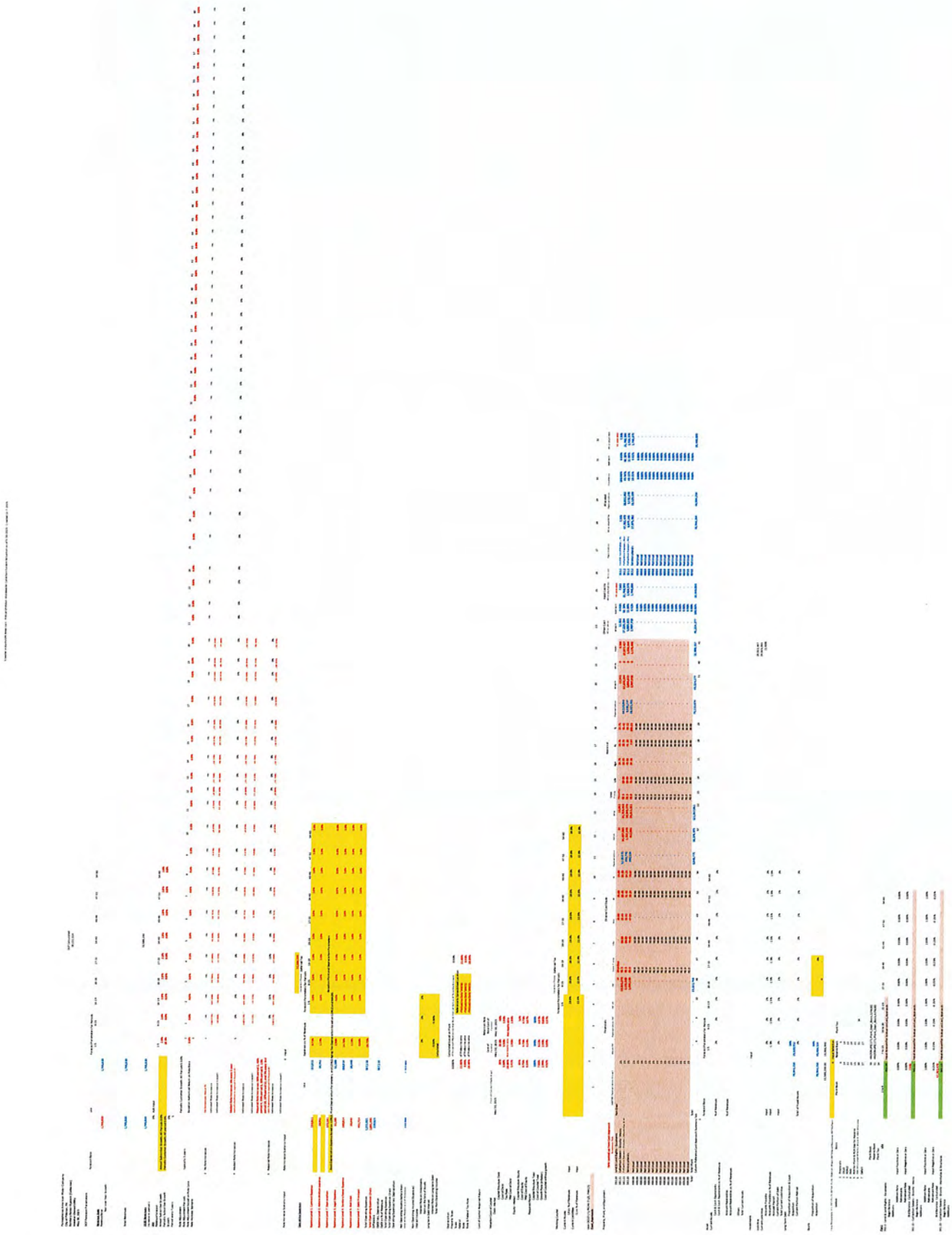
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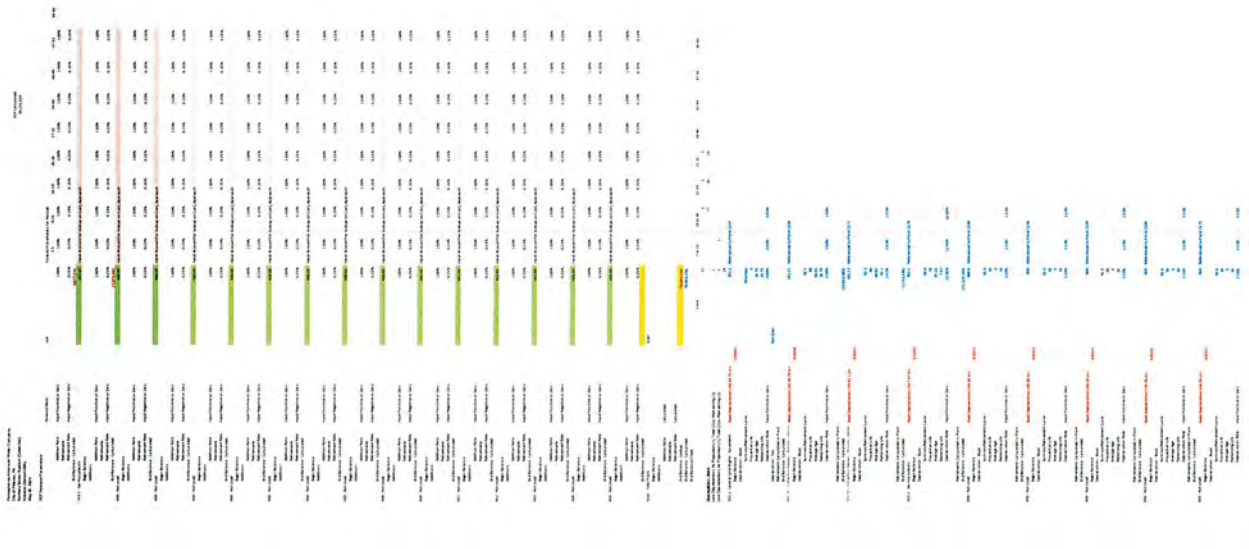
Contract Service	128,270	184,900	150,500
Administration	20,300	26,900	20,500
Legal Service	122,000	50,000	-
Sanitary sewer	267,830	254,000	255,200
Streets	44,000	32,250	49,500
Storm sewer	232,000	256,600	280,500
Debt Payment	405,000	427,000	442,000
Debt Interest	76,200	146,850	129,800
Transfer	365,000	375,000	375,000
Bad Debt	8,200	10,000	20,000
Funds	200	500	2,000
	1,669,000	1,764,000	1,725,000

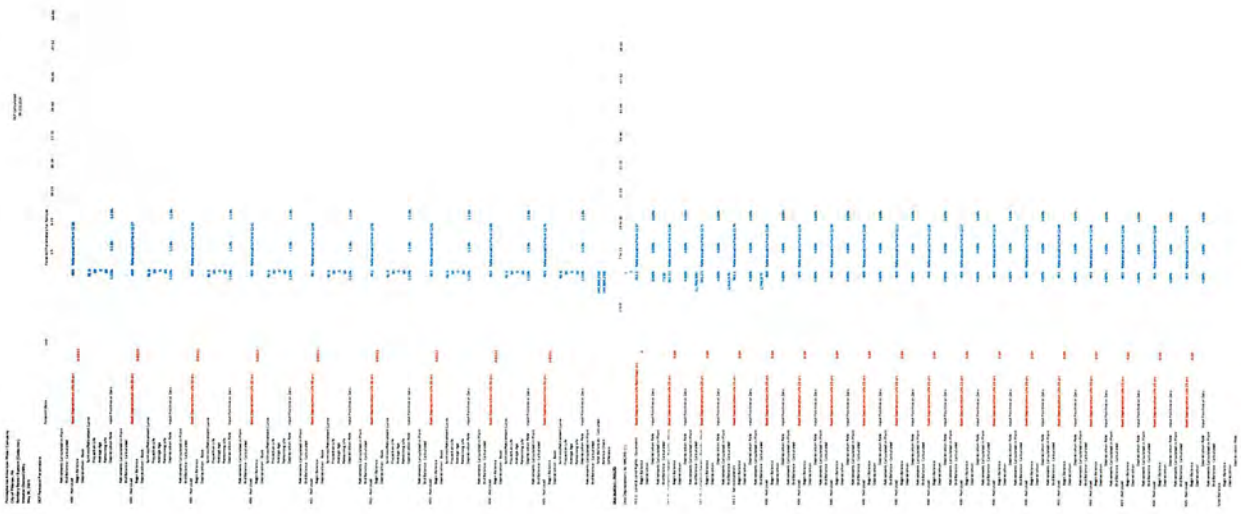
Contract Service	128,270	184,900	150,500
Administration	20,300	26,900	20,500
Legal Service	122,000	50,000	-
Sanitary sewer	267,830	254,000	255,200
Bad Debt	8,200	10,000	20,000
Subtotal Sewer	546,600	525,800	446,200
Debt Payment	405,000	427,000	442,000
Debt Interest	76,200	146,850	129,800
Subtotal Debt	481,200	573,850	571,800

CITY OF PITTSTON WASTEWATER SYSTEM
SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM
AS OF NOVEBER 14, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST ($)	Book Life	Annaul Depreciation
353.2	LAND AND LAND RIGHTS - COLLECTION	$ 14.00		-
361.21	COLLECTION SEWERS - GRAVITY MAINS	$ 19,535,876.20	65.00	300,551.94
361.23	COLLECTION SEWERS - GRAVITY - STRUCTURES	$ 2,192,668.04	65.00	33,733.35
363.20	SERVICES TO CUSTOMERS	$ 1,494,187.75	50.00	29,883.76
	SYSTEM TOTAL	$ 23,222,745.99		364,169.05









S:\water industry\PA American - Pitson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	Periods: 1-5	6-15	16 - 19	20-26	27-33	34-40	41-46	47-53	54-60	0	1	2	3	4	5	6	7	8	9
Income Statement																				
Revenues																				
Annual Revenue Growth rate																				
Subscriber Growth Rate (Annually)		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Periodic Subscriber Growth																				
Growth	10.5%	10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	0.0%	0.0%	0.0%	0.0%
Period for Periodic Growth	5																			
Rate Case Activities																				
Periodic Rate Case (years)	typically 3 years																			
Required Rate Increase	Calculated in DCF										161.74%	160.32%	101.49%	77.29%	42.89%	25.66%	18.21%	15.03%	8.29%	5.42%
Proposed Rate Increase	Calculated in DCF										0.0%	0.0%	15.0%	0.0%	10.0%	0.0%	3.0%	0.0%	3.0%	0.0%
Total Revenue Adjustments	Calculated										12.5%	12.5%	27.5%	12.5%	22.5%	12.5%	5.0%	2.0%	5.0%	2.0%
Base and Forecast	1,765,020										1,985,648	1,985,648	2,531,701	2,848,164	3,489,001	3,925,126	4,121,382	4,203,810	4,414,001	4,502,281
Operating Expenses																				
Expense Level 1. Contract Expense	153,811										8%	8%	6%	5%	4%	3%	3%	3%	3%	3%
Expense Level 1. Contract Expense Rate of Change		-3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	153,811	149,197	144,721	140,379	136,168	132,083	136,045	140,126	144,330	148,660
Expense Level 2. Administration expense	20,951										0.0%	-3.0%	-3.0%	-3.0%	3.0%	-3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 2. Administration expense Rate of Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	21,580	21,580	22,227	22,894	23,581	24,288	25,017	25,768	26,541	27,337
Expense Level 3. Legal Expense	51,100										3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 3. Legal Expense Rate of Change		-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	48,545	48,545	46,118	43,812	41,621	39,540	39,540	39,540	39,540	39,540
Expense Level 4. Sanitary Sewer Expense	260,814										-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	-5.0%	0.0%	0.0%	0.0%	0.0%
Expense Level 4. Sanitary Sewer Expense Rate of Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	268,638	268,638	276,697	284,998	293,548	302,354	311,425	320,768	330,391	340,303
Property Taxes	70,944,256										3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Begin Plant											-	-	-	-	-	-	-	-	-	-
PT Rate % of beginning net plant	0.000%										26,440,000	26,440,000	26,235,155	26,043,050	25,847,602	25,660,522	25,471,412	25,298,901	25,119,488	24,955,214
Book Depreciation (based on Beginning Year Property Plant & Equipment)	-										0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Total Operating Expenses											914,212	914,212	907,987	916,699	913,740	921,222	910,111	922,604	913,039	925,639
Cost of Operation as % of Revenues (Calculation)											1,406,786	1,402,172	1,397,750	1,408,782	1,408,658	1,419,487	1,422,138	1,448,806	1,453,841	1,481,479
Operating Expenses less Depreciation											70.8%	70.6%	55.2%	49.5%	40.4%	36.2%	34.5%	34.5%	32.9%	32.9%
Operating Income											492,574	487,960	489,763	492,083	494,918	498,265	512,027	526,202	540,802	555,840
											578,862	583,476	1,133,951	1,439,382	2,080,343	2,505,639	2,699,244	2,755,004	2,960,160	3,020,802
Nonoperating Revenues (Expenses)																				
Interest Income																				
Interest Expense																				
Interest Exp as % of Debt	5.50%										1,404,696	1,404,696	1,361,097	1,319,736	1,275,745	1,233,220	1,192,113	1,152,376	1,113,963	1,076,831
Total nonoperating revenues (expenses)	-										5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
											1,404,696.00	1,404,696.00	1,361,097.00	1,319,736.00	1,275,745.00	1,233,220.00	1,192,113.00	1,152,376.00	1,113,963.00	1,076,831.00
Income (loss) before State and Federal Taxes	-										(825,834)	(821,220)	(227,146)	119,646	804,598	1,272,419	1,507,131	1,602,628	1,846,197	1,943,971
State and Federal Taxes	-																			
State and Federal Tax Rate	28.89%										(238,583)	(237,250)	(65,622)	34,566	232,448	367,602	435,410	462,999	533,366	561,613
											28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%
Income After Taxes	-										(587,251)	(583,970)	(161,524)	85,080	572,150	904,817	1,071,721	1,139,629	1,312,831	1,382,358
Income After Taxes plus Interest											817,445	820,726	1,199,573	1,404,816	1,847,895	2,138,037	2,263,834	2,292,005	2,426,794	2,459,189
Earnings before Interest, Taxes, Depreciton, & Amortization	-																			
								EBITDA P1		1,972,188	1,970,240	1,972,188	2,173,182	2,286,949	2,529,187	2,691,657	2,738,535	2,751,610	2,806,467	2,823,215
								EBITDA P1-5		2,330,633	EBITDA Periods 1-5	2,330,633								
								EBITDA P1-13		2,657,062										
Income (loss) before State and Federal Taxes											(825,834)	(821,220)	(227,146)	119,646	804,598	1,272,419	1,507,131	1,602,628	1,846,197	1,943,971
Book Depreciation											(914,212)	(914,212)	(907,987)	(916,699)	(913,740)	(921,222)	(910,111)	(922,604)	(913,039)	(925,639)
Tax Depreciation											-	(1,083,357)	(1,105,094)	(1,127,161)	(1,149,610)	(1,172,446)	(1,195,672)	(1,219,294)	(1,243,315)	(1,267,742)
Difference Tax over Book Depreciation											914,212	(169,145)	(197,107)	(210,462)	(235,870)	(251,224)	(285,560)	(296,690)	(330,276)	(342,103)
Income Adjusted for Tax Depreciation											88,378	(990,365)	(424,253)	(90,816)	568,728	1,021,195	1,221,570	1,305,938	1,515,921	1,601,868
Income Tax Rate											28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%
Income Taxes											25,532	(286,116)	(122,567)	(26,237)	164,305	295,023	352,912	377,286	437,949	462,780
Income After Tax											62,846	(704,249)	(301,686)	(64,579)	404,423	726,172	868,658	928,652	1,077,972	1,139,088
Deferred Income Taxes											264,115	(48,866)	(56,945)	(60,803)	(68,143)	(72,579)	(82,498)	(85,713)	(95,417)	(98,833)
Accumulated Deferred Income Taxes											215,249	(48,866)	(105,811)	(166,614)	(234,757)	(307,336)	(389,834)	(475,547)	(570,964)	(669,797)
Income After Taxes (Book Depreciation)											(587,251)	(583,970)	(161,524)	85,080	572,150	904,817	1,071,721	1,139,629	1,312,831	1,382,358
Plus Deferred Taxes											264,115	(48,866)	(56,945)	(60,803)	(68,143)	(72,579)	(82,498)	(85,713)	(95,417)	(98,833)
Plus Interest											1,404,696	1,404,696	1,361,097	1,319,736	1,275,745	1,233,220	1,192,113	1,152,376	1,113,963	1,076,831
After Tax Income Debt Free											553,330	869,592	1,256,518	1,465,619	1,916,038	2,210,616	2,346,332	2,377,718	2,522,211	2,558,022
Balance Statement																				
Assets																				
Current Assets																				
Current Asset Balance	494,206										555,981	555,981	708,876	797,486	976,920	1,099,035	1,153,987	1,177,067	1,235,920	1,260,639
CA as % of Revenues	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Balance Statement																				
Property Plant & Equipment																				
Total PP&E																				
Begin Balance											-	70,944,256.00	71,595,740.00	72,132,652.00	72,673,590.00	73,218,584.00	73,767,668.00	74,320,869.00	74,878,277.00	75,439,864.00
Additions											-	709,367.00	715,882.00	721,251.00	726,660.00	732,111.00	737,601.00	743,210.00	748,783.00	754,399.00
Retirements											-	(57,883.00)	(178,970.00)	(180,313.00)	(181,666.00)	(183,027.00)	(184,400.00)	(185,802.00)	(187,196.00)	(188,600.00)
End Balance	70,944,256.00										-	71,595,740.00	72,132,652.00	72,673,590.00	73,218,584.00	73,767,668.00	74,320,869.00	74,878,277.00	75,439,864.00	76,005,663.00
End Balance Check											-	71,595,740.00	72,132,652.00	72,673,590.00	73,218,584.00	73,767,668.00	74,320,869.00	74,878,277.00	75,439,864.00	76,005,663.00
Book Depreciation of Property, Plant, & Equipment																				
Total Book Depreciation																				
Begin Balance											-	(44,504,256.00)	(45,360,585.08)	(46,089,601.85)	(46,825,987.90)	(47,558,061.86)	(48,296,256.38)	(49,021,967.77)	(49,758,788.61)	(50,484,650.43)
Depreciation											-	(914,212.08)	(907,986.77)	(916,699.05)	(913,739.96)	(921,221.52)	(910,111.39)	(922,603.84)	(913,038.82)	(925,638.53)
Retirements											-	57,883.00	178,970.00	180,313.00	181,666.00	183,027.00	184,400.00	185,783.00	187,177.00	188,581.00

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

Balance Statement
Liabilities
Current Liabilities
Current Liabilities
CL as % of Revenues

Noncurrent Liabilities
Long Term Debt, Notes payable, net of current portion Bal
Additional Debt
Debt Repayment
Debt Repayment years
End Long Term Debt, Notes payable, net of current portion End
Total noncurrent liabilities

Deferred Tax Liabilities
Begin Balance
Additions to Deferred Asset
Total Deferred Tax Liability

Total Liabilities

Equity
Proportion of Capital
Beginning Equity Capital
Additions to Equity (Retained Earnings)
Deductions form Equity Dividends
Additional Paid In Capital
Other Equity Capital
Operating Income
Return On Equity

Total Liabilities & Stockholders Equity

Assets
Liabilities & Stockholders Equity less Assets
Unused

Final Stockholder Equity

Capital Expenditures and Changes in Working Capital
Capital Expenditures

Changes to Working Capital
Current Assets
Current Liabilities
Working Capital
Changes to Working Capital

CASH FLOW
Income from Operations
Non Cash Expense (depreciation)
Capital Expenditures
Change in Working Capital
Net Cash Flows

Period
PW Factor
Discount Rate with growth
Discount Rate without growth

Period Present Worth Factor (PWF)
PW of Cashflow

	Base	1-5	Periods 6-15	16 - 19	20-26	27-33	34-40	41-46	47-53	54-62	0	1	2	3	4	5	6	7	8	9
End Balance												(45,144,585.08)	(46,089,601.85)	(46,825,987.90)	(47,554,061.46)	(48,296,256.38)	(49,072,967.77)	(49,784,788.61)	(50,484,620.43)	(51,221,207.96)
End Balance Check												(45,144,585.08)	(46,089,601.85)	(46,825,987.90)	(47,554,061.46)	(48,296,256.38)	(49,072,967.77)	(49,784,788.61)	(50,484,620.43)	(51,221,207.96)
Net Plant																				
Begin Balance												26,445,000.00	26,235,154.92	26,047,602.10	25,847,602.10	25,660,522.14	25,471,411.62	25,298,901.23	25,119,488.39	24,955,213.57
End Balance												26,235,154.92	26,043,050.13	25,847,602.10	25,660,522.14	25,471,411.62	25,298,901.23	25,119,488.39	24,955,213.57	24,783,956.04
Total Asset											555,981.00	26,791,136.92	26,791,136.92	26,845,588.20	26,637,442.24	26,570,446.62	26,452,888.23	26,298,555.39	26,191,133.57	26,044,594.04
Tax Depreciation of Property, Plant, & Equipment																				
Total MACRS Depreciation																				
Begin Balance												(1,083,357.74)	(1,105,094.24)	(1,127,161.28)	(1,149,616.12)	(1,172,645.64)	(1,195,671.68)	(1,219,291.64)	(1,243,215.28)	(1,267,741.72)
Depreciation												(21,736.50)	(22,067.04)	(22,454.84)	(22,029.52)	(23,026.04)	(23,619.96)	(23,923.64)	(24,525.44)	(24,999.44)
Retirements												14,864.00	174,970.00	186,313.00	184,666.00	183,027.00	184,600.00	185,402.00	197,196.00	186,668.00
End Balance												(1,105,094.24)	(1,127,161.28)	(1,149,616.12)	(1,172,645.64)	(1,195,671.68)	(1,219,291.64)	(1,243,215.28)	(1,267,741.72)	(1,307,073.16)
End Balance Check												(1,105,094.24)	(1,127,161.28)	(1,149,616.12)	(1,172,645.64)	(1,195,671.68)	(1,219,291.64)	(1,243,215.28)	(1,267,741.72)	(1,307,073.16)
Net Plant																				
Begin Balance												70,944,256.00	71,595,740.00	72,132,652.00	72,673,590.00	73,218,584.00	73,767,668.00	74,320,869.00	74,878,277.00	75,439,864.00
End Balance												70,570,260.84	71,206,527.76	71,726,741.72	72,250,639.88	72,799,249.36	73,309,597.92	73,844,765.36	74,383,744.72	74,926,521.28
Tax												(1,084,357.74)	(1,105,094.24)	(1,127,161.28)	(1,149,616.12)	(1,172,645.64)	(1,195,671.68)	(1,219,291.64)	(1,243,215.28)	(1,267,741.72)
Book												(914,211.08)	(917,966.77)	(916,699.05)	(913,179.96)	(912,221.52)	(910,111.19)	(907,203.84)	(903,218.42)	(899,153.56)
												(169,145.08)	(187,127.47)	(210,462.23)	(236,436.16)	(259,423.92)	(285,560.49)	(312,087.80)	(339,997.46)	(367,588.16)
		398,895																		
		22.60%	22.60%	22.60%	22.60%	22.60%	22.60%	22.60%	22.60%	22.60%										
												448,756	448,756	572,164	643,665	788,514	887,078	991,432	960,061	997,864	1,017,516
												22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%
											25,539,932.00	25,539,932.00	25,539,932.00	24,747,222.00	23,995,205.00	23,196,365.00	22,432,186.00	21,674,786.00	20,953,281.00	20,253,877.00	19,578,748.00
												25,539,932.00	25,539,932.00	24,747,222.00	23,995,205.00	23,196,365.00	22,432,186.00	21,674,786.00	20,953,281.00	20,253,877.00	19,578,748.00
													58,621.00	72,893.00							
													(851,931)	(824,907)	(799,840)	(773,179)	(747,406)	(722,693)	(698,450)	(675,129)	(652,825)
		30.00											30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
												24,688,001.00	24,747,222.00	24,995,205.00	23,196,365.00	22,422,186.00	21,674,780.00	20,952,267.00	20,253,877.00	19,578,748.00
												24,873,242.00	25,244,848.00	24,819,380.00	24,059,664.00	23,445,657.00	22,809,394.00	22,273,553.00	21,679,480.00	20,619,436.00
												(264,115)	44,866	54,965	60,823	66,143	72,579	82,498	85,713	90,837
												(264,115)	44,866	109,831	166,654	224,757	297,336	379,834	465,547	570,984
												(264,115)	44,866	109,831	166,654	224,757	297,336	379,834	465,547	570,984
												24,873,242.00	25,244,848.00	24,819,380.00	24,059,664.00	23,445,657.00	22,809,394.00	22,273,553.00	21,679,480.00	20,619,436.00
	64%																			
	45,604,324											45,604,324	44,820,354	44,658,430	44,743,935	45,316,060	46,220,878	47,292,598	48,432,227	49,745,059
												(347,251)	(784,970)	(161,924)	85,506	572,126	904,817	1,071,721	1,139,629	1,312,831
	e											0	0	0	0	0	0	0	0	0
												0	0	0	0	0	0	0	0	0
												44,817,073	44,820,354	44,658,430	44,743,935	45,316,060	46,220,878	47,292,598	48,432,227	49,745,059
												958,662	963,476	1,133,952	1,489,340	2,008,344	2,566,978	2,660,254	2,753,227	2,965,161
												1.29%	1.30%	2.54%	3.22%	4.59%	5.42%	5.72%	5.69%	5.96%
												69,690,315	70,065,198	69,330,210	68,791,537	68,791,537	69,090,077	69,566,551	70,111,712	70,892,835
												555,981	26,791,136	26,791,928	26,637,442	26,637,442	26,570,447	26,452,888	26,296,555	26,191,134
													43,274,062	42,546,084	42,104,486	42,104,486	42,124,075	42,328,625	42,433,157	44,001,202
													44,274,062	42,546,084	42,104,486	42,104,486	42,124,075	42,328,625	44,433,157	44,401,201
												69,690,315	26,791,136	26,791,928	26,637,442	26,637,442	26,570,447	26,452,888	26,296,555	26,191,134
													709,367.00	716,882.00	721,251.00	726,660.00	732,111.00	737,603.00	743,210.00	748,783.00
													555,981	555,981	798,876	797,446	979,690	1,093,619	1,153,987	1,177,067
													914,212	914,212	572,164	644,685	788,514	887,078	931,432	960,061
													107,225	107,225	136,712	153,801	188,406	211,997	222,555	217,006
													11,914	11,914	29,487	17,089	34,603	23,551	10,598	4,451
													817,445	820,776	1,199,573	1,458,816	1,847,895	2,138,037	2,263,834	2,292,035
													914,212	914,212	907,987	916,699	913,340	921,222	910,111	922,604
													709,367	716,882	715,862	721,251	726,660	732,111	737,603	743,210
													11,914	11,914	29,487	17,089	34,603	23,551	10,598	4,451
													1,733,743	1,653,637	1,862,193	1,583,375	2,000,370	2,403,597	2,425,746	2,466,948
													0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5
	8.22%												8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%
	5.08%												5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
													0.961	0.888	0.821	0.758	0.701	0.648	0.599	0.553
													1,652,673	974,124	1,299,626	1,299,787	1,516,240	1,656,821	1,571,683	1,475,235

(OCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	Periods: 1-5	6-15	16 - 19	20-26	27-33	34-40	41-46	47-53	54-60	0	1	2	3	4	5	6	7	8	9
Accumulated PW of Cashflows	39,231,024										2,626,797	974,124	2,183,750	3,483,537	4,999,817	6,614,638	8,186,521	9,661,756	11,088,330	12,430,043
CASH FLOW																				
Income from Operations											62,846	(704,249)	(301,686)	(64,579)	404,423	726,172	868,658	926,652	1,077,972	1,139,088
Depreciation											-	(1,083,357)	(1,105,094)	(1,127,161)	(1,149,610)	(1,172,446)	(1,195,672)	(1,219,294)	(1,243,315)	(1,267,742)
Capital Expenditures												709,367	715,882	721,251	726,660	732,111	737,601	743,210	748,783	754,399
Change in Working Capital											11,914	11,914	29,487	17,089	34,505	23,551	10,598	4,451	11,350	4,767
Net Cash Flows											50,932	(342,173)	58,039	324,242	792,768	1,142,956	1,316,133	1,400,285	1,561,154	1,647,664
Period											0.5	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5
PW Factor																				
Discount Rate with growth	8.22%										8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%	8.22%
Discount Rate without growth	5.08%										5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
Period Present Worth Factor (PW)											0.961	0.961	0.888	0.821	0.758	0.701	0.648	0.598	0.553	0.511
PW of Cashflow											48,946	(328,828)	51,539	266,203	600,918	801,212	852,853	837,370	863,318	841,956
Accumulated PW of Cashflows	76,561,194										(279,882)	(328,828)	(277,289)	(11,086)	589,832	1,391,044	2,243,897	3,081,267	3,944,585	4,786,541

Rate Case Forecasts																				
Rate Base																				
Plant in Service											71,595,740.00	71,595,740.00	72,132,652.00	72,673,590.00	73,218,584.00	73,767,668.00	74,320,869.00	74,878,277.00	75,439,864.00	76,005,663.00
Accumulated Book Depreciation											(45,360,585.08)	(45,360,585.08)	(46,089,601.85)	(46,825,987.90)	(47,558,051.86)	(48,296,256.38)	(49,021,967.77)	(49,758,788.61)	(50,484,650.43)	(51,221,707.96)
Working Capital											107,225.00	107,225.00	136,712.00	153,801.00	188,306.00	211,957.00	222,555.00	227,006.00	238,356.00	243,123.00
Accumulated Deferred Income Tax											215,249	(48,866)	(105,811)	(166,614)	(234,757)	(307,336)	(389,834)	(475,547)	(570,964)	(669,797)
Rate Base											26,557,628.92	26,293,513.92	26,073,951.15	25,834,789.10	25,614,171.14	25,376,032.62	25,131,622.23	24,870,947.39	24,622,605.57	24,357,281.04
Authorized Return on Rate Base	6.97%										1,851,067.00	1,832,658.00	1,817,354.00	1,800,685.00	1,785,308.00	1,768,709.00	1,751,674.00	1,733,505.00	1,716,196.00	1,697,702.00
O&M Expenses											492,574.00	487,960.00	489,763.00	492,083.00	494,918.00	498,265.00	512,027.00	526,202.00	540,802.00	555,840.00
Book Depreciation											914,212.08	914,212.08	907,986.77	916,699.05	913,739.96	921,221.52	910,111.39	922,603.84	913,038.82	925,638.53
Retemaking Interest Expense											1,404,696.00	1,404,696.00	1,361,097.00	1,319,736.00	1,275,745.00	1,233,220.00	1,192,113.00	1,152,376.00	1,113,963.00	1,076,831.00
Revenue Requirement											4,662,549.08	4,639,526.08	4,576,200.77	4,529,203.05	4,469,710.96	4,421,415.52	4,365,925.39	4,334,686.84	4,283,999.82	4,256,011.53
O&M Expenses											492,574.00	487,960.00	489,763.00	492,083.00	494,918.00	498,265.00	512,027.00	526,202.00	540,802.00	555,840.00
Depreciation Expense											914,212.08	914,212.08	907,986.77	916,699.05	913,739.96	921,221.52	910,111.39	922,603.84	913,038.82	925,638.53
Interest											1,404,696.00	1,404,696.00	1,361,097.00	1,319,736.00	1,275,745.00	1,233,220.00	1,192,113.00	1,152,376.00	1,113,963.00	1,076,831.00
Pretax Income											1,851,067.00	1,832,658.00	1,817,354.00	1,800,685.00	1,785,308.00	1,768,709.00	1,751,674.00	1,733,505.00	1,716,196.00	1,697,702.00
State & Federal Taxes @ 28.89%											534,773.00	529,455.00	525,034.00	520,218.00	515,775.00	510,980.00	506,059.00	500,810.00	495,809.00	490,466.00
After Tax Income											1,316,294.00	1,303,203.00	1,292,320.00	1,280,467.00	1,269,533.00	1,257,729.00	1,245,615.00	1,232,695.00	1,220,387.00	1,207,236.00
Current Revenue											1,985,648.00	1,985,648.00	2,581,701.00	2,848,164.00	3,489,001.00	3,925,126.00	4,121,382.00	4,203,810.00	4,414,001.00	4,502,281.00
Revenue Requirement											5,197,322.08	5,168,981.08	5,101,234.77	5,049,421.05	4,985,485.96	4,932,395.52	4,871,984.39	4,835,496.84	4,779,808.82	4,746,477.53
Required Revenue Increase											162%	160%	101%	77%	43%	26%	18%	15%	8%	5%
Income from Operations											817,445	820,726	1,199,573	1,404,816	1,847,895	2,138,037	2,263,834	2,292,005	2,426,794	2,459,189
Return on Rate Base											3.08%	3.12%	4.60%	5.44%	7.21%	8.43%	9.01%	9.22%	9.86%	10.10%
Required Return	6.97%										6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%
Authorized Return											1,851,067	1,832,658	1,817,354	1,800,685	1,785,308	1,768,709	1,751,674	1,733,505	1,716,196	1,697,702
After-tax Net Income											(587,251)	(583,970)	(161,524)	85,080	572,150	904,817	1,071,721	1,139,629	1,312,831	1,382,358
Taxes											(238,583)	(237,250)	(65,622)	34,566	232,444	367,602	435,410	462,999	533,366	561,613
Pre-tax Net Income											(825,834)	(821,220)	(227,146)	119,646	804,598	1,272,419	1,507,131	1,602,628	1,846,197	1,943,971
Interest Expense											(1,404,696)	(1,404,696)	(1,361,097)	1,319,736	1,275,745	1,233,220	1,192,113	1,152,376	1,113,963	1,076,831
Operating Income											578,862	583,476	1,133,951	1,439,382	2,080,343	2,505,639	2,699,244	2,755,004	2,960,160	3,020,802
Operating Expenses											1,406,786	1,402,172	1,397,750	1,408,782	1,408,658	1,419,487	1,422,138	1,448,806	1,453,841	1,481,479
Revenue Requirement											1,985,648	1,985,648	2,531,701	2,848,164	3,489,001	3,925,126	4,121,382	4,203,810	4,414,001	4,502,281
Required Return											1,851,067	1,832,658	1,817,354	1,800,685	1,785,308	1,768,709	1,751,674	1,733,505	1,716,196	1,697,702
Operating Expenses											1,406,786	1,402,172	1,397,750	1,408,782	1,408,658	1,419,487	1,422,138	1,448,806	1,453,841	1,481,479
Revenue Requirement											3,257,853	3,234,830	3,215,104	3,209,467	3,193,966	3,188,196	3,173,812	3,182,311	3,170,037	3,179,181
Required Rate Increase											161.74%	160.32%	101.49%	77.25%	42.89%	25.66%	18.21%	15.03%	8.29%	5.42%
Proposed Rate Increase											0	1	2	3	4	5	6	7	8	9
Rate Increase Scenario	6										0%	0%	15%	0%	10%	0%	3%	0%	3%	0%
	0										0	1	2	3	4	5	6	7	8	9
No increases (Input 2)	7										0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
No Rate Increases (Input 2)	8																			
Modest Rate Increases: 6% every 3 year period starting in period 3 (Input 4)	4										0.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%
Modest Rate Increases (Input 4)	5																			
											COR/D	Income								
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	6										47,900,164.00	33,588,266.00	0.0%	0.0%	15.0%	0.0%	10.0%	0.0%	3.0%	0.0%	3.0%	0.0%
Required Rate Increases (Input 6)	7										100.0%	100.0%	115.0%	115.0%	126.5%	126.5%	130.3%	130.3%	134.2%	134.2%
	4										0.0%	0.0%	0.0%	0.0%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Changes in Balance Sheet Accounts																				
Assets																				
Change in Current Assets (Source negative / Use positive)												61,775	152,895	88,610	179,434	122,115	54,952	23,080	58,853	24,719
Plant & Equipment																				
Additions (Source negative / Use positive)												709,367	715,882	721,251	726,660	732,111	737,601	743,210	748,783	754,399
Liabilities																				
Change in Current Liabilities (Source Positive / Use negative)												49,861	123,408	71,521	144,829	98,564	44,354	18,629	47,503	19,952
Long Term Debt																				
Additional Long Term Debt Source Positive / Use Negative												(58,621.00)	(72,890.00)	-	-	-	-	-	-	-
Principal Paid Long term Debt (Source positive / Use negative)												851,331	824,907	799,840	773,179	747,406	722,493	698,410	675,129	652,625

S:\water industry\PA American - Pittston\Pittston Wastewater Collection System Valuation.xls of 5-30-2025 - Created 12-7-2025

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	1-5	Periods 6-15	16 - 19	20-26	27-33	34-40	41-46	47-53	54-60	0	1	2	3	4	5	6	7	8	9
Equity																				
Additions to Equity (Source Positive / Use Negative)																				
Dividend (Source negative / Use Positive)																				
Funds Provided from Operations																				
Sources of Funds																				
Net Income (Use Negative / Source Positive)												(568,970)	(143,524)	85,080	572,150	904,817	1,071,771	1,339,629	1,312,833	1,382,358
Depreciation (Source positive /use negative)												914,212	907,987	916,699	913,740	923,222	910,111	922,606	911,039	925,639
Current Liabilities (Source Positive)												49,861	113,408	71,921	144,825	98,564	44,354	38,629	47,503	19,952
												380,103	869,871	1,073,300	1,630,715	1,924,603	2,026,186	2,300,862	2,271,373	2,327,949
Sources and Uses of Funds																				
Sources of Funds																				
Current Liabilities (Source Positive)																				
Uses of Funds																				
Current Assets - Increase (Use)												61,775	152,895	88,610	179,434	122,115	54,052	23,060	58,863	20,719
Fixed Assets - Increase (Use)												709,867	716,882	721,351	726,660	732,131	737,601	742,270	748,783	754,399
Total Uses of Funds												771,142	868,777	809,861	906,094	854,246	791,653	765,330	807,646	779,118
Funds from Financing Activities																				
Changes in Debt													(72,890,000)							
Increase in Long Term Debt												(56,629,000)	(824,907)	(799,840)	(773,179)	(747,406)	(722,493)	(698,410)	(675,129)	(652,625)
Repayment of Long Term Debt												(851,131)								
Funds from Equity																				
Dividends Paid (Use)												0	0	0	0	0	0	0	0	0
Additional Paid in Capital (source)																				
Total Funds from Financing Activities												(909,552,000)	(897,797,00)	(799,840.00)	(773,179.00)	(747,406.00)	(722,493.00)	(698,410.00)	(675,129.00)	(652,625.00)
Total Funds Needed												(1,300,993.00)	(896,701.00)	(536,401.00)	(48,554.00)	332,957.00	511,140.00	616,162.00	790,606.00	896,206.00
Financing																				
Debt		39%										468,457.00	337,813.00	193,104.00	17,479.00	(116,270.00)	(184,010.00)	(221,818.00)	(284,619.00)	(372,634.00)
Equity		61%										832,624.00	573,888.00	343,297.00	31,075.00	(206,701.00)	(327,130.00)	(394,344.00)	(505,989.00)	(573,572.00)
Funds Provided by Financing												1,300,993.00	896,703.00	536,401.00	48,554.00	(322,971.00)	(511,140.00)	(616,162.00)	(790,606.00)	(896,206.00)
												54,621.00	72,890.00							
												166,843.00	207,455.00							

DCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sewer Rate System (Collection)
Potential Purchase: Investor-Owned Utility
As of May 30, 2025

5 Water industry/PA American - Pittson/Pittston Wastewater Question System Valuations as of 5-30-2025 - Created 12-7-2025.

	Base	1-5	Periods 6-15	16 - 19	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Income Statement																				
Revenues																				
Annual Revenue Growth rate		2.0%		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Subscriber Growth Rate (Annually)																				
Periodic Subscriber Growth																				
Growth	10.5%	10.5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Period for Periodic Growth	5																			
Rate Case Activities																				
Periodic Rate Cases (years)	Update 3 years																			
Periodic Rate Increase	Calculated in DCF				-0.62%	-3.84%	-8.82%	-11.26%	-16.23%	-18.37%	-22.94%	-24.93%	-29.10%	-30.81%	-34.63%	-36.17%	-39.69%	-41.15%	-44.30%	-45.97%
Proposed Rate Increase	Calculated in DCF				3.0%	0.0%	3.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	0.0%	3.0%	0.0%	3.0%	3.0%	3.0%	0.0%
Total Revenue Adjustments	Calculated				5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%
Base and Forecast	1,765,020				4,727,395	4,821,943	5,003,040	5,164,301	5,422,516	5,530,966	5,807,514	5,923,664	6,219,847	6,344,244	6,661,456	6,794,685	7,134,419	7,277,107	7,640,962	7,793,781
Operating Expenses					3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Expense Level 1. Contract Expense	153,811			3.0%	153,220	157,713	162,445	167,318	172,338	177,508	182,833	188,318	193,968	199,787	205,781	211,954	218,313	224,862	231,608	238,556
Expense Level 1. Contract Expense Rate of Change	-3.0%			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 2. Administration expense	20,951				28,557	29,402	30,284	31,193	32,129	33,093	34,085	35,108	36,161	37,246	38,363	39,514	40,699	41,920	43,177	44,473
Expense Level 2. Administration expense Rate of Change	3.0%			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 3. Legal Expense	51,100				39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540
Expense Level 3. Legal Expense Rate of Change	-5.0%			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense Level 4. Sanitary Sewer Expense	280,814				350,517	361,027	371,858	383,014	394,504	406,339	418,529	431,085	444,018	457,339	471,059	485,191	499,747	514,739	530,181	546,086
Expense Level 4. Sanitary Sewer Expense Rate of Change	3.0%			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Property Taxes	70,944,256																			
Begin Plant					24,783,955	24,623,531	24,463,218	24,303,479	24,159,937	24,017,184	23,869,925	23,733,000	23,595,049	23,457,074	23,333,842	23,210,795	23,085,533	22,961,973	22,841,803	22,727,892
PT Rate % of beginning net plant	0.000%				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Book Depreciation (based on Beginning Year Property Plant & Equipment)					920,462	936,051	923,219	928,868	925,899	936,229	931,811	938,800	934,229	946,736	942,052	955,407	949,896	957,739	954,171	954,171
Total Non-operating revenues (expenses)					1,240,917	1,006,239	1,013,344	1,020,564	1,027,900	1,035,355	1,042,931	1,050,630	1,058,453	1,066,403	1,074,482	1,082,692	1,091,035	1,099,513	1,108,129	1,116,885
Cost of Operations as % of Revenues (Calculation)					31.6%	31.4%	30.2%	30.0%	29.8%	29.8%	27.7%	27.6%	27.5%	26.5%	25.5%	25.5%	24.5%	24.4%	24.4%	24.4%
Operating Expenses less Depreciation					571,329	587,283	603,715	620,640	638,073	656,029	674,523	693,573	713,195	733,405	754,221	775,661	797,745	820,490	843,918	868,049
Operating Income					3,235,604	3,308,609	3,536,106	3,614,853	3,858,594	3,938,708	4,201,180	4,291,291	4,572,423	4,664,103	4,965,184	5,069,617	5,386,778	5,498,478	5,839,281	5,971,561
Nonoperating Revenues (Expenses)																				
Interest Income					1,040,917	1,006,239	972,698	940,274	908,932	878,634	849,346	821,035	793,667	767,211	741,638	716,916	693,019	669,918	647,588	626,002
Interest Exp. as % of Debt	5.50%				5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Total nonoperating revenues (expenses)					1,040,917.00	1,006,239.00	972,698.00	940,274.00	908,932.00	878,634.00	849,346.00	821,035.00	793,667.00	767,211.00	741,638.00	716,916.00	693,019.00	669,918.00	647,588.00	626,002.00
Income (loss) before State and Federal Taxes					2,194,687	2,302,370	2,563,408	2,674,579	2,949,662	3,060,074	3,351,834	3,470,256	3,778,756	3,896,892	4,223,546	4,346,701	4,693,759	4,828,560	5,191,693	5,345,559
State and Federal Taxes					834,039	865,155	780,569	772,886	852,157	884,055	968,365	1,002,557	1,091,683	1,125,812	1,220,283	1,255,762	1,356,027	1,395,067	1,499,880	1,544,332
State and Federal Tax Rate	28.89%				28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%
Income After Taxes					1,560,628	1,637,215	1,822,839	1,901,693	2,097,505	2,176,019	2,383,469	2,467,699	2,687,073	2,771,080	3,003,263	3,090,939	3,337,732	3,433,493	3,691,813	3,801,227
Income After Taxes plus Interest					2,601,565	2,643,454	2,795,537	2,842,167	3,006,437	3,054,653	3,232,815	3,288,734	3,480,740	3,537,291	3,745,001	3,807,855	4,030,751	4,103,391	4,339,401	4,427,229
Earnings before Interest, Taxes, Depreciation, & Amortization					2,587,988	2,904,350	2,978,187	2,998,289	3,080,129	3,106,827	3,196,301	3,224,977	3,321,286	3,359,215	3,466,869	3,507,500	3,624,020	3,666,643	3,797,284	3,837,068
Income (loss) before State and Federal Taxes					2,194,687	2,302,370	2,563,408	2,674,579	2,949,662	3,060,074	3,351,834	3,470,256	3,778,756	3,896,892	4,223,546	4,346,701	4,693,759	4,828,560	5,191,693	5,345,559
Book Depreciation					(920,462)	(936,051)	(923,219)	(928,868)	(925,899)	(936,229)	(931,811)	(938,800)	(934,229)	(946,736)	(942,052)	(955,407)	(949,896)	(957,739)	(954,171)	(954,171)
Tax Depreciation					(1,292,578)	(1,317,828)	(1,343,698)	(1,369,591)	(1,396,113)	(1,423,089)	(1,450,464)	(1,478,322)	(1,506,590)	(1,535,332)	(1,564,534)	(1,594,200)	(1,624,336)	(1,654,947)	(1,686,041)	(1,717,619)
Difference Tax over Book Depreciation					(372,116)	(381,777)	(420,479)	(440,724)	(470,214)	(486,860)	(518,653)	(539,523)	(572,361)	(588,595)	(622,484)	(638,793)	(674,441)	(697,209)	(728,277)	(763,448)
Income Adjusted for Tax Depreciation					1,822,551	1,920,593	2,143,229	2,233,796	2,479,398	2,573,234	2,833,181	2,931,754	3,206,395	3,308,296	3,601,063	3,707,908	4,019,319	4,131,752	4,463,415	4,582,111
Income Tax Rate	28.89%				28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%
Income Taxes	526,535				526,535	554,910	619,150	645,344	716,298	743,407	818,506	846,995	926,247	955,767	1,040,347	1,071,215	1,161,184	1,193,663	1,289,481	1,323,772
Deferred Income Taxes	1,240,917				1,240,917	1,006,239	1,013,344	1,020,564	1,027,900	1,035,355	1,042,931	1,050,630	1,058,453	1,066,403	1,074,482	1,082,692	1,091,035	1,099,513	1,108,129	1,116,885
Current Income Taxes	(1,007,504)				(1,007,504)	(1,113,185)	(1,221,419)	(1,322,342)	(1,426,859)	(1,535,859)	(1,642,648)	(1,745,839)	(1,855,862)	(1,955,356)	(2,065,213)	(2,170,045)	(2,279,836)	(2,384,844)	(2,501,424)	(2,610,399)
Accumulated Deferred Income Taxes	(777,301)				(777,301)	(890,486)	(1,011,905)	(1,139,247)	(1,275,126)	(1,413,754)	(1,560,593)	(1,721,455)	(1,886,811)	(2,056,844)	(2,236,492)	(2,421,279)	(2,611,509)	(2,817,509)	(3,027,908)	(3,248,684)
Income After Taxes (Book Depreciation)	1,560,628				1,560,628	1,637,215	1,822,839	1,901,693	2,097,505	2,176,019	2,383,469	2,467,699	2,687,073	2,771,080	3,003,263	3,090,939	3,337,732	3,433,873	3,691,813	3,801,227
Plus Deferred Taxes	(107,504)				(107,504)	(113,185)	(121,419)	(122,342)	(135,859)	(140,648)	(149,839)	(155,862)	(165,356)	(170,045)	(179,836)	(184,547)	(194,844)	(201,424)	(210,399)	(220,560)
Plus Interest	1,040,917				1,040,917	1,006,239	972,698	940,274	908,932	878,634	849,346	821,035	793,667	767,211	741,638	716,916	693,019	669,918	647,588	626,002
After Tax Income Debt Free					2,693,039	2,730,269	2,793,958	2,963,509	3,142,296	3,315,301	3,382,974	3,443,596	3,644,096	3,768,336	3,942,417	4,082,402	4,235,911	4,302,315	4,549,002	4,647,789
Balance Statement																				
Assets																				
Current Assets																				
Current Asset Balance	494,206																			
CA as % of Revenues	28.00%	28.00%		28.00%																
Balance Statement																				
Property Plant & Equipment																				
Total PP&E																				
Begin Balance					76,005,663.00	76,575,706.00	77,256,074.00	77,726,648.00	78,311,612.00	78,898,960.00	79,490,691.00	80,086,872.00	80,687,523.00	81,292,679.00	81,902,373.00	82,516,640.00	83,135,515.00	83,759,032.00	84,387,225.00	85,020,130.00
Additions					760,057.00	765,757.00	771,500.00	777,286.00	783,117.00	788,989.00	794,907.00	800,864.00	806,870.00	812,926.00	819,024.00	825,187.00	831,356.00	837,595.00	843,873.00	850,201.00
Retirements					(190,014.00)	(191,439.00)	(192,876.00)	(194,322.00)	(195,779.00)	(197,248.00)	(198,726.00)	(200,217.00)	(201,719.00)	(203,232.00)	(204,757.00)	(206,292.00)	(207,839.00)	(209,397.00)	(210,968.00)	(212,551.00)
End Balance	76,005,663.00				76,575,706.00	77,256,074.00	77,726,648.00	78,311,612.00	78,898,960.00	79,490,691.00	80,086,872.00	80,687,523.00	81,292,679.00	81,902,373.00	82,516,640.00	83,135,515.00	83,759,032.00	84,387,225.00	85,020,130.00	85,657,780.00
End Balance Check	76,575,706.00				76,575,706.00	77,256,074.00	77,726,648.00	78,311,612.00	78,898,960.00	79,490,691.00	80,086,872.00	80,687,523.00	81,292,679.00	81,902,373.00	82,516,640.00	83,135,515.00	83,759,032.00	84,387,225.00	85,020,130.00	85,657,780.00
Book Depreciation of Property, Plant, & Equipment																				
Total Book Depreciation																				
Begin Balance					(5,122,707.96)	(5,192,275.30)	(5,266,806.43)	(5,417,169.72)	(5,553,875.48)	(5,681,765.83)	(5,553,620,766.42)	(56,353,875.52)	(57,092,474.20)	(57,825,005.43)	(58,568,530.73)	(59,305,845.28)	(60,054,981.70)	(60,797,059.31)	(61,545,422.14)	(62,292,238.50)
Depreciation	(920,462.34)				(920,462.34)	(924,216.67)	(928,868.36)	(925,849.36)	(936,238.59)	(931,811.10)	(938,799.68)	(938,229.23)	(946,736.80)	(942,050.55)	(955,407.42)	(949,896.61)	(957,738.83)	(957,763.36)	(954,171.36)	(954,171.36)
Retirements	189,995.00				191,429.00	192,856.00	194,322.00	195,759.00	197,228.00	198,706.00	200,197.00	201,698.00	203,211.00	204,736.00	206,271.00	207,828.00	209,376.00	210,947.00	212,529.00	

DCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	Periods																
	1-5	6-15	16 - 19	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Equity																			
Additions to Equity (Source Positive / Use Negative)																			
Dividend (Source negative / Use Positive)																			
Funds Provided from Operations																			
Sources of Funds																			
Net Income (Use Negative / Source Positive)				1,560,628	1,637,215	1,822,839	1,901,893	2,097,505	2,176,019	2,383,489	2,467,699	2,687,073	2,771,080	3,003,363	3,090,939	3,337,732	3,433,873	3,691,813	3,801,227
Depreciation (Source positive /use negative)				920,462	926,051	923,219	928,808	925,849	936,729	931,811	938,800	934,229	946,736	942,051	955,407	949,896	957,739	957,763	954,171
Current Liabilities (Source Positive)				50,875	21,368	54,488	22,885	58,357	24,509	62,500	26,250	66,937	28,114	71,690	30,110	76,780	32,247	82,231	34,538
				2,531,965	2,584,634	2,800,546	2,853,586	3,081,711	3,136,757	3,377,800	3,432,749	3,688,239	3,745,930	4,017,104	4,076,456	4,364,408	4,423,859	4,731,807	4,789,936
Sources and Uses of Funds																			
Sources of Funds																			
Current Liabilities (Source Positive)																			
Uses of Funds																			
Current Assets. Increase (Use)				63,032	26,473	67,507	28,353	72,300	30,366	77,434	32,522	82,931	34,831	88,820	37,304	95,125	39,953	101,879	42,790
Fixed Assets. Assets. Increase (Use)				760,057	765,757	771,500	777,286	783,117	788,989	794,907	800,868	806,875	812,926	819,024	825,167	831,356	837,590	843,873	850,201
Total Uses of Funds				823,089	792,230	839,007	805,639	855,417	819,355	872,341	833,390	889,806	847,757	907,844	862,471	926,481	877,543	945,752	892,991
Funds from Financing Activities																			
Changes in Debt																			
Increase in Long Term Debt																			
Repayment of Long Term Debt				(630,871)	(609,842)	(589,514)	(569,863)	(550,868)	(532,506)	(514,755)	(497,597)	(481,010)	(464,977)	(449,477)	(434,495)	(420,012)	(406,011)	(392,478)	(379,395)
Funds fom Equity																			
Dividends Paid (Use)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional Paid in Capital (source)																			
Total Funds from Financing Activities				(630,871.00)	(609,842.00)	(589,514.00)	(569,863.00)	(550,868.00)	(532,506.00)	(514,755.00)	(497,597.00)	(481,010.00)	(464,977.00)	(449,477.00)	(434,495.00)	(420,012.00)	(406,011.00)	(392,478.00)	(379,395.00)
Total Funds Needed				1,078,005.00	1,182,562.00	1,372,025.00	1,478,084.00	1,675,426.00	1,784,896.00	1,990,704.00	2,101,762.00	2,317,423.00	2,433,196.00	2,659,783.00	2,779,490.00	3,017,915.00	3,140,305.00	3,393,577.00	3,517,550.00
Financing																			
Debt	36%			(388,082.00)	(425,722.00)	(493,929.00)	(532,110.00)	(603,153.00)	(642,563.00)	(716,653.00)	(756,634.00)	(834,272.00)	(875,951.00)	(957,522.00)	(1,000,616.00)	(1,086,449.00)	(1,130,510.00)	(1,221,688.00)	(1,266,318.00)
Equity	64%			(689,923.00)	(756,840.00)	(878,096.00)	(945,974.00)	(1,072,273.00)	(1,142,333.00)	(1,274,051.00)	(1,345,128.00)	(1,483,151.00)	(1,557,245.00)	(1,702,261.00)	(1,778,874.00)	(1,931,466.00)	(2,009,795.00)	(2,171,889.00)	(2,251,232.00)
Funds Provided by Financing				(1,078,005.00)	(1,182,562.00)	(1,372,025.00)	(1,478,084.00)	(1,675,426.00)	(1,784,896.00)	(1,990,704.00)	(2,101,762.00)	(2,317,423.00)	(2,433,196.00)	(2,659,783.00)	(2,779,490.00)	(3,017,915.00)	(3,140,305.00)	(3,393,577.00)	(3,517,550.00)

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

5 Year Industry PA American - Pittston\Pittston Wastewater Collection System Valuation as of 5.30.2025 - Created 12-7-2025

	Base		Periods																			
	1-5	16-19	6-15	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41
Equity																			
Additions to Equity (Source Positive / Use Negative)																			
Dividend (Source negative / Use Positive)																			
Funds Provided from Operations																			
Sources of Funds																			
Net Income (Use Negative / Source Positive)				4,067,333	4,387,485	4,467,783	4,587,577	4,889,616	5,019,444	5,351,067	5,476,705	5,831,451	5,967,203	6,342,632	6,492,983	6,884,639	7,049,176	7,479,279	7,636,699
Depreciation (Source positive/use negative)				965,683	961,958	968,426	959,762	982,249	976,202	975,924	986,195	984,465	991,849	994,476	994,706	1,029,449	1,000,969	1,002,213	1,018,346
Current Liabilities (Source Positive)				88,069	36,989	94,323	39,616	101,019	42,426	108,193	45,040	115,874	48,667	124,100	52,122	132,911	55,823	142,349	59,786
Sources and Uses of Funds				5,121,085	5,181,432	5,530,532	5,586,960	5,972,878	6,038,074	6,435,184	6,508,340	6,931,790	7,007,719	7,461,208	7,538,904	8,026,999	8,106,968	8,623,961	8,715,853
Sources of Funds																			
Current Liabilities (Source Positive)																			
Uses of Funds																			
Current Assets, Increase (Use)				109,113	45,827	116,860	49,081	126,357	53,066	134,693	56,599	143,560	60,295	153,753	64,576	164,670	69,161	176,361	74,072
Fixed Assets, Increase (Use)				845,178	863,602	869,474	875,996	887,566	889,185	895,863	902,373	909,342	916,169	923,823	929,957	938,930	943,958	951,638	958,170
Total Uses of Funds				954,291	909,429	986,334	925,077	1,013,923	942,251	1,029,896	958,972	1,052,902	976,464	1,076,786	994,533	1,103,600	1,013,119	1,127,999	1,032,242
Funds from Financing Activities																			
Changes in Debt																			
Increase in Long Term Debt				(366,748)	(354,523)	(342,706)	(331,283)	(320,240)	(309,565)	(299,246)	(289,271)	(279,629)	(270,308)	(261,298)	(252,588)	(244,168)	(236,029)	(228,162)	(220,556)
Repayment of Long Term Debt																			
Funds from Equity				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends Paid (Use)																			
Additional Paid in Capital (source)																			
Total Funds from Financing Activities				(366,748.00)	(354,523.00)	(342,706.00)	(331,283.00)	(320,240.00)	(309,565.00)	(299,246.00)	(289,271.00)	(279,629.00)	(270,308.00)	(261,298.00)	(252,588.00)	(244,168.00)	(236,029.00)	(228,162.00)	(220,556.00)
Total Funds Needed				3,788,616.00	3,918,696.00	4,203,492.00	4,340,500.00	4,644,975.00	4,786,758.00	5,106,042.00	5,260,197.00	5,599,259.00	5,760,954.00	6,123,124.00	6,291,783.00	6,641,271.00	6,857,820.00	7,268,400.00	7,463,053.00
Financing																			
Debt			35%	(1,363,902.00)	(1,410,509.00)	(1,513,257.00)	(1,562,612.00)	(1,672,169.00)	(1,723,213.00)	(1,838,175.00)	(1,893,671.00)	(2,015,733.00)	(2,073,943.00)	(2,260,367.00)	(2,264,326.00)	(2,405,236.00)	(2,468,815.00)	(2,616,624.00)	(2,686,699.00)
Equity			65%	(2,424,714.00)	(2,507,973.00)	(2,690,235.00)	(2,777,978.00)	(2,972,806.00)	(3,063,545.00)	(3,267,867.00)	(3,366,526.00)	(3,583,526.00)	(3,687,011.00)	(3,918,799.00)	(4,026,745.00)	(4,275,975.00)	(4,389,005.00)	(4,651,196.00)	(4,776,354.00)
Funds Provided by Financing				(3,788,616.00)	(3,918,482.00)	(4,203,492.00)	(4,340,590.00)	(4,644,975.00)	(4,786,758.00)	(5,106,042.00)	(5,260,197.00)	(5,599,259.00)	(5,760,954.00)	(6,179,166.00)	(6,291,071.00)	(6,681,211.00)	(6,857,820.00)	(7,267,820.00)	(7,463,053.00)

DCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchase: Investor-Owned Utility
As of May 30, 2025

S:\water industry\PA American - Pittston\Pittston Wastewater Collection System Valuation as of 5-30-2025 - Created 12-1-2025

	Base	1-5	Periods 6-15	16 - 19																							
Income Statement																											
Revenues																											
Annual Revenue Growth rate		2.0%		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Subscriber Growth Rate (Annuity)			2.0%																								
Periodic Subscriber Growth		10.5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Growth	5		0.0%																								
Period for Periodic Growth																											
Rate Case Activities																											
Periodic Rate Case (years)	typically 3 years																										
Required Rate Increase	Calculated in DCF			-68.26%	-68.57%	-69.89%	-70.36%	-71.41%	-71.78%	-72.90%	-73.17%	-74.24%	-74.52%	-75.42%	-75.68%	-76.59%	-76.74%	-77.64%	-77.79%								
Proposed Rate Increase	Calculated in DCF			3.0%	0.0%	3.0%	0.0%	3.0%	0.0%	3.0%	0.0%	3.0%	0.0%	3.0%	0.0%	3.0%	0.0%	3.0%	0.0%								
Total Revenue Adjustments	Calculated			5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%	5.0%	2.0%								
Base and Forecast	1,765,020			14,164,198	14,449,522	15,171,998	15,475,438	16,249,210	16,574,194	17,402,904	17,750,962	18,638,510	19,011,280	19,961,844	20,361,081	21,379,135	21,806,718	22,897,054	23,354,995								
Operating Expenses				3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%								
Expense Level 1: Contract Expense	153,811	-3.0%	3.0%	395,298	406,127	418,311	430,860	443,786	457,100	470,813	484,937	499,485	514,470	529,904	545,801	562,175	579,040	596,411	614,303								
Expense Level 1: Contract Expense Rate of Change				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%								
Expense Level 2: Administration expense	20,951	3.0%	3.0%	72,505	74,681	76,921	79,229	81,606	84,054	86,576	89,173	91,848	94,603	97,441	100,364	103,375	106,476	109,670	112,960								
Expense Level 2: Administration expense Rate of Change				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%								
Expense Level 3: Legal and Audit Expense	51,100	3.0%	3.0%	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540	39,540								
Expense Level 3: Legal and Audit Expense Rate of Change		-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								
Expense Level 4: Sanitary Sewer Expense	260,814		0.0%	902,699	929,677	957,567	986,294	1,015,883	1,046,359	1,077,750	1,110,083	1,143,385	1,177,687	1,213,018	1,249,409	1,286,891	1,325,498	1,365,263	1,406,221								
Expense Level 4: Sanitary Sewer Expense Rate of Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%								
Property Taxes	70,944,256																										
Begin Plant				21,342,975	21,297,515	21,240,223	21,192,557	21,154,442	21,106,057	21,067,369	21,034,354	21,000,384	20,976,445	20,958,428	20,913,330	20,900,407	20,876,471	20,858,686									
PT Rate % (if beginning net plant	0.000%			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%								
Book Depreciation (Added on Beginning Year Property Plant & Equipment)				1,010,791	1,029,864	1,027,532	1,025,330	1,043,003	1,040,768	1,042,609	1,051,136	1,048,734	1,050,499	1,060,033	1,066,316	1,058,809	1,087,782	1,089,568	1,092,111								
Total Operating Expenses				2,419,734	2,479,889	2,559,871	2,561,253	2,623,818	2,667,821	2,717,288	2,774,869	2,820,992	2,826,799	2,864,936	3,001,416	3,060,792	3,140,866	3,202,652	3,265,135								
Cost of Operation as % of Revenues (Calculation)				17.1%	17.2%	16.9%	16.6%	16.1%	16.1%	15.6%	15.6%	15.1%	15.1%	14.3%	14.8%	14.7%	14.4%	14.3%	14.0%								
Operating Expenses less Depreciation				1,408,943	1,450,025	1,532,339	1,535,923	1,580,815	1,627,053	1,674,679	1,723,733	1,774,258	1,826,300	1,879,903	1,935,114	1,991,983	2,050,554	2,110,884	2,173,024								
Operating Income				11,746,464	11,969,633	12,662,127	12,914,185	13,625,392	13,906,373	14,685,616	14,976,093	15,855,518	16,134,681	17,014,908	17,359,651	18,338,345	18,648,422	19,686,602	20,089,860								
Nonoperating Revenues (Expenses)																											
Interest Income				351,787	340,061	328,726	317,768	307,176	296,937	287,039	277,471	268,222	259,281	250,638	242,284	234,208	226,401	218,854	211,559								
Interest Expense	5.50%			5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%								
Total nonoperating revenues (expenses)				351,787.00	340,061.00	328,726.00	317,768.00	307,176.00	296,937.00	287,039.00	277,471.00	268,222.00	259,281.00	250,638.00	242,284.00	234,208.00	226,401.00	218,854.00	211,559.00								
Income (loss) before State and Federal Taxes				12,098,251	12,309,694	12,990,853	13,231,953	13,932,568	14,203,310	14,972,655	15,253,564	16,123,740	16,393,962	17,265,546	17,601,935	18,572,553	18,874,823	19,905,456	20,301,419								
State and Federal Taxes				3,391,932	3,450,231	3,639,105	3,687,633	3,901,366	3,977,126	4,192,193	4,270,638	4,516,847	4,590,509	4,837,553	4,928,542	5,200,515	5,285,150	5,573,328	5,684,397								
State and Federal Tax Rate	28.89%			28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%								
Income After Taxes				8,707,755	8,859,789	9,351,748	9,544,320	10,030,802	10,226,184	10,779,462	10,982,926	11,606,893	11,803,453	12,427,993	12,673,393	13,372,038	13,589,673	14,332,128	14,617,022								
Income After Taxes plus Interest				8,454,542	8,609,850	9,091,896	9,275,080	9,777,709	9,976,607	10,526,828	10,725,867	11,323,904	11,543,672	12,175,710	12,431,444	13,093,838	13,343,522	14,069,983	14,347,019								
Earnings before Interest, Taxes, Depreciation, & Amortization				13,473,411	13,679,931	14,559,197	14,842,205	15,971,129	16,281,609	17,426,727	17,754,365	18,812,590	19,395,545	20,538,553	20,938,140	22,100,364	22,531,928	23,696,299									
Income (loss) before State and Federal Taxes				11,396,677	11,629,572	12,323,401	12,556,417	13,318,216	13,609,436	14,398,577	14,698,622	15,547,296	15,875,200	16,764,270	17,117,367	18,084,337	18,452,021	19,477,248	19,878,301								
Book Depreciation				(1,010,791)	(1,029,864)	(1,027,532)	(1,025,330)	(1,043,003)	(1,040,768)	(1,042,609)	(1,051,136)	(1,048,734)	(1,050,999)	(1,067,033)	(1,066,316)	(1,058,809)	(1,087,742)	(1,089,568)	(1,092,111)								
Tax Depreciation				(965,259)	(1,011,397)	(1,058,174)	(1,006,110)	(1,074,106)	(1,082,163)	(1,090,278)	(1,098,456)	(1,106,694)	(1,114,995)	(1,123,357)	(1,131,782)	(1,140,270)	(1,148,823)	(1,157,438)	(1,166,119)								
Difference Tax over Book Depreciation				45,532	18,467	(30,642)	(81,780)	(31,104)	(41,395)	(47,669)	(47,320)	(57,961)	(64,696)	(56,324)	(65,466)	(71,461)	(61,081)	(67,870)	(74,008)								
Income Tax Rate				28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%	28.89%								
Income Taxes				3,291,932	3,359,783	3,460,231	3,469,105	3,847,633	3,931,766	4,156,199	4,246,432	4,491,614	4,586,345	4,843,198	4,945,207	5,224,507	5,327,920	5,627,122	5,742,841								
Income After Tax				8,104,745	8,269,789	8,863,170	8,957,312	9,470,583	9,677,670	10,232,628	10,452,190	11,055,682	11,288,855	11,921,072	12,172,160	12,859,830	13,114,121	13,850,027	14,135,460								
Deferred Income Taxes				13,154	5,336	(8,853)	(23,624)	(8,986)	(11,959)	(13,772)	(13,671)	(16,745)	(18,413)	(16,272)	(18,913)	(20,645)	(17,646)	(19,607)	(21,381)								
Accumulated Deferred Income Taxes				(2,864,936)	(2,859,600)	(2,868,453)	(2,892,076)	(2,901,062)	(2,913,021)	(2,926,793)	(2,940,464)	(2,957,209)	(2,975,622)	(2,991,894)	(3,010,807)	(3,031,452)	(3,049,098)	(3,068,705)	(3,090,086)								
Income After Taxes (Book Depreciation)				8,102,755	8,269,789	8,863,170	8,957,312	9,470,583	9,677,670	10,232,628	10,452,190	11,055,682	11,288,855	11,921,072	12,172,160	12,859,830	13,114,121	13,850,027	14,135,460								
Plus Deferred Taxes				13,154	5,336	(8,853)	(23,624)	(8,986)	(11,959)	(13,772)	(13,671)	(16,745)	(18,413)	(16,272)	(18,913)	(20,645)	(17,646)	(19,607)	(21,381)								
Plus Interest				351,787	340,061	328,726	317,768	307,176	296,937	287,039	277,471	268,222	259,281	250,638	242,284	234,208	226,401	218,854	211,559								
After Tax Income Debt Free				8,641,388	8,604,514	9,183,044	9,286,862	9,786,765	9,982,648	10,535,894	10,715,990	11,307,159	11,529,723	12,154,438	12,395,531	13,073,393	13,322,876	14,049,274	14,325,032								
Balance Statement																											
Assets																											
Current Assets																											
Current Asset Balance	494,206																										
CA as % of Revenues	28.00%	28.00%	28.00%	3,966,535	4,045,866	4,248,159	4,333,123	4,549,779	4,642,774	4,872,813	4,970,269	5,218,781	5,323,154	5,589,316	5,701,103	5,986,158	6,105,881	6,411,375	6,539,399								
Balance Statement				28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%								
Property Plant & Equipment																											
Total PP&E																											
Begin Balance				96,535,644.00	97,259,663.00	97,989,107.00	98,724,025.00	99,464,454.00	100,210,438.00	100,962,018.00	101,719,232.00	102,482,126.00	103,250,741.00	104,025,127.00	104,805,331.00	105,591,396.00	106,383,265.00	107,181,159.00	107,985,017.00								
Additions				965,357.00	972,596.00	970,892.00	987,239.00	994,644.00	1,002,150.00	1,009,620.00	1,017,192.00	1,024,821.00	1,032,508.00	1,040,251.00	1,048,053.00	1,055,913.00	1,063,833.00	1,071,811.00	1,079,850.00								
Retirements				(241,340.69)	(243,150.00)	(244,973.00)	(246,810.00)	(248,660.00)	(250,525.00)	(252,406.00)	(254,298.00)	(256,206.00)	(258,127.00)	(260,062.00)	(262,014.00)	(263,976.00)	(265,959.00)	(267,953.00)	(269,962.00)								
End Balance				97,259,661.00	97,989,107.00	98,724,025.00	99,464,454.00	100,210,438.00	100,962,018.00	101,719,232.00	102,482,126.00	103,250,741.00	104,025,127.00	104,805,331.00	105,591,396.00	106,383,265.00	107,181,159.00	107,985,017.00	108,794,905.00								
End Balance Check				97,259,661.00	97,989,107.00	98,724,025.00	99,464,454.00	100,210,438.00	100,962,018.00	101,719,232.00	102,482,126.00	103,250,741.00	104,025,122.00	104,805,331.00	105,591,396.00	106,383,265.00	107,181,159.00	107,985,017.00	108,794,905.00								
Book Depreciation of Property, Plant, & Equipment																											
Total Book Depreciation																											
Begin Balance				(75,192,469.41)	(75,962,145.52)	(76,748,844.20)	(77,531,468.34)	(78,310,012.55)	(79,104,187.46)	(79,894,649.30)	(80,684,878.36)	(81,481,742.09)	(82,274,295.74)	(83,066,694.14)	(83,873,690.83)	(84,678,079.81)	(85,482,878.14)	(86,304,688.45)	(87,126,330.87)								
Depreciation				(1,010,791.11)	(1,029,863.68)	(1,027,532.14)	(1,025,330.21)	(1,043,002.91)	(1,040,768.84)	(1,042,609.06)	(1,051,136.73)	(1,048,734.65)	(1,050,499.40)	(1,067,032.69)	(1,066,315.98)	(1,058,809.33)	(1,087,742.31)	(1,089,568.42)	(1,092,111.79)								
Retirements				241,315.00	243,125.00	244,548.00	246,786.00	248,639.00	250,550.00	252,380.00	254,272.00	256,180.00	258,106.00	260,036.00	261,987.00	263,956.00	265,932.00	267,926.00	269,938.00								

BCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchase: Investor-Owned Utility
As of May 30, 2025

	Base		Periods 1-15																					
	1.0	16 - 19	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57
Accumulated PW of Cashflows	39,231,024		292,926,429	268,883,295	274,619,897	280,110,111	285,105,438	290,229,583	294,989,897	299,643,152	304,091,918	308,432,294	312,475,281	316,384,296	320,238,154	323,652,270	326,966,049	330,822,157
CASH FLOW																		
Income from Operations			8,195,133	8,282,920	8,741,381	9,928,154	9,448,446	9,648,234	10,204,931	10,418,541	11,014,467	11,242,992	11,881,020	12,125,607	12,808,814	13,070,686	13,802,364	14,082,833
Depreciation			(965,259)	(1,011,997)	(1,066,110)	(1,074,106)	(1,082,163)	(1,090,280)	(1,098,456)	(1,106,694)	(1,114,994)	(1,123,357)	(1,131,782)	(1,140,270)	(1,148,823)	(1,157,438)	(1,166,119)	(1,174,864)
Capital Expenditures			965,357	972,596	979,891	987,239	994,644	1,002,105	1,009,620	1,017,192	1,024,821	1,032,508	1,040,253	1,048,053	1,055,913	1,063,833	1,071,811	1,079,850
Change in Working Capital			8,096,029	8,182,320	8,780,611	8,941,048	9,446,144	9,737,958	10,346,828	10,683,010	11,048,412	11,391,550	11,912,796	12,338,390	13,192,586	13,570,281	14,144,373	14,687,819
Net Cash Flows																		
Period			41.5	42.5	43.5	44.5	45.5	46.5	47.5	48.5	49.5	50.5	51.5	52.5	53.5	54.5	55.5	56.5
PW Factor																		
Discount Rate each growth	8.27%			8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%
Discount Rate vertical growth	5.08%			5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
				19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%
Period Present Worth Factor (PW)				0.9239	0.8533	0.7881	0.7279	0.6724	0.6211	0.5737	0.5300	0.4895	0.4521	0.4176	0.3857	0.3562	0.3290	0.3038
PW of Cashflow				7,557,359	7,487,109	7,045,827	6,627,359	6,230,702	5,855,925	5,502,178	5,168,705	4,854,827	4,560,975	4,286,670	4,031,516	3,794,199	3,573,503	3,368,294
Accumulated PW of Cashflows	26,561,194			240,257,757	247,744,866	254,790,693	261,418,052	267,648,754	273,504,679	279,006,857	284,175,562	289,030,389	293,591,364	297,878,034	301,909,550	305,703,749	309,277,252	312,645,546

Note: Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

System Industry PA American - Pittston Wastewater Collection System Valuation as of 5-30-2025 - Created 12-7-2025

	Base		Periods																			
	1-5		6-15	16 - 19	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57		
Equity																						
Additions to Equity (Source Positive / Use Negative)																						
Dividend (Source Negative / Use Positive)																						
Funds Provided from Operations																						
Sources and Uses of Funds																						
Net Income (Use Negative / Source Positive)					8,302,745	8,269,789	8,763,170	8,957,312	9,470,583	9,677,570	10,238,828	10,452,190	11,055,682	11,288,855	11,921,077	12,172,369	12,859,630	13,124,121	13,856,627	14,134,460		
Depreciation (Source positive/use negative)					1,010,791	1,029,864	1,027,547	1,025,530	1,043,003	1,042,768	1,042,609	1,051,136	1,048,734	1,056,499	1,067,033	1,066,316	1,058,809	1,062,742	1,060,568	1,060,115		
(Current Liabilities (Source Positive)					152,456	64,031	162,280	68,577	174,872	73,447	187,286	78,661	200,586	84,246	214,828	90,227	230,081	96,633	244,416	101,495		
Sources and Uses of Funds					9,466,002	9,363,684	9,953,982	10,051,419	10,688,458	10,791,885	11,468,725	11,581,987	12,305,002	12,429,600	13,202,933	13,328,703	14,148,520	14,298,496	15,186,611	15,331,066		
Sources of Funds																						
Current Liabilities (Source Positive)																						
Uses of Funds																						
Current Assets, Increase (Use)					388,882	79,193	202,293	84,964	716,646	90,995	732,039	97,454	248,514	104,375	266,158	111,787	285,055	119,723	305,294	128,224		
Fixed Assets, Assets, Increase (Use)					965,157	970,316	949,891	967,239	994,644	1,002,105	1,009,620	1,017,197	1,024,821	1,032,508	1,040,251	1,048,053	1,055,913	1,063,833	1,071,811	1,079,850		
Total Uses of Funds					1,354,039	1,051,507	1,152,184	1,052,203	1,711,290	1,093,100	1,741,659	1,114,648	1,273,335	1,136,883	1,306,409	1,159,840	1,340,968	1,183,556	1,377,105	1,208,074		
Funds from Financing Activities																						
Changes in Debt:																						
Increase in Long Term Debt					(213,054)	(206,098)	(199,278)	(192,587)	(186,167)	(179,962)	(173,963)	(168,164)	(162,559)	(157,140)	(151,902)	(146,839)	(141,944)	(137,213)	(132,639)	(128,217)		
Repayment of Long Term Debt																						
Funds from Equity					0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Dividends Paid (Use)																						
Additional Paid-in-Capital (Source)																						
Total Funds from Financing Activities					(213,054)	(206,098)	(199,278)	(192,587)	(186,167)	(179,962)	(173,963)	(168,164)	(162,559)	(157,140)	(151,902)	(146,839)	(141,944)	(137,213)	(132,639)	(128,217)		
Total Funds Needed					7,498,569	8,105,669	8,572,570	8,786,479	9,298,991	9,518,823	10,053,103	10,299,175	10,869,108	11,136,577	11,745,622	12,022,004	12,675,608	12,977,727	13,676,867	13,994,775		
Financing																						
Debt				36%	(2,843,481)	(2,918,037)	(3,086,125)	(3,163,114)	(3,346,737)	(3,426,715)	(3,619,117)	(3,707,703)	(3,912,879)	(4,008,868)	(4,228,064)	(4,327,929)	(4,563,219)	(4,671,982)	(4,924,677)	(5,038,119)		
Equity				64%	(5,055,078)	(5,187,627)	(5,486,445)	(5,623,365)	(5,946,254)	(6,092,047)	(6,433,986)	(6,591,472)	(6,956,229)	(7,127,978)	(7,517,558)	(7,694,075)	(8,112,389)	(8,305,745)	(8,753,195)	(8,956,656)		
Funds Provided by Financing					(7,898,559)	(8,105,669)	(8,572,570)	(8,786,479)	(9,292,991)	(9,518,823)	(10,053,103)	(10,299,175)	(10,869,108)	(11,136,577)	(11,745,622)	(12,022,004)	(12,675,608)	(12,977,727)	(13,676,867)	(13,994,775)		

BCI Investor Owned

S:\water industry\PA American - Pittsen\Pittston Wastewater Collection System Valuation\5-30-2025 - Created 12-7-2025

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	Periods 1-5	6-15	16 - 19	58	59	60
Income Statement							
Revenues							
Annual Revenue Growth rate		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Subscriber Growth Rate (Annually)							
Periodic Subscriber Growth							
Growth	10.5%	10.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Period for Periodic Growth	5						
Rate Case Cycle							
Periodic Rate Case (years)		typically 3 years					
Required Rate Increase		Calculated in DCF			-78.56%	-78.78%	-79.50%
Proposed Rate Increase		Calculated in DCF			3.0%	0.0%	3.0%
Total Revenue Adjustments		Calculated			5.0%	2.0%	5.0%
Base and Forecast	1,765,030				24,522,745	25,013,200	26,263,860
Operating Expenses					3%	3%	3%
Expense Level 1: Contract Expense	153,811	-1.0%	3.0%	3.0%	632,732	651,714	671,265
Expense Level 1: Contract Expense Rate of Change					3.0%	3.0%	3.0%
Expense Level 2: Administration expense	20,951	3.0%	3.0%	3.0%	116,349	119,839	123,434
Expense Level 2: Administration expense Rate of Change					3.0%	3.0%	3.0%
Expense Level 3: Legal Expense	51,100	3.0%	3.0%	3.0%	39,540	39,540	39,540
Expense Level 3: Legal Expense Rate of Change					0.0%	0.0%	0.0%
Expense Level 4: Sanitary Sewer Expense	262,814	-5.0%	0.0%	0.0%	2,237,029	2,302,953	2,370,855
Expense Level 4: Sanitary Sewer Expense Rate of Change					2,448,428	1,491,860	1,536,616
Property Taxes	70,944,256	3.0%	3.0%	3.0%	21,181,611	21,604,336	22,784,566
Begin Plant							
PT Rate % of beginning net plant	0.000%				20,846,398	20,830,213	20,820,384
Book Depreciation (based on Beginning Year Property					0.000%	0.000%	0.000%
Total Operating Expenses					1,104,105	1,105,911	1,108,469
Cost of Operation as % of Revenues (Calculation)					1,341,134	1,408,864	1,439,304
Operating Expenses less Depreciation					13.6%	13.6%	13.2%
Operating Income					2,237,029	2,302,953	2,370,855
					21,181,611	21,604,336	22,784,566
Nonoperating Revenues (Expenses)							
Interest Income					204,507	197,690	191,100
Interest Expense	5.50%				5.50%	5.50%	5.50%
Total nonoperating revenues (expenses)					204,507.00	197,690.00	191,100.00
Income (loss) before State and Federal Taxes					20,977,104	21,406,646	22,593,466
State and Federal Taxes					6,060,285	6,184,380	6,527,250
State and Federal Tax Rate	28.89%				28.89%	28.89%	28.89%
Income After Taxes					14,916,819	15,222,266	16,066,206
Income After Taxes plus Interest					15,121,326	15,419,956	16,257,306
Earnings before Interest, Taxes, Depreciation, & Amortization					10,165,146	10,341,487	10,838,505
Income (loss) before State and Federal Taxes					20,977,104	21,406,646	22,593,466
Book Depreciation					(1,104,105)	(1,105,911)	(1,108,469)
Tax Depreciation					(1,174,865)	(1,183,678)	(1,192,554)
Difference Tax over Book Depreciation					(70,760)	(77,767)	(84,106)
Income Adjusted for Tax Depreciation					20,906,344	21,328,879	22,509,351
Income Tax Rate					28.89%	28.89%	28.89%
Income Taxes					6,039,843	6,161,913	6,502,951
Income After Tax					14,916,819	15,222,266	16,066,206
Deferred Income Taxes					(20,442)	(22,467)	(24,299)
Accumulated Deferred Income Taxes					(3,098,907)	(3,121,374)	(3,145,673)
Income After Taxes (Book Depreciation)					14,916,819	15,222,266	16,066,206
Plus Deferred Taxes					(20,442)	(22,467)	(24,299)
Plus Interest Expense					204,507	197,690	191,100
After Tax Income Debt Free					15,141,768	15,442,423	16,281,005
Balance Statement							
Assets							
Current Assets							
Current Asset Balance	694,206			6,866,369	7,003,696	7,353,881	
CA as % of Revenues	28.00%	28.00%	28.00%	28.0%	28.0%	28.0%	
Balance Statement							
Property Plant & Equipment							
Total PP&E				108,794,905.00	109,610,867.00	110,432,949.00	
Begin Balance				1,087,949.00	1,096,109.00	1,104,329.00	
Additions							
Retirements				(271,987.00)	(274,027.00)	(276,082.00)	
End Balance	70,944,256.00			109,610,867.00	110,432,949.00	111,261,196.00	
Book Depreciation of Property, Plant, & Equipment				109,610,867.00	110,432,949.00	111,261,196.00	
Total Book Depreciation							
Begin Balance				(87,948,507.26)	(88,780,653.68)	(89,612,565.41)	
Depreciation				(1,104,105.42)	(1,105,911.73)	(1,108,468.69)	
Retirements				271,959.00	273,999.00	276,054.00	

DCF Investor Owned

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	Periods: 1-5	6-15	16 - 19	58	59	60
Accumulated PW of Cashflows	39,231,024				333,616,297	336,648,431	339,517,422
CASH FLOW							
Income from Operations					14,866,501	15,166,966	16,006,400
Depreciation					(1,174,865)	(1,183,678)	(1,192,554)
Capital Expenditures					1,087,949	1,096,109	1,104,329
Change in Working Capital					63,059	26,484	67,336
Net Cash Flows					14,890,358	15,228,051	16,027,089
Period					57.5	58.5	59.5
PW Factor							
Discount Rate with growth	8.22%				8.22%	8.22%	8.22%
Discount Rate without growth	5.08%				5.08%	5.08%	5.08%
					19.685	19.685	19.685
Period Present Worth Factor (PW)					0.011	0.01	0.009
PW of Cashflow					3,224,284	2,997,642	2,839,439
Accumulated PW of Cashflows	26,561,194				297,950,637	300,948,279	303,787,718

Rate Case Forecasts							
Rate Base							
Plant In Service					109,610,867.00	110,432,949.00	111,251,196.00
Accumulated Book Depreciation					(88,780,653.68)	(89,612,565.41)	(90,444,960.10)
Working Capital					1,324,279.00	1,350,713.00	1,418,249.00
Accumulated Deferred Income Tax					(3,098,907)	(3,121,374)	(3,145,673)
Rate Base					19,055,535.32	19,049,722.59	19,088,811.90
Authorized Return on Rate Base	6.97%				1,328,171.00	1,327,766.00	1,330,490.00
O&M Expenses					2,237,029.00	2,302,953.00	2,370,855.00
Book Depreciation					1,104,105.42	1,105,910.73	1,108,448.69
Ratemaking Interest Expense					204,507.00	197,690.00	191,100.00
Revenue Requirement					4,873,812.42	4,934,319.73	5,000,893.69
O&M Expenses					2,237,029.00	2,302,953.00	2,370,855.00
Depreciation Expense					1,104,105.42	1,105,910.73	1,108,448.69
Interest					204,507.00	197,690.00	191,100.00
Pretax Income					1,328,171.00	1,327,766.00	1,330,490.00
State & Federal Taxes @ 28.89%					383,709.00	383,592.00	384,379.00
After Tax Income					944,462.00	944,174.00	946,111.00
Current Revenue					24,522,745.00	25,013,200.00	26,263,860.00
Revenue Requirement					5,797,521.42	5,317,911.73	5,385,277.69
Required Revenue Increase					79%	79%	79%
Income from Operations					15,121,326	15,419,956	16,257,306
Return on Rate Base					79.35%	80.95%	85.17%
Required Return	6.97%				6.97%	6.97%	6.97%
Authorized Return					1,328,171	1,327,766	1,330,490
After-tax Net Income					14,916,819	15,277,266	16,066,206
Taxes					6,060,285	6,184,380	6,527,250
Pre-tax Net Income					20,977,104	21,406,646	22,593,456
Interest Expense					204,507	197,690	191,100
Operating Income					21,181,611	21,604,336	22,784,556
Operating Expenses					3,341,134	3,408,864	3,479,304
Revenue Requirement					24,522,745	25,013,200	26,263,860
Required Return					1,328,171	1,327,766	1,330,490
Operating Expenses					3,341,134	3,408,864	3,479,304
Revenue Requirement					4,669,305	4,736,630	4,809,794
Required Rate Increase					78.56%	78.74%	79.50%
					58	59	60
Proposed Rate Increase							
Rate Increase Scenario	6				3%	0%	3%
	0				58	59	60
No increases (Input 2)	2				0%	0%	0%
No Rate Increases (Input 2)	3						
Modest Rate Increases: 6% every 3 year period starting in period 3 (Input 4)	4				0.0%	0.0%	6.0%
Modest Rate Increases: (Input 4)	5						
Required Rate Increases: 50% period 2, 40% period 4, 35% period 6, 30% period 8, 15% period 10, 10% period 12, and 3% every 2nd year beginning in period 14 (Input 6)	6				3.0%	0.0%	3.0%
Required Rate Increases: (Input 6)	7				281.0%	281.0%	289.4%
	4				0.0%	0.0%	0.0%
Changes in Balance Sheet Accounts							
Assets							
Change in Current Assets (Source negative / Use positive)					326,970	137,327	350,185
Plant & Equipment							
Additions (Source negative / Use positive)					1,087,949	1,096,109	1,104,329
Liabilities							
Change in Current Liabilities (Source Positive / Use negative)					263,911	110,843	282,649
Long Term Debt							
Additional Long Term Debt Source Positive / Use Negative							
Principal Paid Long term Debt (Source positive / Use negative)					123,944	119,812	115,818

S:\water industry\PA American - Pittston\Pittston Wastewater Collection System Valuation as of 5-30-2025 Created 11-7-2025

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Potential Purchaser: Investor-Owned Utility
As of May 30, 2025

	Base	1-5	Periods 6-15	16 - 19	58	59	60
Equity							
Additions to Equity (Source Positive / Use Negative)							
Dividend (Source negative / Use Positive)							
Funds Provided from Operations							
Sources of Funds							
Net Income (Use Negative / Source Positive)					14,916,819	15,222,246	16,066,206
Depreciation (Source positive /use negative)					1,104,125	1,103,911	1,108,449
Current Liabilities (Source Positive)					263,911	110,843	282,649
Sources and Uses of Funds.					16,284,835	16,439,000	17,457,304
Sources of Funds.							
Current Liabilities (Source Positive)							
Uses of Funds							
Current Assets. Increase (Use)					326,970	137,327	356,185
Fixed Assets. Assets. Increase (Use)					1,087,949	1,096,109	1,104,329
Total Uses of Funds					1,414,919	1,233,436	1,464,514
Funds from Financing Activities							
Changes in Debt							
Issuance of Long Term Debt					(123,044)	(119,812)	(115,818)
Repayment of Long Term Debt							
Funds from Equity					0	0	0
Dividends Paid (Use)							
Additional Paid in Capital (source)							
Total Funds from Financing Activities					(123,044.00)	(119,812.00)	(115,818.00)
Total Funds Needed					14,745,972.00	15,085,772.00	15,886,972.00
Financing							
Debt	36%				(5,308,550.00)	(5,430,878.00)	(5,719,310.00)
Equity	64%				(9,437,422.00)	(9,654,894.00)	(10,167,662.00)
Funds Provided by Financing					(14,745,972.00)	(15,085,772.00)	(15,886,972.00)

IOU Investor Owned

City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Market Approach

WADS Consultants
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Greenfield, Wisconsin 53228
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J. Weinert's Cell: 414-698-8371
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Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Summary of Market Analyses

Indicators	
OCLD	30,678,987
CORLD	26,574,559
Customers	27,621,162
Cash Flows	
EBITDA Periods 1-5	41,667,709
EBITDA Periods 1-13	33,745,073
Value Line	34,145,993
Mean	32,405,581
Median	32,212,030
Conclusion	**32,212,030**

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Data

Market Sales Analysis - PP/OCLD	Simple		**Market Sales Analysis - PP/CORLD**	Simple	
All Section 1329 Acquistions			All Section 1329 Acquistions		
Mean	2.0050		Mean	0.8001	
Standard Deviation	1.0152		Standard Deviation	0.2319	
Median	1.5514		Median	0.835	
Water Treatment & Distribution			Water Treatment & Distribution		
Mean	1.4354		Mean	0.853616667	
Water Distribution			Water Distribution		
Mean	1.35		Mean	0.7686	
Wastewater Collection & Treatment			Wastewater Collection & Treatment		
Mean	1.7972		Mean	0.8536	
Wastewater Collection			Wastewater Collection		
Mean	1.8733		Mean	0.8077	
Wastewater Treatment Only			Wastewater Treatment Only		
Mean	-0.07607		Mean	0.0459	
WADS Conclusion	1.8733	WADS Input Cost Approach - OCLD	WADS Conclusion	0.8077	WADS Input Cost Approach - CORLD
City of Pittston OCLD	16,376,975		City of Pittston CORLD	32,900,164	
Market Value Indication	**30,678,987**		**Market Value Indication**	**26,574,559**	

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Customer

	Simple	
All Section 1329 Acquistions		
Mean	8,910	
Standard Deviation	3,883	
Median	8,551	
Water Treatment and Distribution		
Mean	7,696	
Water Distribution		
Mean	3,992	
Wastewater Collection & Treatment		
Mean	10,622	
Wastewater Collection		
Mean	6,268	
Watewater Treatment Only		
Mean	4,354	

Financial Basis[1]

Financial Markets	Market Value per Share to Book Value per Share	
Market to Book (equity)	3.21	
Market to Book (equity and debt)	2.09	
Use (equity and debt)	2.09	WADS Input

Conclusion

City of Pittston, PA Sanitary Sewer System (Collection) Customers:	4,406	WADS Input	City of Pittston	16,376,975	Cost Approach - OCLD
Wastewater Collection	6,268	WADS Input			
Collection and Treatement Customers Market Value Indication	**27,616,808**		**Market Value Indication**	**34,145,993**	
Treatement Only Market Value Indication					
Treatment Only PP/customer	4,354	WADS Input			
Treatment Only Customers	-	WADS Input			
Market Value Indication Treatment Only	-				
Total Market Value Indication	**27,621,162**				

Pittston Wastewater Collection System — Years as of 5-30-2025 - Created 11-7-2025

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 Wastewater Collection and Treatment	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329	Average Purchase Price per Customer	AUS Market Value per Customer
1	A-2017-2606103	9/1/2016	PA American Water	City of Mckeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	########	21,953	Post	7,242.75	7,243
2	A-2016-2580063	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post	14,007.60	14,008
3	A-2017-2605434	11/14/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post	11,846.41	11,846
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller	Competitive 2 bidders	Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post	4,006.41	4,006
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution Wastewater Collection	4,734,800	4,734,800	1,186	Post	3,992.24	3,992
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning			Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post	3,284.08	3,284
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection and Treatment	50,250,000	50,250,000	10,500	Post	4,785.71	4,786
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidder	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post	9,354.84	9,355
9	A-2018-3002437	1/2/2019	PA American Water	Salisbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post	8,617.23	8,617
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post	10,388.89	10,389
11	A-2019-3009052	10/29/2018	Aqua PA	East Nornton	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection and Treatment	21,000,000	21,000,000	4,950	Post	4,242.42	4,242
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post	8,753.74	8,754
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	11,000,000	11,000,000	1,596	Post	8,145.36	8,145
14	A-2020-3019855	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Distribution	7,325,000	7,325,000	1,459	Post	5,020.56	5,021
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post	8,485.40	8,485
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)		Competitive 2 bidders PAWC & Aqua	Delaware	Wastewater Collection and Treatment	276,500,000	########	16,473	Pending	16,785.04	16,785
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 3 bidders 2 RDs AQUA & PAWC & 1 Main	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post	9,628.85	9,629
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller		Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post	4,753.94	4,753
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post	14,019.91	14,020
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post	7,628.60	7,629
21	A-2021-3014681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	########	15,851	Post	14,825.56	14,826
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Water Treatment and Distribution	43,250,000	41,250,000	3,958	Pending	10,421.93	10,422
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Wastewater Collection	12,000,000	12,000,000	2,930	Post	4,095.56	4,096
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,250,000	19,200,000	3,976	Pending	4,828.97	4,829
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Treatment	37,750,000	37,750,000	3,252	Post	11,608.24	11,608
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	########	15,000	Post	15,433.33	15,433
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post	7,922.54	7,923
28	A-2023-3052983	10/4/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Treatment and Collection	28,000,000	28,000,000	2,190	Post	12,785.39	12,785
29	A-2025-3053447	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post	8,083.14	8,083
30	A-2025-3053741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post	12,312.31	12,312
	End of section 1329 data													
					Count 20				18				15,622	15,622
									7				6,368	6,367
								Water Treatment and Distribution	4				7,696	6,157
								Water Distribution	1				1,992	1,992
								All section 1329	30				8,910	8,910
								Average					1,883	1,883
								Standard Deviation					8,551	8,551
								Median						

Market Comparables 4-3-2024

Pennsylvania American Water Company
City of Pittston, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
As of May 30, 2025

Comparable Sales Approach

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-5)	Simple	
All Section 1329 Acquistions		
Mean	18.50	
Standard Deviation	10.01	
Median	17.41	
Conclusion	16.95	WADS Input
Water Treatment and Distribution		
Mean	14.94	
Water Distribution		
Mean	20.24	
Wastewater Collection & Treatment		
Mean	19.90	
Wastewater Collection		
Mean	17.88	
Watewater Treatment Only		
Mean	2.02	
Conclusion		
		Income
City of Pittson Cash Flows	2,330,633	Approach
Wastewater Collection	17.88	
Market Value Indication	**41,667,709**	

Market Sales Analysis - PP/Cash Flows (EBITDA Period 1-13)	Simple	
All Section 1329 Acquistions		
Mean	14.23	
Standard Deviation	10.55	
Median	12.59	
Conclusion	12.04	WADS Input
Water Treatment and Distribution		
Mean	10.50	
Water Distribution		
Mean	13.59	
Wastewater Collection & Treatment		
Mean	16.09	
Wastewater Collection		
Mean	12.70	
Watewater Treatment Only		
Mean	3.39	
Conclusion		
		Income
City of Pittson Cash Flows	2,657,062	Approach
Wastewater Collection	12.70	
Market Value Indication	**33,745,073**	

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Period 1	Purchase Price to EBITDA Period 1	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-5	Purchase Price to EBITDA Average Periods 1-5	Earnings before Interest, Taxes, and Depreciation and Amortization (EBITDA) Average Periods 1-13	Purchase Price to EBITDA Average Periods 1-13
1	A-2017-2606303	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	156,000,000	#########	5,247,843.00	**29.7265**	7,409,096.00	**21.0552**	11,958,224.00	**13.0454**
2	A-2016-2580061	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	1,409,768.00	**20.9254**	1,717,347.00	**17.1777**	2,625,115.00	**11.2376**
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	2,154,798.00	**34.8525**	3,542,124.20	**21.2020**	5,212,045.23	**14.4089**
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	100,053.00	**49.9735**	283,367.00	**17.6450**	632,892.00	**7.9002**
5	A-2018-3003519	4/20/2018	SUEZ	Mahonine		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	58,541.50	**80.8794**	233,922.00	**20.2409**	348,408.96	**13.5898**
6	A-2018-3003517	4/20/2018	SUEZ	Mahonine		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	58,541.50	**81.3987**	233,922.00	**20.3709**	348,408.96	**13.6770**
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidde	Montgomery	Collection	50,250,000	50,250,000	5,270,576.00	**9.5341**	4,754,020.00	**10.5700**	4,326,210.00	**11.6152**
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidde	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	1,568,999.00	**14.3404**	2,278,514.00	**9.8749**	3,893,757.00	**5.7785**
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	580,238.00	**15.9417**	714,645.00	**12.9435**	895,128.00	**10.3337**
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	7,121,227.00	**13.4808**	7,279,978.00	**13.1869**	8,011,315.00	**11.9831**
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidde	Montgomery	Wastewater Collection	21,000,000	21,000,000	925,477.00	**22.6910**	1,265,269.00	**16.5973**	2,011,465.00	**10.4402**
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	680,463.00	**25.8060**	1,039,593.00	**16.8912**	1,446,948.00	**12.1359**
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	404,071.00	**32.1726**	600,765.00	**21.6391**	1,209,765.00	**10.7459**
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	217,969.00	**33.6057**	398,458.00	**18.3834**	817,993.00	**8.9548**
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	193,013.00	**72.2749**	392,972.00	**35.4987**	844,046.00	**16.5275**
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	#########	25,621,637.00	**10.7917**	25,883,282.00	**10.6826**	28,960,161.85	**9.5476**
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Montgomery	Wastewater Collection	13,750,000	13,750,000	768,794.00	**17.8852**	845,182.00	**16.2687**	932,042.00	**14.7526**
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller		Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	2,472,701.00	**21.4341**	2,839,988.00	**18.6621**	3,432,340.00	**15.4414**
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	14,465,272.00	**3.7974**	15,872,367.00	**3.4607**	18,521,227.00	**2.9658**
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	723,189.00	**24.1984**	892,978.00	**19.5973**	1,168,600.00	**14.9752**
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	#########	12,149,592.00	**19.3422**	13,874,600.00	**16.9374**	18,001,021.00	**13.0548**
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	706,202.00	**58.4110**	1,848,649.20	**22.3136**	2,092,981.46	**19.7087**
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borouch of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	502,680.00	**23.8720**	724,217.00	**16.5696**	715,085.06	**16.7812**
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	1,303,713.00	**14.7272**	1,488,494.60	**12.8989**	1,661,649.46	**11.5548**
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	706,202.00	**53.4550**	610,767.60	**61.8075**	582,375.77	**64.8207**
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	#########	13,603,503.00	**17.0177**	17,584,863.20	**13.1647**	23,491,122.15	**9.8548**
27	A-2023-3041695		Aqua PA	Greenville sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	798,809.00	**22.5335**	750,396.40	**23.9873**	655,111.69	**27.4762**
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	1,324,106.00	**21.1463**	1,485,443.00	**18.8496**	1,973,423.00	**14.1885**
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	637,067	**10.9879**	831,408	**8.4195**	1,121,619	**6.2410**
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	1,279,814	**25.6247**	1,820,229	**18.0197**	2,510,455	**13.0654**
	End of Section 1329 Data															
					Count 20			Wastewater Collection and Treatment	**18**					**19.8976**		**16.0877**
								Wastewater Collection	**7**					**17.8783**		**12.7001**
								Water Treatment and Distribution	**4**					**14.9426**		**10.5048**
								Water Distribution	**1**					**20.2409**		**13.5898**
								All section 1329 Mean	30					**18.4972**		**14.2267**
								Standard Deviation						**10.0102**		**10.5521**
								Median						**17.4113**		**12.5907**

RowID	Pennsylvania Public Utility Commission Case	Approximate Date	Buyer	Seller	AUS Consultants (AUS) or Weinert Appraisal and Depreciation Services, LLC (WAD)	Type of Purchase Process	County	Type of Facility	Initial Purchase Price	Final Purchase Price[1]	Number of Total Customers	Relationship to the passage of Section 1329
1	A-2017-2606103	9/1/2016	PA American Water	City of McKeesport	AUS for PAWC		Allegheny	Wastewater Collection and Treatment	166,000,000	159,000,000	21,953	Post
2	A-2016-2580051	8/1/2016	Aqua PA	New Garden Twp. SA	AUS for Seller		Chester	Wastewater Collection and Treatment	29,500,000	29,500,000	2,106	Post
3	A-2017-2605434	11/16/2016	Aqua PA	Limerick Township			Montgomery	Wastewater Collection and Treatment	75,100,000	64,373,378	5,434	Post
4	A-2018-3001582	12/10/2017	Aqua PA	East Bradford Township	AUS for Seller		Chester	Wastewater Collection and Treatment	5,000,000	5,000,000	1,248	Post
5	A-2018-3003519	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Water Distribution	4,734,800	4,734,800	1,186	Post
6	A-2018-3003517	4/20/2018	SUEZ	Mahoning		Competitive 2 bidders	Carbon	Wastewater Collection	4,765,200	4,765,200	1,451	Post
7	A-2019-3008491	6/1/2018	Aqua PA	Cheltenham	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection	50,250,000	50,250,000	10,500	Post
8	A-2019-3006880	11/14/2018	PA American Water	Steelton	AUS for PAWC	Competitive 4 bidder	Dauphin	Water Treatment and Distribution	22,500,000	21,750,000	2,325	Post
9	A-2018-3002437	1/1/2017	PA American Water	Sadsbury	AUS for PAWC		Chester	Wastewater Collection	9,250,000	8,600,000	998	Post
10	A-2018-3004933	5/28/2018	PA American Water	Exeter	AUS for PAWC		Berks	Wastewater Collection and Treatment	96,000,000	93,500,000	9,000	Post
11	A-2019-3009052	10/29/2018	Aqua PA	East Norriton	AUS for Seller	Competitive 3 bidder	Montgomery	Wastewater Collection	21,000,000	21,000,000	4,950	Post
12	A-2019-3014248	9/30/2018	PA American	Kane	AUS for PAWC		McKean	Wastewater Collection and Treatment	17,560,000	17,560,000	2,006	Post
13	A-2020-3019634	12/10/2019	PA American	Royersford	AUS for PAWC		Montgomery	Wastewater Collection and Treatment	13,000,000	13,000,000	1,596	Post
14	A-2020-3019859	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Water Treatment and Distribution	7,325,000	7,325,000	1,459	Post
15	A-2020-3014248	12/17/2019	PA American	Valley	AUS for PAWC		Chester	Wastewater Collection	13,950,000	13,950,000	1,644	Post
16	A-2019-3015173	12/31/2019	Aqua PA	Delaware County Regional Water Quality Authority (DELCORA)			Delaware	Wastewater Collection and Treatment	276,500,000	276,500,000	16,473	Pending
17	A-2020-3021460	4/28/2020	PA American Water	Upper Pottsgrove	AUS for PAWC	Competitive 2 bidders PAWC & Aqua	Montgomery	Wastewater Collection	13,750,000	13,750,000	1,428	Post
18	A-2021-3024267	9/17/2020	Aqua PA	Lower Makefield	AUS for Seller	Competitive 3 bidders 2 IOUs AQUA & PAWC & 1 Muni	Bucks	Wastewater Collection and Treatment	53,000,000	53,000,000	11,151	Post
19	A-2021-3026132	1/8/2021	Aqua PA	East Whiteland Township	AUS for Seller		Chester	Wastewater Collection and Treatment	54,930,000	54,930,000	3,918	Post
20	A-2021-3027268	1/20/2021	Aqua PA	Willistown Township	AUS for Seller		Chester	Wastewater Collection and Treatment	17,500,000	17,500,000	2,294	Post
21	A-2021-3024681	4/6/2021	PA American Water	City of York	AUS for PAWC		York	Wastewater Collection and Treatment	235,000,000	235,000,000	15,851	Post
22	A-2022-3033138		Aqua PA	City of Beaver Falls				Wastewater Collection and Treatment	41,250,000	41,250,000	3,958	Pending
23	A-2022-3034143	7/8/2022	Aqua PA	Municipal Authority of the Borough of Shenandoah				Water Treatment and Distribution	12,000,000	12,000,000	2,930	Post
24	A-2021-3024058	1/1/2023	PA American Water	Borough of Brentwood	WAD for PAWC			Wastewater Collection	19,200,000	19,200,000	3,976	Pending
25	A-2022-3033138	10/20/2021	Aqua PA	City of Beaver Falls			11	Wastewater Collection and Treatment	37,750,000	37,750,000	3,252	Post
26	A-2022-3037047	10/11/2022	PA American Water	Butler Area Sewer Authority	WAD for PAWC			Wastewater Collection and Treatment	231,500,000	231,500,000	15,000	Post
27	A-2023-3041695		Aqua PA	Greenville Sewage Authority				Wastewater Collection and Treatment	18,000,000	18,000,000	2,272	Post
28	A-2025-3052983	1/24/2023	PA American Water	Elizabeth Borough Municipal Authority	WAD for PAWC			Wastewater Collection and Treatment	28,000,000	28,000,000	2,190	Post
29	A-2025-3053487	2/7/2024	PA American Water	East coventry			Chester County	Wastewater Collection and Treatment	7,000,000	7,000,000	866	Post
30	A-2025-3055741	5/30/2025	PA American Water	Indian Creek Valley Authority				Water Treatment and Distribution	32,800,000	32,800,000	2,664	Post
	End of Section 1329 Data											
					Count 20			Wastewater Collection and Treatment	18			
								Wastewater Collection	7			
								Water Treatment and Distribution	4			
								Water Distribution	1			
								All section 1329 Mean	30			

Bulletin No. 201

1912 to January1, 2025

The Handy-Whitman Index® of Public Utility Construction Costs™

Trends of Construction Costs

COMPILED & PUBLISHED BY
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COST TRENDS OF GAS UTILITY CONSTRUCTION

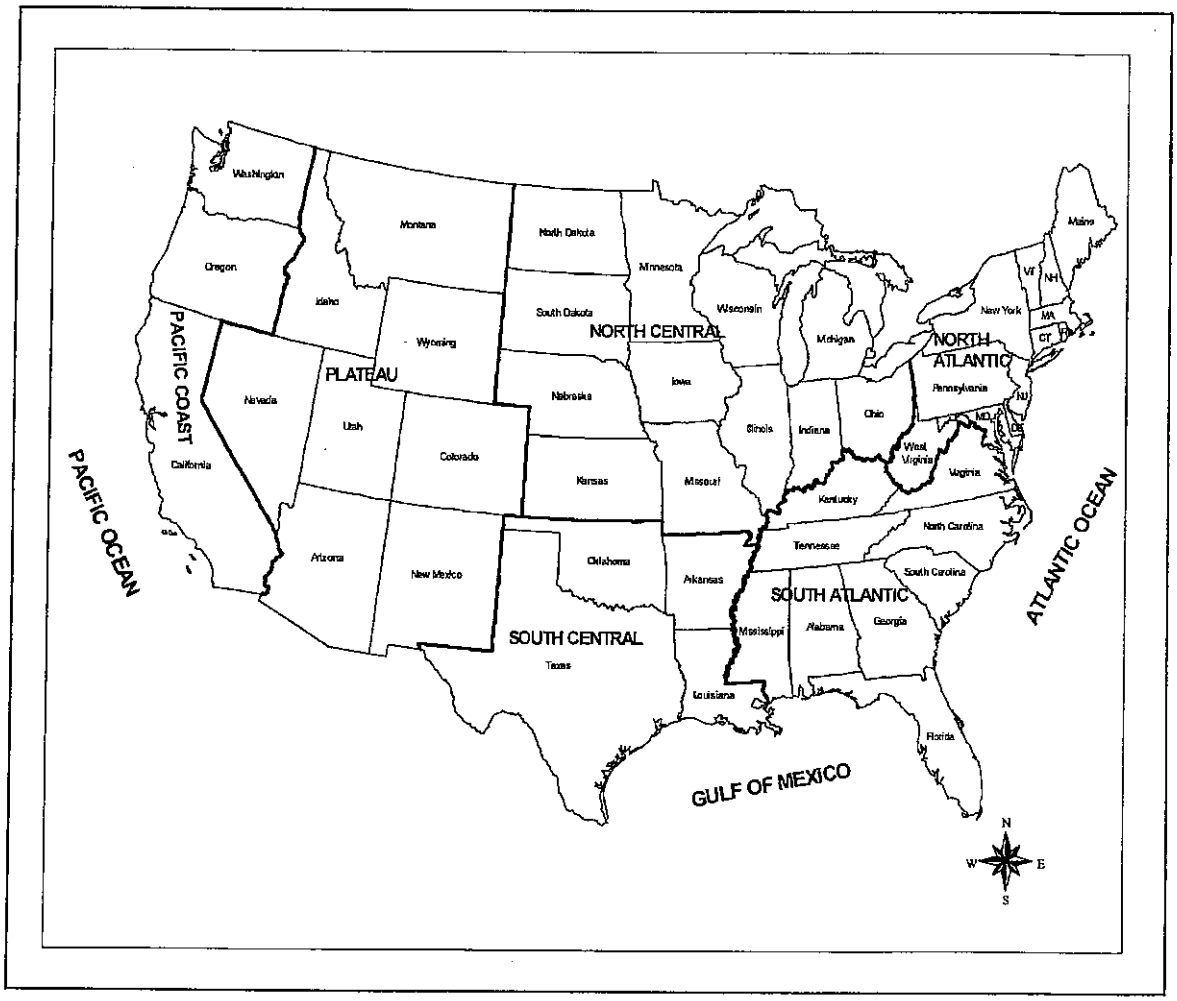
Cost Trend Tables - 1912 to January 1, 2025		
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Cost Trend Tables - 1912 to January 1, 2025		
North Atlantic Region	W-1	W-1-1
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TRENDS OF PUBLIC UTILITY CONSTRUCTION COSTS

GEOGRAPHIC REGIONS



FOREWORD

Tradition of Quality

The Handy-Whitman Index of Public Utility Construction Costs has been published continuously since 1924. Formerly the Handy Index, Bulletin Nos. 1 through 15 were developed by William W. Handy of Baltimore who had wide valuation experience in public utilities. *He believed that valuation studies should not be confined to rate cases but should be kept alive to the benefit of the utility industry.* He began publishing index numbers for electric and gas construction cost trends. Carrying on with the *tradition of quality*, after Mr. Handy's death, we continued publication for his estate beginning with Bulletin 16. Then, January 1, 1950, Whitman, Requardt and Associates, LLP purchased rights to the publication and have since been the sole publishers.

The name Handy-Whitman Index was adopted for Bulletin No. 53 and succeeding issues to combine the names of Mr. Handy and Ezra B. Whitman, a well-known valuation engineer. In 1957 an index of water utility construction costs was added. Mr. Whitman was a consultant on the publication of the Index until his death in 1963.

Whitman, Requardt and Associates, LLP

Ezra B. Whitman, a well-known valuation engineer was one of the founders of our firm. Major Whitman, as he was known from his World War I service, had already made a name for himself. Prior to the founding of the firm in 1915, Major Whitman had been President and Chief Engineer of the Water Board of the City of Baltimore. He designed the first rapid sand filtration plant serving a major city while he was the Baltimore Water Engineer. He was also president of the American Society of Civil Engineers and of the American Institute of Consulting Engineers and a chairman of the Public Service Commission of Maryland.

The Handy-Whitman Index is prepared especially for electric, gas and water utilities and is the only known publication of its kind available to the public. The list of subscribers is international and includes operating utilities, regulatory bodies, valuation engineers, equipment industries, insurance companies and reference libraries.

Tradition of Quality Continued

Since 1915, Whitman, Requardt and Associates, LLP, has been an independent consulting engineering firm organized to serve government, industry and private enterprise.

The firm has steadily expanded its engineering capabilities, providing complete services for civil, sanitary, structural, mechanical and electrical engineering and architectural projects from job inception through construction management. Construction cost data from utility projects of all types are available from design and valuation assignments. The staff is composed of specialists in these and related disciplines who bring a diverse professional and academic expertise to each assignment. A full-time staff is maintained specifically for preparing the Handy-Whitman Index.

Methods of Preparation of Indexes

An index number is a percentage ratio between the cost of an item at any stated time and its cost at a base period, or:

$$\text{Index Number} = \frac{\text{cost at stated time}}{\text{cost at base period}} \times 100$$

Index numbers have been prepared for many items, including wage rates, cost-of-living, material and equipment costs, and financial transactions. In the Handy-Whitman Index, index numbers have been developed for Building Construction, Electric Utility Construction, Gas Utility Construction and Water Utility Construction. Prices of basic materials such as cement, sand, gravel, cast iron pipe, wire, etc., are obtained from publications such as Engineering News-Record and checked against prices actually being paid for such materials. Labor cost trends are computed from labor rates obtained from sources such as the Construction Labor Research Council. Prices and cost trends of equipment are obtained from nationally recognized manufacturers, and operating utilities.

Handy-Whitman Index numbers are developed from wage rates and prices prevailing on January 1 and July 1 each year. The index numbers are generally based on 1973 = 100, although those items of recent origin are based on a later year.

The proportions of basic materials, labor, equipment and other cost components used in the Handy-Whitman Index are based on analyses developed during valuation and design assignments and on data furnished by utilities and industrial sources willing to assist with the Index. These data are reviewed continuously, and weightings and components are revised as required. This review assures that the indexes published reflect current construction practice.

Geographic Regions

To reflect differing cost trends throughout the 48 contiguous states, the index has been divided into six geographical regions of similar characteristics. They are shown on the accompanying map.

Use of Index Numbers

Handy-Whitman Index numbers have been widely used to trend earlier valuations and original cost records to estimate reproduction cost at prices prevailing at a certain date. The use of indexes for an appropriate property item or group will provide a reliable guide to changes in cost. Cost trends are given for all the important items of property. The electric and gas groups are arranged by the Federal Energy Regulatory Commission Uniform System of Accounts. The water property accounts are arranged to follow the classification of the National Association of Regulatory Utility Commissioners and the American Water Works Association.

The Handy-Whitman Index will furnish a yardstick for the fluctuations in value of property which will be satisfactory for many purposes. In rate cases, when a more exact determination of value is desired, however, the Index must be used carefully. Average prices and cost trends are used to develop the Index, and any direct application of cost trends without checking with actual local experience may not be accepted without controversy. When local experience is compared with the index and the correlation between the two trends is determined, the result is satisfactory. Costs trended by such a method are used to assist in establishing a rate base.

Indexes in these bulletins are used to trend earlier valuations or original cost records for insurance purposes.

The Handy-Whitman Index has a general application in valuations of all types of property. The building construction cost trends may be used wherever similar items of property are to be compared. Many of the other trends may be used for related items in other industries because of their similarity.

State-of-the-art changes often affect costs independently of inflation. New regulatory and environmental requirements, changes in work rules and improved design standards, for instance, increase construction costs even though the price of wages, materials and equipment may be static. Trended construction costs will not reflect such changes. However, trended costs are a reasonably accurate measure of the cost of reproducing actual plant.

Although every effort is made to maintain accuracy, Whitman, Requardt and Associates, LLP disclaim any responsibility for the use of these indexes, because local conditions may vary.

No guarantee or warranty of any kind is made in the sale of the Handy-Whitman Index. Published numbers are occasionally subject to change based upon receipt of new or different information. These numbers will be bolded.

Further inquiries on electric, gas and water indexes should be addressed to Whitman, Requardt and Associates, LLP.

Total Electric Plant and Function

Three indexes are provided for total plant. The first is for all steam generation and the other two for weighted combinations of steam and nuclear, and steam and hydro generation. Indexes are also provided for each function.

Indexes are not maintained for plant accounts 323,324,325,341,345 and 346. We believe that indexes for comparable accounts in other functions are sufficiently accurate for these accounts.

The indexes for total nuclear production and total other production incorporate comparable indexes from the steam production function for the accounts not listed.

Value of Index Numbers

We believe that present-day reproduction cost of any property can be calculated more accurately using index numbers than by repricing a complete inventory.

Trending the controlling items of property in any utility by the index method saves time and effort in arriving at a valuation. Analyzing and determining cost trends for all of the great numbers of articles of plant that represent only a very small proportion of the value of the utility is not necessary. They may be assumed to follow in general the trend of the controlling items, and the fluctuations in value above or below the trends of the controlling items will tend to offset each other and have a very slight effect on the total value.

Comments on Bulletin No. 201

During the twelve-month period ending January 1, 2025, the average index of all geographical regions for Total Gas Plant increased 2.9%, and the comparable index for Electric Plant-All Steam Generation increased 3.0%.

May 2025
Whitman, Requardt and Associates, LLP

Cost Trends of

Water Utility Construction

COST TREND TABLES
1912 to January 1, 2025

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COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	7	7	7	7	9	13	15	15	17	16	16	16	16	16
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	8	8	8	9	11	16	17	18	20	18	18	18	19	18
9	Electric Pumping Equipment	311	-	-	15	15	17	20	22	24	24	23	21	22	23	23
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	8	8	8	9	11	16	17	18	20	18	18	18	19	18
16	Large Treatment Plant Equip.	320	9	9	9	9	11	14	16	17	20	19	18	18	20	20
17	Small Treatment Plant Equip.	320	10	10	10	10	13	17	19	19	22	20	20	20	21	20
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	4	4	4	12	15	17	19	20	15	13	12	13	13	13
24	Elevated Steel Tanks	330	4	4	4	11	14	16	18	19	16	13	11	12	11	10
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Steel Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Concrete Cylinder Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	9	10	8	9	11	16	19	20	22	22	20	21	22	21
35	Cast Iron Mains	331	9	10	9	9	12	18	20	22	25	24	22	23	24	23
36	Cement-Asbestos Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Steel Mains	331	6	7	6	7	8	11	13	13	14	15	14	14	14	15
38	PVC Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Services Installed	333	6	6	5	6	6	9	10	11	12	13	12	12	13	13
40	Meters	334	23	23	23	23	26	29	35	37	37	37	37	37	37	37
41	Meter Installations	334	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Hydrants Installed	335	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		14	16	13	14	26	38	31	29	29	24	25	26	24	23
47	Clarifier Equipment-Installed		-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Filter Gallery Piping-Installed		8	8	8	8	10	14	16	18	20	18	17	18	19	19
49																
50																
51																
52																
53																
54																
55																
56																

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COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	17	17	17	17	17	16	14	14	15	15	15	17	17	17
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	19	18	18	18	17	16	15	15	16	16	16	18	18	18
9	Electric Pumping Equipment	311	23	23	23	22	22	22	22	23	24	24	25	26	26	26
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	19	18	18	18	17	16	15	15	16	16	16	18	18	18
16	Large Treatment Plant Equip.	320	20	20	20	20	20	19	17	17	18	18	18	20	20	20
17	Small Treatment Plant Equip.	320	20	20	20	20	20	19	17	17	19	19	19	21	21	21
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	12	12	12	12	11	10	9	9	12	11	12	14	14	14
24	Elevated Steel Tanks	330	11	10	10	10	10	9	8	8	10	10	11	12	13	13
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Steel Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Concrete Cylinder Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	21	21	20	20	20	20	18	18	19	19	20	21	22	22
35	Cast Iron Mains	331	23	21	20	21	21	20	18	18	20	20	21	23	24	24
36	Cement-Asbestos Mains	331	-	-	-	-	-	-	-	-	-	-	31	32	32	33
37	Steel Mains	331	15	15	15	16	16	16	14	13	14	14	14	16	16	16
38	PVC Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Services Installed	333	13	13	13	14	14	14	13	11	12	13	13	14	14	14
40	Meters	334	37	37	37	37	37	37	37	35	26	26	26	31	32	32
41	Meter Installations	334	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Hydrants Installed	335	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		23	22	22	22	21	20	20	20	21	21	23	26	25	25
47	Clarifier Equipment-Installed		-	-	-	-	-	-	-	-	-	-	-	17	23	24
48	Filter Gallery Piping-Installed		19	18	18	18	18	18	15	16	18	18	18	19	20	20
49																
50																
51																
52																
53																
54																
55																
56																

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COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	17	18	20	20	20	21	23	27	31	32	33	35	36	38
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	18	19	20	21	21	22	24	28	32	35	36	38	38	39
9	Electric Pumping Equipment	311	26	27	27	27	27	27	31	39	43	45	49	55	55	55
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	18	19	20	21	21	22	24	28	32	35	36	38	38	39
16	Large Treatment Plant Equip.	320	21	22	23	24	24	25	28	32	35	36	38	40	41	42
17	Small Treatment Plant Equip.	320	21	22	24	24	24	25	28	33	37	39	41	43	43	44
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	14	16	16	13	14	16	20	26	29	27	28	30	31	32
24	Elevated Steel Tanks	330	12	15	15	14	15	14	17	23	26	25	26	28	29	31
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	-	-	-	-	-	-	-	-	-	-	-	42	43	45
28	Steel Mains	331	-	-	-	-	-	-	-	-	-	-	-	40	40	43
29	Concrete Cylinder Mains	331	-	-	-	-	-	-	-	-	-	-	-	44	45	47
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	23	23	24	25	25	26	29	35	41	42	43	45	47	48
35	Cast Iron Mains	331	24	25	27	27	28	28	32	39	46	46	48	50	51	53
36	Cement-Asbestos Mains	331	33	34	36	36	37	37	44	49	59	61	62	64	65	67
37	Steel Mains	331	16	17	18	18	18	19	21	24	28	29	31	32	34	36
38	PVC Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Services Installed	333	14	15	16	16	17	17	19	22	25	27	28	29	31	33
40	Meters	334	33	35	37	37	37	37	40	42	48	52	59	61	61	65
41	Meter Installations	334	-	-	-	-	-	-	-	-	-	29	31	34	35	36
42	Hydrants Installed	335	-	-	-	-	-	-	-	-	-	35	37	41	41	43
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		25	27	28	28	28	30	33	38	44	45	45	49	49	50
47	Clarifier Equipment-Installed		25	26	27	27	27	29	32	37	43	43	44	46	46	49
48	Filter Gallery Piping-Installed		21	21	22	22	22	23	25	30	35	37	37	39	40	41
49																
50																
51																
52																
53																
54																
55																
56																

COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	39	41	44	47	49	51	52	53	55	56	57	59	61	64
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	41	43	46	49	50	52	53	53	54	55	56	57	59	61
9	Electric Pumping Equipment	311	55	56	63	69	73	74	74	71	71	71	73	74	78	81
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	41	43	46	49	50	52	53	53	54	55	56	57	59	61
16	Large Treatment Plant Equip.	320	44	45	48	50	52	54	55	56	58	59	60	62	64	67
17	Small Treatment Plant Equip.	320	46	47	50	53	54	56	58	58	60	60	62	63	66	68
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	32	33	38	42	37	36	35	35	35	41	44	45	46	47
24	Elevated Steel Tanks	330	31	33	35	38	38	38	38	37	36	37	38	38	41	44
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	47	50	52	56	57	61	62	63	64	65	66	67	69	71
28	Steel Mains	331	44	46	49	52	55	57	57	58	59	60	61	63	65	67
29	Concrete Cylinder Mains	331	48	50	52	54	56	59	60	60	61	62	62	64	66	70
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	51	53	57	60	63	65	68	69	71	72	73	74	75	76
35	Cast Iron Mains	331	56	59	62	66	68	72	73	75	77	79	79	80	80	81
36	Cement-Asbestos Mains	331	68	70	75	78	81	84	86	86	87	89	88	81	82	82
37	Steel Mains	331	38	40	43	46	48	51	53	55	56	58	60	63	65	66
38	PVC Mains	331	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Services Installed	333	35	36	39	41	44	46	48	50	51	53	55	58	60	63
40	Meters	334	67	70	77	78	78	78	78	78	84	87	87	93	101	101
41	Meter Installations	334	38	40	44	45	46	48	51	52	54	55	57	59	62	65
42	Hydrants Installed	335	44	44	48	50	51	53	54	55	56	57	58	58	61	64
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		52	53	57	58	58	59	60	61	61	62	65	66	67	68
47	Clarifier Equipment-Installed		50	49	53	55	57	58	58	59	60	60	63	65	66	67
48	Filter Gallery Piping-Installed		44	46	48	50	53	54	56	57	58	59	60	61	63	65
49																
50																
51																
52																
53																
54																
55																
56																

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COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	67	72	78	86	94	100	115	127	133	139	148	164	179	189
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	64	69	75	84	92	100	117	127	130	137	148	163	181	191
9	Electric Pumping Equipment	311	81	84	89	93	96	100	122	155	174	184	192	205	222	245
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	64	69	75	84	92	100	117	127	130	137	148	163	181	191
16	Large Treatment Plant Equip.	320	69	73	79	89	96	100	118	134	144	152	162	175	191	208
17	Small Treatment Plant Equip.	320	70	74	80	90	96	100	120	139	150	160	172	186	204	223
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	49	53	75	82	85	100	140	159	171	172	173	178	191	208
24	Elevated Steel Tanks	330	48	55	71	80	86	100	152	183	182	183	195	206	228	250
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	74	78	84	91	96	100	129	137	142	150	158	166	180	196
28	Steel Mains	331	69	74	80	88	96	100	113	125	133	141	152	166	180	199
29	Concrete Cylinder Mains	331	72	78	80	88	95	100	113	134	138	140	148	162	176	189
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	77	80	84	94	98	100	110	146	154	162	173	185	202	219
35	Cast Iron Mains	331	82	83	88	97	99	100	143	158	163	167	178	185	202	218
36	Cement-Asbestos Mains	331	82	85	88	97	98	100	127	148	159	167	176	202	212	234
37	Steel Mains	331	68	72	78	88	97	100	115	128	139	151	164	179	197	212
38	PVC Mains	331	-	-	-	-	-	-	25	100	104	108	113	122	132	138
39	Services Installed	333	66	72	79	89	96	100	115	123	130	139	145	160	175	184
40	Meters	334	101	106	108	108	106	100	93	93	98	101	105	108	122	127
41	Meter Installations	334	68	73	79	89	97	100	113	120	131	147	152	162	177	189
42	Hydrants Installed	335	68	72	80	90	96	100	123	143	157	167	182	194	207	222
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		69	74	82	93	98	100	139	174	195	218	246	290	350	406
47	Clarifier Equipment-Installed		68	72	82	93	98	100	140	167	181	199	210	232	272	310
48	Filter Gallery Piping-Installed		68	72	78	90	97	100	119	130	136	144	151	158	171	185
49																
50																
51																
52																
53																
54																
55																
56																

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COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	197	206	217	227	234	238	248	255	258	262	270	282	295	302
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	198	206	218	225	233	239	251	265	271	274	281	294	308	316
9	Electric Pumping Equipment	311	260	271	277	282	284	299	311	330	349	355	368	386	428	442
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	198	206	218	225	233	239	251	265	271	274	281	294	308	316
16	Large Treatment Plant Equip.	320	227	242	251	262	269	276	286	301	313	322	332	342	348	357
17	Small Treatment Plant Equip.	320	243	259	268	279	286	293	303	317	328	334	343	354	360	366
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	210	182	184	181	184	196	220	216	229	253	261	248	246	250
24	Elevated Steel Tanks	330	244	197	200	198	207	219	260	268	278	285	277	249	242	252
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	208	222	225	236	235	242	253	266	273	279	284	295	305	305
28	Steel Mains	331	215	223	230	234	232	241	255	272	279	287	293	302	316	324
29	Concrete Cylinder Mains	331	203	213	218	232	239	243	258	269	277	288	295	303	311	317
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	231	239	244	254	255	263	280	295	301	307	311	321	327	332
35	Cast Iron Mains	331	223	245	253	264	263	269	282	296	304	313	320	329	339	341
36	Cement-Asbestos Mains	331	253	244	249	255	259	275	315	340	338	332	319	335	338	354
37	Steel Mains	331	233	228	231	237	242	248	265	277	281	288	295	302	304	311
38	PVC Mains	331	137	151	149	151	150	160	197	217	211	200	183	193	191	204
39	Services Installed	333	198	207	215	221	226	230	245	258	262	272	283	292	300	307
40	Meters	334	128	141	148	135	135	137	140	150	159	162	196	195	175	200
41	Meter Installations	334	207	230	239	247	255	259	269	282	294	310	320	337	347	358
42	Hydrants Installed	335	245	264	270	285	296	307	320	343	363	372	378	385	391	398
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		458	496	506	540	560	575	579	580	565	528	539	555	562	566
47	Clarifier Equipment-Installed		356	389	398	431	442	446	451	455	442	416	435	458	492	514
48	Filter Gallery Piping-Installed		201	217	223	234	237	243	251	266	279	289	297	309	319	321
49																
50																
51																
52																
53																
54																
55																
56																

COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS															
												2005		2006		2007	
			1996	1997	1998	1999	2000	2001	2002	2003	2004	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Source of Supply Plant**																
2	Collecting & Impounding Res.	305	309	317	318	318	326	336	344	350	373	388	394	400	405	413	439
3																	
4																	
5																	
6																	
7	**Pumping Plant**																
8	Structures & Improvements	304	321	331	337	343	362	378	389	394	421	442	447	456	464	481	494
9	Electric Pumping Equipment	311	450	473	489	505	530	527	529	543	572	604	611	620	619	639	628
10																	
11																	
12																	
13																	
14	**Water Treatment Plant**																
15	Structures & Improvements	304	321	331	337	343	362	378	389	394	421	442	447	456	464	481	494
16	Large Treatment Plant Equip.	320	367	380	391	401	413	428	443	452	466	480	482	499	500	516	533
17	Small Treatment Plant Equip.	320	375	389	401	410	424	439	452	460	480	498	502	520	518	539	559
18																	
19																	
20																	
21																	
22	**Transmission Plant**																
23	Steel Reservoirs	330	251	255	268	268	270	274	275	276	308	329	338	348	375	494	537
24	Elevated Steel Tanks	330	268	273	283	288	299	341	429	431	481	524	524	524	596	657	657
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																	
27	Cast Iron Mains	331	311	320	323	328	348	363	383	385	393	411	415	442	451	480	484
28	Steel Mains	331	329	337	342	351	377	391	400	404	451	509	508	530	539	528	527
29	Concrete Cylinder Mains	331	324	331	338	345	372	404	415	415	425	436	440	454	459	460	462
30																	
31																	
32																	
33	**Distribution Plant**																
34	Mains-Average All Types	331	339	347	355	361	377	391	404	407	432	462	464	485	494	524	523
35	Cast Iron Mains	331	348	358	364	370	390	404	421	425	436	457	460	483	492	525	528
36	Cement-Asbestos Mains	331	364	372	375	382	405	423	444	446	460	480	483	538	546	599	597
37	Steel Mains	331	316	322	334	339	346	358	363	367	416	459	460	467	477	494	487
38	PVC Mains	331	211	216	216	219	231	242	253	254	263	277	278	321	321	365	361
39	Services Installed	333	321	323	330	334	348	354	360	368	388	404	407	421	459	478	481
40	Meters	334	207	197	197	198	205	206	207	207	207	207	207	235	248	260	262
41	Meter Installations	334	375	381	387	392	406	417	428	440	456	466	467	482	530	549	552
42	Hydrants Installed	335	418	475	493	508	526	551	565	570	585	597	597	613	647	663	669
43																	
44																	
45	**Miscellaneous Items**																
46	Flocculating Equipment-Installed		579	603	622	642	652	671	683	697	758	801	801	852	852	869	983
47	Clarifier Equipment-Installed		540	562	572	579	593	603	617	630	663	709	709	729	729	760	892
48	Filter Gallery Piping-Installed		328	337	344	349	363	378	398	408	421	438	438	468	470	500	501
49																	
50																	
51																	
52																	
53																	
54																	
55																	
56																	

COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			2008		2009		2010		2011		2012		2013		2014	
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	457	466	470	465	475	478	492	495	501	502	507	505	515	517
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	516	543	551	536	552	558	571	583	597	600	618	608	621	630
9	Electric Pumping Equipment	311	640	666	679	688	707	701	708	760	780	785	800	844	856	900
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	516	543	551	536	552	558	571	583	597	600	618	608	621	630
16	Large Treatment Plant Equip.	320	566	582	614	616	631	638	642	653	669	680	689	697	713	725
17	Small Treatment Plant Equip.	320	602	624	666	669	686	693	706	712	740	754	764	779	800	813
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	537	722	722	722	722	722	771	771	795	810	778	780	715	742
24	Elevated Steel Tanks	330	680	866	866	866	866	867	1079	1079	1059	1082	1089	1099	1131	1131
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	510	534	578	576	601	601	602	610	634	669	691	684	712	743
28	Steel Mains	331	543	606	605	585	593	609	644	658.5	711	708	724	704	694	708
29	Concrete Cylinder Mains	331	468	475	502	502	494	495	510	517	523	526	547	534	535	547
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	550	588	624	608	617	623	633	644	669	690	698	693	720	733
35	Cast Iron Mains	331	556	579	625	624	647	648	654	660	681	716	733	730	759	781
36	Cement-Asbestos Mains	331	621	632	691	678	638	649	658	683	716	721	712	707	704	721
37	Steel Mains	331	514	582	595	559	565	575	593	606	633	637	638	631	665	665
38	PVC Mains	331	372	374	419	408	353	363	369	389	412	412	391	392	383	383
39	Services Installed	333	501	511	534	534	545	554	568	574	589	600	602	602	603	605
40	Meters	334	373	373	373	373	374	376	379	379	379	379	380	381	381	381
41	Meter Installations	334	572	573	597	598	612	623	635	635	646	673	677	677	688	688
42	Hydrants Installed	335	693	699	732	731	740	721	730	731	757	758	774	784	807	849
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		1187	1373	1645	1645	1699	1744	1823	1848	1904	1973	1978	2015	2041	2078
47	Clarifier Equipment-Installed		920	944	997	997	991	1001	1056	1060	1077	1102	1105	1136	1154	1162
48	Filter Gallery Piping-Installed		530	543	589	590	613	614	620	620	641	666	677	680	713	728
49																
50																
51																
52																
53																
54																
55																
56																

COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			2015		2016		2017		2018		2019		2020		2021	
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	526	521	526	532	543	549	559	570	576	575	584	583	605	648
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	642	646	655	659	672	671	687	706	717	713	719	730	762	815
9	Electric Pumping Equipment	311	928	931	990	1013	1052	1135	1146	1216	1261	1346	1374	1454	1436	1465
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	642	646	655	659	672	671	687	706	717	713	719	730	762	815
16	Large Treatment Plant Equip.	320	736	737	755	758	774	785	797	812	832	842	871	890	922	946
17	Small Treatment Plant Equip.	320	832	840	861	864	881	897	911	934	960	975	1012	1035	1075	1107
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	742	742	742	774	784	784	801	820	832	832	836	836	836	990
24	Elevated Steel Tanks	330	1131	1131	1131	1143	1161	1161	1181	1200	1244	1244	1244	1244	1244	1473
25	Concrete Reservoirs	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26																
27	Cast Iron Mains	331	733	744	754	759	793	785	810	825	844	858	884	895	931	979
28	Steel Mains	331	712	713	697	705	723	726	733	770	792	785	824	830	845	962
29	Concrete Cylinder Mains	331	562	575	591	592	601	592	620	626	639	641	638	653	664	682
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	736	738	747	750	774	772	790	801	819	826	847	850	883	911
35	Cast Iron Mains	331	780	785	795	797	832	826	855	864	883	894	920	924	952	977
36	Cement-Asbestos Mains	331	724	731	741	743	751	746	763	770	784	793	820	831	900	931
37	Steel Mains	331	673	670	678	681	697	701	704	717	734	736	748	748	775	805
38	PVC Mains	331	387	387	388	388	387	387	397	397	401	401	417	418	471	472
39	Services Installed	333	617	616	622	617	638	651	661	667	677	684	706	701	712	739
40	Meters	334	400	400	403	403	404	418	434	434	443	443	459	459	485	485
41	Meter Installations	334	702	702	709	708.5	722	733	750	750	765	772	790	797	815	838
42	Hydrants Installed	335	877	930	971	972	980	981	1012	1024	1049	1063	1101	1104	1184	1220
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		2167	2177	2192	2192	2198	2213	2223	2264	2360	2360	2470	2481	2567	2617
47	Clarifier Equipment-Installed		1184	1188	1229	1272	1311	1315	1369	1401	1462	1462	1523	1557	1662	1718
48	Filter Gallery Piping-Installed		727	728	735	738	772	772	801	808	825	834	868	866	900	920
49																
50																
51																
52																
53																
54																
55																
56																

COST TRENDS OF WATER UTILITY CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	NARUC	COST INDEX NUMBERS													
			2022		2023		2024		2025		2026		2027		2028	
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Source of Supply Plant**															
2	Collecting & Impounding Res.	305	693	704	676	730	765									
3																
4																
5																
6																
7	**Pumping Plant**															
8	Structures & Improvements	304	881	905	912	953	974									
9	Electric Pumping Equipment	311	1593	1787	1801	1841	1983									
10																
11																
12																
13																
14	**Water Treatment Plant**															
15	Structures & Improvements	304	881	905	912	953	974									
16	Large Treatment Plant Equip.	320	1012	1065	1122	1138	1207									
17	Small Treatment Plant Equip.	320	1188	1259	1329	1349	1441									
18																
19																
20																
21																
22	**Transmission Plant**															
23	Steel Reservoirs	330	1113	1218	1219	1237	1232									
24	Elevated Steel Tanks	330	1656	1813	1814	1840	1833									
25	Concrete Reservoirs	330	-	-	-	-	-									
26																
27	Cast Iron Mains	331	1065	1132	1220	1240	1357									
28	Steel Mains	331	1046	1057	1270	1282	1296									
29	Concrete Cylinder Mains	331	724	751	776	806	831									
30																
31																
32																
33	**Distribution Plant**															
34	Mains-Average All Types	331	984	1021	1080	1087	1165									
35	Cast Iron Mains	331	1048	1101	1170	1185	1308									
36	Cement-Asbestos Mains	331	1007	1036	1167	1179	1185									
37	Steel Mains	331	881	898	918	910	950									
38	PVC Mains	331	503	505	594	595	581									
39	Services Installed	333	782	797	840	851	875									
40	Meters	334	803	826	973	973	1074									
41	Meter Installations	334	895	898	943	944	964									
42	Hydrants Installed	335	1283	1373	1429	1429	1474									
43																
44																
45	**Miscellaneous Items**															
46	Flocculating Equipment-Installed		2850	3009	3171	3197	3394									
47	Clarifier Equipment-Installed		1860	1999	2164	2199	2394									
48	Filter Gallery Piping-Installed		988	1023	1090	1090	1190									
49																
50																
51																
52																
53																
54																
55																
56																

Cost Trends Of

Building Construction

COST TREND TABLES
1912 to January 1, 2025

COST TRENDS OF BUILDING CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION, MATERIAL, AND LABOR	COST INDEX NUMBERS															
		1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	8	8	8	8	12	18	19	19	20	15	14	17	17	17	17	16
3	Brick Building Construction	8	8	8	9	11	15	17	19	21	17	16	18	19	18	18	18
4	Structural Steel Erected	9	9	9	8	16	29	26	22	22	16	15	19	19	17	17	16
5	Reinf. Concrete (Ready-Mix)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Reinf. Concrete (Plant-Mix)	7	7	7	8	10	13	16	17	18	14	14	15	17	17	16	16
7																	
8	**Building Material**																
9	Ready-Mix Concrete	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Lumber for Reinf. Concrete	7	7	7	7	9	13	19	19	20	14	13	15	19	19	15	15
11	Steel Bars for Reinf. Concrete	15	15	15	17	34	47	37	35	37	24	22	28	29	27	25	24
12	Common Brick	10	10	10	14	16	19	20	27	34	31	30	33	30	28	28	28
13	Concrete Block	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14																	
15	**Labor**																
16	Building Trades Labor	6	6	6	6	6	7	8	10	11	11	11	12	13	14	15	15
17	Heavy Constr. Trades Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Labor for Reinf. Concrete	5	5	5	5	5	6	8	10	11	9	9	10	11	11	11	11
19	Common Labor	4	4	4	4	5	5	8	10	11	9	8	9	9	9	9	9
20	Electricians	5	5	5	6	6	6	8	9	10	11	11	11	12	13	14	14
21	Pipefitters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Plumbers	6	6	6	6	6	7	8	9	9	11	11	12	12	13	14	14
23																	

Line	CONSTRUCTION, MATERIAL, AND LABOR	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	16	16	15	14	12	13	15	15	15	16	16	16	17	18	20	20
3	Brick Building Construction	18	17	17	16	14	14	16	16	16	17	17	17	17	19	20	20
4	Structural Steel Erected	16	16	15	13	11	12	14	15	15	17	15	15	15	19	20	20
5	Reinf. Concrete (Ready-Mix)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Reinf. Concrete (Plant-Mix)	16	16	15	14	12	13	15	15	15	17	17	17	17	18	19	19
7																	
8	**Building Material**																
9	Ready-Mix Concrete	-	-	-	-	-	-	32	32	32	33	33	32	31	31	32	33
10	Lumber for Reinf. Concrete	15	15	14	12	10	12	16	13	13	15	15	15	16	19	21	22
11	Steel Bars for Reinf. Concrete	24	25	22	20	20	21	24	23	25	31	29	28	27	28	28	28
12	Common Brick	25	23	20	20	19	19	22	20	20	20	20	20	20	21	22	22
13	Concrete Block	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14																	
15	**Labor**																
16	Building Trades Labor	15	15	15	15	14	12	13	13	13	15	15	15	16	17	18	18
17	Heavy Constr. Trades Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Labor for Reinf. Concrete	11	11	10	10	9	9	11	11	11	12	13	13	14	14	14	15
19	Common Labor	9	9	9	9	8	6	8	9	9	10	10	11	11	12	12	13
20	Electricians	14	15	15	16	16	14	14	14	15	16	16	17	17	18	19	19
21	Pipefitters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Plumbers	14	15	15	15	13	13	14	14	14	15	16	16	17	17	18	18
23																	

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COST TRENDS OF BUILDING CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION, MATERIAL, AND LABOR	COST INDEX NUMBERS															
		1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	20	20	24	28	32	34	35	37	38	40	42	44	48	52	53	55
3	Brick Building Construction	21	21	24	28	32	34	35	37	38	39	41	42	46	49	50	52
4	Structural Steel Erected	20	20	24	30	37	39	41	43	43	47	48	50	59	66	67	67
5	Reinf. Concrete (Ready-Mix)	-	-	-	-	-	-	-	-	35	37	39	41	43	46	48	50
6	Reinf. Concrete (Plant-Mix)	20	21	24	27	30	31	32	34	35	36	38	40	42	44	45	47
7																	
8	**Building Material**																
9	Ready-Mix Concrete	33	33	35	39	44	45	46	47	49	50	54	57	60	63	66	66
10	Lumber for Reinf. Concrete	23	23	29	33	38	34	37	37	38	36	39	42	44	45	44	47
11	Steel Bars for Reinf. Concrete	28	28	30	34	37	43	45	47	48	51	53	56	61	68	70	72
12	Common Brick	23	27	31	33	38	42	43	47	47	48	50	51	52	53	54	54
13	Concrete Block	-	-	-	-	-	56	58	62	63	63	62	67	69	70	69	73
14																	
15	**Labor**																
16	Building Trades Labor	18	19	21	23	26	27	28	31	31	33	34	36	37	39	41	43
17	Heavy Constr. Trades Labor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Labor for Reinf. Concrete	15	16	18	22	24	25	26	27	29	30	32	33	35	37	39	41
19	Common Labor	13	14	17	19	21	23	24	25	27	28	30	31	33	35	37	40
20	Electricians	19	19	20	23	25	27	28	30	32	33	34	35	37	38	41	42
21	Pipefitters	-	-	-	-	-	26	27	28	29	31	32	33	35	35	39	41
22	Plumbers	18	18	19	22	25	27	28	29	30	32	34	35	37	38	40	41
23																	

Line	CONSTRUCTION, MATERIAL, AND LABOR	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	55	54	55	55	57	58	59	62	65	70	75	84	91	100	121	134
3	Brick Building Construction	53	52	53	54	56	57	59	61	64	68	74	84	91	100	118	127
4	Structural Steel Erected	66	62	62	62	63	63	65	66	69	74	77	83	89	100	140	161
5	Reinf. Concrete (Ready-Mix)	51	52	53	54	55	57	59	61	64	69	77	88	94	100	111	119
6	Reinf. Concrete (Plant-Mix)	49	48	50	51	52	53	56	58	61	66	73	83	91	100	108	115
7																	
8	**Building Material**																
9	Ready-Mix Concrete	66	66	66	65	64	64	65	65	68	73	82	91	94	100	112	123
10	Lumber for Reinf. Concrete	47	39	41	40	39	38	41	42	46	53	53	63	75	100	93	91
11	Steel Bars for Reinf. Concrete	72	72	72	72	74	81	82	81	81	81	84	91	91	100	157	156
12	Common Brick	56	56	56	57	58	58	60	62	65	65	68	78	84	100	123	126
13	Concrete Block	68	70	70	70	70	67	70	72	75	77	81	90	98	100	109	113
14																	
15	**Labor**																
16	Building Trades Labor	45	46	48	50	52	54	56	59	62	68	76	87	96	100	108	115
17	Heavy Constr. Trades Labor	-	45	47	48	50	53	56	58	61	67	76	86	96	100	107	116
18	Labor for Reinf. Concrete	43	45	47	49	51	53	56	58	62	67	77	88	96	100	108	116
19	Common Labor	42	44	45	47	49	52	55	58	61	66	75	88	97	100	109	117
20	Electricians	43	45	48	49	51	53	55	57	60	64	72	82	91	100	108	117
21	Pipefitters	41	44	45	45	48	50	52	55	57	62	70	85	97	100	107	114
22	Plumbers	43	44	46	48	49	51	53	56	58	64	71	86	96	100	107	114
23																	

COST TRENDS OF BUILDING CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION, MATERIAL, AND LABOR	COST INDEX NUMBERS															
		1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	134	139	150	167	184	190	189	196	211	222	229	234	246	258	262	257
3	Brick Building Construction	130	136	148	164	183	192	197	206	217	225	233	239	252	265	271	272
4	Structural Steel Erected	153	154	170	193	225	227	202	202	225	240	249	255	272	286	286	261
5	Reinf. Concrete (Ready-Mix)	124	131	140	154	166	176	191	201	210	220	225	229	238	244	251	260
6	Reinf. Concrete (Plant-Mix)	122	130	139	154	160	167	177	187	196	204	209	0	220	230	232	238
7																	
8	**Building Material**																
9	Ready-Mix Concrete	126	133	143	163	185	207	226	227	235	248	245	252	254	244	250	255
10	Lumber for Reinf. Concrete	106	118	130	148	139	138	135	143	144	140	140	146	143	148	147	145
11	Steel Bars for Reinf. Concrete	145	147	166	206	215	216	203	190	198	202	205	205	227	232	222	199
12	Common Brick	130	136	159	190	232	247	255	257	256	246	258	270	292	320	320	316
13	Concrete Block	116	120	139	185	210	228	260	260	262	278	285	287	285	301	288	288
14																	
15	**Labor**																
16	Building Trades Labor	122	129	135	143	152	164	184	199	212	221	229	234	245	256	268	285
17	Heavy Constr. Trades Labor	123	131	137	146	155	165	184	199	210	220	229	233	244	255	264	279
18	Labor for Reinf. Concrete	122	130	137	147	157	166	184	198	210	220	227	232	242	253	262	277
19	Common Labor	124	133	141	152	163	172	190	204	214	223	231	234	243	254	265	280
20	Electricians	124	129	135	143	150	164	186	207	224	234	239	244	261	271	280	298
21	Pipefitters	122	131	135	143	154	170	192	207	219	228	236	242	248	263	276	290
22	Plumbers	122	131	136	141	152	168	191	205	217	226	235	241	242	257	279	294
23																	

Line	CONSTRUCTION, MATERIAL, AND LABOR	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005 Jan. 1	2005 Jul. 1
1	**Building Construction**															
2	Reinf. Conc. Bldg. Construction	262	279	298	305	311	322	324	330	342	354	363	371	403	415	422
3	Brick Building Construction	278	290	304	310	315	328	337	345	359	372	383	391	414	425	431
4	Structural Steel Erected	260	278	305	317	325	334	336	344	360	372	375	385	433	443	452
5	Reinf. Concrete (Ready-Mix)	268	279	291	296	304	312	320	327	336	350	364	372	389	402	409
6	Reinf. Concrete (Plant-Mix)	247	265	281	279	286	298	296	299	304	316	324	328	351	364	373
7																
8	**Building Material**															
9	Ready-Mix Concrete	257	262	270	281	295	286	301	307	315	332	350	356	344	351	371
10	Lumber for Reinf. Concrete	150	193	227	196	206	218	186	182	168	179	164	153	182	182	215
11	Steel Bars for Reinf. Concrete	194	212	234	236	236	250	246	229	225	224	221	243	296	348	360
12	Common Brick	315	310	313	315	311	335	369	384	412	426	426	427	429	429	439
13	Concrete Block	288	263	262	258	258	285	306	332	354	365	381	384	394	406	406
14																
15	**Labor**															
16	Building Trades Labor	296	307	318	326	331	344	353	362	376	392	412	424	442	458	458
17	Heavy Constr. Trades Labor	291	300	311	319	325	337	348	358	372	386	402	411	430	446	446
18	Labor for Reinf. Concrete	289	297	308	314	320	333	343	354	366	382	400	407	426	439	439
19	Common Labor	293	303	315	315	327	338	349	359	376	389	400	407	421	428	428
20	Electricians	309	324	336	343	353	365	377	390	401	416	441	454	475	497	497
21	Pipefitters	305	317	323	335	342	352	361	374	388	409	423	435	470	488	488
22	Plumbers	305	320	330	339	348	355	363	368	385	405	425	438	455	469	469
23																

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COST TRENDS OF BUILDING CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION, MATERIAL, AND LABOR	COST INDEX NUMBERS															
		2006		2007		2008		2009		2010		2011		2012		2013	
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	431	436	446	472	493	501	505	486	497	498	515	515	524	527	537	534
3	Brick Building Construction	441	443	457	472	492	497	506	494	506	507	521	518	530	532	542	539
4	Structural Steel Erected	462	471	480	534	550	563	555	509	511	511	531	532	538	542	558	553
5	Reinf. Concrete (Ready-Mix)	414	418	434	446	469	476	484	484	500	506	516	517	525	526	527	527
6	Reinf. Concrete (Plant-Mix)	374	376	382	394	413	422	429	428	443	446	457	457	464	467	470	468
7																	
8	**Building Material**																
9	Ready-Mix Concrete	371	379	382	425	425	425	429	430	430	437	431	439	441	441	436	436
10	Lumber for Reinf. Concrete	195	195	150	164	157	162	162	159	158	149	147	152	150	165	170	168
11	Steel Bars for Reinf. Concrete	324	361	380	420	398	490	334	326	358	416	417	406	393	391	365	356
12	Common Brick	439	439	457	457	460	460	460	453	453	453	453	434	448	451	458	452
13	Concrete Block	428	450	460	386	390	390	390	390	443	432	430	432	428	428	445	445
14																	
15	**Labor**																
16	Building Trades Labor	478	478	499	499	527	527	550	550	572	572	590	590	607	607	619	619
17	Heavy Constr. Trades Labor	459	459	483	483	517	517	542	542	564	564	584	584	596	596	605	605
18	Labor for Reinf. Concrete	452	452	476	476	512	512	541	541	562	562	579	579	591	591	598	598
19	Common Labor	436	436	475	475	510	510	550	550	572	572	590	590	604	604	604	604
20	Electricians	512	512	543	543	564	564	582	582	615	615	632	632	665	665	674	674
21	Pipefitters	514	514	526	526	566	566	590	590	607	607	642	642	658	658	668	668
22	Plumbers	502	502	520	520	545	545	580	580	597	597	610	610	623	623	634	634
23																	

Line	CONSTRUCTION, MATERIAL, AND LABOR	2014		2015		2016		2017		2018		2019		2020		2021	
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	**Building Construction**																
2	Reinf. Conc. Bldg. Construction	546	549	557	549	552	558	569	576	589	611	611	605	617	613	653	723
3	Brick Building Construction	550	552	585	580	586	589	604	608	633	647	647	643	664	662	692	735
4	Structural Steel Erected	561	567	568	555	549	556	561	569	579	617	618	604	609	594	652	762
5	Reinf. Concrete (Ready-Mix)	541	543	556	554	564	567	581	585	602	609	611	608	625	629	650	685
6	Reinf. Concrete (Plant-Mix)	482	482	497	490	497	505	519	527	541	561	553	551	565	568	599	666
7																	
8	**Building Material**																
9	Ready-Mix Concrete	441	452	455	461	471	471	481	485	488	488	489	488	492	514	521	537
10	Lumber for Reinf. Concrete	174	170	188	182	178	204	222	240	244	309	255	249	243	259	330	525
11	Steel Bars for Reinf. Concrete	363	373	368	326	288	307	316	349	342	393	413	381	333	325	342	609
12	Common Brick	449	449	617	617	618	618	636	637	725	725	709	709	757	757	765	765
13	Concrete Block	444	499	505	485	483	429	427	411	411	443	429	461	462	461	463	504
14																	
15	**Labor**																
16	Building Trades Labor	636	636	646	646	660	660	678	678	696	696	707	707	732	732	755	755
17	Heavy Constr. Trades Labor	620	620	640	640	659	659	673	673	696	696	705	705	732	732	754	754
18	Labor for Reinf. Concrete	616	616	633	633	651	651	666	666	690	690	693	693	723	723	745	745
19	Common Labor	620	620	644	644	661	661	674	674	705	705	712	712	750	750	777	777
20	Electricians	691	691	702	702	724	724	731	731	753	753	775	775	787	787	815	815
21	Pipefitters	694	694	704	704	717	717	738	738	755	755	768	768	780	780	796	796
22	Plumbers	655	655	668	668	674	674	696	696	716	716	734	734	751	751	776	776
23																	

COST TRENDS OF BUILDING CONSTRUCTION

NORTH ATLANTIC REGION (1973=100)

Line	CONSTRUCTION, MATERIAL, AND LABOR	COST INDEX NUMBERS														
		2022		2023		2024		2025		2026		2027		2028		20
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1
1	**Building Construction**															
2	Reinf. Conc. Bldg. Construction	802	794	712	770	788	786	742								
3	Brick Building Construction	850	848	934	968	859	858	845								
4	Structural Steel Erected	946	886	726	837	852	852	732								
5	Reinf. Concrete (Ready-Mix)	707	730	707	723	738	744	754								
6	Reinf. Concrete (Plant-Mix)	664	706	651	686	702	695	696								
7																
8	**Building Material**															
9	Ready-Mix Concrete	554	632	597	631	642	705	724								
10	Lumber for Reinf. Concrete	405	579	347	445	433	347	311								
11	Steel Bars for Reinf. Concrete	781	767	578	631	553	536	505								
12	Common Brick	1198	1198	2053	2053	1226	1226	1269								
13	Concrete Block	553	633	654	755	752	807	881								
14																
15	**Labor**															
16	Building Trades Labor	779	779	798	798	825	825	846								
17	Heavy Constr. Trades Labor	778	778	795	795	825	825	842								
18	Labor for Reinf. Concrete	762	762	779	779	808	808	824								
19	Common Labor	801	801	814	814	852	852	870								
20	Electricians	848	848	872	872	905	905	928								
21	Pipefitters	843	843	860	860	897	897	919								
22	Plumbers	813	813	837	837	858	858	889								
23																

Line	CONSTRUCTION, MATERIAL, AND LABOR	2030		2031		2032		2033		2034		2035		2036		20
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1
1	**Building Construction**															
2	Reinf. Conc. Bldg. Construction															
3	Brick Building Construction															
4	Structural Steel Erected															
5	Reinf. Concrete (Ready-Mix)															
6	Reinf. Concrete (Plant-Mix)															
7																
8	**Building Material**															
9	Ready-Mix Concrete															
10	Lumber for Reinf. Concrete															
11	Steel Bars for Reinf. Concrete															
12	Common Brick															
13	Concrete Block															
14																
15	**Labor**															
16	Building Trades Labor															
17	Heavy Constr. Trades Labor															
18	Labor for Reinf. Concrete															
19	Common Labor															
20	Electricians															
21	Pipefitters															
22	Plumbers															
23																

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UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925
1	Boilers	6	6	6	7	8	13	17	15	16	14	12	14	15	15
2	Coal & Ash Handling Equipment	12	12	12	12	19	31	29	20	28	24	21	23	23	21
3	Pumps	9	9	9	12	14	16	18	18	18	17	16	16	16	17
4	Steam Pipe	17	17	17	12	18	39	44	35	37	35	34	36	37	37
5	Cranes	6	6	6	7	7	7	7	8	8	9	9	9	9	10
6	Regulators	32	32	32	32	32	39	47	45	49	50	49	50	53	52
7	Switchboards	20	20	20	20	21	23	26	35	44	49	43	40	43	43
8	Power Transformers	23	23	23	23	23	32	41	41	49	48	42	43	46	46
9	Oil Switches	27	27	27	27	27	30	38	45	49	53	50	50	51	51
10	Motors	21	21	21	21	21	28	31	37	42	43	34	29	29	29
11	Line Transformers	48	48	48	48	48	51	69	72	77	79	69	67	69	68
12	Meters-Electrric	37	37	37	37	37	41	46	51	53	57	53	50	50	48
13	Treated Pine Poles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Standard Cross Arms	7	7	7	7	7	9	10	12	12	11	12	12	12	13
15	Standard Galv. Steel Guy Wire	12	12	12	14	15	19	22	23	22	22	21	21	20	20
16	Fibre Conduit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Plastic Conduit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Mercury Luminaires w/Standard	-	-	-	-	-	-	-	-	-	-	-	-	27	26
19	Power Wire & Control Cable	23	23	23	30	36	42	48	51	49	37	29	33	31	34
20	Overhead Conductor-Transmission	28	26	23	25	45	49	54	53	51	31	28	32	31	32
21	Underground Conductor-Transmission	15	13	12	12	19	22	25	27	26	21	21	26	23	23
22	Overhead Conductor-Distribution	25	23	20	23	40	43	48	47	45	28	25	28	28	29
23	Underground Conductor-Distribution	16	15	14	14	22	25	28	30	29	22	22	28	25	25
24	Service Cable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Condensers & Tubes	7	7	7	7	11	13	20	21	21	20	17	17	18	18
26	Turbo-Generators	9	9	9	9	13	13	17	18	21	23	20	19	19	19
27															
28	Gas Compressors	18	18	18	18	18	19	25	25	27	26	25	25	25	25
29	Gas Transmission Line Pipe	23	24	23	24	34	44	44	45	44	43	40	41	43	43
30	Steel Distribution Pipe	15	16	16	17	24	36	40	36	34	32	28	30	31	31
31	Plastic Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Meters-Gas	17	18	18	18	19	23	33	33	32	33	30	30	28	27
33	House Regulators	24	25	25	25	26	31	47	46	45	45	41	41	39	37
34															
35	Cast Iron Pipe	16	17	16	17	23	40	44	48	53	44	39	45	47	40
36	Cast Iron Fittings	10	10	10	13	13	24	27	25	34	29	25	25	25	27
37	Ductile Iron Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Chemical Feeders-Small	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Chemical Feeders-Large	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Gate Valves	15	15	15	17	17	17	24	24	30	28	25	29	29	27
41	Meter Yokes	24	24	24	24	24	24	29	29	31	31	29	29	29	29
42	Corporation Stops	27	27	27	27	27	27	25	25	25	25	25	25	24	24
43	Curb Stops	20	20	20	20	20	20	22	22	22	22	22	22	21	21
44	Hydrants	23	23	23	23	23	23	23	24	27	27	23	26	27	26
45	Meters-Water	23	23	23	23	26	29	35	37	37	37	37	37	37	37
46															
47															
48															
49															
50	Construction Equipment	-	-	-	11	15	19	26	28	30	22	19	23	21	22
51															
52															
53															
54															
55															
56															

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UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
1	Boilers	15	15	14	14	14	14	12	12	15	15	16	18	19	20
2	Coal & Ash Handling Equipment	21	20	20	20	19	17	16	17	20	20	20	21	20	20
3	Pumps	19	19	19	20	20	19	18	18	19	19	19	21	22	22
4	Steam Pipe	37	37	37	36	36	36	35	32	31	31	32	36	35	35
5	Cranes	10	10	11	11	11	11	10	10	10	10	10	10	10	11
6	Regulators	42	41	40	41	42	43	42	43	48	48	48	52	53	53
7	Switchboards	44	44	45	48	48	47	43	43	48	48	48	52	53	53
8	Power Transformers	46	43	41	42	40	40	39	40	46	47	47	50	52	52
9	Oil Switches	51	49	49	51	53	52	51	55	59	59	59	63	65	65
10	Motors	29	28	28	29	29	29	29	30	33	32	32	32	32	32
11	Line Transformers	63	59	58	62	61	59	57	59	61	62	62	66	67	67
12	Meters-Electrric	48	48	48	48	48	48	48	50	54	55	55	55	55	55
13	Treated Pine Poles	28	27	26	25	24	23	21	22	23	24	23	24	23	23
14	Standard Cross Arms	10	9	9	9	9	8	8	9	10	11	11	12	12	12
15	Standard Galv. Steel Guy Wire	18	17	16	16	15	14	14	15	17	17	17	18	19	18
16	Fibre Conduit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Plastic Conduit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Mercury Luminaires w/Standard	26	23	26	27	28	29	29	29	30	30	30	30	30	30
19	Power Wire & Control Cable	33	30	27	29	26	21	19	23	26	27	29	35	29	26
20	Overhead Conductor-Transmission	29	27	32	38	26	22	19	23	28	27	29	32	27	27
21	Underground Conductor-Transmission	22	21	23	27	20	19	19	21	23	23	25	27	24	24
22	Overhead Conductor-Distribution	26	24	28	34	23	19	17	20	25	24	26	28	24	24
23	Underground Conductor-Distribution	24	22	25	29	22	21	20	22	25	25	27	29	26	26
24	Service Cable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Condensers & Tubes	18	16	15	19	20	19	18	19	21	24	24	27	27	27
26	Turbo-Generators	19	19	20	21	22	22	21	22	25	25	26	29	30	30
27															
28	Gas Compressors	24	23	24	24	24	24	24	24	24	24	23	23	23	23
29	Gas Transmission Line Pipe	43	43	43	43	43	43	42	35	35	35	34	35	34	34
30	Steel Distribution Pipe	31	31	31	31	30	29	29	26	29	29	26	28	26	25
31	Plastic Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Meters-Gas	27	27	27	27	27	26	25	25	25	25	25	26	26	26
33	House Regulators	37	38	38	38	37	36	34	34	34	34	34	35	37	40
34															
35	Cast Iron Pipe	40	34	29	30	30	28	25	30	34	35	36	39	39	38
36	Cast Iron Fittings	27	25	25	25	24	21	19	20	22	23	23	23	24	24
37	Ductile Iron Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Chemical Feeders-Small	18	19	22	22	20	15	17	17	17	17	17	17	17	17
39	Chemical Feeders-Large	-	-	-	-	-	-	-	-	-	12	12	13	13	13
40	Gate Valves	26	26	28	28	28	24	23	23	22	22	23	25	26	26
41	Meter Yokes	29	29	29	29	29	29	28	28	28	28	28	28	29	29
42	Corporation Stops	24	24	24	24	24	24	24	22	21	21	21	21	21	21
43	Curb Stops	21	21	21	21	21	21	21	21	21	21	21	21	21	21
44	Hydrants	24	24	25	25	25	23	23	23	20	22	22	24	25	25
45	Meters-Water	37	37	37	37	37	37	37	35	26	26	26	31	32	32
46															
47															
48															
49															
50	Construction Equipment	21	22	21	22	22	20	19	19	20	21	21	23	23	23
51															
52															
53															
54															
55															
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UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
1	Boilers	20	21	21	21	21	21	22	25	31	36	37	41	41	43
2	Coal & Ash Handling Equipment	20	23	25	25	24	24	29	35	42	44	47	50	51	55
3	Pumps	22	23	24	24	24	24	26	32	35	37	40	47	47	48
4	Steam Pipe	35	35	35	35	35	35	37	42	45	50	52	53	53	55
5	Cranes	11	11	11	11	12	17	20	23	26	29	31	33	35	38
6	Regulators	53	53	53	53	52	51	57	63	65	69	70	74	74	81
7	Switchboards	53	53	51	50	45	44	50	58	59	59	62	72	72	77
8	Power Transformers	52	52	51	49	46	45	50	60	62	67	70	78	78	83
9	Oil Switches	65	65	65	65	59	58	67	78	79	79	89	102	102	110
10	Motors	31	32	33	33	31	32	37	45	46	49	53	63	63	66
11	Line Transformers	67	69	68	64	64	64	72	90	93	96	100	113	113	121
12	Meters-Electrric	55	55	55	55	55	55	61	69	74	80	80	80	78	81
13	Treated Pine Poles	23	24	27	28	33	39	37	41	43	43	42	44	46	49
14	Standard Cross Arms	13	16	17	19	22	23	25	35	37	34	36	41	42	42
15	Standard Galv. Steel Guy Wire	17	17	17	18	18	18	19	29	35	38	40	42	43	51
16	Fibre Conduit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Plastic Conduit	-	-	-	-	-	-	-	-	-	-	-	-	179	170
18	Mercury Luminaires w/Standard	30	30	31	31	31	31	32	40	44	48	47	53	52	51
19	Power Wire & Control Cable	31	39	40	40	40	40	48	56	65	66	66	75	77	74
20	Overhead Conductor-Transmission	29	28	31	32	32	32	40	48	52	48	52	59	63	69
21	Underground Conductor-Transmission	25	29	30	29	28	28	34	41	50	56	56	59	61	59
22	Overhead Conductor-Distribution	26	25	27	28	28	28	35	43	46	43	46	52	56	61
23	Underground Conductor-Distribution	27	31	32	32	31	31	36	44	54	59	59	63	64	64
24	Service Cable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Condensers & Tubes	27	27	27	27	26	27	30	32	33	36	37	40	40	43
26	Turbo-Generators	30	30	30	30	30	31	36	44	47	49	49	54	54	58
27															
28	Gas Compressors	24	25	27	27	26	28	31	31	35	40	40	41	42	43
29	Gas Transmission Line Pipe	34	34	34	34	34	34	36	41	44	48	50	51	52	54
30	Steel Distribution Pipe	25	25	25	25	25	25	28	33	37	41	43	46	47	52
31	Plastic Pipe	-	-	-	-	-	-	-	-	-	-	-	-	175	175
32	Meters-Gas	26	26	26	26	26	26	33	41	42	45	48	55	55	55
33	House Regulators	48	48	48	48	48	48	53	63	64	68	69	74	74	74
34															
35	Cast Iron Pipe	39	39	40	39	39	40	45	58	69	68	67	73	73	73
36	Cast Iron Fittings	24	26	27	27	27	28	33	42	49	48	48	54	56	59
37	Ductile Iron Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Chemical Feeders-Small	17	17	17	17	17	18	22	26	31	34	38	40	40	40
39	Chemical Feeders-Large	13	14	15	15	16	19	20	24	29	35	40	42	42	42
40	Gate Valves	26	28	29	29	29	29	34	39	42	45	52	57	57	57
41	Meter Yokes	29	29	30	30	30	31	37	39	40	39	41	48	48	48
42	Corporation Stops	22	22	23	23	23	24	31	36	37	37	37	45	45	45
43	Curb Stops	22	23	23	23	23	25	31	36	38	37	38	45	45	45
44	Hydrants	25	27	27	27	27	27	32	36	39	43	50	55	55	55
45	Meters-Water	33	35	37	37	37	37	40	42	48	52	59	61	61	65
46															
47															
48															
49															
50	Construction Equipment	24	25	28	29	29	29	34	37	39	40	42	45	46	49
51															
52															
53															
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55															
56															

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967
1	Boilers	45	47	54	61	63	65	65	66	66	66	68	70	71	74
2	Coal & Ash Handling Equipment	56	58	68	76	77	79	77	72	72	72	73	73	74	76
3	Pumps	49	50	55	56	56	62	68	68	69	69	70	70	74	77
4	Steam Pipe	56	57	61	67	69	71	71	71	71	71	73	73	73	74
5	Cranes	40	43	45	47	49	52	54	55	55	55	56	56	58	64
6	Regulators	83	85	98	105	108	108	108	96	96	90	87	84	83	84
7	Switchboards	79	81	96	105	108	106	98	81	78	77	77	78	82	90
8	Power Transformers	85	87	100	103	107	103	95	88	84	76	81	84	87	91
9	Oil Switches	112	110	115	131	136	132	109	75	74	64	70	82	80	88
10	Motors	67	68	79	89	93	96	92	87	86	85	85	87	87	88
11	Line Transformers	123	123	127	135	130	125	122	118	107	100	100	101	101	105
12	Meters-Electrric	83	79	82	87	89	92	92	91	90	89	89	88	88	89
13	Treated Pine Poles	51	51	55	59	60	57	57	56	56	56	56	56	58	61
14	Standard Cross Arms	42	42	49	50	47	46	46	44	44	44	44	45	47	46
15	Standard Galv. Steel Guy Wire	54	55	58	62	63	63	63	63	63	63	63	63	63	63
16	Fibre Conduit	-	-	-	-	-	-	82	86	86	86	86	84	76	71
17	Plastic Conduit	170	157	159	159	154	154	154	150	146	146	143	139	141	136
18	Mercury Luminaires w/Standard	59	59	60	66	68	68	68	67	67	66	67	66	72	82
19	Power Wire & Control Cable	71	68	72	65	50	50	40	38	40	40	44	55	67	72
20	Overhead Conductor-Transmission	67	73	80	81	79	72	73	73	74	63	69	73	76	78
21	Underground Conductor-Transmission	60	65	72	65	63	65	66	64	63	63	69	77	77	79
22	Overhead Conductor-Distribution	59	67	72	63	58	63	64	62	62	62	64	71	75	78
23	Underground Conductor-Distribution	64	71	78	69	67	70	71	69	67	68	74	82	83	85
24	Service Cable	-	-	93	89	74	69	68	69	67	62	66	68	71	74
25	Condensers & Tubes	44	45	48	53	56	56	56	56	56	57	61	65	71	75
26	Turbo-Generators	59	61	72	80	84	84	78	72	70	70	70	71	72	73
27															
28	Gas Compressors	44	46	49	54	58	61	61	61	61	64	68	73	74	78
29	Gas Transmission Line Pipe	55	56	59	65	67	69	69	69	69	69	71	71	71	72
30	Steel Distribution Pipe	54	56	60	68	69	71	71	71	71	71	71	71	71	73
31	Plastic Pipe	154	147	146	142	140	139	137	133	132	132	128	123	126	126
32	Meters-Gas	55	56	63	66	71	71	71	73	79	79	79	79	86	88
33	House Regulators	74	74	74	76	80	80	80	81	82	82	82	80	80	80
34															
35	Cast Iron Pipe	79	80	86	91	95	95	95	95	95	95	95	95	95	95
36	Cast Iron Fittings	62	64	67	69	72	74	74	74	73	72	72	72	72	75
37	Ductile Iron Pipe	-	-	-	-	-	-	-	96	96	96	96	96	96	96
38	Chemical Feeders-Small	40	41	45	48	49	54	60	60	63	63	64	69	73	77
39	Chemical Feeders-Large	42	44	54	61	68	68	68	68	71	72	71	70	72	79
40	Gate Valves	55	51	57	59	58	58	58	59	62	63	62	62	68	72
41	Meter Yokes	51	57	64	61	59	59	62	63	65	65	66	70	75	77
42	Corporation Stops	46	54	59	59	59	60	62	62	65	65	66	71	79	81
43	Curb Stops	46	54	59	59	59	60	62	63	65	65	67	71	79	82
44	Hydrants	55	52	58	59	59	59	59	59	59	59	59	59	61	66
45	Meters-Water	67	70	77	78	78	78	78	78	84	87	87	93	101	101
46															
47															
48															
49															
50	Construction Equipment	49	51	55	59	62	64	65	67	67	68	70	71	73	76
51															
52															
53															
54															
55															
56															

UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
1	Boilers	76	78	83	89	94	100	119	143	159	172	186	203	221	245
2	Coal & Ash Handling Equipment	79	84	88	93	95	100	124	150	154	162	175	192	213	225
3	Pumps	78	80	85	89	93	100	127	154	177	183	195	212	235	259
4	Steam Pipe	78	82	86	92	98	100	112	131	143	155	178	206	223	236
5	Cranes	68	72	78	82	88	100	122	139	147	171	186	215	237	267
6	Regulators	84	87	90	92	97	100	128	150	165	170	174	179	189	206
7	Switchboards	92	93	94	96	97	100	131	196	212	222	234	238	261	295
8	Power Transformers	93	95	97	95	93	100	129	157	162	172	182	193	210	223
9	Oil Switches	96	92	93	93	95	100	123	140	143	174	186	195	203	229
10	Motors	89	94	100	104	100	100	110	155	167	186	186	188	195	210
11	Line Transformers	109	106	105	104	100	100	110	133	136	147	158	166	165	194
12	Meters-Electrric	92	95	98	101	101	100	107	126	135	140	144	148	144	160
13	Treated Pine Poles	62	66	69	73	77	100	150	205	192	190	206	234	265	289
14	Standard Cross Arms	44	50	65	60	58	100	162	157	146	155	161	223	244	252
15	Standard Galv. Steel Guy Wire	63	64	72	86	97	100	133	153	151	162	178	205	214	244
16	Fibre Conduit	72	78	83	82	85	100	119	130	133	149	173	203	218	235
17	Plastic Conduit	116	105	100	98	100	100	118	133	129	144	161	187	199	190
18	Mercury Luminaires w/Standard	74	78	94	101	102	100	125	173	194	211	234	263	288	314
19	Power Wire & Control Cable	81	86	84	74	86	100	115	95	97	95	101	109	135	142
20	Overhead Conductor-Transmission	75	84	97	107	103	100	121	167	204	220	189	201	232	250
21	Underground Conductor-Transmission	76	82	86	83	89	100	149	142	142	154	148	188	238	259
22	Overhead Conductor-Distribution	75	84	97	107	102	100	121	166	203	220	192	210	246	257
23	Underground Conductor-Distribution	76	86	94	92	100	100	135	130	132	140	148	196	231	222
24	Service Cable	71	77	92	98	99	100	105	124	126	131	149	183	221	217
25	Condensers & Tubes	80	84	89	94	99	100	109	128	142	157	171	189	209	229
26	Turbo-Generators	72	75	81	89	96	100	111	131	144	158	170	188	206	230
27															
28	Gas Compressors	84	88	91	91	90	100	120	150	161	172	188	213	237	265
29	Gas Transmission Line Pipe	75	80	83	89	98	100	122	145	172	187	212	225	253	290
30	Steel Distribution Pipe	73	76	82	89	97	100	127	142	155	170	194	213	225	254
31	Plastic Pipe	123	111	98	96	100	100	112	116	120	125	129	142	152	142
32	Meters-Gas	88	89	94	100	100	100	111	128	131	136	139	143	149	158
33	House Regulators	81	83	92	98	100	100	106	125	132	136	144	171	201	210
34															
35	Cast Iron Pipe	95	95	96	100	100	100	153	178	180	183	195	201	217	235
36	Cast Iron Fittings	77	80	87	99	99	100	144	142	148	152	163	173	194	209
37	Ductile Iron Pipe	96	96	97	100	100	100	153	182	186	189	201	207	215	228
38	Chemical Feeders-Small	81	81	86	90	92	100	126	180	209	230	249	257	287	316
39	Chemical Feeders-Large	80	81	87	92	94	100	125	177	194	195	201	212	232	249
40	Gate Valves	74	74	79	91	96	100	127	160	191	197	220	252	270	289
41	Meter Yokes	79	87	93	95	95	100	132	139	160	227	246	262	296	320
42	Corporation Stops	85	90	96	99	99	100	126	133	133	136	139	154	168	178
43	Curb Stops	86	90	96	99	99	100	126	133	135	140	146	161	177	187
44	Hydrants	71	76	84	94	95	100	143	185	214	229	261	279	293	315
45	Meters-Water	101	107	108	108	106	100	93	93	98	101	105	108	122	127
46															
47															
48															
49															
50	Construction Equipment	80	84	88	93	95	100	117	141	153	164	178	197	222	246
51															
52															
53															
54															
55															
56															

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
1	Boilers	264	273	283	292	298	307	330	344	364	380	385	404	413	425
2	Coal & Ash Handling Equipment	224	229	240	246	250	255	270	289	296	300	302	308	318	325
3	Pumps	276	281	284	292	296	300	310	327	342	353	361	391	406	419
4	Steam Pipe	254	226	215	215	215	231	271	264	241	229	222	199	199	216
5	Cranes	302	328	344	384	411	423	442	458	474	482	490	537	598	615
6	Regulators	216	225	227	229	231	236	239	248	253	257	257	256	260	241
7	Switchboards	318	317	319	333	338	343	366	398	429	439	449	499	496	572
8	Power Transformers	231	226	229	237	242	253	264	291	327	337	343	360	371	388
9	Oil Switches	279	280	275	271	268	273	336	380	402	411	399	358	369	395
10	Motors	224	250	260	261	257	266	285	339	365	357	348	376	478	495
11	Line Transformers	208	210	211	212	213	211	212	221	224	222	223	226	230	225
12	Meters-Electric	188	201	200	202	207	205	187	175	174	186	190	189	174	169
13	Treated Pine Poles	291	280	276	283	289	284	289	300	310	323	332	367	416	445
14	Standard Cross Arms	249	240	243	230	228	226	250	291	333	366	381	419	441	464
15	Standard Galv. Steel Guy Wire	254	236	227	233	233	235	249	253	252	252	251	253	254	255
16	Fibre Conduit	175	210	231	225	221	225	301	470	379	260	230	198	222	228
17	Plastic Conduit	158	183	197	189	188	199	280	409	366	316	289	237	251	260
18	Mercury Luminaires w/Standard	333	326	343	358	352	321	321	334	345	353	361	389	408	430
19	Power Wire & Control Cable	132	131	123	107	110	123	137	139	136	130	126	119	121	127
20	Overhead Conductor-Transmission	247	271	246	242	242	218	359	366	355	372	379	334	352	399
21	Underground Conductor-Transmission	270	268	256	242	277	281	298	328	405	461	469	477	477	485
22	Overhead Conductor-Distribution	252	266	259	249	244	229	349	366	354	363	366	322	341	386
23	Underground Conductor-Distribution	206	201	196	202	216	222	223	243	254	258	259	254	253	263
24	Service Cable	207	198	229	209	194	201	250	285	271	264	258	227	240	271
25	Condensers & Tubes	247	256	257	247	222	239	263	268	268	270	270	275	288	308
26	Turbo-Generators	242	256	266	270	270	274	292	302	306	312	315	325	333	343
27															
28	Gas Compressors	280	284	295	301	303	307	325	354	371	388	405	438	446	455
29	Gas Transmission Line Pipe	315	271	262	254	265	272	301	298	269	257	250	233	235	243
30	Steel Distribution Pipe	268	270	282	272	237	250	291	316	318	323	323	327	370	381
31	Plastic Pipe	132	149	157	146	146	159	218	283	285	290	275	230	235	244
32	Meters-Gas	158	146	147	158	166	165	170	177	185	190	190	191	189	190
33	House Regulators	217	221	230	237	236	243	247	253	269	280	283	297	303	302
34															
35	Cast Iron Pipe	234	254	247	265	244	244	266	282	278	275	275	275	278	266
36	Cast Iron Fittings	216	232	229	240	259	289	296	317	324	324	324	350	377	370
37	Ductile Iron Pipe	228	262	249	281	246	246	275	278	271	271	271	271	273	250
38	Chemical Feeders-Small	341	353	358	366	373	379	398	410	424	430	432	444	453	453
39	Chemical Feeders-Large	273	286	294	306	324	341	353	379	402	418	423	438	437	477
40	Gate Valves	321	358	375	395	417	441	468	517	530	540	548	561	524	540
41	Meter Yokes	336	389	389	383	394	399	445	470	478	507	516	551	566	603
42	Corporation Stops	189	200	207	212	220	220	240	254	257	273	279	303	308	318
43	Curb Stops	198	210	220	225	233	233	254	270	273	289	296	321	330	348
44	Hydrants	352	384	385	414	439	456	480	521	558	560	560	559	561	577
45	Meters-Water	128	141	148	135	135	137	140	143	152	160	173	195	175	200
46															
47															
48															
49															
50	Construction Equipment	263	269	273	276	280	286	295	281	298	320	316	324	331	333
51															
52															
53															
54															
55															
56															

UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS														
											2005		2006		2007	
		1996	1997	1998	1999	2000	2001	2002	2003	2004	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	Boilers	433	443	452	460	467	474	481	489	517	535	550	565	578	590	604
2	Coal & Ash Handling Equipment	328	333	344	351	353	357	359	362	397	426	426	425.4	431	441	453
3	Pumps	440	476	496	510	528	524	525	544	557	567	575	592.3	602	620	640
4	Steam Pipe	215	204	190	183	178	170	167	160	194	270	286	292	299	307	304
5	Cranes	615	656	689	728	747	749	749	749	800	817	817	816.8	817	817	817
6	Regulators	234	232	234	237	242	240	243	255	261	271	276	290.3	343	360	375
7	Switchboards	620	656	662	689	749	813	892	983	1066	1111	1173	1227	1340	1447	1596
8	Power Transformers	370	371	400	400	400	400	383	375	486	540	545	583.7	591	648	671
9	Oil Switches	399	409	415	415	409	408	399	391	382	379	389	412	420	429	436
10	Motors	475	467	476	497	533	535	541	543	610	691	695	685.7	658	683	601
11	Line Transformers	219	206	210	210	209	217	223	225	237	250	258	298.8	345	397	405
12	Meters-Electrric	172	187	193	181	176	206	241	263	290	276	276	276	283	283	291
13	Treated Pine Poles	463	473	471	473	471	489	505	515	534	541	554	562.3	601	600	604
14	Standard Cross Arms	466	477	443	413	417	437	433	411	394	440	435	451.1	456	487	471
15	Standard Galv. Steel Guy Wire	261	280	314	313	318	249	220	227	271	302	302	300.7	280	323	323
16	Fibre Conduit	204	209	199	225	246	226	275	252	250	284	284	432.2	432	460	390
17	Plastic Conduit	252	256	251	266	281	291	319	311	323	354	354	447.3	447	527	495
18	Mercury Luminaires w/Standard	460	471	469	472	479	492	529	571	583	601	615	637.4	774	808	826
19	Power Wire & Control Cable	121	121	119	112	110	108	103	99.8	112	132	137	159.5	187	263	265
20	Overhead Conductor-Transmission	402	405	420	354	398	426	409	404	457	491	540	633.3	698	742	770
21	Underground Conductor-Transmission	487	487	487	493	485	468	461	462	519	536	559	614.6	615	615	615
22	Overhead Conductor-Distribution	386	387	399	345	381	403	388	387	437	467	515	600.3	648	692	715
23	Underground Conductor-Distribution	266	263	265	268	270	257	245	239	264	295	308	342.2	343	457	459
24	Service Cable	267	264	264	249	260	265	259	266	297	313	347	396	396	432	439
25	Condensers & Tubes	305	306	309	290	284	287	291	304	388	439	433	447.3	465	466	506
26	Turbo-Generators	348	364	369	371	387	372	380	395	397	411	400	401.8	424	440	452
27																
28	Gas Compressors	461	470	478	480	483	487	495	497	503	506	586	535.3	544	557	574
29	Gas Transmission Line Pipe	269	272	273	267	263	258	256	257	377	449	452	440.4	460	525	482
30	Steel Distribution Pipe	376	388	389	399	428	424	421	448	637	875	855	924.4	954	829	839
31	Plastic Pipe	249	251	252	255	265	295	304	308	325	351	351	393	393	509	509
32	Meters-Gas	192	196	196	191	202	209	202	193	183	185	184	187.6	197	205	231
33	House Regulators	303	303	307	306	305	312	319	318	323	336	339	343.8	356	377	377
34																
35	Cast Iron Pipe	268	279	281	285	291	297	299	301	306	341	341	345.9	346	402	402
36	Cast Iron Fittings	368	379	379	378	378	384	476	500	514	520	520	660.6	690	706	720
37	Ductile Iron Pipe	251	268	270	279	290	292	292	292	276	274	274	283.2	283	327	327
38	Chemical Feeders-Small	462	476	514	522	546	561	563	566	606	640	661	669.4	596	640	676
39	Chemical Feeders-Large	493	506	537	569	562	581	612	612	597	576	576	586.2	544	531	570
40	Gate Valves	553	592	611	630	651	685	691	691	704	718	718	718.4	720	720	720
41	Meter Yokes	670	673	677	679	699	708	713	737	762	769	794	793.6	1111	1111	1169
42	Corporation Stops	329	329	329	329	338	341	344	353	364	367	367	367.2	527	527	527
43	Curb Stops	361	361	361	361	371	374	377	387	399	403	403	402.7	577	577	577
44	Hydrants	625	795	840	874	909	961	970	970	980	989	989	989.2	1097	1097	1116
45	Meters-Water	207	197	197	198	205	206	207	207	207	207	207	234.7	248	260	262
46																
47																
48																
49																
50	Construction Equipment	336	351	380	385	389	391	396	402	414	427	443	448.3	461	463	470.6
51																
52																
53																
54																
55																
56																

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		2008		2009		2010		2011		2012		2013		2014	
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	Boilers	596	616	620	599	608	620	624	634	649	649	669	653	661	665
2	Coal & Ash Handling Equipment	478	537	543	513	499	503	522	536	550	559	562	563	580	581
3	Pumps	643	663	673	675	703	704	706	756	781	787	799	846	859	922
4	Steam Pipe	324	400	454	413	376	417	419	448	438	455	439	425	429	431
5	Cranes	817	899	899	899	899	899	899	899	899	899	899	965	965	1007
6	Regulators	401	427	389	390	402	408	410	418	415	428	422	428	441	425
7	Switchboards	1791	1954	2077	2218	2373	2504	2616	2757	2879	3034	3173	3319	3471	3594
8	Power Transformers	694	725	746	745	780	788	804	814	818	826	815	814	813	816
9	Oil Switches	437	455	460	461	469	475	480	483	483	485	485	488	498	500
10	Motors	635	674	696	719	717	695	713	770	777	782	804	837	849	851
11	Line Transformers	615	505	534	560	588	617	630	650	673	690	737	756	799	819
12	Meters-Electric	292	293	295	295	307	307	295	294	288	291	295	298	303	305
13	Treated Pine Poles	611	643	653	665	672	686	664	678	687	697	700	700	675	675
14	Standard Cross Arms	464	486	518	501	482	465	446	446	452	453	464	466	440	434
15	Standard Galv. Steel Guy Wire	351	381	548	536	550	405	405	405	404	423	423	488	458	486
16	Fibre Conduit	411	420	468	468	380	380	390	390	419	419	417	417	497	497
17	Plastic Conduit	522	526	609	609	463	463	468	468	521	521	477	477	478	478
18	Mercury Luminaires w/Standard	839	899	1024	1053	1087	972	990	1034	1052	1079	1061	1077	990	993
19	Power Wire & Control Cable	242	250	228	234	213	220	245	251	268	270	271	270	267	254
20	Overhead Conductor-Transmission	860	985	985	553	700	714	675	782	650	659	701	729	729	740
21	Underground Conductor-Transmission	877	927	919	929	906	885	973	971	977	1016	1026	1052	1083	1093
22	Overhead Conductor-Distribution	793	898	898	539	661	682	672	772	647	656	686	710	716	735
23	Underground Conductor-Distribution	499	541	631	609	515	518	563	577	621	647	617	654	631	645
24	Service Cable	472	510	511	390	430	460	516	579	497	505	502	512	530	562
25	Condensers & Tubes	496	603	516	462	473	525	527	575	580	566	567	528	536	549
26	Turbo-Generators	457	538	468	417	439	488	474	501	498	487	564	480	478	483
27															
28	Gas Compressors	581	603	621	626	625	631	633	656	662	677	674	692	693	707
29	Gas Transmission Line Pipe	502	604	600	510	444	506	510	525	586	616	542	535	626	627
30	Steel Distribution Pipe	833	1122	1019	929	911	987	1081	1123	1350	1327	1305	1276	1253	1266
31	Plastic Pipe	541	541	644	644	464	464	470	470	535	535	464	464	403	403
32	Meters-Gas	241	250	261	252	257	252	252	256	261	271	271	272	341	342
33	House Regulators	387	392	412	400	406	414	425	430	432	438	443	443	454	454
34															
35	Cast Iron Pipe	421	468	541	541	563	563	550	550	565	676	688	697	770	779
36	Cast Iron Fittings	783	837	897	909	986	987	961	961	1091	1120	1148	1168	1230	1395
37	Ductile Iron Pipe	363	363	485	485	521	521	500	500	524	524	545	545	575	575
38	Chemical Feeders-Small	817	819	831	880	880	880	907	908	1068	1086	1092	1203	1249	1249
39	Chemical Feeders-Large	676	683	654	700	700	700	633	715	753	770	774	803	805	805
40	Gate Valves	736	736	759	759	736	778	762	762	755	755	770	790	803	824
41	Meter Yokes	1169	1169	1202	1202	1202	1241	1241	1241	1323	1594	1594	1594	1594	1594
42	Corporation Stops	527	527	527	527	527	542	542	542	542	723	723	723	723	723
43	Curb Stops	577	577	577	577	577	582	582	582	582	739	739	739	739	739
44	Hydrants	1133	1133	1155	1155	1150	1081	1089	1089	1132	1132	1166	1189	1221	1339
45	Meters-Water	373	373	373	373	374	376	379	379	379	379	380	381	381	381
46															
47															
48															
49															
50	Construction Equipment	474	483	499	502	502	501	505	516	527	539	547	552	554	562
51															
52															
53															
54															
55															
56															

UTILITY PLANT MATERIALS

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		2015		2016		2017		2018		2019		2020		2021	
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	Boilers	669	691	697	698	700	681	683	707	710	739	738	743	745	768
2	Coal & Ash Handling Equipment	584	583	582	584	589	595	596	608	620	630	640	664	638	676
3	Pumps	958	963	1043	1076	1120	1244	1248	1345	1401	1492	1526	1639	1640	1690
4	Steam Pipe	417	416	404	411	421	415	407	462	483	468	481	469	492	546
5	Cranes	1007	1007	1007	1007	1007	1007	1041	1083	1108	1108	1141	1175	1222	1344
6	Regulators	416	406	396	403	412	416	420	430	436	437	442	436	445	496
7	Switchboards	3757	3760	3931	3930	4109	4300	4461	4629	4847	4852	5080	5367	5620	5892
8	Power Transformers	812	801	795	798	822	827	868	879	901	901	902	895	911	952
9	Oil Switches	500	502	502	501	501	503	505	507	511	521	530	533	539	550
10	Motors	859	857	869	869	893	883	910	917	937	1006	1023	1026	963	943
11	Line Transformers	854	856	884	882	918	946	982	1008	1048	1048	1086	1129	1170	1214
12	Meters-Electric	307	307	307	298	298	298	304	304	306	306	323	323	332	332
13	Treated Pine Poles	670	658	676	678	670	730	665	668	687	693	799	798	706	705
14	Standard Cross Arms	458	448	457	458	456	451	450	450	456	456	508	512	535	536
15	Standard Galv. Steel Guy Wire	486	486	486	486	515	515	515	515	541	541	623	623	671	671
16	Fibre Conduit	475	475	430	430	412	412	511	511	523	523	525	525	407	407
17	Plastic Conduit	479	479	468	468	452	452	514	514	521	521	549	549	611	611
18	Mercury Luminaires w/Standard	981	1018	986	981	998	942	964	1008	1130	1085	1188	1206	1046	1055
19	Power Wire & Control Cable	258	253	224	221	225	228	246	253	255	257	261	259	303	322
20	Overhead Conductor-Transmission	743	743	777	777	740	740	838	838	885	885	919	919	483	483
21	Underground Conductor-Transmission	1095	1103	1108	1108	1113	1180	1252	1271	1329	1329	1339	1385	1435	1613
22	Overhead Conductor-Distribution	747	750	768	768	741	745	785	801	818	834	868	868	539	540
23	Underground Conductor-Distribution	622	637	589	589	539	562	561	572	605	605	622	650	702	751
24	Service Cable	592	600	580	578	580	593	496	544	490	540	567	564	541	545
25	Condensers & Tubes	547	551	520	535	536	510	516	569	583	574	509	566	604	698
26	Turbo-Generators	485	551	538	561	579	506	507	537	560	548	462	562	607	742
27															
28	Gas Compressors	713	720	722	727	728	735	747	759	779	783	787	795	793	816
29	Gas Transmission Line Pipe	616	589	535	544	570	601	615	693	716	689	680	639	733	996
30	Steel Distribution Pipe	1243	1189	1088	1116	1175	1247	1218	1382	1432	1394	1590	1555	1564	2067
31	Plastic Pipe	403	403	403	403	394	394	410	410	413	413	447	447	559	559
32	Meters-Gas	372	372	388	388	442	442	475	477	511	511	489	490	469	469
33	House Regulators	469	469	481	481	487	487	533	533	558	565	559	559	549	549
34															
35	Cast Iron Pipe	758	748	731	731	809	808	867	868	878	881	912	877	885	839
36	Cast Iron Fittings	1278	1322	1380	1418	1478	1478	1481	1565	1627	1736	1883	1955	2130	2516
37	Ductile Iron Pipe	579	579	600	600	622	622	715	715	721	721	768	768	781	781
38	Chemical Feeders-Small	1316	1404	1471	1471	1496	1589	1618	1738	1792	1871	2019	2106	2176	2316
39	Chemical Feeders-Large	805	805	842	842	863	891	900	939	965	990	1080	1140	1145	1195
40	Gate Valves	814	814	868	868	825	825	771	789	812	832	863	863	1105	1145
41	Meter Yokes	1594	1594	1594	1594	1594	1706	1706	1706	1706	1768	1768	1821	1821	1958
42	Corporation Stops	723	723	723	723	723	723	723	723	773	861	861	887	887	953
43	Curb Stops	780	780	780	780	780	780	780	780	835	929	929	957	957	1029
44	Hydrants	1418	1591	1694	1694	1681	1681	1735	1759	1803	1830	1886	1886	2086	2143
45	Meters-Water	400	400	403	403	404	418	434	434	443	443	459	459	485	485
46															
47															
48															
49															
50	Construction Equipment	564	568	570	574	575	579	580	575	600	609	613	620	621	640
51															
52															
53															
54															
55															
56															

ALL REGIONS (1973=100)

Line	CONSTRUCTION AND EQUIPMENT	COST INDEX NUMBERS													
		2022		2023		2024		2025		2026		2027		2028	
		Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1
1	Boilers	831	873	921	954	965	994	1020							
2	Coal & Ash Handling Equipment	774	814	842	839	862	887	875							
3	Pumps	1821	2046	2070	2152	2328	2349	2357							
4	Steam Pipe	649	701	720	672	708	706	597							
5	Cranes	1494	1757	1910	1910	1974	1979	1982							
6	Regulators	547	612	669	664	632	636	640							
7	Switchboards	6250	7005	8408	8819	9245	9707	10175							
8	Power Transformers	1032	1101	1122	1132	1147	1150	1190							
9	Oil Switches	571	630	668	684	693	728	739							
10	Motors	1065	1188	1176	1118	1185	1281	1314							
11	Line Transformers	1293	1405	1980	2041	2404	2471	2544							
12	Meters-Electric	375	375	559	559	568	568	574							
13	Treated Pine Poles	766	757	769	782	807	810	815							
14	Standard Cross Arms	564	564	584	609	691	699	681							
15	Standard Galv. Steel Guy Wire	610	769	769	769	989	989	1111							
16	Fibre Conduit	627	627	1246	1246	1216	1216	1909							
17	Plastic Conduit	708	708	1038	1038	985	985	1384							
18	Mercury Luminaires w/Standard	1154	1267	1367	1463	1599	1725	1590							
19	Power Wire & Control Cable	382	411	408	402	418	454	452							
20	Overhead Conductor-Transmission	605	605	1304	1304	1470	1470	1470							
21	Underground Conductor-Transmission	1902	1864	2334	2541	2650	2664	2964							
22	Overhead Conductor-Distribution	628	630	1369	1369	1497	1514	1357							
23	Underground Conductor-Distribution	816	695	1146	1215	1258	1258	1118							
24	Service Cable	540	546	1207	1208	1225	1276	813							
25	Condensers & Tubes	785	835	772	823	809	799	792							
26	Turbo-Generators	859	799	672	813	819	833	837							
27															
28	Gas Compressors	853	952	989	1034	1051	1085	1101							
29	Gas Transmission Line Pipe	1185	1227	1132	988	983	979	813							
30	Steel Distribution Pipe	2304	2276	3248	3189	3154	3175	3290							
31	Plastic Pipe	603	603	767	767	727	727	833							
32	Meters-Gas	529	539	580	591	635	635	350							
33	House Regulators	650	650	769	769	900	875	921							
34															
35	Cast Iron Pipe	876	948	990	990	1347	1294	1146							
36	Cast Iron Fittings	3004	3279	3858	3858	3974	3974	4071							
37	Ductile Iron Pipe	781	781	781	781	781	781	826							
38	Chemical Feeders-Small	2503	2774	2892	2975	3305	3317	3345							
39	Chemical Feeders-Large	1307	1452	1528	1592	1769	1769	1769							
40	Gate Valves	1260	1365	1758	1758	1867	1867	1275							
41	Meter Yokes	2193	2193	2369	2369	2369	2369	2369							
42	Corporation Stops	1068	1068	1153	1153	1153	1153	1153							
43	Curb Stops	1152	1152	1244	1244	1244	1244	1244							
44	Hydrants	2219	2454	2522	2522	2596	2596	2717							
45	Meters-Water	803	826	973	973	1074	1074	1114							
46															
47															
48															
49															
50	Construction Equipment	683	721	743	776	799	806	804							
51															
52															
53															
54															
55															
56															

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THE

HANDY-WHITMAN INDEX
Of
Public Utility Construction Costs©

TRENDS OF CONSTRUCTION COSTS

Preliminaries

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HANDY-WHITMAN INDEX OF PUBLIC UTILITY CONSTRUCTION COSTS

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BUILDING INDEXES 7/1/25

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2	765	651	727	621	675	802
3	858	800	838	788	891	857
4	787	712	757	700	721	767
5	770	665	747	568	656	845
6	698	639	687	556	650	804
9	786	1023	944	705	928	980
10	292	439	392	346	651	598
11	567	583	511	568	558	582
12	1269	2286	1446	1879	2612	1000
13	848	791	664	1060	596	686
16	846	557	743	553	599	880
17	842	614	756	574	594	866
18	824	596	752	540	583	860
19	870	644	756	541	578	868
20	928	572	781	586	629	1017
21	919	634	784	600	692	944
22	889	596	738	593	663	960

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4	619
5	1986
6	647
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9	794
10	1357
11	2632
12	574
13	818
14	681
15	1178
16	1909
17	1384
18	1607
19	462
20	1470
21	2964
22	1357
23	1118
24	811
25	795
26	767
28	1160
29	845
30	3320
31	833
32	352
33	954
35	1475
36	4071
37	826
38	3627
39	1822
40	1315
41	2369
42	1153
43	1244
44	2799
45	1114
50	827

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WATER INDEXES 7/1/25

LINE	REGION 1	REGION 2	REGION 3	REGION 4	REGION 5	REGION 6
2	796	802	808	734	767	850
8	989	884	962	854	971	1044
9	2072	2072	2072	2072	2072	2072
15	989	884	962	854	971	1044
16	1213	1140	1186	1136	1165	1293
17	1473	1431	1466	1440	1463	1567
23	1418	1418	1418	1418	1418	1418
24	2110	2110	2110	2110	2110	2110
27	1402	1406	1403	1425	1437	1484
28	1346	1272	1289	1348	1288	1359
29	861	803	831	799	813	886
34	1182	1196	1205	1150	1178	1256
35	1361	1490	1482	1449	1467	1510
36	1255	1080	1119	1033	1078	1095
37	899	784	843	770	792	923
38	643	585	615	578	585	633
39	936	801	866	770	714	951
40	1114	1114	1114	1114	1114	1114
41	988	856	910	853	843	1013
42	1557	1510	1501	1513	1505	1608
46	3597	3618	3605	3683	3640	3727
47	2459	2321	2455	2364	2445	2536
48	1243	1069	1204	1152	1234	1378

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AUS Telephone Plant Index

Cost Trend Tables from 1946 to July 1, 2025

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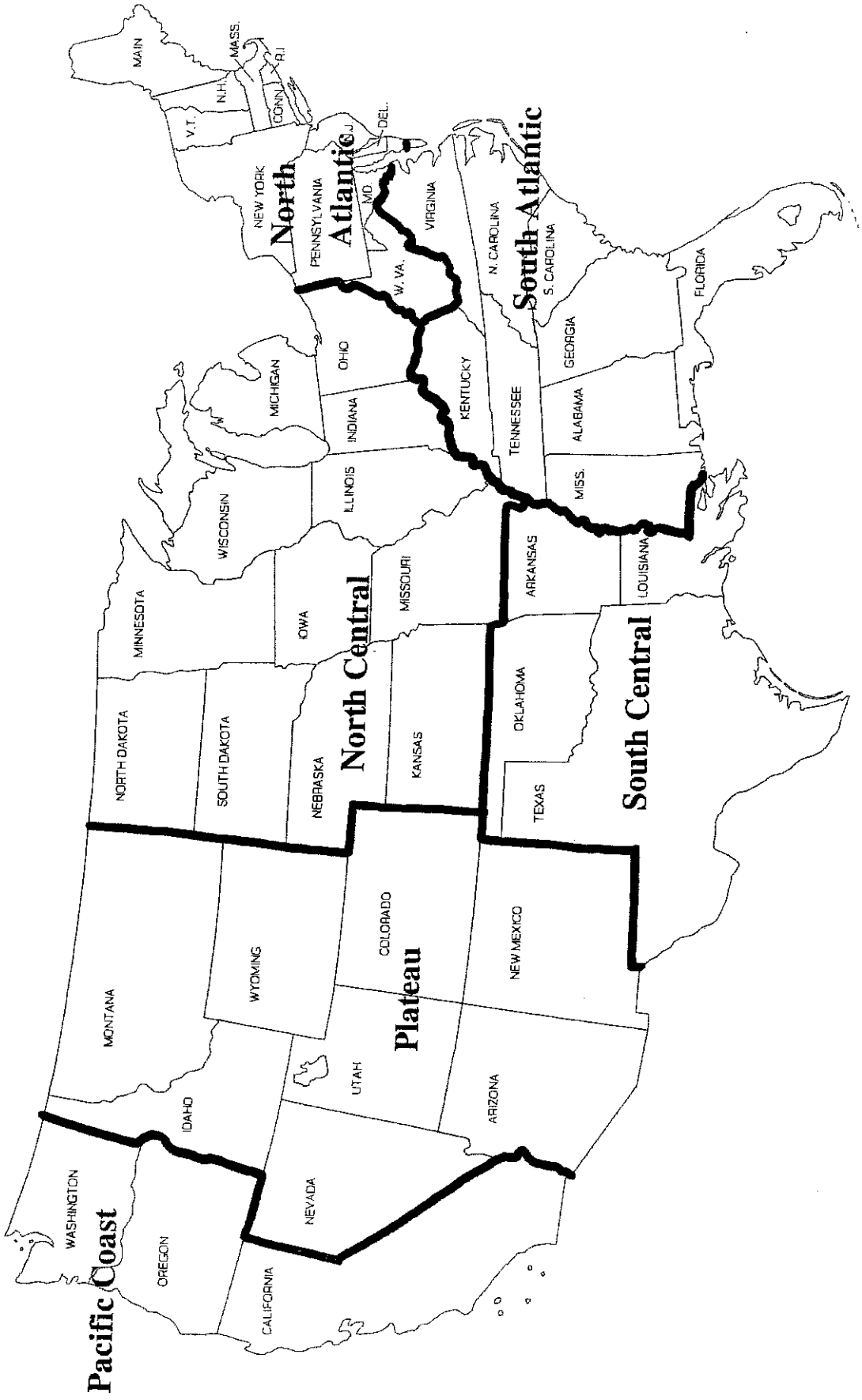
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Pacific Coast
WASHINGTON
OREGON
CALIFORNIA
Plateau
IDAHO
NEVADA
MONTANA
WYOMING
UTAH
COLORADO
ARIZONA
NEW MEXICO
North Central
NORTH DAKOTA
SOUTH DAKOTA
NEBRASKA
KANSAS
MINNESOTA
IOWA
MISSOURI
South Central
OKLAHOMA
TEXAS
ARKANSAS
LOUISIANA
North Atlantic
MAIN
N.H.
V.T.
MASS.
R.I.
CONN.
NEW YORK
PENNSYLVANIA
N.J.
DEL.
MD.
South Atlantic
VIRGINIA
W. VA.
N. CAROLINA
S. CAROLINA
GEORGIA
FLORIDA
OHIO
MICHIGAN
INDIANA
KENTUCKY
TENNESSEE
ALABAMA
MISS.
WISCONSIN
ILLINOIS

iv.

FOREWORD

The AUS Telephone Plant Index, which follows this foreword was first introduced in 1977 by Associated Utility Services, Inc., and published as part of the Handy-Whitman Index of Public Utility Construction Costs through 1989. In 1990 AUS Consultants, the successor company to Associated Utility Services, Inc., decided to publish the Telephone Plant Index under the name C.A. Turner Utility Reports publication division. In 2005 the index changed its name from C.A. Turner Telephone Plant Index to AUS Telephone Plant Index.

The 1990 AUS Telephone Plant Index (TPI) was the first nationally available TPI based on the Federal Communication Commission (FCC) Uniform System of Accounts (USOA) Part 32. The prior published TPI, also prepared by AUS staff, was based on the earlier USOA Part 31 Standards.

Telephone Plant Index Description

The TPI consists of a separate cost index series for each of six geographic regions shown on the map at page iv. These regions are designated: North Atlantic, South Atlantic, North Central, South Central, Plateau, and Pacific Coast. The regional designation are the same as those used in the prior issues of the cost index and are based on similarity of characteristics among the contiguous 48 states.

Each cost index series within a region consists of one index labeled "Total Plant Account" and up to 31 individual cost index series for the individual plant account identified in the left hand columns.

The Base Year for each cost index is 1973=100. Some plant accounts will not show an index number of 100 at year 1973 due to a subsequent adjustment for FCC Part 31 to Part 32, changes explained later in this foreword. In a few accounts the item described in the account was not included in the index series until after 1973 and the base year is considered the first year of entry.

The index for most plant accounts begins with a single entry in year 1946 and continues with a single number for each year through 1973. Beginning in 1974 there are two index numbers for each year; one for January 1 and one for July 1. These numbers represent the prevailing wages and material prices and weightings at that point in time.

Index History

An index is a tool for identifying the relative price change of an item, or group of items over an identified period of time. Price indexes have been in use for many years for a variety of reasons. One example is an index developed in the eighteenth century by an Italian named Carli to determine the effect of the discovery of America upon the level of prices in Italy of three commodities between the years 1500 and 1750. In the current century, numerous organizations, including the United States Bureau of Statistic, have developed a variety of indexes ranging from the cost of basic commodities to manufactured goods and building construction cost.

Interest in telephone utility cost indexes has varied over time depending on the need to develop reproduction cost values for utility properties. Previous uses of cost indexes included such things as the determination trended original cost in fair value rate jurisdictions and current cost pricing for FASB-33 financial accounting disclosures. Due to changes in rate regulation proceedings and financial disclosure requirements, the need in these two specific areas has declined. Other areas in which reproduction cost indexes were utilized included insurance valuations, property tax valuations, retirement accounting and cost forecasting, etc.

Most recently, interest in cost indexes for the telecommunication industry has increased due to the possible implementation of price cap regulation. This form of regulation incorporates the use of changes in price levels by regulators to set rates. Under one proposal, customer tariff prices are adjusted to give consideration to productivity improvements, therefore, the development of the construction cost indexes will have an indirect bearing on the level of the company revenue requirements.

Index Design

The telephone plant index was designed as a product which could be utilized by any of the various telephone operating companies to develop the reproduction cost of the company's property at the selected test year date. Due to the variation of many design construction specifics from one company to another, it is impossible to produce an index which will exactly mirror the construction cost changes for each company. In circumstances where companies desire a more specific reproduction cost of their property, a custom index should be prepared or, alternately, the company's property should be inventoried and unit priced. Such unit cost work efforts, of course, will be significantly more expensive and time consuming to complete.

As indicated, the telephone plant index is a standard index which is published on a semi-annual basis. The yearly average index is calculated via a 1-2-1 weighting process which is the sum of 25% of the January index, 50 of the July index, and 25% of the succeeding year's January index.

In general terms, the telephone plant index was constructed around the FCC Part 32 system of accounts to aid companies in ease of application of the published index. Each embedded property account was reviewed to determine the components which comprise the large segment of the property investment in each account. In this manner, the resulting telephone plant index was a reasonable proxy for determining the reproduction cost of the embedded investment of the independent telephone industry.

With the exception of the General Support Asset Group, the FCC Part 32 based indexes were adjusted for all index years 1987 and prior to compensate for the change in overhead capitalization policies effective with the new regulations. That is, under FCC Part 31 regulation, a greater level of overheads were previously incorporated in the plant in service investments contained on the company's books and records. The adjusted indexes for the years 1946 through 1987, when applied to the company's original costs, will produce the applicable reproduction cost under FCC Part 32 accounting treatment. The index adjustment for Part 31 to Part 32 accounting results in the plant accounts not having an index number of 100 at the 1973 base year.

The AUS Telephone Plant Index was designed around thirty-six component indexes representing the basic components of material and labor which make up the construction of the various telephone plant accounts. The components include such items as Buildings, Switching Equipment, Circuit Equipment, Poles, Cable, Wire Vehicles, Tools, Furniture, Installer Labor and Lineman Labor, etc. The components were composited together into account level indexes based upon material and labor weights derived from a study of independent telephone construction cost experience.

Introduction of new technologies into a reproduction cost index required the review of composite weight included in development of the account level index to reflex the new mix of property.

The goal of the telephone plant index was to produce a product which when utilized together with each companies' books and records would produce a reproduction cost value.

The AUS Telephone Plant Index does not reflect replacement cost inasmuch as it was designed to produce the reproduction cost (the cost in today's dollars to reproduce the company's embedded plant in service).

Index Functions

The AUS Telephone Plant Index series was initially prepared to address a very specific function. That is, it was designed to enable companies to produce trended original cost values to the historical original cost of plant in service on the companies' books and records. This trended original cost is a general representation of the cost to reconstruct the property in question at the price level of the selected period. If a company desires a more specific estimate of reconstruction, the property specific indexes can be developed giving consideration to the actual history of the company's wages and material cost in comparison to the labor and material costs. For an even more specific cost estimated to rebuild the plant in serve, engineering estimated can be completed based upon the property inventory and the current unit costs for constructing the various plant categories.

In summary, the index was designed to be applied on a vintage and account level basis to determine the reproduction cost of local distribution companies' plant in service, as of the selected price level.

A tool can be utilized correctly only within the boundaries for which the product was originally designed. Uses above and beyond the scope of the original design may or may not produce reliable results. That is, the use of a generalized index to prepare a reproduction cost will provide general results within the range of reasonableness. If more specific or exact results are required, alternative methods or procedures (i.e., custom indexes or specific detail pricing) should be employed.

An effort has been made to carefully construct an index which produces a reasonable proxy of reproduction cost for the telephone plant or local distribution companies giving consideration to the fact that there are variances in material and labor costs, as well as, construction methods and practices from one company to another. Nevertheless, we believe that there is sufficient similarity in the cost trends to make the AUS Telephone Plant Index a useful tool when carefully applied to a company's historical cost base.

North Atlantic

AUS TELEPHONE PLANT INDEX

NORTH ATLANTIC REGION 1973-100

LINE NO	PLANT IN SERVICE DESCRIPTION	FCC Acct	COST INDEX NUMBER																LINE NO
			1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	
1	Total Plant		85	89	91	91	92	95	96	96	94	94	97	97	96	96	97	96	1
2																			2
3																			3
4	Motor Vehicles	2112	57	57	63	67	67	70	74	74	74	77	81	84	87	89	88	87	4
5	Aircraft	2113	56	56	62	66	66	69	73	73	73	75	80	83	86	88	86	86	5
6	Special Purpose Vehicles	2114	30	34	38	41	42	46	47	48	49	51	56	60	62	65	66	67	6
7	Gargare Work Equipment	2115	36	38	42	44	46	51	51	52	53	56	61	65	67	69	70	70	7
8	Other Work Equipment	2116	50	50	52	54	55	59	59	61	62	64	67	70	71	74	75	77	9
9																			10
10																			11
11	Buildings	2121	24	28	32	34	35	37	38	39	41	42	46	49	50	52	53	52	12
12	Furniture	2122	43	43	46	47	50	56	56	57	57	60	64	68	70	70	71	71	12
13	Office Equipment	2123	67	67	69	69	70	75	74	76	77	79	82	85	87	88	88	89	13
14	General Purpose Computer	2124	67	67	69	69	70	75	74	76	77	79	82	85	87	88	88	89	14
15																			15
16																			16
17	Analog Electronic Switching	2211	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Ditgital Electronic Switching	2212	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18
19																			19
20																			20
21	Electro Mechanical Switchmg	2215	36	48	49	57	62	64	67	66	64	65	68	70	69	72	70	72	21
22																			22
23	Operator Systems	2220	37	50	51	59	64	67	69	68	66	67	70	72	71	73	71	74	23
24																			24
25																			25
26																			26
27	Radio System-Analog	22311	51	57	62	63	63	66	64	60	58	58	49	49	46	47	36	36	27
28	Radio System-Digital	22312	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28
29	Circuit Equipment-Analog	22321	347	392	417	411	410	423	410	401	348	311	319	317	303	299	312	297	29
30	Circuit Equipment-Digital	22322	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30
31																			31
32	Public Telephone Term Eq	2351	148	151	145	145	148	154	143	144	146	158	159	164	164	164	165	165	32
33																			33
34																			34
35	Poles	2411	33	37	39	41	42	45	47	49	51	50	54	58	59	59	60	61	35
36	Aerial Cable-Metallic	24211	44	47	49	49	51	58	61	64	64	68	74	72	70	71	72	70	36
37	Aerial Cable-Fiber	24212	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	37
38	Underground Cable-Metallic	24221	48	52	54	53	55	64	67	71	69	75	82	78	75	76	78	75	38
39	Underground Cable-Fiber	24222	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Buried Cable-Metallic	24231	50	54	56	55	57	66	70	74	72	78	85	81	77	78	80	76	40
41	Buried Cable-Fiber	24232	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Submarine Cable-Metallic	24241	43	45	48	48	50	56	59	62	61	65	71	69	68	69	71	70	42
43	Submarine Cable-Fiber	24241	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	43
44	Intra Building Cable-Metallic	24261	43	47	49	48	50	58	61	64	63	68	74	71	69	70	72	70	44
45	Intra Building Cable-Fiber	24262	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45
46	Aerial Wire	2431	33	36	38	38	40	45	47	50	50	55	58	57	57	59	61	62	46
47	Conduit Systems	2441	54	55	57	59	60	63	64	64	65	65	67	69	71	72	73	74	47
48																			48
49	Aerial Cable-FTTP (Distribution)	24213	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49
50	Underground Cable-FTTP (Dist.)	24223	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50
51	Buried Cable-FTTP (Distribution)	24233	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	51
52	Submarine Cable-FTTP (Dist.)	24243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52
53	Intra Building Cable-FTTP (Dist.)	24263	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53

AUS TELEPHONE PLANT INDEX

NORTH ATLANTIC REGION 1973-100

LINE NO	COST INDEX NUMBER																							LINE NO
	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974 Jan. 1	1974 Jul. 1	1975 Jan. 1	1975 Jul. 1	1976 Jan. 1	1976 Jul. 1	1977 Jan. 1	1977 Jul. 1	1978 Jan. 1	1978 Jul. 1	1979 Jan. 1	1979 Jul. 1	
1	95	94	94	94	95	96	96	97	101	101	102	105	108	113	116	116	117	120	122	123	125	128	131	135	1
2																									2
3																									3
4	87	86	86	85	85	86	88	89	92	97	99	100	102	105	116	116	123	124	131	132	140	143	149	155	4
5	85	85	84	84	84	84	86	88	91	96	99	100	102	109	119	123	128	131	136	140	146	151	157	163	5
6	67	68	70	72	74	77	81	85	89	93	96	100	103	114	130	141	147	151	158	162	171	177	187	195	6
7	71	71	72	73	76	79	82	85	90	94	96	100	114	118	134	139	143	147	153	159	165	172	180	189	7
8	78	79	79	79	81	85	88	93	98	100	100	100	100	111	118	122	119	122	124	130	131	137	141	147	8
9																									9
10																									10
11	53	54	56	57	59	61	64	68	74	84	91	100	107	119	125	128	126	131	132	136	140	148	154	163	11
12	71	71	72	72	73	77	80	83	89	91	93	100	103	114	130	128	129	135	136	144	149	155	160	171	12
13	89	90	90	90	91	92	93	93	96	97	99	100	101	105	109	111	110	112	111	113	114	118	119	123	13
14	89	90	90	90	91	92	93	93	96	97	99	100	100	100	102	103	100	100	98	90	90	90	90	90	14
15																									15
16																									16
17	0	0	0	0	0	0	0	0	0	0	0	104	103	106	110	111	111	113	113	113	115	119	122	125	17
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	105	105	100	95	95	95	96	96	18
19																									19
20																									20
21	71	76	78	75	72	71	75	81	84	88	98	104	106	110	115	120	124	127	132	136	140	145	151	156	21
22																									22
23	73	77	79	76	72	71	76	81	85	89	98	104	106	108	111	114	117	119	121	122	125	128	132	136	23
24																									24
25																									25
26																									26
27	46	49	52	60	58	63	62	66	78	97	102	104	102	102	102	102	97	98	103	104	106	106	103	103	27
28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28
29	273	234	228	214	224	210	173	159	163	128	108	104	105	108	111	112	111	111	115	118	118	119	120	122	29
30	0	0	0	0	0	0	0	0	0	0	0	104	104	104	105	105	110	116	121	126	126	127	123	120	30
31																									31
32	165	165	166	130	122	123	120	118	108	107	108	107	106	107	110	109	109	111	112	114	116	119	123	127	32
33																									33
34																									34
35	62	63	65	66	68	71	76	79	83	88	97	107	119	131	144	157	158	160	164	169	176	183	196	208	35
36	70	70	70	73	77	81	84	88	96	97	100	107	114	125	129	126	130	135	140	144	148	152	158	170	36
37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	37
38	74	73	72	75	80	84	87	91	100	99	100	107	114	127	130	125	129	134	138	143	145	149	155	168	38
39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39
40	76	74	73	77	81	85	88	91	101	99	100	107	114	128	131	124	128	133	138	142	144	147	153	167	40
41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41
42	70	70	71	73	77	81	84	88	95	96	101	107	113	123	128	126	131	136	141	145	150	154	160	171	42
43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	43
44	70	70	70	73	77	81	84	88	96	96	100	107	114	125	129	126	130	136	140	145	148	152	158	170	44
45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45
46	63	65	66	70	73	75	78	84	91	93	100	107	114	125	130	131	134	139	142	146	145	150	158	172	46
47	74	77	78	79	82	84	84	87	89	94	102	107	111	117	127	130	135	139	144	150	159	163	169	180	47
48																									48
49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49
50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50
51	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	51
52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52
53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53

AUS TELEPHONE PLANT INDEX

NORTH ATLANTIC REGION 1973-100

LINE NO	PLANT IN SERVICE DESCRIPTION	FCC Acct	COST INDEX NUMBERS																LINE NO
			1980		1981		1982		1983		1984		1985		1986		1987		
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	
1	Total Plant		140	146	146	149	150	152	156	159	156	154	156	158	156	154	154	155	1
2																			2
3																			3
4	Motor Vehicles	2112	162	167	178	186	195	195	201	199	203	204	206	210	215	215	227	220	4
5	Aircraft	2113	170	180	195	205	215	217	224	223	227	228	230	234	238	237	233	231	5
6	Special Purpose Vehicles	2114	206	220	231	245	254	263	266	270	271	274	274	277	278	281	283	287	6
7	Gargare Work Equipment	2115	200	213	223	234	241	248	250	251	253	257	260	263	264	267	268	270	7
8	Other Work Equipment	2116	153	165	170	181	183	189	189	189	189	190	192	197	199	202	204	205	8
9																			9
10																			10
11	Buildings	2121	176	183	188	193	192	198	200	206	210	218	223	224	228	234	234	239	11
12	Furniture	2122	174	182	187	199	210	213	215	222	224	229	232	238	242	245	248	252	12
13	Office Equipment	2123	125	130	132	136	137	140	140	143	142	142	140	142	143	143	143	146	13
14	General Purpose Computer	2124	90	90	90	90	87	83	76	69	59	48	48	48	48	47	47	47	14
15																			15
16																			16
17	Analog Electronic Switching	2211	130	140	149	163	168	175	183	188	193	199	202	204	205	208	210	210	17
18	Ditgital Electronic Switching	2212	96	96	97	97	94	90	84	77	67	57	57	57	57	56	56	56	18
19																			19
20																			20
21	Electro Mechanical Switching	2215	167	188	199	213	219	226	232	248	268	277	282	281	283	286	287	287	21
22																			22
23	Operator Systems	2220	146	157	166	176	180	185	191	197	204	211	213	215	216	218	219	219	23
24																			24
25																			25
26																			26
27	Radio System-Analog	22311	100	100	101	102	90	91	94	94	79	80	80	81	77	78	82	82	27
28	Radio System-Digital	22312	0	0	0	0	0	0	115	115	115	117	119	121	122	124	126	124	28
29	Circuit Equipment-Analog	22321	125	130	129	128	130	132	121	154	153	152	153	152	147	144	145	146	29
30	Circuit Equipment-Digital	22322	114	107	100	93	93	94	95	96	89	82	80	78	68	59	49	39	30
31																			31
32	Public Telephone Term Eq	2351	132	141	145	150	158	167	190	196	201	206	210	212	213	217	219	218	32
33																			33
34																			34
35	Poles	2411	220	232	240	249	254	259	263	268	272	273	280	283	287	292	295	297	35
36	Aerial Cable-Metallic	24211	182	193	191	197	202	204	208	213	211	209	219	231	227	223	225	228	36
37	Aerial Cable-Fiber	24212	0	0	0	0	0	0	136	138	132	127	119	111	108	105	108	110	37
38	Underground Cable-Metallic	24221	181	192	187	191	195	196	199	203	197	193	204	217	212	205	206	209	38
39	Underground Cable-Fiber	24222	0	0	0	0	0	0	130	131	125	119	110	101	98	94	97	100	39
40	Buried Cable-Metallic	24231	180	192	186	189	192	193	195	199	192	187	198	212	205	198	198	201	40
41	Buried Cable-Fiber	24232	0	0	0	0	0	0	129	131	124	118	109	100	97	93	96	98	41
42	Submarine Cable-Metallic	24241	181	192	193	199	205	209	214	219	219	218	227	238	237	235	238	240	42
43	Submarine Cable-Fiber	24241	0	0	0	0	0	0	147	149	145	141	134	128	126	124	127	130	43
44	Intra Building Cable-Metallic	24261	182	193	191	197	202	205	209	214	211	210	220	231	228	224	226	230	44
45	Intra Building Cable-Fiber	24262	0	0	0	0	0	0	136	138	132	127	119	111	108	105	108	111	45
46	Aerial Wire	2431	182	191	198	206	210	214	219	225	232	239	243	248	250	252	253	253	46
47	Conduit Systems	2441	188	196	203	211	219	220	228	240	246	253	257	262	267	271	276	278	47
48																			48
49	Aerial Cable-FTTP (Distribution)	24213	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49
50	Underground Cable-FTTP (Dist.)	24223	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50
51	Buried Cable-FTTP (Distribution)	24233	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	51
52	Submarine Cable-FTTP (Dist.)	24243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52
53	Intra Building Cable-FTTP (Dist.)	24263	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53

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LINE NO	COST INDEX NUMBERS																								LINE NO
	1988		1989		1990		1991		1992		1993		1994		1995		1996		1997		1998		1999		
	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	
1	150	153	158	165	164	165	167	165	165	165	167	168	169	170	174	178	182	182	184	185	186	184	184	181	1
2																									2
3																									3
4	221	222	231	229	236	232	244	241	254	251	258	261	267	271	275	270	279	276	277	271	270	263	273	266	4
5	234	234	234	240	246	254	261	271	274	284	285	291	297	300	304	312	318	322	326	328	327	328	329	330	5
6	289	293	298	309	312	319	325	328	333	337	343	348	348	351	353	360	362	368	370	374	377	382	383	388	6
7	273	279	286	294	298	305	309	316	318	322	324	328	332	336	338	345	349	354	356	359	361	364	366	368	7
8	206	210	215	218	221	228	230	234	235	240	240	243	244	250	250	254	254	258	258	260	260	262	263	265	8
9																									9
10																									10
11	242	254	257	268	268	272	272	274	270	279	283	290	295	306	310	310	311	312	323	329	331	338	341	343	11
12	255	263	269	274	278	284	287	290	291	294	296	299	302	309	309	315	320	322	326	328	330	330	330	333	12
13	147	149	151	153	154	154	152	153	153	156	154	155	155	155	154	156	155	156	155	157	156	157	156	157	13
14	45	43	37	31	30	29	26	24	23	21	21	21	21	21	21	20	17	15	14	14	14	14	13	13	14
15																									15
16																									16
17	204	207	210	212	214	211	212	214	213	213	213	216	215	216	213	212	211	204	204	200	196	194	193	192	17
18	52	50	45	40	39	38	36	33	32	31	31	31	32	32	32	31	28	27	26	26	26	26	25	25	18
19																									19
20																									20
21	278	284	289	291	291	292	296	302	303	304	309	317	316	324	329	327	334	333	336	339	331	336	338	342	21
22																									22
23	213	216	217	218	218	218	220	223	224	224	227	231	231	236	238	236	239	240	239	239	234	237	237	239	23
24																									24
25																									25
26																									26
27	80	80	81	81	81	82	81	82	84	85	86	87	87	87	89	89	91	91	91	93	94	95	95	96	27
28	117	117	117	118	118	118	116	116	117	118	119	120	119	120	120	121	121	122	123	125	125	123	123	124	28
29	140	141	142	144	145	144	145	146	147	147	147	149	150	150	152	149	149	146	146	145	143	143	142	143	29
30	36	35	35	35	35	34	34	34	37	38	39	39	39	39	37	37	37	38	35	36	36	36	36	35	30
31																									31
32	205	209	212	214	216	213	213	215	214	214	213	216	215	216	213	212	211	204	204	200	196	195	194	192	32
33																									33
34																									34
35	278	285	291	295	300	304	310	315	319	327	331	338	352	365	368	369	379	385	400	402	406	413	418	421	35
36	226	237	257	275	273	277	282	277	279	275	281	282	283	282	294	310	319	323	325	328	333	324	322	314	36
37	94	87	85	89	89	89	90	90	89	90	89	89	88	87	88	89	90	91	91	92	93	94	94	95	37
38	210	221	244	265	261	265	270	261	263	256	262	260	260	257	270	289	299	304	305	308	312	299	297	285	38
39	84	75	73	77	76	76	77	77	76	76	75	74	73	72	72	73	74	75	75	76	76	77	77	77	39
40	204	215	240	262	257	261	265	256	257	249	256	253	252	249	262	283	293	298	298	301	306	291	288	275	40
41	82	73	71	75	74	74	75	75	74	74	73	72	71	69	70	71	72	73	73	73	74	74	75	75	41
42	235	244	260	274	274	277	283	278	282	279	285	286	287	288	298	310	319	324	324	327	332	325	325	319	42
43	114	107	106	111	111	111	113	113	113	114	113	114	113	113	114	115	118	119	119	120	121	122	123	123	43
44	227	238	257	275	273	277	282	277	279	275	281	282	282	282	293	309	318	323	324	328	333	324	322	314	44
45	95	87	85	90	89	89	90	91	90	90	89	89	88	87	88	89	91	92	92	93	94	94	95	95	45
46	249	261	270	278	279	283	290	291	293	298	302	305	307	312	320	324	329	332	334	337	341	344	342	342	46
47	269	277	301	309	311	309	316	308	307	310	314	320	325	331	336	340	345	347	350	353	355	358	362	366	47
48																									48
49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49
50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50
51	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	51
52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52
53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53

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LINE NO	PLANT IN SERVICE DESCRIPTION	FCC Acct	COST INDEX NUMBERS																LINE NO
			2000		2001		2002		2003		2004		2005		2006		2007		
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	
1	Total Plant		182	185	188	190	191	193	194	197	201	206	210	213	227	244	244	249	1
2																			2
3																			3
4	Motor Vehicles	2112	275	269	276	266	270	263	264	257	268	266	272	261	262	258	264	257	4
5	Aircraft	2113	334	343	351	359	362	364	369	377	387	393	408	417	424	438	447	450	5
6	Special Purpose Vehicles	2114	388	392	392	392	392	398	400	404	404	413	428	445	449	462	465	472	6
7	Gargare Work Equipment	2115	369	372	373	377	376	376	377	378	379	387	393	403	408	416	422	430	7
8	Other Work Equipment	2116	266	267	268	273	271	272	271	273	273	275	276	278	278	275	278	279	8
9																			9
10																			10
11	Buildings	2121	353	359	364	374	377	384	385	385	407	412	425	431	441	443	457	472	11
12	Furniture	2122	335	337	338	341	341	341	344	346	346	350	360	368	372	376	380	386	12
13	Office Equipment	2123	156	157	157	158	159	158	158	157	159	160	158	162	161	161	160	161	13
14	General Purpose Computer	2124	12	11	9	9	7	7	6	4.8	3.4	3.4	3.3	3.3	3.0	2.8	2.6	2.7	14
15																			15
16																			16
17	Analog Electronic Switching	2211	193	193	193	190	189	190	189	190	189	190	190	189	187	193	196	186	17
18	Ditgital Electronic Switching	2212	25	24	22	23	23	23	21	22	22	22	22	22	22	22	23	23	18
19																			19
20																			20
21	Electro Mechanical Switching	2215	344	348	350	358	366	376	379	386	391	395	403	405	414	421	430	432	21
22																			22
23	Operator Systems	2220	241	242	243	247	251	257	258	261	264	266	271	272	276	282	287	287	23
24																			24
25																			25
26																			26
27	Radio System-Analog	22311	96	96	96	95	95	95	95	95	95	96	95	95	94	97	98	94	27
28	Radio System-Digital	22312	125	125	126	127	128	127	125	125	125	126	127	127	128	129	130	130	28
29	Circuit Equipment-Analog	22321	143	144	144	142	143	143	143	144	143	145	145	145	144	148	150	144	29
30	Circuit Equipment-Digital	22322	36	36	36	37	37	38	38	39	38	38	39	39	39	40	40	41	30
31																			31
32	Public Telephone Term Eq	2351	193	193	193	191	190	190	190	191	190	191	190	189	187	193	195	186	32
33																			33
34																			34
35	Poles	2411	421	429	434	446	451	459	463	472	477	490	495	503	502	521	526	529	35
36	Aerial Cable-Metallic	24211	313	322	328	333	335	338	340	349	357	371	379	386	430	486	477	492	36
37	Aerial Cable-Fiber	24212	96	98	100	102	104	105	105	108	110	112	114	116	118	119	121	122	37
38	Underground Cable-Metallic	24221	281	289	295	299	298	299	299	307	314	326	334	340	394	461	448	466	38
39	Underground Cable-Fiber	24222	78	80	82	83	84	86	85	87	89	91	92	94	95	96	98	98	39
40	Buried Cable-Metallic	24231	271	278	284	287	285	289	286	293	300	312	320	326	383	456	441	460	40
41	Buried Cable-Fiber	24232	76	77	79	80	81	83	82	84	85	87	89	90	91	92	93	94	41
42	Submarine Cable-Metallic	24241	320	327	334	338	341	343	346	353	362	372	379	384	417	459	454	466	42
43	Submarine Cable-Fiber	24241	125	127	130	132	134	136	136	138	141	144	146	148	149	150	153	154	43
44	Intra Building Cable-Metallic	24261	313	322	328	333	335	338	340	349	357	370	378	385	429	483	474	489	44
45	Intra Building Cable-Fiber	24262	97	99	101	103	104	106	106	108	110	113	115	117	118	120	121	122	45
46	Aerial Wire	2431	348	355	362	368	372	377	381	391	399	412	419	427	446	466	465	472	46
47	Conduit Systems	2441	375	380	391	395	403	412	418	422	432	442	453	458	474	478	495	493	47
48																			48
49	Aerial Cable-FTTP (Distribution)	24213	0	0	0	0	0	0	0	0	0	100	97	95	92	89	88	87	49
50	Underground Cable-FTTP (Dist.)	24223	0	0	0	0	0	0	0	0	0	100	99	98	98	97	96	96	50
51	Buried Cable-FTTP (Distribution)	24233	0	0	0	0	0	0	0	0	0	100	102	105	104	103	103	102	51
52	Submarine Cable-FTTP (Dist.)	24243	0	0	0	0	0	0	0	0	0	100	99	98	98	97	96	96	52
53	Intra Building Cable-FTTP (Dist.)	24263	0	0	0	0	0	0	0	0	0	100	100	100	100	100	101	103	53

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LINE NO	COST INDEX NUMBERS																					LINE NO
	2008		2009		2010		2011		2012		2013		2014		2015		2016		2017		2018		
	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	
1	251	256	245	248	258	260	279	282	282	282	285	283	284	285	289	287	283	282	288	290	298	304	1
2																							2
3																							3
4	263	257	272	273	274	269	272	273	280	279	286	282	291	287	291	295	299	298	305	301	307	304	4
5	461	471	495	480	485	490	497	502	514	520	523	528	532	537	541	543	543	547	548	553	557	562	5
6	476	485	499	504	503	503	507	518	529	541	548	555	557	564	566	570	572	576	577	581	583	578	6
7	435	445	457	457	456	458	462	474	479	485	489	494	497	503	505	509	510	513	514	519	522	533	7
8	281	286	290	286	286	288	288	290	291	294	295	296	304	307	309	315	318	322	322	324	327	330	8
9																							9
10																							10
11	492	497	506	494	506	507	521	518	530	532	542	539	550	552	585	580	586	589	604	608	633	647	11
12	389	402	417	415	418	420	415	429	433	437	433	437	439	450	449	454	454	455	457	461	464	482	12
13	162	171	184	171	169	169	170	171	173	173	164	165	166	166	171	172	172	172	173	171	171	169	13
14	2.7	2.6	2.6	2.1	2.01	1.98	1.97	1.49	0.82	0.66	0.67	0.5	0.57	0.6	0.55	0.63	0.64	0.65	0.73	0.71	0.67	0.64	14
15																							15
16																							16
17	180	179	178	178	177	177	174	175	174	174	174	175	176	176	176	176	177	177	177	179	177	179	17
18	24	24	25	25	25	25	25	25	26	26	26	27	27	27	27	28	28	28	28	29	29	29	18
19																							19
20																							20
21	439	445	456	458	460	469	474	481	486	478	484	491	497	495	499	499	496	497	502	502	509	506	21
22																							22
23	288	292	297	299	300	305	307	311	313	309	312	317	320	319	322	322	320	321	324	325	328	327	23
24																							24
25																							25
26																							26
27	91	90	90	90	89	89	88	89	88	88	88	88	89	89	89	89	89	89	89	90	90	90	27
28	131	132	134	134	135	137	138	138	137	138	138	138	138	138	139	140	140	140	140	141	141	142	28
29	140	139	139	139	138	138	137	138	137	137	137	138	139	139	140	140	141	141	141	142	142	143	29
30	41	41	41	41	40	40	40	41	41	42	42	42	43	43	44	44	44	45	45	45	46	46	30
31																							31
32	180	179	177	178	177	177	174	175	173	174	173	174	175	175	176	176	177	177	177	179	177	179	32
33																							33
34																							34
35	537	547	554	563	570	578	576	587	594	600	603	607	605	616	620	621	629	633	634	652	643	652	35
36	494	507	461	473	506	509	573	582	577	576	582	572	573	573	578	570	555	551	566	568	590	604	36
37	123	124	126	127	128	130	131	133	135	136	137	138	140	142	143	144	146	148	149	151	153	155	37
38	465	481	421	435	475	476	555	562	554	552	556	544	542	540	544	533	513	506	523	524	548	563	38
39	100	100	102	103	103	105	106	108	109	110	111	112	113	114	116	116	118	119	120	122	123	125	39
40	459	475	410	425	467	467	553	560	550	547	552	538	536	533	537	524	501	493	511	511	537	552	40
41	95	96	97	98	99	100	101	103	104	105	106	107	108	109	111	111	113	114	115	116	118	120	41
42	468	479	447	458	484	486	535	541	539	540	545	539	541	542	547	544	534	532	546	548	566	578	42
43	155	157	159	161	163	164	166	168	170	172	173	174	177	179	181	183	185	187	189	191	194	196	43
44	491	504	459	471	504	507	570	578	573	573	578	569	569	570	575	567	553	549	564	566	588	602	44
45	124	125	127	128	129	131	132	134	135	137	138	139	141	142	144	145	147	148	150	152	154	156	45
46	475	488	469	478	496	501	519	528	525	527	531	530	533	538	543	543	540	541	551	556	569	580	46
47	502	507	525	530	516	521	526	532	545	550	549	552	559	565	571	577	581	586	591	596	611	618	47
48																							48
49	82	77	75	73	65	58	55	53	52	50	50	50	50	50	50	49	50	49	49	50	49	50	49
50	94	92	89	87	83	80	75	70	66	62	58	54	54	54	53	53	54	54	54	55	54.3	55.3	50
51	92	82	78	74	71	68	66	63	61	59	57	54	54	55	54	54	54	53	53	54	52.7	53.7	51
52	94	92	89	87	83	80	75	70	66	62	58	54	54	54	53	53	54	54	54	55	54.3	55.3	52
53	104	105	90	75	68	61	54	47	43	39	39	39	39	39	38	38	39	44	44	44	43.7	44.7	53

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LINE NO	PLANT IN SERVICE DESCRIPTION	FCC Acct	COST INDEX NUMBERS														LINE NO
			2019		2020		2021		2022		2023		2024		2025		
			Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	Jan. 1	Jul. 1	
1	Total Plant		304	305	308	308	320	343	361	373	386	386	383	397	392	406	1
2																	2
3																	3
4	Motor Vehicles	2112	309	305	308	304	310	314	318	326	332	332	334	334	341	341	4
5	Aircraft	2113	567	574	575	581	583	586	592	613	622	640	654	664	669	680	5
6	Special Purpose Vehicles	2114	602	612	616	623	623	650	685	721	746	779	801	808	806	830	6
7	Gargare Work Equipment	2115	541	550	550	555	558	578	609	657	676	701	709	727	733	761	7
8	Other Work Equipment	2116	333	335	336	340	343	356	378	400	417	447	459	459	459	474	8
9																	9
10																	10
11	Buildings	2121	647	643	664	662	692	735	850	848	934	968	859	858	845	845	11
12	Furniture	2122	491	497	503	509	513	556	577	629	654	657	661	675	683	705	12
13	Office Equipment	2123	170	172	171	170	169	171	173	175	175	179	181	184	186	188	13
14	General Purpose Computer	2124	0.60	0.60	0.51	0.51	0.34	0.34	0.28	0.28	0.28	0.28	0.11	0.11	0.11	0.12	14
15																	15
16																	16
17	Analog Electronic Switching	2211	179	179	181	180	180	182	185	189	193	193	196	197	200	200	17
18	Ditgital Electronic Switching	2212	29	29	30	30	30	30	31	31	32	32	33	33	33	34	18
19																	19
20																	20
21	Electro Mechanical Switching	2215	513	517	518	527	529	534	538	550	573	582	591	599	602	619	21
22																	22
23	Operator Systems	2220	331	334	335	340	341	344	347	354	368	373	378	383	386	395	23
24																	24
25																	25
26																	26
27	Radio System-Analog	22311	90	90	91	91	91	92	93	96	98	98	99	100	101	101	27
28	Radio System-Digital	22312	143	144	146	147	147	148	150	152	155	156	159	161	165	167	28
29	Circuit Equipment-Analog	22321	143	144	145	145	145	146	149	153	156	156	159	160	162	162	29
30	Circuit Equipment-Digital	22322	47	47	48	48	49	49	50	51	53	53	55	55	56	57	30
31																	31
32	Public Telephone Term Eq	2351	179	179	181	181	181	182	185	190	192	193	196	198	200	200	32
33																	33
34																	34
35	Poles	2411	660	671	699	709	695	703	721	765	786	803	823	827	834	830	35
36	Aerial Cable-Metallic	24211	601	603	605	603	637	700	730	759	771	756	767	813	796	835	36
37	Aerial Cable-Fiber	24212	157	158	160	162	164	165	168	172	175	178	182	184	186	190	37
38	Underground Cable-Metallic	24221	558	557	558	553	593	671	704	735	745	724	731	787	763	808	38
39	Underground Cable-Fiber	24222	126	127	129	130	132	133	135	138	141	144	146	148	150	153	39
40	Buried Cable-Metallic	24231	545	544	544	538	581	664	699	733	742	718	725	784	756	804	40
41	Buried Cable-Fiber	24232	121	122	123	125	126	127	129	132	135	137	140	141	143	146	41
42	Submarine Cable-Metallic	24241	578	580	583	583	610	659	682	705	715	707	716	754	745	777	42
43	Submarine Cable-Fiber	24241	198	200	203	205	207	209	212	217	221	224	228	231	235	239	43
44	Intra Building Cable-Metallic	24261	599	601	603	601	635	697	726	754	765	752	762	808	792	831	44
45	Intra Building Cable-Fiber	24262	158	159	161	163	165	166	169	173	176	179	183	185	187	191	45
46	Aerial Wire	2431	582	587	591	595	613	644	662	681	693	692	706	730	729	753	46
47	Conduit Systems	2441	626	631	642	648	663	669	690	702	755	764	771	779	790	854	47
48																	48
49	Aerial Cable-FTTP (Distribution)	24213	50.5	50.0	50.0	50.0	49.0	50.0	52.0	53.5	55.0	56.0	58.5	59.5	62.3	63.3	49
50	Underground Cable-FTTP (Dist.)	24223	55.8	55.1	55.1	55.1	54.1	55.1	57.1	59.1	61.1	62.4	65.2	66.4	69.4	70.7	50
51	Buried Cable-FTTP (Distribution)	24233	54.2	53.7	53.7	53.7	53.0	54.0	56.0	57.7	60.0	61.0	63.5	64.5	67.3	68.3	51
52	Submarine Cable-FTTP (Dist.)	24243	55.8	55.1	55.1	55.1	54.1	55.1	57.1	59.1	61.1	62.4	65.2	66.4	69.4	70.7	52
53	Intra Building Cable-FTTP (Dist.)	24263	45.2	44.7	44.7	44.7	44.0	44.7	46.2	47.7	50.0	51.0	53.5	54.5	57.0	58.0	53

Source	Table	Line		2	3	Actual 1/1/2015	Actual 7/1/2015	Actual 1/1/2016	Actual 7/1/2016	Actual 1/1/2017	Actual 7/1/2017	Actual 1/1/2018	11 Actual 7/1/2018	Actual 1/1/2019	12 Actual 7/1/2019	13 Actual 1/1/2020	14 Actual 7/1/2020	15 Actual 1/1/2021	15 Actual 7/1/2021	17 Actual 7/1/2021	18 Actual 1/1/2022	19 Estimate 7/1/2022	20 Estimate 1/1/2023	21 Estimate 7/1/2023	22 Estimate 1/1/2024	23 Estimate 7/1/2024	24 Estimate 1/1/2025	25 Estimate 7/1/2025	26 Estimate 1/1/2026
USBLS	USB15	1	USBLS Consumers Price Index Ref:CUUR0000SA0,CUUS0000SA0			233.707	238.65	236.92	240.63	242.84	244.79	247.87	252.01	251.71	256.57	257.97	259.1	261.58	273	281.15	295.375	295.17	305.691	308.417	314.54	317.671	323.048	329.1
USBLS	USB15	2	USBLS Producer Price Index Communications Equipment Ref: pcu3342			96.8	238.65	95.5	95.3	94.1	93.9	93.3	83	93.3	93.1	93.7	93.8	90.5	94.106	96.377	98.958	101.378	103.257	105.456	107.269	108.517	110.7	113.1
USBLS	USB15	3	USBLS Technical Labor Ref: eou111221 & CIU201154			167.2	171.2	169.9	171.2	172.7	175.2	176.8	178.5	180.7	182.6	184.9	186.2	188.8	192.2	196.8	201	206	210.4	214.4	218	221.2	226.7	231.1
USBLS	USB15	4	USBLS PPI Motors & Generators Ref: PCU335312335312			208.9	208.3	204.1	204.7	205.7	206.7	210	211	215.1	215.5	217.6	215.8	216.3	224.78	248.52	264.572	274.108	282.465	288.07	290.901	293.793	307.457	315.1
USBLS	USB15	5	USBLS PPI Alarm Systems Ref: PCU334290334290M			122.4	122.4	122.4	122.4	122.4	122.6	120.7	121	121.4	121.8	121.8	121.8	122.9	129.11	131.85	137.877	150.476	153.041	155.5	159.343	159.361	162.9	165.5
USBLS	USB15	6	Constant cost			100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Databases, Tables & Calculators by Subject

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include graphs include annual averages

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Data extracted on: September 5, 2025 (12:33:40 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUUR0000SA0
Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Download: .xlsx

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	240.007	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	258.811	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655	288.347	296.963
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	304.702	302.408	306.996
2024	308.417	310.326	312.332	313.548	314.069	314.175	314.540	314.796	315.301	315.664	315.493	315.605	313.689	312.145	315.233
2025	317.671	319.082	319.799	320.795	321.465	322.561	323.048							320.229	

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include graphs include annual averages More Formatting Options

Data extracted on: September 5, 2025 (1:12:07 PM)

PPI Industry Data

Series Id: PCU3342--3342--
Series Title: PPI industry group data for Communications equipment mfg, not seasonally adjusted
Industry: Communications equipment mfg
Product: Communications equipment mfg
Base Date: 198512

Download: .xlsx

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	95.8	95.8	95.9	95.9	96.1	96.1	96.0	95.9	95.4	95.7	95.7	95.6	95.8
2016	95.5	95.7	95.6	95.7	95.6	95.4	95.3	95.4	95.2	94.5	94.7	93.9	95.2
2017	94.1	93.9	94.1	94.0	93.8	93.9	93.9	93.6	93.3	93.2	93.5	93.4	93.7
2018	93.3	93.4	93.2	93.1	93.1	93.1	93.0	93.1	92.9	92.9	92.9	92.9	93.1
2019	93.3	93.0	93.0	93.0	93.0	93.0	93.1	93.1	93.1	93.3	93.5	93.6	93.2
2020	93.7	93.6	93.8	93.6	93.7	93.6	93.8	93.7	93.8	93.4	93.6	93.6	93.7
2021	93.5	93.8	93.8	93.9	93.7	93.6	94.108	94.197	94.650	95.308	95.645	95.791	94.336
2022	96.311	97.127	97.247	97.750	98.173	98.138	98.988	99.116	99.322	99.519	100.694	100.713	98.591
2023	101.378	101.160	101.168	101.980	101.913	102.569	102.287	102.321	102.345	102.459	102.710	102.701	102.082
2024	103.357	104.204	104.212	104.267	104.959	105.257	105.456	105.442	107.305	107.606	107.562	107.608	105.603
2025	107.999	108.150	108.466	108.621(P)	108.888(P)	108.949(P)	109.517(P)						

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

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Change Output Options: From: 2015 To: 2025 GO

include graphs ☑ include annual averages

More Formatting Options

Data extracted on: September 5, 2025 (1:20:49 PM)

PPI Industry Data

Series Id: PCU335312335312
Series Title: PPI industry data for Motor and generator mfg, not seasonally adjusted
Industry: Motor and generator mfg
Product: Motor and generator mfg
Base Date: 198306

Download: .xlsx

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	206.9	206.5	206.5	206.4	206.4	206.4	206.3	206.3	206.4	206.4	206.2	206.4	206.4
2016	204.1	204.1	204.3	204.3	204.3	204.8	204.7	204.9	204.9	204.9	204.9	204.9	204.6
2017	205.7	206.0	206.1	206.2	206.2	206.7	206.7	206.7	206.8	206.8	206.8	206.8	206.5
2018	210.0	210.5	210.5	210.5	210.7	211.0	211.0	211.3	214.3	214.3	214.3	214.6	211.9
2019	215.1	215.3	215.5	215.5	215.5	215.5	215.5	215.5	215.6	215.6	215.6	217.3	215.6
2020	217.6	215.8	215.8	215.8	215.8	215.8	215.8	215.8	216.0	216.7	216.7	216.7	216.2
2021	216.3	218.9	221.4	221.7	222.0	222.1	224.778	223.912	229.689	231.777	237.036	237.296	225.581
2022	248.522	255.106	256.460	257.931	259.464	261.674	264.572	265.982	271.166	271.738	271.739	272.118	263.039
2023	274.108	277.504	277.508	278.971	279.028	279.099	282.463	285.100	285.289	285.552	284.885	284.910	281.202
2024	286.070	286.096	289.668	289.677	289.745	289.717	290.901	295.374	294.044	294.059	298.365	298.400	291.843
2025	298.762	298.868	299.304	301.144(P)	301.667(P)	304.832(P)	307.857(P)						

P : Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

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Data extracted on: September 5, 2025 (1:24:37 PM)

PPI Industry Data

Series Id: PCU3342903342901
Series Title: PPI industry data for Other communications equipment mfg-Alarm systems, including electric sirens and horns, not seasonally adjusted
Industry: Other communications equipment mfg
Product: Alarm systems, including electric sirens and horns
Base Date: 198512

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Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4
2016	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4	122.4
2017	122.4	122.4	122.4	122.6	122.6	122.6	122.6	122.6	122.6	122.6	122.6	122.6	122.6
2018	120.7												
2020						121.5	121.8	122.9	122.9	122.9	122.9	122.9	
2021	122.9	122.9	122.9	122.9	123.3	123.2	129.111	129.111	132.344	131.646	131.646	131.646	126.966
2022	131.646	132.257	133.934	136.774	136.774	136.774	137.872	137.872	140.497	140.497	148.969	148.969	138.570
2023	150.476	150.476	150.476	150.476	150.476	152.193	153.041	153.041	153.041	154.922	154.922	154.282	152.318
2024	155.600	155.600	155.728	156.533	156.533	156.533	159.343	159.343	159.343	158.361	158.361	158.361	157.470
2025	158.361	158.806	158.806										

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Data extracted on: September 5, 2025 (1:29:33 PM)

Employment Cost Index (NAICS)

Series Id: CIU2010000120000I (B)
Not seasonally adjusted
Series Title: Total compensation for private industry workers in professional and related occupations, current dollar index
Ownership: Private industry workers
Component: Total compensation
Occupation: Professional and related occupations
Industry: All industries
Subcategory: All workers
Area: United States (National)
Periodicity: Current dollar index number

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Year	Period	Employment Cost Index	Standard Error
2015	Qtr1	123.7	-(A)
2015	Qtr2	124.1	-(A)
2015	Qtr3	124.5	-(A)
2015	Qtr4	124.9	-(A)
2016	Qtr1	125.7	-(A)
2016	Qtr2	126.2	-(A)
2016	Qtr3	126.7	-(A)
2016	Qtr4	126.7	-(A)
2017	Qtr1	127.8	-(A)
2017	Qtr2	128.7	-(A)
2017	Qtr3	129.1	-(A)
2017	Qtr4	129.6	-(A)
2018	Qtr1	130.8	-(A)
2018	Qtr2	131.6	-(A)
2018	Qtr3	132.3	-(A)
2018	Qtr4	132.8	-(A)
2019	Qtr1	133.7	-(A)
2019	Qtr2	134.4	-(A)
2019	Qtr3	135.1	-(A)
2019	Qtr4	135.6	-(A)
2020	Qtr1	136.8	-(A)
2020	Qtr2	137.0	-(A)
2020	Qtr3	137.8	-(A)
2020	Qtr4	138.4	-(A)
2021	Qtr1	139.7	-(A)
2021	Qtr2	140.5	-(A)
2021	Qtr3	142.2	-(A)
2021	Qtr4	143.4	-(A)
2022	Qtr1	145.6	-(A)
2022	Qtr2	147.1	-(A)
2022	Qtr3	148.7	-(A)
2022	Qtr4	150.1	-(A)
2023	Qtr1	152.4	-(A)
2023	Qtr2	154.0	-(A)
2023	Qtr3	155.5	-(A)
2023	Qtr4	156.4	-(A)
2024	Qtr1	158.6	-(A)
2024	Qtr2	160.1	-(A)
2024	Qtr3	161.3	-(A)
2024	Qtr4	162.1	-(A)
2025	Qtr1	164.4	-(A)

B : Includes wages, salaries, and employer costs for employee benefits.
A : Data not available.

Cost Indexes - 1-2025

Year	Period	Estimate Value	Standard Error
2025	Qtr2	165.916	-(A)

B : Includes wages, salaries, and employer costs for employee benefits.
A : Dashes indicate data not available.

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	Average	Jan Q1	Jul Q3			Jan Q1	Jul Q3
2015	168	123.7	126.7	124.3	1.351569	167.2	171.2
2016		125.7	126.7			169.9	171.2
2017		127.8	129.6			172.7	175.2
2018		130.8	132.3			176.8	178.8
2019		133.7	135.1			180.7	182.6
2020		136.8	137.8			184.9	186.2
2021		139.7	142.2			188.8	192.2
2022		145.6	148.7			196.8	201
2023		152.4	155.5			206	210.2
2024		158.6	161.3			214.4	218
2025		164.4				222.2	0

DEPRECIATION AND FUNCTIONAL OBSOLESCENCE

An important step in the appraisal of property using the cost approach is the determination of the depreciation or condition of the property. Depreciation in this appraisal was segregated into normal (mostly physical) depreciation and functional obsolescence. The normal depreciation was determined based on the age of the property and its normal service life; while functional obsolescence was based on the impact on the property's remaining life caused by factors such as changing technology, service requirements, and competition.

Depreciation - The depreciation was determined based on the property's age and it normal service life using the following formula:

$$\text{Condition} = \frac{\text{Remaining Life}}{\text{Age + Remaining Life}}$$

or

$$\text{Depreciation} = \frac{\text{Age}}{\text{Age + Remaining Life}}$$

Where: Remaining Life = f(Age, Survival Characteristic, Normal Service life)

Functional Obsolescence - The obsolescence inherent in the property was determined using the above-described normal service life in comparison to the property's service life is adjusted for functional factors. The obsolescence was quantified base on the difference between the property's normal service life and its functional service life. The following formula was used to calculate the obsolescence:

$$\text{Obsolescence} = \frac{\text{Normal Service Life - Functional Service Life}}{\text{Normal Service Life}}$$

Service Lives - (normal versus functional) - The service life of property is that period of time in which it provides the service to which it was designed and placed into service. In most industrial properties there is a difference between a property's normal or physical life and its functional life. A piece of equipment may physically last for an extended

period; however, as that property ages changing technology, improvements or enhancement in similar equipment, functional and or service requirements change resulting in decreased utility of the existing equipment, and therefore decrease in value to it owner, this additional deterioration over that defined by the equipment's normal life is functional obsolescence.

Wastewater Depreciation Service Life Experience in Pennsylvania

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

Summary of PAWC & Aqua Depreciation Studies Prepared for Rate Case

Account	Account Description	Iowa Curves				Service Life				Remaining Life			
		PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018	PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018	PAWC 2016	PAWC 2019 R-2020-3019371	PAWC 2023 R-2023-3043190	Aqua 2018
						years	years	years	years	years	years	years	years
354.20	STRUCTURES AND IMPROVEMENTS - COLLECTION	R3	R3	R3	S0.5	45	45	45	55	39.1	33.3	36.7	35.3
354.30	STRUCTURES AND IMPROVEMENTS - SPP	R2.5	S0	S0	S1.0	50	55	55	60	45.2	32.6	31.7	44.6
354.40	STRUCTURES AND IMPROVEMENTS - TDP	R2	S0	S0	R2.0	65	55	55	50	56.6	31.7	26.8	28.9
354.70	STRUCTURES AND IMPROVEMENTS - GENERAL	S1	S1	S1	R3.0	35	35	35	50	33.3	23.2	24.4	17.3
355.00	POWER GENERATION EQUIPMENT	R2.5	S0.5	S0.5		35	35	35		29.7	19.3	19.3	
360.10	COLLECTION SEWERS - FORCE MAINS	S2	R3	R3.0	R2.5	70	75	75	75	53.1	52.5	51.9	52
361.10	COLLECTION SEWERS - GRAVITY MAINS	R2.5	R2.5	R2.5	R2.5	70	80	80	75	56.9	54.8	46.7	50.3
361.20	MANHOLES & STRUCTURES	S1.5	S2.5	S2.5		50	50	50		41.3	32.2	14.8	
363.00	SERVICES	R3	R3	R3.0	R4.0	38	47	47	70	22.9	30.2	16.4	54.3
364.00	FLOW MEASURING DEVICES	L3	L2.5	L2.5		20	15	15		13.3	5.1	5	
365.00	FLOW MEASURING INSTALLATIONS	S1.5	S2	S2.5		30	25	25		23.1	10.8	4.1	
370.00	RECEIVING WELLS	R3	R3	R3		50	50	50		42.7	33.7	38.4	
371.00	PUMPING EQUIPMENT	SO	S0.5	S0.5	L0.5	40	30	30	25	35.5	18.2	17.6	13.2
380.00	TREATMENT EQUIPMENT	5-R2	S1.5	S1.5	S0.0	45	35	35	40	37.1	20.1	18.6	21.5
381.00	PLANT SEWERS	R3	R3	R3	R1.5	50	50	50	40	43.1	32.7	33	9.9
382.00	OUTFALL SEWER LINES	R3	R3	R3	R2.5	50	50	50	40	37.8	28.3	27.9	7
389.10	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - INTANGIBLES	52.5	S2.5	S2.5		20	20	20		13.6	11.3	16.3	
389.60	OTHER PLANT AND MISCELLANEOUS EQUIPMENT - CPS	SQ	SQ		L3.0	20	5		20	12.3	3.5		11.3
390.00	OFFICE FURNITURE AND EQUIPMENT	L4	SQ	SQ	SQ	15	20	20	20	9.5	10.1	16	
391.00	TRANSPORTATION EQUIPMENT	SQ	L4	L4		25	14	14		19,9	9.8	9.5	
392.00	STORES EQUIPMENT	SQ	SQ	SQ		20	25	25		16.4	17.2	16.7	
393.00	TOOLS, SHOP AND GARAGE EQUIPMENT	SQ	SQ	SQ	SQ	15	20	20	20	11,3	15.4	15	
394.00	LABORATORY EQUIPMENT	L2.5	SQ	SQ	SQ	16	15	15	25	8.7	10.4	4.9	
395.00	POWER OPERATED EQUIPMENT	SQ	R2	R2		15	22	22		10.3	13.2	12.8	
396.00	COMMUNICATION EQUIPMENT	SQ	SQ	SQ		15	15	15		9.6	6.9	10.2	
397.00	MISCELLANEOUS EQUIPMENT		SQ	SQ			15	15			12.8	13.4	
398.00	OTHER TANGIBLE PLANT		SQ	SQ			25	25			21.5	21	
	TOTAL DEPRECIABLE PLANT												
	NONDEPRECIABLE PLANT												
352.10	FRANCHISES												
353.20	LAND AND LAND RIGHTS - COLLECTION												
353.30	LAND AND LAND RIGHTS - SPP												
353.40	LAND AND LAND RIGHTS - TDP												
	TOTAL NONDEPRECIABLE PLANT												
	AMORTIZATION OF NET SALVAGE												

AUS Consultants believe this increase in service lives is attributable to the widespread use of relining older mains instead of replacing mains which are in need of repair. The practice of relining mains with a cured in place plastic liner not only repairs specific main but has the affect of extending the life of the original main by the length of time which the relining can be expected to last. Most relining vendors warranty their product and procedure for 50 years. Thus, in essence the original mains' service life will be extended by 50 plus years at the date the relining occurred. For those mains associated with relining their installation date was established at the date of their relining and their depreciation parameters were established the same as the depreciation parameters of the relining, i.e., R2.5 – 60 years.

The following table presents the depreciation parameters (Iowa-type survivor curve and service life) used in the cost approach in calculating the deprecation of the property:

Pennsylvania American Water Company
City of Pittson, PA
Sanitary Sewer System (Collection)
Investor-Owned Utility
May 30, 2025

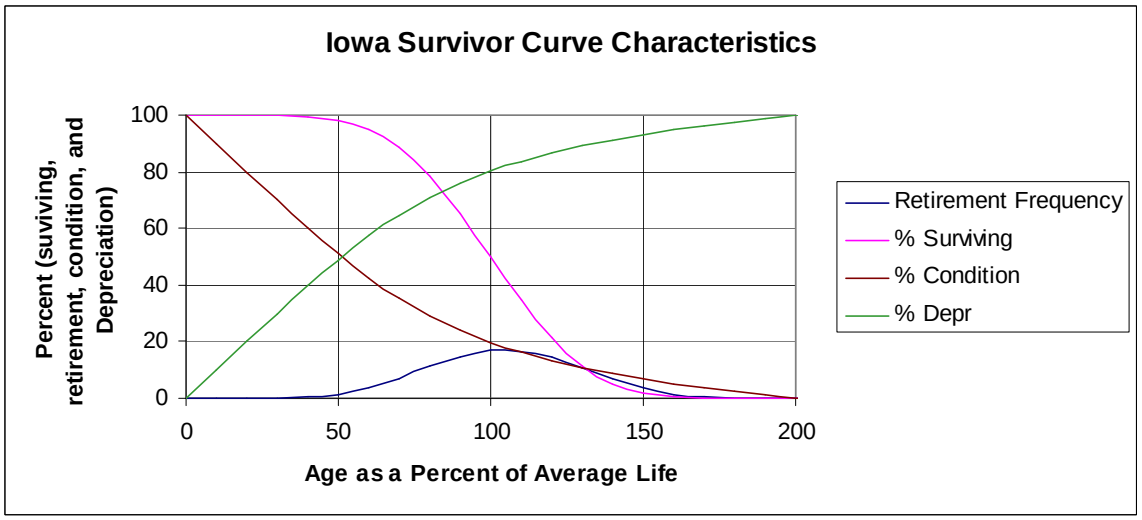
Summary of Account Costing and Depreciation Parameters Used in the Depreciation Original Cost and the Depreciated Replacement Cost New Studies

(1)	(2)	(4) (4a)	(4b)	(5)	(6) (6a)	(6b)	(7)
Account Number	Description	Iowa Survivor / Retirement Curve	Normal Service Life	RCNLD Economic Obsolescence	Tax Depreciation		OCLD Economic Obsolescence
			years	% of CORLD	Table	Life	% of CORLD
353.20	Land & Land Rights - Easements	ZNonDep	0.00	27.25%	Non-Depr	0.00	0.00%
361.21	Collection Sewers - Gravity - Mains	R2.5	80.00	27.25%	MACRS	25.00	0.00%
361.23	Collection Sewers - Gravity - Manholes & Structures	R2.5	80.00	27.25%	MACRS	25.00	0.00%
363.20	Service Laterals	R3.0	70.00	27.25%	MACRS	25.00	0.00%

As the above table demonstrates the depreciation lives selected for the WADS Consultants appraisal are consistent with the industry depreciation studies' finding for wastewater plant. However due to the age of some of the property the extend of the depreciation was limited to 85% of the assets original cost and its replacement cost new.

Iowa Survivor Curves

The Iowa Survivor Curves recommended in the McKeesport appraisal are used to determine the remaining life of the property, and therefore its condition, recognizing the properties' service life and age. The Iowa Survivor Curves allows the appraiser to recognize the property being studied (mains, treatment and pumping plant equipment etc placed in a particular year, say1985) is part of a larger group of property, i.e., all the property i.e., mains, treatment and pumping plant equipment, etc. As such, the service lives which we refer to in our appraisal are an average service lives for the group, i.e., the average life of all mains, treatment and pumping plant equipment, etc. The Iowa Survivor curve allows the appraiser to calculate the remaining life, and therefore condition, of a subset of the group (the mains placed in 1985) based on the groups': (1) Iowa Survivor Curve, (2) Service Life and the (3) age of property at the appraisal date. An Iowa Survivor Curves depicts how property from a group survives and retires about that groups' average life.

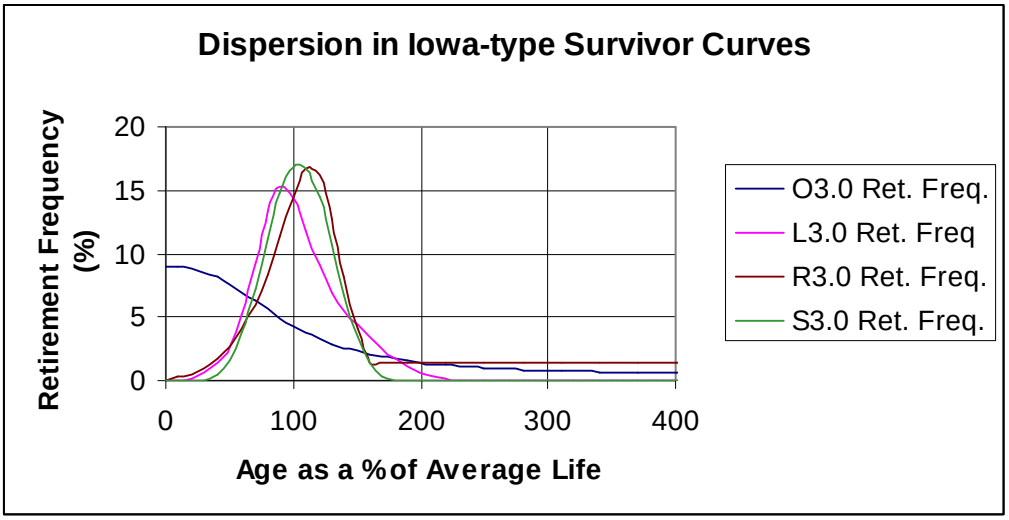


The above figure depicts a typical Iowa-type survivor curve, an S3.0 Iowa-type survivor curve. In this case the survivor curve has been generalized to a service life of 100% of the property's average life, in this generalized form the survivor curve statistics can be utilized with any individual service life in the age-life service life and depreciation calculations. There are four characteristics displayed in the above chart depicting the manner in which property survives and retires about the group's average life, those characteristics are: the retirement frequency (blue), the percent surviving (red), the percent condition (brown) and the percent depreciated (green). The retirement frequency represents the retirement of individual property items about the group's average service life. As can be seen the retirements are distributes about the group's average life with some items retiring before the average life and some items retiring at or after the group's service life. The group's survivor curve is developed from subtracting the retirements as they occur as the property ages. The depreciation curve depicts how much of the property group's life has been consumed; while the condition curve depict

how much of the property group's life remains. The condition and depreciation curves are complementary in that condition equals 100% minus depreciation and vice versa.

The theory of Iowa Survivor Curves was presented in the 1920s and 30s by Robley Winfrey based on research at Iowa State University (then the Iowa Engineering Experiment Station). Winfrey's research was first published in Bulletin 103 - Life Characteristics of Physical Property and Bulletin 125 - Statistical Analysis of Industrial Property Retirements. (Incidentally, both publications are out of print, I have a copy of Bulletin 125 but not Bulletin 103, I'm still trying to get a copy of that piece of depreciation literature.). Bulletin 125 was updated in 1967 by Professor Harold Cowles of Iowa State University's Department of Industrial Engineering. In conducting his research, Winfrey collected data on industrial property survival and retirement from various sources and analyzed that data as a function of property's age at retirement and ultimately the property groups' service life when all the property in the group was fully retired.

Winfrey discovered the industrial property's survival and retirement fits three basic patterns with relationship to the property's average life:



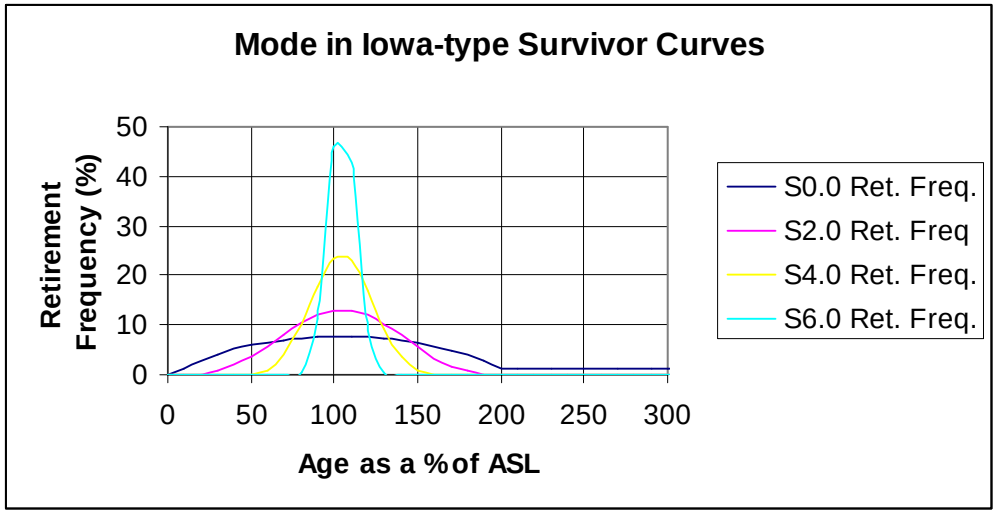
Symmetrically moded (S-type Iowa Survivor Curves) (green) – The S-type Iowa Survivor Curve is one wherein the property's retirements are symmetrically distributed about the mode. Mode in statistics is defined as the highest frequency, in this case retirement frequency. Thus an S-type Iowa curve is like a normal curve; however, its shape is not identical to a normal distribution function.

Right moded (R-type Iowa Curves) (brown) – the R-type Iowa curve has its mode skewed to the right of the property's average life; therefore, the retirements tend to be distributed later in the property's life and there are less retirements earlier in the property's life.

Left moded (L-type Iowa Curve) (red) – The L-type Iowa curve has its mode skewed to the left of the property's average life; therefore, the retirements tend to be distributed earlier in the property's life and there are less retirements later in the property's life.

In the utility industry, the plant, i.e., mains, treatment and pumping plant equipment tends to have a R-type survival/retirement dispersion as it is designed to provide service over extended periods, requiring little maintenance, and it designers have significant experience in designing and placing such property.

In conjunction with the above described R-, S-, and L-type survival/retirement patterns, Winfrey determine that there were several patterns of the manner in which the retirements' peakedness occur around the average life. In this case, Winfrey described the peakedness of the property retirements with peakedness enumerations of 0, 1, 2, 3, 4, 5, and 6. The low peakedness numbers 0 and 1 represent low levels of retirements being distributed over the property entire life, while high peakedness numbers, 5 and 6 represent retirement patterns where the majority or all the retirement occur tightly grouped around the property's average life. Peakedness numbers 2, 3, and 4 are middle of the road, so to speak, in terms of peakedness.



Origin moded (O-type) survivor curve (blue) – Harold Cowles in his 1967 update of Bulletin 125 introduced the O-type survivor curve with the mode of the curve at the origin or at age equal to zero (0) years. This class of Iowa curves was over looked by Winfrey possibly because it made little intuitive sense that industrial retirement of property would have their maximum retirement frequency at age equal to zero. However, Cowles felt for completeness they should be included. O-type survivor curves do reflect the survival pattern of intangible assets.

Iowa-type survivor curves are parametric, as opposed to formalistic, in that they were derived from empirical survival/retirement data which Winfrey collected. There are Iowa curve equations are presented in Bulletin 125; however in most cases users reference standardized Iowa Survivor Curve tables. The Iowa-type survivor curves used in this appraisal have been generalized to a service life of 100% of the property's average life. By generalizing the service life to 100% of average life these tables can be used to generate survival and retirement statistics for property of any service life.

It should be apparent that Iowa-types survivor curves are valid for any type property as the curves only depict how that property survives and retires about the average life of a group of similar property.

Generalized Iowa-type Survivor Curves

As was discussed earlier, most users of the Iowa-type survivor curves use standardized tables of Iowa curves. The most usable form of these standardized tables are tables which have been generalized to a standard life of 100% of the property's average life. Based on these generalized tables the user can determine the property's remaining life by knowing the Iowa-type survivor curve (mode and peakedness characteristics), the property's (group's) service life, and the specific property's (for which the remaining life is desired) age. The following table reflects how the remaining life, as well as its condition, is determined:

Year	Study Date	Age	Iowa Curve	Service Life	Age % of ASL	Iowa Lookup	Iowa Condition	Remaining Life	Total Life	Condition
				ASL						
		years		years	%			years	years	%
Input		Calc	Input	Input	Calc	Calc	lookup	Calc	Calc	Calc
1970	2006	35.5	R3.0	25	142	R3.0142	0.066388	1.7	37.2	4.47%
1980	2006	25.5	R3.0	25	102	R3.0102	0.192543	4.8	30.3	15.88%
1990	2006	15.5	R3.0	25	62	R3.0062	0.442050	11.1	26.6	41.62%
2000	2006	5.5	R3.0	25	22	R3.0022	0.787294	19.7	25.2	78.16%
2004	2006	1.5	R3.0	25	6	R3.0006	0.941117	23.5	25.0	94.01%
2005	2006	0.5	R3.0	25	2	R3.0002	0.980320	24.5	25.0	98.00%

The above table was develop with reference to the standardized Iowa Survivor curves contained and represent a R3.0 25 year Iowa curve and life table. The standardized Iowa Curves are located in tab database. In order to reference the proper line of the Iowa Curve data the user looks up that data by reference to the property's age as percent of the service life (age % of ASL column) and the Iowa Survivor curve (Iowa Curve column), combining these two criteria the Iowa Lookup column will get the user to the proper Iowa Curve data.

In the above calculation the Iowa-type survivor curve is R3, the service life of the group is 25 years, and its age is defined by property's accounting records which specifies the investment in property by account (A group in service life terms) and by the year of installation of that property. The age is dependent upon the appraisal year (study date) and the year of placement. It is customary to assume that the property placed in any particular placement year was placed continuously during that year and therefore its age is best represented as if that investment was placed in the middle of the year, i.e., July 1; hence, the adoption of the "mid-year" convention where all property is treated as if placed the mid-year.

Service Life and Survival/retirement pattern

The service life and survival/retirement pattern are determined by an analysis of historical survival and retirement experience of the company's property. This historical experience must be adjusted for factor which are known to be impacting the property's

service life but may not exhibited their effect on the property's retirement. Here it is important that a distinction is made between industrial property's physical service life and its functional service life. While physically a type of property may be deployed and remain in use for many years, over those years factors of changing technology, consumers demand and patterns, and even regulation, lessen the property functional life when compared to its physical life. In an industry such as the communications industry, function obsolescence is the primary driver of depreciation.

The following table details the impact of the above-described lives on the condition calculations:

Year	Study Date	Age	Iowa Curve	Service Life	Age % of ASL	Iowa Lookup	Iowa Condition	Remaining Life	Total Life	Condition
				ASL						
		years		years	%			years	years	%
Input		Calc	Input	Input	Calc	Calc	lookup	Calc	Calc	Calc
1970	2006	35.5	R3.0	30	118	R3.0118	0.131771	4.0	39.5	10.02%
1979	2006	26.5	R3.0	30	88	R3.0088	0.264919	7.9	34.4	23.07%
1981	2006	24.5	R3.0	25	98	R3.0098	0.211333	5.3	29.8	17.74%
1989	2006	16.5	R3.0	25	66	R3.0066	0.411848	10.3	26.8	38.42%
1990	2006	15.5	R3.0	20	78	R3.0078	0.327281	6.5	22.0	29.69%
2000	2006	5.5	R3.0	20	28	R3.0028	0.731331	14.6	20.1	72.67%
2004	2006	1.5	R3.0	20	8	R3.0008	0.921605	18.4	19.9	92.47%
2005	2006	0.5	R3.0	20	3	R3.0003	0.970499	19.4	19.9	97.49%

Statistical Analyses of Industrial Property Retirements

by

Robley Winfrey



BULLETIN 125
REVISED

ENGINEERING RESEARCH INSTITUTE
IOWA STATE UNIVERSITY • AMES, IOWA

IOWA CURVES

Iowa-type survivor curves are based on a set of empirical data collected (mainly in the 1930s) for the purpose of statistically predicting future service expectancy (remaining service) for physical properties.

The techniques used and methods applied are exactly analogous to those used by the insurance industry for the purpose of predicting human mortality (life expectancy) when determining appropriate insurance premium rates. The only distinction to be made is that the life insurance companies are investigating the life or longevity characteristics of human beings and the studies which developed the Iowa-type survivor curves were developed to predict the longevity or service life experience for physical, inanimate objects. The seminal statistical analyses for industrial property were conducted under the auspices of the Iowa Research Station now known as Iowa State University and were published in Statistical Analyses of Industrial Property Retirements, Bulletin 125, Engineering Research Institute, Iowa State University.

From the preface to the revised 1967 edition of Bulletin 125:

> "With the original publication of Bulletin 125 by the Iowa Engineering Experiment Station in 1935 (now known as the Engineering Research Institute), a significant contribution was made to the practice of industrial property life estimation. This was in the form, first, of a single volume, readily available, which presented in considerable detail the procedures for statistically analyzing historical property retirement data. Secondly, but no less significant, was the presentation of a set of 18 generalized density functions descriptive of industrial property retirement dispersion, mathematically described in terms of the Pearson frequency curve family, but with parameters established empirically from the analysis of a wide range of actual retirement experience.
>
> These curves, the cumulative form of which are commonly referred to as the Iowa-type Survivor Curves, have been used extensively since their introduction and, at the present time, the set is accepted as the standard of industrial property retirement dispersion. Because of the very simple mnemonic coding system which suggests the varying statistical characteristics involved, the Iowa Curves have also become widely used and recognized in the identification or classification of retirement dispersions, even for patterns derived in terms of analytical techniques not using the Curves."

The tables which follow this discussion are the ones used to estimate the remaining life of investment at particular age for an account with a particular service life.

Statistical Analyses of Industrial Property Retirements

by Robley Winfrey

(Revised April, 1967 by Harold A. Cowles, Professor, Department of Industrial Engineering)

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December, 1935

ENGINEERING RESEARCH INSTITUTE
Iowa State University, Ames, Iowa

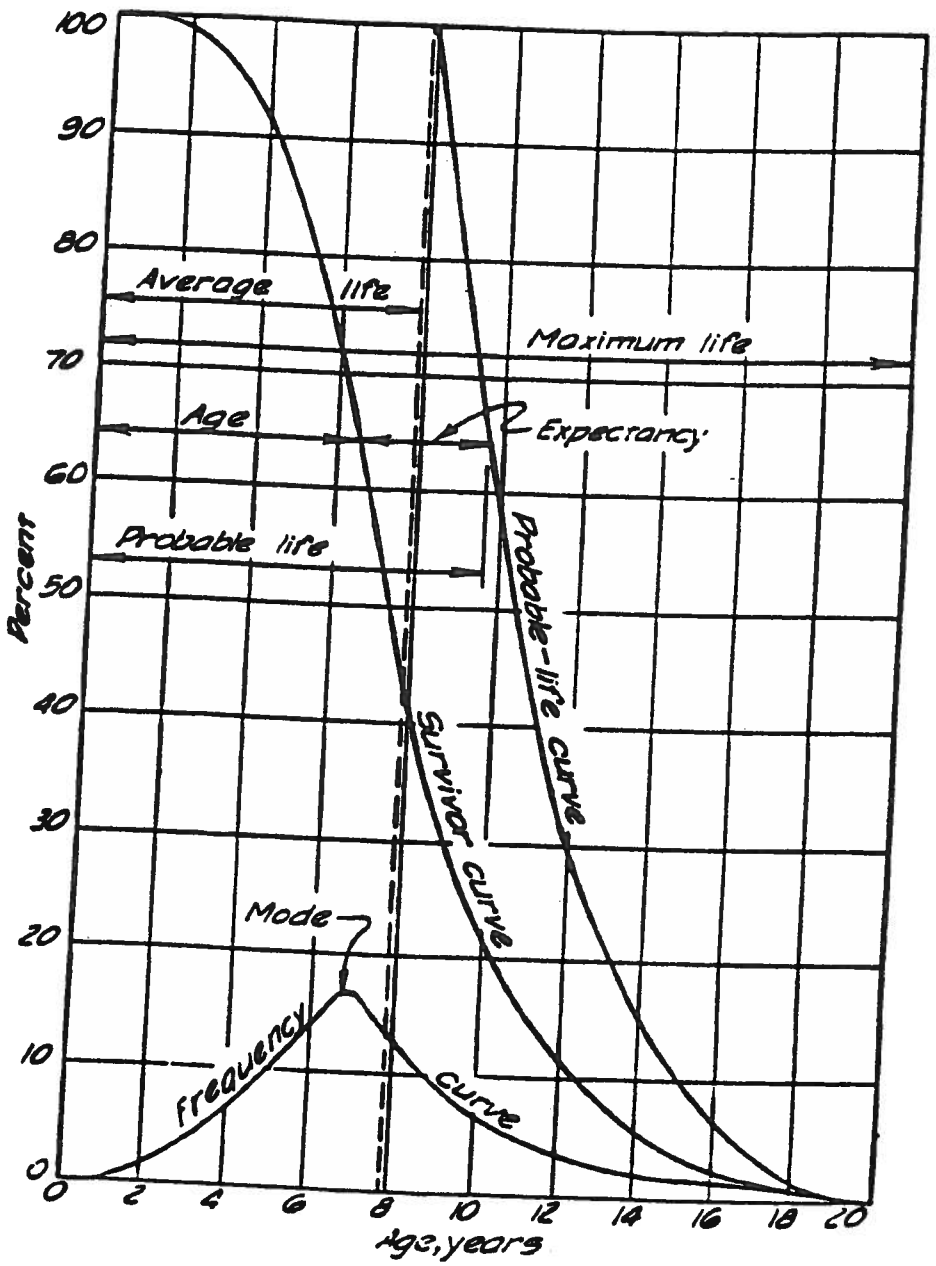


FIG. 1.—A typical survivor curve and its derived curves.

8. The *service life* of a unit is that period of time (or service) extending from the date of its installation to the date of its retirement from service. While the service life of physical property is usually expressed in years it may also be expressed in terms of units of production (screws, wheels, cars, pounds, miles, car-miles), time units of less than a year (months, hours, minutes), or combinations of physical units or services and time (lamp-hours, ton-years).

9. The *probable service life* of an individual unit is that period of time extending from its date of installation to the forecasted date when it probably will be retired from service.

10. The *expectancy* of life of an individual unit is that period of time extending from the observation age (usually the present) to the forecasted date when the unit probably will be retired from service. Age plus expectancy always equals probable life.

11. The *average service life of* a group of individual units is the quotient obtained by dividing the sum of the service lives of all the units by the number of units. The average service life (in years) is equal to the area under the survivor curve in percent-years (or unit-years) divided by 100 percent (or the total number of units).

12. The *probable average service life of* a group of individual units is the average of the probable service lives of the units of the group.

13. The *expectancy* of life of a group of individual units is that period of time extending from the observation age (usually the present) to the average of the forecasted dates when the units probably will be retired. The observation age plus the expectancy always equals the probable average service life.

Note: Service life and average service life are always known quantities since they represent completed service life; probable service life and probable average service life always must be estimated since they are forecasts of uncompleted service.

14. *Maximum life* or *maximum age* is the age of the last unit of a given group to be retired from service; it is also the age at which the survivor curve has a zero ordinate, or zero percent surviving.

15. Property units which are taken out of service for any reason whatsoever are called *retirements*. Retirements may include original units (units of the initial installation) as well as "second-generation" units, that is, replacements (or renewals) which were installed to take the place of the original units as they were removed.

16. *Replacements* are the units put in service to replace retirements.

17. *Renewals* are replacements "in kind" which have exactly the same life characteristics as the retirements.

18. *Installations* are new units placed in service, not as replacement units, but as additions to the property.

19. All renewals, replacements, and installations are *placements*.

20. *Survivor curves* show the number of units of a given group

which are surviving in service at given ages. The ordinates to the curve give at any particular age the percentage (or the actual number) of the original number which are yet surviving in service. The abscissa is measured in years or other suitable service unit. The *original survivor curve* is the curve drawn through the points calculated from the original data without adjustment. Since this original survivor curve is generally irregular it is smoothed to produce a *smoothed survivor curve*, sometimes referred to as an *adjusted curve*.

Survivor curves have in some publications been referred to as *mortality curves*. However, the term *survivor curve* is used in this report because the curves referred to show the *percent surviving*, not the *percent retired*, and because the term *mortality* suggests human beings and not inanimate objects.

21. A *stub survivor curve* is an incomplete survivor curve; that is, one which does not extend to zero percent surviving because of a lack of retirement data on the longer-lived units.

22. A *probable-life curve* shows the probable average life of the survivors at any age from zero to maximum life.

23. If the percent surviving is read at the beginning of each successive age-interval and the differences in these successive readings plotted at ages corresponding to the midpoints of the intervals, the resulting points form a *frequency curve*, or *distribution curve*. Since the ordinates indicate the percentage of the units retired during each interval, the curve shows in what manner the retirements are distributed over the period from zero age to maximum life.

24. The point on the frequency curve having the highest ordinate is called the *mode*. The year in which the mode occurs is called the *modal year*.

25. A *maximum-life cycle* is a period of time corresponding in length to the maximum life of the units. An industrial property may continue to be operated through several maximum-life cycles of some of the units of which it is composed.

26. An *average-life cycle* is a period of time corresponding in length to the *average* life.

27. If a property is continued in service for a long time and maintained with a constant number of like units of substantially the same potential average life, it will reach a *normal condition* or *stabilized condition*, after which the average age of the units in service and the annual renewals will be constant year after year.

28. *Normal renewals* are the annual renewals after the property group has reached a stabilized condition. Normal renewals, in percent of the original number of units, are equal to 100 percent divided by the average life.

29. *Generalized curves* are those whose ordinates are expressed in percent of the total number of units and whose abscissas (age) are expressed in percent of average life.

30. *Type curves* are those theoretical curves derived by the methods described in this report from a study of actual retirements. They depict typical survivor and frequency curves for industrial property. Actual survivor curves are compared with type survivor curves in the process of determining probable average lives.

MORTALITY TABLES AND CURVES OF HUMAN BEINGS

By a study of population and deaths, life insurance companies have arrived at life tables for human beings of different nationalities. From these life tables the normal death rate and life expectancy for people at different ages can be determined as a basis for life insurance premiums and reserves. Life tables can be prepared from the vital statistics for any desired number of years in combination with census returns. By means of mathematical formulas a life table is adjusted to remove any slight irregularities that may exist in the original data.

Table 1 is the United States life table for white males, based upon deaths for the 10 years from 1901 to 1910. Unlike industrial property units whose average lives are continually being affected by many forces, the human average life and distribution of deaths according to age change very little over several generations. The life curve, however, varies considerably for different races as is illustrated in Fig. 2. The deaths at different ages are shown for the United States by the frequency curves in Fig. 3.

This reference to the United States life tables is made to show the similarity between the life characteristics of human beings and industrial properties. The essential differences are three. First, human beings experience a heavy infant mortality which results in a bi-modal frequency curve, one mode occurring between ages 0 and 1, and the other between ages 75 and 76. Second, the mode at the age-interval 75–76 occurs at a much greater percentage of average life than is usually found with physical property employed in industry. Third, the curves for industrial equipment vary in shape over wide limits while human mortality curves vary relatively little. The Makehamized curve in Fig. 3 is one that has been smoothed. (It does not represent the same group of lives as the lower curves of the figure.)

ANALYZING RETIREMENT DATA

The foregoing section discussed the life tables for humans and the accompanying curves. Similar analyses can be made of the behavior of the physical equipment employed in industry when sufficient information is available. The processes employed for analyzing the retirements of industrial property are not so easily handled as are those employed for mortality data of human beings, nor are the results usually as uniform because of the small number of units observed and the more numerous, less uniform causes of retirement of industrial

CHART NO. 9

SURVIVOR, PROBABLE LIFE AND FREQUENCY CURVES
FOR THE RIGHT-MODAL IOWA TYPE CURVES

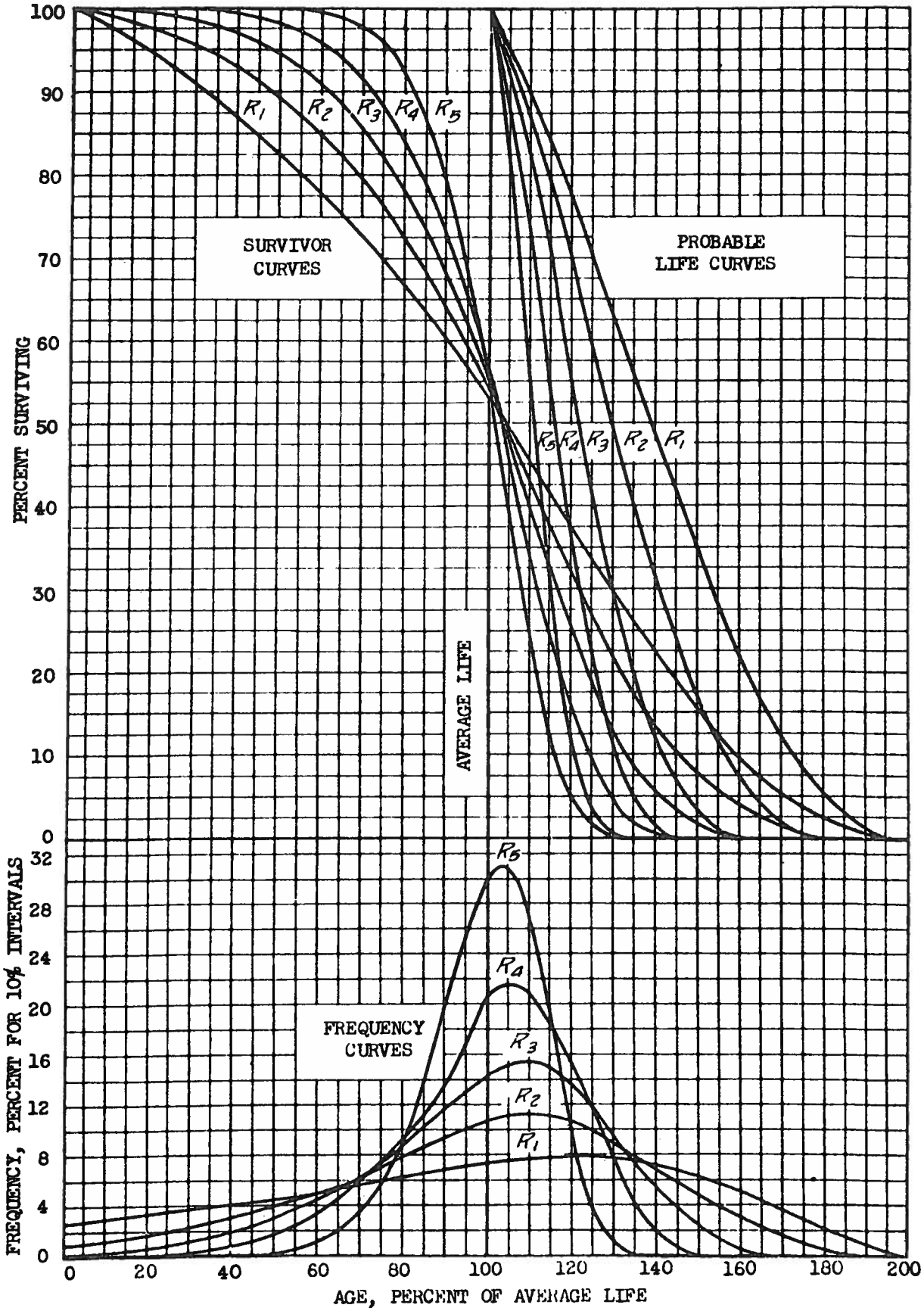


CHART NO. 8

SURVIVOR, PROBABLE LIFE AND FREQUENCY CURVES
FOR THE SYMMETRICAL IOWA TYPE CURVES

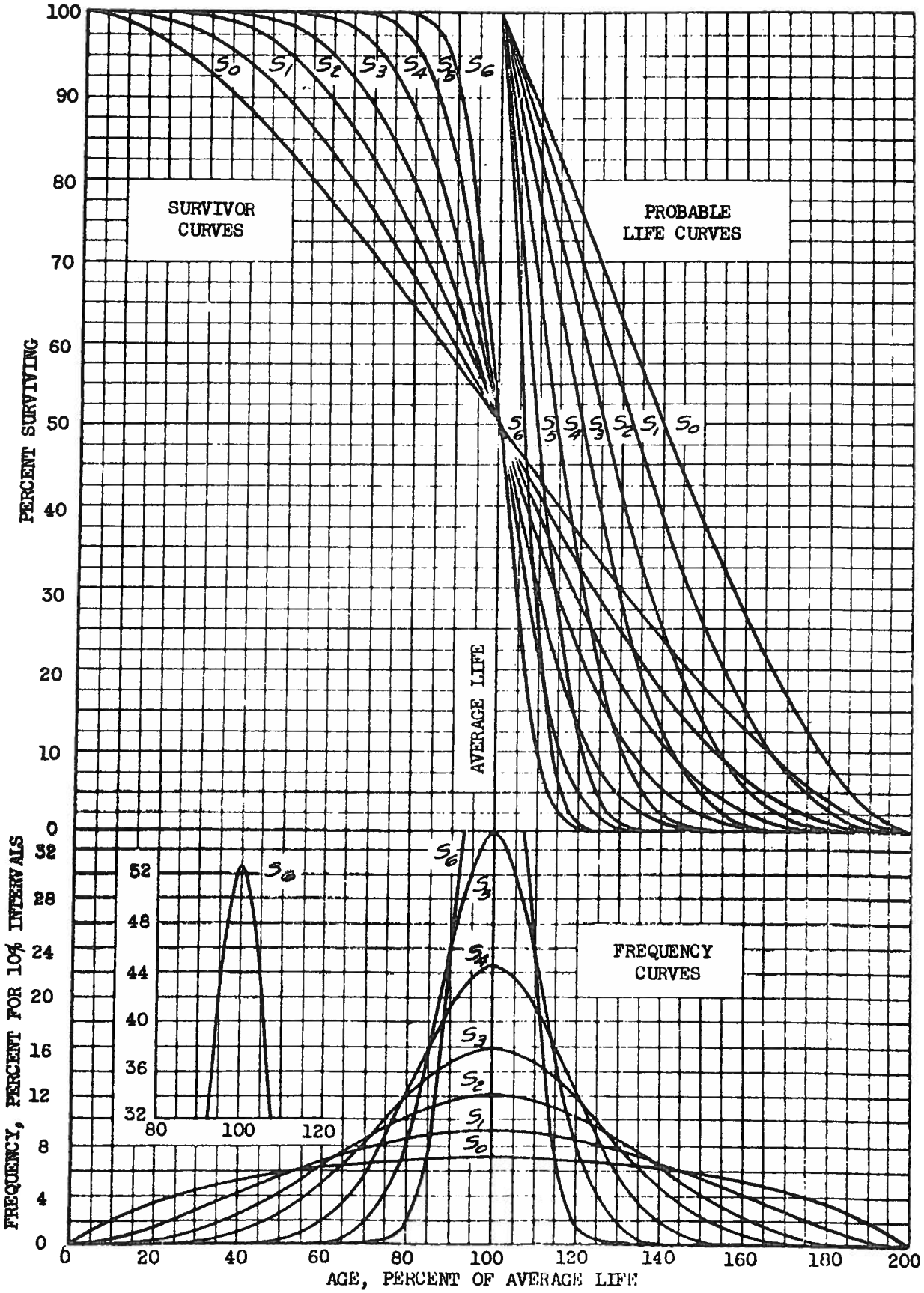
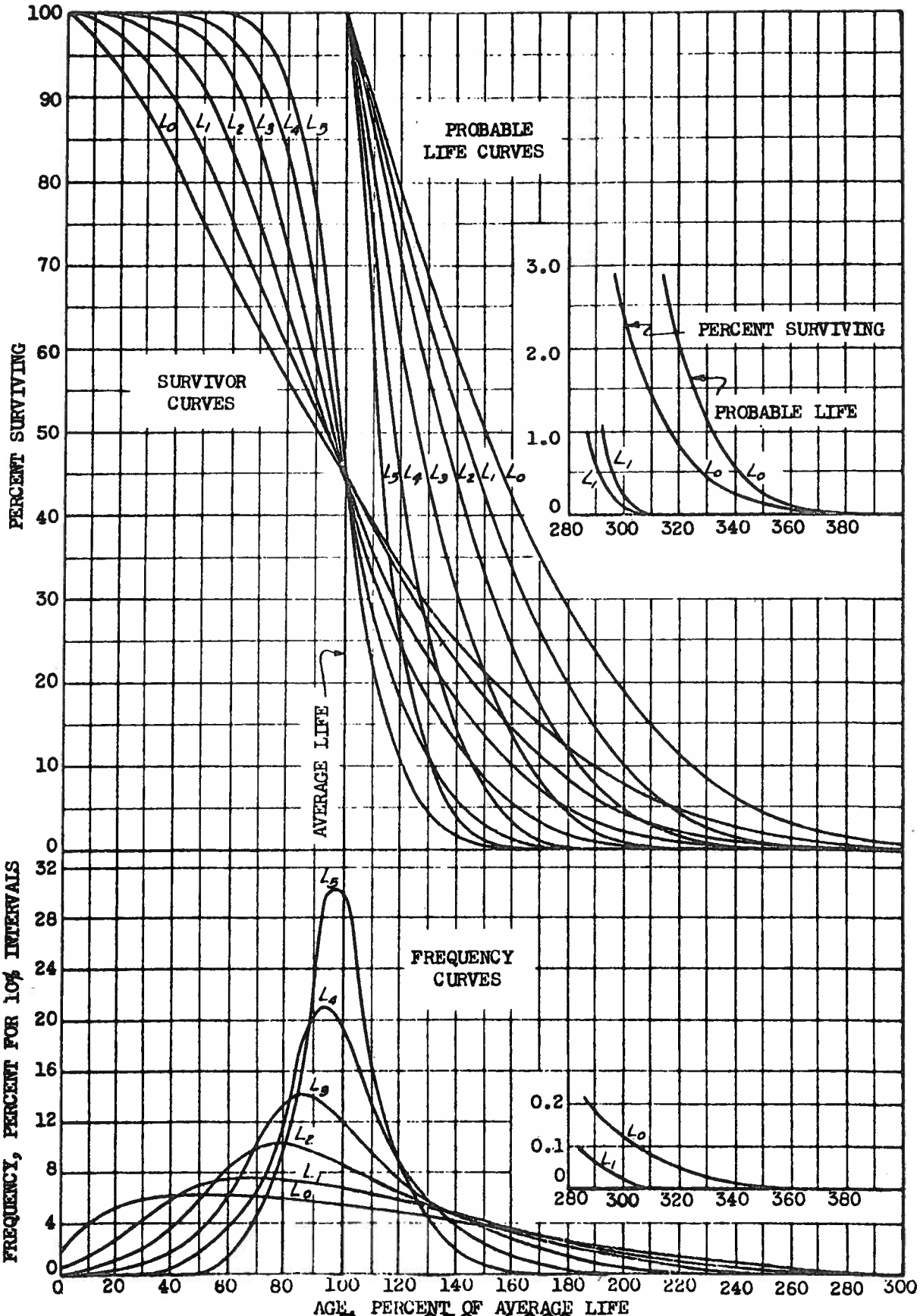
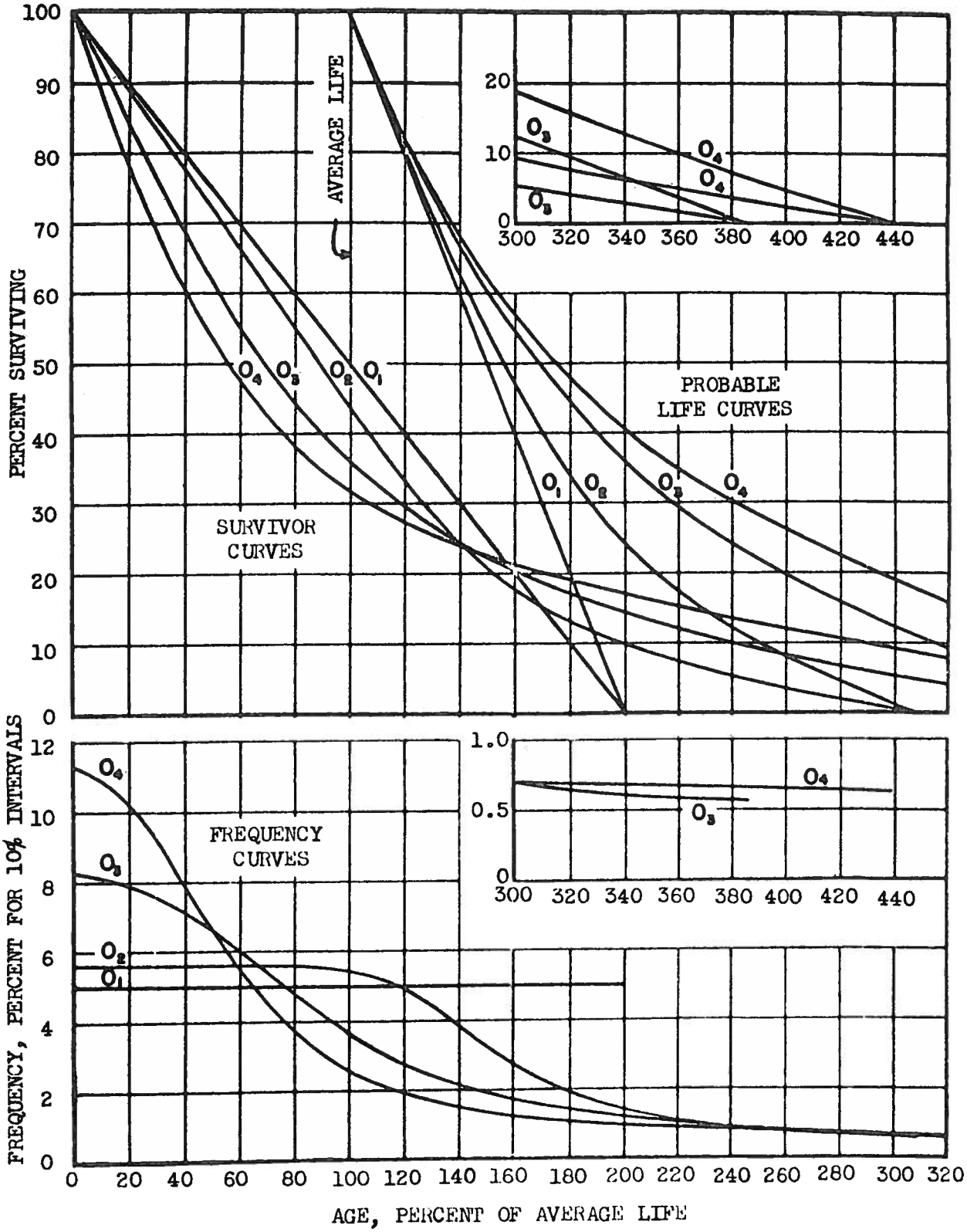


CHART NO. 7

SURVIVOR, PROBABLE LIFE AND FREQUENCY CURVES
FOR THE LEFT-MODAL IOWA TYPE CURVES



SURVIVOR, PROBABLE LIFE AND FREQUENCY CURVES
FOR THE ORIGIN-MODAL TYPE CURVES



Iowacurves.xls

Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.0000	R2.0	0	0.0948315	100.0000000	100.0000000	0.0000000
R2.0001	R2.0	1	0.0981016	99.9051685	99.0944462	0.9055538
R2.0002	R2.0	2	0.1014623	99.8070669	98.1913567	1.8086433
R2.0003	R2.0	3	0.1049099	99.7056046	97.2907686	2.7092314
R2.0004	R2.0	4	0.1084509	99.6006947	96.3927202	3.6072798
R2.0005	R2.0	5	0.1120825	99.4922438	95.4972458	4.5027542
R2.0006	R2.0	6	0.1158104	99.3801613	94.6043863	5.3956137
R2.0007	R2.0	7	0.1196318	99.2643509	93.7141762	6.2858238
R2.0008	R2.0	8	0.1235532	99.1447191	92.8266525	7.1733475
R2.0009	R2.0	9	0.1275731	99.0211659	91.9418526	8.0581474
R2.0010	R2.0	10	0.1316938	98.8935928	91.0598126	8.9401874
R2.0011	R2.0	11	0.1359167	98.7618990	90.1805687	9.8194313
R2.0012	R2.0	12	0.1402454	98.6259823	89.3041592	10.6958408
R2.0013	R2.0	13	0.1446791	98.4857369	88.4306173	11.5693827
R2.0014	R2.0	14	0.1492214	98.3410578	87.5599813	12.4400187
R2.0015	R2.0	15	0.1538735	98.1918364	86.6922846	13.3077154
R2.0016	R2.0	16	0.1586370	98.0379629	85.8275662	14.1724338
R2.0017	R2.0	17	0.1635142	97.8793259	84.9658604	15.0341396
R2.0018	R2.0	18	0.1685056	97.7158117	84.1072016	15.8927984
R2.0019	R2.0	19	0.1736164	97.5473061	83.2516279	16.7483721
R2.0020	R2.0	20	0.1788426	97.3736897	82.3991718	17.6008282
R2.0021	R2.0	21	0.1841926	97.1948471	81.5498714	18.4501286
R2.0022	R2.0	22	0.1896649	97.0106545	80.7037592	19.2962408
R2.0023	R2.0	23	0.1952619	96.8209896	79.8608723	20.1391277
R2.0024	R2.0	24	0.2009860	96.6257277	79.0212450	20.9787550
R2.0025	R2.0	25	0.2068376	96.4247417	78.1849127	21.8150873
R2.0026	R2.0	26	0.2128210	96.2179041	77.3519096	22.6480904
R2.0027	R2.0	27	0.2189369	96.0050831	76.5222740	23.4777260
R2.0028	R2.0	28	0.2251892	95.7861462	75.6960373	24.3039627
R2.0029	R2.0	29	0.2315760	95.5609570	74.8732357	25.1267643
R2.0030	R2.0	30	0.2381039	95.3293810	74.0539045	25.9460955
R2.0031	R2.0	31	0.2447710	95.0912771	73.2380800	26.7619200
R2.0032	R2.0	32	0.2515831	94.8465061	72.4257956	27.5742044
R2.0033	R2.0	33	0.2585392	94.5949230	71.6170883	28.3829117
R2.0034	R2.0	34	0.2656450	94.3363838	70.8119927	29.1880073
R2.0035	R2.0	35	0.2728977	94.0707388	70.0105457	29.9894543
R2.0036	R2.0	36	0.2803049	93.7978411	69.2127819	30.7872181
R2.0037	R2.0	37	0.2878657	93.5175362	68.4187384	31.5812616
R2.0038	R2.0	38	0.2955808	93.2296705	67.6284504	32.3715496
R2.0039	R2.0	39	0.3034544	92.9340897	66.8419552	33.1580448
R2.0040	R2.0	40	0.3114920	92.6306353	66.0592899	33.9407101
R2.0041	R2.0	41	0.3196878	92.3191433	65.2808571	34.7191429
R2.0042	R2.0	42	0.3280507	91.9994555	64.5055971	35.4944029
R2.0043	R2.0	43	0.3365783	91.6714048	63.7346439	36.2653561
R2.0044	R2.0	44	0.3452769	91.3348265	62.9676700	37.0323300

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.0045	R2.0	45	0.3541450	90.9895496	62.2047148	37.7952852
R2.0046	R2.0	46	0.3631840	90.6354046	61.4458170	38.5541830
R2.0047	R2.0	47	0.3723984	90.2722206	60.6910148	39.3089852
R2.0048	R2.0	48	0.3817892	89.8998222	59.9403491	40.0596509
R2.0049	R2.0	49	0.3913574	89.5180330	59.1938582	40.8061418
R2.0050	R2.0	50	0.4011030	89.1266756	58.4515839	41.5484161
R2.0051	R2.0	51	0.4110289	88.7255726	57.7135668	42.2864332
R2.0052	R2.0	52	0.4211368	88.3145437	56.9798470	43.0201530
R2.0053	R2.0	53	0.4314261	87.8934069	56.2504678	43.7495322
R2.0054	R2.0	54	0.4419002	87.4619808	55.5254688	44.4745312
R2.0055	R2.0	55	0.4525547	87.0200806	54.8048959	45.1951041
R2.0056	R2.0	56	0.4633961	86.5675259	54.0887899	45.9112101
R2.0057	R2.0	57	0.4744196	86.1041298	53.3771148	46.6228852
R2.0058	R2.0	58	0.4856272	85.6297102	52.6701531	47.3298469
R2.0059	R2.0	59	0.4970178	85.1440830	51.9677110	48.0322890
R2.0060	R2.0	60	0.5085907	84.6470652	51.2699108	48.7300892
R2.0061	R2.0	61	0.5203457	84.1384745	50.5767999	49.4232001
R2.0062	R2.0	62	0.5322781	83.6181288	49.8884211	50.1115789
R2.0063	R2.0	63	0.5443878	83.0858507	49.2042208	50.7957792
R2.0064	R2.0	64	0.5566711	82.5414629	48.5260449	51.4739551
R2.0065	R2.0	65	0.5691252	81.9847918	47.8521390	52.1478610
R2.0066	R2.0	66	0.5817490	81.4156666	47.1831479	52.8168521
R2.0067	R2.0	67	0.5945339	80.8339176	46.5191188	53.4808812
R2.0068	R2.0	68	0.6074762	80.2393837	45.8600979	54.1399021
R2.0069	R2.0	69	0.6205731	79.6319075	45.2061300	54.7938700
R2.0070	R2.0	70	0.6338167	79.0113344	44.5572619	55.4427381
R2.0071	R2.0	71	0.6471968	78.3775177	43.9135399	56.0864601
R2.0072	R2.0	72	0.6607103	77.7303209	43.2750101	56.7249899
R2.0073	R2.0	73	0.6743469	77.0696106	42.6417151	57.3582849
R2.0074	R2.0	74	0.6880913	76.3952637	42.0137038	57.9862962
R2.0075	R2.0	75	0.7019453	75.7071724	41.3910160	58.6089840
R2.0076	R2.0	76	0.7158861	75.0052271	40.7736988	59.2263012
R2.0077	R2.0	77	0.7299071	74.2893410	40.1617951	59.8382049
R2.0078	R2.0	78	0.7439918	73.5594339	39.5553460	60.4446540
R2.0079	R2.0	79	0.7581263	72.8154421	38.9543939	61.0456061
R2.0080	R2.0	80	0.7722978	72.0573158	38.3589792	61.6410208
R2.0081	R2.0	81	0.7864914	71.2850180	37.7691412	62.2308588
R2.0082	R2.0	82	0.8006802	70.4985266	37.1849198	62.8150802
R2.0083	R2.0	83	0.8148537	69.6978464	36.6063528	63.3936472
R2.0084	R2.0	84	0.8289880	68.8829927	36.0334740	63.9665260
R2.0085	R2.0	85	0.8430577	68.0540047	35.4663181	64.5336819
R2.0086	R2.0	86	0.8570489	67.2109470	34.9049168	65.0950832
R2.0087	R2.0	87	0.8709355	66.3538981	34.3493028	65.6506972
R2.0088	R2.0	88	0.8846855	65.4829626	33.7995038	66.2004962
R2.0089	R2.0	89	0.8982801	64.5982771	33.2555461	66.7444539

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.0090	R2.0	90	0.9116889	63.6999970	32.7174568	67.2825432
R2.0091	R2.0	91	0.9248881	62.7883081	32.1852560	67.8147440
R2.0092	R2.0	92	0.9378390	61.8634200	31.6589661	68.3410339
R2.0093	R2.0	93	0.9505158	60.9255810	31.1386020	68.8613980
R2.0094	R2.0	94	0.9628930	59.9750652	30.6241779	69.3758221
R2.0095	R2.0	95	0.9749274	59.0121722	30.1157100	69.8842900
R2.0096	R2.0	96	0.9865956	58.0372448	29.6132040	70.3867960
R2.0097	R2.0	97	0.9978571	57.0506492	29.1166680	70.8833320
R2.0098	R2.0	98	1.0086742	56.0527921	28.6261051	71.3738949
R2.0099	R2.0	99	1.0190200	55.0441179	28.1415110	71.8584890
R2.0100	R2.0	100	1.0288558	54.0250979	27.6628840	72.3371160
R2.0101	R2.0	101	1.0381442	52.9962421	27.1902180	72.8097820
R2.0102	R2.0	102	1.0468449	51.9580979	26.7234991	73.2765009
R2.0103	R2.0	103	1.0549312	50.9112530	26.2627111	73.7372889
R2.0104	R2.0	104	1.0623607	49.8563218	25.8078351	74.1921649
R2.0105	R2.0	105	1.0691033	48.7939611	25.3588469	74.6411531
R2.0106	R2.0	106	1.0751200	47.7248578	24.9157200	75.0842800
R2.0107	R2.0	107	1.0803718	46.6497378	24.4784200	75.5215800
R2.0108	R2.0	108	1.0848422	45.5693660	24.0469079	75.9530921
R2.0109	R2.0	109	1.0884819	44.4845238	23.6211450	76.3788550
R2.0110	R2.0	110	1.0912700	43.3960419	23.2010810	76.7989190
R2.0111	R2.0	111	1.0931697	42.3047719	22.7866659	77.2133341
R2.0112	R2.0	112	1.0941701	41.2116022	22.3778369	77.6221631
R2.0113	R2.0	113	1.0942240	40.1174321	21.9745369	78.0254631
R2.0114	R2.0	114	1.0933342	39.0232081	21.5766909	78.4233091
R2.0115	R2.0	115	1.0914621	37.9298739	21.1842289	78.8157711
R2.0116	R2.0	116	1.0885978	36.8384118	20.7970691	79.2029309
R2.0117	R2.0	117	1.0847301	35.7498140	20.4151239	79.5848761
R2.0118	R2.0	118	1.0798369	34.6650839	20.0383019	79.9616981
R2.0119	R2.0	119	1.0739369	33.5852470	19.6665001	80.3334999
R2.0120	R2.0	120	1.0669980	32.5113101	19.2996221	80.7003779
R2.0121	R2.0	121	1.0590372	31.4443121	18.9375479	81.0624521
R2.0122	R2.0	122	1.0501070	30.3852749	18.5801630	81.4198370
R2.0123	R2.0	123	1.0400660	29.3351679	18.2273769	81.7726231
R2.0124	R2.0	124	1.0290709	28.2951019	17.8789959	82.1210041
R2.0125	R2.0	125	1.0170991	27.2660310	17.5349121	82.4650879
R2.0126	R2.0	126	1.0041568	26.2489319	17.1949849	82.8050151
R2.0127	R2.0	127	0.9902881	25.2447751	16.8590529	83.1409471
R2.0128	R2.0	128	0.9755079	24.2544870	16.5269830	83.4730170
R2.0129	R2.0	129	0.9598532	23.2789791	16.1985951	83.8014049
R2.0130	R2.0	130	0.9433670	22.3191259	15.8737270	84.1262730
R2.0131	R2.0	131	0.9260879	21.3757589	15.5522090	84.4477910
R2.0132	R2.0	132	0.9080550	20.4496710	15.2338660	84.7661340
R2.0133	R2.0	133	0.8893190	19.5416160	14.9185150	85.0814850
R2.0134	R2.0	134	0.8699369	18.6522970	14.6059730	85.3940270

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.0135	R2.0	135	0.8499541	17.7823601	14.2960570	85.7039430
R2.0136	R2.0	136	0.8294290	16.9324060	13.9885750	86.0114250
R2.0137	R2.0	137	0.8084200	16.1029770	13.6833420	86.3166580
R2.0138	R2.0	138	0.7869870	15.2945570	13.3801709	86.6198291
R2.0139	R2.0	139	0.7651829	14.5075700	13.0788760	86.9211240
R2.0140	R2.0	140	0.7430681	13.7423871	12.7792740	87.2207260
R2.0141	R2.0	141	0.7207081	12.9993190	12.4811831	87.5188169
R2.0142	R2.0	142	0.6981599	12.2786109	12.1844341	87.8155659
R2.0143	R2.0	143	0.6754730	11.5804510	11.8888620	88.1111380
R2.0144	R2.0	144	0.6527110	10.9049780	11.5943070	88.4056930
R2.0145	R2.0	145	0.6299220	10.2522670	11.3006270	88.6993730
R2.0146	R2.0	146	0.6071579	9.6223450	11.0076849	88.9923151
R2.0147	R2.0	147	0.5844650	9.0151870	10.7153600	89.2846400
R2.0148	R2.0	148	0.5618890	8.4307220	10.4235460	89.5764540
R2.0149	R2.0	149	0.5394630	7.8688330	10.1321560	89.8678440
R2.0150	R2.0	150	0.5172310	7.3293700	9.8411110	90.1588891
R2.0151	R2.0	151	0.4952170	6.8121390	9.5503610	90.4496390
R2.0152	R2.0	152	0.4734520	6.3169220	9.2598670	90.7401331
R2.0153	R2.0	153	0.4519570	5.8434700	8.9696111	91.0303890
R2.0154	R2.0	154	0.4307510	5.3915130	8.6795980	91.3204020
R2.0155	R2.0	155	0.4098480	4.9607620	8.3898460	91.6101540
R2.0156	R2.0	156	0.3892590	4.5509140	8.1003940	91.8996060
R2.0157	R2.0	157	0.3689940	4.1616550	7.8112940	92.1887060
R2.0158	R2.0	158	0.3490550	3.7926610	7.5226200	92.4773800
R2.0159	R2.0	159	0.3294490	3.4436060	7.2344580	92.7655420
R2.0160	R2.0	160	0.3101780	3.1141570	6.9468990	93.0531010
R2.0161	R2.0	161	0.2912410	2.8039790	6.6600590	93.3399410
R2.0162	R2.0	162	0.2726440	2.5127380	6.3740460	93.6259540
R2.0163	R2.0	163	0.2543900	2.2400940	6.0889820	93.9110180
R2.0164	R2.0	164	0.2364840	1.9857040	5.8049920	94.1950080
R2.0165	R2.0	165	0.2189350	1.7492200	5.5221940	94.4778060
R2.0166	R2.0	166	0.2017570	1.5302850	5.2407130	94.7592870
R2.0167	R2.0	167	0.1849660	1.3285280	4.9606590	95.0393410
R2.0168	R2.0	168	0.1685830	1.1435620	4.6821490	95.3178510
R2.0169	R2.0	169	0.1526310	0.9749790	4.4052860	95.5947140
R2.0170	R2.0	170	0.1371620	0.8223480	4.1301220	95.8698780
R2.0171	R2.0	171	0.1221950	0.6851860	3.8568020	96.1431980
R2.0172	R2.0	172	0.1077830	0.5629910	3.5853840	96.4146160
R2.0173	R2.0	173	0.0939780	0.4552080	3.3159460	96.6840540
R2.0174	R2.0	174	0.0808330	0.3612300	3.0485230	96.9514770
R2.0175	R2.0	175	0.0684150	0.2803970	2.7832120	97.2167880
R2.0176	R2.0	176	0.0567860	0.2119820	2.5201260	97.4798740
R2.0177	R2.0	177	0.0460210	0.1551960	2.2592980	97.7407020
R2.0178	R2.0	178	0.0361913	0.1091750	2.0008840	97.9991160
R2.0179	R2.0	179	0.0273739	0.0729837	1.7451020	98.2548980

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.5000	R2.5	0	0.0551548	100.0000000	100.0000000	0.0000000
R2.5001	R2.5	1	0.0574713	99.9448452	99.0549097	0.9450903
R2.5002	R2.5	2	0.0598783	99.8873739	98.1116142	1.8883858
R2.5003	R2.5	3	0.0623808	99.8274956	97.1701632	2.8298368
R2.5004	R2.5	4	0.0649805	99.7651148	96.2306089	3.7693911
R2.5005	R2.5	5	0.0676823	99.7001343	95.2930031	4.7069969
R2.5006	R2.5	6	0.0704880	99.6324520	94.3573971	5.6426029
R2.5007	R2.5	7	0.0734014	99.5619640	93.4238472	6.5761528
R2.5008	R2.5	8	0.0764256	99.4885626	92.4924040	7.5075960
R2.5009	R2.5	9	0.0795669	99.4121370	91.5631256	8.4368744
R2.5010	R2.5	10	0.0828257	99.3325701	90.6360693	9.3639307
R2.5011	R2.5	11	0.0862064	99.2497444	89.7112904	10.2887096
R2.5012	R2.5	12	0.0897122	99.1635380	88.7888441	11.2111559
R2.5013	R2.5	13	0.0933485	99.0738258	87.8687897	12.1312103
R2.5014	R2.5	14	0.0971183	98.9804773	86.9511881	13.0488119
R2.5015	R2.5	15	0.1010247	98.8833590	86.0360956	13.9639044
R2.5016	R2.5	16	0.1050710	98.7823343	85.1235743	14.8764257
R2.5017	R2.5	17	0.1092635	98.6772633	84.2136803	15.7863197
R2.5018	R2.5	18	0.1136026	98.5679998	83.3064766	16.6935234
R2.5019	R2.5	19	0.1180954	98.4543972	82.4020252	17.5979748
R2.5020	R2.5	20	0.1227426	98.3363018	81.5003834	18.4996166
R2.5021	R2.5	21	0.1275521	98.2135592	80.6016140	19.3983860
R2.5022	R2.5	22	0.1325226	98.0860071	79.7057791	20.2942209
R2.5023	R2.5	23	0.1376619	97.9534845	78.8129368	21.1870632
R2.5024	R2.5	24	0.1429729	97.8158226	77.9231520	22.0768480
R2.5025	R2.5	25	0.1484576	97.6728497	77.0364828	22.9635172
R2.5026	R2.5	26	0.1541233	97.5243921	76.1529923	23.8470077
R2.5027	R2.5	27	0.1599703	97.3702688	75.2727404	24.7272596
R2.5028	R2.5	28	0.1660032	97.2102985	74.3957863	25.6042137
R2.5029	R2.5	29	0.1722278	97.0442953	73.5221920	26.4778080
R2.5030	R2.5	30	0.1786452	96.8720675	72.6520176	27.3479824
R2.5031	R2.5	31	0.1852608	96.6934223	71.7853222	28.2146778
R2.5032	R2.5	32	0.1920747	96.5081615	70.9221630	29.0778370
R2.5033	R2.5	33	0.1990958	96.3160868	70.0626001	29.9373999
R2.5034	R2.5	34	0.2063245	96.1169910	69.2066917	30.7933083
R2.5035	R2.5	35	0.2137642	95.9106665	68.3544951	31.6455049
R2.5036	R2.5	36	0.2214194	95.6969023	67.5060663	32.4939337
R2.5037	R2.5	37	0.2292928	95.4754829	66.6614609	33.3385391
R2.5038	R2.5	38	0.2373877	95.2461901	65.8207359	34.1792641
R2.5039	R2.5	39	0.2457084	95.0088024	64.9839459	35.0160541
R2.5040	R2.5	40	0.2542592	94.7630940	64.1511440	35.8488560
R2.5041	R2.5	41	0.2630376	94.5088348	63.3223858	36.6776142
R2.5042	R2.5	42	0.2720566	94.2457972	62.4977222	37.5022778
R2.5043	R2.5	43	0.2813111	93.9737406	61.6772060	38.3227940
R2.5044	R2.5	44	0.2908077	93.6924295	60.8608909	39.1391091

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.5045	R2.5	45	0.3005543	93.4016218	60.0488248	39.9511752
R2.5046	R2.5	46	0.3105459	93.1010675	59.2410641	40.7589359
R2.5047	R2.5	47	0.3207922	92.7905216	58.4376559	41.5623441
R2.5048	R2.5	48	0.3312959	92.4697294	57.6386509	42.3613491
R2.5049	R2.5	49	0.3420601	92.1384335	56.8441010	43.1558990
R2.5050	R2.5	50	0.3530903	91.7963734	56.0540552	43.9459448
R2.5051	R2.5	51	0.3643885	91.4432831	55.2685661	44.7314339
R2.5052	R2.5	52	0.3759584	91.0788946	54.4876838	45.5123162
R2.5053	R2.5	53	0.3878079	90.7029362	53.7114601	46.2885399
R2.5054	R2.5	54	0.3999405	90.3151283	52.9399471	47.0600529
R2.5055	R2.5	55	0.4123592	89.9151878	52.1731982	47.8268018
R2.5056	R2.5	56	0.4250708	89.5028286	51.4112682	48.5887318
R2.5057	R2.5	57	0.4380798	89.0777578	50.6542120	49.3457880
R2.5058	R2.5	58	0.4513912	88.6396780	49.9020872	50.0979128
R2.5059	R2.5	59	0.4650126	88.1882868	49.1549511	50.8450489
R2.5060	R2.5	60	0.4789476	87.7232742	48.4128661	51.5871339
R2.5061	R2.5	61	0.4932022	87.2443266	47.6758952	52.3241048
R2.5062	R2.5	62	0.5077830	86.7511244	46.9441018	53.0558982
R2.5063	R2.5	63	0.5226945	86.2433414	46.2175550	53.7824450
R2.5064	R2.5	64	0.5379439	85.7206469	45.4963250	54.5036750
R2.5065	R2.5	65	0.5535354	85.1827030	44.7804852	55.2195148
R2.5066	R2.5	66	0.5694743	84.6291676	44.0701108	55.9298892
R2.5067	R2.5	67	0.5857687	84.0596933	43.3652830	56.6347170
R2.5068	R2.5	68	0.6024160	83.4739246	42.6660848	57.3339152
R2.5069	R2.5	69	0.6194267	82.8715086	41.9726019	58.0273981
R2.5070	R2.5	70	0.6368008	82.2520819	41.2849250	58.7150750
R2.5071	R2.5	71	0.6545391	81.6152811	40.6031480	59.3968520
R2.5072	R2.5	72	0.6726418	80.9607420	39.9273682	60.0726318
R2.5073	R2.5	73	0.6911087	80.2881002	39.2576852	60.7423148
R2.5074	R2.5	74	0.7099390	79.5969915	38.5942020	61.4057980
R2.5075	R2.5	75	0.7291259	78.8870525	37.9370279	62.0629721
R2.5076	R2.5	76	0.7486620	78.1579266	37.2862740	62.7137260
R2.5077	R2.5	77	0.7685376	77.4092646	36.6420512	63.3579488
R2.5078	R2.5	78	0.7887430	76.6407270	36.0044770	63.9955230
R2.5079	R2.5	79	0.8092565	75.8519840	35.3736682	64.6263318
R2.5080	R2.5	80	0.8300667	75.0427275	34.7497439	65.2502561
R2.5081	R2.5	81	0.8511477	74.2126608	34.1328259	65.8671741
R2.5082	R2.5	82	0.8724718	73.3615131	33.5230379	66.4769621
R2.5083	R2.5	83	0.8940096	72.4890413	32.9204998	67.0795002
R2.5084	R2.5	84	0.9157238	71.5950317	32.3253360	67.6746640
R2.5085	R2.5	85	0.9375753	70.6793079	31.7376659	68.2623341
R2.5086	R2.5	86	0.9595194	69.7417326	31.1576109	68.8423891
R2.5087	R2.5	87	0.9815073	68.7822132	30.5852881	69.4147119
R2.5088	R2.5	88	1.0034790	67.8007059	30.0208130	69.9791870
R2.5089	R2.5	89	1.0253773	66.7972269	29.4642980	70.5357020

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.5090	R2.5	90	1.0471344	65.7718496	28.9158480	71.0841520
R2.5091	R2.5	91	1.0686831	64.7247152	28.3755679	71.6244321
R2.5092	R2.5	92	1.0899420	63.6560321	27.8435540	72.1564460
R2.5093	R2.5	93	1.1108289	62.5660901	27.3198969	72.6801031
R2.5094	R2.5	94	1.1312651	61.4552612	26.8046770	73.1953230
R2.5095	R2.5	95	1.1511522	60.3239961	26.2979729	73.7020271
R2.5096	R2.5	96	1.1704039	59.1728439	25.7998481	74.2001519
R2.5097	R2.5	97	1.1889191	58.0024400	25.3103621	74.6896379
R2.5098	R2.5	98	1.2065949	56.8135209	24.8295610	75.1704390
R2.5099	R2.5	99	1.2233358	55.6069260	24.3574791	75.6425209
R2.5100	R2.5	100	1.2390403	54.3835902	23.8941431	76.1058569
R2.5101	R2.5	101	1.2536021	53.1445499	23.4395671	76.5604329
R2.5102	R2.5	102	1.2669158	51.8909478	22.9937501	77.0062499
R2.5103	R2.5	103	1.2788939	50.6240320	22.5566781	77.4433219
R2.5104	R2.5	104	1.2894273	49.3451381	22.1283281	77.8716719
R2.5105	R2.5	105	1.2984328	48.0557108	21.7086580	78.2913420
R2.5106	R2.5	106	1.3058210	46.7572780	21.2976141	78.7023859
R2.5107	R2.5	107	1.3115058	45.4514570	20.8951299	79.1048701
R2.5108	R2.5	108	1.3154220	44.1399512	20.5011189	79.4988811
R2.5109	R2.5	109	1.3175020	42.8245292	20.1154850	79.8845150
R2.5110	R2.5	110	1.3176890	41.5070272	19.7381129	80.2618871
R2.5111	R2.5	111	1.3159404	40.1893382	19.3688741	80.6311259
R2.5112	R2.5	112	1.3122248	38.8733978	19.0076220	80.9923780
R2.5113	R2.5	113	1.3065191	37.5611730	18.6541979	81.3458021
R2.5114	R2.5	114	1.2988228	36.2546539	18.3084259	81.6915741
R2.5115	R2.5	115	1.2891360	34.9558311	17.9701180	82.0298820
R2.5116	R2.5	116	1.2774830	33.6666951	17.6390679	82.3609321
R2.5117	R2.5	117	1.2638931	32.3892121	17.3150611	82.6849389
R2.5118	R2.5	118	1.2484150	31.1253190	16.9978631	83.0021369
R2.5119	R2.5	119	1.2311139	29.8769040	16.6872311	83.3127689
R2.5120	R2.5	120	1.2120590	28.6457901	16.3829119	83.6170881
R2.5121	R2.5	121	1.1913381	27.4337311	16.0846400	83.9153600
R2.5122	R2.5	122	1.1690731	26.2423930	15.7921439	84.2078561
R2.5123	R2.5	123	1.1452968	25.0733199	15.5051580	84.4948420
R2.5124	R2.5	124	1.1201971	23.9280231	15.2233681	84.7766319
R2.5125	R2.5	125	1.0938761	22.8078260	14.9465010	85.0534990
R2.5126	R2.5	126	1.0664589	21.7139499	14.6742671	85.3257329
R2.5127	R2.5	127	1.0380819	20.6474910	14.4063790	85.5936210
R2.5128	R2.5	128	1.0088780	19.6094091	14.1425540	85.8574460
R2.5129	R2.5	129	0.9789822	18.6005311	13.8825150	86.1174850
R2.5130	R2.5	130	0.9485328	17.6215489	13.6259940	86.3740060
R2.5131	R2.5	131	0.9176611	16.6730161	13.3727360	86.6272640
R2.5132	R2.5	132	0.8864870	15.7553550	13.1224999	86.8775001
R2.5133	R2.5	133	0.8551400	14.8688680	12.8750581	87.1249419
R2.5134	R2.5	134	0.8237340	14.0137280	12.6302040	87.3697960

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.5135	R2.5	135	0.7923711	13.1899940	12.3877521	87.6122479
R2.5136	R2.5	136	0.7611500	12.3976229	12.1475360	87.8524640
R2.5137	R2.5	137	0.7301579	11.6364729	11.9094091	88.0905909
R2.5138	R2.5	138	0.6994760	10.9063150	11.6732490	88.3267510
R2.5139	R2.5	139	0.6691670	10.2068390	11.4389530	88.5610470
R2.5140	R2.5	140	0.6392890	9.5376720	11.2064340	88.7935660
R2.5141	R2.5	141	0.6098980	8.8983830	10.9756200	89.0243800
R2.5142	R2.5	142	0.5810320	8.2884851	10.7464550	89.2535450
R2.5143	R2.5	143	0.5527210	7.7074530	10.5188921	89.4811079
R2.5144	R2.5	144	0.5249980	7.1547320	10.2928760	89.7071240
R2.5145	R2.5	145	0.4978830	6.6297340	10.0683579	89.9316421
R2.5146	R2.5	146	0.4713970	6.1318510	9.8452730	90.1547270
R2.5147	R2.5	147	0.4455530	5.6604540	9.6235380	90.3764620
R2.5148	R2.5	148	0.4203759	5.2149010	9.4030380	90.5969620
R2.5149	R2.5	149	0.3958700	4.7945250	9.1836420	90.8163580
R2.5150	R2.5	150	0.3720580	4.3986550	8.9651520	91.0348480
R2.5151	R2.5	151	0.3489550	4.0265970	8.7473331	91.2526670
R2.5152	R2.5	152	0.3265810	3.6776420	8.5298860	91.4701140
R2.5153	R2.5	153	0.3049580	3.3510610	8.3124470	91.6875531
R2.5154	R2.5	154	0.2841100	3.0461030	8.0945830	91.9054170
R2.5155	R2.5	155	0.2640620	2.7619930	7.8757930	92.1242070
R2.5156	R2.5	156	0.2448380	2.4979310	7.6555050	92.3444950
R2.5157	R2.5	157	0.2264680	2.2530930	7.4330760	92.5669240
R2.5158	R2.5	158	0.2089740	2.0266250	7.2078220	92.7921780
R2.5159	R2.5	159	0.1923820	1.8176510	6.9790150	93.0209850
R2.5160	R2.5	160	0.1767130	1.6252690	6.7459320	93.2540680
R2.5161	R2.5	161	0.1619790	1.4485560	6.5078890	93.4921110
R2.5162	R2.5	162	0.1481900	1.2865770	6.2642780	93.7357220
R2.5163	R2.5	163	0.1353470	1.1383870	6.0146450	93.9853550
R2.5164	R2.5	164	0.1234370	1.0030400	5.7587730	94.2412270
R2.5165	R2.5	165	0.1124400	0.8796030	5.4967510	94.5032490
R2.5166	R2.5	166	0.1023100	0.7671630	5.2291050	94.7708950
R2.5167	R2.5	167	0.0929890	0.6648530	4.9568360	95.0431640
R2.5168	R2.5	168	0.0843740	0.5718640	4.6815480	95.3184520
R2.5169	R2.5	169	0.0763160	0.4874900	4.4052840	95.5947160
R2.5170	R2.5	170	0.0685810	0.4111740	4.1301250	95.8698750
R2.5171	R2.5	171	0.0610970	0.3425930	3.8568110	96.1431890
R2.5172	R2.5	172	0.0538920	0.2814960	3.5853870	96.4146130
R2.5173	R2.5	173	0.0469890	0.2276040	3.3159430	96.6840570
R2.5174	R2.5	174	0.0404160	0.1806150	3.0485420	96.9514580
R2.5175	R2.5	175	0.0342080	0.1401990	2.7832260	97.2167740
R2.5176	R2.5	176	0.0283930	0.1059910	2.5201240	97.4798760
R2.5177	R2.5	177	0.0230100	0.0775980	2.2592850	97.7407150
R2.5178	R2.5	178	0.0181160	0.0545880	2.0008610	97.9991390
R2.5179	R2.5	179	0.0136670	0.0364720	1.7451220	98.2548780

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R2.5180	R2.5	180	0.0098240	0.0228050	1.4924140	98.5075860
R2.5181	R2.5	181	0.0065460	0.0129810	1.2434710	98.7565290
R2.5182	R2.5	182	0.0038930	0.0064350	0.9997670	99.0002330
R2.5183	R2.5	183	0.0019010	0.0025420	0.7651460	99.2348540
R2.5184	R2.5	184	0.0006080	0.0006410	0.5514820	99.4485180
R2.5185	R2.5	185	0.0000330	0.0000330	0.5000000	99.5000000
R2.5186	R2.5	186	0.0000000	0.0000000	0.0000000	100.0000000

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1 Lookup	2 Curve	3 Age %	4 % Ret	5 % Surv	6 % Cond	7 % Depr Resv
R3.0000	R3.0	0	0.0154791	100.0000000	100.0000000	0.0000000
R3.0001	R3.0	1	0.0168400	99.9845209	99.0154038	0.9845962
R3.0002	R3.0	2	0.0182953	99.9676809	98.0319996	1.9680004
R3.0003	R3.0	3	0.0198507	99.9493856	97.0498524	2.9501476
R3.0004	R3.0	4	0.0215111	99.9295349	96.0690317	3.9309683
R3.0005	R3.0	5	0.0232811	99.9080238	95.0896082	4.9103918
R3.0006	R3.0	6	0.0251655	99.8847427	94.1116552	5.8883448
R3.0007	R3.0	7	0.0271702	99.8595772	93.1352463	6.8647537
R3.0008	R3.0	8	0.0292997	99.8324070	92.1604576	7.8395424
R3.0009	R3.0	9	0.0315600	99.8031073	91.1873674	8.8126326
R3.0010	R3.0	10	0.0339584	99.7715473	90.2160540	9.7839460
R3.0011	R3.0	11	0.0364952	99.7375889	89.2465992	10.7534008
R3.0012	R3.0	12	0.0391798	99.7010937	88.2790852	11.7209148
R3.0013	R3.0	13	0.0420189	99.6619139	87.3135939	12.6864061
R3.0014	R3.0	14	0.0450144	99.6198950	86.3502102	13.6497898
R3.0015	R3.0	15	0.0481758	99.5748806	85.3890209	14.6109791
R3.0016	R3.0	16	0.0515060	99.5267048	84.4301109	15.5698891
R3.0017	R3.0	17	0.0550118	99.4751988	83.4735680	16.5264320
R3.0018	R3.0	18	0.0586996	99.4201870	82.5194798	17.4805202
R3.0019	R3.0	19	0.0625744	99.3614874	81.5679340	18.4320660
R3.0020	R3.0	20	0.0666428	99.2989130	80.6190205	19.3809795
R3.0021	R3.0	21	0.0709104	99.2322702	79.6728268	20.3271732
R3.0022	R3.0	22	0.0753794	99.1613598	78.7294426	21.2705574
R3.0023	R3.0	23	0.0800638	99.0859804	77.7889566	22.2110434
R3.0024	R3.0	24	0.0849600	99.0059166	76.8514566	23.1485434
R3.0025	R3.0	25	0.0900774	98.9209566	75.9170332	24.0829668
R3.0026	R3.0	26	0.0954256	98.8308792	74.9857712	25.0142288
R3.0027	R3.0	27	0.1010027	98.7354536	74.0577602	25.9422398
R3.0028	R3.0	28	0.1068191	98.6344509	73.1330843	26.8669157
R3.0029	R3.0	29	0.1128788	98.5276318	72.2118292	27.7881708
R3.0030	R3.0	30	0.1191874	98.4147530	71.2940807	28.7059193
R3.0031	R3.0	31	0.1257477	98.2955656	70.3799210	29.6200790
R3.0032	R3.0	32	0.1325683	98.1698179	69.4694319	30.5305681
R3.0033	R3.0	33	0.1396523	98.0372496	68.5626936	31.4373064
R3.0034	R3.0	34	0.1470041	97.8975973	67.6597862	32.3402138
R3.0035	R3.0	35	0.1546307	97.7505932	66.7607861	33.2392139
R3.0036	R3.0	36	0.1625337	97.5959625	65.8657694	34.1342306
R3.0037	R3.0	37	0.1707211	97.4334288	64.9748087	35.0251913
R3.0038	R3.0	38	0.1791944	97.2627077	64.0879793	35.9120207
R3.0039	R3.0	39	0.1879616	97.0835133	63.2053480	36.7946520
R3.0040	R3.0	40	0.1970244	96.8955517	62.3269858	37.6730142
R3.0041	R3.0	41	0.2063894	96.6985273	61.4529600	38.5470400
R3.0042	R3.0	42	0.2160606	96.4921379	60.5833340	39.4166660
R3.0043	R3.0	43	0.2260437	96.2760773	59.7181711	40.2818289
R3.0044	R3.0	44	0.2363405	96.0500336	58.8575339	41.1424661

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R3.0045	R3.0	45	0.2469616	95.8136931	58.0014839	41.9985161
R3.0046	R3.0	46	0.2579089	95.5667315	57.1500778	42.8499222
R3.0047	R3.0	47	0.2691869	95.3088226	56.3033738	43.6966262
R3.0048	R3.0	48	0.2808028	95.0396357	55.4614301	44.5385699
R3.0049	R3.0	49	0.2927637	94.7588329	54.6243000	45.3757000
R3.0050	R3.0	50	0.3050775	94.4660692	53.7920389	46.2079611
R3.0051	R3.0	51	0.3177452	94.1609917	52.9647021	47.0352979
R3.0052	R3.0	52	0.3307829	93.8432465	52.1423440	47.8576560
R3.0053	R3.0	53	0.3441897	93.5124636	51.3250179	48.6749821
R3.0054	R3.0	54	0.3579797	93.1682739	50.5127802	49.4872198
R3.0055	R3.0	55	0.3721629	92.8102942	49.7056861	50.2943139
R3.0056	R3.0	56	0.3867464	92.4381313	48.9037910	51.0962090
R3.0057	R3.0	57	0.4017400	92.0513849	48.1071558	51.8928442
R3.0058	R3.0	58	0.4171553	91.6496449	47.3158379	52.6841621
R3.0059	R3.0	59	0.4330063	91.2324896	46.5299010	53.4700990
R3.0060	R3.0	60	0.4493046	90.7994833	45.7494102	54.2505898
R3.0061	R3.0	61	0.4660597	90.3501787	44.9744310	55.0255690
R3.0062	R3.0	62	0.4832878	89.8841190	44.2050362	55.7949638
R3.0063	R3.0	63	0.5010013	89.4008312	43.4412990	56.5587010
R3.0064	R3.0	64	0.5192156	88.8998299	42.6832981	57.3167019
R3.0065	R3.0	65	0.5379458	88.3806143	41.9311161	58.0688839
R3.0066	R3.0	66	0.5572013	87.8426685	41.1848378	58.8151622
R3.0067	R3.0	67	0.5770016	87.2854672	40.4445572	59.5554428
R3.0068	R3.0	68	0.5973559	86.7084656	39.7103682	60.2896318
R3.0069	R3.0	69	0.6182804	86.1111097	38.9823709	61.0176291
R3.0070	R3.0	70	0.6397857	85.4928293	38.2606740	61.7393260
R3.0071	R3.0	71	0.6618805	84.8530436	37.5453868	62.4546132
R3.0072	R3.0	72	0.6845751	84.1911631	36.8366242	63.1633758
R3.0073	R3.0	73	0.7078676	83.5065880	36.1345072	63.8654928
R3.0074	R3.0	74	0.7317868	82.7987204	35.4391561	64.5608439
R3.0075	R3.0	75	0.7563066	82.0669336	34.7507062	65.2492938
R3.0076	R3.0	76	0.7814388	81.3106270	34.0692878	65.9307122
R3.0077	R3.0	77	0.8071690	80.5291882	33.3950372	66.6049628
R3.0078	R3.0	78	0.8334932	79.7220192	32.7280932	67.2719068
R3.0079	R3.0	79	0.8603878	78.8885260	32.0685968	67.9314032
R3.0080	R3.0	80	0.8878355	78.0281382	31.4166920	68.5833080
R3.0081	R3.0	81	0.9158049	77.1403027	30.7725229	69.2274771
R3.0082	R3.0	82	0.9442616	76.2244978	30.1362350	69.8637650
R3.0083	R3.0	83	0.9731655	75.2802362	29.5079711	70.4920289
R3.0084	R3.0	84	1.0024595	74.3070707	28.8878751	71.1121249
R3.0085	R3.0	85	1.0320921	73.3046112	28.2760870	71.7239130
R3.0086	R3.0	86	1.0619917	72.2725191	27.6727450	72.3272550
R3.0087	R3.0	87	1.0920782	71.2105274	27.0779829	72.9220171
R3.0088	R3.0	88	1.1222725	70.1184492	26.4919291	73.5080709
R3.0089	R3.0	89	1.1524744	68.9961767	25.9147060	74.0852940

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1 Lookup	2 Curve	3 Age %	4 % Ret	5 % Surv	6 % Cond	7 % Depr Resv
R3.0090	R3.0	90	1.1825809	67.8437023	25.3464310	74.6535690
R3.0091	R3.0	91	1.2124787	66.6611214	24.7872109	75.2127891
R3.0092	R3.0	92	1.2420444	65.4486427	24.2371471	75.7628529
R3.0093	R3.0	93	1.2711425	64.2065983	23.6963310	76.3036690
R3.0094	R3.0	94	1.2996359	62.9354558	23.1648400	76.8351600
R3.0095	R3.0	95	1.3273778	61.6358199	22.6427441	77.3572559
R3.0096	R3.0	96	1.3542113	60.3084421	22.1301019	77.8698981
R3.0097	R3.0	97	1.3799820	58.9542308	21.6269579	78.3730421
R3.0098	R3.0	98	1.4045148	57.5742488	21.1333439	78.8666561
R3.0099	R3.0	99	1.4276528	56.1697340	20.6492770	79.3507230
R3.0100	R3.0	100	1.4492231	54.7420812	20.1747630	79.8252370
R3.0101	R3.0	101	1.4690599	53.2928581	19.7097900	80.2902100
R3.0102	R3.0	102	1.4869881	51.8237982	19.2543340	80.7456660
R3.0103	R3.0	103	1.5028572	50.3368101	18.8083510	81.1916490
R3.0104	R3.0	104	1.5164928	48.8339529	18.3717880	81.6282120
R3.0105	R3.0	105	1.5277629	47.3174601	17.9445670	82.0554330
R3.0106	R3.0	106	1.5365224	45.7896972	17.5266011	82.4733989
R3.0107	R3.0	107	1.5426388	44.2531748	17.1177840	82.8822160
R3.0108	R3.0	108	1.5460029	42.7105360	16.7179930	83.2820070
R3.0109	R3.0	109	1.5465211	41.1645331	16.3270869	83.6729131
R3.0110	R3.0	110	1.5441080	39.6180120	15.9449101	84.0550899
R3.0111	R3.0	111	1.5387101	38.0739040	15.5712870	84.4287130
R3.0112	R3.0	112	1.5302810	36.5351939	15.2060260	84.7939740
R3.0113	R3.0	113	1.5188141	35.0049129	14.8489180	85.1510820
R3.0114	R3.0	114	1.5043109	33.4860988	14.4997360	85.5002640
R3.0115	R3.0	115	1.4868099	31.9817879	14.1582340	85.8417660
R3.0116	R3.0	116	1.4663680	30.4949780	13.8241530	86.1758470
R3.0117	R3.0	117	1.4430571	29.0286100	13.4972171	86.5027829
R3.0118	R3.0	118	1.4169929	27.5855529	13.1771280	86.8228720
R3.0119	R3.0	119	1.3882911	26.1685600	12.8635780	87.1364220
R3.0120	R3.0	120	1.3571188	24.7802689	12.5562360	87.4437640
R3.0121	R3.0	121	1.3236401	23.4231501	12.2547650	87.7452350
R3.0122	R3.0	122	1.2880390	22.0995100	11.9588110	88.0411890
R3.0123	R3.0	123	1.2505269	20.8114710	11.6680059	88.3319941
R3.0124	R3.0	124	1.2113230	19.5609441	11.3819740	88.6180260
R3.0125	R3.0	125	1.1706541	18.3496211	11.1003320	88.8996680
R3.0126	R3.0	126	1.1287601	17.1789670	10.8226880	89.1773120
R3.0127	R3.0	127	1.0858769	16.0502069	10.5486490	89.4513510
R3.0128	R3.0	128	1.0422470	14.9643300	10.2778220	89.7221780
R3.0129	R3.0	129	0.9981119	13.9220830	10.0098190	89.9901810
R3.0130	R3.0	130	0.9536992	12.9239711	9.7442570	90.2557430
R3.0131	R3.0	131	0.9092329	11.9702719	9.4807680	90.5192320
R3.0132	R3.0	132	0.8649200	11.0610390	9.2190000	90.7810000
R3.0133	R3.0	133	0.8209611	10.1961190	8.9586190	91.0413810
R3.0134	R3.0	134	0.7775309	9.3751580	8.6993200	91.3006800

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R3.0135	R3.0	135	0.7347881	8.5976270	8.4408310	91.5591691
R3.0136	R3.0	136	0.6928700	7.8628390	8.1829081	91.8170919
R3.0137	R3.0	137	0.6518970	7.1699690	7.9253460	92.0746540
R3.0138	R3.0	138	0.6119650	6.5180720	7.6679810	92.3320190
R3.0139	R3.0	139	0.5731500	5.9061070	7.4106960	92.5893040
R3.0140	R3.0	140	0.5355110	5.3329570	7.1534120	92.8465880
R3.0141	R3.0	141	0.4990880	4.7974460	6.8960930	93.1039070
R3.0142	R3.0	142	0.4639030	4.2983580	6.6387510	93.3612490
R3.0143	R3.0	143	0.4299690	3.8344550	6.3814340	93.6185660
R3.0144	R3.0	144	0.3972850	3.4044860	6.1242290	93.8757710
R3.0145	R3.0	145	0.3658450	3.0072010	5.8672540	94.1327460
R3.0146	R3.0	146	0.3356360	2.6413560	5.6106530	94.3893470
R3.0147	R3.0	147	0.3066410	2.3057200	5.3545910	94.6454090
R3.0148	R3.0	148	0.2788620	1.9990790	5.0992460	94.9007540
R3.0149	R3.0	149	0.2522770	1.7202170	4.8448220	95.1551780
R3.0150	R3.0	150	0.2268850	1.4679400	4.5915160	95.4084840
R3.0151	R3.0	151	0.2026930	1.2410550	4.3395140	95.6604860
R3.0152	R3.0	152	0.1797100	1.0383620	4.0890000	95.9110000
R3.0153	R3.0	153	0.1579600	0.8586520	3.8401530	96.1598470
R3.0154	R3.0	154	0.1374690	0.7006920	3.5931400	96.4068600
R3.0155	R3.0	155	0.1182750	0.5632230	3.3480970	96.6519030
R3.0156	R3.0	156	0.1004170	0.4449480	3.1051630	96.8948370
R3.0157	R3.0	157	0.0839420	0.3445310	2.8644800	97.1355200
R3.0158	R3.0	158	0.0688930	0.2605890	2.6261500	97.3738500
R3.0159	R3.0	159	0.0553160	0.1916960	2.3902580	97.6097420
R3.0160	R3.0	160	0.0432485	0.1363800	2.1569580	97.8430420
R3.0161	R3.0	161	0.0327163	0.0931315	1.9263620	98.0736380
R3.0162	R3.0	162	0.0237359	0.0604152	1.6987790	98.3012210
R3.0163	R3.0	163	0.0163033	0.0366793	1.4745100	98.5254900
R3.0164	R3.0	164	0.0103913	0.0203760	1.2542690	98.7457310
R3.0165	R3.0	165	0.0059434	0.0099847	1.0392430	98.9607570
R3.0166	R3.0	166	0.0028646	0.0040413	0.8322900	99.1677100
R3.0167	R3.0	167	0.0010104	0.0011767	0.6413070	99.3586930
R3.0168	R3.0	168	0.0001662	0.0001662	0.4999820	99.5000180
R3.0169	R3.0	169	0.0000000	0.0000000	0.0000000	100.0000000

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R4.0000	R4.0	0	0.0008278	100.0000000	100.0000000	0.0000000
R4.0001	R4.0	1	0.0009632	99.9991722	99.0013161	0.9986839
R4.0002	R4.0	2	0.0011139	99.9982090	98.0022631	1.9977369
R4.0003	R4.0	3	0.0012894	99.9970951	97.0033197	2.9966803
R4.0004	R4.0	4	0.0014858	99.9958057	96.0045939	3.9954061
R4.0005	R4.0	5	0.0017109	99.9943199	95.0060129	4.9939871
R4.0006	R4.0	6	0.0019645	99.9926090	94.0076304	5.9923696
R4.0007	R4.0	7	0.0022536	99.9906445	93.0094681	6.9905319
R4.0008	R4.0	8	0.0025768	99.9883909	92.0115519	7.9884481
R4.0009	R4.0	9	0.0029430	99.9858141	91.0139113	8.9860887
R4.0010	R4.0	10	0.0033541	99.9828711	90.0165749	9.9834251
R4.0011	R4.0	11	0.0038157	99.9795170	89.0195789	10.9804211
R4.0012	R4.0	12	0.0043325	99.9757013	88.0229569	11.9770431
R4.0013	R4.0	13	0.0049095	99.9713688	87.0267496	12.9732504
R4.0014	R4.0	14	0.0055561	99.9664593	86.0310001	13.9689999
R4.0015	R4.0	15	0.0062743	99.9609032	85.0357533	14.9642467
R4.0016	R4.0	16	0.0070753	99.9546289	84.0410605	15.9589395
R4.0017	R4.0	17	0.0079612	99.9475536	83.0469732	16.9530268
R4.0018	R4.0	18	0.0089484	99.9395924	82.0535498	17.9464502
R4.0019	R4.0	19	0.0100383	99.9306440	81.0608521	18.9391479
R4.0020	R4.0	20	0.0112429	99.9206057	80.0689449	19.9310551
R4.0021	R4.0	21	0.0125732	99.9093628	79.0778990	20.9221010
R4.0022	R4.0	22	0.0140372	99.8967896	78.0877886	21.9122114
R4.0023	R4.0	23	0.0156517	99.8827524	77.0986939	22.9013061
R4.0024	R4.0	24	0.0174217	99.8671007	76.1106977	23.8893023
R4.0025	R4.0	25	0.0193634	99.8496790	75.1238899	24.8761101
R4.0026	R4.0	26	0.0214911	99.8303156	74.1383648	25.8616352
R4.0027	R4.0	27	0.0238161	99.8088245	73.1542206	26.8457794
R4.0028	R4.0	28	0.0263576	99.7850084	72.1715622	27.8284378
R4.0029	R4.0	29	0.0291262	99.7586508	71.1904984	28.8095016
R4.0030	R4.0	30	0.0321426	99.7295246	70.2111445	29.7888555
R4.0031	R4.0	31	0.0354223	99.6973820	69.2336187	30.7663813
R4.0032	R4.0	32	0.0389815	99.6619597	68.2580481	31.7419519
R4.0033	R4.0	33	0.0428438	99.6229782	67.2845621	32.7154379
R4.0034	R4.0	34	0.0470247	99.5801344	66.3132954	33.6867046
R4.0035	R4.0	35	0.0515423	99.5331097	65.3443880	34.6556120
R4.0036	R4.0	36	0.0564251	99.4815674	64.3779860	35.6220140
R4.0037	R4.0	37	0.0616894	99.4251423	63.4142370	36.5857630
R4.0038	R4.0	38	0.0673580	99.3634529	62.4532971	37.5467029
R4.0039	R4.0	39	0.0734539	99.2960949	61.4953232	38.5046768
R4.0040	R4.0	40	0.0800018	99.2226410	60.5404782	39.4595218
R4.0041	R4.0	41	0.0870266	99.1426392	59.5889268	40.4110732
R4.0042	R4.0	42	0.0945492	99.0556126	58.6408401	41.3591599
R4.0043	R4.0	43	0.1025982	98.9610634	57.6963892	42.3036108
R4.0044	R4.0	44	0.1111975	98.8584652	56.7557492	43.2442508

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R4.0045	R4.0	45	0.1203727	98.7472677	55.8190970	44.1809030
R4.0046	R4.0	46	0.1301480	98.6268950	54.8866129	45.1133871
R4.0047	R4.0	47	0.1405506	98.4967470	53.9584770	46.0415230
R4.0048	R4.0	48	0.1516085	98.3561964	53.0348692	46.9651308
R4.0049	R4.0	49	0.1633424	98.2045879	52.1159720	47.8840280
R4.0050	R4.0	50	0.1757803	98.0412455	51.2019682	48.7980318
R4.0051	R4.0	51	0.1889468	97.8654652	50.2930360	49.7069640
R4.0052	R4.0	52	0.2028656	97.6765184	49.3893561	50.6106439
R4.0053	R4.0	53	0.2175588	97.4736528	48.4911060	51.5088940
R4.0054	R4.0	54	0.2326536	97.2560940	47.5984602	52.4015398
R4.0055	R4.0	55	0.2497578	97.0234404	46.7115922	53.2884078
R4.0056	R4.0	56	0.2665119	96.7736826	45.8306670	54.1693330
R4.0057	R4.0	57	0.2845173	96.5071707	44.9558511	55.0441489
R4.0058	R4.0	58	0.3034000	96.2226534	44.0873008	55.9126992
R4.0059	R4.0	59	0.3231707	95.9192534	43.2251711	56.7748289
R4.0060	R4.0	60	0.3438416	95.5960827	42.3696070	57.6303930
R4.0061	R4.0	61	0.3654260	95.2522411	41.5207481	58.4792519
R4.0062	R4.0	62	0.3879290	94.8868151	40.6787262	59.3212738
R4.0063	R4.0	63	0.4113550	94.4988861	39.8436651	60.1563349
R4.0064	R4.0	64	0.4357090	94.0875311	39.0156770	60.9843230
R4.0065	R4.0	65	0.4609852	93.6518221	38.1948690	61.8051310
R4.0066	R4.0	66	0.4871807	93.1908369	37.3813329	62.6186671
R4.0067	R4.0	67	0.5142860	92.7036562	36.5751538	63.4248462
R4.0068	R4.0	68	0.5422850	92.1893702	35.7764020	64.2235980
R4.0069	R4.0	69	0.5711651	91.6470852	34.9851360	65.0148640
R4.0070	R4.0	70	0.6009006	91.0759201	34.2014031	65.7985969
R4.0071	R4.0	71	0.6314631	90.4750195	33.4252348	66.5747652
R4.0072	R4.0	72	0.6628237	89.8435564	32.6566491	67.3433509
R4.0073	R4.0	73	0.6949434	89.1807327	31.8956490	68.1043510
R4.0074	R4.0	74	0.7277765	88.4857893	31.1422219	68.8577781
R4.0075	R4.0	75	0.7612782	87.7580128	30.3963370	69.6036630
R4.0076	R4.0	76	0.7953930	86.9967346	29.6579499	70.3420501
R4.0077	R4.0	77	0.8300562	86.2013416	28.9269941	71.0730059
R4.0078	R4.0	78	0.8652038	85.3712854	28.2033880	71.7966120
R4.0079	R4.0	79	0.9007626	84.5060816	27.4870250	72.5129750
R4.0080	R4.0	80	0.9366550	83.6053190	26.7777820	73.2222180
R4.0081	R4.0	81	0.9727898	82.6686640	26.0755160	73.9244840
R4.0082	R4.0	82	1.0092020	81.6958742	25.3800550	74.6199450
R4.0083	R4.0	83	1.0464849	80.6866722	24.6912470	75.3087530
R4.0084	R4.0	84	1.0855894	79.6401873	24.0091240	75.9908760
R4.0085	R4.0	85	1.1274805	78.5545979	23.3340089	76.6659911
R4.0086	R4.0	86	1.1729546	77.4271174	22.6665139	77.3334861
R4.0087	R4.0	87	1.2225552	76.2541628	22.0074830	77.9925170
R4.0088	R4.0	88	1.2765531	75.0316076	21.3579230	78.6420770
R4.0089	R4.0	89	1.3349047	73.7550545	20.7189319	79.2810681

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R4.0090	R4.0	90	1.3973417	72.4201498	20.0916240	79.9083760
R4.0091	R4.0	91	1.4632540	71.0228081	19.4770801	80.5229199
R4.0092	R4.0	92	1.5318708	69.5595541	18.8762820	81.1237180
R4.0093	R4.0	93	1.6022349	68.0276833	18.2900851	81.7099149
R4.0094	R4.0	94	1.6732702	66.4254484	17.7191961	82.2808039
R4.0095	R4.0	95	1.7437983	64.7521782	17.1641600	82.8358400
R4.0096	R4.0	96	1.8126111	63.0083799	16.6253510	83.3746490
R4.0097	R4.0	97	1.8785019	61.1957688	16.1029799	83.8970201
R4.0098	R4.0	98	1.9403057	59.3172669	15.5971090	84.4028910
R4.0099	R4.0	99	1.9969244	57.3769612	15.1076440	84.8923560
R4.0100	R4.0	100	2.0473556	55.3800368	14.6343750	85.3656250
R4.0101	R4.0	101	2.0907240	53.3326812	14.1769710	85.8230290
R4.0102	R4.0	102	2.1262794	51.2419572	13.7350060	86.2649940
R4.0103	R4.0	103	2.1534547	49.1156778	13.3079650	86.6920350
R4.0104	R4.0	104	2.1718040	46.9622231	12.8952750	87.1047250
R4.0105	R4.0	105	2.1810722	44.7904191	12.4962990	87.5037010
R4.0106	R4.0	106	2.1811419	42.6093469	12.1103610	87.8896390
R4.0107	R4.0	107	2.1720638	40.4282050	11.7367520	88.2632480
R4.0108	R4.0	108	2.1540241	38.2561412	11.3747400	88.6252600
R4.0109	R4.0	109	2.1273389	36.1021171	11.0235781	88.9764219
R4.0110	R4.0	110	2.0924511	33.9747782	10.6825140	89.3174860
R4.0111	R4.0	111	2.0498882	31.8823271	10.3507971	89.6492029
R4.0112	R4.0	112	2.0002858	29.8324389	10.0276790	89.9723210
R4.0113	R4.0	113	1.9443300	27.8321531	9.7124300	90.2875700
R4.0114	R4.0	114	1.8827472	25.8878231	9.4043380	90.5956620
R4.0115	R4.0	115	1.8162958	24.0050759	9.1027160	90.8972840
R4.0116	R4.0	116	1.7457612	22.1887801	8.8069040	91.1930960
R4.0117	R4.0	117	1.6718969	20.4430189	8.5162840	91.4837160
R4.0118	R4.0	118	1.5954540	18.7711220	8.2302750	91.7697250
R4.0119	R4.0	119	1.5171400	17.1756680	7.9483430	92.0516570
R4.0120	R4.0	120	1.4376240	15.6585280	7.6700060	92.3299940
R4.0121	R4.0	121	1.3575180	14.2209040	7.3948390	92.6051610
R4.0122	R4.0	122	1.2773730	12.8633860	7.1224760	92.8775240
R4.0123	R4.0	123	1.1976880	11.5860130	6.8526120	93.1473880
R4.0124	R4.0	124	1.1188790	10.3883250	6.5850130	93.4149870
R4.0125	R4.0	125	1.0413181	9.2694460	6.3195140	93.6804860
R4.0126	R4.0	126	0.9653040	8.2281280	6.0560060	93.9439940
R4.0127	R4.0	127	0.8910890	7.2628240	5.7944580	94.2055420
R4.0128	R4.0	128	0.8188760	6.3717350	5.5348880	94.4651120
R4.0129	R4.0	129	0.7488360	5.5528590	5.2773810	94.7226190
R4.0130	R4.0	130	0.6811100	4.8040230	5.0220640	94.9779360
R4.0131	R4.0	131	0.6158200	4.1229130	4.7691140	95.2308860
R4.0132	R4.0	132	0.5530780	3.5070930	4.5187400	95.4812600
R4.0133	R4.0	133	0.4930080	2.9540150	4.2715210	95.7284790
R4.0134	R4.0	134	0.4357350	2.4610070	4.0273490	95.9726510

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
R4.0135	R4.0	135	0.3814000	2.0252720	3.7864600	96.2135400
R4.0136	R4.0	136	0.3301680	1.6438720	3.5490210	96.4509790
R4.0137	R4.0	137	0.2822160	1.3137040	3.3315155	66.6848450
R4.0138	R4.0	138	0.2377380	1.0314880	3.0849780	96.9150220
R4.0139	R4.0	139	0.1969280	0.7937500	2.8585810	97.1414190
R4.0140	R4.0	140	0.1599700	0.5968220	2.6360510	97.3639490
R4.0141	R4.0	141	0.1270220	0.4368520	2.4174760	97.5825240
R4.0142	R4.0	142	0.0981870	0.3098300	2.2029340	97.7970660
R4.0143	R4.0	143	0.0734960	0.2116430	1.9925030	98.0074970
R4.0144	R4.0	144	0.0529003	0.1381470	1.7862840	98.2137160
R4.0145	R4.0	145	0.0362607	0.0852467	1.5844010	98.4155990
R4.0146	R4.0	146	0.0233463	0.0489860	1.3870900	98.6129100
R4.0147	R4.0	147	0.0138307	0.0256397	1.1948260	98.8051740
R4.0148	R4.0	148	0.0072948	0.0118090	1.0086400	98.9913600
R4.0149	R4.0	149	0.0032339	0.0045142	0.8306070	99.1693930
R4.0150	R4.0	150	0.0010741	0.0012803	0.6657290	99.3342710
R4.0151	R4.0	151	0.0002001	0.0002061	0.5292780	99.4707220
R4.0152	R4.0	152	0.0000060	0.0000060	0.5000830	99.4999170
R4.0153	R4.0	153	0.0000000	0.0000000	0.0000000	100.0000000

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
S3.0000	S3.0	0	0.0000000	100.0000000	100.0000000	0.0000000
S3.0001	S3.0	1	0.0000000	100.0000000	99.0000000	1.0000000
S3.0002	S3.0	2	0.0000000	100.0000000	98.0000000	2.0000000
S3.0003	S3.0	3	0.0000000	100.0000000	97.0000000	3.0000000
S3.0004	S3.0	4	0.0000000	100.0000000	96.0000000	4.0000000
S3.0005	S3.0	5	0.0000000	100.0000000	95.0000000	5.0000000
S3.0006	S3.0	6	0.0000009	100.0000000	94.0000000	6.0000000
S3.0007	S3.0	7	0.0000029	99.9999991	93.0000010	6.9999990
S3.0008	S3.0	8	0.0000057	99.9999962	92.0000038	7.9999962
S3.0009	S3.0	9	0.0000124	99.9999905	91.0000086	8.9999914
S3.0010	S3.0	10	0.0000229	99.9999781	90.0000200	9.9999800
S3.0011	S3.0	11	0.0000410	99.9999552	89.0000401	10.9999599
S3.0012	S3.0	12	0.0000706	99.9999142	88.0000773	11.9999227
S3.0013	S3.0	13	0.0001154	99.9998436	87.0001392	12.9998608
S3.0014	S3.0	14	0.0001821	99.9997282	86.0002394	13.9997606
S3.0015	S3.0	15	0.0002785	99.9995461	85.0003939	14.9996061
S3.0016	S3.0	16	0.0004120	99.9992676	84.0006294	15.9993706
S3.0017	S3.0	17	0.0005932	99.9988556	83.0009728	16.9990272
S3.0018	S3.0	18	0.0008402	99.9982624	82.0014629	17.9985371
S3.0019	S3.0	19	0.0011616	99.9974222	81.0021467	18.9978533
S3.0020	S3.0	20	0.0015783	99.9962606	80.0030832	19.9969168
S3.0021	S3.0	21	0.0021086	99.9946823	79.0043373	20.9956627
S3.0022	S3.0	22	0.0027761	99.9925737	78.0059929	21.9940071
S3.0023	S3.0	23	0.0036030	99.9897976	77.0081453	22.9918547
S3.0024	S3.0	24	0.0046177	99.9861946	76.0109024	23.9890976
S3.0025	S3.0	25	0.0058498	99.9815769	75.0143890	24.9856110
S3.0026	S3.0	26	0.0073300	99.9757271	74.0187492	25.9812508
S3.0027	S3.0	27	0.0090951	99.9683971	73.0241404	26.9758596
S3.0028	S3.0	28	0.0111771	99.9593020	72.0307388	27.9692612
S3.0029	S3.0	29	0.0136185	99.9481249	71.0387383	28.9612617
S3.0030	S3.0	30	0.0164585	99.9345064	70.0483513	29.9516487
S3.0031	S3.0	31	0.0197382	99.9180479	69.0598068	30.9401932
S3.0032	S3.0	32	0.0235014	99.8983097	68.0733528	31.9266472
S3.0033	S3.0	33	0.0277939	99.8748083	67.0892544	32.9107456
S3.0034	S3.0	34	0.0326624	99.8470144	66.1077900	33.8922100
S3.0035	S3.0	35	0.0381479	99.8143520	65.1292582	34.8707418
S3.0036	S3.0	36	0.0443048	99.7762041	64.1539688	35.8460312
S3.0037	S3.0	37	0.0511732	99.7318993	63.1822462	36.8177538
S3.0038	S3.0	38	0.0588046	99.6807261	62.2144260	37.7855740
S3.0039	S3.0	39	0.0672397	99.6219215	61.2508540	38.7491460
S3.0040	S3.0	40	0.0765267	99.5546818	60.2918859	39.7081141
S3.0041	S3.0	41	0.0867071	99.4781551	59.3378830	40.6621170
S3.0042	S3.0	42	0.0978231	99.3914480	58.3892121	41.6107879
S3.0043	S3.0	43	0.1099110	99.2936249	57.4462428	42.5537572
S3.0044	S3.0	44	0.1230097	99.1837139	56.5093489	43.4906511

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
S3.0045	S3.0	45	0.1371507	99.0607042	55.5788989	44.4211011
S3.0046	S3.0	46	0.1523667	98.9235535	54.6552620	45.3447380
S3.0047	S3.0	47	0.1686792	98.7711868	53.7388029	46.2611971
S3.0048	S3.0	48	0.1861134	98.6025076	52.8298788	47.1701212
S3.0049	S3.0	49	0.2046880	98.4163942	51.9288392	48.0711608
S3.0050	S3.0	50	0.2244149	98.2117062	51.0360251	48.9639749
S3.0051	S3.0	51	0.2453012	97.9872913	50.1517639	49.8482361
S3.0052	S3.0	52	0.2673512	97.7419901	49.2763739	50.7236261
S3.0053	S3.0	53	0.2905626	97.4746389	48.4101572	51.5898428
S3.0054	S3.0	54	0.3149290	97.1840763	47.5534000	52.4466000
S3.0055	S3.0	55	0.3404341	96.8691473	46.7063732	53.2936268
S3.0056	S3.0	56	0.3670616	96.5287132	45.8693328	54.1306672
S3.0057	S3.0	57	0.3947830	96.1616516	45.0425129	54.9574871
S3.0058	S3.0	58	0.4235687	95.7668686	44.2261319	55.7738681
S3.0059	S3.0	59	0.4533825	95.3432999	43.4203882	56.5796118
S3.0060	S3.0	60	0.4841824	94.8899174	42.6254621	57.3745379
S3.0061	S3.0	61	0.5159149	94.4057350	41.8415122	58.1584878
S3.0062	S3.0	62	0.5485287	93.8898201	41.0686789	58.9313211
S3.0063	S3.0	63	0.5819635	93.3412914	40.3070850	59.6929150
S3.0064	S3.0	64	0.6161499	92.7593279	39.5568309	60.4431691
S3.0065	S3.0	65	0.6510201	92.1431780	38.8179989	61.1820011
S3.0066	S3.0	66	0.6864967	91.4921579	38.0906539	61.9093461
S3.0067	S3.0	67	0.7224970	90.8056612	37.3748412	62.6251588
S3.0068	S3.0	68	0.7589350	90.0831642	36.6705899	63.3294101
S3.0069	S3.0	69	0.7957239	89.3242292	35.9779110	64.0220890
S3.0070	S3.0	70	0.8327675	88.5285053	35.2967982	64.7032018
S3.0071	S3.0	71	0.8699665	87.6957378	34.6272311	65.3727689
S3.0072	S3.0	72	0.9072227	86.8257713	33.9691749	66.0308251
S3.0073	S3.0	73	0.9444323	85.9185486	33.3225799	66.6774201
S3.0074	S3.0	74	0.9814892	84.9741163	32.6873822	67.3126178
S3.0075	S3.0	75	1.0182848	83.9926271	32.0635042	67.9364958
S3.0076	S3.0	76	1.0547151	82.9743423	31.4508619	68.5491381
S3.0077	S3.0	77	1.0906649	81.9196272	30.8493540	69.1506460
S3.0078	S3.0	78	1.1260299	80.8289623	30.2588730	69.7411270
S3.0079	S3.0	79	1.1606951	79.7029324	29.6793010	70.3206990
S3.0080	S3.0	80	1.1945553	78.5422373	29.1105120	70.8894880
S3.0081	S3.0	81	1.2275000	77.3476820	28.5523710	71.4476290
S3.0082	S3.0	82	1.2594261	76.1201820	28.0047390	71.9952610
S3.0083	S3.0	83	1.2902269	74.8607559	27.4674680	72.5325320
S3.0084	S3.0	84	1.3198013	73.5705290	26.9404030	73.0595970
S3.0085	S3.0	85	1.3480530	72.2507277	26.4233890	73.5766110
S3.0086	S3.0	86	1.3748846	70.9026747	25.9162619	74.0837381
S3.0087	S3.0	87	1.4002104	69.5277901	25.4188600	74.5811400
S3.0088	S3.0	88	1.4239378	68.1275797	24.9310110	75.0689890
S3.0089	S3.0	89	1.4459896	66.7036419	24.4525449	75.5474551

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
S3.0090	S3.0	90	1.4662924	65.2576523	23.9832900	76.0167100
S3.0091	S3.0	91	1.4847698	63.7913599	23.5230711	76.4769289
S3.0092	S3.0	92	1.5013619	62.3065901	23.0717111	76.9282889
S3.0093	S3.0	93	1.5160102	60.8052282	22.6290381	77.3709619
S3.0094	S3.0	94	1.5286632	59.2892180	22.1948710	77.8051290
S3.0095	S3.0	95	1.5392757	57.7605548	21.7690370	78.2309630
S3.0096	S3.0	96	1.5478119	56.2212791	21.3513601	78.6486399
S3.0097	S3.0	97	1.5542393	54.6734672	20.9416640	79.0583360
S3.0098	S3.0	98	1.5585370	53.1192279	20.5397761	79.4602239
S3.0099	S3.0	99	1.5606909	51.5606909	20.1455231	79.8544769
S3.0100	S3.0	100	1.5606909	50.0000000	19.7587349	80.2412651
S3.0101	S3.0	101	1.5585370	48.4393091	19.3792419	80.6207581
S3.0102	S3.0	102	1.5542393	46.8807721	19.0068769	80.9931231
S3.0103	S3.0	103	1.5478119	45.3265328	18.6414750	81.3585250
S3.0104	S3.0	104	1.5392757	43.7787209	18.2828729	81.7171271
S3.0105	S3.0	105	1.5286631	42.2394452	17.9309101	82.0690899
S3.0106	S3.0	106	1.5160103	40.7107821	17.5854299	82.4145701
S3.0107	S3.0	107	1.5013619	39.1947718	17.2462750	82.7537250
S3.0108	S3.0	108	1.4847698	37.6934099	16.9132950	83.0867050
S3.0109	S3.0	109	1.4662919	36.2086401	16.5863359	83.4136641
S3.0110	S3.0	110	1.4459901	34.7423482	16.2652550	83.7347450
S3.0111	S3.0	111	1.4239380	33.2963581	15.9499090	84.0500910
S3.0112	S3.0	112	1.4002102	31.8724201	15.6401500	84.3598500
S3.0113	S3.0	113	1.3748848	30.4722099	15.3358450	84.6641550
S3.0114	S3.0	114	1.3480530	29.0973251	15.0368600	84.9631400
S3.0115	S3.0	115	1.3198011	27.7492721	14.7430561	85.2569439
S3.0116	S3.0	116	1.2902269	26.4294710	14.4543080	85.5456920
S3.0117	S3.0	117	1.2594261	25.1392441	14.1704850	85.8295150
S3.0118	S3.0	118	1.2275000	23.8798180	13.8914710	86.1085290
S3.0119	S3.0	119	1.1945550	22.6523180	13.6171401	86.3828599
S3.0120	S3.0	120	1.1606951	21.4577630	13.3473700	86.6526300
S3.0121	S3.0	121	1.1260300	20.2970679	13.0820510	86.9179490
S3.0122	S3.0	122	1.0906648	19.1710379	12.8210681	87.1789319
S3.0123	S3.0	123	1.0547152	18.0803731	12.5643160	87.4356840
S3.0124	S3.0	124	1.0182848	17.0256579	12.3116800	87.6883200
S3.0125	S3.0	125	0.9814891	16.0073731	12.0630680	87.9369320
S3.0126	S3.0	126	0.9444329	15.0258840	11.8183630	88.1816370
S3.0127	S3.0	127	0.9072221	14.0814511	11.5774790	88.4225210
S3.0128	S3.0	128	0.8699670	13.1742290	11.3403140	88.6596860
S3.0129	S3.0	129	0.8327670	12.3042620	11.1067700	88.8932300
S3.0130	S3.0	130	0.7957240	11.4714950	10.8767610	89.1232390
S3.0131	S3.0	131	0.7589350	10.6757710	10.6501980	89.3498020
S3.0132	S3.0	132	0.7224970	9.9168360	10.4270001	89.5729999
S3.0133	S3.0	133	0.6864971	9.1943390	10.2070690	89.7929310
S3.0134	S3.0	134	0.6510199	8.5078420	9.9903250	90.0096750

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Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
S3.0135	S3.0	135	0.6161500	7.8568220	9.7766990	90.2233011
S3.0136	S3.0	136	0.5819630	7.2406720	9.5661089	90.4338911
S3.0137	S3.0	137	0.5485290	6.6587090	9.3584729	90.6415271
S3.0138	S3.0	138	0.5159150	6.1101800	9.1537210	90.8462790
S3.0139	S3.0	139	0.4841820	5.5942650	8.9517880	91.0482121
S3.0140	S3.0	140	0.4533830	5.1100830	8.7525981	91.2474020
S3.0141	S3.0	141	0.4235690	4.6567000	8.5560840	91.4439160
S3.0142	S3.0	142	0.3947830	4.2331310	8.3621800	91.6378200
S3.0143	S3.0	143	0.3670610	3.8383480	8.1708230	91.8291770
S3.0144	S3.0	144	0.3404340	3.4712870	7.9819520	92.0180480
S3.0145	S3.0	145	0.3149290	3.1308530	7.7955040	92.2044960
S3.0146	S3.0	146	0.2905630	2.8159240	7.6114220	92.3885780
S3.0147	S3.0	147	0.2673510	2.5253610	7.4296480	92.5703520
S3.0148	S3.0	148	0.2453010	2.2580100	7.2501270	92.7498730
S3.0149	S3.0	149	0.2244150	2.0127090	7.0728060	92.9271940
S3.0150	S3.0	150	0.2046880	1.7882940	6.8976320	93.1023680
S3.0151	S3.0	151	0.1861140	1.5836060	6.7245530	93.2754470
S3.0152	S3.0	152	0.1686790	1.3974920	6.5535220	93.4464780
S3.0153	S3.0	153	0.1523660	1.2288130	6.3844900	93.6155100
S3.0154	S3.0	154	0.1371510	1.0764470	6.2174110	93.7825890
S3.0155	S3.0	155	0.1230100	0.9392960	6.0522380	93.9477620
S3.0156	S3.0	156	0.1099110	0.8162860	5.8889290	94.1110710
S3.0157	S3.0	157	0.0978230	0.7063750	5.7274410	94.2725590
S3.0158	S3.0	158	0.0867070	0.6085520	5.5677320	94.4322680
S3.0159	S3.0	159	0.0765270	0.5218450	5.4097620	94.5902380
S3.0160	S3.0	160	0.0672400	0.4453180	5.2534920	94.7465080
S3.0161	S3.0	161	0.0588040	0.3780780	5.0988860	94.9011140
S3.0162	S3.0	162	0.0511730	0.3192740	4.9459060	95.0540940
S3.0163	S3.0	163	0.0443050	0.2681010	4.7945200	95.2054800
S3.0164	S3.0	164	0.0381480	0.2237960	4.6446910	95.3553090
S3.0165	S3.0	165	0.0326620	0.1856480	4.4963870	95.5036130
S3.0166	S3.0	166	0.0277940	0.1529860	4.3495800	95.6504200
S3.0167	S3.0	167	0.0235020	0.1251920	4.2042330	95.7957670
S3.0168	S3.0	168	0.0197375	0.1016900	4.0603190	95.9396810
S3.0169	S3.0	169	0.0164582	0.0819525	3.9178100	96.0821900
S3.0170	S3.0	170	0.0136189	0.0654943	3.7766790	96.2233210
S3.0171	S3.0	171	0.0111777	0.0518754	3.6369070	96.3630930
S3.0172	S3.0	172	0.0090944	0.0406977	3.4984640	96.5015360
S3.0173	S3.0	173	0.0073307	0.0316033	3.3613300	96.6386700
S3.0174	S3.0	174	0.0058498	0.0242726	3.2254840	96.7745160
S3.0175	S3.0	175	0.0046178	0.0184228	3.0909090	96.9090910
S3.0176	S3.0	176	0.0036030	0.0138050	2.9575850	97.0424150
S3.0177	S3.0	177	0.0027755	0.0102020	2.8255000	97.1745000
S3.0178	S3.0	178	0.0021089	0.0074265	2.6946400	97.3053600
S3.0179	S3.0	179	0.0015783	0.0053176	2.5649990	97.4350010

S:\Depreciation\Iowacurves.xls

Iowa-type Retirement - Survival Tables

Percent Retired, Surviving, Condition, and Depreciation Reserve
as a function of Age as a Percent of Average Service Life

1	2	3	4	5	6	7
Lookup	Curve	Age %	% Ret	% Surv	% Cond	% Depr Resv
S3.0180	S3.0	180	0.0011617	0.0037393	2.4365660	97.5634340
S3.0181	S3.0	181	0.0008396	0.0025776	2.3093440	97.6906560
S3.0182	S3.0	182	0.0005946	0.0017381	2.1833410	97.8166590
S3.0183	S3.0	183	0.0004116	0.0011435	2.0585660	97.9414340
S3.0184	S3.0	184	0.0002778	0.0007319	1.9350420	98.0649580
S3.0185	S3.0	185	0.0001821	0.0004541	1.8128020	98.1871980
S3.0186	S3.0	186	0.0001156	0.0002720	1.6918880	98.3081120
S3.0187	S3.0	187	0.0000706	0.0001564	1.5723710	98.4276290
S3.0188	S3.0	188	0.0000413	0.0000858	1.4543500	98.5456500
S3.0189	S3.0	189	0.0000229	0.0000446	1.3379620	98.6620380
S3.0190	S3.0	190	0.0000119	0.0000217	1.2234140	98.7765860
S3.0191	S3.0	191	0.0000058	0.0000097	1.1110030	98.8889970
S3.0192	S3.0	192	0.0000025	0.0000040	1.0011880	98.9988120
S3.0193	S3.0	193	0.0000010	0.0000014	0.8946340	99.1053660
S3.0194	S3.0	194	0.0000003	0.0000004	0.7925260	99.2074740
S3.0195	S3.0	195	0.0000001	0.0000001	0.6968450	99.3031550
S3.0196	S3.0	196	0.0000000	0.0000000	0.6112800	99.3887200
S3.0197	S3.0	197	0.0000000	0.0000000	0.5431250	99.4568750
S3.0198	S3.0	198	0.0000000	0.0000000	0.5056800	99.4943200
S3.0199	S3.0	199	0.0000000	0.0000000	0.5000000	99.5000000
S3.0200	S3.0	200	0.0000000	0.0000000	0.0000000	100.0000000

Water and Wastewater Industry

Cost of Capital / Required Return
Water and Wastewater Industry
As of April 1, 2025

WADS Consultants
Suite 201
8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
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Cost of Capital / Required Return

The net cashflows described in the income approach section of this report were discounted to present value using a cost of capital reflective of the investor-owned water industry with particular emphasis on investor-owned water and wastewater in the Commonwealth of Pennsylvania capital costs for both debt and equity summarized as follows:

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	100.0%						7.65%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							4.52%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Capitlization Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Market Capital Cost (2)*(3)
Debt	36%	Market	5.50%	Market	Not Applicable	Not Applicable	1.98%
Equity	64%	Market	9.75%	Market	Not Applicable	Not Applicable	6.24%
Total Capital r	100.0%						8.22%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							5.08%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	100.0%						6.97%
Growth (g)						Not Applicable	0.00%
Rate without Growth: [(1+r)/(1+g)]-1							6.97%

The cost of capital and required return was based on the weighted cost of capital (WACC) method; wherein the market capital cost of debt and equity at the second quarter (April 1, 2025) closest to the appraisal date are weighted based on the market capital structure typical of the industry. The inputs to the WACC required return determination are described summarized below.

Debt Cost – The market cost of debt at the study data was determined based on review of financial information published by Moody's Corporate Bond Yield Averages monthly publication. These sources were helpful in determining the typical debt rating for investments in water industry to be A Standard and Poor's corporate debt rating. The above sources were also useful in determining that the market cost of debt at A rating to be 5.45% during April 2025. Issuance cost of 0.90% was determined based on analysis annual Public Utility Financing Tracker reports over the period 2008 through 2019 published by PUFT, Inc. The final market cost of debt of 5.66% was determined for the water industry using the following formula which incorporates the above-described issuance costs:

1	2	3	4	5
Value Line Investment Surveys **Water Industry** **As of First Quarter 2025(4-1-2025)**	S&P Debt Rating	Long Term Debt	Long Term Interest	Long Term Interest Rate (embedded)
		Input Value Line	Input Value Line	(4) / (3)
American States Water		805.0	42.0	5.22%
American Water	Baa1	12,533.0	506.0	4.04%
California Water		1,104.6	40.0	3.62%
Essential Utilities, Inc.	Baa2	7,368.4	300.0	4.07%
Middlesex Water		352.8	7.5	2.13%
SJW Corporation		1,706.9	50.0	2.93%
		23,870.7	945.5	3.96%
Minimum				2.13%
wtd Mean				3.96%
Mean				3.67%
Median				3.83%
Maximum				5.22%

Debt Rating and Cost of Debt

Embedded	3.96%	wtd mean col 5
Rating (S&P)	A	Input
Market Cost of Debt @Bond Rating Value Line Selected Yields	5.45%	Input
Use	5.45%	AUS Input
Issuance Cost PUFT Data 2018-2019	0.90%	Input
Final Cost of Debt	5.50%	

$K_d = K_u / (100\% - f)$

where:

K_d =Cost of Debt recognizing issuance costs

K_u is the market cost of debt without consideration of issuance costs

f is the cost of issuance as a percentage of the debt's par value

K_d = 5.45% / (100% -0.90%)

K_d = 5.50%

Equity Cost – The cost of equity was evaluated using the Capital Asset Pricing Model (CAPM) and the dividend growth model (DGM) which looks to market returns to quantify the cost equity capital.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Value Line Investment Surveys **Water Industry** **As of First Quarter 2025(4-1-2025)**																
							Revenues		Cash Flows		Earnings		Dividends		Book Value	
Company	Exchange	Ticker	Valueline No.	Valueline Issue	Beta	Dividend	Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years	Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years	Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years	Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line
American States Water	NYSE	AWR	1771	04/04/2025	0.75	2.6%	2.0%	4.0%	4.5%	4.5%	6.0%	6.5%	6.5%	8.0%	7.0%	8.5%	9.0%	8.0%	5.5%	7.0%	7.5%
American Water	NYSE	AWK	1772	04/04/2025	0.85	2.3%	3.0%	3.0%	4.0%	7.0%	7.5%	3.0%	8.5%	10.5%	4.5%	10.0%	9.5%	8.5%	6.5%	8.5%	6.5%
California Water	NYSE	CWT	1773	04/04/2025	0.85	2.4%	2.0%	1.5%	8.5%	6.0%	6.0%	3.5%	6.5%	8.0%	9.5%	5.0%	7.0%	5.5%	7.5%	10.5%	5.5%
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	0.9	3.5%	6.0%	12.5%	5.0%	6.5%	10.5%	6.0%	6.0%	11.0%	6.0%	7.5%	7.0%	6.5%	9.5%	10.0%	3.0%
Middlesex Water	NDQ	MSEX	1775	04/04/2025	0.8	2.1%	3.0%	4.0%	5.0%	8.0%	7.0%	3.5%	8.0%	4.5%	7.5%	5.0%	6.5%	4.5%	7.0%	8.5%	2.0%
SJW Corporation	NYSE	SJW	1776	04/04/2025	0.8	3.1%	3.5%	5.0%	5.0%	5.5%	9.0%	-0.5%	4.5%	7.0%	6.5%	7.5%	5.5%	4.5%	8.5%	5.5%	5.0%
Minimum					0.75	2.10%	2.00%	1.50%	4.00%	4.50%	6.00%	-0.50%	4.50%	4.50%	4.50%	5.00%	5.50%	4.50%	5.50%	5.50%	2.00%
wtd Mean																					
Mean					0.83	2.67%	3.25%	5.00%	5.33%	6.25%	7.67%	3.67%	6.67%	8.17%	6.83%	7.25%	7.42%	6.25%	7.42%	8.33%	4.92%
Median					0.83	2.50%	3.00%	4.00%	5.00%	6.25%	7.25%	3.50%	6.50%	8.00%	6.75%	7.50%	7.00%	6.00%	7.25%	8.50%	5.25%
Maximum					0.90	3.50%	6.00%	12.50%	8.50%	8.00%	10.50%	6.50%	8.50%	11.00%	9.50%	10.00%	9.50%	8.50%	9.50%	10.50%	7.50%

Capital Assets Pricing Model (CAPM) - The CAPM method estimates the cost of equity capital by quantifying the premium, or additional return required to entice investors to purchase equities, over an investment in which the investors would receive riskless return like that from a long-term U.S. government security.

The mathematical form of this model is:

Capital Asset Pricing Model:

$$r_e = r_f + B_c(r_p) + r_s + r_i$$

where:

B_c is an estimation of the subject Company's risk premium relative to the risk premium of the entire market. In these equity cost estimating

methods the risk premium of the entire market is defined as unity or $B_m = 1.0$.

The inputs to this model are developed from an analysis of the financial markets. The risk-free government securities rate (rf) is readily available from financial sources; we have used the risk-free rate at the study date of 4.78% as determined by Kroll in their risk premia analysis published in 2024.

The total market risk premium (r_p) required to entice an investor to invest in equity securities over risk-free government securities was established at 7.31% based on the Ibbotson Associates research, while the size premiums (r_s) were established at:

0.52% for mid-capitalization companies with market equity capitalization between $3,946.2 and $20,178.36 million.

1.02% for low-capitalization companies with market equity capitalization between $729.92 and $3,946.2million.

2.66% for micro-capitalization companies with market equity capitalization under $729.92 million.

There is no size premium (0.0%) for companies with market equity capitalization above $20,178.4 million.

Dividend Yield and Growth Model (DGM)

The dividend yield and growth model were also review in estimating the cost of equity. Two models were considered, those of:

re = Dividend Yield + Dividend Growth

re = Dividend Yield + Earnings Growth

Cost of Equity Conclusion - Based on these procedures the cost of equity using previous described cost of equity estimating techniques the cost of equity was determined as follows:

Value Line Investment Surveys
Water Industry
As of First Quarter 2025(4-1-2025)

Cost of Equity Dividend Growth Model

Cost of Equity Capital Asset Pricing Model (CAPM)

Dividend 2.67% mean Col 7

Growth	Past 10 yrs	Past 5 yrs	Est'd Next 5 years	Beta	
Revenues	3.25%	5.00%	5.33%		
Cash Flow	6.25%	7.67%	3.67%		
Earnings	6.67%	8.17%	6.83%		
Dividends	7.50%	7.42%	6.25%		
Book Value	7.25%	8.33%	4.92%	Input	Min-Max
Mean	6.18%	7.32%	5.40%	0.83	0.75-0.9

Growth 5.40% AUS Input

Cost of Equity Dividend Growth Model

Cost of Equity Capital Asset Pricing Model (CAPM)

						Long term Government Bonds Income Return SBBI
Dividend	2.67%		Risk Free Rate		4.86% Input	(Mean)
Growth	5.40%		Risk Premium			
Cost of Equity	8.07%		Beta		0.83	
			Risk Premia	7.31% Input SBBI	7.31% Input	$r_p=r_m-r_f$ per PA PUC
			Size Premia		$ Millions	$ Millions
			Micro	2.66% Input SBBI	-	729.9
			Small	1.02% Input SBBI	729.9	3,946.2
			Mid	0.52% Input SBBI	3,946.2	20,178.4
			Large	0.00% Input SBBI	20,178.4	
			Size Premia		0.00% WADS Input	
			Cost of Equity		10.89%	

Cost of Equity		Pennsylvania PUC 9.75%
Dividend Growth Model	8.07%	Bureau of Technical Utility Services
Capital Asset Pricing Model (CAPM)	10.89%	Report on the Quarterly Earnings
Mean	9.48%	of Jurisdictional Utilities
Issuance Cost PUFT 2008-2019	3.60%	31-Mar-25
Final Cost of Equity	9.83%	

Cost of Equity	9.75%	WADS Input Jurisdictional Exception
Growth	5.40%	Input from Growth Above
Inflation	2.99%	SBBI Last 5-years

Equity issuance cost (f) of 3.60% was determined based on analysis annual Public Utility Financing Tracker reports over the period 2008 through 2019 published by PUFT, Inc. The final market cost of equity of 9.48% was determined for the water industry using the following formula which incorporates the above-described issuance costs:

$K_e = K_{e'} / (100\% - f)$

where:

K_e =Cost of equity recognizing issuance costs

$K_{e'}$ is the market cost of equity without consideration of issuance costs (8.91%)

f is the cost of issuance as a percentage of the equity par value (3.60%)

K_e= 9.48% / (100% -3.60%)

K_e= 9.83%

An equity cost of 9.75% was used in the determination of the cost of capital based on the determination of Pennsylvania PUC's Bureau of Technical Utility Services (TUS) Report on Quarterly Earnings of Jurisdictional Utilities for year-ending March 31, 2025.

Tax Rate

The tax rate was determined at 28.89% (State and Federal) based on the Value Line Investment Survey as follows:

1	2	3	4	5				
Value Line Investment Surveys								
Water Industry								
As of First Quarter 2025(4-1-2025)								
					Tax Rate			
Company	Exchange	Ticker	Valueline No.	Valueline Issue	2019	2020	2021	Future 3 Years
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line
American States Water	NYSE	AWR	1771	04/04/2025	20.2%	23.5%	24.0%	24.0%
American Water	NYSE	AWK	1772	04/04/2025	22.7%	22.5%	22.5%	22.5%
California Water	NYSE	CWT	1773	04/04/2025	18.3%	21.0%	21.0%	21.0%
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	0.0%	5.0%	10.0%	20.0%
Middlesex Water	NDQ	MSEX	1775	04/04/2025	13.5%	21.0%	21.0%	21.0%
SJW Corporation	NYSE	SJW	1776	04/04/2025	21.0%	21.0%	21.0%	21.0%
Minimum					0.00%	5.00%	10.00%	20.00%
wtd Mean								
Mean					15.95%	19.00%	19.92%	21.58%
Median					19.25%	21.00%	21.00%	21.00%
Maximum					22.70%	23.50%	24.00%	24.00%
	Historical		Current					
Embedded Tax Rate	15.95% Mean 2019		19.00% Mean 2020					
Federal Tax Rate (Marginal)	35.00% AUS Input		21.00% AUS Input					
US 50-state average	4.91% AUS Input		4.91% AUS Input					
Pennsylvania	9.99% AUS Input		9.99% AUS Input					
Composite Federal and State Tax Rate	41.49% Calculated =Federal Tax * (1-State Tax)+State Tax		28.89% Calculated =Federal Tax * (1-State Tax)+State Tax					

Capital Structure

The capital structure was determined based on the water industry market indictors published by Value Line Investment Survey published April 4, 2025, as detailed as follows:

Value Line Investment Surveys
Water Industry
As of First Quarter 2025(4-1-2025)

Company	Exchange	Ticker	Valueline No.	Valueline Issue	Total Debt	Market Debt	Long Term Debt	Long Term Interest	Long Term Interest Rate (embedded)	Proportion of Debt	Book Debt	Book Equity	Preferred Stock	% Preferred	Shares Outstanding	Price per Share	Market Equity	Portion Market Equity	Capitalization	Total Market Capital
					$ Million	%	$ Million	$ Million	%	%	%	%	$ Million	%	Shares Million	Per Share	$ Million	%		$ Million
American States Water	NYSE	AWR	1771	04/04/2025	929.4	24.58%	805.0	42.0	5.22%	53.0%	48.5%	51.5%	0	0.00%	38.1565680	74.7	2,851.1	75.42%	Mid Cap	3,780.5
American Water	NYSE	AWK	1772	04/04/2025	14,049.0	34.03%	12,533.0	506.0	4.04%	55.0%	57.5%	42.5%	1	0.01%	194.9473130	139.7	27,234.1	65.96%	Large Cap	41,286.1
California Water	NYSE	CWT	1773	04/04/2025	1,177.0	30.14%	1,104.6	60.0	3.62%	40.0%	37.5%	62.5%	0	0.00%	59.4840000	45.9	2,728.5	69.86%	Mid Cap	3,905.5
Essential Utilities, Inc	NYSE	WTRG	1774	04/04/2025	7,967.7	43.18%	7,368.4	300.0	4.07%	54.0%	54.0%	46.0%	0	0.00%	274.8200000	38.2	10,484.4	56.82%	Large Cap	18,452.1
Middlesex Water	NDQ	MSEX	1775	04/04/2025	360.5	24.95%	352.8	7.5	2.13%	44.0%	40.0%	60.0%	2.4	0.17%	17.8900000	60.5	1,082.2	74.89%	Small Cap	1,445.1
SJW Corporation	NYSE	SJW	1776	04/04/2025	1,710.5	49.70%	1,706.9	50.0	2.93%	55.0%	51.5%	48.5%	0	0.00%	33.6290000	51.5	1,731.2	50.30%	Small Cap	3,441.7
Total					26,194.1	36.22%	23,870.7	965.5	3.96%				5.4	0.01%			46,111.5	63.77%		72,311.0
Minimum						24.58%			2.13%	40.00%	37.50%	42.50%		0.00%				50.30%		
and Mean						36.22%			3.96%					0.01%				63.77%		
Mean						34.43%			3.67%	50.17%	48.17%	51.83%		0.03%				65.54%		
Median						32.09%			3.83%	53.50%	50.00%	50.00%		0.00%				67.91%		
Maximum						49.70%			5.22%	55.00%	57.50%	62.50%		0.17%				75.42%		

In arriving at the capital structure, the market capital structure was used in developing the market cost of capital while an embedded capital structure was used in developing the required return on rate base as follows:

Water Industry Capital Structure

Capital Structure	Market Proportion	Market Reference	Embedded Proportion	Embedded Reference
Debt	36.22%	wtd mean col 7	48.17%	mean col 11
Preferred	0.01%	wtd mean col 15	0.03%	mean col 15
Equity	63.77%	wtd mean col 19	51.83%	mean col 13
Total	100.00%		100.03%	
Use				
Debt	36%	AUS Input	48%	AUS Input Jurisdictional Execption
Equity	64%	AUS Input	52%	AUS Input Jurisdictional Execption
Total	100%		100%	

Market Cost of Capital and Required Return on Rate Base

Using the above-described cost of debt and equity, the rate of returned required for an investment in property similar to the Company's was determined to be 7.65% as follows:

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	100.0%						7.65%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							4.52%

While the require return on rate base was determined to be 6.97% follows:

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	100.0%						6.97%
Growth (g)						Not Applicable	0.00%
Rate without Growth: [(1+r)/(1+g)]-1							6.97%

The statistics supporting these findings can be found in the Cost of Capital section of this report.

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Discount Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	After-tax Market Capital Cost (2)*(3)*(4a)
Debt	36%	Market	5.50%	Market	28.89%	71.11%	1.41%
Equity	64%	Market	9.75%	Market	0.0%	100.0%	6.24%
Total Capital r	100.0%						7.65%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							4.52%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

Weighted Cost of Capital (Capitlization Rate)

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Market Capital Cost (2)*(3)
Debt	36%	Market	5.50%	Market	Not Applicable	Not Applicable	1.98%
Equity	64%	Market	9.75%	Market	Not Applicable	Not Applicable	6.24%
Total Capital r	100.0%						8.22%
Growth (g)							2.99%
Rate without Growth: [(1+r)/(1+g)]-1							5.08%

Water and Wastewater Cost of Capital
First Quarter 2025 (04-01-2025)

As an Investor-Owned Utility

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

(1)	(2)	(2a)	(3)	(3a)	(4)	(4a)	(5)
	Portion of Capital AUS Input	Type of Data	Capital Cost AUS Input	Type of Data	Tax Rate	Tax affect on cost of capital	Required Return on Rate Base (2)*(3)
Debt	48%	Embedded	3.96%	Embedded	Not Applicable	Not Applicable	1.90%
Equity	52%	Embedded	9.75%	Market	Not Applicable	Not Applicable	5.07%
Total Capital r	100.0%						6.97%
Growth (g)						Not Applicable	0.00%
Rate without Growth: [(1+r)/(1+g)]-1							6.97%

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

1	2	3	4	5
Value Line Investment Surveys **Water Industry** **As of First Quarter 2025(4-1-2025)**	S&P Debt Rating	Long Term Debt	Long Term Interest	Long Term Interest Rate (embedded)
		Input Value Line	Input Value Line	(4) / (3)
American States Water		805.0	42.0	5.22%
American Water	Baa1	12,533.0	506.0	4.04%
California Water		1,104.6	40.0	3.62%
Essential Utilities, Inc.	Baa2	7,368.4	300.0	4.07%
Middlesex Water		352.8	7.5	2.13%
SJW Corporation		1,706.9	50.0	2.93%
		23,870.7	945.5	3.96%
Minimum				2.13%
wtd Mean				3.96%
Mean				3.67%
Median				3.83%
Maximum				5.22%

Debt Rating and Cost of Debt

Embedded	3.96%	wtd mean col 5
Rating (S&P)	A	Input
Market Cost of Debt @Bond Rating		
Value Line Selected Yields	5.45%	Input
Use	5.45%	AUS Input
Issuance Cost PUFT Data 2018-2019	0.90%	Input
Final Cost of Debt	5.50%	

Value Line Analysis

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

Value Line Investment Surveys
Water Industry
As of First Quarter 2025(4-1-2025)

1	2	3	4	5	6	7	8		9		10		11		12		13		14		15		16		17
Company	Exchange	Ticker	Valueline No.	Valueline Issue	Beta	Divided	Revenues				Cash Flows				Earnings				Dividends				Book Value		
							Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years		Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years		Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years		Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years		Past 10 yrs	Past 5 yrs	Past 3 Years to Future 3 Years
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line		Input Value Line	Input Value Line	Input Value Line		Input Value Line	Input Value Line	Input Value Line		Input Value Line	Input Value Line	Input Value Line		Input Value Line	Input Value Line	Input Value Line
American States Water	NYSE	AWR	1771	04/04/2025	0.75	2.6%	2.0%	4.0%	4.5%		4.5%	6.0%	6.5%		6.5%	8.0%	7.0%		8.5%	9.0%	8.0%		5.5%	7.0%	7.5%
American Water	NYSE	AWK	1772	04/04/2025	0.85	2.3%	3.0%	3.0%	4.0%		7.0%	7.5%	3.0%		8.5%	10.5%	4.5%		10.0%	9.5%	8.5%		6.5%	8.5%	6.5%
California Water	NYSE	CWT	1773	04/04/2025	0.85	2.4%	2.0%	1.5%	8.5%		6.0%	6.0%	3.5%		6.5%	8.0%	9.5%		5.0%	7.0%	5.5%		7.5%	10.5%	5.5%
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	0.9	3.5%	6.0%	12.5%	5.0%		6.5%	10.5%	6.0%		6.0%	11.0%	6.0%		7.5%	7.0%	6.5%		9.5%	10.0%	3.0%
Middlesex Water	NDQ	MSEX	1775	04/04/2025	0.8	2.1%	3.0%	4.0%	5.0%		8.0%	7.0%	3.5%		8.0%	4.5%	7.5%		5.0%	6.5%	4.5%		7.0%	8.5%	2.0%
SJW Corporation	NYSE	SJW	1776	04/04/2025	0.8	3.1%	3.5%	5.0%	5.0%		5.5%	9.0%	-0.5%		4.5%	7.0%	6.5%		7.5%	5.5%	4.5%		8.5%	5.5%	5.0%
Minimum					0.75	2.10%	2.00%	1.50%	4.00%		4.50%	6.00%	-0.50%		4.50%	4.50%	4.50%		5.00%	5.50%	4.50%		5.50%	5.50%	2.00%
wtd Mean																									
Mean					0.83	2.67%	3.25%	5.00%	5.33%		6.25%	7.67%	3.67%		6.67%	8.17%	6.83%		7.25%	7.42%	6.25%		7.42%	8.33%	4.92%
Median					0.83	2.50%	3.00%	4.00%	5.00%		6.25%	7.25%	3.50%		6.50%	8.00%	6.75%		7.50%	7.00%	6.00%		7.25%	8.50%	5.25%
Maximum					0.90	3.50%	6.00%	12.50%	8.50%		8.00%	10.50%	6.50%		8.50%	11.00%	9.50%		10.00%	9.50%	8.50%		9.50%	10.50%	7.50%

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Value Line Investment Surveys
Water Industry
As of First Quarter 2025(4-1-2025)

Cost of Equity Dividend Growth Model

Dividend 2.67% mean Col 7

Growth	Past 10 yrs	Past 5 yrs	Est'd Next 5 years	Beta
Revenues	3.25%	5.00%	5.33%	
Cash Flow	6.25%	7.67%	3.67%	
Earnings	6.67%	8.17%	6.83%	
Dividends	7.50%	7.42%	6.25%	
Book Value	7.25%	8.33%	4.92%	Input
Mean	6.18%	7.32%	5.40%	0.83

Min-Max 0.75-0.9

Growth 5.40% AUS Input

Cost of Equity Dividend Growth Model

Dividend	2.67%
Growth	5.40%
Cost of Equity	8.07%

Cost of Equity Capital Asset Pricing Model (CAPM)

					Long term Government Bonds Income Return SBBI (Mean)
Risk Free Rate			4.86%	Input	
Risk Premium					
Beta			0.83		
Risk Premia	7.31%	Input SBBI	7.31%	Input	$r_p=r_m-r_f$ per PA PUC
Size Premia				$ Millions	$ Millions
Micro	2.66%	Input SBBI		-	729.9
Small	1.02%	Input SBBI		729.9	3,946.2
Mid	0.52%	Input SBBI		3,946.2	20,178.4
Large	0.00%	Input SBBI		20,178.4	
Size Premia			0.00%	WADS Input	
Cost of Equity			10.89%		

Cost of Equity	
Dividend Growth Model	8.07%
Capital Asset Pricing Model (CAPM)	10.89%
Mean	9.48%
Issuance Cost PUFT 2008-2019	3.60%
Final Cost of Equity	9.83%

Pennsylvania PUC 9.75%
Bureau of Technical Utility Services
Report on the Quarterly Earnings
of Jurisdictional Utilities
31-Mar-25

Cost of Equity	9.75%	WADS Input Jurisdictional Exception
Growth	5.40%	Input from Growth Above
Inflation	2.99%	SBBI Last 5-years

Kroll 2025 (year-end 2024) Equity Risk Premium
Rates: Risk-Free, Equity Risk Premium, Size Premium

Risk-free Rates

Data Point	Data as of	Value
Spot 10-year Treasury Yield	1/1/2025	4.58%
Spot 20-year Treasury Yield	1/1/2025	4.86%
Spot 30-year Treasury Yield	1/1/2025	4.78%
Kroll Normalized Risk-free Rate	1/1/2025	3.50%

Equity Risk Premium

Data Point	Data as of	Value
Kroll Recommended	1/1/2025	5.00%
Supply-side Long-term (1926–2023)	12/31/2024	6.26%
Historical Long-term (1926–2023)	12/31/2024	7.31%

Equity Size Premium
CRSP Deciles Size Study - Data as of 12/31/2024

Companies Ranked by		Market Value of Common Equity		
Decile		Low End Breakpoint ($M)	High End Breakpoint ($M)	Size Premium
Mid Cap		3,948.05	20,178.36	0.52%
Low Cap		731.19	3,946.15	1.02%
Micro Cap		1.11	729.92	2.66%
Breakdown of CRSP Deciles 1 - 10				
	1	47,156.53	3,522,211.14	-0.01%
	2	20,191.22	46,949.06	0.33%
	3	9,937.94	20,178.36	0.49%
	4	6,196.71	9,937.35	0.50%
	5	3,948.05	6,181.27	0.74%
	6	2,481.78	3,946.15	1.00%
	7	1,422.89	2,464.50	1.19%
	8	731.19	1,417.45	0.88%
	9	304.62	729.92	1.73%
	10	1.11	304.48	4.47%
Breakdown of CRSP 10th Decile				
	10A	132.06	304.48	3.06%
	10w	221.04	304.48	2.18%
	10x	132.06	220.59	4.17%
	10B	1.11	131.88	7.42%
	10y	68.28	131.88	5.98%
	10z	1.11	67.44	10.57%

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Public Meeting held July 24, 2025

Docket Number: M-2025-3055266

BUREAU OF TECHNICAL UTILITY SERVICES

REPORT ON THE QUARTERLY EARNINGS

OF JURISDICTIONAL UTILITIES

FOR THE YEAR ENDED

March 31, 2025

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Attachment G – Historic DCF and CAPM – Gas 24
Historic barometer group DCF and CAPM average ROEs, including a linear trend line graph.

Attachment G – Gas Barometer Group Calculation of a Current and 52 Week Average Dividend Yield 25
Gas barometer companies are used to calculate the current DCF in the first chart. The second chart demonstrates a 52-week average DCF of the companies. A final average of the two calculations is also shown at the bottom.

Attachment G – Development of a Representative Dividend Growth Rate 26
Multiple sources of the gas barometer companies projected 5-year Earnings Per Share are used to calculate the Group Average Dividend Growth Estimate.

Attachment H – Market Based Returns on Equity – Water 27
The market indicated common equity cost rate range consists of data used from the water barometer groups and is based on a series of calculations to average the DCF methods. Also, indicates Distribution System Improvement Charge Return.

Attachment H – Historic DCF and CAPM – Water 28
Historic barometer group DCF and CAPM average ROEs, including a linear trend line graph.

Attachment H – Water Barometer Group Calculation of a Current and 52 Week Average Dividend Yield 29
Water barometer companies are used to calculate the current DCF in the first chart. The second chart demonstrates a 52-week average DCF of the companies. A final average of the two calculations is also shown at the bottom.

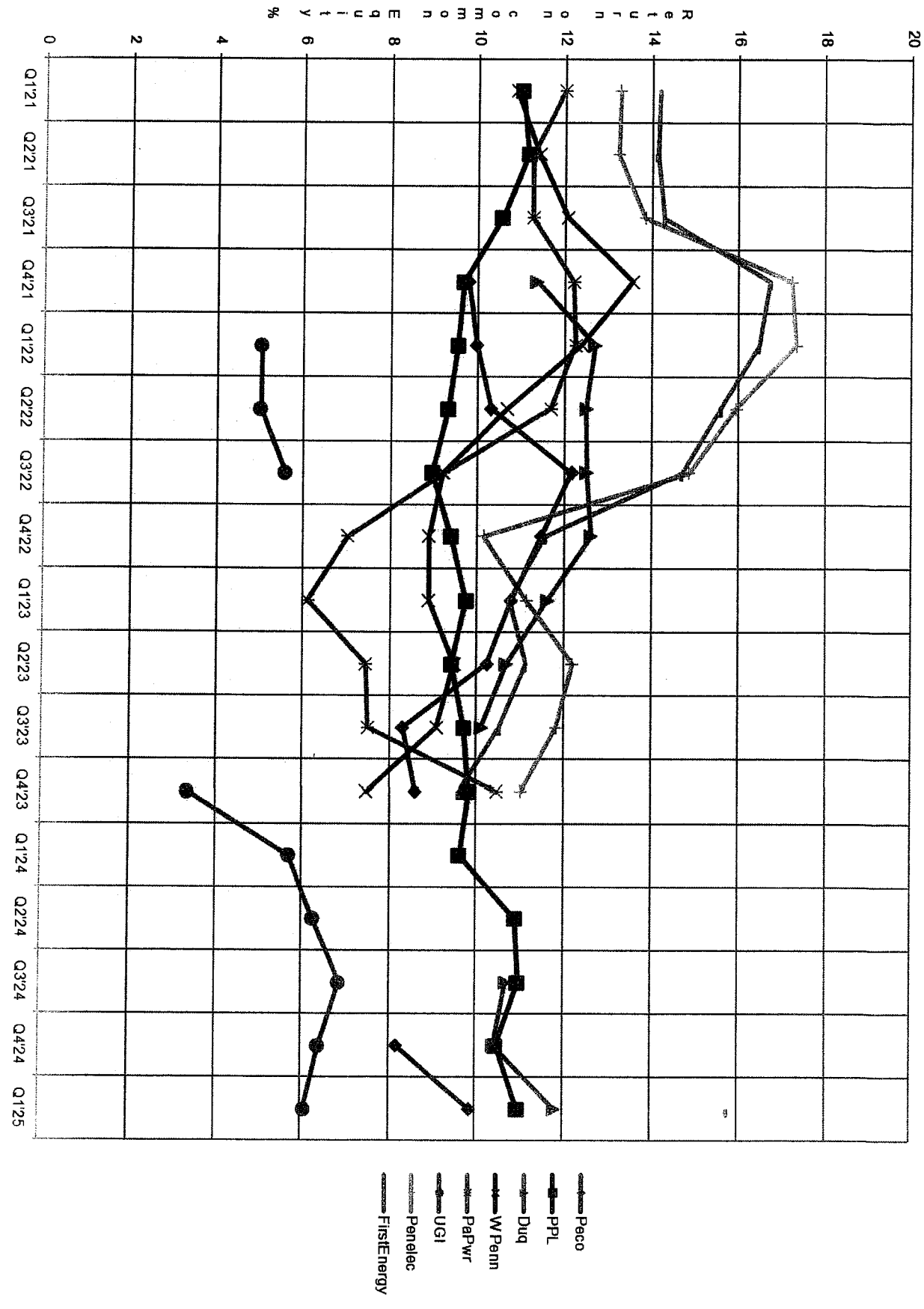
Attachment H – Development of a Representative Dividend Growth Rate 30
Multiple sources of the water barometer companies projected 5-year Earnings Per Share are used to calculate the Group Average Dividend Growth Estimate.

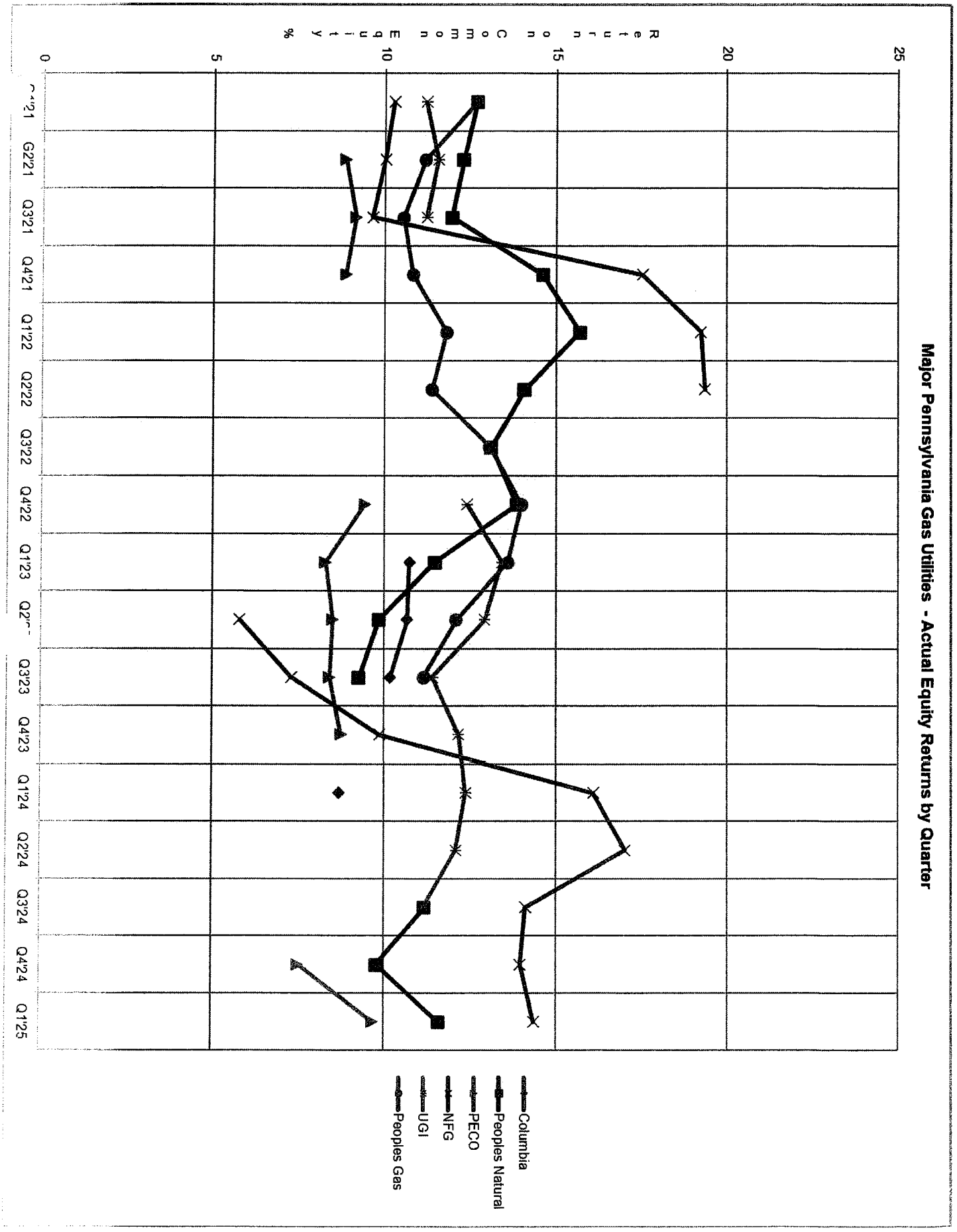
The equity return summaries that follow in Attachment A are, for each quarter;

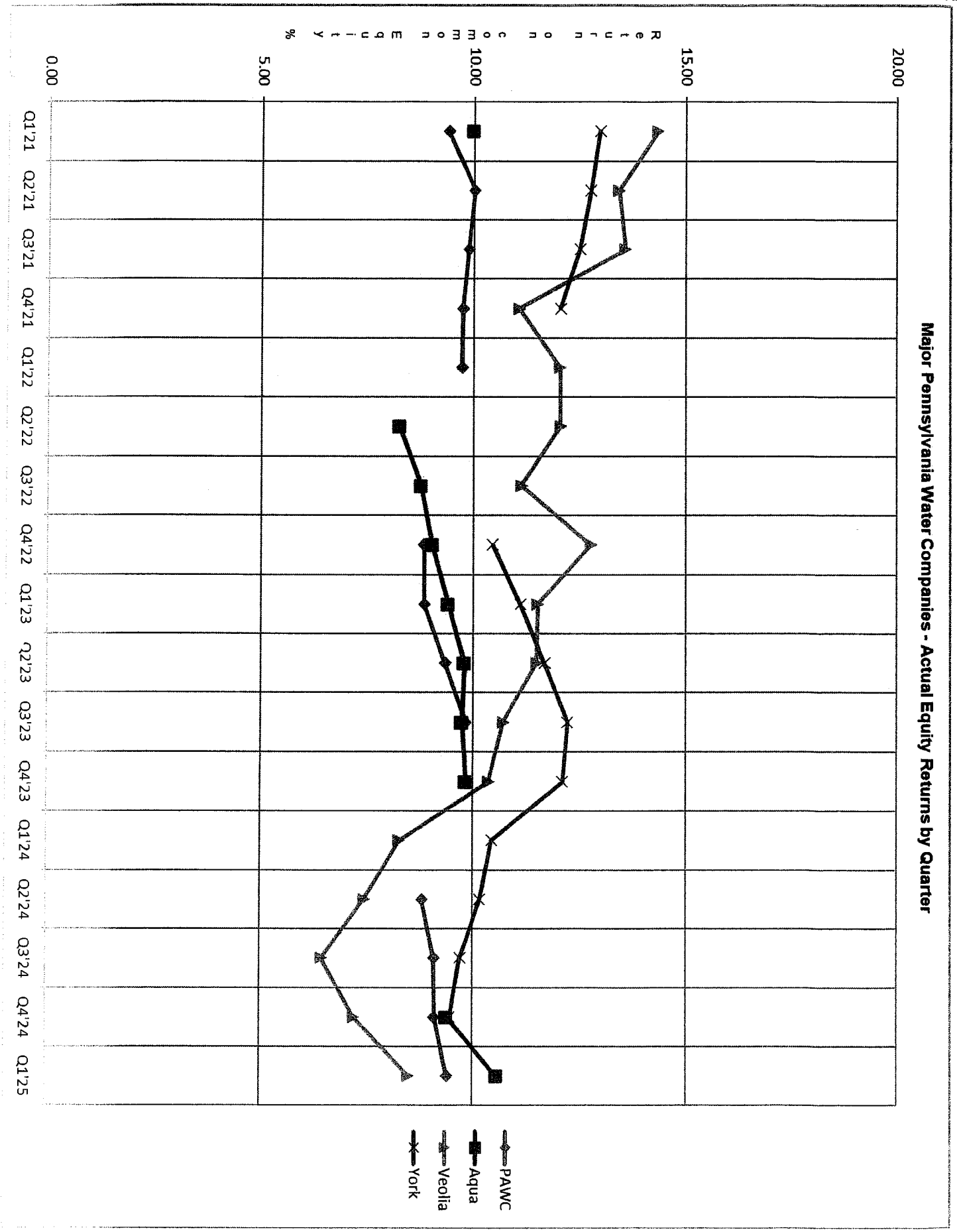
ACTUAL
1. Based on actual results of operations

and

ADJUSTED
2. Based on company proposed pro forma and ratemaking adjustments


Major Pennsylvania Electric Utilities - Actual Equity Returns by Quarter
Return on common Equity %
0
2
4
6
8
10
12
14
16
18
20
Q1'21
Q2'21
Q3'21
Q4'21
Q1'22
Q2'22
Q3'22
Q4'22
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
Q1'25
Peco
PPL
Duq
W Penn
PaPwr
UGI
Penelec
FirstEnergy


Major Pennsylvania Gas Utilities - Actual Equity Returns by Quarter
Return on Common Equity %
0
5
10
15
20
25
Q1'21
Q2'21
Q3'21
Q4'21
Q1'22
Q2'22
Q3'22
Q4'22
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
Q1'25
Columbia
Peoples Natural
PECO
NFG
UGI
Peoples Gas


Major Pennsylvania Water Companies - Actual Equity Returns by Quarter
Return on Equity %
0.00
5.00
10.00
15.00
20.00
Q1'21
Q2'21
Q3'21
Q4'21
Q1'22
Q2'22
Q3'22
Q4'22
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
Q1'25
PAWC
Aqua
Veolia
York

Summary of Returns
For the Year Ended March 31, 2025

COMPANY NAME	OVERALL RETURN ACTUAL	OVERALL RETURN ADJ	EQUITY RETURN ACTUAL	EQUITY RETURN ADJ	ROE AUTH	YEAR AUTH
ELECTRIC						
Major Electric Utilities						
PECO Energy - Electric Operations	7.37	4.94	9.87	5.67	Settled	2024
PPL Electric Utilities Corp.	8.29	6.22	10.98	7.49	Settled	2015
Duquesne Light Company	8.72	7.45	11.82	9.68	Settled	2024
FirstEnergy Pennsylvania	10.70	8.23	15.77	11.32	Settled	2024
UGI Utilities, Inc. - Electric Division	5.42	3.21	6.07	1.44	Settled	2023
Over $1,000,000 Revenues						
Pike County Light & Power Co.	6.49	6.49	6.46	6.46	Settled	2021
GAS						
$10,000,000 Revenues						
Columbia Gas of PA, Inc.*					Settled	2024
Peoples Natural Gas Company LLC	8.25	6.25	11.62	8.24	Settled	2024
PECO Energy - Gas Operations	7.39	5.73	9.68	6.88	Settled	2024
National Fuel Gas Distribution Co.	10.37	6.82	14.36	8.09	Settled	2023
UGI Utilities, Inc. – Gas Division*					Settled	2022
Valley Energy Inc. of PA	4.71	4.81	4.94	5.08	Settled	2022
$1,000,000 to $10,000,000 Revenues						
Pike County Light & Power Co.	2.46	2.46	-0.82	-0.82	Settled	2021
WATER						
$10,000,000 Revenues						
PA American Water Company	7.24	6.69	9.41	8.41	9.45	2024
Aqua Pennsylvania	7.69	6.91	10.57	9.23	Settled	2025
York Water Company*					Settled	2023
Veolia Water Pennsylvania, Inc.	6.56	5.68	8.51	6.77	Settled	2024
$1,000,000 to $10,000,000 Revenues						
Newtown Artesian Water Co.	4.49	1.61	4.46	-0.45	Settled	2025
Columbia Water Company	5.23	5.23	5.43	5.43	9.75	2024

*Columbia Gas of Pennsylvania, Inc., UGI Utilities, Inc. – Gas Division, and York Water Company have rate filings at Docket Nos. R-2025-3053499, R-2024-3052716, and R-2025-3053442, respectively, and have filed a letter with the Secretary in place of a report in accordance with 52 Pa. Code § 71.4.

Distribution System Improvement Charge (DSIC) Eligible Utilities
Return on Equity (ROE) Summary

	Utility Adjusted ROE[3] (%)	Commission Approved ROE[4] (%)
ELECTRIC		
PECO Energy – Electric Operations	5.67	10.05
PPL Electric Utilities Corp.	7.49	10.05
Duquesne Light Company	9.68	10.05
FirstEnergy Pennsylvania Electric Co.	11.32	10.05
UGI Utilities, Inc.- Electric Division	1.44	10.05
Pike County Light & Power Co.	6.46	10.05
GAS		
Columbia Gas of PA, Inc.*		10.25
Peoples Natural Gas Company LLC	8.24	10.25
PECO Energy – Gas Operations	6.88	10.25
UGI Utilities, Inc. – Gas Division*		10.25
Pike County Light & Power Co.	-0.82	10.25
National Fuel Gas Distribution Corp	8.09	10.25
WATER		
PA American Water Company	8.41	9.45
PA American – Wastewater	8.41	9.45
AQUA Pennsylvania	9.23	9.75
AQUA Pennsylvania – Wastewater	9.23	9.75
York Water Company*		9.75
Veolia Water Pennsylvania, Inc.	6.77	9.75
Columbia Water Company	5.43	9.75
Newtown Artesian Water	-0.45	9.75

*Columbia Gas of Pennsylvania, Inc., UGI Utilities, Inc. – Gas Division, and York Water Company have rate filings at Docket Nos. R-2025-3053499, R-2024-3052716, and R-2025-3053442, respectively, and have filed a letter with the Secretary in place of a report in accordance with 52 Pa. Code § 71.4.

3 Each utility lists adjustments on Schedule B of their quarterly financial report.

4 The ROE is approved in a utility's most recent fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years have elapsed between the entry of a final order and the DSIC effective date, the ROE is from this report. If the base rate proceeding is settled, without a stipulated ROE, the ROE is from this report.

The CAPM uses the yield of a risk-free interest-bearing obligation plus a rate of return premium that is proportional to the systematic risk of an investment.

TUS uses the following formula to calculate CAPM: $K = R_f + \beta(R_m - R_f)$

Three components are necessary to calculate the CAPM cost of equity:

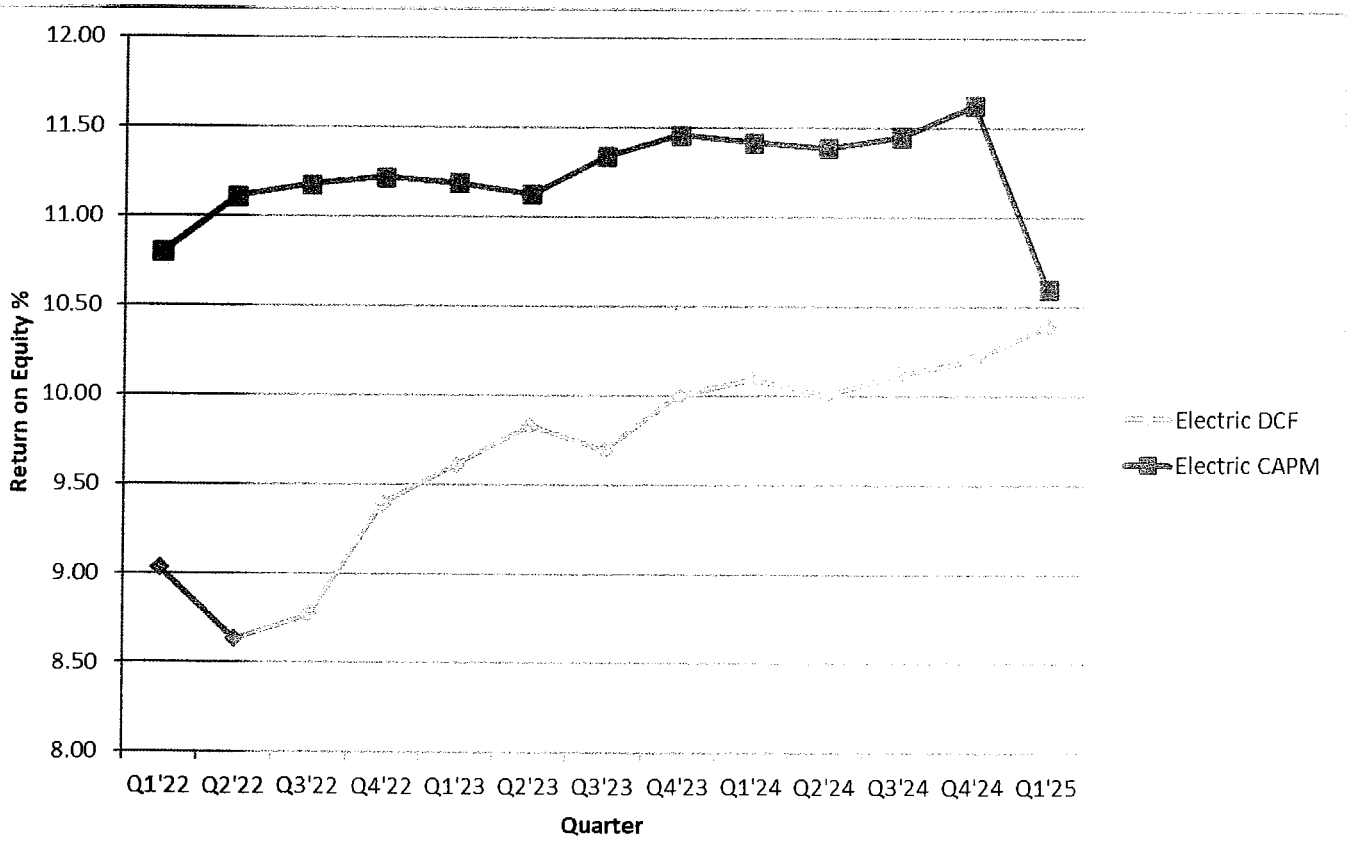
β	=	Beta, a measure of systematic risk for each stock
R_f	=	The risk-free rate of return, 10-year U.S. Treasury yields are used for R_f. Yields are taken from the previous two quarters and forecasted next four quarters.
R_m	=	Total return of the equity market as determined by Kroll

The Commission determines the ROE used for DSIC purposes based on the range of reasonableness from the DCF barometer group data, CAPM data, recent ROEs adjudicated by the Commission, and informed judgment.

Historic Electric Industry Barometer Group DCF and CAPM Average ROEs

Electric		
	DCF	CAPM
Q1'22	9.03	10.80
Q2'22	8.63	11.11
Q3'22	8.77	11.18
Q4'22	9.39	11.22
Q1'23	9.61	11.19
Q2'23	9.83	11.13
Q3'23	9.69	11.34
Q4'23	10.00	11.46
Q1'24	10.09	11.42
Q2'24	10.00	11.39
Q3'24	10.12	11.45
Q4'24	10.20	11.63
Q1'25	10.39	10.60

Chart of Historic Electric Industry DCF and CAPM Average ROEs



Electric Company Barometer Group
52-week Average Dividend Yield Calculation

	High	Low	Average (Pa)	Latest Indicated Dividend (Do)	Average Dividend Yield (Do/Pa)	DCF
	($)	($)	($)	($)	(%)	(%)
Alliant Energy Corp	66.54	49.49	58.02	2.03	3.50	9.84
Ameren Corp	104.10	69.39	86.75	2.84	3.27	10.10
American Electric Power	110.48	85.93	98.21	3.72	3.79	10.34
Avista Corp	43.09	33.45	38.27	1.96	5.12	10.95
CenterPoint Energy	39.31	25.41	32.36	0.88	2.72	10.15
CMS Energy Corp	76.45	58.50	67.48	2.17	3.22	10.23
Consolidated Edison	114.87	87.28	101.08	3.40	3.36	9.27
Dominion Energy	61.97	47.99	54.98	2.67	4.86	10.86
DTE Energy Company	140.39	108.40	124.40	4.36	3.50	10.11
Duke Energy Company	125.27	99.21	112.24	4.18	3.72	9.94
Edison International	88.77	47.73	68.25	3.31	4.85	12.30
Entergy Corp.	88.38	52.06	70.22	2.40	3.42	12.61
Evergy Inc	70.36	52.10	61.23	2.67	4.36	10.67
Eversource Energy	69.01	52.28	60.65	3.01	4.96	10.59
Exelon Corporation	48.11	34.01	41.06	1.60	3.90	10.31
FirstEnergy Corp	44.97	37.58	41.28	1.78	4.31	10.16
IDACORP, Inc..	120.84	90.67	105.76	3.44	3.25	10.79
MGE Energy, Inc.	109.22	72.27	90.75	1.80	1.98	8.98
NextEra Energy, Inc.	86.10	61.72	73.91	2.27	3.07	11.03
NorthWestern Corp	59.89	48.52	54.21	2.64	4.87	10.58
OGE Energy Corp	46.91	34.92	40.92	1.69	4.13	10.64
Otter Tail Corp	100.84	71.66	86.25	2.10	2.43	8.78
PPL Corporation	36.70	27.24	31.97	1.09	3.41	10.88
Pinnacle West Capital Corp	96.50	74.45	85.48	3.58	4.19	9.29
Portland General Electric Co.	49.85	39.69	44.77	2.10	4.69	10.32
Public Service Enterprise Group	95.22	72.25	83.74	2.52	3.01	9.84
Southern Company	94.45	76.96	85.71	2.96	3.45	9.98
Xcel Energy Inc.	73.38	51.97	62.68	2.28	3.64	11.05
Group Average	80.78	59.40	70.09	2.55	3.75	10.38
Group Average G					6.60	
DCF					**10.35**	

The market indicated common equity cost rate range consists of data used from the barometer groups and is based on a series of calculations to average the DCF methods.

Market Based Returns on Common Equity[1]
June 17, 2025

Gas Distribution Company Barometer Group

	Cost Rates %
(1) Current DCF:	10.76
(2) 52-Week Average DCF:	10.77
(3) Overall DCF ((1) + (2)) / 2 :	10.77
(4) Market Indicated Common Equity Cost Rate Range: @ 1 standard deviation around the mean.[2]	9.53-12.00
(5) CAPM Check of DCF Reasonableness:	10.60
(6) Recent Commission Approved ROEs[3]: *None within the last two years	*
(7) Distribution System Improvement Charge (DSIC) Return[4]:	**10.25%**

[1] As calculated by the Bureau of Technical Utility Services
[2] Standard Deviation of 16 DCF observations
[3] Base rate case ROEs within last two years, fully litigated or stipulated for DSIC purposes
[4] Commission authorized Return on Equity (ROE) for DSIC purposes

Any questions concerning DSIC should be directed to Rich Layton of the Bureau of Technical Utility Services at (717) 214-9117.

Barometer gas companies are used to calculate the current DCF in the first chart. The second chart demonstrates the companies' 52-week average DCF. A final average of the two calculations is also shown at the bottom.

Gas Company Barometer Group
Calculation of a Current Dividend Yield

	Closing Market Price (Po) 6/17/2025 ($)	Latest Indicated Dividend (Do) ($)	Ind. Div. Plus 1/2 Div. Growth Rate (D1) ($)	Current Dividend Yield(D1/Po) (%)	DCF (%)
Atmos Energy	152.04	3.48	3.60	2.37	9.53
Chesapeake Utilities Corporation	119.01	2.74	2.84	2.38	10.55
New Jersey Resources	44.39	1.80	1.85	4.16	10.61
NiSource Inc.	39.36	1.12	1.15	2.91	11.36
Northwest Natural Gas	39.75	1.96	1.96	4.94	11.07
ONE Gas, Inc.	71.75	2.68	2.71	3.77	9.09
Southwest Gas	72.33	2.48	2.55	3.52	13.34
Spire Inc.	72.04	3.14	3.20	4.45	10.81
Group Average	76.33	2.43	2.48	3.56	10.79
Group Average G				7.20	
DCF				**10.76**	

Gas Company Barometer Group
52-week Average Dividend Yield Calculation

	High ($)	Low ($)	Average (Pa) ($)	Latest Indicated Dividend (Do) ($)	Average Dividend Yield (Do/Pa) (%)	DCF (%)
Atmos Energy	167.45	113.46	140.46	3.48	2.48	9.64
Chesapeake Utilities Corporation	136.73	102.64	119.69	2.74	2.29	10.45
New Jersey Resources	51.95	41.68	46.82	1.80	3.84	10.29
NiSource Inc.	41.45	27.83	34.64	1.12	3.23	11.69
Northwest Natural Gas	44.38	34.82	39.60	1.96	4.95	11.07
ONE Gas, Inc.	82.25	59.80	71.03	2.68	3.77	9.09
Southwest Gas	80.29	64.31	72.30	2.48	3.43	13.25
Spire Inc.	79.81	58.19	69.00	3.14	4.55	10.91
Group Average	85.54	62.84	74.19	2.43	3.57	10.80
Group Average G					7.20	
DCF					**10.77**	
				Average of Current and 52-Week	**10.77**	

The market indicated common equity cost rate range consists of data used from the barometer groups and is based on a series of calculations to average the DCF methods.

Market Based Returns on Common Equity [1]
June 17, 2025

Water Company Barometer Group

	Cost Rates %
(1) Current DCF	9.34
(2) 52-Week Average DCF	9.19
(3) Average DCF	9.26
(4) Market Indicated Common Equity Cost Rate Range @ 1 standard deviation around the mean.[2]	8.09-10.44
(5) CAPM Check of DCF Reasonableness	10.67
(6) Recent Commission Approved ROEs[3]:	
Columbia Water Company, R-2023-3040258	9.75
Pennsylvania-American Water Company, R-2023-3043189	9.45
(7) Distribution System Improvement Charge (DSIC) Return[4]:	**9.75%**

[1] As calculated by the Bureau of Technical Utility Services
[2] Standard Deviation of 12 DCF observations
[3] Base rate cases ROEs within last two years, fully litigated or stipulated for DSIC purposes
[4] Commission authorized Return on Equity (ROE) for DSIC purposes

Any questions concerning DSIC should be directed to Rich Layton
of the Bureau of Technical Utility Services at (717) 214-9117.

Barometer water companies are used to calculate the current DCF in the first chart. The second chart demonstrates the companies' 52-week average DCF. A final average of the two calculations is also shown at the bottom.

Water Company Barometer Group
Calculation of a Current Dividend Yield

	Closing Market Price (Po) 6/17/2025 ($)	Latest Indicated Dividend (Do) ($)	Ind. Div. Plus 1/2 Div. Growth Rate (D1) ($)	Current Dividend Yield(D1/Po) (%)	Growth (%)	DCF (%)
American States Water Company	77.21	1.86	1.93	2.51	6.12	8.62
American Water Works Co., Inc.	140.47	3.31	3.45	2.46	6.42	8.88
California Water Service Group	46.04	1.20	1.23	2.68	9.03	11.70
Essential Utilities, Inc.	37.38	1.30	1.35	3.62	6.16	9.77
Middlesex Water Company	55.67	1.36	1.39	2.50	6.40	8.90
H2O America	52.21	1.68	1.72	3.29	5.04	8.33
Group Average	68.16	1.79	1.85	2.84	6.53	9.37
Group Average G				6.50		
DCF				**9.34**		

Water Company Barometer Group
52-week Average Dividend Yield Calculation

	High ($)	Low ($)	Average (Pa) ($)	Latest Indicated Dividend (Do) ($)	Average Dividend Yield (Do/Pa) (%)	Growth (%)	DCF (%)
American States Water Company	87.50	70.03	78.77	1.86	2.36	6.12	8.48
American Water Works Co., Inc.	155.50	118.74	137.12	3.31	2.41	6.42	8.83
California Water Service Group	56.25	41.64	48.95	1.20	2.45	9.03	11.48
Essential Utilities, Inc.	41.78	33.18	37.48	1.30	3.47	6.16	9.63
Middlesex Water Company	70.73	48.18	59.46	1.36	2.29	6.40	8.69
H2O America	62.18	44.91	53.55	1.68	3.14	5.04	8.18
Group Average	78.99	59.45	69.22	1.79	2.69	6.53	9.21
Group Average G					6.50		
DCF					**9.19**		
			Average of Current and 52-Week		**9.26**		

Value Line Investment Surveys
Water Industry
As of First Quarter 2025(4-1-2025)

Company	Exchange	Ticker	Valueline No.	Valueline Issue	Total Debt	Market Debt	Long Term Debt	Long Term Interest	Long Term Interest Rate (embedded)	Proportion of Debt	Book Debt	Book Equity	Preferred Stock	% Preferred	Shares Outstanding	Price per Share	Market Equity	Portion Market Equity	Capitalization	Total Market Capital
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	(6) / (21)	Input Value Line	Input Value Line	(9) / (8)	Input Value Line	Input Value Line	Input Value Line	Input Value Line	(14) / (21)	Input Value Line	Input Value Line	Input Value Line	(18) / (21)	Input Value Line	(6)+(14)+(18)
					$s Million	%	$s Million	$s Million	%	%	%	%	$s Million	%	Shares Million	$s per Share	$s Million	%		$s Million
American States Water	NYSE	AWR	1771	04/04/2025	929.4	24.58%	805.0	42.0	5.22%	53.0%	48.5%	51.5%	0	0.00%	38.1565680	74.7	2,851.1	75.42%	Mid Cap	3,780.5
American Water	NYSE	AWK	1772	04/04/2025	14,049.0	34.03%	12,533.0	506.0	4.04%	55.0%	57.5%	42.5%	3	0.01%	194.9473130	139.7	27,234.1	65.96%	Large Cap	41,286.1
California Water	NYSE	CWT	1773	04/04/2025	1,177.0	30.14%	1,104.6	40.0	3.62%	40.0%	37.5%	62.5%	0	0.00%	59.4840000	45.9	2,728.5	69.86%	Mid Cap	3,905.5
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	7,967.7	43.18%	7,368.4	300.0	4.07%	54.0%	54.0%	46.0%	0	0.00%	274.8200000	38.2	10,484.4	56.82%	Large Cap	18,452.1
Middlesex Water	NDQ	MSEX	1775	04/04/2025	360.5	24.95%	352.8	7.5	2.13%	44.0%	40.0%	60.0%	2.4	0.17%	17.8900000	60.5	1,082.2	74.89%	Small Cap	1,445.1
SJW Corporation	NYSE	SJW	1776	04/04/2025	1,710.5	49.70%	1,706.9	50.0	2.93%	55.0%	51.5%	48.5%	0	0.00%	33.6290000	51.5	1,731.2	50.30%	Small Cap	3,441.7
Total					26,194.1	36.22%	23,870.7	945.5	3.96%				5.4	0.01%			46,111.5	63.77%		72,311.0
Minimum						24.58%			2.13%	40.00%	37.50%	42.50%		0.00%				50.30%		
wtd Mean						36.22%			3.96%					0.01%				63.77%		
Mean						34.43%			3.67%	50.17%	48.17%	51.83%		0.03%				65.54%		
Median						32.09%			3.83%	53.50%	50.00%	50.00%		0.00%				67.91%		
Maximum						49.70%			5.22%	55.00%	57.50%	62.50%		0.17%				75.42%		

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Water Industry Capital Structure

Capital Structure	Market Proportion	Market Reference	Embedded Proportion	Embedded Reference
Debt	36.22%	wtd mean col 7	48.17%	mean col 11
Preferred	0.01%	wtd mean col 15	0.03%	mean col 15
Equity	63.77%	wtd mean col 19	51.83%	mean col 13
Total	100.00%		100.03%	
Use				
Debt	36%	AUS Input	48%	AUS Input Jurisdictional Execption
Equity	64%	AUS Input	52%	AUS Input Jurisdictional Execption
Total	100%		100%	

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1	2	3	4	5				
Value Line Investment Surveys								
Water Industry								
As of First Quarter 2025(4-1-2025)								
					Tax Rate			
Company	Exchange	Ticker	Valueline No.	Valueline Issue	2019	2020	2021	Future 3 Years
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line
American States Water	NYSE	AWR	1771	04/04/2025	20.2%	23.5%	24.0%	24.0%
American Water	NYSE	AWK	1772	04/04/2025	22.7%	22.5%	22.5%	22.5%
California Water	NYSE	CWT	1773	04/04/2025	18.3%	21.0%	21.0%	21.0%
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	0.0%	5.0%	10.0%	20.0%
Middlesex Water	NDQ	MSEX	1775	04/04/2025	13.5%	21.0%	21.0%	21.0%
SJW Corporation	NYSE	SJW	1776	04/04/2025	21.0%	21.0%	21.0%	21.0%
Minimum					0.00%	5.00%	10.00%	20.00%
wtd Mean								
Mean					15.95%	19.00%	19.92%	21.58%
Median					19.25%	21.00%	21.00%	21.00%
Maximum					22.70%	23.50%	24.00%	24.00%
	Historical		Current					
Embedded Tax Rate	15.95%	Mean 2019	19.00%	Mean 2020				
Federal Tax Rate (Marginal)	35.00%	AUS Input	21.00%	AUS Input				
US 50-state average	4.91%	AUS Input	4.91%	AUS Input				
Pennsylvania	9.99%	AUS Input	9.99%	AUS Input				
Composite Federal and State Tax Rate	41.49%	Calculated =Federal Tax * (1-State Tax)+State Tax	28.89%	Calculated =Federal Tax * (1-State Tax)+State Tax				

Value Line Analysis

Source: Ibbotson SBBI 2018 Stock, Bonds, Bills, and Inflation Yearbook

	A-1	A-2	A-3	A-4	A-5	A-6	A-7	A-8	A-9	A-10	A-11	A-12	A-13	A-14	A-15	A-16
Year	Large Company Stocks Total Returns Jan-Dec *	Large Company Stocks Income Returns Jan-Dec *	Large Company Stocks Capital Appreciation Returns Jan-Dec *	Small Company Stocks Total Returns Jan-Dec *	Long-Term Corporate Bonds Total Returns Jan-Dec *	Long-Term Government Bonds Total Returns Jan-Dec *	Long-Term Government Bonds Income Returns Jan-Dec *	Long-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Long-Term Government Bonds Yields Jan-Dec *	Intermediate-Term Government Bonds Total Returns Jan-Dec *	Intermediate-Term Government Bonds Income Returns Jan-Dec *	Intermediate-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Intermediate-Term Government Bonds Yields Jan-Dec *	U.S. Treasury Bills Total Returns Jan-Dec *	Inflation Jan-Dec *	Risk Premia (A-1)-(A-7)
1926	0.1162	0.0541	0.0572	0.0028	0.0737	0.0777	0.0373	0.0391	0.0354	0.0538	0.0378	0.0151	0.0361	0.0327	-0.0149	0.0789
1927	0.3749	0.0571	0.3091	0.2210	0.0744	0.0893	0.0341	0.0540	0.0316	0.0452	0.0349	0.0096	0.0340	0.0312	-0.0208	0.3408
1928	0.4361	0.0481	0.3788	0.3969	0.0284	0.0010	0.0322	-0.0312	0.0340	0.0092	0.0364	-0.0273	0.0401	0.0356	-0.0097	0.4039
1929	-0.0842	0.0398	-0.1191	-0.5136	0.0327	0.0342	0.0347	-0.0020	0.0340	-0.0601	0.0407	0.0177	0.0362	0.0475	0.0020	-0.1189
1930	-0.2490	0.0457	-0.2848	-0.3815	0.0798	0.0466	0.0332	0.0128	0.0330	0.0672	0.0330	0.0333	0.0291	0.0241	-0.0603	-0.2822
1931	-0.4334	0.0535	-0.4707	-0.4975	-0.0185	-0.0531	0.0333	-0.0846	0.0407	-0.0232	0.0316	-0.0540	0.0412	0.0107	-0.0952	-0.4667
1932	-0.0819	0.0616	-0.1515	-0.0539	0.1082	0.1684	0.0369	0.1294	0.0315	0.0810	0.0363	0.0502	0.0304	0.0096	-0.1030	-0.1188
1933	0.5399	0.0639	0.4659	1.4287	0.1038	-0.0007	0.0312	-0.0314	0.0336	0.0183	0.0283	-0.0099	0.0325	0.0030	0.0051	0.5087
1934	-0.0144	0.0446	-0.0594	0.2422	0.1384	0.1003	0.0318	0.0676	0.0293	0.0900	0.0293	0.0597	0.0249	0.0016	0.0203	-0.0462
1935	0.4767	0.0495	0.4137	0.4019	0.0961	0.0498	0.0281	0.0214	0.0276	0.0701	0.0202	0.0494	0.0163	0.0017	0.0299	0.4486
1936	0.3392	0.0536	0.2792	0.6480	0.0674	0.0752	0.0277	0.0464	0.0255	0.0306	0.0144	0.0160	0.0129	0.0018	0.0121	0.3115
1937	-0.3503	0.0466	-0.3859	-0.5801	0.0275	0.0023	0.0266	-0.0248	0.0273	0.0156	0.0148	0.0005	0.0114	0.0031	0.0310	-0.3769
1938	0.3112	0.0483	0.2521	0.3280	0.0613	0.0553	0.0264	0.0283	0.0252	0.0623	0.0182	0.0437	0.0152	-0.0002	-0.0278	0.2848
1939	-0.0041	0.0469	-0.0545	0.0035	0.0397	0.0594	0.0240	0.0348	0.0226	0.0452	0.0131	0.0318	0.0098	0.0002	-0.0048	-0.0281
1940	-0.0978	0.0536	-0.1529	-0.0516	0.0339	0.0609	0.0223	0.0377	0.0194	0.0296	0.0090	0.0204	0.0057	0.0000	0.0096	-0.1201
1941	-0.1159	0.0671	-0.1786	-0.0900	0.0273	0.0093	0.0194	-0.0101	0.0204	0.0050	0.0067	-0.0017	0.0082	0.0006	0.0972	-0.1353
1942	0.0234	0.0679	0.1243	0.4451	0.0260	0.0322	0.0246	0.0074	0.0246	0.0194	0.0076	0.0117	0.0072	0.0027	0.0929	-0.0012
1943	0.2590	0.0624	0.1945	0.8837	0.0283	0.0208	0.0244	-0.0037	0.0248	0.0281	0.0156	0.0123	0.0145	0.0035	0.0316	0.2346
1944	0.1975	0.0548	0.1380	0.5372	0.0473	0.0281	0.0246	0.0032	0.0246	0.0180	0.0144	0.0035	0.0140	0.0033	0.0211	0.1729
1945	0.3611	0.0497	0.3072	0.7361	0.0408	0.1073	0.0234	0.0827	0.0199	0.0222	0.0119	0.0102	0.0103	0.0033	0.0225	0.3377
1946	-0.0807	0.0409	-0.1187	-0.1163	0.0172	-0.0010	0.0204	-0.0215	0.0212	0.0100	0.0108	-0.0008	0.0112	0.0035	0.1816	-0.1011
1947	0.0571	0.0549	0.0000	0.0092	-0.0234	-0.0262	0.0213	-0.0470	0.0243	0.0091	0.0121	-0.0030	0.0134	0.0050	0.0901	0.0358
1948	0.0550	0.0608	-0.0065	-0.0211	0.0414	0.0340	0.0240	0.0096	0.0237	0.0185	0.0156	0.0027	0.0151	0.0081	0.0271	0.0310
1949	0.1879	0.0750	0.1026	0.1975	0.0331	0.0645	0.0225	0.0415	0.0209	0.0232	0.0136	0.0095	0.0123	0.0110	-0.0180	0.1654
1950	0.3171	0.0877	0.2178	0.3875	0.0212	0.0006	0.0212	-0.0206	0.0224	0.0070	0.0139	-0.0069	0.0162	0.0120	0.0579	0.2959
1951	0.2402	0.0691	0.1646	0.0780	-0.0269	-0.0393	0.0238	-0.0627	0.0269	0.0036	0.0198	-0.0163	0.0217	0.0149	0.0587	0.2164
1952	0.1837	0.0593	0.1178	0.0303	0.0352	0.0116	0.0266	-0.0148	0.0279	0.0163	0.0219	-0.0057	0.0235	0.0166	0.0088	0.1571
1953	-0.0099	0.0546	-0.0662	-0.0649	0.0341	0.0364	0.0284	0.0067	0.0274	0.0323	0.0255	0.0061	0.0218	0.0182	0.0062	-0.0383
1954	0.5262	0.0621	0.4502	0.6058	0.0539	0.0719	0.0279	0.0435	0.0272	0.0268	0.0160	0.0108	0.0172	0.0086	-0.0050	0.4983
1955	0.3156	0.0456	0.2640	0.2044	0.0048	-0.0129	0.0275	-0.0407	0.0295	-0.0065	0.0245	-0.0310	0.0280	0.0157	0.0037	0.2881
1956	0.0656	0.0383	0.0262	0.0428	-0.0681	-0.0559	0.0299	-0.0846	0.0345	-0.0042	0.0305	-0.0345	0.0363	0.0246	0.0286	0.0357
1957	-0.1078	0.0384	-0.1431	-0.1457	0.0871	0.0746	0.0344	0.0382	0.0323	0.0784	0.0359	0.0405	0.0284	0.0314	0.0302	-0.1422
1958	0.4336	0.0438	0.3806	0.6489	-0.0222	-0.0609	0.0327	-0.0923	0.0382	-0.0129	0.0293	-0.0417	0.0381	0.0154	0.0176	0.4009
1959	0.1196	0.0331	0.0848	0.1640	-0.0097	-0.0226	0.0401	-0.0620	0.0447	-0.0039	0.0418	-0.0456	0.0498	0.0295	0.0150	0.0795
1960	0.0047	0.0326	-0.0297	-0.0329	0.0907	0.1378	0.0426	0.0929	0.0380	0.1176	0.0415	0.0742	0.0331	0.0266	0.0148	-0.0379
1961	0.2689	0.0348	0.2313	0.3209	0.0482	0.0097	0.0383	-0.0286	0.0415	0.0185	0.0354	-0.0172	0.0384	0.0213	0.0067	0.2306
1962	-0.0873	0.0298	-0.1110	-0.1190	0.0795	0.0689	0.0400	0.0278	0.0395	0.0556	0.0373	0.0173	0.0350	0.0273	0.0122	-0.1273
1963	0.2280	0.0361	0.1889	0.2357	0.0219	0.0121	0.0389	-0.0270	0.0417	0.0164	0.0371	-0.0210	0.0404	0.0312	0.0165	0.1891
1964	0.1648	0.0333	0.1297	0.2352	0.0477	0.0351	0.0415	-0.0072	0.0423	0.0404	0.0400	-0.0003	0.0403	0.0354	0.0119	0.1233
1965	0.1245	0.0321	0.0906	0.4175	-0.0046	0.0071	0.0419	-0.0345	0.0450	0.0120	0.0415	-0.0310	0.0490	0.0393	0.0192	0.0826
1966	-0.1006	0.0311	-0.1309	-0.0701	0.0020	0.0365	0.0449	-0.0106	0.0455	0.0469	0.0493	-0.0041	0.0479	0.0476	0.0335	-0.1455
1967	0.2398	0.0364	0.2090	0.8357	-0.0495	-0.0918	0.0459	-0.1355	0.0556	0.0101	0.0488	-0.0385	0.0577	0.0421	0.0304	0.1939
1968	0.1106	0.0318	0.0766	0.3597	0.0257	-0.0026	0.0550	-0.0551	0.0598	0.0454	0.0549	-0.0099	0.0596	0.0521	0.0472	0.0556

Source: Ibbotson SBBI 2018 Stock, Bonds, Bills, and Inflation Yearbook

	A-1	A-2	A-3	A-4	A-5	A-6	A-7	A-8	A-9	A-10	A-11	A-12	A-13	A-14	A-15	A-16
Year	Large Company Stocks Total Returns Jan-Dec *	Large Company Stocks Income Returns Jan-Dec *	Large Company Stocks Capital Appreciation Returns Jan-Dec *	Small Company Stocks Total Returns Jan-Dec *	Long-Term Corporate Bonds Total Returns Jan-Dec *	Long-Term Government Bonds Total Returns Jan-Dec *	Long-Term Government Bonds Income Returns Jan-Dec *	Long-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Long-Term Government Bonds Yields Jan-Dec *	Intermediate-Term Government Bonds Total Returns Jan-Dec *	Intermediate-Term Government Bonds Income Returns Jan-Dec *	Intermediate-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Intermediate-Term Government Bonds Yields Jan-Dec *	U.S. Treasury Bills Total Returns Jan-Dec *	Inflation Jan-Dec *	Risk Premia (A-1)-(A-7)
1969	-0.0850	0.0304	-0.1142	-0.2505	-0.0809	-0.0507	0.0595	-0.1083	0.0687	-0.0074	0.0665	-0.0727	0.0829	0.0658	0.0611	-0.1445
1970	0.0401	0.0341	0.0016	-0.1743	0.1837	0.1211	0.0674	0.0484	0.0648	0.1686	0.0749	0.0871	0.0590	0.0652	0.0549	-0.0273
1971	0.1431	0.0333	0.1079	0.1650	0.1101	0.1323	0.0632	0.0661	0.0597	0.0872	0.0575	0.0272	0.0525	0.0439	0.0336	0.0799
1972	0.1898	0.0309	0.1563	0.0443	0.0726	0.0569	0.0587	-0.0035	0.0599	0.0516	0.0575	-0.0075	0.0585	0.0384	0.0341	0.1311
1973	-0.1466	0.0286	-0.1737	-0.3090	0.0114	-0.0111	0.0651	-0.0770	0.0726	0.0461	0.0658	-0.0219	0.0679	0.0693	0.0880	-0.2117
1974	-0.2647	0.0369	-0.2972	-0.1995	-0.0306	0.0435	0.0727	-0.0345	0.0760	0.0569	0.0724	-0.0199	0.0712	0.0800	0.1220	-0.3374
1975	0.3720	0.0537	0.3155	0.5282	0.1464	0.0920	0.0799	0.0073	0.0805	0.0783	0.0735	0.0012	0.0719	0.0580	0.0701	0.2921
1976	0.2384	0.0438	0.1915	0.5738	0.1865	0.1675	0.0789	0.0807	0.0721	0.1287	0.0710	0.0525	0.0600	0.0508	0.0481	0.1595
1977	-0.0718	0.0431	-0.1150	0.2538	0.0171	-0.0069	0.0714	-0.0786	0.0803	0.0141	0.0649	-0.0515	0.0751	0.0512	0.0677	-0.1432
1978	0.0656	0.0533	0.0106	0.2346	-0.0007	-0.0118	0.0790	-0.0905	0.0898	0.0349	0.0783	-0.0449	0.0883	0.0718	0.0903	-0.0134
1979	0.1844	0.0571	0.1231	0.4346	-0.0418	-0.0123	0.0886	-0.0984	0.1012	0.0409	0.0904	-0.0507	0.1033	0.1038	0.1331	0.0958
1980	0.3242	0.0573	0.2577	0.3988	-0.0276	-0.0395	0.0997	-0.1400	0.1199	0.0391	0.1055	-0.0681	0.1245	0.1124	0.1240	0.2245
1981	-0.0491	0.0489	-0.0972	0.4134	-0.0124	0.0186	0.1155	-0.1033	0.1334	0.0945	0.1297	-0.0455	0.1396	0.1471	0.0894	-0.1646
1982	0.2141	0.0550	0.1476	0.2801	0.4256	0.4036	0.1350	0.2395	0.1095	0.2910	0.1281	0.1423	0.0990	0.1054	0.0387	0.0791
1983	0.2251	0.0500	0.1727	0.3967	0.0626	0.0065	0.1038	-0.0982	0.1197	0.0741	0.1035	-0.0330	0.1141	0.0880	0.0380	0.1213
1984	0.0627	0.0456	0.0139	-0.0667	0.1686	0.1548	0.1174	0.0232	0.1170	0.1402	0.1168	0.0122	0.1104	0.0985	0.0395	-0.0547
1985	0.3216	0.0510	0.2634	0.2466	0.3009	0.3097	0.1125	0.1784	0.0956	0.2033	0.1029	0.0901	0.0855	0.0772	0.0377	0.2091
1986	0.1847	0.0374	0.1463	0.0685	0.1985	0.2453	0.0898	0.1499	0.0789	0.1514	0.0772	0.0699	0.0685	0.0616	0.0113	0.0949
1987	0.0523	0.0364	0.0203	-0.0930	-0.0027	-0.0271	0.0792	-0.1069	0.0920	0.0290	0.0747	-0.0475	0.0832	0.0547	0.0441	-0.0269
1988	0.1681	0.0417	0.1241	0.2287	0.1070	0.0967	0.0897	0.0036	0.0918	0.0610	0.0824	-0.0226	0.0917	0.0635	0.0442	0.0784
1989	0.3149	0.0385	0.2726	0.1018	0.1623	0.1811	0.0881	0.0862	0.0816	0.1329	0.0846	0.0434	0.0794	0.0837	0.0465	0.2268
1990	-0.0317	0.0336	-0.0656	-0.2156	0.0678	0.0618	0.0819	-0.0261	0.0844	0.0973	0.0815	0.0102	0.0770	0.0781	0.0611	-0.1136
1991	0.3055	0.0382	0.2631	0.4463	0.1989	0.1930	0.0822	0.1010	0.0730	0.1546	0.0743	0.0736	0.0597	0.0560	0.0306	0.2233
1992	0.0767	0.0303	0.0446	0.2335	0.0939	0.0805	0.0726	0.0034	0.0726	0.0719	0.0627	0.0064	0.0610	0.0351	0.0290	0.0041
1993	0.0999	0.0283	0.0706	0.2098	0.1319	0.1824	0.0717	0.1071	0.0654	0.1124	0.0553	0.0556	0.0522	0.0290	0.0275	0.0282
1994	0.0131	0.0282	-0.0154	0.0311	-0.0576	-0.0777	0.0659	-0.1429	0.0799	-0.0514	0.0607	-0.1114	0.0780	0.0390	0.0267	-0.0528
1995	0.3743	0.0291	0.3411	0.3446	0.2720	0.3167	0.0760	0.2304	0.0603	0.1680	0.0669	0.0966	0.0538	0.0560	0.0254	0.2983
1996	0.2307	0.0254	0.2026	0.1762	0.0140	-0.0093	0.0618	-0.0737	0.0673	0.0210	0.0582	-0.0390	0.0616	0.0521	0.0332	0.1689
1997	0.3336	0.0211	0.3101	0.2278	0.1295	0.1585	0.0664	0.0851	0.0602	0.0838	0.0614	0.0195	0.0573	0.0526	0.0170	0.2672
1998	0.2858	0.0168	0.2667	-0.0731	0.1076	0.1306	0.0583	0.0689	0.0542	0.1210	0.0529	0.0466	0.0468	0.0486	0.0161	0.2275
1999	0.2104	0.0136	0.1953	0.2979	-0.0745	-0.0896	0.0557	-0.1435	0.0682	-0.0177	0.0530	-0.0706	0.0645	0.0468	0.0268	0.1547
2000	-0.0911	0.0110	-0.1014	-0.0359	0.1287	0.2148	0.0650	0.1436	0.0558	0.1259	0.0619	0.0594	0.0507	0.0589	0.0339	-0.1561
2001	-0.1188	0.0118	-0.1304	0.2277	0.1065	0.0370	0.0553	-0.0189	0.0575	0.0762	0.0427	0.0323	0.0442	0.0383	0.0155	-0.1741
2002	-0.2210	0.0139	-0.2337	-0.1328	0.1633	0.1784	0.0559	0.1169	0.0484	0.1293	0.0398	0.0865	0.0261	0.0165	0.0238	-0.2769
2003	0.2870	0.0200	0.2638	0.6070	0.0527	0.0145	0.0480	-0.0336	0.0511	0.0240	0.0285	-0.0048	0.0297	0.0102	0.0188	0.2390
2004	0.1087	0.0175	0.0899	0.1839	0.0872	0.0851	0.0502	0.0326	0.0484	0.0225	0.0328	-0.0107	0.0347	0.0120	0.0326	0.0585
2005	0.0491	0.0184	0.0300	0.0569	0.0587	0.0781	0.0469	0.0302	0.0461	0.0136	0.0392	-0.0258	0.0434	0.0298	0.0342	0.0022
2006	0.1580	0.0201	0.1362	0.1617	0.0324	0.0119	0.0468	-0.0364	0.0491	0.0314	0.0454	-0.0151	0.0465	0.0480	0.0254	0.1112
2007	0.0549	0.0196	0.0353	-0.0522	0.0260	0.0988	0.0486	0.0469	0.0450	0.1005	0.0444	0.0533	0.0328	0.0466	0.0408	0.0063
2008	-0.3700	0.0192	-0.3849	-0.3672	0.0878	0.2587	0.0445	0.2050	0.0303	0.1311	0.0296	0.0992	0.0126	0.0160	0.0009	-0.4145
2009	0.2646	0.0248	0.2345	0.2809	0.0302	-0.1490	0.0347	-0.1825	0.0458	-0.0240	0.0201	-0.0442	0.0242	0.0010	0.0272	0.2299
2010	0.1506	0.0202	0.1278	0.3126	0.1244	0.1014	0.0425	0.0589	0.0414	0.0712	0.0192	0.0516	0.0170	0.0012	0.0150	0.1081
2011	0.0211	0.0213	0.0000	-0.0326	0.1795	0.2823	0.0381	0.2374	0.0248	0.0946	0.0158	0.0779	0.0059	0.0004	0.0296	-0.0170

Source: Ibbotson SBBI 2018 Stock, Bonds, Bills, and Inflation Yearbook

	A-1	A-2	A-3	A-4	A-5	A-6	A-7	A-8	A-9	A-10	A-11	A-12	A-13	A-14	A-15	A-16
	Large Company Stocks	Large Company Stocks	Large Company Stocks Capital Appreciation Returns Jan-Dec *	Small Company Stocks	Long-Term Corporate Bonds	Long-Term Government Bonds	Long-Term Government Bonds	Long-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Long-Term Government Bonds	Intermediate-Term Government Bonds	Intermediate-Term Government Bonds	Intermediate-Term Government Bonds Capital Appreciation Returns Jan-Dec *	Intermediate-Term Government Bonds	U.S. Treasury Bills	Inflation	Risk Premia
Year	Total Returns Jan-Dec *	Income Returns Jan-Dec *		Total Returns Jan-Dec *	Total Returns Jan-Dec *	Total Returns Jan-Dec *	Income Returns Jan-Dec *		Yields Jan-Dec *	Total Returns Jan-Dec *	Income Returns Jan-Dec *		Yields Jan-Dec *	Total Returns Jan-Dec *	Jan-Dec *	(A-1)-(A-7)
2012	0.1600	0.0250	0.1341	0.1824	0.1068	0.0331	0.0240	0.0088	0.0241	0.0207	0.0058	0.0148	0.0046	0.0006	0.0174	0.1360
2013	0.3239	0.0248	0.2960	0.4507	-0.0707	-0.1278	0.0288	-0.1570	0.0378	-0.0368	0.0102	-0.0468	0.0149	0.0002	0.0151	0.2951
2014	0.1369	0.0216	0.1139	0.0292	0.1728	0.2471	0.0341	0.2093	0.0246	0.0300	0.0163	0.0135	0.0155	0.0002	0.0076	0.1028
2015	0.0138	0.0210	-0.0073	-0.0360	-0.0102	-0.0065	0.0247	-0.0311	0.0268	0.0179	0.0151	0.0029	0.0169	0.0002	0.0073	-0.0109
2016	0.1196	0.0226	0.0954	0.2565	0.0670	0.0175	0.0230	-0.0040	0.0272	0.0192	0.0136	0.0058	0.0185	0.0020	0.0207	0.0966
2017	0.2183	0.0221	0.1942	0.1119	0.1225	0.0624	0.0267	0.0351	0.0254	0.0164	0.0193	-0.0029	0.0211	0.0080	0.0211	0.1916
2018	-0.0438	0.0201	-0.0624	-0.1160	-0.0473	-0.0057	0.0282	-0.0350	0.0284	0.0116	0.0265	-0.0155	0.0250	0.0181	0.0191	-0.0720
2019	0.3149	0.0234	0.2888	0.2063	0.1995	0.1216	0.0255	0.0953	0.0225	0.0826	0.0208	0.0454	0.0170	0.0214	0.0229	0.2894
2020	0.1840	0.0180	0.1626	0.0659	0.1540	0.1665	0.0153	0.1512	0.0137	0.0725	0.0066	0.0658	0.0044	0.0045	0.0136	0.1687
2021	0.2871	0.0161	0.2689	0.3348	-0.0266	-0.0541	0.0173	-0.0717	0.0188	-0.0336	0.0086	-0.0421	0.0135	0.0004	0.0704	0.2698
2022	-0.1811	0.0140	-0.1944	-0.1246	-0.2618	-0.2608	0.0261	-0.2647	0.0424	-0.0936	0.0267	-0.1197	0.0413	0.0143	0.0684	-0.2072
2023															0.0034	
2024															0.0290	
Average	0.1182	0.0386	0.0793	0.1633	0.0606	0.0564	0.0485	0.0060	0.0491	0.0492	0.0427	0.0057	0.0425	0.0328	0.0299	0.0698
Median	0.1369	0.0369	0.1079	0.1824	0.0477	0.0365	0.0400	0.0032	0.0415	0.0323	0.0364	0.0029	0.0362	0.0273	0.0268	0.0799
High	0.5399	0.0877	0.4659	1.4287	0.4256	0.4036	0.1350	0.2395	0.1334	0.2910	0.1297	0.1423	0.1396	0.1471	0.1816	0.5087
Low	-0.4334	0.0110	-0.4707	-0.5801	-0.2618	-0.2608	0.0153	-0.2647	0.0137	-0.0936	0.0058	-0.1197	0.0044	-0.0002	-0.1030	-0.4667
Last 5 year (60 months)																
Average	0.1122	0.0183	0.0927	0.0733	0.0036	-0.0065	0.0225	-0.0250	0.0252	0.0079	0.0178	-0.0132	0.0202	0.0117	0.0370	0.0897
Median	0.1840	0.0180	0.1626	0.0659	-0.0266	-0.0057	0.0255	-0.0350	0.0225	0.0116	0.0208	-0.0155	0.0170	0.0143	0.0290	0.1687
High	0.3149	0.0234	0.2888	0.3348	0.1995	0.1665	0.0282	0.1512	0.0424	0.0826	0.0267	0.0658	0.0413	0.0214	0.0704	0.2894
Low	-0.1811	0.0140	-0.1944	-0.1246	-0.2618	-0.2608	0.0153	-0.2647	0.0137	-0.0936	0.0066	-0.1197	0.0044	0.0004	0.0034	-0.2072

* Compound Annual Return

S:\water industry\PA American - Pittson\Pittston Wastewater Colection System Valuation as of 5-30-2025 - Created 12-7-2025

1	2	3	4	5	6	7	8	9	10
Value Line Investment Surveys									
Water Industry									
As of First Quarter 2025(4-1-2025)									
Company	Exchange	Ticker	Valueline No.	Valueline Issue	Total Return				
					1 year	3 Years	3 years annualized	5 Years	5 years annualized
Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Input Value Line	Calculation	Input Value Line	Calculation
							=((1+3 year Total Return)^(1/3))-1		=((1+5 year Total Return)^(1/5))-1
American States Water	NYSE	AWR	1771	04/04/2025	9.4%	-4.0%	-1.4%	9.0%	1.7%
American Water	NYSE	AWK	1772	04/04/2025	16.6%	-14.7%	-5.2%	21.9%	4.0%
California Water	NYSE	CWT	1773	04/04/2025	1.7%	-14.9%	-5.2%	4.4%	0.9%
Essential Utilities, Inc.	NYSE	WTRG	1774	04/04/2025	14.6%	-10.4%	-3.6%	2.6%	0.5%
Middlesex Water	NDQ	MSEX	1775	04/04/2025	1.4%	-46.7%	-18.9%	-7.9%	-1.6%
SJW Corporation	NYSE	SJW	1776	04/04/2025	-0.4%	-12.1%	-4.2%	-2.4%	-0.5%
Total					7.2%		-6.4%		0.8%
Minimum					-0.40%		-18.92%		-1.63%
wtd Mean									
Mean					7.22%		-6.41%		0.84%
Median					5.55%		-4.68%		0.69%
Maximum					16.60%		-1.35%		4.04%

Value Line Analysis

Water and Wastewater General Information

Appraisal Work Papers

Value Line Investment Surveys & Selected Yields
Water Industry
Market and Financial Ratios

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J. Weinert's E-Mail: weinertj@auswest.net

Appendix A-5.1

average yield of aaa corporate bonds

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AI Overview Learn more

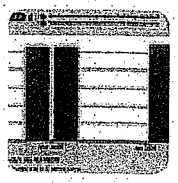
The average yield for Moody's Seasoned AAA Corporate Bond Yield is currently 5.45% as of April 2025. This is higher than the long-term average of 5.64%, but also higher than the previous month's yield of 5.29%, according to YCharts.

Here's a more detailed look at the data:

- **Current Yield:** 5.45% (April 2025).
- **Long-Term Average:** 5.64%.
- **Previous Month (March 2025):** 5.29%.
- **Last Year (May 2024):** 5.28%.

The data also shows that the yield has been relatively stable in recent months, fluctuating between 5.20% and 5.45%.

Moody's Seasoned Aaa Corporate Bond Yield - FRED



FRED

US Corporate AAA Effective Yield (I:USCAAAEY) - YCharts

Basic Info US Corporate AAA Effective Yield is at 4.88%, compared to 4.82% the previous market day and 5.05% last year. This is hi...

YCharts

Moody's Seasoned Aaa Corporate Bond Yield Monthly Insights

Basic Info. Moody's Seasoned Aaa Corporate Bond Yield is at 5.45%, compared to 5.29% last month and 5.28% last year. This is lower...

YCharts

AI responses may include mistakes. For financial advice, consult a professional.

Appendix A-5.1

Selected Yields

TAXABLE	Recent (3/24/25)	3 Months Ago (12/20/24)	Year Ago (3/25/24)
Market Rates			
Federal Funds	4.25-4.50	4.25-4.50	5.25-5.50
Prime Rate	7.50	7.50	8.50
30-day CP (A1/P1)	4.31	4.44	5.31
NY Fed SOFR	4.31	4.30	5.31
U.S. Treasury Securities			
3-month	4.33	4.34	5.46
6-month	4.27	4.29	5.36
1-year	4.11	4.27	5.00
5-year	4.09	4.37	4.23
10-year	4.34	4.52	4.25
10-year (inflation-protected)	1.98	2.23	1.92

TAXABLE	Recent (3/24/25)	3 Months Ago (12/20/24)	Year Ago (3/25/24)
U.S. Treasury Securities			
30-year	4.66	4.72	4.42
Common Stocks			
VL Stocks (Median)	2.20	2.10	2.10
DJ Industrials (12-mo. est.)	1.90	1.80	2.00
VL Utilities	3.50	3.50	4.00
Foreign Bonds (10-Year)			
Canada	3.10	3.32	3.53
China	1.89	1.73	2.32
Germany	2.79	2.33	2.35
Japan	1.58	1.07	0.73
United Kingdom	4.76	4.55	4.00

Federal Reserve Data

BANK RESERVES *(One-Month Period; in Billions, Not Seasonally Adjusted)*

	Recent Levels			Average Level Over the Last...		
	2/25	1/25	Change	3 Mos.	6 Mos.	12 Mos.
Total Reserves	3261.2	3255.6	5.6	3252.4	3243.7	3317.8
Borrowed Reserves	5.3	6.5	-1.2	9.2	38.0	81.7
Non-Borrowed Reserves	3255.9	3249.1	6.8	3243.2	3205.8	3236.1

MONEY SUPPLY *(One-Month Period; in Billions, Seasonally Adjusted)*

	Recent Levels			Growth Rates Over the Last...	
	2/25	1/25	Change	3 Mos.	6 Mos.
M1 (Currency+demand deposits+other liquid assets)	18531.3	18464.0	67.3	1.1%	2.4%
M2 (M1+small time deposits+retail money markets)	21671.0	21577.1	93.9	1.0%	2.3%

Source: United States Federal Reserve Bank

Major Insider Transactions†

PURCHASES

Latest Full-Page Report	Company	Insider, Title	Date	Shares Traded	Shares Held	Price Renge	Recent Price
2544	Adobe Inc.	D. Durn, EVP	3/20/2025	1,300	29,876	$390.34-$391.35	394.47
409	Enviri Corp.	T.G. Vadaketh, SVP	3/14/2025	40,297	132,431	$6.20	7.07
224	Omnicell, Inc.	R.A. Lipps, Dir.	3/14/2025	10,561	333,610	$33.13	35.14
988	PHINIA Inc.	R. Weerasinghe, Dir.	3/14/2025	6,130	22,665	$42.78	45.19
2342	Sinclair, Inc.	D.D. Smith*	3/18/25-3/19/25	66,229	967,589	$15.79-$15.90	16.53
1192	Sonoco Products	R.H. Coker, Pres.	3/13/2025	20,000	482,365	$46.10	46.75

SALES

Latest Full-Page Report	Company	Insider, Title	Date	Shares Traded	Shares Held	Price Range	Recent Price
2603	Airbnb, Inc.	B. Chesky*	3/17/2025	38,461	11,770,144	$124.00-$127.49	129.82
2431	Apollo Global Mgmt	L.D. Black, Officer	3/19/2025	500,000	34,604,773	$142.00-$142.52	148.40
2124	Carvana Co.	B.E. Huston, COO	3/14/2025	50,000	196,278	$172.45-$181.27	213.63
2517	Euronet Worldwide	M.J. Brown, CEO	3/13/2025	95,000	1,418,966	$100.69	108.60
1372	NVIDIA Corp.	R.K. Burgess, Dir.	3/13/2025	53,324	251,044	$115.49	121.41
1026	St. Joe Corp.	B.R. Berkowitz*	3/18/25-3/20/25	220,400	16,940,624	$47.00-$47.01	46.87

*Beneficial owner of more than 10% of common stock
†Includes only large transactions in U.S.-traded stocks; excludes shares held in the form of limited partnerships, excludes options & family trusts

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Pages 1700-1826

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ESPECIALLY NOTEWORTHY:

*This week, we welcome **TMX Group Limited**, an integrated, multi-asset class exchange group, to the Brokers & Exchanges Industry. Turn to page 1788 to learn more.*

What's more, the Digital Infrastructure Industry is making its Value Line debut this week. Subscribers should take a look at page 1801 for more details. Subsequently, the e-commerce Industry is being moved to Issue 13.

*After a year of transition in 2024, **3M** is settling major lawsuits and attempting to move forward. See all the latest news on this industrial conglomerate on page 1767.*

*After some activist investor pressure, **Honeywell International** has decided to break up into three separate entities starting in the middle of next year. Turn to page 1758 for a deeper dive on this situation.*

***Hitachi** has made solid progress on its collaboration with NVIDIA. A year ago, the two entities announced that they were working together to develop artificial intelligence solutions that would transform certain sectors. Learn more on page 1757.*

***Columbus McKinnon** has announced its planned acquisition of privately held Kito Crosby. Turn to page 1706 for the details of the transaction.*

★★ Rank 1 (Highest) for Timeliness.
★ Rank 2 (Above Average).

In three parts: Part 1 is the Summary & Index. Part 2 is Selection & Opinion. This is Part 3, Ratings & Reports. Volume LXXX, No. 35

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The vast majority of water systems in the United States are run by states and local municipalities, which do not issue equities. That's the main reason why the Water Utility Industry has only six companies and is one of the smaller groups followed by *Value Line*.

Water utility stocks have not performed well over the past few years. However, in 2025 almost every member of the group has turned in a good showing. Investors concerned about the impact of tariffs and other economic uncertainties have rotated part of their portfolios into utility stocks. These equities are often in demand when there is market turbulence because of their defensive characteristics. Indeed, these equities have predictable earnings and dividends, while the demand for water is relatively inelastic.

Industry fundamentals do not change quickly in this space. Over the past decade, the companies here have all been involved in major construction programs. Large amounts of funds are being spent to upgrade existing pipelines, which are often old and in poor condition.

The Timeliness rank of the Industry has moved higher since our last report, but still falls in the bottom half of the 93 Industries under review.

A Small Niche

To cover all of the investor-owned electric utilities in the United States, the industry must be broken up into three different *Value Line* issues. That's not the case for the six-company Water Utility Industry. As measured by market capitalization, just two of these utilities can be classified as large cap stocks: *American Water Works* and *Essential Utilities*. The remaining four have a combined market cap of $8.4 billion. One of the problems with such a limited selection is that the price of the equities can be driven to high evaluations, as demand can outstrip supply.

An Encouraging Start

As we go to press, the S&P 500 Index is down by about 2% in 2025. The average gain on water utilities is more than 5.5%. Shares of *American Water Works* and *Middlesex* are both up by double digits, while *American States* is the sole stock that has lost value. The Industry's performance has been aided by the turmoil in the equity market this year, especially among technology stocks.

State Of The Industry

Water utilities have been playing catch up for more than a decade. The industry had deferred capital spending for years, partially to keep customers' bills artificially low. As a result, the condition of the nation's water infrastructure has deteriorated significantly. In many parts of the country, the average age of pipelines can vary from 40 to 75 years. In addition to leaky pipes, many valves are broken. This causes a portion of the water being transported to never make it to its destination. The companies here have increased their capital budgets aggressively and have been hard at work upgrading their systems. Nevertheless, there is so much work ahead that the construction cycle should continue for the foreseeable future.

INDUSTRY TIMELINESS: 51 (of 93)

Improving Finances

Due to large modernization projects, water utilities were forced to rely heavily on debt for funding. This led to the typical company having a leveraged balance sheet. Over the past two years, though, this trend has reversed and all but *California Water* (B++) now have an A Financial Strength rating. The two largest companies in this group have also been acquiring smaller water districts. They have proven that they can integrate them into their existing assets and achieved meaningful economies of scale, which has provided a boost to their earnings. In any case, the stronger balance sheets provides the Industry with some cushion, as it may have to rely on the fixed-income markets more in the future.

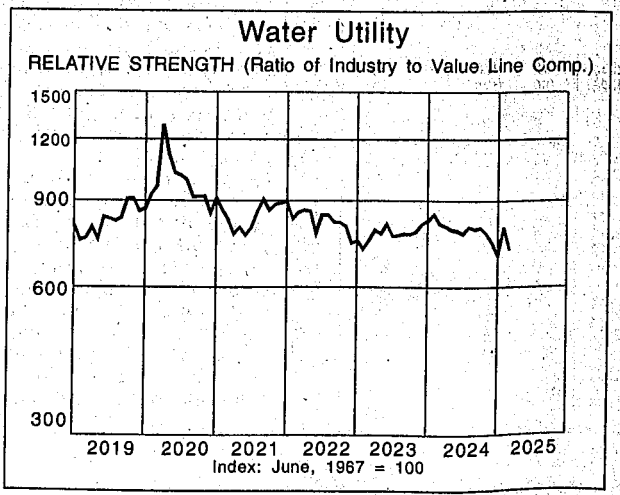
Regulatory Climate

One of the more surprising developments occurring in this space has been the ability of state authorities to maintain a constructive relationship with the firms that they regulate. For example, electric utilities and state regulators are known for long drawn-out confrontations over determining rates that can be charged. Whether the positive coexistence continues will have a major impact on the companies' ability to earn decent profits in the future. We are optimistic, but realize that state authorities are under tremendous pressure from ratepayers to not raise monthly bills, even when a utility's increased expenses are justified.

Conclusion

For investors that think the economy is headed in the wrong direction, the Water Industry might not be a bad place to park some money until a. clearer outlook emerges. *American States Water* is the only equity here ranked to outperform the market in the coming year. Income-seeking accounts may also want to take a look. Although the current dividend yields are only moderately above average, most of the companies have good and predictable distribution growth prospects. *American States*, *American Water Works*, and *Essential Utilities* could all post annual 8% gains in their payouts through 2028-2030.

James A. Flood



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AMER. STATES WATER NYSE-AWR

RECENT PRICE 74.72 | P/E RATIO 22.3 (Trailing: 23.6, Median: 30.0) | RELATIVE P/E RATIO 1.27 | DIV'D YLD 2.6% | VALUE LINE 1771

TIMELINESS 2 Raised 3/28/25
SAFETY 1 Raised 4/5/24
TECHNICAL 5 Lowered 3/21/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

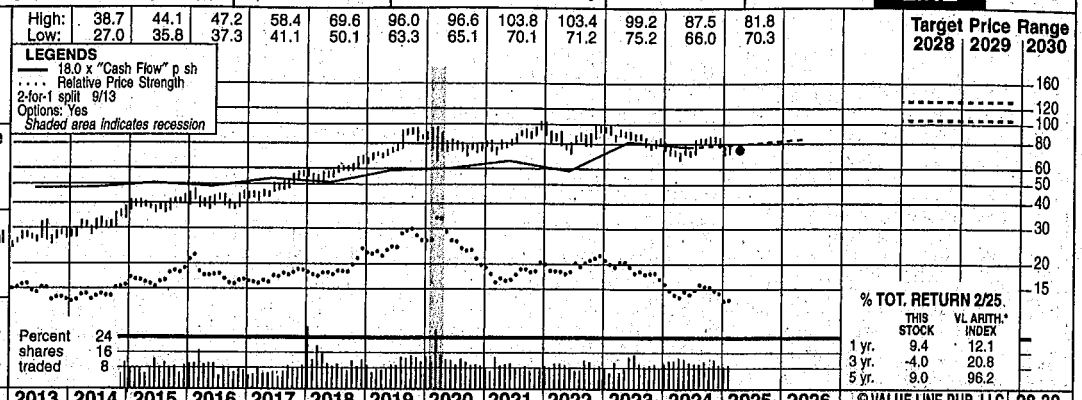
Low-High	Midpoint (% to Mid)
$63-$97	$80 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	130	(+75%)	17%
Low	105	(+40%)	11%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	167	146	158
to Sell	136	154	153
Hld's(000)	28544	35221	36704



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
9.74	10.71	11.12	12.12	12.19	12.17	12.56	11.92	12.01	11.88	12.86	13.24	13.51	13.30	16.11	15.61	*17.00*	*17.20*	Revenues per sh	*19.65*
1.70	2.11	2.13	2.48	2.65	2.67	2.81	2.70	2.96	2.84	3.26	3.34	3.64	3.25	4.55	4.29	*4.45*	*4.70*	"Cash Flow" per sh	*5.90*
.81	1.11	1.12	1.41	1.61	1.57	1.61	1.62	1.88	1.72	2.28	2.33	2.55	2.11	3.36	3.17	*3.30*	*3.45*	Earnings per sh [A]	*4.35*
.51	.52	.55	.64	.76	.83	.87	.91	.99	1.06	1.16	1.28	1.40	1.53	1.66	1.79	*1.95*	*2.10*	Div'd Decl'd per sh [B■]	*2.65*
2.09	2.12	2.13	1.77	2.52	1.89	2.39	3.55	3.08	3.44	4.12	3.54	3.91	4.50	5.10	6.08	*5.65*	*5.40*	Cap'l Spending per sh	*5.50*
9.70	10.13	10.84	11.80	12.72	13.24	12.77	13.52	14.45	15.19	16.33	17.39	18.57	19.20	20.99	24.12	*25.90*	*28.20*	Book Value per sh [D]	*33.25*
37.06	37.26	37.70	38.53	38.72	38.29	36.50	36.57	36.68	36.76	36.85	36.89	36.94	36.96	36.98	38.15	*38.25*	*39.00*	Common Shs Outst'g [C]	*40.00*
21.2	15.7	15.4	14.3	17.2	20.1	24.6	25.6	25.7	34.0	34.4	34.3	33.2	41.0	25.7	24.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*27.0*
1.41	1.00	.97	.91	.97	1.06	1.24	1.34	1.29	1.84	1.83	1.76	1.79	2.37	1.43	1.30			Relative P/E Ratio	*1.50*
2.9%	3.0%	3.2%	3.1%	2.7%	2.6%	2.2%	2.2%	2.0%	1.8%	1.5%	1.6%	1.7%	1.8%	1.9%	2.3%			Avg Ann'l Div'd Yield	*2.4%*
458.6	436.1	440.6	436.8	473.9	488.2	498.9	491.5	595.7	595.5	*650*	*670*	Revenues ($mill)	*785*
60.5	59.7	69.4	63.9	84.3	86.4	94.3	78.4	124.9	119.3	*125*	*135*	Net Profit ($mill)	*175*
38.4%	36.8%	36.0%	22.0%	22.6%	24.6%	24.4%	23.2%	25.0%	20.2%	*23.5%*	*24.0%*	Income Tax Rate	*24.0%*
--	--	--	--	--	--	--	--	2.5%	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
41.1%	39.4%	38.0%	40.5%	44.4%	47.2%	46.1%	39.9%	52.8%	46.7%	*48.5%*	*49.0%*	Long-Term Debt Ratio	*49.0%*
58.9%	60.6%	62.0%	59.5%	55.6%	52.8%	53.9%	60.1%	47.2%	53.3%	*51.5%*	*51.0%*	Common Equity Ratio	*51.0%*
791.5	815.3	854.9	938.4	1082.5	1216.2	1272.6	1181.5	1643.2	1725.4	*1930*	*2100*	Total Capital ($mill)	*2600*
1060.8	1150.9	1205.0	1296.3	1415.7	1512.0	1626.0	1753.8	1892.3	2099.6	*2300*	*2500*	Net Plant ($mill)	*3100*
9.0%	8.6%	9.3%	7.9%	8.9%	8.0%	8.3%	7.6%	8.8%	8.3%	*8.0%*	*7.5%*	Return on Total Cap'l	*8.0%*
13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Shr. Equity	*13.0%*
13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Com Equity	*13.0%*
6.0%	5.3%	6.2%	4.5%	6.9%	6.1%	6.2%	3.1%	8.2%	5.7%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
54%	56%	52%	61%	51%	55%	55%	72%	49%	56%	*58%*	*61%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $929.4 mill. Due in 5 Yrs $325.0 mill.
LT Debt $805.0 mill. LT Interest $42.0 mill.
(53% of Cap'l)

Leases, Uncapitalized: Annual rentals $2.4 mill.
Pension Assets-12/24 $195.0 mill.
Oblig. $217.0 mill.

Pfd Stock None

Common Stock 38,156,568 shs.
as of 2/18/25

MARKET CAP: $2.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	6.0	14.1	26.7
Accts Receivable	26.2	34.3	37.7
Other	119.1	157.6	168.9
Current Assets	151.3	206.0	233.3
Accts Payable	84.9	68.7	88.6
Debt Due	255.9	42.4	124.4
Other	55.7	55.5	72.5
Current Liab.	396.5	166.6	285.5

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	4.0%	*4.5%*
"Cash Flow"	4.5%	6.0%	*6.5%*
Earnings	6.5%	8.0%	*7.0%*
Dividends	8.5%	9.0%	*8.0%*
Book Value	5.5%	7.0%	*7.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	108.6	122.5	135.0	125.4	491.5
2023	161.4	157.4	151.7	125.2	595.7
2024	135.3	155.3	161.8	143.1	595.5
2025	*145*	*170*	*180*	*155*	*650*
2026	*150*	*175*	*185*	*160*	*670*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.38	.54	.69	.50	2.11
2023	.93	1.03	.85	.55	3.36
2024	.62	.85	.95	.75	3.17
2025	*.68*	*.90*	*1.02*	*.70*	*3.30*
2026	*.70*	*.93*	*1.08*	*.74*	*3.45*

Calendar	QUARTERLY DIVIDENDS PAID [B■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.335	.335	.365	.365	1.40
2022	.365	.365	.3975	.3975	1.53
2023	.3975	.3975	.43	.43	1.66
2024	.43	.43	.4655	.4655	1.79
2025	.4655				

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Goldan State Water Co., it supplies water to 264,557 customers in 10 California counties. Service areas include the metropolitan areas of Los Angeles and Orange Counties. The company also provides electricity to 24,857 customers in Big Bear Lake and San Bernardino Cnty. Provides water & wastewater services to U.S. military bases through its ASUS subsidiary. Sold Chaparral City Wtr. of AZ, (6/11). Employs 846. BlackRock, Inc. owns 18.2% of out. shares; Vanguard, 12.4%; off. & dir., 0.8% (4/24 Proxy). Chair.: Anne M. Holloway. Pres. & CEO: Robert Sprowls. Inc: CA. Address: 630 East Foothill Blvd., San Dimas, CA 91773. Tel.: 909-394-3600. Int.: www.aswater.com.

Shares of American States Water ought to appeal to an assortment of investors. For starters, the equity is ranked to outperform the market averages in the year ahead. Moreover, AWR has a solid 2.6% yield and good distribution growth prospects. Over the pull to 2028-2030, the stock offers attractive potential on a risk-adjusted basis. Indeed, even though its projected total returns are just modestly above the *Value Line* median, this is favorable because American States carries a 1 (Highest) ranking for Safety. It also scores a 95 (out of 100) for Price Stability and has a Beta coefficient of only 0.75, compared with the 1.0 average.

Meanwhile, state regulators have settled a long-delayed rate case. The company's water utility, Golden State Water (GSW), originally filed for rate relief for the 2025 to 2027 period in August, 2023. On January 30th, 2025, the California Public Utility Commission (CPUC) finally made its decision. And, while some of GSW's requests were denied, the ruling wasn't meaningfully different from what the utility and the Public Advocates Office agreed to much earlier.

The company's earnings will be better than they appear in 2025 and 2026. Due to delays in regulatory rulings, sometimes the utility will have to absorb costs for several or more quarters and then be allowed to recoup them retroactively. This can distort year-over-year comparisons, as was the case in 2023 and 2024. With higher rates in effect since February 1st, we expect the company's share earnings to rise 4% to $3.30 this year, and move 5% higher in 2026, to $3.45.

Nonutility operations could make our estimates look conservative. American States has a nonregulated business called ASUS that aids in privatizing the United States military's water operations. Bids are being sought to transform military facilities on a base-by-base basis. The contract terms are typically for 50 years. ASUS has been successful in the past and currently oversees 11 military bases. Though the bidding process is competitive, we expect ASUS to continue to be awarded more work. Since the CPUC has no jurisdiction, ASUS's returns are not capped here, as is the case for GSW.

James A. Flood *April 4, 2025*

(A) Primary earnings. Excludes nonrecurring gains/(losses):; '10, (23¢); '11, 10¢. Next earnings report due mid-May.
(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.
(C) In millions, adjusted for split.
(D) Includes intangibles. As of 12/31/24; $8.0 million/$0.21 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	80

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AMERICAN WATER NYSE-AWK

RECENT PRICE 139.70 | P/E RATIO 24.0 (Trailing: 25.9 Median: 29.0) | RELATIVE P/E RATIO 1.36 | DIV'D YLD 2.3% | VALUE LINE 1772

TIMELINESS 3 Raised 3/14/25
SAFETY 2 Raised 10/4/24
TECHNICAL 5 Lowered 2/28/25
BETA .85 (1.00 = Market)

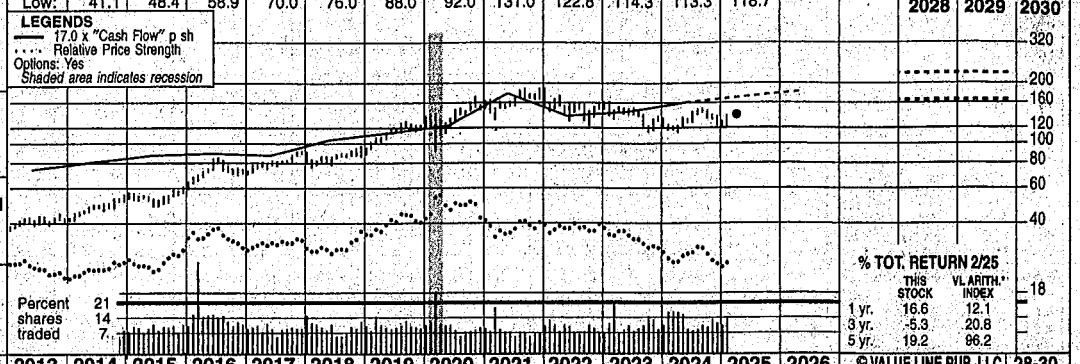
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$101-$162 $132 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	225	(+60%)	14%
Low	165	(+20%)	7%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	458	469	496
to Sell	477	430	502
Hld's(000)	172197	188107	193458



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
13.98	15.49	15.18	16.25	16.28	16.78	17.72	18.54	18.81	19.04	19.97	20.83	21.58	20.85	21.74	24.03	*25.20*	*26.85*	Revenues per sh	*31.25*
2.89	3.56	3.73	4.27	4.36	4.75	5.13	5.26	5.14	6.15	6.65	7.24	10.46	8.08	8.46	9.43	*10.05*	*10.75*	"Cash Flow" per sh	*12.60*
1.25	1.53	1.72	2.11	2.06	2.39	2.64	2.62	2.38	3.15	3.43	3.91	6.95	4.51	4.90	5.39	*5.70*	*6.15*	Earnings per sh A	*7.50*
.82	.86	.90	1.21	.84	1.21	1.33	1.47	1.62	1.78	1.96	2.15	2.36	2.57	2.78	3.00	*3.25*	*3.50*	Div'd Decl'd per sh B■	*4.45*
4.50	4.38	5.27	5.25	5.50	5.33	6.51	7.36	8.04	8.78	9.15	10.05	9.71	12.63	13.22	14.65	*16.90*	*15.25*	Cap'l Spending per sh	*16.00*
22.91	23.59	24.11	25.11	26.52	27.39	28.25	29.24	30.13	32.42	33.83	35.58	40.18	42.30	50.31	53.01	*55.55*	*58.30*	Book Value per sh D	*76.70*
174.63	175.00	175.66	176.99	178.25	179.46	178.28	178.10	178.44	180.68	180.81	181.30	181.61	181.86	194.73	194.92	*195.20*	*195.50*	Common Shs Outst'g C	*210.00*
15.6	14.6	16.8	16.7	19.9	20.0	20.5	27.7	33.8	27.3	32.9	35.3	23.6	33.6	28.6	24.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*26.0*
1.04	.93	1.05	1.06	1.12	1.05	1.03	1.45	1.70	1.47	1.75	1.81	1.28	1.94	1.59	1.30			Relative P/E Ratio	*1.45*
4.2%	3.8%	3.1%	3.4%	2.0%	2.5%	2.5%	2.0%	2.0%	2.1%	1.7%	1.6%	1.4%	1.7%	2.0%	2.3%			Avg Ann'l Div'd Yield	*2.3%*
3159.0	3302.0	3357.0	3440.0	3610.0	3777.0	3920.0	3792.0	4234.0	4684.0	*4920*	*5250*	Revenues ($mill)	*6250*
476.0	468.0	426.0	567.0	621.0	709.0	1263.0	820.0	944.0	1051.0	*1115*	*1200*	Net Profit ($mill)	*1575*
39.1%	39.2%	53.3%	28.2%	25.5%	23.3%	23.0%	18.7%	21.1%	22.7%	*22.5%*	*22.5%*	Income Tax Rate	*22.5%*
--	--	--	--	--	--	--	--	5.1%	2.9%	*3.0%*	*3.5%*	AFUDC % to Net Profit	*3.5%*
53.7%	52.4%	54.7%	56.3%	58.5%	59.1%	58.6%	58.7%	54.5%	54.8%	*57.0%*	*59.0%*	Long-Term Debt Ratio	*56.5%*
46.2%	47.5%	45.3%	43.6%	41.4%	40.9%	41.4%	41.3%	45.5%	45.2%	*43.0%*	*41.0%*	Common Equity Ratio	*43.5%*
10911	10967	11875	13433	14760	15787	17639	18619	21512	22850	*25340*	*27600*	Total Capital ($mill)	*36500*
13933	14992	16246	17409	18232	19710	21084	23223	25438	28038	*30500*	*32500*	Net Plant ($mill)	*39000*
5.7%	5.6%	4.9%	5.4%	5.4%	5.7%	8.2%	5.5%	5.4%	5.7%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Shr. Equity	*10.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Com Equity	*10.0%*
4.7%	4.0%	2.5%	4.2%	4.4%	5.0%	11.4%	4.6%	4.2%	4.5%	*4.5%*	*4.5%*	Retained to Com Eq	*4.0%*
50%	56%	68%	56%	57%	55%	34%	57%	56%	56%	*56%*	*57%*	All Div'ds to Net Prof	*59%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $14049 mil. Due in 5 Yrs $4140 mil.
LT Debt $12533 mil. LT Interest $506 mil. (55% of Cap'l)

Leases, Uncapitalized: Annual rentals $10.0 mill.
Pension Assets 12/23 $1622.0 mill
Oblig. $1431.0 mill.
Pfd Stock $3.0 mill. **Pfd Div'd** $.1 mill

Common Stock 194,947,313 shares as of 2/10/25

MARKET CAP: $27.2 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	117	364	125
Accts Receivable	334	339	416
Other	799	686	674
Current Assets	1250	1389	1215
Accts Payable	254	294	346
Debt Due	1456	654	1516
Other	1101	1203	1288
Current Liab.	2811	2151	3150

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	3.0%	*4.0%*
"Cash Flow"	7.0%	7.5%	*8.0%*
Earnings	8.5%	10.5%	*4.5%*
Dividends	10.0%	9.5%	*8.5%*
Book Value	6.5%	8.5%	*6.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	842.0	937.0	1082	931.0	3792.0
2023	938.0	1097	1167	1032	4234.0
2024	1011	1149	1323	1201	4684.0
2025	*1090*	*1200*	*1385*	*1245*	*4920*
2026	*1170*	*1280*	*1475*	*1325*	*5250*

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.87	1.20	1.63	.81	4.51
2023	.91	1.45	1.66	.88	4.90
2024	.95	1.42	1.80	1.22	5.39
2025	*1.10*	*1.55*	*1.95*	*1.10*	*5.70*
2026	*1.15*	*1.70*	*2.15*	*1.15*	*6.15*

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.55	.6025	.6025	.6025	2.36
2022	.6025	.655	.655	.655	2.57
2023	.655	.7075	.7075	.7075	2.28
2024	.7075	.765	.765	.765	3.00
2025	.765				

BUSINESS: American Water Works Company, Inc. is the largest investor-owned water and wastewater utility in the U.S., providing services to approximately 14 million people in 24 states. Nonregulated business assists municipalities and military bases with the maintenance and upkeep as well. Regulated operations made up 92% of 2024 revenues. Pennslyvania (23%); New Jersey (21%); Missouri (14%); and Illinois (11%) are its largest markets. Has 6,700 employees. Vanguard owns 12.3% of outstanding shares; BlackRock, 9.5%; State St., 5.7%; officers & directors, less than 1.0% (3/24 Proxy). President & Chief Executive Officer: M. Susan Hardwick. . Address: 1 Water Street, Camden, NJ 08102. Telephone: 856-346-8200. Internet: www.amwater.com.

American Water Works has bright prospects. In 2024, the water utility had a strong bottom-line showing, as its share earnings rose 10%, to $5.39. We estimate that the company's profit growth can increase by 6% and 8%, in 2025 and 2026, respectively. This is within leadership's 7%-10% annual five-year target projections. A larger rate base and rate relief, along with its acquisition strategy ought to support this level of growth.

The fragmentation of the United States' water utility industry provides American Water with significant opportunities. Excluding the smallest ones, there are an estimated 50,000 different water utilities in this country. Almost all are municipally run, inefficient, poorly capitalized, and in need of capital investment to replace aging pipelines. The company has been steadily purchasing some of these districts and increasing operating margins meaningfully (about $417 million was spent in 2024). Moreover, it plans on investing $1.5 billion to $2.0 billion over the next five years on additional acquisitions. We would not be surprised if this range was exceeded by $500 million to $1 billion, as many districts do not have the wherewithal to modernize their pipelines. American Water also has a good historical track record of using these purchases to boost earnings.

Capital expenditures will remain burdensome for the foreseeable future. Leadership recently released a projected spending budget for upgrading its existing pipeline and wastewater assets. Over the period from 2025 to 2029, expenditures are estimated at $15.5 billion to $16.0 billion. We think it will be near the higher end of the range and average $3.3 billion a year. What's more, this is not cyclical. The company's infrastructure (like all of its peers) is in such poor condition that these outlays will probably continue for decades.

These shares do not stand out for either short- or long-term performance. The equity's Timeliness rank is only a 3 (Average) while its 18-month prospects are subpar. Furthermore, though American Water has healthy share earnings and dividend growth prospects, the stock's 12% rise in 2025 seems to have factored in the good news.

James A. Flood *April 4, 2025*

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	65

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(A) Diluted earnings. Excludes nonrecur. losses: '08, $4.62; '09, $2.63; '11, $0.07. Disc. oper.: '06, ($0.04); '11, $0.03; '12, ($0.10); '13,($0.01). GAAP used as of 2014. Includes $2.70 sh. gain from sale of HOS sub.in Q4,'21. Next earnings report due mid-May. (B) Dividends paid in March, June, September, and December. ■ Div. reinvestment available. (C) In millions. (D) Includes intangibles. On 12/31/24: $1.229 billion, $6.31/share.

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CALIFORNIA WATER NYSE-CWT

RECENT PRICE 45.87 | P/E RATIO 17.1 (Trailing: 14.0, Median: 29.0) | RELATIVE P/E RATIO 0.97 | DIV'D YLD 2.4% | VALUE LINE 1773

TIMELINESS 4 Lowered 11/1/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .85 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$38-$66	$52 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+105%)	21%
Low	70	(+55%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	144	155	167
to Sell	131	135	141
Hld's(000)	48438	58328	59582

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
High:	26.4	26.0	36.8	46.2	49.1	57.5	57.4	72.1	72.0	63.9	56.3	48.8						
Low:	20.3	19.5	22.5	32.4	35.3	44.6	39.7	51.0	48.5	45.4	43.5	41.6						

LEGENDS
50.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession

Target Price Range 2028 | 2029 | 2030
120 100 80 64 48 32 24 20 16 12 8

Percent shares traded 18 12 6

% TOT. RETURN 2/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.7	12.1
3 yr.	-14.9	20.8
5 yr.	4.4	98.2

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
10.82	11.05	12.00	13.34	12.23	12.50	12.29	12.70	13.89	14.53	14.72	15.78	14.72	15.22	13.77	17.43	*19.75*	*21.15*	Revenues per sh	*25.50*
1.93	1.93	2.07	2.32	2.21	2.47	2.22	2.34	3.00	3.11	3.14	3.88	3.91	3.79	3.03	5.46	*4.45*	*4.70*	"Cash Flow" per sh	*5.05*
.98	.91	.86	1.02	1.02	1.19	.94	1.01	1.40	1.36	1.31	1.97	1.96	1.77	.91	3.26	*3.00*	*3.20*	Earnings per sh A	*3.45*
.59	.60	.62	.63	.64	.65	.67	.69	.72	.75	.79	.85	.92	1.00	1.04	1.12	*1.20*	*1.25*	Div'd Decl'd per sh B ■	*1.45*
2.66	2.97	2.83	3.04	2.58	2.76	3.69	4.77	5.40	5.65	5.64	5.93	5.46	5.90	6.65	7.91	*6.75*	*6.50*	Cap'l Spending per sh	*6.45*
10.13	10.45	10.76	11.28	12.54	13.11	13.41	13.75	14.44	15.19	16.07	18.30	21.92	23.70	24.72	27.49	*29.10*	*31.60*	Book Value per sh C	*35.00*
41.53	41.67	41.82	41.98	47.74	47.81	47.88	47.97	48.01	48.07	48.53	50.33	53.72	55.60	57.72	59.48	*55.00*	*53.00*	Common Shs Outst'g D	*50.00*
19.7	20.3	21.3	17.9	20.1	19.7	24.8	29.6	26.9	30.3	39.3	24.9	30.5	33.0	NMF	15.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*24.0*
1.31	1.29	1.34	1.14	1.13	1.04	1.25	1.55	1.35	1.64	2.09	1.28	1.65	1.91	NMF	.81			Relative P/E Ratio	*1.30*
3.1%	3.2%	3.4%	3.5%	3.1%	2.8%	2.9%	2.3%	1.9%	1.8%	1.5%	1.7%	1.5%	1.7%	1.9%	2.3%			Avg Ann'l Div'd Yield	*1.8%*
588.4	609.4	666.9	698.2	714.6	794.3	790.9	846.4	794.6	1036.8	*1085*	*1120*	Revenues ($mill) E	*1275*
45.0	48.7	67.2	65.6	63.1	96.8	101.1	96.0	51.9	190.8	*165*	*170*	Net Profit ($mill)	*173*
36.0%	35.5%	30.1%	24.5%	19.1%	11.1%	20.1%	3.3%	3.3%	18.3%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
4.3%	6.1%	3.5%	3.1%	5.8%	3.3%	1.7%	--	1.7%	1.7%	*2.0%*	*3.0%*	AFUDC % to Net Profit	*5.0%*
44.4%	44.6%	42.7%	49.3%	50.2%	45.9%	47.3%	44.4%	42.5%	40.3%	*37.5%*	*35.0%*	Long-Term Debt Ratio	*34.0%*
55.6%	55.4%	57.3%	50.7%	49.8%	54.1%	52.7%	55.6%	57.5%	59.7%	*62.5%*	*65.0%*	Common Equity Ratio	*66.0%*
1154.4	1191.2	1209.3	1440.2	1566.7	1702.4	2233.4	2370.1	2479.5	2739.8	*2550*	*2575*	Total Capital ($mill)	*2650*
1701.8	1859.3	2048.0	2232.7	2406.4	2650.6	2846.9	3058.9	3773.3	4134.6	*4200*	*4350*	Net Plant ($mill)	*4500*
5.2%	5.5%	7.1%	5.9%	5.5%	7.0%	5.5%	5.0%	3.1%	7.9%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Shr. Equity	*10.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Com Equity	*10.0%*
2.0%	2.4%	4.7%	4.0%	3.2%	6.0%	4.6%	3.2%	NMF	7.7%	*6.0%*	*6.0%*	Retained to Com Eq	*5.5%*
71%	68%	51%	55%	60%	43%	47%	56%	114%	34%	*40%*	*39%*	All Div'ds to Net Prof	*42%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1177.0 mill. **Due in 5 Yrs** $357.0 mill.
LT Debt $1104.6 mill. **LT Interest** $40.0 mill.
(Total interest coverage: 1.8x) (40% of Cap'l)

Pension Assets-12/24 $750.0 mill.
Oblig. $524.0 mill.

Pfd Stock None

Common Stock 59,484,000 shs.

MARKET CAP: $2.7 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	62.1	39.6	50.1
Other	233.4	256.7	274.0
Current Assets	295.5	296.3	324.1
Accts Payable	141.0	157.3	167.5
Debt Due	73.3	180.7	72.4
Other	80.4	92.3	298.5
Current Liab.	294.7	430.3	538.4

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	1.5%	*8.5%*
"Cash Flow"	6.0%	6.0%	*3.5%*
Earnings	6.5%	8.0%	*9.5%*
Dividends	5.0%	7.0%	*5.5%*
Book Value	7.5%	10.5%	*5.5%*

Calendar	QUARTERLY REVENUES ($ mill.) E Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	173.0	206.2	266.3	200.9	846.4
2023	131.1	194.0	255.0	214.5	794.6
2024	270.7	244.3	299.6	222.2	1036.8
2025	*255*	*265*	*315*	*250*	*1085*
2026	*260*	*270*	*325*	*265*	*1120*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.02	.36	1.03	.35	1.77
2023	d.40	.17	.60	.52	.91
2024	1.21	.70	1.03	.33	3.26
2025	*.50*	*.65*	*1.20*	*.65*	*3.00*
2026	*.55*	*.70*	*1.25*	*.70*	*3.20*

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.230	.230	.230	.230	.92
2022	.250	.250	.250	.250	1.00
2023	.260	.260	.260	.260	1.04
2024	.280	.280	.280	.280	1.12
2025	.300				

BUSINESS: California Water Service Group provides regulated and nonregulated water service to 499,400 customers in 100 communities in the state of California. Accounts for about 90% of total customers. Also operates in Washington, New Mexico, and Hawaii. Main service areas: San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles. Acquired Rio Grande Corp; West Hawaii Utilities (9/08). Revenue breakdown, '24: residential, 67%; business, 20%; industrial, 3%; public authorities, 5%; other 5%. Off. and dir. own 1% of common stock (4/24 proxy). Has 1,184 employees. Pres. and CEO: Martin A. Kropelnicki. Inc.: DE. Addr.: 1720 North First St., San Jose, CA 95112-4598. Tel.: 408-367-8200. Internet: www.calwatergroup.com.

California Water Service Group posted mixed financial results to close out 2024. Fourth-quarter revenues of $222 million rose slightly versus the previous-year tally, as higher customer rates during the period offset relatively lower water usage. Meanwhile, operating expenses, namely water production costs and higher wholesale rates, pressured profits. A lower income tax benefit during the period also weighed on the bottom line, resulting in a 37% year-over-year earnings contraction, to $0.33 per share. But despite the tepid December period, California Water's financial performance in 2024 was largely solid.

We look for modest revenue growth and decent earnings this year. The top line ought to be supported by ongoing rate approval activity, specifically in regard to the in-process 2024 general rate case, as well as increased customer water usage and an expanding customer base. On the earnings front, production costs are likely to remain somewhat elevated in the near term. Thus, our model calls for share net to take a slight step back this year, to $3.00.

The company's track record of annual dividend increases has not wavered. The board of directors recently raised the quarterly payout 7%, to $0.30 per share. At present, the yield is slightly above that of the *Value Line* median, making these shares a good selection for income-seeking accounts.

Capital investment is poised to remain solid over the pull to late decade. In tandem with general rate case filings and capital spending budgets to state regulators, management intends to invest more than $1.5 billion over the next several years. The majority of funds will likely be earmarked for infrastructure upgrades on treatment plants and water delivery systems.

Untimely California Water shares may pique the interest of investors with a long-term horizon. At recent levels, the stock offers attractive total return potential over the 2028-2030 time frame. Moreover, the equity is ranked 2 (Above Average) for Safety and is significantly less volatile than the broader market, which adds to the stock's appeal.

Nicholas Patrikis *April 4, 2025*

(A) Basic EPS. Excl. nonrecurring gain (loss): '11, 4¢. Next earnings report due late May.
(B) Dividends historically paid in late Feb., May, Aug., and Nov. ■ Div'd reinvestment plan available.
(C) Incl. intangible assets. In '24 : $61.2 mill., $1.03/sh.
(D) In millions.
(E) Excludes non-regulated revenues.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	45

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ESSENTIAL UTIL. NYSE-WTRG

RECENT PRICE 38.15 | P/E RATIO 17.2 (Trailing: 17.6) (Median: 26.0) | RELATIVE P/E RATIO 0.98 | DIV'D YLD 3.5% | VALUE LINE 1774

TIMELINESS 3 Raised 11/8/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .90 (1.00 = Market)

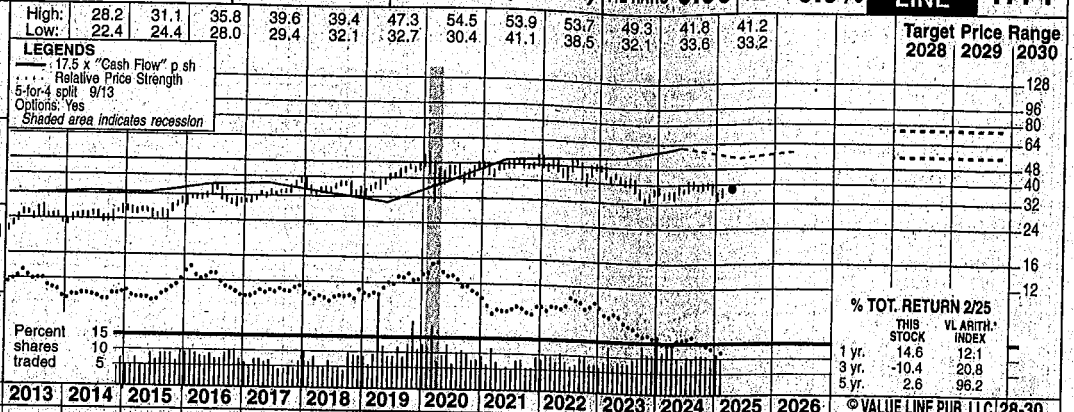
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$32-$48 $40 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+95%)	21%
Low	55	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	273	303	250
to Sell	263	245	317
Hld's(000)	215186	239652	248494



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
3.93	4.21	4.10	4.32	4.32	4.37	4.61	4.62	4.56	4.71	4.03	5.96	7.43	8.68	7.52	7.59	8.50	8.95	Revenues per sh	10.75
1.29	1.42	1.45	1.51	1.82	1.89	1.87	2.07	2.12	1.90	1.73	2.21	2.89	2.98	3.08	3.51	3.60	3.85	"Cash Flow" per sh	4.30
.62	.72	.83	.87	1.16	1.20	1.14	1.32	1.35	1.08	1.04	1.12	1.67	1.77	1.86	2.17	2.25	2.45	Earnings per sh	2.75
.44	.47	.50	.54	.58	.63	.69	.74	.79	.85	.91	.97	1.04	1.11	1.19	1.27	1.35	1.43	Div'd Decl'd per sh B	1.75
1.66	1.89	1.90	1.98	1.73	1.84	2.07	2.16	2.69	2.78	2.49	3.41	4.04	4.03	4.39	4.84	5.00	5.00	Cap'l Spending per sh	5.00
6.50	6.81	7.21	7.90	8.63	9.27	9.78	10.43	11.02	11.28	17.58	19.09	20.50	20.39	21.57	22.56	22.60	23.60	Book Value per sh D	26.05
170.61	172.46	173.60	175.43	177.93	178.59	176.54	177.39	177.71	178.09	220.76	245.39	252.87	263.74	273.30	274.82	279.00	282.00	Common Shs Outst'g C	288.00
23.1	21.1	21.3	21.9	21.2	20.8	23.5	23.9	24.7	32.6	39.1	39.6	28.3	26.6	21.6	17.5	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	24.0
1.54	1.34	1.34	1.39	1.19	1.09	1.18	1.25	1.24	1.76	2.08	2.03	1.53	1.54	1.20	.93			Relative P/E Ratio	1.35
3.1%	3.1%	2.8%	2.8%	2.4%	2.5%	2.6%	2.3%	2.4%	2.4%	2.2%	2.2%	2.2%	2.4%	3.0%	3.3%			Avg Ann'l Div'd Yield	2.8%
814.2	819.9	809.5	838.1	889.7	1462.7	1878.1	2288.0	2053.8	2086.1	2370	2520	Revenues ($mill)	3100
201.8	234.2	239.7	192.0	224.5	284.8	431.6	465.2	498.2	595.3	625	690	Net Profit ($mill)	795
6.9%	8.2%	6.6%	--	--	--	--	--	--	--	5.0%	10.0%	Income Tax Rate	20.0%
3.1%	3.8%	6.3%	6.8%	7.2%	4.5%	4.8%	1.3%	2.2%	2.2%	2.0%	2.0%	AFUDC % to Net Profit	2.0%
50.3%	48.4%	50.6%	54.4%	43.1%	54.0%	52.7%	54.2%	53.7%	54.3%	54.0%	54.0%	Long-Term Debt Ratio	54.5%
49.7%	51.6%	49.4%	45.6%	56.9%	46.0%	47.3%	45.8%	46.3%	45.7%	46.0%	46.0%	Common Equity Ratio	45.5%
3469.5	3587.7	3965.4	4407.8	6824.2	10192	10964	11748	12722	13567	13700	14450	Total Capital ($mill)	16500
4688.9	5001.6	5399.9	5930.3	6345.8	9512.9	10252	11131	12097	13143	14025	15250	Net Plant ($mill)	17100
6.9%	7.6%	7.1%	5.5%	4.2%	3.7%	4.8%	5.0%	5.0%	5.4%	4.5%	5.0%	Return on Total Cap'l	5.0%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Shr. Equity	10.5%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Com Equity	10.5%
4.7%	5.6%	5.1%	2.1%	.9%	1.1%	3.3%	3.3%	3.1%	4.0%	4.0%	4.5%	Retained to Com Eq	4.0%
60%	56%	59%	79%	84%	82%	60%	62%	64%	58%	60%	58%	All Div'ds to Net Prof	64%

CAPITAL STRUCTURE as of 12/31/24
Total Debt $7697.7 mill. Due in 5 Yrs $1201 mill.
LT Debt $7368.4 mill. LT Interest $300.0 mill. (54% of Cap'l)

Pension Assets-12/24 $312.3 mill. Oblig. $313.7 mill.
Pfd Stock None
Common Stock 274,820,000 shares

MARKET CAP: $10.5 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	11.4	4.6	9.2
Receivables	206.3	144.3	294.5
Inventory (AvgCst)	46.6	47.5	93.9
Other	393.9	295.6	88.3
Current Assets	658.2	492.0	485.9
Accts Payable	238.8	221.2	306.3
Debt Due	427.9	227.5	329.3
Other	355.2	349.0	339.1
Current Liab.	1021.9	797.7	974.7

BUSINESS: Essential Utilities, Inc. became the new name for Aqua America on Feb. 3, 2020, to reflect the acquisition of Peoples, a natural gas utility, which occurred in 3/20. In 2024, Aqua Amer. provided water and wastewater services in the states of PA, OH, TX, IL, NC, NJ, IN, VA, NS, WS. Acquired AquaSource, 7/13; N. Maine Util., 7/15; and others. Water respn. for 59% of revenues in 2024; residential, 32%; commercial, 9%; industrial, wastewater & other, 18%; Gas 40%; other, 1%. Employs 3,291. Off. & dir. own less than 1% of the common stock; BlackRock, 11.3%; Vanguard, 10.2%; Can. Pen. Plan 7.9% (3/24 proxy). Pres. & CEO: Christopher Franklin, Inc.: PA Addr.: 762 W Lancaster Ave., Bryn Mawr, PA 19010. Tel.: 610-525-1400. Int.: www.essential.co.

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	6.0%	12.5%	5.0%
"Cash Flow"	6.5%	10.5%	6.0%
Earnings	6.0%	11.0%	6.0%
Dividends	7.5%	7.0%	6.5%
Book Value	9.5%	10.0%	3.0%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	699.3	448.7	434.6	705.4	2288.0
2023	726.5	436.7	411.1	479.5	2053.8
2024	612.1	434.4	435.3	604.3	2086.1
2025	690	475	490	715	2370
2026	705	515	545	755	2520

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.76	.31	.26	.44	1.77
2023	.72	.34	.30	.50	1.86
2024	.97	.28	.25	.67	2.17
2025	.78	.40	.37	.70	2.25
2026	.85	.45	.40	.75	2.45

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2507	.2507	.2682	.2682	1.04
2022	.2682	.2682	.287	.287	1.11
2023	.287	.287	.3071	.3071	1.19
2024	.3071	.3071	.3255	.3255	1.27
2025	.326				

Essential Utilities delivered mixed results to close out 2024. The diversified utility provider reported December-period revenues of $604 million and earnings of $0.67 per share. The former came in shy of our call, but improved notably year over year, while the latter bested our mark, and jumped 14% versus the previous-year tally. Toward the end of 2024, the company had some wind at its back, including rising water and natural gas volumes, as well as higher rates. These trends likely carried over into 2025, suggesting the company is poised for a strong start to the year.

Modest top- and bottom-line growth is on tap for 2025 and 2026. Based on our model, we look for annual revenue and earnings expansion of 14% and 4%, respectively, for this year. The recently completed acquisition of Greenville Wastewater and the approved Pennsylvania rate case ought to support the advance. For 2026, our introductory estimates suggest that revenues may well improve 6%, to $2.52 billion, while earnings jump roughly 9%, to $2.45 per share.

Capital investments are expected to accelerate in the years ahead. In particular, Essential Utilities will likely be focused on replacing aging water systems and pipelines, removing harmful chemicals such as PFAS contamination, as well as upgrading the safety of its natural gas operations. This will probably prompt the company to seek additional rate hike approvals from regulators going forward, as some of these costs can be recouped via rate increases.

We like these shares predominately for investors with a 3- to 5-year holding period. The stock is just an Average (Timeliness: 3) selection for relative year-ahead price performance, while upside over the 18-month window is also unexciting at recent levels. On the other hand, total return potential over the 2028-2030 time frame is well above the *Value Line Investment Survey* median. This is supported partly by a healthy dividend yield. Finally, the equity's defensive characteristics, including a favorable rank for Safety (2) and a good Financial Strength mark (A), further sweeten the pot for conservative accounts.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Includes unusual gain: '24, Q1, 24¢; Excludes nonrecurring gain: '12, 18¢. Excludes gain from discontinued operations: '12, 7¢; '13, 9¢; '14, 11¢. Next earnings report scheduled for late May.
(B) Dividends historically paid in early March, June, Sept., & Dec. ■ Div'd. reinvestment plan available (5% discount).
(C) In millions, adjusted for stock split.
(D) Includes intangibles: 12/31/24, $2,344 bill./$8.53 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	40
Earnings Predictability	70

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MIDDLESEX WATER NDQ-MSEX

RECENT PRICE 60.49 | P/E RATIO 23.2 (Trailing: 24.5 / Median: 28.0) | RELATIVE P/E RATIO 1.32 | DIV'D YLD 2.1% | VALUE LINE 1775

TIMELINESS 3 Raised 6/7/24
SAFETY 2 New 10/21/11
TECHNICAL 5 Lowered 3/14/25
BETA .80 (1.00 = Market)

18-Month Target Price Range
Low-High Midpoint (% to Mid)
$34-$76 $55 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+80%)	18%
Low	80	(+30%)	10%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	94	73	100
to Sell	86	98	74
Hld's(000)	12771	16934	16718

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	23.7	28.0	44.5	46.7	60.3	67.7	76.1	121.4	121.1	90.6	70.7	65.6								
Low:	19.1	21.2	25.0	32.2	34.0	51.0	48.8	67.1	74.2	61.3	45.4	48.2								
	6.75	6.60	6.50	6.98	7.19	7.26	7.77	8.16	8.00	8.42	7.72	8.10	8.17	9.21	9.33	10.73	*11.70*	*12.20*	Revenues per sh	*13.05*
	1.40	1.55	1.46	1.56	1.72	1.84	1.97	2.17	2.24	2.89	2.90	3.25	3.28	3.70	3.41	4.04	*3.85*	*4.05*	"Cash Flow" per sh	*4.55*
	.72	.96	.84	.90	1.03	1.13	1.22	1.38	1.38	1.96	2.01	2.18	2.07	2.39	1.76	2.47	*2.75*	*2.95*	Earnings per sh [A]	*3.45*
	.71	.72	.73	.74	.75	.76	.78	.81	.86	.91	.98	1.04	1.11	1.18	1.26	1.32	*1.40*	*1.46*	Div'd Decl'd per sh [B]■	*1.65*
	1.49	1.90	1.50	1.36	1.26	1.40	1.59	2.91	3.08	4.40	5.11	6.04	4.53	5.18	5.06	4.17	*5.45*	*5.65*	Cap'l Spending per sh	*6.00*
	10.33	11.13	11.27	11.48	11.82	12.24	12.74	13.40	14.02	15.17	16.57	19.81	20.99	22.65	23.74	24.89	*25.05*	*25.85*	Book Value per sh	*26.40*
	13.52	15.57	15.70	15.82	15.96	16.12	16.23	16.30	16.35	16.40	17.43	17.47	17.52	17.64	17.82	17.89	*17.95*	*18.00*	Common Shs Outst'g [C]	*18.00*
	21.0	17.8	21.7	20.8	19.7	18.5	19.1	25.6	28.4	22.2	29.7	30.1	44.3	38.6	42.8	23.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*28.0*
	1.40	1.13	1.36	1.32	1.11	.97	.96	1.34	1.43	1.20	1.58	1.55	2.39	2.23	2.38	1.25			Relative P/E Ratio	*1.55*
	4.7%	4.2%	4.0%	4.0%	3.7%	3.7%	3.3%	2.3%	2.2%	2.1%	1.6%	1.6%	1.2%	1.3%	1.7%	2.3%			Avg Ann'l Div'd Yield	*1.7%*
							126.0	132.9	130.8	138.1	134.6	141.6	143.1	162.4	166.3	191.9	*210*	*220*	Revenues ($mill)	*235*
							20.0	22.7	22.8	32.5	33.9	38.4	36.5	42.4	31.5	44.4	*49.0*	*53.0*	Net Profit ($mill)	*62.0*
							34.5%	34.0%	32.7%	2.8%	--	--	--	7.1%	3.2%	13.5%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
							1.9%	2.7%	3.1%	1.4%	3.4%	3.9%	--	--	3.9%	3.9%	*2.5%*	*2.5%*	AFUDC % to Net Profit	*2.5%*
							39.4%	37.9%	37.5%	37.8%	41.5%	44.0%	45.3%	41.9%	45.7%	44.1%	*40.0%*	*39.5%*	Long-Term Debt Ratio	*38.0%*
							59.8%	61.5%	61.8%	61.6%	58.2%	55.7%	54.4%	57.7%	54.0%	55.7%	*60.0%*	*60.5%*	Common Equity Ratio	*62.0%*
							345.4	355.4	370.7	404.1	556.7	621.5	676.3	692.7	783.2	799.7	*750*	*765*	Total Capital ($mill)	*770*
							481.9	517.8	557.2	618.5	705.7	796.6	865.4	920.6	998.3	1067.1	*1075*	*1095*	Net Plant ($mill)	*1150*
							6.6%	7.1%	6.9%	8.9%	6.7%	6.8%	6.0%	6.8%	4.8%	6.3%	*7.0%*	*7.0%*	Return on Total Cap'l	*8.5%*
							9.6%	10.3%	9.8%	12.9%	10.4%	11.0%	9.9%	10.5%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Shr. Equity	*13.0%*
							9.6%	10.3%	9.9%	13.0%	10.4%	11.1%	9.9%	10.6%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Com Equity	*13.0%*
							3.5%	4.3%	3.8%	7.0%	5.4%	5.8%	4.6%	5.4%	2.1%	4.7%	*5.5%*	*6.0%*	Retained to Com Eq	*7.0%*
							63%	58%	62%	46%	48%	48%	53%	49%	72%	53%	*51%*	*49%*	All Div'ds to Net Prof	*48%*

Target Price Range 2028 2029 2030

LEGENDS
55.00 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded area indicates recession

Percent shares traded: 12, 8, 4

% TOT. RETURN 2/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.4	12.1
3 yr.	-46.7	20.8
5 yr.	-7.9	96.2

CAPITAL STRUCTURE as of 12/31/24
Total Debt $360.5 mill. Due in 5 Yrs $43.7 mill.
LT Debt $352.8 mill. LT Interest $7.5 mill.
(Total interest coverage: 8.5x)
(44% of Cap'l)

Pension Assets-12/24 $98.6 mill.
Oblig. $87.5 mill.
Pfd Stock $2.4 mill. Pfd Div'd: $.1 mill.

Common Stock 17,890,000 shs.

MARKET CAP: $1.1 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	3.8	2.4	4.2
Other	33.5	106.1	38.8
Current Assets	37.3	108.5	43.0
Accts Payable	24.8	27.6	28.1
Debt Due	17.5	7.7	7.7
Other	75.6	68.5	47.1
Current Liab.	117.9	103.8	82.9

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	4.0%	*5.0%*
"Cash Flow"	8.0%	7.0%	*3.5%*
Earnings	8.0%	4.5%	*7.5%*
Dividends	5.0%	6.5%	*4.5%*
Book Value	7.0%	8.5%	*2.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	36.2	39.7	47.7	38.8	162.4
2023	38.2	42.8	46.7	38.6	166.3
2024	40.5	49.1	55.1	47.2	191.9
2025	*50.0*	*52.0*	*58.0*	*50.0*	*210*
2026	*52.0*	*55.0*	*60.0*	*53.0*	*220*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.68	.50	.80	.40	2.39
2023	.33	.55	.56	.32	1.76
2024	.59	.59	.80	.49	2.47
2025	*.62*	*.67*	*.83*	*.63*	*2.75*
2026	*.68*	*.72*	*.88*	*.67*	*2.95*

Calendar	QUARTERLY DIVIDENDS PAID [B]■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2725	.2725	.2725	.29	1.11
2022	.29	.29	.29	.3125	1.18
2023	.3125	.3125	.3125	.325	1.26
2024	.325	.325	.325	.34	1.32
2025	.34				

BUSINESS: Middlesex Water Company engages in the ownership and operation of regulated water utility systems in New Jersey, Delaware, and Pennsylvania. It also operates water and wastewater systems under contract on behalf of municipal and private clients in NJ and DE. Its Middlesex System provides water services to 61,000 retail customers, primarily in Middlesex County, New Jersey. In 2024, the Middlesex System accounted for 67% of operating revenues. At 12/31/24, the company had 360 employees. Incorporated: NJ. President, CEO, and Chairman: Dennis W. Doll. Officers & directors own 1.8% of the com. stock; BlackRock Inst. Trust Co., 14.6% (4/24 proxy). Add.: 485 C Route 1 South, Suite 400, Iselin, NJ 08830. Tele.: 732-634-1500. Int.: www.middlesexwater.com.

Middlesex Water's stock price has rebounded a bit since our last review in early January. Shares of the regulated water utility are up more than 10% in value over the past three months subsequent to a sharp dip in price in late 2024. Investor enthusiasm likely stemmed from a combination of solid fourth-quarter financial results and a shift in general investor sentiment toward more-conservative securities amidst recent broader market turbulence. The stock remains a middling selection (3) for Timeliness at this juncture.

Revenues and earnings are poised to remain in growth mode, in our view. Indeed, Middlesex delivered strong year-over-year top- and bottom-line expansion for 2024, supported largely by base rate increases associated with New Jersey state regulator's rate case approval last March, as well as resilient customer water demand. We think the company is in good shape for this year. On top of higher water rates, an expanding customer base, particularly in the Delaware System, holds promise. To that end, the company recently announced the purchase of water utility assets from Ocean View for $4.6 million. The acquisition, which will add more than 900 customers to the roster, is slated for completion in April.

Long-term business prospects are bright. In our view, secular growth drivers include a healthier economic backdrop and increased consumer water consumption, along with periodic rate hikes related to the company's future base rate applications with regulators. Meanwhile, capital investment across the company's aging infrastructure is apt to continue over the pull to late decade. Specifically, management plans to invest nearly $400 million on treatment plants and water delivery system upgrades through 2027.

Subscribers with a holding period of one year or longer may find these shares appealing. At recent levels, total return potential over both the 18-month and 3- to 5-year horizons is attractive. Moreover, the stock's defensive characteristics (good Financial Strength mark and high scores for Price Stability and Earnings Predictability) ought to catch the eye of conservative-leaning investors.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Quarterly figures may not sum due to rounding. Next earnings report due early May.
(B) Dividends historically paid in mid-Feb., May, Aug., and November.■ Div'd reinvestment plan available.
(C) In millions.

Company's Financial Strength	A
Stock's Price Stability	70
Price Growth Persistence	65
Earnings Predictability	85

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SJW GROUP NYSE-SJW

RECENT PRICE 51.48 | P/E RATIO 16.4 (Trailing: 18.1 / Median: 26.0) | RELATIVE P/E RATIO 0.93 | DIV'D YLD 3.1% | VALUE LINE 1776

TIMELINESS 3 Raised 3/21/25
SAFETY 2 Raised 10/4/24
TECHNICAL 4 Raised 4/4/25
BETA .80 (1.00 = Market)

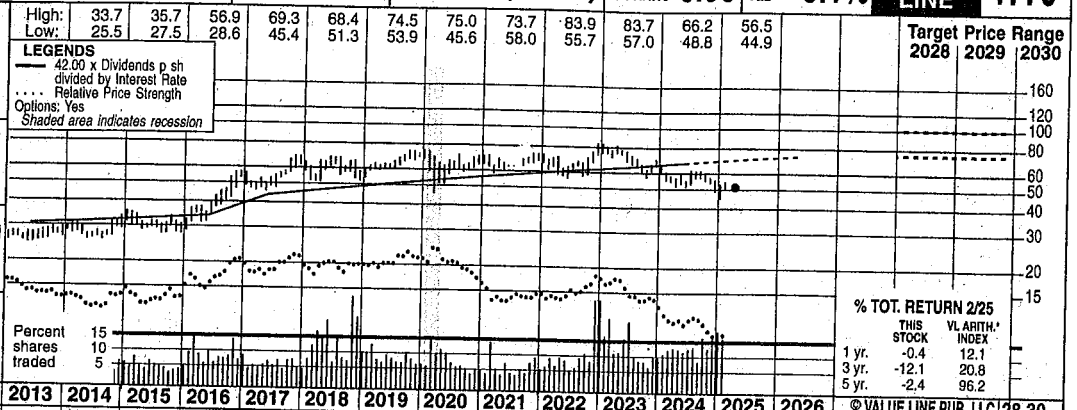
18-Month Target Price Range
Low-High | Midpoint (% to Mid)
$44-$83 | $64 (25%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+95%)	20%
Low	75	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	126	126	124
to Sell	104	108	132
Hld's(000)	24970	31090	32049



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
11.68	11.62	12.85	14.01	13.73	15.76	14.97	16.61	18.97	14.00	14.78	19.77	19.01	20.15	20.93	22.26	*24.20*	*25.80*	Revenues per sh	*28.15*
2.21	2.38	2.80	2.97	2.90	4.42	3.86	4.76	5.24	3.29	3.13	5.28	5.13	5.79	6.03	*4.35*	*4.75*	*5.00*	"Cash Flow" per sh	*5.40*
.81	.84	1.11	1.18	1.12	2.54	1.85	2.57	2.86	1.82	.82	2.14	2.03	2.43	2.68	2.85	*3.20*	*3.40*	Earnings per sh [A]	*3.75*
.66	.68	.69	.71	.73	.75	.78	.81	1.04	1.12	1.20	1.28	1.36	1.44	1.52	1.60	*1.68*	*1.75*	Div'd Decl'd per sh [BD■]	*1.95*
3.17	5.65	3.75	5.67	4.68	5.02	5.24	6.95	7.26	5.08	6.25	7.44	8.32	7.85	9.01	*8.25*	*8.50*	*8.75*	Cap'l Spending per sh	*8.75*
13.66	13.75	14.20	14.71	15.92	17.75	18.83	20.61	22.57	31.31	31.27	32.12	34.28	36.06	38.52	40.65	*44.55*	*47.60*	Book Value per sh	*51.65*
18.50	18.55	18.59	18.67	20.17	20.29	20.38	20.46	20.52	28.40	28.46	28.56	30.18	30.80	32.02	33.63	*32.00*	*31.00*	Common Shs Outst'g [C]	*30.00*
28.7	29.1	21.2	20.4	24.3	11.2	16.6	15.7	18.8	32.7	NMF	30.0	32.9	27.3	26.4	20.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*23.0*
1.91	1.85	1.33	1.30	1.37	.59	.84	.82	.95	1.77	NMF	1.54	1.78	1.58	1.47	1.12			Relative P/E Ratio	*1.30*
2.8%	2.8%	2.9%	3.0%	2.7%	2.6%	2.5%	2.0%	1.9%	1.9%	1.9%	2.0%	2.0%	2.2%	2.1%	2.8%			Avg Ann'l Div'd Yield	*2.2%*
305.1	339.7	389.2	397.7	420.5	564.5	573.7	620.7	670.4	748.5	*775*	*800*	Revenues ($mill)	*845*
37.9	52.8	59.2	36.8	23.4	61.5	60.5	73.8	85.0	*96.0*	*103*	*106*	Net Profit ($mill)	*113*
38.1%	38.8%	36.7%	20.6%	26.4%	12.0%	12.2%	10.3%	6.5%	*21.0%*	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
--	--	--	--	--	--	--	6.4%	6.4%	*1.5%*	*1.5%*	*1.5%*	AFUDC % to Net Profit	*1.5%*
49.8%	50.7%	48.2%	32.7%	59.1%	58.4%	59.1%	57.3%	55.3%	*55.5%*	*51.5%*	*47.0%*	Long-Term Debt Ratio	*39.0%*
50.2%	49.3%	51.8%	67.3%	40.9%	41.6%	40.9%	42.7%	44.7%	*44.5%*	*48.5%*	*53.0%*	Common Equity Ratio	*61.0%*
764.6	855.0	894.3	1320.7	2173.6	2204.7	2527.5	2602.8	2760.1	3073.9	*2925*	*2775*	Total Capital ($mill)	*2550*
1036.8	1146.4	1239.3	1328.8	2206.5	2334.9	2497.5	2630.3	3155.6	3488.6	*3550*	*3685*	Net Plant ($mill)	*3880*
6.3%	7.4%	7.9%	3.9%	1.8%	4.0%	3.5%	4.0%	4.3%	*3.5%*	*4.0%*	*4.5%*	Return on Total Cap'l	*5.0%*
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	*7.0%*	*7.0%*	*7.0%*	Return on Shr. Equity	*7.5%*
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	*7.0%*	*7.0%*	*7.0%*	Return on Com Equity	*7.5%*
5.7%	8.6%	8.2%	1.8%	NMF	2.7%	2.0%	2.7%	3.0%	*3.0%*	*3.5%*	*3.5%*	Retained to Com Eq	*3.5%*
42%	31%	36%	60%	NMF	59%	66%	59%	56%	*56%*	*52%*	*51%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1710.6 mill. **Due in 5 Yrs** $44.3 mill.
LT Debt $1706.9 mill. **LT Interest** $50.0 mill.
(LT Interest Coverage: 6.7x)
(55% of Cap'l)

Pension Assets-12/23 $285.5 mill.
Oblig. $297.8 mill.

Pfd Stock None.
Common Stock 33,629,000 shs.

MARKET CAP: $1.7 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	12.3	9.7	11.1
Accts Receivable	58.2	67.9	68.7
Other	84.2	120.8	110.9
Current Assets	154.7	198.4	190.7
Accts Payable	29.6	46.1	56.3
Debt Due	4.4	49.0	3.6
Other	230.7	247.9	201.3
Current Liab.	264.7	343.0	261.2

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	3.5%	5.0%	*5.0%*
"Cash Flow"	5.5%	9.0%	*-.5%*
Earnings	4.5%	7.0%	*6.5%*
Dividends	7.5%	5.5%	*4.5%*
Book Value	8.5%	5.5%	*5.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	124.3	149.0	176.0	171.4	620.7
2023	137.3	156.9	204.8	171.4	670.4
2024	149.4	176.2	225.1	197.8	748.5
2025	*155*	*185*	*235*	*200*	*775*
2026	*165*	*190*	*240*	*205*	*800*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.12	.38	.82	1.09	2.43
2023	.37	.58	1.13	.59	2.68
2024	.36	.64	1.17	.68	2.85
2025	*.50*	*.70*	*1.25*	*.75*	*3.20*
2026	*.55*	*.75*	*1.30*	*.80*	*3.40*

Calendar	QUARTERLY DIVIDENDS PAID [BD■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.34	.34	.34	.34	1.36
2022	.36	.36	.36	.36	1.44
2023	.38	.38	.38	.38	1.52
2024	.40	.40	.40	.40	1.60
2025					

BUSINESS: SJW Group engages in the production, purchase, storage, purification, distribution, and retail sale of water. It provides water service to approximately 232,000 connections with a total population of roughly one million people in the San Jose area and 16,000 connections that reach about 88,000 residents in the region between San Antonio and Austin, Texas. The company merged with Connecticut Water (10/19) which provides service to approx. 142,000 connections with a total population of 463,000 people. Has 808 employees. Officers and directors own less than 1.0% of outstanding shares (3/24 proxy). Chairman & CEO: Eric Thornburg. Incorporated: California. Address: 110 West Taylor Street, San Jose, CA 95110. Telephone: (408) 279-7800. Internet: www.sjwater.com.

SJW Group recently announced some upper-level management changes. Effective June 30, 2025, current Chief Executive Officer and President Eric W. Thornburg is set to retire, and will be succeeded by Andrew F. Walters (current CFO). In addition, Bruce A. Hauk will be promoted to President in addition to his COO role. Lastly, Mr. Thornburg will remain on as non-executive Chair of the Board.

The company reported decent results for the full-year 2024. The top line advanced 11% year over year, to $749 million, while the bottom line rose by 7%, to $2.85 per share. Driving the performance was a combination of rate increases (+$62 million), higher customer water usage (+$15 million), and customer expansion (+$2.5 million). This more than offset a modest decline in revenues from regulatory adjustments. Elsewhere, rising water production costs and higher administrative fees kept somewhat of a lid on earnings growth during the year. For 2025, our model suggests that revenues may well edge higher 3%, to $775 million, while profits are poised to jump 12%, to $3.20 per share.

Long-term capital spending initiatives are ramping up from previously announced levels. Subsequent to investing more than $350 million on infrastructure and water supply upgrades last year, management has raised its five-year spending plan by 25%, to approximately $2.0 billion. These increased funds will be utilized primarily to support water and wastewater systems, as well as bolster the treatment of harmful chemicals. Indeed, we think these actions ought to prompt increased rate approval activity in the years ahead, as the company seeks to raise customer rates to recoup a good portion of these investments.

These shares are a worthwhile selection for investors with an eye to late decade. The stock, which is now neutrally ranked (3) for Timeliness, offers solid total return potential over the pull to 2028-2030. This is supported partly by a healthy dividend yield. What's more, a Safety rank of 2 (Above Average) and a high score for Price Stability (90 out of 100) should pique the interest of conservative accounts.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Excludes nonrecurring losses: '10, $0.46. GAAP accounting as of 2013. Next earnings report due early May. Quarterly egs. may not add due to rounding.
(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.
(C) In millions.
(D) Paid special dividend of $0.17 per share on 11/17.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	50

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City of Pittston, PA

Sanitary Collection System and Contracted Treatment Capacity

Appraisal Work Papers
As of May 30, 2025

Financial Projections

Summaries
- **Financials**
- **Budgets**

Financials 2021 through 2023

Budgets 2023 through 2025

WADS Consultants
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8555 West Forest Home Avenue
Greenfield, Wisconsin 53228
Office Telephone: 414-529-5755
J. Weinert's Cell: 414-698-8371
J. Weinert's E-Mail: weinertj@auswest.net

Projections				Forecast Parameters for Periods									
				1-5	6-15	6-15	16-20	21-26	27-33	34-40	40-46	47-53	54-60
	Year of Estimate	Annual Rate c	First Year of Projection										
	2025.25	4.50%	2025.75										
		Translator											
Revenues		1.022											
Revenues	1,727,025.00	1.022	1,765,020	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
See Rate Increase Schedule on tab: DCF Investor Owned Cells: L263:BS263													
Customer Growth													
Annual				2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Periodic				10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Population													
Operating Expenses													
Expense Level 1. Contract Expense	150,500.00	1.022	153,811	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 2. Administration expense	20,500.00	1.022	20,951	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 3. Legal Expense	50,000.00	1.022	51,100	-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense Level 4. Sanitary Sewer Expense	255,200.00	1.022	260,814	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 5. Bad Debt	20,000.00	1.022	20,440	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Leve 6. Debt Interest	129,800.00	1.022	132,656	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Debt Principal	442,000.00	1.022	451,724	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Expense Level 7. Depreciation	364,169.05	1.022	372,181	Book Depreciation Expense Based on CORLD, Plant Depreciation Parameters, and CORLD Aging; Tax Depreciation based on CORLD and MACRS									
Total Expenses	1,432,169.05		1,091,496.00										
Expenses less Depreciatior	496,200.00		507,116.00										
Total Operating Expenses Levels 1-7	1,432,169.05		1,091,496.00										
Working Capital													
Current Assets				28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	
Current Liabilities				22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	22.6%	

Statement of Revenues and Expenses	2021	2022	2023
Revenues			
Charges for service	1,489,486	1,581,106	1,648,579
Investment Earnings	54	4,563	23,065
Miscellaneous Revenues			40,515
Total Revenues	**1,489,540**	**1,585,669**	**1,712,159**
Expenses			
Current			
Public Works	707,890	558,230	972,522
Debt Service			
Principal	395,000	400,000	405,000
Interest	207,848	91,325	109,189
Subtotal Debt Service	**602,848**	**491,325**	**514,189**
Total Expenses	**1,310,738**	**1,049,555**	**1,486,711**
Excess (Deficiency) of Revenues over Expenses	**178,802**	**536,114**	**225,448**
Other Financing Sources (Uses)			
Proceeds fromissuance of Short-term debt			
Transfers Inn			
Transfers Out	(300,000)	(336,000)	(360,000)
Total other financing	**(300,000)**	**(336,000)**	**(360,000)**
Net Change in Fund Balance	**(121,198)**	**200,114**	**(134,552)**
Fund Balance Beginning Year	341,667	220,469	420,583
Fund Balance Ending Year	**220,469**	**420,583**	**286,031**

	2023	2024	2025	Use
Revenues	1,702,023	1,766,024	1,727,025	1,727,025
expenses				Use
Contract Service	128,270	184,900	150,500	150,500
Administration	20,300	26,900	20,500	20,500
Legal Service	122,000	50,000	-	50,000
Sanitary sewer	267,830	254,000	255,200	255,200
Bad Debt	8,200	10,000	20,000	20,000
Subtotal Sewer	546,600	525,800	446,200	496,200
Depreciation			364,169	364,169
Subtotal Operations			810,369	860,369
Debt Interest			129,800	129,800
Debt Principal			442,000	442,000
Subtotal Debt			571,800	571,800
Total Expenses			1,382,169	1,432,169
Net Income			344,856	294,856

Balance Sheet	2021	2022	2023
Assets			
Current Assets			
Cash	235,212	218,400	296,071
Account Receivables, Net	519,570	539,205	527,961
Taxes Receivables	-	-	-
Prepaid Expenses			5,906
Grants Receivables	-	65,505	-
Account Receivables Other	8,200	8,200	-
Total Current Assets	762,982	831,310	829,938
NonCurrent			
Property Held	-	-	-
Total assets	762,982	831,310	829,938
Liabilities			
Account Payables	272,204	97,059	113,998
Accrued Liabilities	15,308	11,733	139,218
Total Liabilities	287,512	108,792	253,216
Deferred Inflows of Resources			
Unavailaable Revenues			
Sewer Fees	255,001	301,935	290,691
Total Deferred inflows	255,001	301,935	290,691
Fund Balances			
Nonspendables			
Uassigned fund Balances	-	-	-
Restricted fund Balances	220,469	420,583	286,031
Total Fund Balances	220,469	420,583	286,031
Total Liabilities and fund Balances	762,982	831,310	829,938

Budget		2023	2024	2025
Revenues				
Interest Earnings		21,000	19,000	19,000
WVSA Reimbursment - Sanitary		25,000	25,000	25,000
WVSA Reimbursment - Stormwater		15,000	18,000	10,000
City Seweer Maintenaance Fees		1,639,000	1,700,000	1,650,000
Appropriation of Unreserved Fund Balance		-	2,000	21,000
Total Revenues		**1,702,023**	**1,766,024**	**1,727,025**
Expenses				
FINANCE-PROFESSIONAL SERVICES	Contract Service	0.00	15,000.00	30,000.00
, FINANCE-PROF SERV-ACCOUNTING	Contract Service	8,000.00	10,000.00	11,000.00
FINANCE-PROF SERV-ANNUAL CITY AUDIT CAFR	Contract Service	5,000.00	6,500.00	7,500.00
FINANCE CONTRACTUAL THIRD PARTY BILLING F	Contract Service	112,270.00	118,000.00	100,000.00
FINANCE-CONTRACTUAL-THIRD PARTY DELINQ C	Administration	8,100.00	8,000.00	0.00
TREASURER-BANK CHARGES/FEES	Administration	100.00	0.00	0.00
LEGAL-SPECIAL LEGAL SERVICES	Legal Service	62,000.00	50,000.00	0.00
LEGAL--EXPERT WITNESS/CONSULTANT	Legal Service	35,000.00	0.00	0.00
LEGAL--MEDIATION FEES	Legal Service	25,000.00	0.00	0.00
ADMIN-ORDINANCE CODIFICATION	Administration	3,600.00	4,000.00	5,000.00
IT-TYLER ACCOUNTING SYSTEM	Administration	1,000.00	1,000.00	2,500.00
IT-COMPUTER MEMORY BACKUP	Administration	2,000.00 2000		2,000.00
IT--IWORQ/DEBT BOOKS SUPPORT	Administration	5,500.00	11,900.00	11,000.00
ENGINEERING-OTHER SERV CHARGES	Contract Service	3,000.00	35,400.00	2,000.00
SANITARY SEWERS-SUPPLIES	Sanitary sewer	4,900.00	6,000.00	7,000.00
SANITARY SEWERS-SMALL TOOLS/EQUIP	Sanitary sewer	2,000.00	1,000.00	1,000.00
SANITARY SEWERS-OTH SERVICES/CHARGES	Sanitary sewer	3,000.00	3,000.00	3,000.00
SANITARY SEWERS-MAINT/REPAIR	Sanitary sewer	152,500.00	95,000.00	95,000.00
SANITARY SEWERS--CONTRACTUAL SERVICE	Sanitary sewer	98,930.00	95,000.00	95,000.00
SANITARY SEWERS-CAPITAL LEASES	Sanitary sewer	4000.00	48,000.00	50,000.00
STREET-BLDG MAINT/RE PAIR	Streets	2,000.00	2,000.00	2,000.00
STREET-MOTOR POOL REPAIR/MAINTENANCE	Streets	2,500.00	4,750.00	5,000.00
ST SWEEP-MOTOR POOL REPAIR/MAINTENAN	Streets	3,000.00	2,500.00	2,000.00
ST SWEEP--CAPITAL LEASE	Streets	0.00	0.00	12,000.00
SIDEWALKS/CROSSWALKS OTHER SERV CHA	Streets	4,000.00	4,000.00	4,000.00
SIDEWALKS/CROSSWALKS-CONTRACTUAL SI	Streets	5,000.00	7,000.00	4,500.00
STORM SEWERS--MS4 PERMIT ADMIN STIPEN	Storm sewer	1,500.00	1,500.00	1,500.00
STORM SEWERS-SUPPLIES	Storm sewer	9,000.00	9,000.00	9,000.00
STORM SEWERS--SAFETY EQUIPMENT	Storm sewer	1,500.00	3,000.00	2,500.00
STORM SEWERS-SMALL TOOLS/EQUIP	Storm sewer	2,000.00	1,500.00	1,500.00
STORM SEWERS-OTH SERVICES/CHARGES	Storm sewer	0.00	500.00	500.00
STORM SEWERS-MS4 PERMIT COSTS	Storm sewer	2,000.00	1,000.00	500.00
STORM SEWER-INSURANCE	Storm sewer	7,000.00	15,100.00	20,000.00
STORM SEWERS-MAINT/REPAIRS	Storm sewer	39,000.00	75,000.00	75,000.00
STORM SEWERS-CONTRACTUAL SERVICES	Storm sewer	93,000.00	75,000.00	75,000.00
STORM SEWERS-EQUIPMENT LEASE PURCHA	Storm sewer	53,000.00	45,000.00	55,000.00
STORM SEWER-PAYGO CAPITAL	Storm sewer	24,000.00	30,000.00	40,000.00
EQUIP REPAIRS-OTHER SERVICE CHARGES	Streets	2500	2,000.00	5,000.00
SHADE TREES-PROFESSIONAL SERVICES	Streets	25,000.00	10,000.00	15,000.00
DEBT-BOND-2020A	Debt Payment	405,000.00	425,000.00	440,000.00
DEBT--SERIES 2023A	Debt Payment	0.00	2,000.00	2,000.00
INT-BOND-2020A	Debt Interest	76,200.00	34,600.00	18,000.00
INTEREST--BOND--SERIES 2023A	Debt Interest	0.00	112,250.00	111,800.00
UNCLASSIFIED-GEN OTHR MISC EXPENSE	Sanitary sewer	2,500.00	6,000.00	4,200.00
TRANSFER TO GF-COST RECOVERY	Transfer	365,000.00	375,000.00	375,000.00
SPECIAL EXPENSE--BAD DEBT	Bad Debt	8,200.00	10,000.00	20,000.00
FUND BAL-PRIOR YR LIABILITIES	Funds	200.00	500.00	2,000.00
		1,669,000.00	1,764,000.00	1,725,000.00
Total Expense:		1,700,000.00	1,764,000.00	1,725,000.00
Report Total:		0.00	0.00	0.00
		31,000.00		

Contract Service	128,270	184,900	150,500
Administration	20,300	26,900	20,500
Legal Service	122,000	50,000	-
Sanitary sewer	267,830	254,000	255,200
Streets	44,000	32,250	49,500
Storm sewer	232,000	256,600	280,500
Debt Payment	405,000	427,000	442,000
Debt Interest	76,200	146,850	129,800
Transfer	365,000	375,000	375,000
Bad Debt	8,200	10,000	20,000
Funds	200	500	2,000
	1,669,000	1,764,000	1,725,000

Contract Service	128,270	184,900	150,500
Administration	20,300	26,900	20,500
Legal Service	122,000	50,000	-
Sanitary sewer	267,830	254,000	255,200
Bad Debt	8,200	10,000	20,000
Subtotal Sewer	546,600	525,800	446,200
Debt Payment	405,000	427,000	442,000
Debt Interest	76,200	146,850	129,800
Subtotal Debt	481,200	573,850	571,800

CITY OF PITTSTON WASTEWATER SYSTEM
SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM
AS OF NOVEBER 14, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST ($)	Book Life	Annaul Depreciation
353.2	LAND AND LAND RIGHTS - COLLECTION	$ 14.00		-
361.21	COLLECTION SEWERS - GRAVITY MAINS	$ 19,535,876.20	65.00	300,551.94
361.23	COLLECTION SEWERS - GRAVITY - STRUCTURES	$ 2,192,668.04	65.00	33,733.35
363.20	SERVICES TO CUSTOMERS	$ 1,494,187.75	50.00	29,883.76
	SYSTEM TOTAL	$ 23,222,745.99		364,169.05

CITY OF PITTSTON, PENNSYLVANIA

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CITY OF PITTSTON

STATEMENT OF NET POSITION
DECEMBER 31, 2021

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
CURRENT ASSETS:			
Cash	$ 3,035,464	$ 31,836	$ 3,067,300
Restricted cash	579,888	-	579,888
Accounts receivable, net	722,724	-	722,724
Taxes receivable	905,671	-	905,671
Grants receivable	370,022	-	370,022
Due from Federal Government	409,606		409,606
Due from related parties	27,741		27,741
Due from other funds	63,144		63,144
Current portion of loans receivable	10,592	-	10,592
Accounts receivable, other	10,671	-	10,671
Total current assets	6,135,523	31,836	6,167,359
LOANS RECEIVABLE, Net of current portion and allowance for doubtful accounts	21,705	-	21,705
OVERFUNDED PENSION LIABILITY	541,165	-	541,165
MORTGAGES RECEIVABLE	2,129,750	-	2,129,750
ROYALTIES RECEIVABLE	300,000		300,000
CAPITAL ASSETS, Net	11,102,724	60,274	11,162,998
NONCURRENT ASSETS			
Property held for resale and development	2,428,362	-	2,428,362
TOTAL	$ 22,659,229	$ 92,110	$ 22,751,339
CURRENT LIABILITIES:			
Notes payable	$ 1,106,232	$ -	$ 1,106,232
Capital lease obligations	183,123	-	183,123
Compensated absences	93,853	-	93,853
Accounts payable	1,384,491	-	1,384,491
Due to outside agencies	923,037	-	923,037
Accrued expenses	597,667	-	597,667
Due to City of Pittston	-	13,908	13,908
Total current liabilities	4,288,403	13,908	4,302,311
NONCURRENT LIABILITIES:			
Notes payable	14,285,592	-	14,285,592
Net OPEB obligation	1,453,120	-	1,453,120
Capital lease obligations	362,255	-	362,255
Compensated absences	140,779	-	140,779
Total liabilities	20,530,150	13,908	20,544,057
NET POSITION:			
Invested in capital assets, net of related debt	(4,289,100)	60,274	(4,228,826)
Restricted	542,769	17,928	560,697
Unrestricted	5,875,412	-	5,875,412
Total net position	2,129,080	78,202	2,207,282
TOTAL	$ 22,659,229	$ 92,110	$ 22,751,339

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

		PROGRAM REVENUES			NET EXPENSES AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
FUNCTIONS/PROGRAMS							
Governmental activities:							
Community development	$ 2,596,408	$ 5,000	$ 300,000	$ 1,585,643	$ (705,765)	$ -	$ (705,765)
Public safety	2,211,982	75,824	-	-	(2,136,158)	-	(2,136,158)
Public works	1,407,630	1,514,487	-	-	106,857	-	106,857
General government - administrative	1,168,897	1,118,646	1,271,032	-	1,220,782	-	1,220,782
Interest on long-term debt	490,220	-	-	-	(490,220)	-	(490,220)
Culture and recreation	439,813	-	-	-	(439,813)	-	(439,813)
Total governmental activities	$ 8,314,950	$ 2,713,957	$ 1,571,032	$ 1,585,643	$ (2,444,318)	$ -	$ (2,444,318)
Business-type activity,							
Pittston Parking Authority	87,217	61,831	-	-	-	(25,386)	(25,386)
TOTAL	$ 8,402,167	$ 2,775,788	$ 1,571,032	$ 1,585,643	$ (2,444,318)	$ (25,386)	$ (2,469,704)
General revenues:							
Property and other taxes					4,592,289	-	4,592,289
Unrestricted investment earnings					28,217	21	28,238
Miscellaneous					330,343	-	330,343
Total general revenues					4,950,849	21	4,950,870
Change in net position					2,506,532	(25,365)	2,481,167
Net position-beginning					2,362,780	103,567	2,466,347
Prior period adjustment					(2,740,232)	-	(2,740,232)
Net position-ending					$ 2,129,080	$ 78,202	$ 2,207,282

See Notes to Financial Statements

CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,049,437	$ 1,525,211	$ 235,212	$ -	$ 225,604	$ 3,035,464
Restricted cash				579,888		579,888
Accounts receivable, net	153,154		519,570	50,000		722,724
Taxes receivable	905,671		-			905,671
Grants receivable		370,022				370,022
Notes receivable		10,592				10,592
Accounts receivable, other	2,471		8,200			10,671
Due from federal government	409,606					409,606
Due from related parties		27,741				27,741
Due from other funds	63,144	-	-	-	-	63,144
Total current assets	2,583,483	1,933,566	762,982	629,888	225,604	6,135,523
NONCURRENT ASSETS						
Property held for resale and development	-	2,428,362	-	-	-	2,428,362
Total assets	$ 2,583,483	$ 4,361,928	$ 762,982	$ 629,888	$ 225,604	$ 8,563,885
LIABILITIES:						
Accounts payable	$ 177,578	$ 561,632	$ 272,204	$ 309,077	$ 64,000	$ 1,384,491
Due to other funds					5,500	5,500
Grants received in advance		917,537			-	917,537
Accrued liabilities	582,359	-	15,308	-	-	597,667
Total liabilities	759,937	1,479,169	287,512	309,077	69,500	2,905,195
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	257,499					257,499
Sewer fees	-	-	255,001	-	-	255,001
Total deferred inflows	257,499	-	255,001	-	-	512,500
FUND BALANCES:						
Nonspendable						
Properties held for resale		2,428,362				2,428,362
Unassigned fund balances	1,566,047	454,397	-	-	154,615	2,175,059
Restricted fund balances	-	-	220,469	320,811	1,489	542,769
Total fund balances	1,566,047	2,882,759	220,469	320,811	156,104	5,146,190
Total liabilities and fund balances	$ 2,583,483	$ 4,361,928	$ 762,982	$ 629,888	$ 225,604	$ 8,563,885

See Notes to Financial Statements

CITY OF PITTSTON, PENNSYLVANIA

FINANCIAL STATEMENTS
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REQUEST FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Administrator, City of Pittston, City Hall, 35 Broad Street, Pittston PA 18640.

CITY OF PITTSTON

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
CURRENT ASSETS:			
Cash	$ 3,348,075	$ 66,579	$ 3,414,654
Restricted cash	401,787	-	401,787
Accounts receivable, net	681,555	-	681,555
Taxes receivable	1,027,500	-	1,027,500
Prepaid expenses	18,644		18,644
Grants receivable	305,652	-	305,652
Due from related parties	23,195		23,195
Due from other funds	1,254		1,254
Due from other governments	2,172		2,172
Current portion of loans receivable	12,703	-	12,703
Accounts receivable, other	448,105	-	448,105
Total current assets	6,270,642	66,579	6,337,221
LOANS RECEIVABLE, Net of current portion	15,083	-	15,083
MORTGAGES RECEIVABLE	2,129,750	-	2,129,750
ROYALTIES RECEIVABLE	300,000		300,000
CAPITAL ASSETS, Net	10,831,757	50,310	10,882,067
NONCURRENT ASSETS			
Property held for resale and development	2,523,427	-	2,523,427
TOTAL	$ 22,070,659	$ 116,889	$ 22,187,548
CURRENT LIABILITIES:			
Notes payable	$ 998,218	$ -	$ 998,218
Capital lease obligations	228,300	-	228,300
Compensated absences	99,328	-	99,328
Accounts payable	1,183,777	-	1,183,777
Due to outside agencies	745,327	-	745,327
Accrued expenses	633,298	-	633,298
Due to City of Pittston	-	13,908	13,908
Total current liabilities	3,888,248	13,908	3,902,156
NONCURRENT LIABILITIES:			
Notes payable	13,287,374	-	13,287,374
Net OPEB obligation	1,453,120	-	1,453,120
Unfunded pension liability	2,078,536		2,078,536
Capital lease obligations	445,585	-	445,585
Compensated absences	148,992	-	148,992
Total liabilities	21,301,856	13,908	21,315,763
NET POSITION:			
Invested in capital assets, net of related debt	(3,453,835)	50,310	(3,403,525)
Restricted	293,231	52,671	345,902
Unrestricted	3,929,408	-	3,929,408
Total net position	768,804	102,981	871,785
TOTAL	$ 22,070,659	$ 116,889	$ 22,187,548

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

		PROGRAM REVENUES			NET EXPENSES AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
FUNCTIONS/PROGRAMS							
Governmental activities:							
Community development	$ 3,288,368	$ 174,841	$ -	$ 2,884,956	$ (228,571)	$ -	$ (228,571)
Public safety	4,742,456	83,261	-	-	(4,659,195)	-	(4,659,195)
Public works	2,334,144	1,581,106	-	-	(753,038)	-	(753,038)
General government - administrative	1,919,348	1,258,459	874,455	-	213,566	-	213,566
Interest on long-term debt	390,615	-	-	-	(390,615)	-	(390,615)
Culture and recreation	1,099,812	-	-	-	(1,099,812)	-	(1,099,812)
Total governmental activities	$ 13,774,743	$ 3,097,667	$ 874,455	$ 2,884,956	$ (6,917,665)	$ -	$ (6,917,665)
Business-type activity,							
Pittston Parking Authority	86,726	111,478	-	-	-	24,752	24,752
TOTAL	$ 13,861,469	$ 3,209,145	$ 874,455	$ 2,884,956	$ (6,917,665)	$ 24,752	$ (6,892,913)
General revenues:							
Property and other taxes					5,236,958	-	5,236,958
Unrestricted investment earnings					53,878	27	53,905
Miscellaneous					266,553	-	266,553
Total general revenues					5,557,389	27	5,557,416
Change in net position					(1,360,276)	24,779	(1,335,497)
Net position-beginning					2,129,080	78,202	2,207,282
Net position-ending					$ 768,804	$ 102,981	$ 871,785

See Notes to Financial Statements

CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,596,798	$ 1,187,494	$ 218,400	$ -	$ 345,383	$ 3,348,075
Restricted cash				401,787		401,787
Accounts receivable, net	30,000		539,205	112,350		681,555
Taxes receivable	1,027,500		-			1,027,500
Prepaid expenses	18,644					18,644
Grants receivable	8,897	231,250	65,505			305,652
Notes receivable		12,703				12,703
Accounts receivable, other	439,905		8,200			448,105
Due from other governments	2,172					2,172
Due from related parties	13,908	9,287				23,195
Due from other funds	1,254	-	-	-	-	1,254
Total current assets	3,139,078	1,440,734	831,310	514,137	345,383	6,270,642
NONCURRENT ASSETS						
Property held for resale and development	-	2,523,427	-	-	-	2,523,427
Total assets	$ 3,139,078	$ 3,964,161	$ 831,310	$ 514,137	$ 345,383	$ 8,794,069
LIABILITIES:						
Accounts payable	$ 54,026	$ 532,865	$ 97,059	$ 499,827	$ -	$ 1,183,777
Due to other funds					1,254	1,254
Grants received in advance		600,922		143,151		744,073
Accrued liabilities	621,565	-	11,733	-	-	633,298
Total liabilities	675,591	1,133,787	108,792	642,978	1,254	2,562,402
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	316,994					316,994
Sewer fees	-	-	301,935	-	-	301,935
Total deferred inflows	316,994	-	301,935	-	-	618,929
FUND BALANCES:						
Nonspendable						
Properties held for resale		2,523,427				2,523,427
Unassigned fund balances	2,146,493	306,947	-	-	342,640	2,796,080
Restricted fund balances	-	-	420,583	(128,841)	1,469	293,231
Total fund balances	2,146,493	2,830,374	420,583	(128,841)	344,129	5,612,738
Total liabilities and fund balances	$ 3,139,078	$ 3,964,161	$ 831,310	$ 514,137	$ 345,383	$ 8,794,070

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CITY OF PITTSTON, PENNSYLVANIA

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CITY OF PITTSTON

STATEMENT OF NET POSITION
DECEMBER 31, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
CURRENT ASSETS:			
Cash	$ 3,582,889	$ 60,890	$ 3,643,779
Restricted cash	948,984	-	948,984
Accounts receivable, net	690,179	-	690,179
Taxes receivable	919,647	-	919,647
Prepaid expenses	44,517		44,517
Grants receivable	211,399	-	211,399
Due from related parties	318,002		318,002
Due from other governments	33,755		33,755
Current portion of loans receivable	3,810	-	3,810
Accounts receivable, other	97,565	-	97,565
Total current assets	6,850,747	60,890	6,911,637
LOANS RECEIVABLE, Net of current portion	16,796	-	16,796
MORTGAGES RECEIVABLE	2,129,750	-	2,129,750
ROYALTIES RECEIVABLE	300,000		300,000
CAPITAL ASSETS, Net	13,652,765	40,346	13,693,111
NONCURRENT ASSETS			
Leases receivable	445,280		445,280
Property held for resale and development	3,045,751	-	3,045,751
TOTAL	$ 26,441,089	$ 101,236	$ 26,542,325
CURRENT LIABILITIES:			
Notes payable	$ 1,182,990	$ -	$ 1,182,990
Capital lease obligations	360,594		360,594
Compensated absences	-		-
Accounts payable	534,455		534,455
Due to related parties	38,544		38,544
Accrued liabilities	463,763		463,763
Grants received in advance	1,018,294		1,018,294
Due to City of Pittston	-	6,954	6,954
Total current liabilities	3,598,640	6,954	3,605,594
NONCURRENT LIABILITIES:			
Notes payable	16,119,384	-	16,119,384
Net OPEB obligation	1,093,975	-	1,093,975
Unfunded pension liability	2,818,809		2,818,809
Capital lease obligations	1,327,917	-	1,327,917
Compensated absences	158,188	-	158,188
Total liabilities	25,116,914	6,954	25,123,867
NET POSITION:			
Invested in capital assets, net of related debt	(3,649,609)	40,346	(3,609,263)
Restricted	1,107,367	53,936	1,161,303
Unrestricted	3,866,418	-	3,866,418
Total net position	1,324,176	94,282	1,418,458
TOTAL	$ 26,441,089	$ 101,236	$ 26,542,325

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

		PROGRAM REVENUES			NET EXPENSES AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITY	TOTAL
FUNCTIONS/PROGRAMS							
Governmental activities:							
Community development	$ 1,362,208		$ 808,706	$ 3,265,927	$ 2,712,425	$ -	$ 2,712,425
Public safety	2,886,089	$ 81,319	-	-	(2,804,770)	-	(2,804,770)
Public works	3,522,153	1,637,335	-	-	(1,884,818)	-	(1,884,818)
General government - administrative	4,227,005	1,224,114	874,455	-	(2,128,436)	-	(2,128,436)
Interest on long-term debt	538,612	-	-	-	(538,612)	-	(538,612)
Culture and recreation	752,332	-	-	-	(752,332)	-	(752,332)
Total governmental activities	$ 13,288,399	$ 2,942,768	$ 1,683,161	$ 3,265,927	$ (5,396,543)	$ -	$ (5,396,543)
Business-type activity,							
Pittston Parking Authority	122,892	114,146	-	-	-	(8,746)	(8,746)
TOTAL	$ 13,411,291	$ 3,056,914	$ 1,683,161	$ 3,265,927	$ (5,396,543)	$ (8,746)	$ (5,405,289)
General revenues:							
Property and other taxes					5,070,345	-	5,070,345
Unrestricted investment earnings					180,642	47	180,689
Miscellaneous					700,928	-	700,928
Total general revenues					5,951,915	47	5,951,962
Change in net position					555,372	(8,699)	546,673
Net position-beginning					768,804	102,981	871,785
Net position-ending					$ 1,324,176	$ 94,282	$ 1,418,458

See Notes to Financial Statements

CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,962,701	$ 1,094,997	$ 296,071	$ -	$ 229,120	$ 3,582,889
Restricted cash				948,984		948,984
Accounts receivable, net	38,415		527,961	123,803		690,179
Taxes receivable	919,647					919,647
Prepaid expenses	38,611		5,906			44,517
Grants receivable	7,674	203,725				211,399
Notes receivable		3,810				3,810
Accounts receivable, other	97,565					97,565
Due from other governments	33,755					33,755
Due from related parties	306,954	11,048	-	-	-	318,002
Total current assets	3,405,322	1,313,580	829,938	1,072,787	229,120	6,850,747
NONCURRENT ASSETS						
Leases receivable		445,280				445,280
Property held for resale and development	-	3,045,751	-	-	-	3,045,751
Total assets	$ 3,405,322	$ 4,804,611	$ 829,938	$ 1,072,787	$ 229,120	$ 10,341,779
LIABILITIES:						
Accounts payable	$ 27,445	$ 213,725	$ 113,998	$ 179,287	$ -	$ 534,455
Due to related parties		38,544			-	38,544
Grants received in advance		944,636		73,658		1,018,294
Accrued liabilities	324,545	-	139,218	-	-	463,763
Total liabilities	351,990	1,196,905	253,216	252,945	-	2,055,056
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	236,325					236,325
Leases receivable		445,280				445,280
Sewer fees	-	-	290,691	-	-	290,691
Total deferred inflows	236,325	445,280	290,691	-	-	972,296
FUND BALANCES:						
Nonspendable						
Properties held for resale		3,045,751				3,045,751
Unassigned fund balances	2,817,007	116,675	-	-	227,626	3,161,308
Restricted fund balances	-	-	286,031	819,842	1,494	1,107,367
Total fund balances	2,817,007	3,162,426	286,031	819,842	229,120	7,314,426
Total liabilities and fund balances	$ 3,405,322	$ 4,804,611	$ 829,938	$ 1,072,787	$ 229,120	$ 10,341,779

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:						
Taxes	$ 4,930,561	$ -	$ -	$ -	$ 220,453	$ 5,151,014
Intergovernmental revenues	893,656	3,264,214		802,566	6,140	4,966,576
Charges for services	1,006,154		1,648,579			2,654,733
Licenses and permits	198,758					198,758
Fines and forfeits	81,319					81,319
Investment earnings	102,597	4,462	23,065	37,746	12,772	180,642
Miscellaneous revenues	453,364	172,049	40,515	35,000	-	700,928
Total revenues	7,666,409	3,440,725	1,712,159	875,312	239,366	13,933,971
EXPENDITURES:						
Current:						
Public works	1,294,137		972,522	1,433,604	354,375	4,054,638
Public safety	2,944,895					2,944,895
Community development	402,359	3,108,673				3,511,032
General government - administrative	3,506,112			73,025		3,579,137
Culture and recreation	620,751					620,751
Debt service:						
Principal	1,443,218		405,000			1,848,218
Interest	429,423	-	109,189	-	-	538,612
Total expenditures	10,640,895	3,108,673	1,486,711	1,506,629	354,375	17,097,283
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,974,486)	332,052	225,448	(631,317)	(115,009)	(3,163,312)
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long term debt	3,285,000			1,580,000		4,865,000
Transfers in	360,000					360,000
Transfers out	-	-	(360,000)	-	-	(360,000)
Total other financing sources (uses)	3,645,000	-	(360,000)	1,580,000	-	-
NET CHANGE IN FUND BALANCE	670,514	332,052	(134,552)	948,683	(115,009)	1,701,688
FUND BALANCE, BEGINNING	2,146,493	2,830,374	420,583	(128,841)	344,129	5,146,190
FUND BALANCE, ENDING	$ 2,817,007	$ 3,162,426	$ 286,031	$ 819,842	$ 229,120	$ 7,314,426

See Notes to Financial Statements

City of Pittston

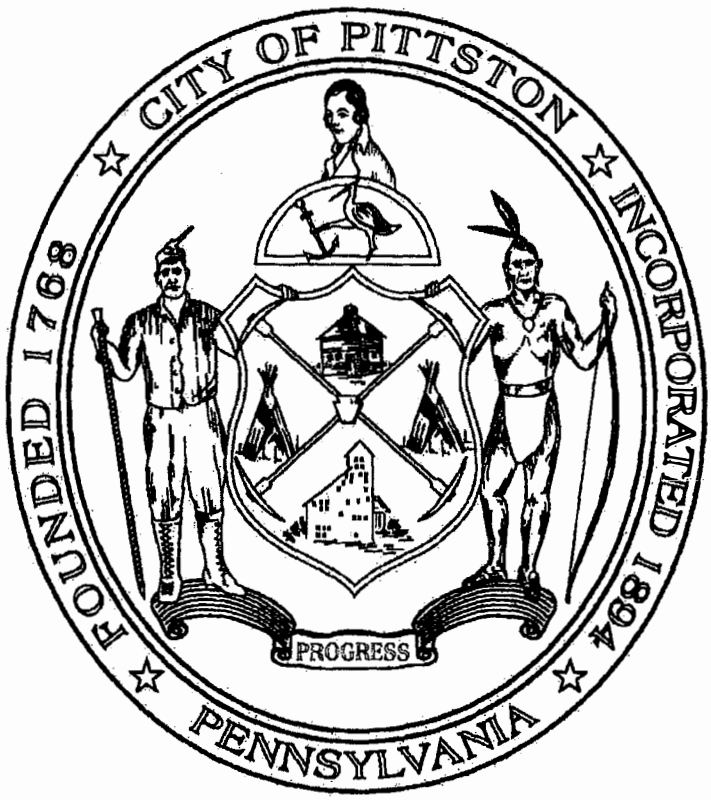
Office of the Chief Financial Officer

Fiscal Year 2025

ADOPTED BUDGET

Appropriated Funds

General Fund
Sewer Maintenance Fund
Liquid Fuels Funds



SEWER MAINTENANCE FUND

Account Number	Account Name	2025 2025 ADOPTED	2024 2024 B	2023 2023
Revenue				
08-341-0100	INTEREST EARNINGS	19,000.00	19,000.00	21,000.00
08-359-1100	WVSA REIMBURSEMENT-SANITARY	25,000.00	25,000.00	25,000.00
08-359-1200	WVSA REIMBURSEMENT-STORMWATER	10,000.00	18,000.00	15,000.00
08-364-1200	CITY SEWER MAINTENANCE FEE	1,650,000.00	1,700,000.00	1,639,000.00
08-399-1000	APPROPRIATION OF UNRESERVED FUND BALAN	21,000.00	2,000.00	0.00
	Total Revenue:	**1,725,000.00**	**1,764,000.00**	**1,700,000.00**
Expense				
08-402-3100	FINANCE-PROFESSIONAL SERVICES	30,000.00	15,000.00	0.00
08-402-3110	FINANCE-PROF SERV-ACCOUNTING	11,000.00	10,000.00	8,000.00
08-402-3111	FINANCE-PROF SERV-ANNUAL CITY AUDIT CAFR	7,500.00	6,500.00	5,000.00
08-402-4501	FINANCE CONTRACTUAL THIRD PARTY BILLING F	100,000.00	118,000.00	112,270.00
08-402-4502	FINANCE-CONTRACTUAL-THIRD PARTY DELINQ C	0.00	8,000.00	8,100.00
08-403-3900	TREASURER-BANK CHARGES/FEES	0.00	0.00	100.00
08-404-3140	LEGAL-SPECIAL LEGAL SERVICES	0.00	50,000.00	62,000.00
08-404-3145	LEGAL--EXPERT WITNESS/CONSULTANT	0.00	0.00	35,000.00
08-404-3150	LEGAL--MEDIATION FEES	0.00	0.00	25,000.00
08-405-3421	ADMIN-ORDINANCE CODIFICATION	5,000.00	4,000.00	3,600.00
08-407-4523	IT-TYLER ACCOUNTING SYSTEM	2,500.00	1,000.00	1,000.00
08-407-4524	IT-COMPUTER MEMORY BACKUP	2,000.00	2,000.00	2,000.00
08-407-4535	IT--IWORQ/DEBT BOOKS SUPPORT	11,000.00	11,900.00	5,500.00
08-408-3001	ENGINEERING-OTHER SERV CHARGES	2,000.00	35,400.00	5,000.00
08-429-2000	SANITARY SEWERS-SUPPLIES	7,000.00	6,000.00	4,900.00
08-429-2600	SANITARY SEWERS-SMALL TOOLS/EQUIP	1,000.00	1,000.00	2,000.00
08-429-3000	SANITARY SEWERS-OTH SERVICES/CHARGES	3,000.00	3,000.00	3,000.00
08-429-3700	SANITARY SEWERS-MAINT/REPAIR	95,000.00	95,000.00	152,500.00
08-429-4500	SANITARY SEWERS--CONTRACTUAL SERVICES	95,000.00	95,000.00	98,930.00
08-429-7501	SANITARY SEWERS-CAPITAL LEASES	50,000.00	48,000.00	35,000.00
08-430-3730	STREET-BLDG MAINT/REPAIR	2,000.00	2,000.00	2,000.00
08-430-4510	STREET-MOTOR POOL REPAIR/MAINTENANCE	5,000.00	4,750.00	2,500.00
08-431-4510	ST SWEEP-MOTOR POOL REPAIR/MAINTENANCE	2,000.00	2,500.00	3,000.00
08-431-7500	ST SWEEP--CAPITAL LEASE	12,000.00	0.00	0.00
08-435-3000	SIDEWALKS/CROSSWALKS OTHER SERV CHARGE	4,000.00	4,000.00	4,000.00
08-435-4500	SIDEWALKS/CROSSWALKS-CONTRACTUAL SERVI	4,500.00	7,000.00	5,000.00
08-436-1110	STORM SEWERS--MS4 PERMIT ADMIN STIPEND	1,500.00	1,500.00	1,500.00
08-436-2000	STORM SEWERS-SUPPLIES	9,000.00	9,000.00	9,000.00
08-436-2385	STORM SEWERS--SAFETY EQUIPMENT	2,500.00	3,000.00	1,500.00
08-436-2600	STORM SEWERS-SMALL TOOLS/EQUIP	1,500.00	1,500.00	2,000.00
08-436-3000	STORM SEWERS-OTH SERVICES/CHARGES	500.00	500.00	0.00
08-436-3001	STORM SEWERS-MS4 PERMIT COSTS	500.00	1,000.00	2,000.00
08-436-3510	STORM SEWER-INSURANCE	20,000.00	15,100.00	7,000.00
08-436-3700	STORM SEWERS-MAINT/REPAIRS	75,000.00	75,000.00	39,000.00
08-436-4500	STORM SEWERS-CONTRACTUAL SERVICES	75,000.00	75,000.00	93,000.00
08-436-5000	STORM SEWERS-EQUIPMENT LEASE PURCHASE	55,000.00	45,000.00	58,000.00
08-436-7501	STORM SEWER-PAYGO CAPITAL	40,000.00	30,000.00	24,000.00
08-437-3000	EQUIP REPAIRS-OTHER SERVICE CHARGES	5,000.00	2,000.00	1,500.00
08-455-3100	SHADE TREES-PROFESSIONAL SERVICES	15,000.00	10,000.00	25,000.00
08-471-2011	DEBT-BOND-2020A	440,000.00	425,000.00	405,000.00
08-471-2014	DEBT--SERIES 2023A	2,000.00	2,000.00	0.00
08-472-2011	INT-BOND-2020A	18,000.00	34,600.00	76,200.00
08-472-2013	INTEREST--BOND--SERIES 2023A	111,800.00	112,250.00	0.00
08-489-9000	UNCLASSIFIED-GEN OTHR MISC EXPENSE	4,200.00	6,000.00	2,500.00
08-492-0100	TRANSFER TO GF-COST RECOVERY	375,000.00	375,000.00	365,000.00
08-495-8000	SPECIAL EXPENSE--BAD DEBT	20,000.00	10,000.00	8,200.00
08-499-9000	FUND BAL-PRIOR YR LIABILITIES	2,000.00	500.00	200.00
	Total Expense:	**1,725,000.00**	**1,764,000.00**	**1,700,000.00**
	Report Total:	**0.00**	**0.00**	**0.00**

CITY OF PITTSTON SEWAGE FACILITIES ENGINEERING ASSESSMENT

City of Pittston
Luzerne County, PA

Prepared for:

City of Pittston
35 Broad Street
Pittston, Pa 18640

Submitted By:

Pennoni Associates Inc.
672 South River Street
Suite 313
Plains, Pa 18705



Donald J. Totino, PE
Senior Engineer

PITTC24003

November 20, 2025

CONTENTS

1. EXECUTIVE SUMMARY 1
2. PURPOSE OF REPORT 2
3. SYSTEM DESCRIPTION 2
4. INVENTORY OF ASSETS 3
4.1. COLLECTION SYSTEM 3
5. OWNED PROPERTY & EASEMENTS OF VALUE 5
6. EXISITING EASEMENTS 5
7. REGULATORY REQUIREMENTS 5
8. FUTURE CAPITAL PROJECTS 5
9. UTILITY PLANT 5

APPENDICES

APPENDIX A – SYSTEM MAPPING

- A1 – Sanitary Sewer System Map

APPENDIX B - Uniform System of Accounts - Section 300

APPENDIX C - Summary of Analysis of Original Cost of Wastewater System

APPENDIX D - Existing Easement of Record

1. EXECUTIVE SUMMARY

As required by PA Act 12 of 2016 and following the guidelines of the "Uniform System of Accounts for Class A Wastewater Utilities", an assessment of the tangible assets of facilities of the City of Pittston sanitary sewer utility is prepared as part of the asset purchase agreement with perspective buyers.

The City of Pittston ("The City", "the seller") sanitary sewer utility currently serves approximately 4,142 customer and 5,446 EDU's . The City does not own or maintain any force mains or sanitary sewer treatment facilities. All sewage collected in the City of Pittston travels to existing facilities owned by Wyoming Valley Sanitary Authority which ultimately treats the sewage generated within it.

The total asset is comprised of approximately 22 miles of gravity sewers and combined sanitary/stormwater facilities. Survey was completed on approximately 20 miles of the sanitary sewer facilities to determine the location, size, material of the existing facilities.

Site inventories and facility conditions were documented on facility information sheets and summarized in the facility description summaries.

The existing gravity sewer conveyance system was surveyed and investigated. The investigation included the location of all sanitary sewer manholes, pipe material type, pipe material size, pipe elevations and connections to existing structures. The sanitary sewer conveyance system has an installation period ranging from 1920 to 2025 and materials ranging from vitrified clay pipe (VCP), polyvinyl chloride pipe (PVC), metal pipe, and concrete pipe. As a part of this investigation the facilities have been deemed to be in good condition as the City of Pittston completes regular inspection and videoing, maintenance and repairs to deficiencies in the system as required.

Complete mapping of sewer facilities inventoried is provided in Appendix A of this report.

A complete list of the sewer facilities inventoried is provided in Appendix B of this report.

2. PURPOSE OF REPORT

The purpose of this report is to "conduct an assessment of the tangible assets of the selling utility" per the requirements of PA Act 12 of 2016.

This engineering assessment will be used by the Utility Valuation Experts (UVEs) retained by both the seller and buyer. The engineering assessment followed the practices and procedures of the Public Utility Commission (PUC) and National Association of Regulatory Utility Commissioners (NARUC) Systems of Accounts.

The report preparation process included meeting with key City representatives, perspective buyers to identify and confirm specific information needed to support the assessment and to prepare the report, providing a mutually agreed upon scope of work with the City and the perspective buyer. The inventory is a compilation of data gathered by Pennoni, developed from institutional knowledge, available records, maps, work orders, payment records from construction projects, site evaluations, and other sources to provide an inventory and listing.

This report contains the following:

- An inventory of the used and useful sanitary sewer assets to be transferred, compiled by year.
- Identification of facilities being held for future use (if any).
- A list of non-depreciable property such as land and rights-of-way.
- A review of system components, plans, and reports of key facilities. This includes:

Assets were identified through various sources. Gravity sewer sizes and quantities were taken primarily from field inventory, City Sewer System Mapping, and supplemented with information obtained from drawings that were provided by the City of Pittston.

3. SYSTEM DESCRIPTION

System Summary

The City of Pittston, Luzerne County, PA borders Jenkins Township to the south, Pittston Township and Hughestown Borough to the east, Duryea Borough to the north and the Susquehanna River to the west.

The wastewater system in the City consists of approximately 22 miles of gravity sanitary sewer collectors and combined sanitary/stormwater collector systems consisting of seven outflow chambers for overtaxing the system, there have not any reported CSO in over 12-plus years. The existing City of Pittston sanitary sewer facilities range in pipe material and size as indicated below:

Pipe Material	Pipe Size	Approximate Length
Plastic	6" to 36"	9.99 Miles
Metal	15" to 30"	0.02 Miles
VCP	4" to 60"	10.43 Miles
Concrete	12" to 72"	1.3 Miles
Unidentified	Unknown	0.34 Miles

There are approximately 4,406 City of Pittston customers consisting of 5,446 EDUs connected to the City's sewer system as direct customers of the City of Pittston. All 5,446 EDUs are conveyed through the City's system to the Wyoming Valley Sanitary Sewer Authority (WVSA) system and ultimately treated at the facility in Hanover Township, Luzerne County. The

Over the past 15-years the City has invested over 11 million dollars in capital improvement projects including the separation of sanitary sewers and upgrades to antiquated and poorly functioning sanitary sewers. This includes the following projects:

- Broad Street sewer separation and rehabilitation to the existing Vitrified Clay Pipe (Terra Cotta) to PVC and new precast manholes and laterals to cleanouts behind the curbline and the separation of the storm sewer facilities.
- Panama Street Sanitary Sewer improvements project, which included the sewer separation of the combined system with new sanitary sewer line, laterals and cleanouts and required restorations.
- Willow Lane Sanitary Sewer

4. INVENTORY OF ASSETS

4.1. COLLECTION SYSTEM

City of Pittston owns and maintains the collection system. The collection system consists of gravity piping and combined sanitary/stormwater system. The City owns currently does not own any portion of the laterals from the main to the house. A map of the collection system and drainage areas can be found in Appendix A. Below is a summary overview of the facilities located in the field.

Total Sanitary Sewer Manholes and Inlets	632

Pipe Details - Sanitary Sewer Facilities Summary			
Material	Size (in)	Quantity (ft)	Service Date Range
Plastic			
	6.00"	908	1980-2024
	8.00"	16,847	1980-2024
	10.00"	4,457	1980-2024
	12.00"	7,272	1980-2024
	15.00"	15,021	1980-2024
	18.00"	4,671	1980-2024
	24.00”	80	2013
	36.00"	158	1980-2024
	54.00”	1318	2021
	60.00”	2025	1980-2024
TOTAL		**52,757**	
Metal (Combined Sewer)			
	15.00"	25	1970-1990
	30.00"	62	1970-1990
TOTAL		**87**	
VCP/Terracotta			
	4.00"	332	1900-1980
	6.00"	1,039	1900-1980
	8.00"	16,863	1900-1980
	10.00"	17,412	1900-1980
	12.00"	7,770	1900-1980
	15.00"	3,763	1900-1980
	18.00"	4,586	1900-2025
	20.00"	2,379	1900-1980
	24.00"	151	1900-1980
	30.00"	426	1900-1980
	36.00"	357	1900-1980
	60.00"	17	1900-1980
TOTAL		**55,095**	
Concrete			
	12.00"	28	1980-2024
	15.00"	285	1980-2024
	18.00"	291	1980-2024
	24.00"	476	1980-2024
	30.00"	226	1980-2024
	36.00"	539	1980-2024
	48.00"	2,231	1980-2024
	60.00"	940	1980-2024
	66.00"	309	1980-2024
	72.00"	1,337	1980-2024
TOTAL		**6,662**	
Unidentified			
	Unidentified	1,796	

5. OWNED PROPERTY & EASEMENTS OF VALUE

The City owns the following properties upon which sewer lines currently extend through and will provide easements for the following:

- 20’ x 275’ easement from Foundry Street west to Oconnell Street in the City of Pittston.
- 20’ x 300’ easement from Plank Street to the collection chamber located behind the Dollar General.
- 20’ x 525’ easement from Front Street to Rear Tunnel Street.

6. EXISITING EASEMENTS

- Three One Company - Deed Book 2738 Page 1042
- Angelo and Linda Parente – Deed Book 3010 Page 126308
- Constantino Turco, Elizabeth Turco, Charles Turco and Linda Turco - Deed Book 3009 page 198090
- Three One Company – Deed Book 2739 Page 34
- James Powers, Kevin Powers and Brian Powers – Deed Book 2624 Page 356
- Jeffery and Luna McHugh – Deed Book 2500 Page 327
- Joesph and Margaret Rogo – Deed Book 2349 Page 171
- Landmark Community Bank – Deed Book 3006 Page 40205
- Joseph Lombardo – Deed Book 2331 Page 343
- Coalbrook Iron and Metal Co – Deed Book 1769 Page 814
- Joan Lombardo – Deed Book 2716 Page 1058

7. REGULATORY REQUIREMENTS

There are no regulatory permits related to the sanitary system in the name of the City of Pittston.

8. FUTURE CAPITAL PROJECTS

There are currently no sewer improvement projects in progress or to be completed in the 2025 construction season.

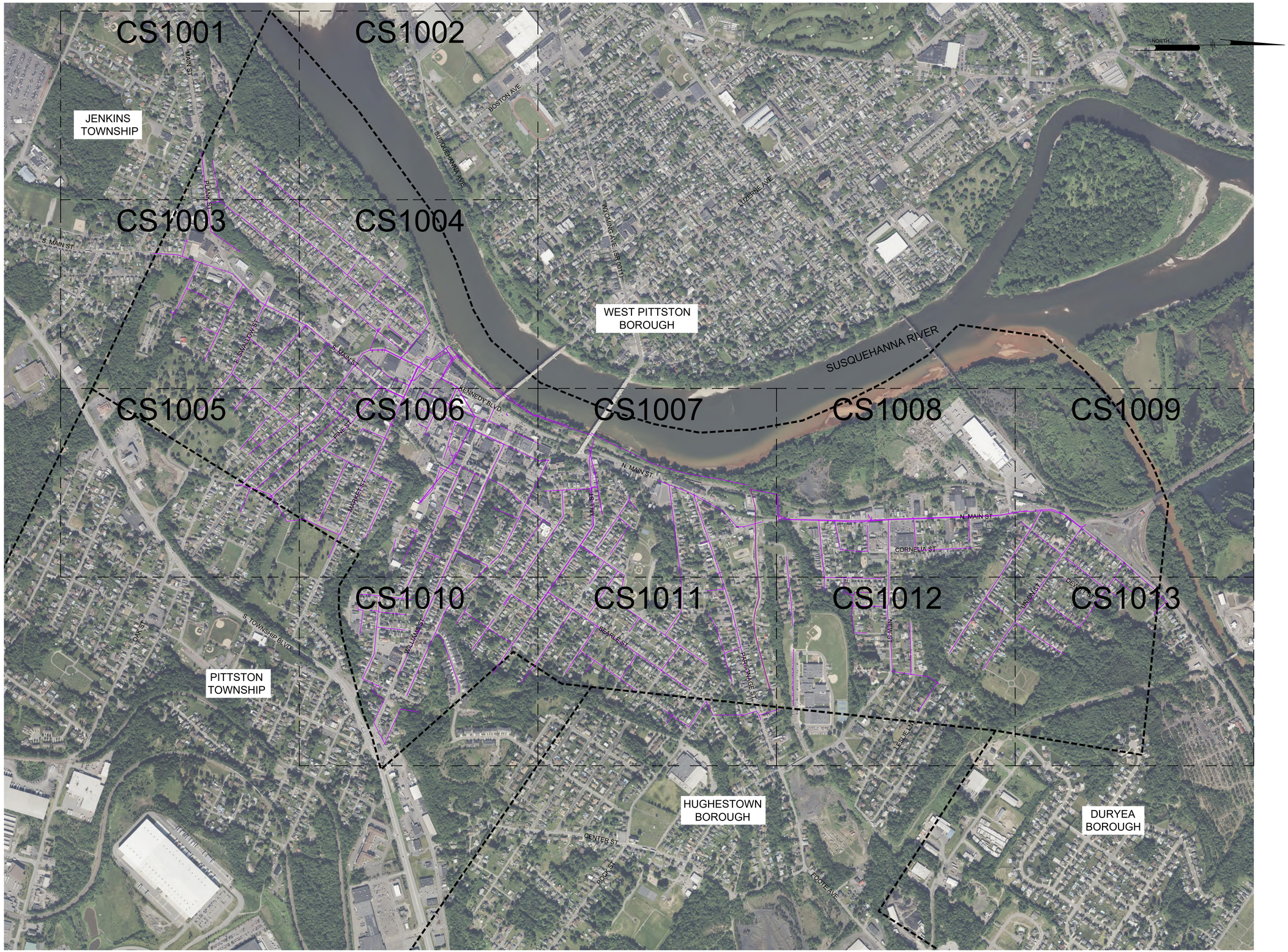
In addition, to date there are no anticipated future projects planned for the sewer system in the year 2026.

9. UTILITY PLANT

There is also no utility plant held for future use in the name of the City of Pittston.

APPENDIX A

SYSTEM MAPPING



DRAFT

PENNONI ASSOCIATES INC.
672 S. River Street, Suite 313
Plains, PA 18705
T 570.824.2200 F 570.824.0800

ALL DIMENSIONS MUST BE VERIFIED BY CONTRACTOR AND OWNER MUST BE NOTIFIED OF ANY DISCREPANCIES BEFORE PROCEEDING WITH WORK

SANITARY SEWER ASSESSMENT
CITY OF PITTSTON
LUZERNE COUNTY, PENNSYLVANIA

OVERALL KEY PLAN

CITY OF PITTSTON
35 BROAD STREET
PITTSTON PA, 18640

NO.	DATE	REVISIONS	BY

ALL DOCUMENTS PREPARED BY PENNONI ASSOCIATES ARE INSTRUMENTS OF SERVICE IN RESPECT OF THE PROJECT. THEY ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY OWNER OR OTHERS ON THE EXTENSIONS OF THE PROJECT OR ON ANY OTHER PROJECT. ANY REUSE WITHOUT WRITTEN VERIFICATION OR ADAPTATION BY PENNONI ASSOCIATES FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT OWNERS SOLE RISK AND WITHOUT LIABILITY OR LEGAL EXPOSURE TO PENNONI ASSOCIATES; AND OWNER SHALL INDEMNIFY AND HOLD HARMLESS PENNONI ASSOCIATES FROM ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES ARISING OUT OF OR RESULTING THEREFROM.

PROJECT	PITTC24002
DATE	2024-10-04
DRAWING SCALE	1"=500'
DRAWN BY	NKG
APPROVED BY	DJT

CS1000

SHEET 1 OF 14

PLOTTED: 10/4/2024 12:28 PM, BY: Travis Ansuff P:\OFFSTYLE Pennoni NCS.stb
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SANITARY SEWER ASSESSMENT

CITY OF PITTSTON

LUZERNE COUNTY, PENNSYLVANIA

SANITARY SEWER MAP

CITY OF PITTSTON
35 BROAD STREET
PITTSTON PA, 18640

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SEE SHEET CS1002

SEE SHEET CS1003

SEE SHEET CS1006

SAN.MH 4
SAN.MH 5
SAN.MH 6
SAN.MH 7
SAN.MH 8
SAN.MH 9
SAN.MH 10
SAN.MH 11
SAN.MH 12
SAN.MH 13
SAN.MH 14
SAN.MH 15
SAN.MH 16
SAN.MH 17
SAN.MH 18
SAN.MH 19
SAN.MH 20
SAN.MH 24
SAN.MH 26
SAN.MH 27
SAN.MH 28
SAN.MH 29
SAN.MH 30
SAN.MH 31
SAN.MH 32
SAN.MH 33
SAN.MH 57
SAN.MH 58 (FUSED)
SAN.MH 66
SAN.MH 114
SAN.MH 115
SAN.MH 116
SAN.MH 117 (RECESSED)
SAN.MH 118
SAN.MH 119 (RECESSED)
SAN.MH 224
SAN.MH 235 (RECESSED)
SAN.MH 237
SAN.MH 238
SAN.MH 239
SAN.MH 240 (RECESSED)
SAN.MH 241 (RECESSED)
SAN.MH 242
SAN.MH 255
SAN.MH 256
SAN.MH 257
SAN.MH 258
SAN.MH 259
SAN.MH 260
SAN.MH 260-1
SAN.MH 260-2
SAN.MH 260-3
SAN.MH 260-4 (FUSED)
SAN.MH 260-5
SAN.MH 261
SAN.MH 262
SAN.MH 263
SAN.MH 264
SAN.MH 265
SAN.MH 266 (WVSA)
SAN.MH 267
SAN.MH 323
SAN.MH 324
SAN.MH 326 (ABANDONED)
SAN.MH 327
SAN.MH 328
SAN.MH 329
SAN.MH 330
SAN.MH 331
SAN.MH 332 (FUSED)
SAN.MH 333
SAN.MH 334
SAN.MH 335
SAN.MH 358
SAN.MH 604 (RECESSED)
SAN.MH 610 (RECESSED)
DOG HOUSE 2
DOG HOUSE 3
DOG HOUSE 260-7
JOHNSON ST.
RIVER ST.
ELIZABETH ST.
TOMPKINS ST.
W. OAK ST.
S. MAIN ST.
KENNEDY BLVD.
NORTH ST.
SUSQUEHANNA AVE.
WATER STREET BRIDGE
WEST PITTSTON BOROUGH
PITTSTON CITY
SUSQUEHANNA RIVER
NORTH
0
100'
200'

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SHEET 6 OF 14

SEE SHEET CS1004



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SEE SHEET CS1007

SEE SHEET CS1010

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SUSQUEHANNA RIVER

WEST PITTSTON BOROUGH

PITTSTON CITY

NORTH

SEE SHEET CS1007

SEE SHEET CS1009

SEE SHEET CS1012

STRUCTURE - (600)

SAN.MH 277 WVSA

SAN.MH 276 WVSA

STRUCTURE - (598)

SAN.MH 307

SAN.MH 309

SAN.MH 196

SAN.MH 308 WVSA

SAN.MH 306

SAN.MH 305

SAN.MH 304

SAN. MH 303

STRUCTURE - (566)

SAN.MH B18

SAN.MH 302

SAN.MH B17

SAN.MH 301

SAN.MH 300 (FUSED)

SAN.MH 299 (FUSED)

STRUCTURE - (560)

SAN.MH 297

SAN.MH 296

SAN.MH 295

N. MAIN ST.

SAN.MH 294

SAN.MH 293

SAN.MH 352

SAN.MH 289

SAN.MH 291

SAN.MH 290

SAN.MH B5

SAN.MH 194

STRUCTURE - (584)

SAN.MH B11

SAN.MH B12

SAN.MH B13

SAN.MH B56

SAN.MH B14

CORNELIA ST.

CURTIS ST.

NEW ST.

CHAPEL ST.

SAN.MH B20

SAN.MH B19

SAN.MH B16

SAN.MH B15

SAN.MH 186

SAN.MH C8

SAN.MH B55

SAN.MH A3

0 100' 200'

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CITY OF PITTSTON

LUZERNE COUNTY, PENNSYLVANIA

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APPENDIX B

Uniform System of Accounts

UNIFORM SYSTEM OF ACCOUNTS FOR WASTEWATER UTILITIES

Final draft version September 24, 2024
Adopted by NARUC SSAF October 8, 2024
Adopted by NARUC November 13, 2024
Corrected April 4, 2025
Corrected August 27, 2025

2024

National Association of
Regulatory Utility Commissioners

1101 Vermont Avenue NW
Suite 200

Acct. No.	Acct. Title	Intangible Plant	Collection Plant	System Pumping Plant	Treatment and Disposal Plant	Reclaimed Water Treatment Plant	Reclaimed Water Distribution Plant	General Plant
351.	Organization	351.1	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
352.	Franchises	352.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	352.6	XXXXXXX
353.	Land and Land Rights	XXXXXXX	353.2	353.3	353.4	353.5	353.6	353.7
354.	Structures and Improvement	XXXXXXX	354.2	354.3	354.4	354.5	354.6	354.7
355.	Power Generation Equipment	XXXXXXX	355.2	355.3	355.4	355.5	355.6	XXXXXXX
360.	Collection Sewers – Force	XXXXXXX	360.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
361.	Collection Sewers – Gravity	XXXXXXX	361.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
362.	Special Collecting Structures	XXXXXXX	362.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
363.	Services to Customers	XXXXXXX	363.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
364.	Flow Measuring Devices	XXXXXXX	364.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
365.	Flow Measuring Installations	XXXXXXX	365.2	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX
366.	Reuse Services	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	366.6	XXXXXXX
367.	Reuse Meters and Meter Installations	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	367.6	XXXXXXX
368.	Utility (Owned/Leased) Property on Customer Premises	XXXXXXX	XXXXXXX	XXXXXXX	368.4	XXXXXXX	XXXXXXX	368.7
370.	Receiving Wells	XXXXXXX	XXXXXXX	370.3	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX

Acct. No.	Acct. Title	Intangible Plant	Collection Plant	System Pumping Plant	Treatment and Disposal Plant	Reclaimed Water Treatment Plant	Reclaimed Water Distribution Plant	General Plant
371.	Pumping Equipment	XXXXXXX	XXXXXXX	371.3	XXXXXXX	371.5	371.6	XXXXXXX
374.	Reuse Distribution Reservoirs	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	374.5	XXXXXXX	XXXXXXX
375.	Reuse Transmission and Distribution System	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	375.6	XXXXXXX
380.	Treatment and Disposal Equipment	XXXXXXX	XXXXXXX	XXXXXXX	380.4	380.5	XXXXXXX	XXXXXXX
381.	Plant Sewers	XXXXXXX	XXXXXXX	XXXXXXX	381.4	381.5	XXXXXXX	XXXXXXX
382.	Outfall Sewer Lines	XXXXXXX	XXXXXXX	XXXXXXX	382.4	XXXXXXX	XXXXXXX	XXXXXXX
389.	Other Plant and Misc. Equipment	389.1	389.2	389.3	389.4	389.5	389.6	XXXXXXX
390.	Office Furniture and Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	390.7
391.	Transportation Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	391.7
392.	Stores Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	392.7
393.	Tools, Shop and Garage Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	393.7
394.	Laboratory Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	394.7
395.	Power Operated Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	395.7
396.	Communication Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	396.7
397.	Miscellaneous Equipment	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	397.7
398.	Other Tangible Plnt.	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	398.7

The wastewater utility plant accounts have been designed utilizing an account matrix. The matrix employs a list of object accounts which in effect act as control accounts. The object accounts are further segregated by the matrix into classifications by functions or subaccounts. The instructions for segregating the object accounts to the function subaccounts are contained in Accounting Instruction 4. Listed below are the object account descriptions.

351. Organization

This account shall include all fees paid to federal or state governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership or other enterprise and putting it into readiness to do business. A sample of items to be included in this account is listed below:

1. Actual cost of obtaining certificates authorizing an enterprise to engage in the public utility business.
2. Fees and expenses for incorporation.
3. Fees and expenses for mergers or consolidations.
4. Office expenses incident to organizing the utility.
5. Stock and minute books and corporate seal.

Note A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses in connection with the authorization, issuance and sale of capital stock.

Note B: Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. Where charges are made to this account for expenses incurred in mergers, consolidations or reorganizations, amounts previously included herein or in similar accounts in the books of the companies concerned shall be excluded from this account.

352. Franchises

A. This account shall include amounts paid to the federal government, to a state or to a political subdivision thereof in consideration for franchises, consents or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incident to procuring such franchises, consents or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require solely for the purpose of acquiring franchise.

B. If a franchise or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid

by the utility over the amount above specified shall be charged to account 426 – Miscellaneous Nonutility Expenses.

C. When any franchise has expired, the book cost thereof shall be credited thereto and charged to account 426 – Miscellaneous Nonutility Expenses, or to account 110.1 – Accumulated Amortization of Utility Plant in Service, as appropriate.

D. Records supporting this account shall be kept so as to show separately the book cost of each franchise.

Note: Annual or other periodic payments under franchises shall not be included herein but in the appropriate expense account.

353. Land and Land Rights

This account shall include the cost of land and land rights used in connection with wastewater collection, pumping, treatment and disposal, reclaimed water treatment and distribution and general plant operations (See Accounting Instruction 25). A sample of items to be included in this account is listed below:

1. Bulkheads buried, not requiring maintenance or replacement.
2. Cost, first, of acquisition including mortgages and other liens assumed (but not subsequent interest thereon).
3. Condemnation proceedings, including court and counsel costs.
4. Consents and abutting damages, payment for.
5. Conveyancers' and notaries' fees.
6. Fees, commissions, salaries to brokers, agents, and others in connection with the acquisition of the land or land rights.
7. Leases, cost of voiding upon purchase to secure possession of land.
8. Removing, relocating, or reconstructing property of others, such as buildings, highways, railroads, bridges, cemeteries, churches, telephone and power lines, etc., in order to acquire quiet possession.
9. Retaining walls unless identified with structures.
10. Special assessments levied by public authorities for public improvements on the basis of benefits for new roads, new bridges, new sewers, new curbing, new pavements, and other public improvements, but not taxes levied to provide for the maintenance of such improvements.
11. Surveys in connection with the acquisition, but not amounts paid for topographical surveys and maps where such costs are attributable to structures or plant equipment erected or to be erected or installed on such land.
12. Taxes assumed, accrued to date of transfer of title.
13. Title, examining, clearing, insuring and registering in connection with the acquisition and defending against claims relating to the period prior to the acquisition.
14. Appraisals prior to closing title.

15. Cost of dealing with distributees or legatees residing outside of the state or county, such as recording power of attorney, recording will or exemplification of will, recording satisfaction of state tax.
16. Filing satisfaction of mortgage.
17. Documentary stamps.
18. Photographs of property at acquisition.
19. Fees and expenses incurred in the acquisition of sewer rights, and grants.
20. Cost of fill to extend bulkhead line over land under water, where riparian rights are held, which is not occasioned by the erection of a structure.
21. Sidewalks and curbs constructed by the utility on public property.
22. Labor and expenses in connection with securing rights of way, where performed by company employees and company agents.

354. Structures and Improvements

This account shall include cost in place of structures and improvements used in connection with wastewater collection, pumping, treatment and disposal, reclaimed water treatment and distribution and general plant operations (See Accounting Instruction 26). A sample of items to be included in this account is listed below:

1. Architects' plans and specifications including supervision.
2. Boilers, furnaces, piping, wiring, fixtures and machinery for heating, lighting, signaling, ventilating and air conditioning systems, plumbing, vacuum cleaning systems, incinerator and smoke pipe, flues, etc.
3. Bulkheads, including dredging, riprap fill, piling, decking, concrete, fenders, etc., when exposed and subject to maintenance and replacement.
4. Commissions and fees to brokers, agents, architects and others.
5. Conduit (not to be removed) with its contents.
6. Damages to abutting property during construction.
7. Drainage systems.
8. Elevators, cranes, hoists, etc., and the machinery for operating them.
9. Excavation, including shoring, bracing, bridging, refill and disposal of excess excavated material, cofferdams around foundations, pumping water from cofferdam during construction, test borings.
10. Fences and fence curbs (not including protective fences isolating items of equipment, which should be charged to the appropriate equipment account).
11. Fire protection systems when forming a part of a structure.
12. Flagpole.
13. Floor covering (permanently attached).
14. Foundations and piers for machinery, constructed as a permanent part of a building or other item listed herein.

15. Grading and clearing when directly occasioned by the building of a structure.
16. Intrasite communication system, poles, pole fixtures, wire and cables.
17. Landscaping, lawns, shrubbery, etc.
18. Leases, voiding upon purchase, to secure possession of structures.
19. Leased property, expenditures on.
20. Lighting fixtures and outside lighting systems.
21. Marquee, permanently attached to building.
22. Painting, first cost.
23. Permanent paving, concrete, brick, flagstone, asphalt, etc., within the property lines.
24. Partitions, including movable.
25. Permits and privileges.
26. Power boards for services to a building.
27. Refrigerating systems for general use.
28. Retaining walls except when identified with land.
29. Roadways.
30. Roofs.
31. Scales, connected to and forming a part of a structure.
32. Water and wastewater systems, for general use.
33. Sidewalks, culverts, curbs and streets constructed by the utility on its property.
34. Sprinkling systems.
35. Stacks – brick, steel, or concrete, when set on foundation forming part of general foundation and steelwork of a building.
36. Steel inspection during construction.
37. Storage facilities constituting a part of a building.
38. Storm doors and windows.
39. Temporary heating during construction (net cost).
40. Temporary water connection during construction (net cost).
41. Temporary shanties and other facilities used during construction (net cost).
42. Topographical maps.
43. Vaults constructed as part of a building.
44. Watchmen's sheds and clock systems (net cost when used during construction only).
45. Water meters and supply system for a building or for general company purposes.
46. Water supply piping, hydrants and wells.
47. Yard surfacing, gravel, concrete, or oil (First cost only).
48. Tunnels, intake and discharge when constructed as part of a structure including sluice gates and those constructed to house.

355. Power Generation Equipment

A. This account shall include the cost installed of any equipment used for the production of power principally used in pumping operations.

B. Subaccounts shall be maintained hereunder for the cost of equipment used for each type of power generating equipment.

360. Collecting Sewers – Force

This account shall include all sewers which are used to lift sewage from a lower elevation to a higher elevation. The force sewer will include the pipe between the discharge outlet of the lift station and the receiving manhole.

361. Collecting Sewers – Gravity

This account shall include the installed cost of all gravity collecting sewers, interceptor, branch, trunk, lateral including service wye, and manholes and lampholes. Manholes shall be included as a separate unit of property

362. Special Collecting Structures

Inverted siphon shall be included in this account but so distinctly noted; also any other special designed structures unusual to the wastewater system should be included herein but specifically notes as to what they do.

363. Services to Customers

This account shall include the installed cost of service sewers, from collection sewer to the customer's property or curb line. A sample of items to be included in this account is listed below:

1. Jointing and jointing material.
2. Manhole or clean-out.
3. Municipal inspection and permits.
4. Pavement disturbed.
5. Protection of street openings.
6. Tapping saddle.
7. Service connection wye shall be included in account 363 instead of account 361 when company owns service sewers to customer's property line.

364. Flow Measuring Devices

A. This account shall include the cost of flow measuring and recording equipment and initial testing used for measuring the quantity of wastewater or wastewater effluent delivered by customers, whether actually in service or held in reserve.

B. When flow measuring equipment is permanently retired from service, the amount at which it is included herein shall be credited to this account.

C. The records covering flow measuring equipment shall be so kept that the utility can furnish information as to the number of devices of each type and size in service and in reserve, as well as the location of each device included in this account.

365. Flow Measuring Installations

A. This account shall include the cost of labor employed, materials used and expenses incurred in connection with the original installation of customers' flow measuring equipment. A sample of items to be included in this account is listed below:

1. Floats, connections, flumes, or wipes.
2. Special manhole, boxes, or other separate housing.

B. When a flow measuring installation is permanently retired from service, the cost thereof shall be credited to this account.

366. Reuse Services

A. This account shall include the cost installed of reclaimed water service pipes and accessories leading to the customers' premises.

B. A complete reclaimed water service begins with the connection on the main and extends to but does not include the connection with the customer's meter. A stub service extends from the main to the property line, or the curb stop (curb stop cock).

C. Services which have been used but have become inactive shall be retired from utility plant in service immediately if there is no prospect for future use.

Items

1. Corporation stops or tees.
2. Gate valves and boxes.
3. Goose necks.
4. Jointing and jointing material.
5. Municipal inspection or permits.
6. Pavements disturbed.
7. Pipes.
8. Placing pipes and accessories.
9. Protection of street openings.
10. Service or curb boxes.
11. Service or curb stops (curb stop cocks).

12. Tapping main.
13. Tapping saddle.

367. Reuse Meters and Meter Installations

A. This account shall include the cost of meters, devices, and appurtenances attached thereto, used for measuring the quantity of reclaimed water delivered to users, whether actually in service or held in reserve. It shall also include the cost of labor employed, materials used and expenses incurred in connection with the original installation of a customer's meter and devices and appurtenances attached thereto.

B. When a meter and/or meter installation is permanently retired from service, the amount at which it is included herein shall be credited to this account.

C. The records covering meters shall be so kept that the utility can furnish information as to the number of meters of each type and size in service and in reserve as well as the location of each meter included in this account.

D. A sample of items to be included in this account is listed below:

1. Meters, including badging and initial testing.
2. Remote meter registers.
3. Installation labor (first installation only).
4. Meter coupling.
5. Meter bars.
6. Meter yokes.
7. Meter fittings, connections and shelves.
8. Meter vaults or boxes.
9. Stops.

Note A: This account shall not include meters for recording the output of a supply or treatment plant, or those located on mains. It includes only those meters to record reclaimed water delivered to customers, including company use and for those used elsewhere in the system if a type available for general use.

Note B: The utility shall maintain a statistical record to show separately the number of each type and size of meter or group of types and sizes as carried in the continuing property records. Underlying records shall be kept so that the utility can determine readily for each such classification the number of company-owned meters in service (subdivided between active and inactive) and the number of meters carried herein but not in service, the latter to include meters undergoing repairs; and the number of meters in service owned by customers.

368. Utility (Owned/Leased) Property on Customer Premises

This account shall include the cost of installation of utility property on customer premises including labor employed, materials used and expenses incurred in connection with the original installation of property installed by or on behalf of the utility.

370. Receiving Wells

This account shall include the cost of constructing wells at pumping stations or at other junction points along the collecting system, used for intercepting wastewater for clearing and screening, transfer to a pumping well or otherwise further convey it along the collecting system to the treatment plant or point of final discharge. This account shall include any chemical feed apparatus and holding basins associated with the receiving well.

371. Pumping Equipment

This account shall include the cost installed of pumping equipment driven by electric power or diesel engines. A sample of items to be included in this account is listed below.

1. Motors or engines for driving pumps.
2. Pumps, including settings, gearing, shafting and belting.
3. Sewage piping within station, including valves.
4. Auxiliary equipment for motors and pumps such as oiling systems, cooling systems, condensers, etc.
5. Electrical power lines and switching.
6. Foundations, frames, and bed plates.
7. Hoist units.

374. Reuse Distribution Reservoirs

This account shall include the cost in place of reservoirs, tanks and appurtenances used in storing reclaimed water for distribution. A sample of items to be included in this account is listed below:

1. Bridges and culverts.
2. Clearing land.
3. Dams.
4. Embankments.
5. Fences.
6. Foundations.
7. Gates and gate houses.
8. Landscaping.
9. Lighting systems.
10. Piping system within reservoirs.

11. Retaining walls.
12. Roads and paths.
13. Rust-proofing apparatus.
14. Sewer drain or storm sewer.
15. Spillways and channels.
16. Standpipes.
17. Tanks.
18. Towers.
19. Valves.

375. Reuse Transmission and Distribution System

A. This account shall include the cost installed of reclaimed water transmission and distribution mains and appurtenances. A sample of items to be included in this account is listed below:

1. Air chambers.
2. Blow-offs and overflows.
3. Bridges and culverts.
4. Electrolysis control equipment.
5. Gauges and recorders.
6. Jointing and jointing material.
7. Manholes.
8. Meters and appurtenances.
9. Municipal inspection or permits.
10. Pavement disturbed, including cutting and replacing pavement, pavement base and sidewalks.
11. Pipes.
12. Fire mains.
13. Fire Hydrants.

B. Records supporting this account shall be so kept as to show separately the cost of mains of different sizes and types and of each tunnel, bridge, or river crossing.

380. Treatment and Disposal Equipment

This account shall include the cost installed of apparatus equipment and other facilities used for the treatment of wastewater, disposal of sewage wastes and the treatment of effluent for reuse. A sample of items to be included in this account is listed below:

1. Aeration chambers.
2. Chemical equipment.
3. Disinfection facilities.
4. Filters.
5. Imhoff tank.

6. Land fill equipment and appurtenances.
7. Monitoring equipment.
8. Oxidation pond or lagoon.
9. Sedimentation equipment.
10. Septic tank.
11. Screen unit.
12. Sludge system.
13. Trucks, tractors, or other equipment used primarily for sludge or other waste disposal.
14. Package mechanical treatment plant.
15. Sedimentation basin.
16. Sludge digestion equipment.
17. Sludge filtration or dewatering equipment.

381. Plant Sewers

This account shall include the cost installed of plant yard piping and appurtenances, and facilities required to dispose of treatment plant liquid effluent into the outfall sewer line. A sample of items to be included in this account is listed below:

1. Unit to unit sections of yard piping.
2. Valves and vaults.
3. Pipe tunnels and galleries.
4. Filter and filter backwash piping.

382. Outfall Sewer Lines

This account shall include the installed cost of sewer line carrying effluent from treatment facility to point of discharge. Includible in this account would be headwall or outlet.

389. Other Plant and Miscellaneous Equipment

This account shall include the cost installed of all other intangible, collection system pumping, and treatment and disposal, reclaimed water treatment and reclaimed water distribution plant not provided for in the foregoing accounts.

390. Office Furniture and Equipment

A. This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis. A sample of items to be included in this account is listed below:

1. Book cases and shelves.

2. Desks, chairs, and desk equipment.
3. Drafting room equipment.
4. Computer Equipment.
5. Filing, storage and other cabinets.
6. Floor covering.
7. Library and library equipment.
8. Other office equipment
9. Safes.
10. Tables.

391. Transportation Equipment

This account shall include the cost of transportation vehicles used for utility purposes. A sample of items to be included in this account is listed below:

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Trucks.
6. Motorcycles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.
10. Golf Carts

392. Stores Equipment

A. This account shall include the cost of equipment used for the receiving, shipping, handling and storage of materials and supplies.

B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location. A sample of items to be included in this account is listed below:

1. Chain falls.
2. Counters.
3. Cranes (portable).
4. Elevating and stacking equipment (portable).
5. Hoists.
6. Lockers.
7. Scales.
8. Shelving.
9. Storage bins.
10. Trucks, hand and power driven.
11. Wheelbarrows.

393. Tools, Shop and Garage Equipment

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or includible in other accounts. A sample of items to be included in this account is listed below:

1. Air compressors.
2. Anvils.
3. Automobile repair shop equipment.
4. Battery charging equipment.
5. Belts, shafts and countershafts.
6. Boilers.
7. Cable pulling equipment.
8. Concrete mixers.
9. Drill presses.
10. Derricks.
11. Electric equipment.
12. Engines.
13. Forges.
14. Furnaces.
15. Foundations and settings specially constructed for and not expected to outlast the equipment for which provided.
16. Gas producers.
17. Gasoline pumps, oil pumps and storage tanks.
18. Greasing tools and equipment.
19. Hoists.
20. Ladders.
21. Lathes.
22. Machine tools.
23. Motor driven tools.
24. Motors.
25. Pipe threading and cutting tools.
26. Pneumatic tools.
27. Pumps.
28. Riveters.
29. Smithing equipment.
30. Tools racks.
31. Vises.
32. Welding apparatus.
33. Work benches.

394. Laboratory Equipment

A. This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specifically provided for or includible in

other departmental or functional plant accounts. A sample of items to be included in this account is listed below:

1. Autoclaves.
2. Barometers.
3. Cameras.
4. Centrifuge.
5. Distilling apparatus.
6. Furnaces.
7. Microscopes.
8. Ovens.
9. Pitometers.
10. Rain gauges.
11. Refrigerators.
12. Scales.
13. Sterilizers.
14. Stop watches.
15. Testing machines.
16. Thermometers.
17. Voltmeters.
18. Other bacteriological, electric, chemical hydraulic or research equipment.

B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

395. Power Operated Equipment

This account shall include the cost of power operated equipment used in construction of repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted. A sample of items to be included in this account is listed below:

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and joists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Tractors – Crawler type.
11. Trenchers.
12. Other power operated equipment.

Note: It is intended that this account include only such large units as are generally self-propelled or mounted on moveable equipment.

396. Communication Equipment

This account shall include the cost installed of telephone, and wireless equipment for general use in connection with utility operations.

397. Miscellaneous Equipment

This account shall include the cost of the equipment, apparatus, etc, used in utility operations, and which is not includible in any other account. A sample of items to be included in this account is listed below:

1. Medical Equipment.
2. Break room equipment
3. Recreation equipment.
4. Operator's furnishings.
5. Electric signs advertising the corporate name or symbol, plant or facility name, or otherwise serving only the general purpose of acquainting the public with the facilities and services of the utility.
6. Other miscellaneous equipment.

398. Other Tangible Plant

This account shall include the cost of tangible utility plant not provided for elsewhere.

APPENDIX C

Summary of Analysis of Original Cost of Wastewater System

CITY OF PITTSTON WASTEWATER SYSTEM
SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM
AS OF NOVEBER 20, 2025

ACCOUNT	DESCRIPTION	ORIGINAL COST ($)
353.2	LAND AND LAND RIGHTS - COLLECTION	$ 14.00
361.21	COLLECTION SEWERS - GRAVITY MAINS	$ 19,535,876.20
361.23	COLLECTION SEWERS - GRAVITY - MANHOLES AND INLETS	$ 2,192,668.04
363.20	SERVICES TO CUSTOMERS	$ 1,494,187.75
	SYSTEM TOTAL	$ 23,222,745.99

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
353.2	LAND AND LAND RIGHTS - COLLECTION				
	Foundry Street West to Oconnell Street Easement	1967[(1)]			$1.00
	Plank Street to Collection Chamber Easement	1967[(1)]			$1.00
	Front Street to Rear Tunnel Street Easement	1967[(1)]			$1.00
	Powers Easement - 103 Broad Street (Parcel: 72E11NE3012006000)	2009			$1.00
	Constantino and Elizabeth Turco Easement - 300 Kennedy Blvd (Parcel: 72E11NE4010002000 & 72E11NE401003A000)	2009			$1.00
	Angelo and Lena Parente Easement - Fear Street (Parcel: 72E11SE2017020000)	2009			$1.00
	Three-One Company Easement - 301 Kennedy Blvd (Parcel: 72E11NE401100200)	2009			$1.00
	Lombardo Easement - 49 Broad Street (Parcel: 72E11NE3012002000)	2009			$1.00
	Northeast Windows Inc. Easement - Front Street (Parcel: 72E11SE201721A000)	2009			$1.00
	Marvin L. Slomowitz Easement - N Township Blvd (Parcel: 72E11SE200708A000)	2009			$1.00
	Cyprich Development, L.L.P. Easement - 351 Kennedy Blvd (Parcel: 72E11NE4011001000)	2009			$1.00
	Jeffrey M. and Laura McHugh Easement - 18 Tunnel Street (Parcel: 72E11NE301218D000)	2009			$1.00
	Landmark Community Bank Easement - 18 Charles Street (Parcel: 72E11NE3025034000)	2009			$1.00
	Joseph and Margaret Rogo Easement - 55 Front Street (Parcel: 72E11SE2017020A000)	2009			$1.00
	TOTAL LAND AND LAND RIGHTS - COLLECTION				**$14.00**

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
361.21	COLLECTION SEWERS - GRAVITY MAINS[2]				
	VCP - 4-inch	1908[3]	332	$2.03	$675.06
	VCP - 6-inch	1908[3]	1,039	$2.18	$2,263.91
	VCP - 8-inch	1908[3]	16,863	$2.90	$48,980.31
	VCP - 10-inch	1908[3]	17,412	$3.27	$56,896.62
	VCP - 12-inch	1908[3]	7,770	$3.63	$28,211.84
	VCP - 15-inch	1908[3]	3,763	$3.99	$15,028.82
	VCP - 18-inch	1908[3]	4,586	$4.43	$20,313.90
	VCP - 20-inch	1908[3]	2,379	$4.57	$10,882.32
	VCP - 24-inch	1908[3]	151	$4.79	$723.69
	VCP - 30-inch	1908[3]	426	$5.45	$2,320.07
	VCP - 36-inch	1908[3]	357	$6.17	$2,203.52
	VCP - 60-inch	1908[3]	17	$8.71	$148.14
	Unknown - 12-inch	1908[3]	52	$3.62	$188.24
	Unknown - Unknown	1908[3]	768	$4.43	$3,401.90
	CMP - 15-inch	1970[4]	25	$56.86	$1,421.53
	CI - 30-inch	1970[4]	62	$77.54	$4,807.34
	AC - 12-inch	1980[5]	28	$121.16	$3,392.57
	AC - 15-inch	1980[5]	285	$133.28	$37,984.71
	AC - 18-inch	1980[5]	291	$147.82	$43,015.41
	AC - 24-inch	1980[5]	476	$159.94	$76,129.35
	AC - 30-inch	1980[5]	42	$181.75	$7,633.29
	AC - 36-inch	1980[5]	539	$205.98	$111,021.98
	AC - 48-inch	1980[5]	2,231	$242.33	$540,630.86
	AC - 60-inch	1980[5]	548	$290.79	$159,354.04
	AC - 66-inch	1980[5]	309	$363.49	$112,318.42
	AC - 72-inch	1980[5]	1,337	$411.96	$550,784.35
	RCP - 30-inch	1980[5]	184	$181.75	$33,442.00
	RCP - 60-inch	1980[5]	392	$290.79	$113,989.68
	PVC/HDPE - 6-inch	1980[5]	588	$72.70	$42,747.60
	PVC/HDPE - 8-inch	1980[5]	1,001	$96.93	$97,026.93
	PVC/HDPE - 10-inch	1980[5]	4,297	$109.05	$468,587.85
	PVC/HDPE - 12-inch	1980[5]	7,272	$121.16	$881,075.52
	PVC/HDPE - 15-inch	1980[5]	15,021	$133.28	$2,001,998.88

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
	PVC/HDPE - 18-inch	1980[5]	4,576	$147.82	$676,424.32
	PVC/HDPE - 24-inch	2013	80	$1,246.65	$99,732.00
	PVC/HDPE - 36-inch	1980[5]	158	$205.98	$32,544.84
	PVC/HDPE - 54-inch[6]	2021	1,318	$134.90	$177,798.20
	Unknown - Unknown	1980[5]	976	$147.82	$144,272.32
	PVC - 6-inch[6]	2010	320	$1,000.00	$320,000.00
	PVC - 8-inch[6]	2010	4,766	$1,090.53	$5,197,480.28
	PVC - 8-inch[6]	2010	1,000	$1,000.00	$1,000,000.00
	PVC - 8-inch[6]	2011	495	$1,721.00	$851,895.00
	PVC - 8-inch[6]	2012	120	$845.54	$101,464.80
	PVC - 8-inch[6]	2014	1,080	$830.13	$896,540.40
	PVC - 8-inch[6]	2015	480	$800.00	$384,000.00
	PVC - 10-inch[6]	2015	80	$950.00	$76,000.00
	HDPE - 18-inch[6]	2015	40	$1,286.93	$51,477.20
	PVC - 8-inch[6]	2016	630	$96.93	$61,065.90
	PVC - 8-inch[6]	2017	1,060	$109.05	$115,593.00
	PVC - 8-inch[6]	2018	880	$640.90	$563,992.00
	PVC - 8-inch[6]	2019	1,545	$121.16	$187,192.20
	HDPE - 60-inch[6]	2020	1,875	$868.60	$1,628,625.00
	PVC - 8-inch[6]	2020	311	$500.00	$155,500.00
	PVC - 10-inch[6]	2020	20	$1,233.95	$24,679.00
	PVC - 10-inch[6]	2021	20	$1,234.95	$24,699.00
	PVC - 10-inch[6]	2021	20	$1,235.95	$24,719.00
	PVC - 10-inch[6]	2021	20	$1,236.95	$24,739.00
	PVC - 8-inch[6]	2022	487	$174.14	$84,806.18
	PVC - 8-inch[6]	2023	524	$435.27	$228,081.48
	HDPE - 60-inch[6]	2024	150	$1,863.33	$279,499.50
	PVC - 8-inch[6]	2024	2,468	$247.65	$611,200.20
	CCIP - 18-inch[6]	2025	55	$586.45	$32,254.75
	TOTAL COLLECTION SEWERS - GRAVITY MAINS				**$19,535,876.20**
361.23					
	COLLECTION SEWERS - GRAVITY - MANHOLES AND INLETS				
	Initial Installation - Original System	1908[3]	119	$72.62	$8,641.26
	Sewer Extensions	1980[5]	337	$2,423.27	$816,640.96
	Combined Sewer Inlets	1980[5]	89	$6,500.00	$578,500.00

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
	2010 Pennvest Sewer Project[6]	2010	40	$12,000.00	$480,000.00
	Grandview Drive Extension	2012	3	$6,968.11	$20,904.33
	Panama Street Extension[6]	2020	4	$8,583.62	$34,334.48
	North Main Street Extension[6]	2024	1	$10,000.00	$10,000.00
	South Main Stree Inlet[6]	2024	1	$10,000.00	$10,000.00
	Willow Lane Sewer Project[6]	2024	3	$8,500.00	$25,500.00
	100 Block of LaGrange Street [6]	2024	1	$16,489.00	$16,489.00
	531 N Main Street [6]	2024	1	$2,672.00	$2,672.00
	Intersection of William and Church Street [6]	2024	1	$4,868.00	$4,868.00
	Prospect and Lenoard Street [6]	2024	2	$5,558.00	$11,116.00
	Market Street and Spring Street[6]	2024	1	$2,105.00	$2,105.00
	Intersection Leonard and Searle Street[6]	2024	1	$2,344.00	$2,344.00
	Prospoect Street and Leonard Street[6]	2024	1	$4,749.00	$4,749.00
	Sand Street[6]	2024	1	$18,444.00	$18,444.00
	LaGrange Street and East Oak Street[6]	2023	1	$6,810.00	$6,810.00
	79 LaGrange Street [6]	2023	1	$1,020.00	$1,020.00
	324 Laurel Street [6]	2023	1	$11,290.00	$11,290.00
	745 North Main Street[6]	2023	1	$2,760.00	$2,760.00
	Propsect and Leonard Street [6]	2022	1	$4,111.00	$4,111.00
	Plank and Gravity Street[6]	2022	1	$1,655.00	$1,655.00
	Rear Broad Street[6]	2022	1	$2,929.00	$2,929.00
	North Main Street and Panama Street [6]	2022	1	$1,500.00	$1,500.00
	120 Panama Street [6]	2022	1	$4,000.00	$4,000.00
	Panama Street [6]	2022	1	$4,000.00	$4,000.00
	194 Panama Street [6]	2022	1	$4,000.00	$4,000.00
	198 Panama Street [6]	2022	1	$4,000.00	$4,000.00
	Rear Miller Street[6]	2022	1	$4,000.00	$4,000.00
	Custom Chamber[6]	2021	1	$40,000.00	$40,000.00
	Broad Street and Church Street[6]	2021	1	$2,973.00	$2,973.00
	Church Street[6]	2021	1	$4,006.00	$4,006.00
	46 Wilford Street[6]	2021	1	$2,680.00	$2,680.00
	Kennedy Blouveard[6]	2021	1	$3,670.00	$3,670.00
	Kennedy Blouveard[6]	2021	1	$4,591.00	$4,591.00
	Butler Street[6]	2021	1	$9,400.00	$9,400.00
	East Oak Street and Spring Court[6]	2021	1	$9,375.00	$9,375.00

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
	Miller Street[6]	2020	1	$3,318.00	$3,318.00
	25 Johnson Street[6]	2020	1	$3,269.00	$3,269.00
	10 Pine Street[6]	2020	1	$1,592.00	$1,592.00
	41 Center Street and 13 Sand Street[6]	2020	1	$2,411.00	$2,411.00
363.20	Underwood Lane[6]	2015	1	$6,000.00	$6,000.00
	TOTAL COLLECTION SEWERS - GRAVITY - MANHOLES AND INLETS		632		**$2,192,668.04**
	SERVICE TO CUSTOMERS				
	VCP - 4-inch	1908[3]	3,302	$44.43	$146,707.86
	PVC - 4-inch	1980[5]	799	$1,494.59	$1,194,177.41
	PVC - 4-inch	2012	32	$3,414.14	$109,252.48
	PVC - 6-inch	2021	5	$4,000.00	$20,000.00
	PVC - 6-inch	2024	4	$6,012.50	$24,050.00
	TOTAL SERVICE TO CUSTOMERS		4,142		**$1,494,187.75**

(1) Year based on plans titled "Intercepting Sewers and Force Mains: Section No. IV Pittston City Market St. to Union St." by Albright & Friel Inc. Consulting Engineers dated 2/28/1966, last revised 1/14/1967.

(2) Gravity sewer main quantities do not include the quantities of piping that was repaired/upgraded. These pipe quantities are included in the yearly sewer capital projects costs under Account 361.22.

(3) The estimated range of construction is 1900-1920 based on an undated coal map believed to be from this era, titled "Map of Pittston City Showing Sewerage System" by John J. Reilly Consulting Engineer. 1908 was conservatively chosen as the estimated date of construction as it was the earliest available year with a

(4) The estimated range of construction is 1970-1990 based on available plans and

(5) The estimated range of construction is 1980-1990 based on available plans and

(6) Overall project costs were provided by the City. Pennoni estimated unit costs based on estimated pipe quantities.

APPENDIX D
EXISTING EASEMENTS OF RECORD

City of Pittston Easement List	
1	Foundry Street West to Oconnell Street Easement
2	Plank Street to Collection Chamber Easement
3	Front Street to Rear Tunnel Street Easement
4	Powers Easement - 103 Broad Street 2009
5	Constantino and Elizabeth Turco Easement - 300 Kennedy Blvd 2009
6	Angelo and Lena Parente Easement - Fear Street 2009
7	Three-One Company Easement - 301 Kennedy Blvd 2009
8	Lombardo Easement - 49 Broad Street 2009
9	Northeast Windows Inc. Easement - Front Street 2009
10	Marvin L. Slomowitz Easement - N Township Blvd 2009
11	Cyprich Development, L.L.P. Easement - 351 Kennedy Blvd 2009
12	Jeffrey M. and Laura McHugh Easement - 18 Tunnel Street 2009
13	Landmark Community Bank Easement - 18 Charles Street 2009
14	Joseph and Margaret Rogo Easement - 55 Front Street 2009

CVS 1

This Deed

Made the 16th day of October, in the year Two Thousand (2000).

Between ***THREE-ONE COMPANY, a Pennsylvania general partnership,*** *with offices located at 185 Ferguson Avenue, Shavertown, Pennsylvania,*

GRANTOR,

AND

CYPRICH DEVELOPMENT, L.L.P., a Pennsylvania limited liability partnership, *with offices located at 35 Slocum Avenue, Exeter, Pennsylvania,*

GRANTEE.

Witnesseth, *That in consideration of One and 00/100 ($1.00) Dollar in hand paid, the receipt whereof is hereby acknowledged, the said grantor does hereby grant and convey to the said grantee, its successors and assigns,*

ALL the surface or right of soil in and to the following described pieces or parcels of land situated in the Tompkins Street Urban Renewal Project, Project No. Pa R. 176, in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows:

COPY

BEGINNING at a point in the northwesterly line of Wharf Street at its intersection with the northeasterly line of Market Street;

THENCE along the said line of Market St, North 59° 30' West, one hundred eighty-four and sixty-two one-hundredths (184.62) feet to a point;

THENCE continuing along the same, on a curve to the right having a radius of ten (10) feet, an arc length of sixteen and nine one-hundredths (16.09) feet, having a chord on a course of North 13° 25' West; fourteen and four-tenths (14.4) feet to a point in the southeasterly line of Legislative Route No. 232, Kennedy Boulevard;

THENCE along the said line of Legislative Route 232, North 32° 40' East, two hundred twenty and seventy-seven (220.77) feet to a point;

THENCE South 59° 30' East, one hundred eighty-six and twenty-six one-hundredths (186.26) feet to a point in the said line of Wharf Street;

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF LUZERNE :

On this the 7th day of AUGUST, 2009, before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared SAMUEL MARRANCA who acknowledged himself to be the

GENERAL PARTNER of Cypress Develop. LLP A Limited Liability Partnership

~~a corporations/ organizations, and~~

~~_____, who acknowledged himself~~

~~to be the _____ of _____, and~~

that ~~they as such officers~~ he being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the ~~corporations/ organizations by themselves as officers.~~ Limited Liability Partnership

In witness whereof, I hereunto set my hand and official seal.

Notary Public

COPY

My Commission Expires

Nov 29, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
TAWNGENE M. MENICHINI, Notary Public
Ransom Twp., Lackawanna County
My Commission Expires November 29, 2012

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 24th day of August, 2009 before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared Donna McFadden Connors who acknowledged herself to be the

Mayor of The City of Pittston, a corporations/ organizations, and

Ron Mortimer, who acknowledged himself

to be the City Clerk of The City of Pittston, and

that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal.

Patricia Survilla
Notary Public

My Commission Expires

Jan 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

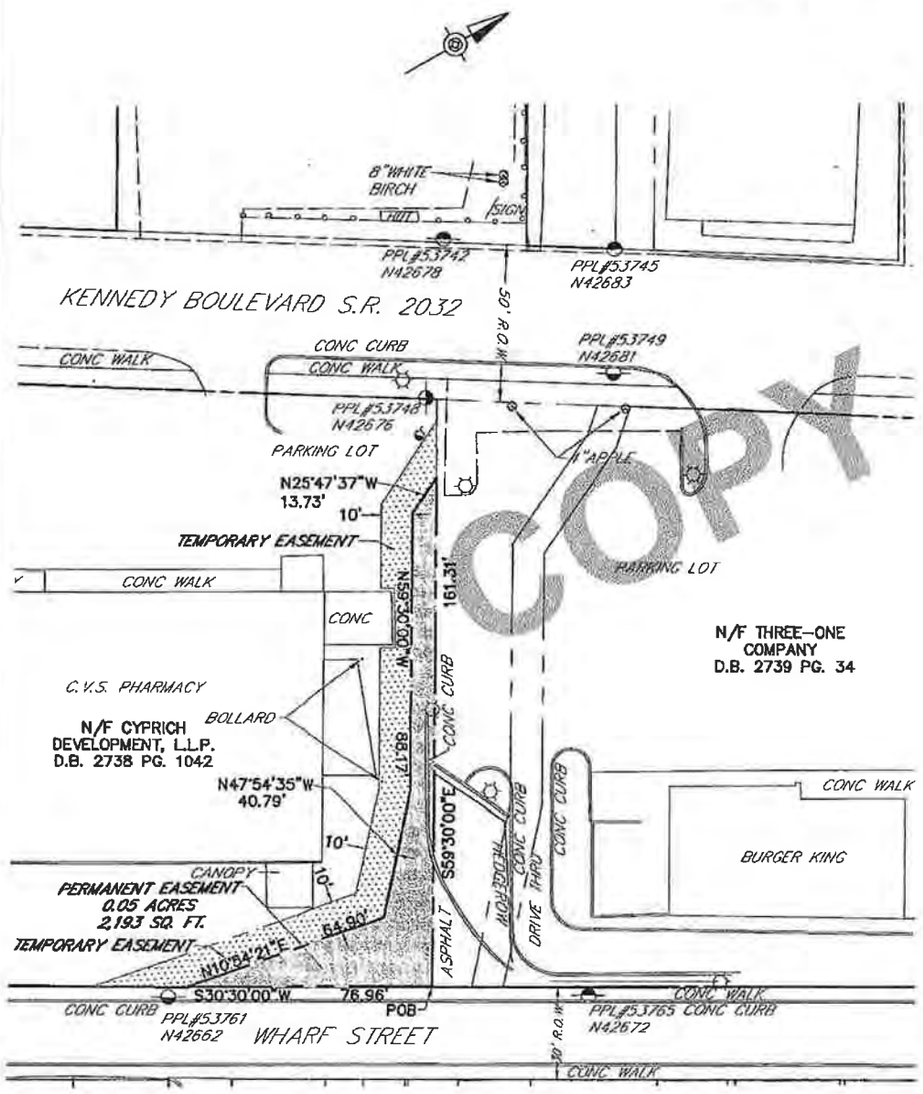
Appendix A-5.1

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.

COMMONWEALTH OF PENNSYLVANIA
REGISTERED PROFESSIONAL LAND SURVEYOR
Charles G. Gnitter
NO 34199-E



SCALE: 0 40 80 FEET

PITTSTON CITY	Date:
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 7/31/09 Drawn By: JMM Checked By: CGG
CYPRICH DEVELOPMENT, L.L.P. EASEMENT	Approved By: CGG Scale: 1"=40'
Reilly Associates — 49 South Main Street, Suite 200, Pittston, PA 18640, tel: 570 654.2493, fax: 570 654.6868, www.reillyengineering.com — ENGINEERING / ENVIRONMENTAL / SURVEYING	Project No. 09005 Sheet No. 1 OF 1

V:\Land Projects 2009\09005\dwg\CONSTRUCTION EASEMENTS\CYPRICH.dwg, CYPRICH, 7/31/2009 2:26:47 PM, Adobe PDF, 1:1

COPY

Exhibit "B"
Cyprich Development, L.L.P.
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in The City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northwesterly right-of-way line of Wharf Street, said point being the Northeasterly corner of lands now or formerly of Cyprich Development, L.L.P. as recorded in Deed Book 2738, Page 1042 in the Recorder of Deeds Office of Luzerne County, Pennsylvania, said point also being the Southeasterly corner of lands now or formerly of Three-One Company as recorded in Deed Book 2739, Page 34 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said Northwesterly right-of-way line, South 30°30'00" West a distance of 76.96 feet to a point;

THENCE through said lands now or formerly of Cyprich Development, L.L.P the following courses and distances:

1) North 10°54'21" East a distance of 64.90 feet to a point;
2) North 47°54'35" West a distance of 40.79 feet to a point;
3) North 59°30'00" West a distance of 88.17 feet to a point;
4) North 25°47'37" West a distance of 13.73 feet to a point, said point being on the southerly line of said lands of Three-One Company;

THENCE along the Southerly boundary of said lands now or formerly of Three-One Company, South 59°30'00" East a distance of 161.31 feet to the Point of Beginning.

CONTAINING 0.05 acres or 2,193 sq. ft. of surface land, being the same, more or less.

July 31, 2009

COPY

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11NE4 -11 -1 - PITTSTON CITY
CERTIFIED 08/26/2009 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 7th day of August A.D., 2009, between Cyprich Development, L.L.P. hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 10/16/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2738, Page 1042; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such temporary easement and permanent easement, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities, provided, however, that Granter retains the right to use the surface area for purposes not inconsistent with the rights granted herein.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5883567
RECORDED ON
Aug 26, 2009
11:49:40 AM
Book/Page: REC/3009/171163
Total Pages: 6

PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$22.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN	$10.00
CERTIFICATION COVER	

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 7th day of August, 2009

Witness

Grantor

Witness

Grantor

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

ATTEST

CITY OF PITTSTON

BY

Z:\09005\EASEMENT DOCUMENTS AND PDFS\CYPRICH (CVS)\Cyprich Development Rev EASEMENT GRANT.doc

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Cyprich Development, L.L.P. hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 10/16/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2738, Page 1042; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

This Deed

Made the 16th day of October, in the year Two Thousand (2000).

Between ***THREE-ONE COMPANY, a Pennsylvania general partnership,*** *with offices located at 185 Ferguson Avenue, Shavertown, Pennsylvania,*

GRANTOR,

AND

CYPRICH DEVELOPMENT, L.L.P., a Pennsylvania limited liability partnership, *with offices located at 35 Slocum Avenue, Exeter, Pennsylvania,*

GRANTEE.

Witnesseth, *That in consideration of One and 00/100 ($1.00) Dollar in hand paid, the receipt whereof is hereby acknowledged, the said grantor does hereby grant and convey to the said grantee, its successors and assigns,*

ALL the surface or right of soil in and to the following described pieces or parcels of land situated in the Tompkins Street Urban Renewal Project, Project No. Pa R. 176, in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows:

BEGINNING at a point in the northwesterly line of Wharf Street at its intersection with the northeasterly line of Market Street;

THENCE along the said line of Market St, North 59° 30' West, one hundred eighty-four and sixty-two one-hundredths (184.62) feet to a point;

THENCE continuing along the same, on a curve to the right having a radius of ten (10) feet, an arc length of sixteen and nine one-hundredths (16.09) feet, having a chord on a course of North 13° 25' West; fourteen and four-tenths (14.4) feet to a point in the southeasterly line of Legislative Route No. 232, Kennedy Boulevard;

THENCE along the said line of Legislative Route 232, North 32° 40' East, two hundred twenty and seventy-seven (220.77) feet to a point;

THENCE South 59° 30' East, one hundred eighty-six and twenty-six one-hundredths (186.26) feet to a point in the said line of Wharf Street;

BOOK 2738 PAGE 1042

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

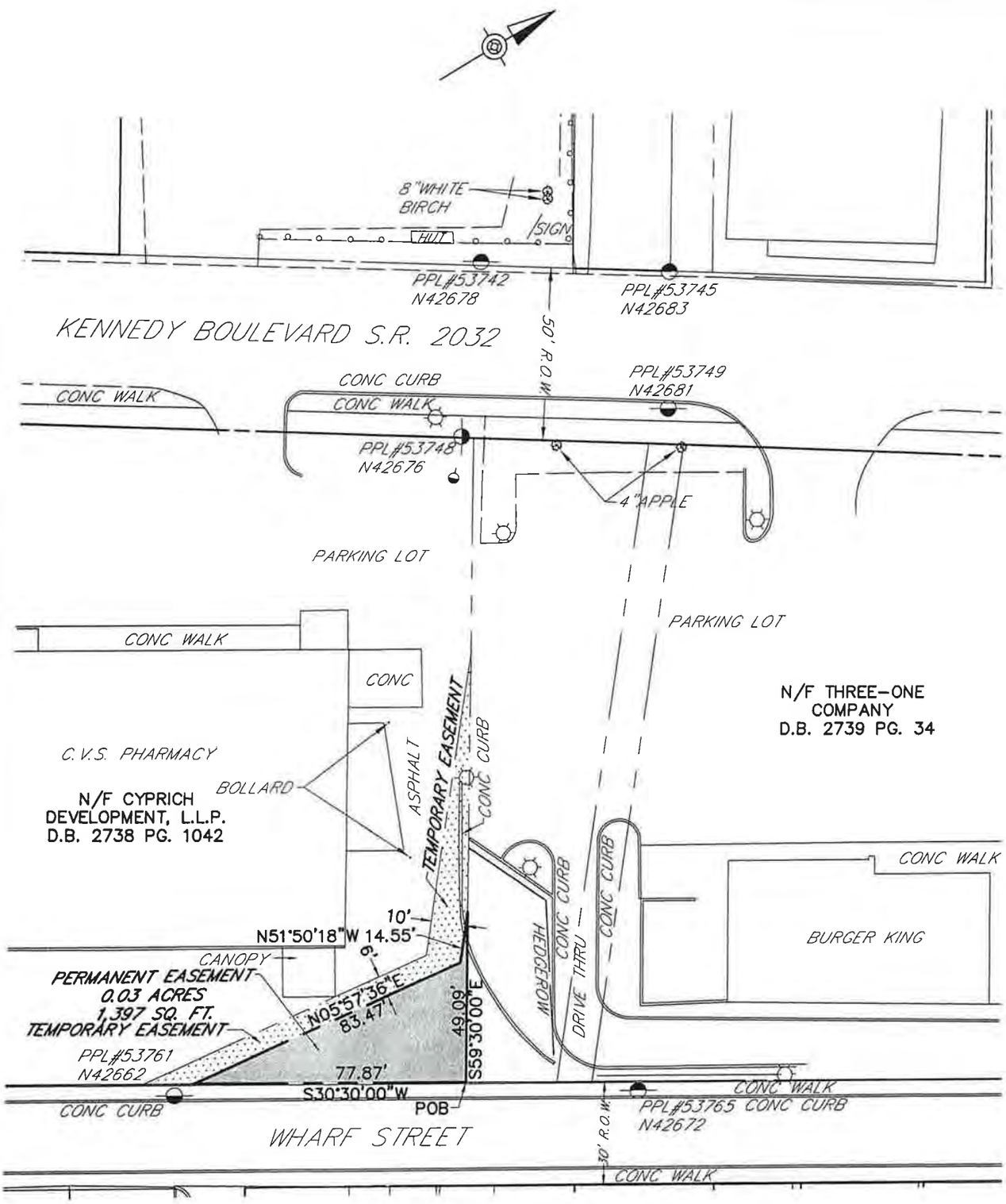
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	Date:
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/26/09 Drawn By: JMM Checked By: CGG Approved By: CGG
CYPRICH DEVELOPMENT, L.L.P. EASEMENT	Scale: 1"=40'
Reilly ASSOCIATES SINCE 1950 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.6880 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Y:\Land Projects 2006\09005\dwg\CONSTRUCTION EASEMENTS\CYPRICH.dwg, CYPRICH, 1:1

Exhibit "B"
Cyprich Development, L.L.P.
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in Pittston City, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northwesterly right-of-way line of Wharf Street, said point being the Northeasterly corner of lands now or formerly of Cyprich Development, L.L.P. as recorded in Deed Book 2738, Page 1042 in the Recorder of Deeds Office of Luzerne County, Pennsylvania, said point also being the Southeasterly corner of lands now or formerly of Three-One Company as recorded in Deed Book 2739, Page 34 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said Northwesterly right-of-way line, South 30°30'00" West a distance of 77.87 feet to a point;

THENCE through lands of said Cyprich Development, L.L.P, North 05°57'36" East a distance of 83.47 feet to a point;

THENCE continuing through said lands North 51°50'18" West a distance of 14.55 feet, said point also being on the Southwesterly boundary of lands now or formerly of said Three-One Company;

THENCE along said Southwesterly boundary South 59°30'00" East a distance of 49.09 feet to the point of beginning.

CONTAINING 0.03 acres or 1,397 sq. ft. of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 6th day of August A.D., 2009, between Landmark Community Bank hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 02/10/06 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.3006, Page 40205; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made solely and restrictively for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project and operate and maintain it.

Completion the project includes but is not limited to the construction of the project, excavation and backfill, drainage improvements, and pavement and surface restoration. Operation and maintenance activities include but are not limited to inspection of the system, periodic cleaning and removal of debris, repairs of flood protection facilities, rehabilitation of facilities and replacement of facilities along with all restoration of the site upon completion of any activity.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5883554
RECORDED ON
Aug 26, 2009
11:32:57 AM
Book/Page: REC/3009/171089
Total Pages: 6

PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$22.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

COPY

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11NE3 -25 -34 - PITTSTON CITY
CERTIFIED 08/26/2009 BY LP

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 6th day of August, 2009.

Witness

Grantor President (Seal)

Witness

(Seal)
Grantor

ATTEST
Ronald H. Mortimer

CITY OF PITTSTON
BY

COPY

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 6th day of August, 2009, before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared Daniel R. Nulton who acknowledged himself to be the

President of Landmark Community Bank, a corporations/ organizations, and

_____, who acknowledged himself

to be the _____ of _____, and

that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Marianne M Zelonis
Notary Public

COPY

My Commission Expires

February 7, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARIANNE M. ZELONIS, NOTARY PUBLIC
PITTSTON CITY., LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES FEBRUARY 07, 2012

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 24th day of August, 2009 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Donna McFadden Connors who acknowledged herself to be the Mayor of The City of Pittston, a corporations/ organizations, and Ron Mortimer, who acknowledged himself to be the City Clerk of The City of Pittston, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal.

Patricia Survilla
Notary Public

My Commission Expires
Jan 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

Appendix A-5.1

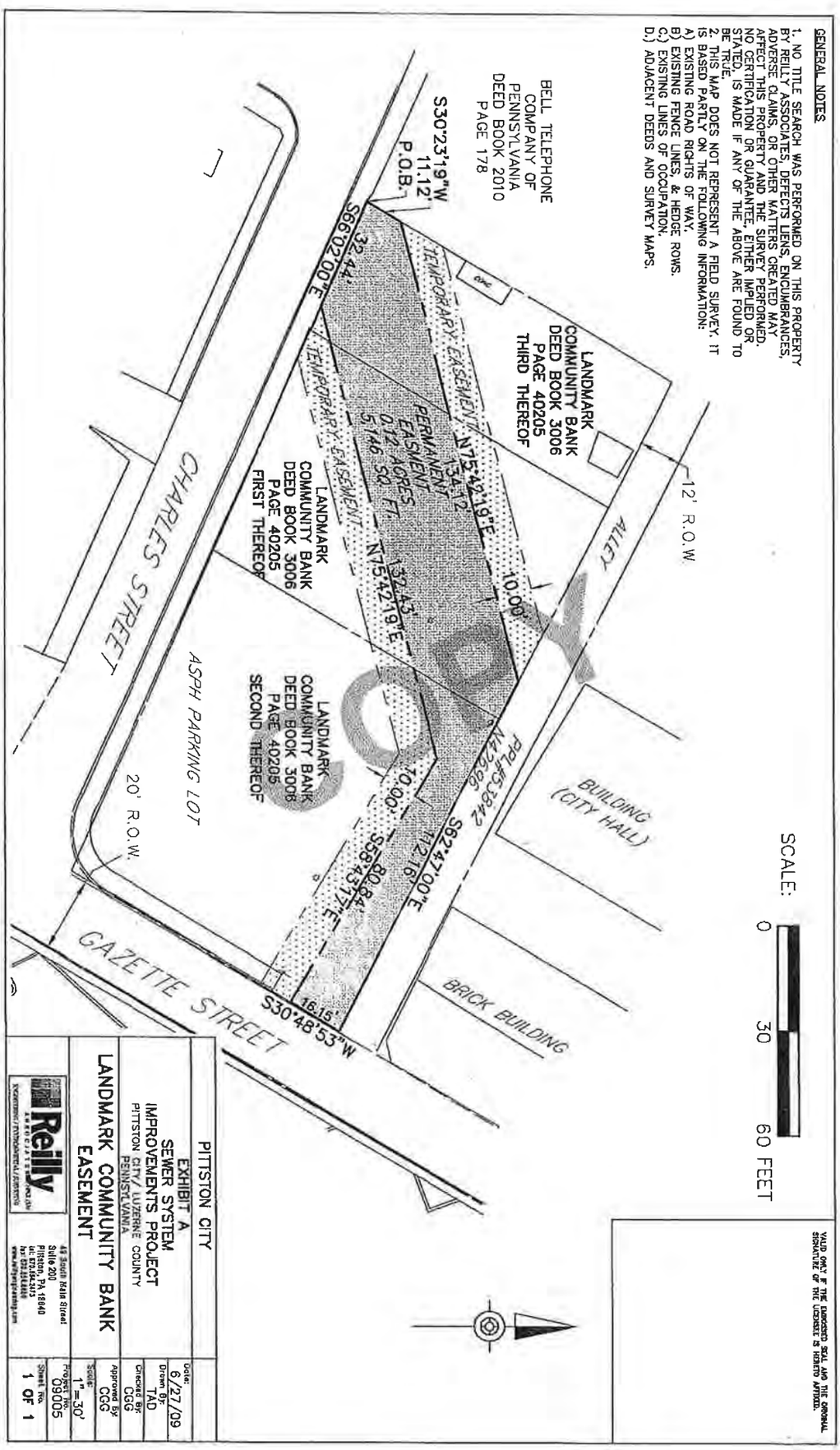


Exhibit "B"
Landmark Community Bank
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point, said point being the southeasterly corner of the lands of Bell Telephone, as recorded in Deed Book 2010 page 178 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of Bell Telephone, North 30°23'19" East a distance of 11.12 feet to a point;

THENCE through the lands Landmark Community Bank, as recorded in Deed Book 3006 page 40205 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, North 75°42'19" East a distance of 134.12 feet to a point in the right-of-way of an unnamed 12 foot wide alley;

THENCE along the southerly line of said alley, South 62°47'00" East a distance of 112.16 feet to a point on the westerly right-of-way of Gazette Street;

COPY

THENCE along said westerly right-of-way of Gazette Street, South 30°48'53" West a distance of 16.15 feet to a point;

THENCE through said lands of Landmark Community Bank, the following courses and distances:

1) North 58°43'17" West a distance of 80.84 feet to a point;
2) South 75°42'19" West a distance of 132.43 feet to a point on the northerly right-of-way of Charles Street;

THENCE along said northerly right-of-way of Charles Street, North 66°02'00" West a distance of 32.44 feet to the Point of Beginning.

CONTAINING 0.12 acres or 5146 square feet of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Landmark Community Bank hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 02/10/06 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.3006, Page 40205; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

E11 NE3 BLOCK 25

LOT 14, 34, 50

THIS DEED,

Made the 10th day of February, in the year of our Lord Two thousand and Six (2006)

Between **THE REDEVELOPMENT AUTHORITY OF THE CITY OF PITTSTON**, of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTOR

-AND-

LANDMARK COMMUNITY BANK, having its principal place of business at 2 South Main Street, City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEE

Witnessesth, that in the consideration of **One Hundred Thousand Dollars & 00/100----------($100,000.00)----------**Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantor does hereby grant and convey to the said Grantee, ITS Successors and Assigns,

ALL those certain lots, pieces, or parcels of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows:

THE FIRST THEREOF:

BEING situate in the City of Pittston. Being known as No. 18 Charles Street in said City of Pittston, being sixty (60) feet, more or less, in front on Charles Street with a depth of one hundred (100) feet, more or less, and more particularly described as follows:

BEGINNING at a corner on the northerly side of Charles Street, it being also a corner of lands now or formerly of Jennie E. Jones;

THENCE, along line of said lands of Jennie E. Jones, North 30 degrees 30 minutes East, ninety-seven and nine-tenths (97.9) feet to a corner on a twelve (12) foot alley;

THENCE, along the line of said twelve (12) foot alley, South 62 degrees 47 Minutes East, sixty-seven and sixty-seven one-hundredths (67.67) feet to a corner of lands now or formerly of the Pittston Opera House Company;

REC Book 3006 Page 40205

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ , known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____

Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

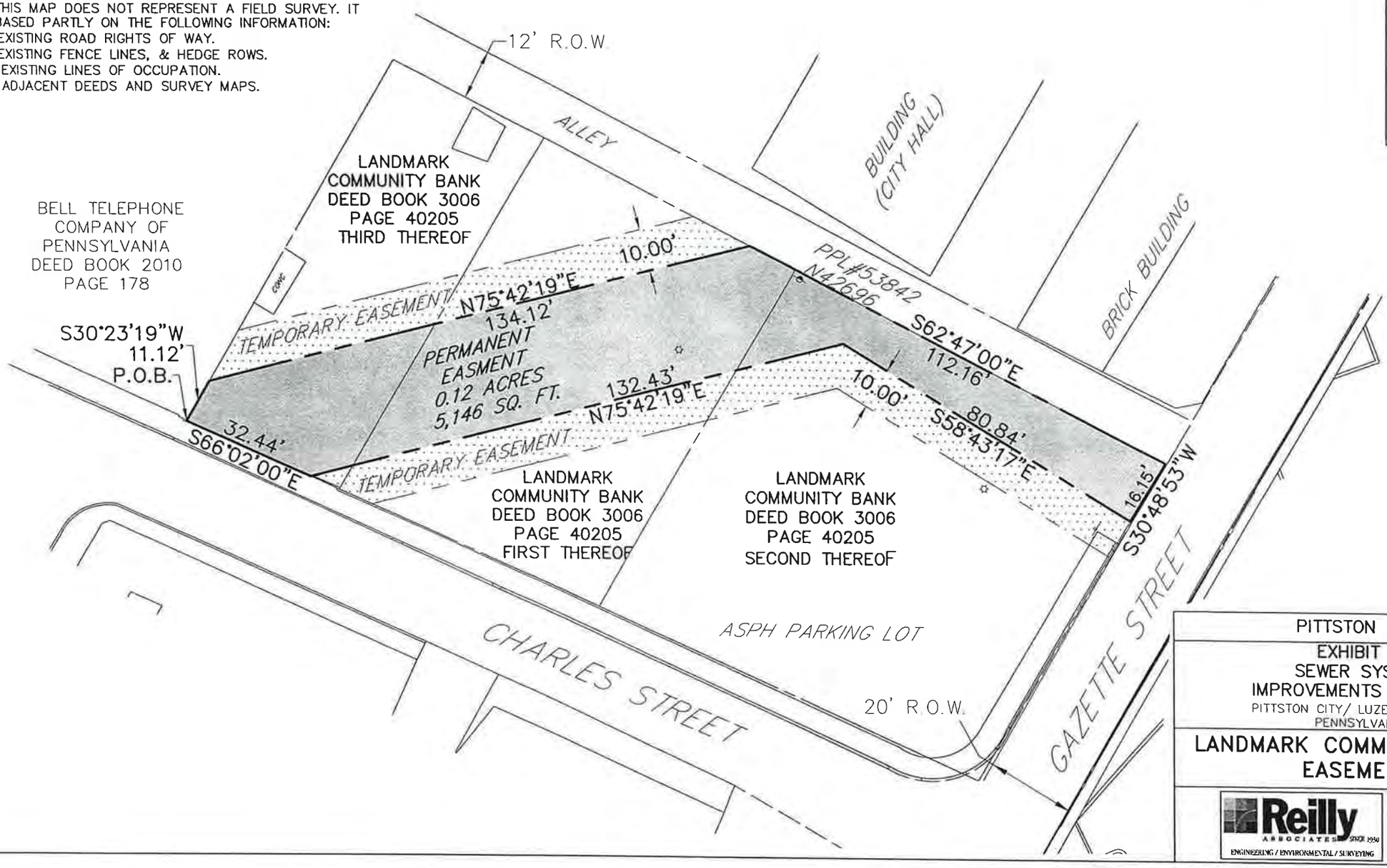
_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

SCALE: 0 30 60 FEET

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



PITTSTON CITY

EXHIBIT A
SEWER SYSTEM IMPROVEMENTS PROJECT
PITTSTON CITY/ LUZERNE COUNTY
PENNSYLVANIA

LANDMARK COMMUNITY BANK EASEMENT

Reilly ASSOCIATES SINCE 1930
ENGINEERING / ENVIRONMENTAL / SURVEYING

49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.6880
www.reillyengineering.com

Date: 6/27/16
Drawn By: TAD
Checked By: CGG
Approved By: CGG
Scale: 1"=30'
Project No. 09005
Sheet No. 1 OF 1

Y:\Land Projects 2009\09005\Sewer\CONSTRUCTION EASEMENTS\LANDMARK BANK Proj, LANDMARK, 111

Exhibit "B"
Landmark Community Bank
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point, said point being the southeasterly corner of the lands of Bell Telephone, as recorded in Deed Book 2010 page 178 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of Bell Telephone, North 30°23'19" East a distance of 11.12 feet to a point;

THENCE through the lands Landmark Community Bank, as recorded in Deed Book 3006 page 40205 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, North 75°42'19" East a distance of 134.12 feet to a point in the right-of-way of an unnamed 12 foot wide alley;

THENCE along the southerly line of said alley, South 62°47'00" East a distance of 112.16 feet to a point on the westerly right-of-way of Gazette Street;

THENCE along said westerly right-of-way of Gazette Street, South 30°48'53" West a distance of 16.15 feet to a point;

THENCE through said lands of Landmark Community Bank, the following courses and distances:

1) North 58°43'17" West a distance of 80.84 feet to a point;
2) South 75°42'19" West a distance of 132.43 feet to a point on the northerly right-of-way of Charles Street;

THENCE along said northerly right-of-way of Charles Street, North 66°02'00" West a distance of 32.44 feet to the Point of Beginning.

CONTAINING 0.12 acres or 5146 square feet of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

~ 111

This Deed,

Made the 15th day of NOVEMBER in the year of our Lord one thousand nine hundred and eighty-nine (1989),

Between ANTHONY D. BRUNO and JOSEPH M. LOMBARDO, d/b/a JAK-BRUSCALO REALTY, a Pennsylvania General Partnership, of the City of Pittston, Luzerne County, Pennsylvania,

GRANTORS

A-N-D

JOSEPH M. LOMBARDO and MARY E. LOMBARDO, his wife, of the Borough of Laflin, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEES

Witnesseth, that in consideration of One ($1.00)---------- Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantors do hereby grant and convey to the said Grantees, their Heirs and Assigns.

All that certain piece, parcel or lot of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northeasterly line of Market Street, South 57° 51' East, a distance of two hundred fifty-six and no one-hundredths (256.00) feet from the Easterly corner of Main Street and Market Street, said point being the Southerly corner of land now or formerly of David Domiano; THENCE along the land now or formerly of David Domiano and also along the land now or formerly of Angelo J. Frushon, et ux. and also along the land now or formerly of Charles M. Valenti, et ux., North 32° 09' East, a distance of two hundred fifty and no one-hundredths (250.00) feet to a corner in the line of land now or formerly of Joseph E. Valenti, et ux.; THENCE along the land now or formerly of Joseph F. Valenti, et ux., South 57° 51' East, a distance of sixty-seven and sixty-six one-hundredths (67.66) feet to a corner; THENCE continuing along the land now or formerly of Joseph F. Valenti, et ux., North 47° 45' East, a distance of one hundred fifteen and forty-six one-hundredths (115.46) feet to a corner; THENCE continuing along the land now or formerly of Joseph F. Valenti, et ux. and also along the land now or formerly of Mary Robert Realty Company, North 55° 04' East, a distance of three hundred four and seventy-five one-hundredths (304.75) feet to a corner in the line of the land now or formerly of Joseph J. Capone; THENCE along the land now or formerly of Joseph J. Capone, North 32° 09' East, a distance of thirty-six and no one-hundredths (36.00) feet to a corner on the Southwesterly side of Charles Street; THENCE along the Southwesterly side of Charles Street, South 63° 06' East, a distance of fourteen and seventy-eight one-hundredths (14.78) feet to a corner at the Southerly intersection of Charles Street and Gazette Place; THENCE along Gazette Place, North 32° 09' East, a distance of two hundred eighteen and sixty-seven one-hundredths (218.67) feet to a point at the Southerly intersection of Gazette Place and Broad Street; THENCE along Broad Street, South 57° 51' East, a distance of one hundred seventy-two and seventy one-hundredths (172.70) feet to a corner, said corner being the Northerly corner of the land now or formerly of Harry Mertz, et ux.; THENCE along the land now or formerly of Harry Mertz, et ux., South 32° 09' West, a distance of one hundred twenty-five and no one-hundredths (125.00) feet to a corner; THENCE continuing along the land now or formerly of Harry Mertz, et ux., South 57° 51' East, a distance of fifty-two and no one-hundredths (52.00) feet to a corner; THENCE

(OVER)

BOOK 2331 PAGE 343

For individual landowners

Commonwealth of Pennsylvania :

: ss.

County of Luzerne **:**

On this, the 31st **day of** July **,** 2009**, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared** JOSEPH M. LOMBARDO **, individually and as attorney-in-fact for** MARY E. LOMBARDO **, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained. Said Power of Attorney is recorded in Luzerne County Power of Attorney Book No. 3009, Page 21400**

COPY

In Witness Whereof, I hereunto set my hand and official seal.

Patricia Survilla

NOTARY PUBLIC

My Commission Expires

Jan. 23 **,** 2009

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 4th day of August, 2009 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Donna McFadden Connors who acknowledged herself to be the Mayor of The City of Pittston, a corporations/ organizations, and Ron Mortimer, who acknowledged himself to be the City Clerk of The City of Pittston, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal.

Patricia Survilla
Notary Public

My Commission Expires
Jan 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5883867
RECORDED ON
Aug 28, 2009
9:16:38 AM
Book/Page: REC/3009/172593
Total Pages: 6

	4
PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$22.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania

JAMES O'BRIEN
RECORDER OF DEEDS

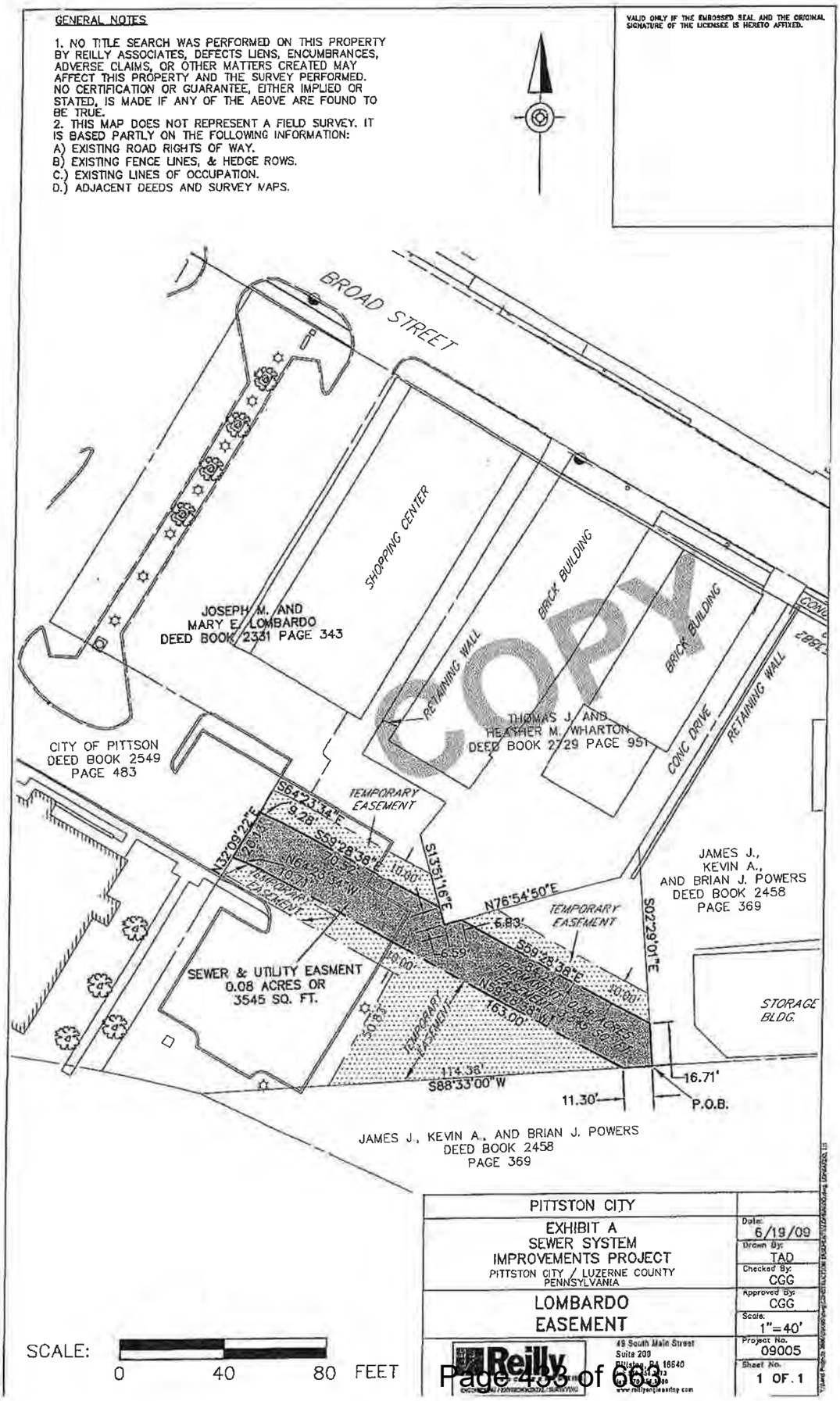

GENERAL NOTES
1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.
VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.
BROAD STREET
SHOPPING CENTER
BRICK BUILDING
BRICK BUILDING
RETAINING WALL
RETAINING WALL
CONC DRIVE
JOSEPH M. AND MARY E. LOMBARDO DEED BOOK 2331 PAGE 343
THOMAS J. AND HEATHER M. WHARTON DEED BOOK 2729 PAGE 951
CITY OF PITTSON DEED BOOK 2549 PAGE 483
JAMES J., KEVIN A., AND BRIAN J. POWERS DEED BOOK 2458 PAGE 369
TEMPORARY EASEMENT
S64°23'34"E 9.28'
S59°28'38"E 70.52'
S13°51'16"E 10.90'
N32°09'22"E 29.41'
N68°28'38"W 40.71'
TEMPORARY EASEMENT
N76°54'50"E 6.83'
TEMPORARY EASEMENT
S59°28'38"E 84.34'
PERMANENT EASEMENT 2,085 SQ. FT.
N68°28'38"W 163.00'
TEMPORARY EASEMENT
S02°29'10"E
SEWER & UTILITY EASEMENT 0.08 ACRES OR 3545 SQ. FT.
STORAGE BLDG.
114.38'
S88°33'00"W
16.71'
11.30'
P.O.B.
JAMES J., KEVIN A., AND BRIAN J. POWERS DEED BOOK 2458 PAGE 369
COPY
PITTSTON CITY
EXHIBIT A
SEWER SYSTEM IMPROVEMENTS PROJECT
PITTSTON CITY / LUZERNE COUNTY PENNSYLVANIA
LOMBARDO EASEMENT
Date: 6/19/09
Drawn By: TAD
Checked By: CGG
Approved By: CGG
Scale: 1"=40'
Project No. 09005
Sheet No. 1 OF 1
Reilly
49 South Main Street
Suite 200
Pittston, PA 18640
www.reillyengineering.com
SCALE:
0
40
80 FEET

Exhibit "B"
Joseph M. and Mary E. Lombardo
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point, said point being the southwesterly corner of the lands of James J., Kevin A., and Brian J. Powers as recorded in Deed Book 2458 page 369 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along the northerly line of the lands of James J., Kevin and Brian Powers as recorded in Deed Book 2458 page 369 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, South 88°33'00" West a distance of 11.30 feet to a point;

THENCE through the lands of Joseph M. and Mary E. Lombardo, as recorded in Deed Book 2331 page 343 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, the following courses and distances:

1) North 59°28'38" West a distance of 163.00 feet to a point;
2) North 64°23'34"West a distance of 10.71 feet to a point on the easterly line of the lands of the City of Pittston, as recorded in Deed Book 2549 page 483 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of the City of Pittston, North 32°09'22" East a distance of 20.13 feet to a point;

THENCE through said lands of Joseph M. and Mary E. Lombardo the following courses and distances:

1) South 64°23'34" East a distance of 9.28 feet to a point;
2) South 59°28'38" East a distance of 70.52 feet to a point on the southwesterly line of the lands of Thomas J. and Heather M. Wharton, as recorded in Deed Book 2729 page 951 in the Recorder of Deeds Office in Luzerne County, Pennsylvania.

COPY

THENCE along said lands of Thomas J. and Heather M. Wharton, South 13°51'16" East a distance of 6.59 feet to a point;

TEHNCE along said lands of Thomas J. and Heather M. Wharton, North 76°54'50" East a distance of 6.83 feet to a point;

THENCE through said lands of Joseph M. and Mary E. Lombardo, South 59°28'38" East a distance of 84.24 feet to a point in the westerly line of said lands of James J., Kevin A., and Brian J. Powers;

THENCE along said westerly line South 02°29'01" East a distance of 16.71 feet to the Point of Beginning.

CONTAINING 0.08 acres or 3545 square feet of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11NE3 -12 -2 - PITTSTON CITY
CERTIFIED 08/27/2009 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 31st day of July A.D., 2009, between Joseph M. Lombardo and Mary E. Lombardo, his wife, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 11/15/89 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2331, Page 343; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

COPY

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 31st day of July, 2009

Witness

(Seal)
Grantor

Witness

(Seal)
Grantor

Said Power of Attorney is recorded in Luzerne County Power of Attorney Book No. 3009, Page 21400.

ATTEST

CITY OF PITTSTON

BY

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

PIN # E11 NE3 B12 L2

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Joseph M. Lombardo and Mary E. Lombardo, his wife, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 11/15/89 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2331, Page 343; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

~ 111

This Deed,

Made the 15th day of NOVEMBER in the year of our Lord one thousand nine hundred and eighty-nine (1989),

Between ANTHONY D. BRUNO and JOSEPH M. LOMBARDO, d/b/a JAK BRUSCALO REALTY, a Pennsylvania General Partnership, of the City of Pittston, Luzerne County, Pennsylvania,

GRANTORS

A-N-D

JOSEPH M. LOMBARDO and MARY E. LOMBARDO, his wife, of the Borough of Laflin, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEES

Witnesseth, that in consideration of One ($1.00)---------- Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantor s do hereby grant and convey to the said Grantees, their Heirs and Assigns.

All that certain piece, parcel or lot of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northeasterly line of Market Street, South 57° 51' East, a distance of two hundred fifty-six and no one-hundredths (256.00) feet from the Easterly corner of Main Street and Market Street, said point being the Southerly corner of land now or formerly of David Domiano; THENCE along the land now or formerly of David Domiano and also along the land now or formerly of Angelo J. Frushon, et ux. and also along the land now or formerly of Charles M. Valenti, et ux., North 32° 09' East, a distance of two hundred fifty and no one-hundredths (250.00) feet to a corner in the line of land now or formerly of Joseph F. Valenti, et ux.; THENCE along the land now or formerly of Joseph F. Valenti, et ux., South 57° 51' East, a distance of sixty-seven and sixty-six one-hundredths (67.66) feet to a corner; THENCE continuing along the land now or formerly of Joseph F. Valenti, et ux., North 47° 45' East, a distance of one hundred fifteen and forty-six one-hundredths (115.46) feet to a corner; THENCE continuing along the land now or formerly of Joseph F. Valenti, et ux. and also along the land now or formerly of Mary Robert Realty Company, North 55° 04' East, a distance of three hundred four and seventy-five one-hundredths (304.75) feet to a corner in the line of the land now or formerly of Joseph J. Capone; THENCE along the land now or formerly of Joseph J. Capone, North 32° 09' East, a distance of thirty-six and no one-hundredths (36.00) feet to a corner on the Southwesterly side of Charles Street; THENCE along the Southwesterly side of Charles Street, South 63° 06' East, a distance of fourteen and seventy-eight one-hundredths (14.78) feet to a corner at the Southerly intersection of Charles Street and Gazette Place; THENCE along Gazette Place, North 32° 09' East, a distance of two hundred eighteen and sixty-seven one-hundredths (218.67) feet to a point at the Southerly intersection of Gazette Place and Broad Street; THENCE along Broad Street, South 57° 51' East, a distance of one hundred seventy-two and seventy one-hundredths (172.70) feet to a corner, said corner being the Northerly corner of the land now or formerly of Harry Mertz, et ux.; THENCE along the land now or formerly of Harry Mertz, et ux., South 32° 09' West, a distance of one hundred twenty-five and no one-hundredths (125.00) feet to a corner; THENCE continuing along the land now or formerly of Harry Mertz, et ux., South 57° 51' East, a distance of fifty-two and no one-hundredths (52.00) feet to a corner; THENCE

(OVER)

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ , known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

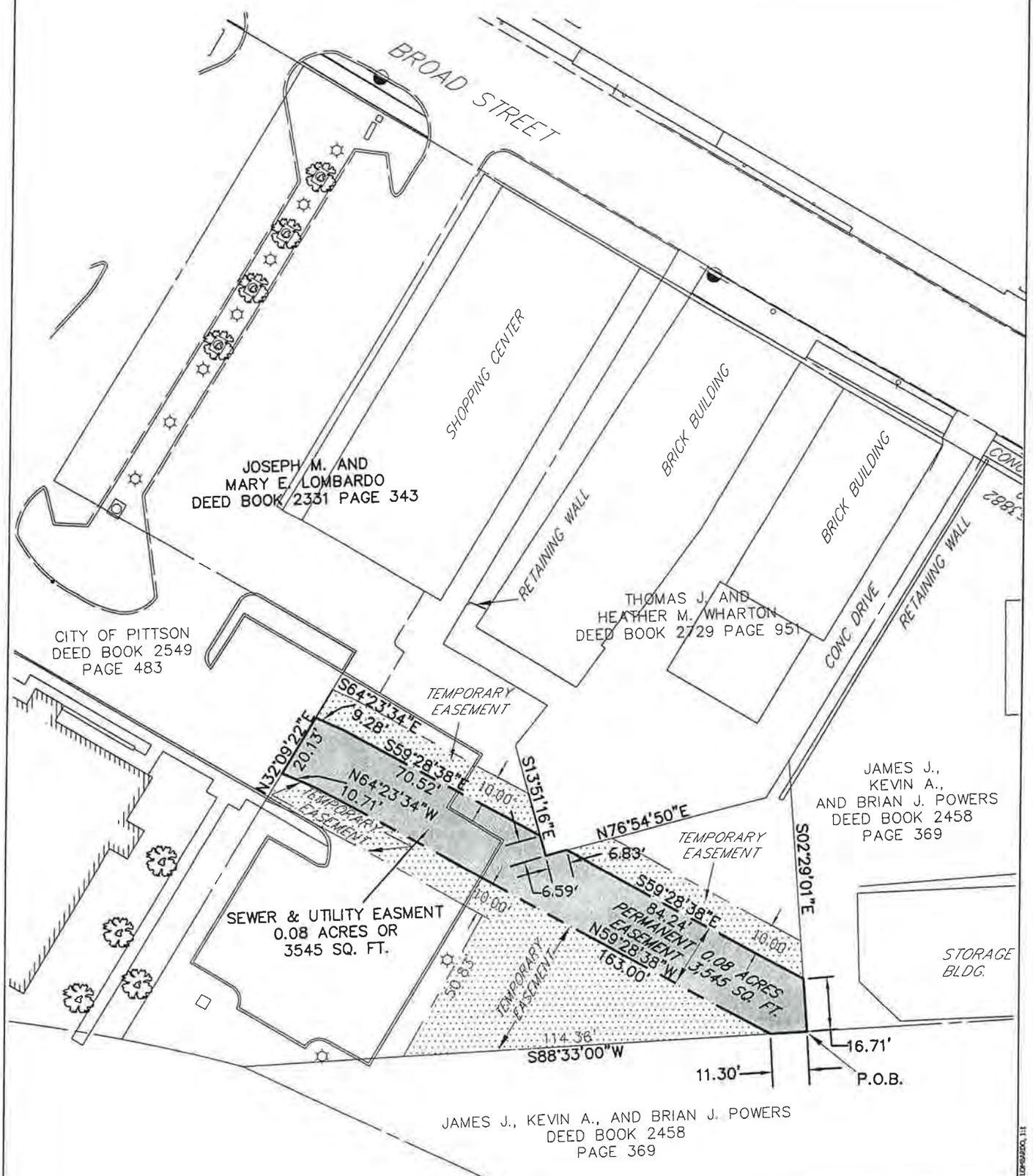
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE ARE AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY / LUZERNE COUNTY PENNSYLVANIA	Date: 6/19/09 Drawn By: TAD Checked By: CGG
LOMBARDO EASEMENT	Approved By: CGG Scale: 1"=40'
Reilly ASSOCIATES SINCE 1950 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.6880 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Exhibit "B"
Joseph M. and Mary E. Lombardo
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point, said point being the southwesterly corner of the lands of James J., Kevin A., and Brian J. Powers as recorded in Deed Book 2458 page 369 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along the northerly line of the lands of James J., Kevin and Brian Powers as recorded in Deed Book 2458 page 369 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, South 88°33'00" West a distance of 11.30 feet to a point;

THENCE through the lands of Joseph M. and Mary E. Lombardo, as recorded in Deed Book 2331 page 343 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, the following courses and distances:

1) North 59°28'38" West a distance of 163.00 feet to a point;
2) North 64°23'34"West a distance of 10.71 feet to a point on the easterly line of the lands of the City of Pittston, as recorded in Deed Book 2549 page 483 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of the City of Pittston, North 32°09'22" East a distance of 20.13 feet to a point;

THENCE through said lands of Joseph M. and Mary E. Lombardo the following courses and distances:

1) South 64°23'34" East a distance of 9.28 feet to a point;
2) South 59°28'38" East a distance of 70.52 feet to a point on the southwesterly line of the lands of Thomas J. and Heather M. Wharton, as recorded in Deed Book 2729 page 951 in the Recorder of Deeds Office in Luzerne County, Pennsylvania,

THENCE along said lands of Thomas J. and Heather M. Wharton, South 13°51'16" East a distance of 6.59 feet to a point;

TEHNCE along said lands of Thomas J. and Heather M. Wharton, North 76°54'50" East a distance of 6.83 feet to a point;

THENCE through said lands of Joseph M. and Mary E. Lombardo, South 59°28'38" East a distance of 84.24 feet to a point in the westerly line of said lands of James J., Kevin A., and Brian J. Powers;

THENCE along said westerly line South 02°29'01" East a distance of 16.71 feet to the Point of Beginning.

CONTAINING 0.08 acres or 3545 square feet of surface land, being the same, more or less.

June 26, 200

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11SE1 -17 -20A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 15th day of July A.D., 2009, between Joseph D. Rogo and Margaret Rogo, his wife hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 5/19/90 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2349, Page 171; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 15th day of July, 2009.

Witness _____ Grantor _____ (Seal)

Witness _____ Grantor _____ (Seal)

ATTEST CITY OF PITTSTON

_____ BY _____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

800 - DEED

E11 SE2 BLOCK 17 LOT 20A

This Deed

Made the 19th *day of* May *, in the year*

Nineteen hundred and Ninety (1990)

Between ARTHUR L. ROGO, and GENEVIEVE ROGO, his wife, of the City of Pittston, County of Luzerne, and State of Pennsylvania, hereinafter known as the GRANTORS

AND

JOSEPH D. ROGO and MARGARET ROGO, his wife, of the City of Pittston, County of Luzerne, and State of Pennsylvania, hereinafter known as the GRANTEES

Witnesseth, *That in consideration of* One ($1.00) *Dollars,*

in hand paid, the receipt whereof is hereby acknowledged, the said grantor(s) do hereby grant and convey to the said grantee(s) his - their heirs and assigns,

ALL THE SURFACE or right of soil of and in all that certain lot, piece or parcel of land, situate lying and being in the City of Pittston, County of Luzerne, and State of Pennsylvania, bounden and described as follows, to wit:

BEGINNING at a point in the southerly line of Lot No. 1-1½, Front Street, which was heretofore conveyed by Pennsylvania Coal Co., to John O'Hora, by deed dated October 27, 1870, said place of beginning being seventy-five (75') feet distant in a Southeasterly direction from the Southwesterly corner of said lot No. 1-1½ Front Street; Thence in a southeasterly direction along the Southerly line of said Lot No. 1-1½ Front Street and the extension thereof, a distance of ninety-five (95') feet, more or less, to the Easterly line of Fear Street; thence in a Northeasterly direction along the easterly line of said Fear Street, a distance of forty two (42') feet more or less, to its intersection with the Southerly line of an alley; Thence in a Southeasterly direction along the Southerly line of said alley a distance of fifty (50') feet, to intersection with a prolongation of the division line between Lots Nos. 56 and 58 Broad Street; thence in a Southwesterly direction on a prolongation of the division line between said Lots Numbered 56 and 58 Broad Street, a distance of one hundred thirty-five (135') feet, more or less, to the northerly right-of-way line of a railroad, now or formerly the Lackawanna and Wyoming Valley Railroad; thence in a general Northwesterly direction along said Railroad right-of-way on a curve to the right, a distance of one hundred forty-five (145') feet, more or less, to a corner; Thence in a Northeasterly direction parallel with the forth described line, a distance of ninety (90') feet, more or less, to the place of begining.

EXCEPTING that portion of the above described premises which was previously conveyed to Frank A. Constantio, et ux, by deed dated March 15, 1963, and recorded in Luzerne County Deed Book Vol. 1517, at page 181, which previously conveyed portion measures approximately fifty feet by one hundred thirty five feet (50' x 135').

UNDER and SUBJECT to any and all restrictions, reservations, convenants, conditions, agreements, easements and the like as are contained in the chain of title.

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11SE1 -17 -20A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP

BOOK 2349 PAGE 171

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF Luzerne : SS :

On this, the 15th day of July, 2009 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Joseph D. Rego and Margaret Rego, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

Marianne M Zelonis
Notary Public

My Commission Expires
February 7, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARIANNE M. ZELONIS, NOTARY PUBLIC
PITTSTON CITY, LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES FEBRUARY 07, 2012

COPY

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5880884
RECORDED ON
Aug 07, 2009
2:50:21 PM 3
Book/Page: REC/3009/157532
Total Pages: 6

PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$22.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

RECORDER OF DEEDS OF LUZERNE COUNTY PENNSYLVANIA

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 4th day of August, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Donna McFadden Connors who acknowledged herself to be the Mayor of The City of Pittston, a corporations/ organizations, and Ron Mortimer, who acknowledged himself to be the City Clerk of The City of Pittston, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Patricia Survilla
Notary Public

My Commission Expires
Jan 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

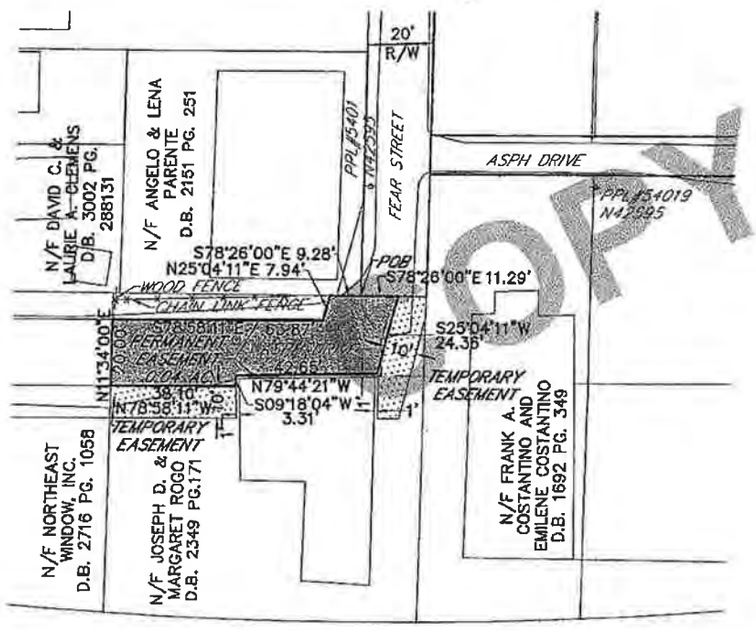
Appendix A-5.1

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11SE1 -17 -20A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP



SCALE: 0 40 80 FEET

PITTSTON CITY	Date: 6/27/09
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: CPG Checked By: CGG Approved By: JD
JOSEPH AND MARGARET ROGO EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly Associates
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.8880
www.reillyassociates.com

Exhibit "B"
Joseph and Margaret Rogo
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in Pittston City, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Westerly right-of-way line of Fear Street, said point being the Southeasterly corner of lands now or formerly of Angelo and Lena Parente as recorded in Deed Book 2151, Page 251 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, said point also being on the Northerly line of lands now or formerly of Joseph D. and Margaret Rogo as recorded in Deed Book 2349, Page 171 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said Northerly line of Joseph D. and Margaret Rogo lands South 78°26'00" West a distance of 11.29 feet to a point;

THENCE through the lands of said Joseph D. and Margaret Rogo the following courses and distances:

1) South 25°04'11" West a distance of 24.36 feet to a point;
2) North 79°44'21" West a distance of 42.65 feet to a point;
3) South 09°18'04" West a distance of 3.31 feet to a point;
4) North 78°58'11" West a distance of 38.10 feet to a point in the easterly line of the lands of Northeast Window Inc., as recorded in Deed Book 2716, Page 1058 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said easterly lands of Northeast Window Inc., North 11°34'00" East a distance of 20.00 feet to a point;

THENCE through the lands of said Joseph D. and Margaret Rogo the following courses and distances:

1) South 78°58'11" East a distance of 63.87 feet to a point;
2) North 25°04'11" East a distance of 7.94 feet to a point in the southerly line of said lands of Angelo and Lena Parente;

THENCE along the southerly line of said lands of Angelo and Lena Parente, South 78°26'00' East a distance of 9.28 feet to the Point of Beginning.

CONTAINING 0.04 acres or 1647 square feet of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

COPY

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between _Joseph D. Rogo and Margaret Rogo, his wife hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 5/19/90 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2349, Page 171; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

800 – DEED

E11 SE2 BLOCK 17 LOT 20A

Bass-Mahoney Printing Co., Wilkes-Barre, PA 18703

This Deed

Made the ——— 19th ——— *day of* ——— May ——— , *in the year*

Nineteen hundred and Ninety (19 90)

Between ARTHUR L. ROGO, and GENEVIEVE ROGO, his wife, of the City of Pittston, County of Luzerne, and State of Pennsylvania, hereinafter known as the ———— GRANTORS

AND

JOSEPH D. ROGO and MARGARET ROGO, his wife, of the City of Pittston, County of Luzerne, and State of Pennsylvania, hereinafter known as the ———— GRANTEES

Witnesseth, *That in consideration of* - - - ———— One ($ 1.00) *Dollars,*

in hand paid, the receipt whereof is hereby acknowledged, the said grantor(s) do hereby grant and convey to the said grantee(s) his - their heirs and assigns,

ALL THE SURFACE or right of soil of and in all that certain lot, piece or parcel of land, situate lying and being in the City of Pittston, County of Luzerne, and State of Pennsylvania, bounden and described as follows, to wit:

BEGINNING at a point in the southerly line of Lot No. 1-1½, Front Street, which was heretofore conveyed by Pennsylvania Coal Co., to John O'Hora, by deed dated October 27, 1870, said place of beginning being seventy-five (75') feet distant in a Southeasterly direction from the Southwesterly corner of said lot No. 1-1½ Front Street; Thence in a southeasterly direction along the Southerly line of said Lot No. 1-1½ Front Street and the extension thereof, a distance of ninety-five (95') feet, more or less, to the Easterly line of Fear Street; thence in a Northeasterly direction along the easterly line of said Fear Street, a distance of forty two (42') feet more or less, to its intersection with the Southerly line of an alley; Thence in a Southeasterly direction along the Southerly line of said alley a distance of fifty (50') feet, to intersection with a prolongation of the division line between Lots Nos. 56 and 58 Broad Street; thence in a Southwesterly direction on a prolongation of the division line between said Lots Numbered 56 and 58 Broad Street, a distance of one hundred thirty-five (135') feet, more or less, to the northerly right-of-way line of a railroad, now or formerly the Lackawanna and Wyoming Valley Railroad; thence in a general Northwesterly direction along said Railroad right-of-way on a curve to the right, a distance of one hundred forty-five (145') feet, more or less, to a corner; Thence in a Northeasterly direction parallel with the forth described line, a distance of ninety (90') feet, more or less, to the place of begining.

EXCEPTING that portion of the above described premises which was previously conveyed to Frank A. Constantio, et ux, by deed dated March 15, 1963, and recorded in Luzerne County Deed Book Vol. 1517, at page 181, which previously conveyed portion measures approximately fifty feet by one hundred thirty five feet (50' x 135').

UNDER and SUBJECT to any and all restrictions, reservations, convenants, conditions, agreements, easements and the like as are contained in the chain of title.

BOOK 2349 PAGE 171

Print Job: REILLY - 06/18/2009 10:32:18 AM

LUZERNE COUNTY

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

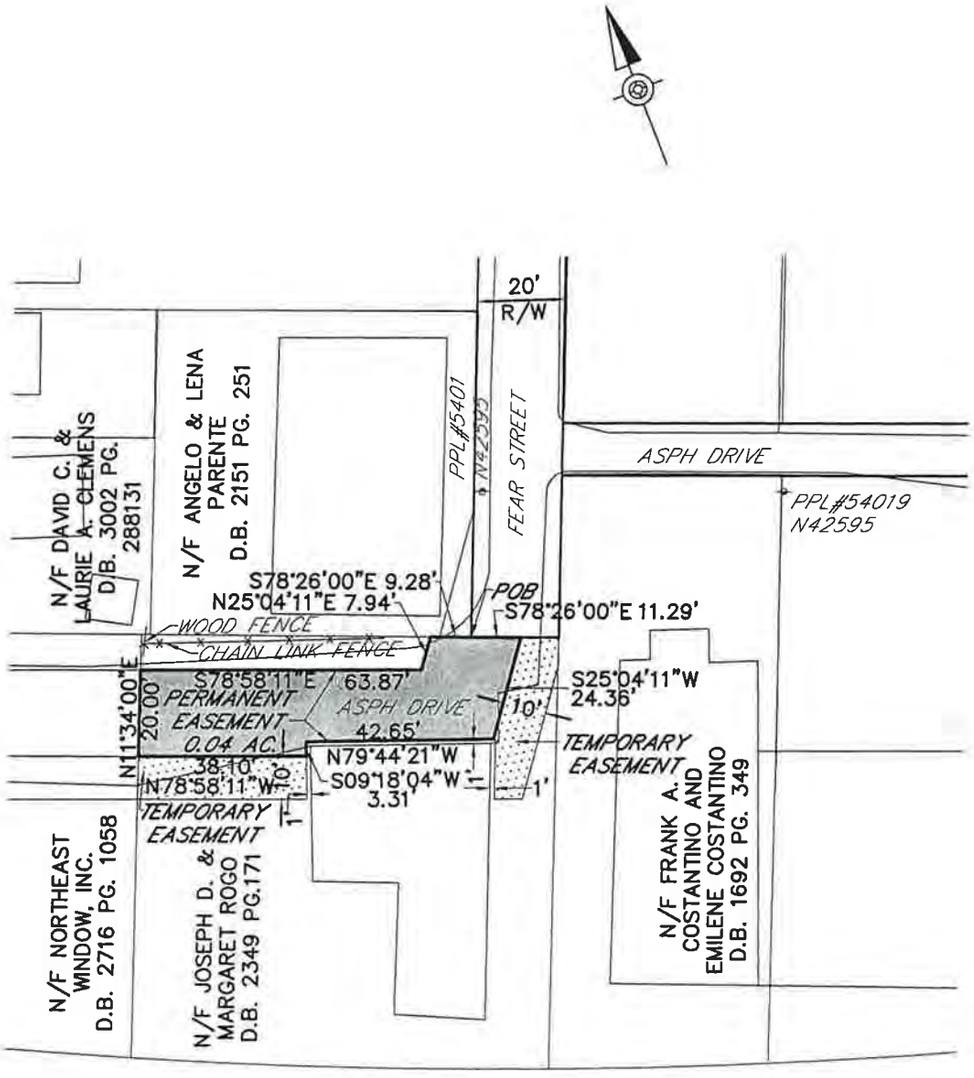
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	Date: 6/27/09
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: CPG Checked By: CGG Approved By: JD
JOSEPH AND MARGARET ROGO EASEMENT	Scale: 1"=40'
Reilly ASSOCIATES SINCE 1950 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.6880 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Y:\Land Projects 2006\09005\dwg\CONSTRUCTION EASEMENTS\09005.dwg, ROGO, 1:1

Exhibit "B"
Joseph and Margaret Rogo
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in Pittston City, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Westerly right-of-way line of Fear Street, said point being the Southeasterly corner of lands now or formerly of Angelo and Lena Parente as recorded in Deed Book 2151, Page 251 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, said point also being on the Northerly line of lands now or formerly of Joseph D. and Margaret Rogo as recorded in Deed Book 2349, Page 171 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said Northerly line of Joseph D. and Margaret Rogo lands South 78°26'00" West a distance of 11.29 feet to a point;

THENCE through the lands of said Joseph D. and Margaret Rogo the following courses and distances:

1) South 25°04'11" West a distance of 24.36 feet to a point;
2) North 79°44'21" West a distance of 42.65 feet to a point;
3) South 09°18'04" West a distance of 3.31 feet to a point;
4) North 78°58'11" West a distance of 38.10 feet to a point in the easterly line of the lands of Northeast Window Inc., as recorded in Deed Book 2716, Page 1058 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said easterly lands of Northeast Window Inc., North 11°34'00" East a distance of 20.00 feet to a point;

THENCE through the lands of said Joseph D. and Margaret Rogo the following courses and distances:

1) South 78°58'11" East a distance of 63.87 feet to a point;
2) North 25°04'11" East a distance of 7.94 feet to a point in the southerly line of said lands of Angelo and Lena Parente;

THENCE along the southerly line of said lands of Angelo and Lena Parente, South 78°26'00' East a distance of 9.28 feet to the Point of Beginning.

CONTAINING 0.04 acres or 1647 square feet of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

E11 SE2 BLOCK 17 LOT 21A

This Deed,

Made the 11th *day of* April *in the year of our Lord* twothousand (2000)

Between

JOAN LOMBARDO, widow, of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTOR

AND

NORTHEAST WINDOW, INC., **a Pennsylvania Corporation with offices in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,**

GRANTEE

Witnesseth, *that in consideration of* **Ten Thousand Dollars and 00/100 ** ********** ($10,000.00) ********** *Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantor does hereby grant and convey to the said Grantee , Its Successors and Assigns*

All that certain lot, piece or parcel of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, described as follows:

BEGINNING at the southwesterly corner of Lot No. 1 1/2 Front Street, which was heretofore conveyed by Pennsylvania Coal Company to John O'Hara, by deed dated October 27, 1870, said place of beginning also being in the southeasterly line of Front Street;

THENCE in a southeasterly direction along the southerly line of said Lot No. 1 1/2 a distance of seventy-five (75) feet to a corner;

THENCE in a southwesterly direction parallel with the southeasterly line of Front Street extended, a distance of ninety-eight (98) feet, more or less, to a corner in the northerly right-of-way line of a railroad, now or formerly the Lackawanna and Wyoming Valley Railroad;

THENCE in a northwesterly direction along the northerly right-of-way line of said Railroad, a distance of one hundred sixteen (116) feet, more or less, to a corner;

THENCE in a northeasterly direction parallel with the second described line a distance of sixty-nine (69) feet, more or less, to the southerly corner of Lot No. 30 Tunnel Street, which was heretofore conveyed by Pennsylvania Coal Company to H.G. Parke, by deed dated November 9, 1889;

BOOK 2716 PAGE 1058 (Continued)

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA
INSTRUMENT NUMBER
5318505
RECORDED ON
Apr 12, 2000
1:51:03 PM

LUZERNE COUNTY RECORDING FEE	$13.00
PA REALTY TAX	$100.00
PA WRIT TAX	$0.50
LUZERNE COUNTY REGISTRATION FEE	$1.50
PITTSTON CITY TAX	$50.00
PITTSTON REALTY TAX	$50.00
LUZERNE COUNTY ARCHIVES FEE	$1.00
LUZERNE RECORDER'S ARCHIVES FEE	$1.00
TOTAL	$217.00

COPY

For corporations/ organizations

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E12SE2 -17 -21A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP

COMMONWEALTH OF PENNSYLVANIA:
: SS
COUNTY OF Luzerne :

On this the 15th day of July, 2009, before me,
a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally
appeared Joseph D. Rago who acknowledged himself to be the
President of Northeast Windows Inc a corporations/ organizations, and
Margaret Rago, who acknowledged himself
to be the Secretary / Treasurer of Northeast Windows Inc, and
that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein
contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Marianne M Zelonis
Notary Public

COPY

My Commission Expires
February 7, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARIANNE M. ZELONIS, NOTARY PUBLIC
PITTSTON CITY., LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES FEBRUARY 07, 2012

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 4th day of August, 2009 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Donna McFadden Connors who acknowledged ~~herself~~ herself to be the Mayor of The City of Pittston, a corporations/ organizations, and Ron Mortimer, who acknowledged himself to be the City Clerk of The City of Pittston, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Patricia Survilla
Notary Public

My Commission Expires
Jan. 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5880922
RECORDED ON
Aug 10, 2009
9:56:50 AM
Book/Page: REC/3009/157690
Total Pages: 6

PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$22.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

4

RECORDER OF DEEDS OF LUZERNE COUNTY PENNSYLVANIA

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

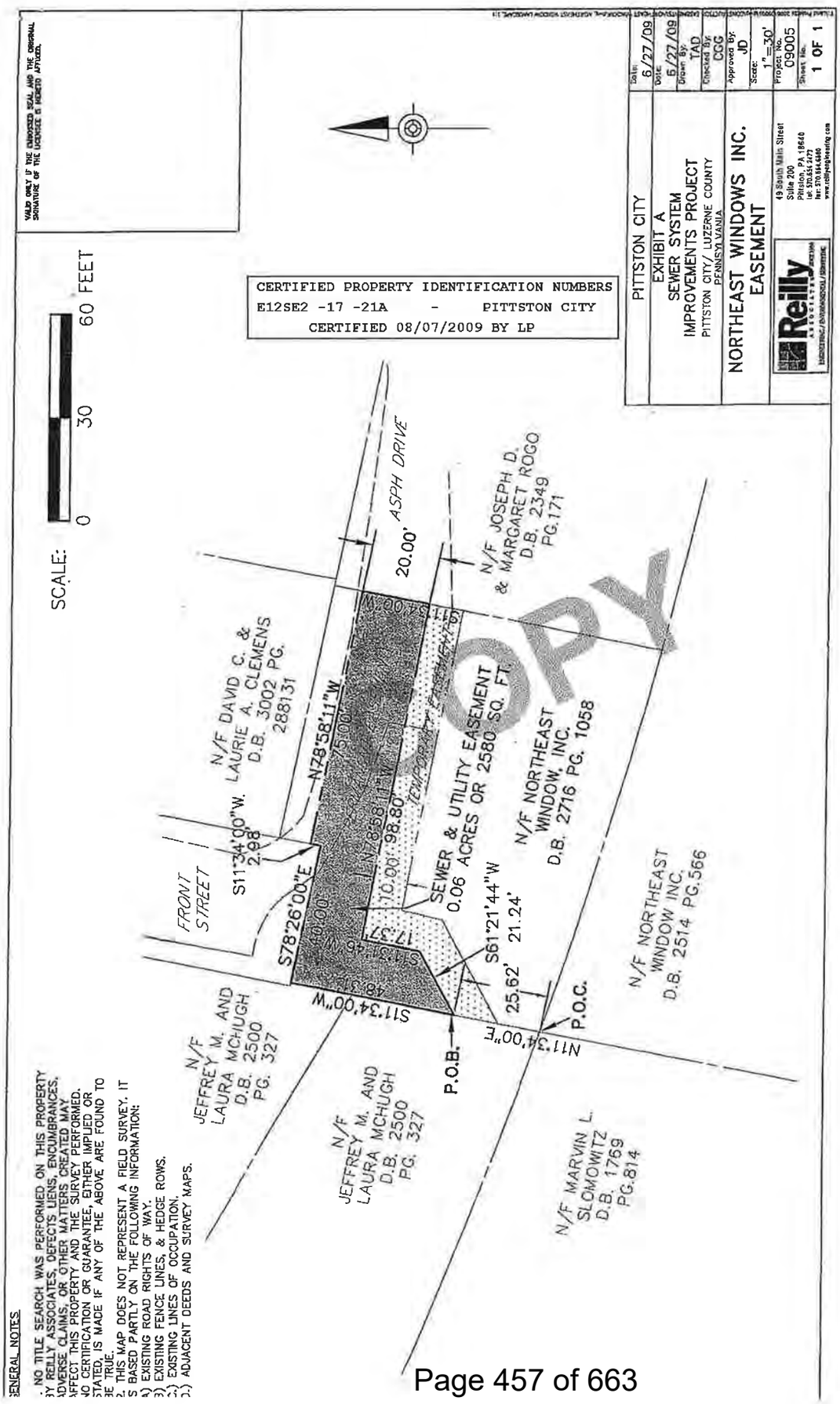

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS AFFIXED ABOVE.
SCALE: 0 30 60 FEET
CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E12SE2 -17 -21A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP
PITTSTON CITY
EXHIBIT A
SEWER SYSTEM
IMPROVEMENTS PROJECT
PITTSTON CITY/ LUZERNE COUNTY
PENNSYLVANIA
NORTHEAST WINDOWS INC.
EASEMENT
Date: 6/27/09
Date: 6/27/09
Drawn By: TAD
Checked By: CGG
Approved By: JD
Scale: 1"=30'
Project No. 09005
Sheet No. 1 OF 1
Reilly ASSOCIATES
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.4476
fax: 570.654.4480
www.reillyassoc.com
GENERAL NOTES
1.) NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2.) THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A.) EXISTING ROAD RIGHTS OF WAY.
B.) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.
FRONT STREET
ASPH DRIVE
20.00'
N/F DAVID C. & LAURIE A. CLEMENS D.B. 3002 PG. 288131
N/F JOSEPH D. & MARGARET ROGO D.B. 2349 PG.171
N/F NORTHEAST WINDOW, INC. D.B. 2716 PG. 1058
N/F NORTHEAST WINDOW INC. D.B. 2514 PG.566
N/F JEFFREY M. AND LAURA MCHUGH D.B. 2500 PG. 327
N/F JEFFREY M. AND LAURA MCHUGH D.B. 2500 PG. 327
N/F MARVIN L. SLOMOWITZ D.B. 1769 PG.814
SEWER & UTILITY EASEMENT 0.06 ACRES OR 2580 SQ. FT.
TEMPORARY CONSTRUCTION EASEMENT
N78°58'11"W 75.00'
N78°58'11"W 98.80'
S11°34'00"W 2.98'
S78°26'00"E 10.00'
S11°34'00"W 48.37'
S61°21'44"W 21.24'
25.62'
N11°34'00"E 17.37'
P.O.B.
P.O.C.
COPY

Exhibit "B"
Northeast Window Inc.
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

COMMENCING at a point, said point being the southeasterly corner of the lands of Jeffrey M. and Laura McHugh as recorded in Deed Book 2500 page 327 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of Jeffrey M. and Laura McHugh, North 11°34'00" East a distance of 25.62 feet to the Point of Beginning;

THENCE continuing along said lands of Jeffrey M. and Laura McHugh North 11°34'00" East a distance of 48.31 feet to a point;

THENCE through the lands of Northeast Window Inc., as recorded in Deed Book 2716 page 1058 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, the following courses and distances:

1) South 78°26'00" East a distance of 40.00 feet to a point;
2) North 11°34'00" East a distance of 2.98 feet to a point;
3) South 78°58'11" East a distance of 75.00 feet to a point in the westerly line of the lands of Joseph D. and Margaret Rogo, as recorded in Deed Book 2349 page 171 in the Recorder of Deeds Office in Luzerne County, Pennsylvania

THENCE along said lands of Joseph D. and Margaret Rogo, South 11°34'00" West a distance of 20.00 feet to a point;

THENCE through said lands of Northeast Window Inc., the following courses and distances:

1) North 78°58'11" West a distance of 98.80 feet to a point;
2) South 11°31'46" West a distance of 17.37 feet to a point;
3) South 61°21'44" West a distance of 21.24 feet to the Point of Beginning.

CONTAINING 0.06 acres or 2580 square feet of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

COPY

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E12SE2 -17 -21A - PITTSTON CITY
CERTIFIED 08/07/2009 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 15th day of July A.D., 2009, between Northeast Window Inc. hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 04/11/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2716, Page 1058; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

COPY

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 15th day of July, 2009.

Witness _____ Grantor _____ President (Seal)

Witness _____ Grantor _____ Secretary/Treasurer (Seal)

ATTEST _____

CITY OF PITTSTON
BY _____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Northeast Window Inc. hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 04/11/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2716, Page 1058; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

E11 SE2 BLOCK 17 LOT 21A

This Deed,

Made the 11th day of April in the year of our Lord twothousand (2000)

Between

JOAN LOMBARDO, widow, of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTOR

AND

***NORTHEAST WINDOW, INC.,* a Pennsylvania Corporation** with offices in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEE

Witnesseth, *that in consideration of* Ten Thousand Dollars and 00/100 ********** ($10,000.00) ********** *Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantor does hereby grant and convey to the said Grantee*, Its Successors and Assigns

All

that certain lot, piece or parcel of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, described as follows:

BEGINNING at the southwesterly corner of Lot No. 1 1/2 Front Street, which was heretofore conveyed by Pennsylvania Coal Company to John O'Hara, by deed dated October 27, 1870, said place of beginning also being in the southeasterly line of Front Street;

THENCE in a southeasterly direction along the southerly line of said Lot No. 1 1/2 a distance of seventy-five (75) feet to a corner;

THENCE in a southwesterly direction parallel with the southeasterly line of Front Street extended, a distance of ninety-eight (98) feet, more or less, to a corner in the northerly right-of-way line of a railroad, now or formerly the Lackawanna and Wyoming Valley Railroad;

THENCE in a northwesterly direction along the northerly right-of-way line of said Railroad, a distance of one hundred sixteen (116) feet, more or less, to a corner;

THENCE in a northeasterly direction parallel with the second described line a distance of sixty-nine (69) feet, more or less, to the southerly corner of Lot No. 30 Tunnel Street, which was heretofore conveyed by Pennsylvania Coal Company to H.G. Parke, by deed dated November 9, 1889;

BOOK 2716 PAGE 1058

(Continued)

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5318505
RECORDED ON
Apr 12, 2000
1:51:03 PM

LUZERNE COUNTY RECORDING FEE	$13.00
PA REALTY TAX	$100.00
PA WRIT TAX	$0.50
LUZERNE COUNTY REGISTRATION FEE	$1.50
PITTSTON CITY TAX	$50.00
PITTSTON REALTY TAX	$50.00
LUZERNE COUNTY ARCHIVES FEE	$1.00
LUZERNE RECORDER'S ARCHIVES FEE	$1.00
TOTAL	$217.00

Print Job: REILLY - 06/18/2009 10:33:33 AM

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ , known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

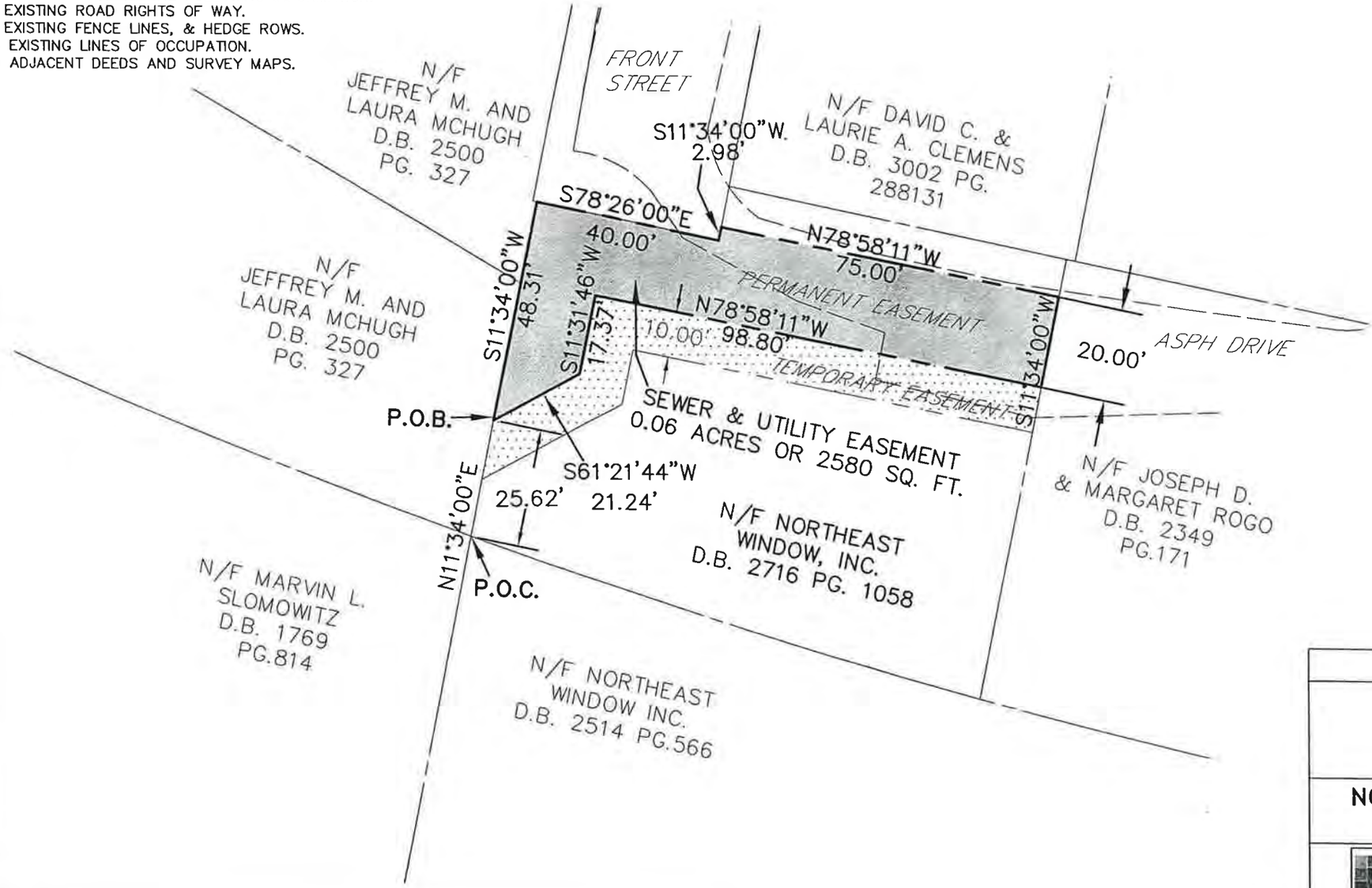
_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.

SCALE: 0 30 60 FEET



PITTSTON CITY

EXHIBIT A
SEWER SYSTEM IMPROVEMENTS PROJECT
PITTSTON CITY/ LUZERNE COUNTY PENNSYLVANIA

NORTHEAST WINDOWS INC. EASEMENT

Reilly ASSOCIATES SINCE 1950
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570 654 2473
fax: 570 654 6880
www.reillyengineering.com

Date:	6/27/22
Date:	6/27/22
Drawn By:	TAD
Checked By:	CGG
Approved By:	JD
Scale:	1"=30'
Project No.	09005
Sheet No.	1 OF 1

Y:\Land Projects 2006\09005\dwg\CONSTRUCTION EASEMENTS\NORTHEAST WINDOW.dwg, NORTHEAST WINDOW LANDSCAPE, 1:1

Exhibit "B"
Northeast Window Inc.
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

COMMENCING at a point, said point being the southeasterly corner of the lands of Jeffrey M. and Laura McHugh as recorded in Deed Book 2500 page 327 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of Jeffrey M. and Laura McHugh, North 11°34'00" East a distance of 25.62 feet to the Point of Beginning;

THENCE continuing along said lands of Jeffrey M. and Laura McHugh North 11°34'00" East a distance of 48.31 feet to a point;

THENCE through the lands of Northeast Window Inc., as recorded in Deed Book 2716 page 1058 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, the following courses and distances:

1) South 78°26'00" East a distance of 40.00 feet to a point;
2) North 11°34'00" East a distance of 2.98 feet to a point;
3) South 78°58'11" East a distance of 75.00 feet to a point in the westerly line of the lands of Joseph D. and Margaret Rogo, as recorded in Deed Book 2349 page 171 in the Recorder of Deeds Office in Luzerne County, Pennsylvania

THENCE along said lands of Joseph D. and Margaret Rogo, South 11°34'00" West a distance of 20.00 feet to a point;

THENCE through said lands of Northeast Window Inc., the following courses and distances:

1) North 78°58'11" West a distance of 98.80 feet to a point;
2) South 11°31'46" West a distance of 17.37 feet to a point;
3) South 61°21'44" West a distance of 21.24 feet to the Point of Beginning.

CONTAINING 0.06 acres or 2580 square feet of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

Appendix A-5.1

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11NE3 -12 -18D -D PITTSTON CITY
CERTIFIED 01/28/2010 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 22nd day of December A.D., 2009, between Jeffrey M. and Laura McHugh, his wife hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 08/04/94 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2500, Page 327; and

WHEREAS, the City of Pittston has undertaken a construction project within Pittston City limits and, in connection with said project, it will be required to construct a maintenance access road and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to construct said maintenance access road and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to construct said maintenance access road and appurtenances.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, construct stone access road and grade and seed adjacent areas. If any areas beyond the project limits are disturbed during the construction, the Grantee shall restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

Pin# E11NE3 B11 L25
B12 L18D

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 22nd day of December, 2009.

Witness

Grantor (Seal)

Witness

Grantor (Seal)

ATTEST

CITY OF PITTSTON

BY

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5902902
RECORDED ON
Jan 29, 2010
9:37:15 AM
Book/Page: REC/3010/15873
Total Pages: 5

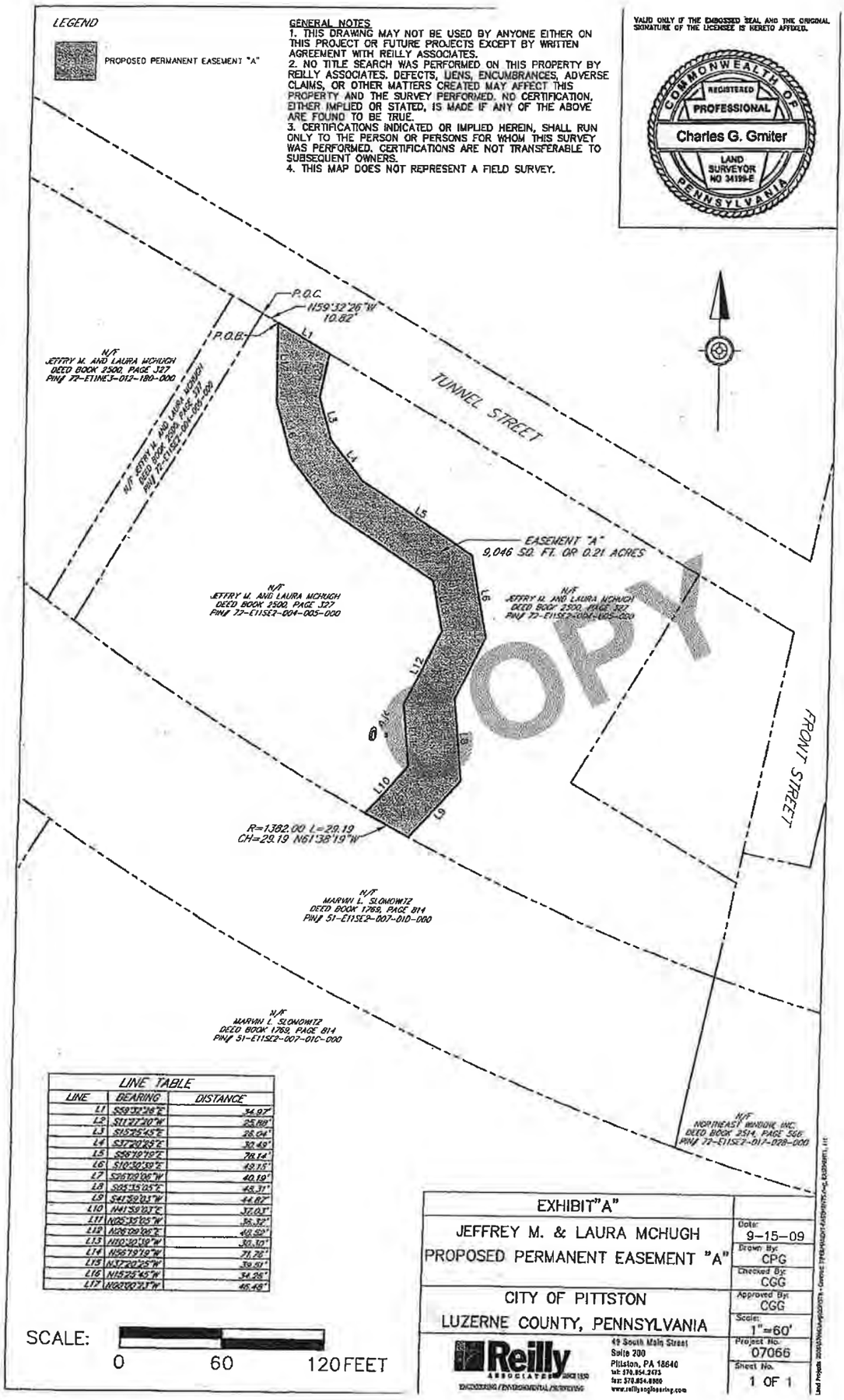
PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$23.50
LUZERNE COUNTY RECORDING FEE	$20.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania

JAMES O'BRIEN
RECORDER OF DEEDS

Z:\07066\LEGAL DESCRIPTIONS - PDFS - PERMANENT ACCESS EASEMENTS\Easement A Agreement.doc

Appendix A-5.1



LINE TABLE		
LINE	BEARING	DISTANCE
L1	S59°32'26"E	34.97'
L2	S11°27'30"W	25.88'
L3	S15°25'45"E	26.04'
L4	S37°20'25"E	30.49'
L5	S58°19'19"E	78.14'
L6	S10°32'39"E	48.15'
L7	S26°09'06"W	40.19'
L8	S05°35'05"E	48.31'
L9	S41°59'03"W	44.87'
L10	N41°59'03"E	37.03'
L11	N05°35'05"W	36.32'
L12	N26°09'06"E	40.55'
L13	N10°32'39"W	30.10'
L14	N58°19'19"W	71.76'
L15	N37°20'25"W	39.61'
L16	N15°25'45"W	34.26'
L17	N82°00'33"W	45.48'

EXHIBIT"A"	
JEFFREY M. & LAURA MCHUGH PROPOSED PERMANENT EASEMENT "A"	Date: 9-15-09
	Drawn By: CPG
	Checked By: CGG
CITY OF PITTSTON LUZERNE COUNTY, PENNSYLVANIA	Approved By: CGG
	Scale: 1"=60'
	Project No. 07066
	Sheet No. 1 OF 1

Reilly ASSOCIATES SINCE 1950
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2673
fax: 570.654.8909
www.reillyassociates.com

EXHIBIT "B"
LEGAL DESCRIPTION
FOR
PROPOSED PERMANENT EASEMENT "A"

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

COMMENCING at an iron pin at the Northwest corner of lands now or formerly of Jeffry M. and Laura McHugh as recorded in the Luzerne County Recorder of Deeds Office in Deed Book 2500, Page 327, said iron pin also being on the Southwesterly right of way line of Tunnel Street;

THENCE along said Southwesterly right of way line South 59°32'26" East a distance of 10.82 feet to the POINT OR PLACE OF BEGINNING;

THENCE continuing along said Southwesterly right of way line South 59°32'26" East a distance of 34.97 feet to a point;

THENCE through said McHugh lands the following courses and distances:

1) South 11°27'20" West a distance of 25.88 feet to a point;
2) South 15°25'45" East a distance of 26.04 feet to a point;
3) South 37°20'25" East a distance of 30.49 feet to a point;
4) South 56°19'19" East a distance of 78.14 feet to a point;
5) South 10°30'39" East a distance of 49.15 feet to a point;
6) South 26°09'06" West a distance of 40.19 feet to a point;
7) South 5°35'05" East a distance of 48.31 feet to a point
8) South 41°59'03" West a distance of 44.87 feet to a point, said point being on the Northerly line of lands now or formerly of Marvin L. Slomowitz as recorded in the Luzerne County Recorder of Deeds Office in Deed Book 1769, Page 814;

THENCE along said Northerly line and along a curve to the right having a radius of 1382.00 feet and a length of 29.19 feet, with a chord bearing of North 61°38'19" West and a chord length of 29.19 feet to a point;

THENCE through said McHugh lands the following courses and distances:

1) North 41°59'03" East a distance of 37.03 feet to a point;
2) North 5°35'05" West a distance of 36.32 feet to a point;
3) North 26°09'06" East a distance of 48.52 feet to a point;
4) North 10°30'39" East a distance of 30.30 feet to a point;
5) North 56°19'19" West a distance of 71.76 feet to a point;
6) North 37°20'25" West a distance of 39.51 feet to a point;
7) North 15°25'45" West a distance of 34.26 feet to a point;
8.) North 00°00'23" West a distance of 46.48 feet to THE POINT OR PLACE OF BEGINNING;

CONTAINING 9,046 square feet or 0.21 acres of surface land being the same more or less.

BEING all of Proposed Permanent Easement "A" as shown on attached Exhibit A – "Proposed Permanent Easement A", as prepared by Reilly Associates dated September 15, 2009.

September 15, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

COPY

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF Luzerne :SS

On this, the 22nd day of December, 2009, before me A Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Jeffrey and Sara McHugh, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

Marianne M Zelonis
Notary Public

My Commission Expires
February 7, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARIANNE M. ZELONIS, NOTARY PUBLIC
PITTSTON CITY, LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES FEBRUARY 07, 2012

COPY

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 19th day of January, 2012 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Jason C. Klush who acknowledged himself to be the Mayor of The City of Pittston, a corporations/ organizations, and Sheila McGarry, who acknowledged herself to be the Clerk of The City of Pittston, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Patricia Survilla
Notary Public

My Commission Expires
January 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

COPY

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Jeffrey M. and Laura McHugh, his wife hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 08/04/94 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2500, Page 327; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

E11SE2 BLOCK 17

LOT 27

THIS QUITCLAIM DEED

Made the **25th** day of March, in the year **Nineteen Hundred and Ninety-Nine (1999).**

BETWEEN

MARY KERN REYNOLDS and **PAUL KERN,** Co-Administrators of the Estate of **Mildred Kern,** a/k/a Mildred Theresa Kern, a/k/a Mildred T. Kern, a/k/a Millie Kern, deceased, of Pittston City, Pennsylvania,

GRANTORS

-AND-

LOUIS J. KERN, JR., and **ANN E. KERN**, his wife, of Naugatuck, Connecticut,

GRANTEES

WHEREAS, Mildred Kern, died intestate on December 11, 1998; and,

WHEREAS, at the time of her death, Mildred Kern owned realty situate at 29-29 1/2 Fear Street, Pittston City, Luzerne County, Pennsylvania, as more particularly described in Luzerne County Commissioners' Deed dated November 4, 1968, and recorded in Book 1655, Page 989; and,

WHEREAS, at the time of her death, Mildred Kern, was survived by her four children, namely, Louis J. Kern, Jr., Mary Kern Reynolds, Paul Kern, and Linda Dessoye; and,

WHEREAS, Letters of Administration in the estate of Mildred Kern, were granted by the Register of Wills of Luzerne County, Pennsylvania, to Mary Kern Reynolds and Paul Kern, the grantors herein, and filed to number 2137 of 1998; and,

NOW, this Indenture Witnesseth, that the said Grantors for and in consideration of the sum of One and No/100 ($1.00) Dollar, lawful money of the United States of America, unto them well and truly paid by the Grantees, at and before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, they have quitclaimed, and by these presents do quitclaim unto the said Grantees, their heirs and assigns,

BOOK 2673 PAGE 242

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ , known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

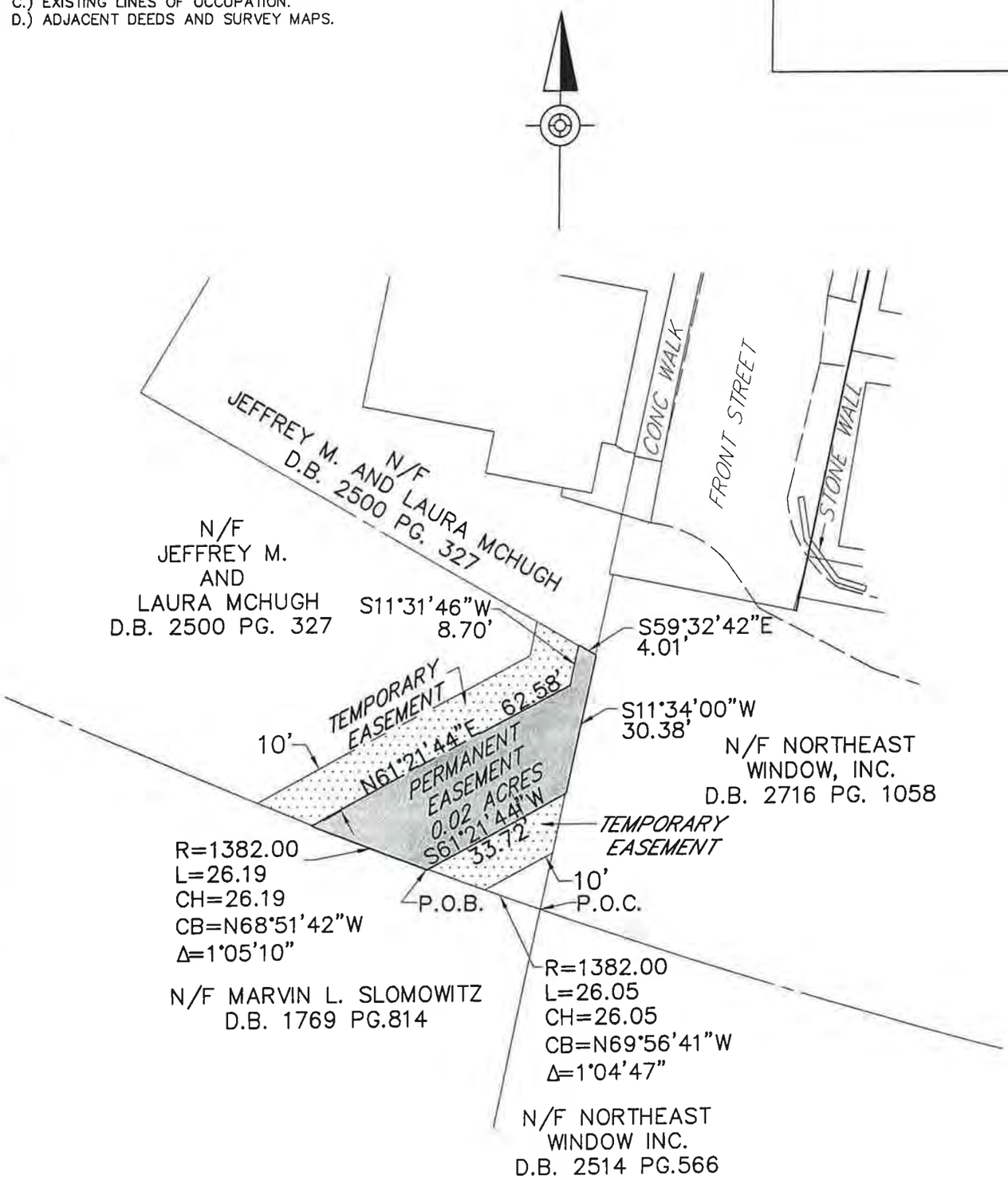
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 30 60 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/28/09 Drawn By: TD Checked By: CGG
JEFFREY M. AND LAURA MCHUGH EASEMENT	Approved By: CGG Scale: 1"=30'
Reilly ASSOCIATES SINCE 1930 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.6880 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Y:\Land Projects 2009\09005\dwg\CONSTRUCTION EASEMENTS\MCHUGH.dwg, MCHUGH, 1:1

Exhibit "B"
Jeffrey M. and Laura McHugh
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

COMMENCING at a point, said point being the Northeast corner of lands now or formerly of Marvin L. Slomowitz, as recorded in Deed Book 1769 page 814 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along the Northerly line of said lands of Marvin L. Slomowitz along the arc of a curve to the right having a radius of 1382.00 feet and a central angle of 01°04'47" a distance of 26.05 feet (chord bearing and distance between said points being N69°56'41"W 26.05 feet) to the Point of Beginning;

THENCE continue along the arc of said curve to the right having a radius of 1382.00 feet and a central angle of 01°05'10" a distance of 26.19 feet (chord bearing and distance between said points being N68°51'42"W 26.19 feet) to a point;

THENCE through the lands now or formerly of Jeffrey M. and Laura McHugh as recorded in Deed Book 2500, Page 327 in the Recorder of Deeds Office of Luzerne County, Pennsylvania the following courses and distances:

1) North 61°21'44" East a distance of 62.58 feet to a point;
2) North 11°31'46" East a distance of 8.70 feet to a point;
3) South 59°32'42" East a distance of 4.01 feet to a point, said point also being on the Westerly line of lands now or formerly of Northeast Window Inc. as recorded in Deed Book 2716 page 1058 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said lands of Northeast Window Inc., South 11°34'00" West a distance of 30.38 feet to a point;

THENCE through said lands of Jeffrey M. and Laura McHugh South 61°21'44" West a distance of 33.72 feet to the Point of Beginning.

CONTAINING 0.02 acres and 1037 Sq. Ft. of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

DEED

MADE the 30th day of December in the year of our Lord one thousand nine hundred and ninety-seven (1997).

JAMES J. POWERS, KEVIN POWERS, and BRIAN POWERS, of the City of Pittston, County of Luzerne, Commonwealth of Pennsylvania, **GRANTORS**

AND

BETWEEN **THE CITY OF PITTSTON**, a municipality in the County of Luzerne, Commonwealth of Pennsylvania, **GRANTEE.**

WITNESSETH, that in consideration of One Thousand ($1,000.00) Dollars, in hand paid, the receipt whereof is hereby acknowledged, the said Grantor does hereby grant and convey to the said Grantees, its successors and assigns:

COPY

ALL THE SURFACE OR RIGHT of soil of and in all those certain lots, pieces or parcels of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, described as follows, to wit:

BEGINNING at an iron pin in the southwesterly line of a public alley (ten feet wide), said iron pin being North 57 degrees 51 minutes 00 seconds West for a distance of 275 feet along said southwesterly line of a public alley from its intersection with the northwesterly line of O'Connell Street;

THENCE along other lands of the Grantees, herein South 32 degrees 09 minutes 00 seconds West for a distance of 122 feet to an iron pin in the northeasterly right-of-way line of the former Lackawanna and Wyoming Valley Railroad;

Page 1
Neil T. O'Donnell, Esquire
Deed Preparation Only
Based upon Survey of
Frank DeSarro, Jr.,
Registered Surveyor

CERTIFIED PROPERTY IDENTIFICATION NUMBER
MUNICIPALITY Pittston City
CERTIFICATION FILED 12
TRANSFER
Date 12/31/97
Mapping Clerk

BOOK 2624 PAGE 356

THENCE along said northeasterly right-of-way line, being along a curve to the left, with an arc distance of 41.1 feet, more or less, and a chord bearing of North 44 degrees 34 minutes 59 seconds West for a distance of 41.1 feet to a point;

THENCE through the lands of the Grantors herein North 32 degrees 09 minutes 00 seconds East for a distance of 112.57 feet to an iron pipe;

THENCE continuing through said lands of the Grantors herein South 57 degrees 51 minutes 00 seconds East for a distance of 40 feet to an iron pin in the southwesterly line of a public alley (ten feet wide), the point of BEGINNING.

Being a portion of that parcel of land known as Parcel No. 4", as conveyed from James J. Powers, Jr. and Kevin A. Powers, Executors of the Estate of Helen Powers, Deceased, and James J. Powers, Jr.; Kevin A. Powers; Brian J. Powers; and Neil Powers to Neil Powers, Kevin A. Powers, Brian J. Powers, and James J. Powers by deed dated March 3, 1993 and being recorded in the Luzerne County Recorder of Deeds Office in Deed Book No. 2458, page 403.

Being a portion of that parcel of land known as "Parcel No. 4", as conveyed from Neil Powers to James J. Powers, Kevin A. Powers, and Brian J. Powers by deed dated March 3, 1993 and being recorded in the Luzerne County Recorder of Deeds Office in Deed Book No. 2458, page 369.

COPY

EXCEPTING AND RESERVING unto the Grantors herein, their heirs and assigns, an easement over said parcel to themselves, their servants, agents, employees, or contractors, for the purpose of ingress, egress, and regress, of delivery trucks and other vehicles for access to other lands of the Grantors herein adjoining the herein described parcel.

Containing an area of 4692 square feet of land, more or less.

The parcel herein described and hereby conveyed comprises part of the Johnson and Bennett Tract (part of a "Public Lot" in the First Division of Certified Pittston Township, now Pittston City) conveyed to said Pennsylvania Coal Company, by Trustees of Wyoming Coal Association, by Deed dated November 1, 1848, recorded in Luzerne County Deed Book 48 at page 214, being part of the fourth tract or parcel described therein.

Part of PIN Number: Pittston City, 7th Ward: E11NE3 - B12 - L006.

BOOK 2624 PAGE 357

THE ABOVE PARCEL IS CONVEYED UNDER AND SUBJECT to any and all exceptions, reservations, conditions, covenants, restrictions and agreements contained in the chain of title.

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

AND the said Grantor does hereby specially warrant the property hereby conveyed.

IN WITNESS WHEREOF, said Grantor has hereunto set its hand and seal the day and year first above written.

Signed, Sealed and Delivered
In the Presence of:

William A. Jurson

By: _____
JAMES J. POWERS

By: Kevin A. Powers
KEVIN POWERS

By: Brian J. Powers
BRIAN POWERS

COPY

BOOK 2624 PAGE 358

Commonwealth of Pennsylvania :
: SS
County of Luzerne :

On this the 30TH day of December, 1997, before me, a Notary Public, the undersigned officer, personally appeared BRIAN POWERS known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledge that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notarial Seal
William A. Yurkon, Notary Public
Pittston, Luzerne County
My Commission Expires May 1, 2000
Member, Pennsylvania Association of Notaries

William A. Yurkon
Notary Public

I hereby certify that the precise address of the Grantees herein is

_____.

_____

COPY

Commonwealth of Pennsylvania :
: SS
County of Luzerne :

On this the 30TH day of December, 1997, before me, a Notary Public, the undersigned officer, personally appeared KEVIN POWERS known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledge that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notarial Seal
William A. Yurkon, Notary Public
Pittston, Luzerne County
My Commission Expires May 1, 2000
Member, Pennsylvania Association of Notaries

William A. Yurkon
Notary Public

I hereby certify that the precise address of the Grantees herein is

_____.

_____

BOOK 2624 PAGE 359

Commonwealth of Pennsylvania :
: SS
County of Luzerne :

On this the 30TH day of DECEMBER, 1997 before me, a Notary Public, the undersigned officer, personally appeared JAMES J POWERS known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledge that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notarial Seal
William A. Yurkon, Notary Public
Pittston, Luzerne County
My Commission Expires May 1, 2000
Member, Pennsylvania Association of Notaries

William A. Yurkon
Notary Public

I hereby certify that the precise address of the Grantees herein is
CITY HALL, 35 BROAD ST, PITTSTON PA 18640

COPY

Commonwealth of Pennsylvania :
: SS
County of Luzerne :

RECORDED in the Office for Recording of Deeds in and for Luzerne County in Deed Book 2624 No. Page 356 Etc.

WITNESS my hand and seal of Office this 31ST day of Dec., Anno Domini 1997.

Frank E. Castellino
Recorder

BOOK 2624 PAGE 360

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5187258
RECORDED ON
Dec 31, 1997
2:56:27 PM

LUZERNE COUNTY RECORDING FEE	$14.50
PA REALTY TAX	$10.00
PA WRIT TAX	$0.50
LUZERNE COUNTY REGISTRATION FEE	$1.50
PITTSTON CITY TAX	$5.00
PITTSTON REALTY TAX	$5.00
TOTAL	$36.50

Page 5
Neil T. O'Donnell, Esquire
Deed Preparation Only
Based upon Survey of
Frank DeSarro, Jr.,
Registered Surveyor

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between James J. Powers, Kevin A. Powers, and Brian J. Powers, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 3/3/93 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2458, Page 369; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

E11 NE3
BLK: 12
Lots: 5, 5A, 6

This Deed

Made the 3rd *day of* March *, in the year*

Nineteen hundred and Ninety **Three** (1993),

Between NEIL POWERS of the Borough of West Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTOR

AND

JAMES J. POWERS of the Borough of Forty Fort, KEVIN A. POWERS and BRIAN J. POWERS, both of the Borough of West Pittston, all of the County of Luzerne and Commonwealth of Pennsylvania,

GRANTEES

Witnesseth, *That in consideration of* ONE HUNDRED SEVENTEEN THOUSAND FIVE HUNDRED ($117,500.00) - - - - - *Dollars, in hand paid, the receipt whereof is hereby acknowledged, the said grant* does *hereby grant and convey to the said grantees,* their *heirs and assigns,* all his right, title and interest, including but not limited to his presently vested one-half (½) undivided interest, his presently vested one-fourth (¼) interest in the other one-half (½) thereof for and during the term of the natural life of his sister, Ellen Powers, and his additional one-half (½) remainder interest upon his said sister's death, in and to

ALL those five pieces or parcels of land situate, lying and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, described as follows, to wit:

PARCEL NO. 1

BEGINNING at the Northerly corner of Lot 12, which is located in the Southwesterly line of Broad Street in aforesaid City of Pittston, as said street and lot are laid out and plotted on the maps of the Pennsylvania Coal Co. on file in its principal office in the Borough of Dunmore, Pennsylvania; thence from said place of beginning South 57 degrees 51 minutes East along the Southwesterly line of said Broad Street forty nine and three tenths (49.3) feet to the corner in the Northerly line of a parcel of land conveyed by Pennsylvania Coal Co. to the Erie & Wyoming Valley Railroad Company by Deed dated October 2, 1917 and recorded in the Office for the Recording of Deeds in and for Luzerne County in Deed Book No. 519 at Page 258, etc. and designated in said Deed as Parcel No. 20; thence South 88 degrees 30 minutes west along a portion of said northerly line of the Erie & Wyoming Valley Railroad Company fifty nine and eighteen one hundredths (59.18) feet to a corner in the Northwesterly line of aforesaid lot No. 12; thence North 32 degrees 09 minutes East along said northwesterly line thirty two and seven tenths (32.7) feet to the place of beginning. Containing an area of eight hundred six (806) square feet, more or less and being the Northerly corner of lot No. 12 on Broad Street in said City of Pittston.

PARCEL NO. 2

BEGINNING at the Westerly corner of Lot No. 14 on Broad Street in aforesaid City of Pittston, as said lot and street and the

BOOK 2458 PAGE 369 -continued

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

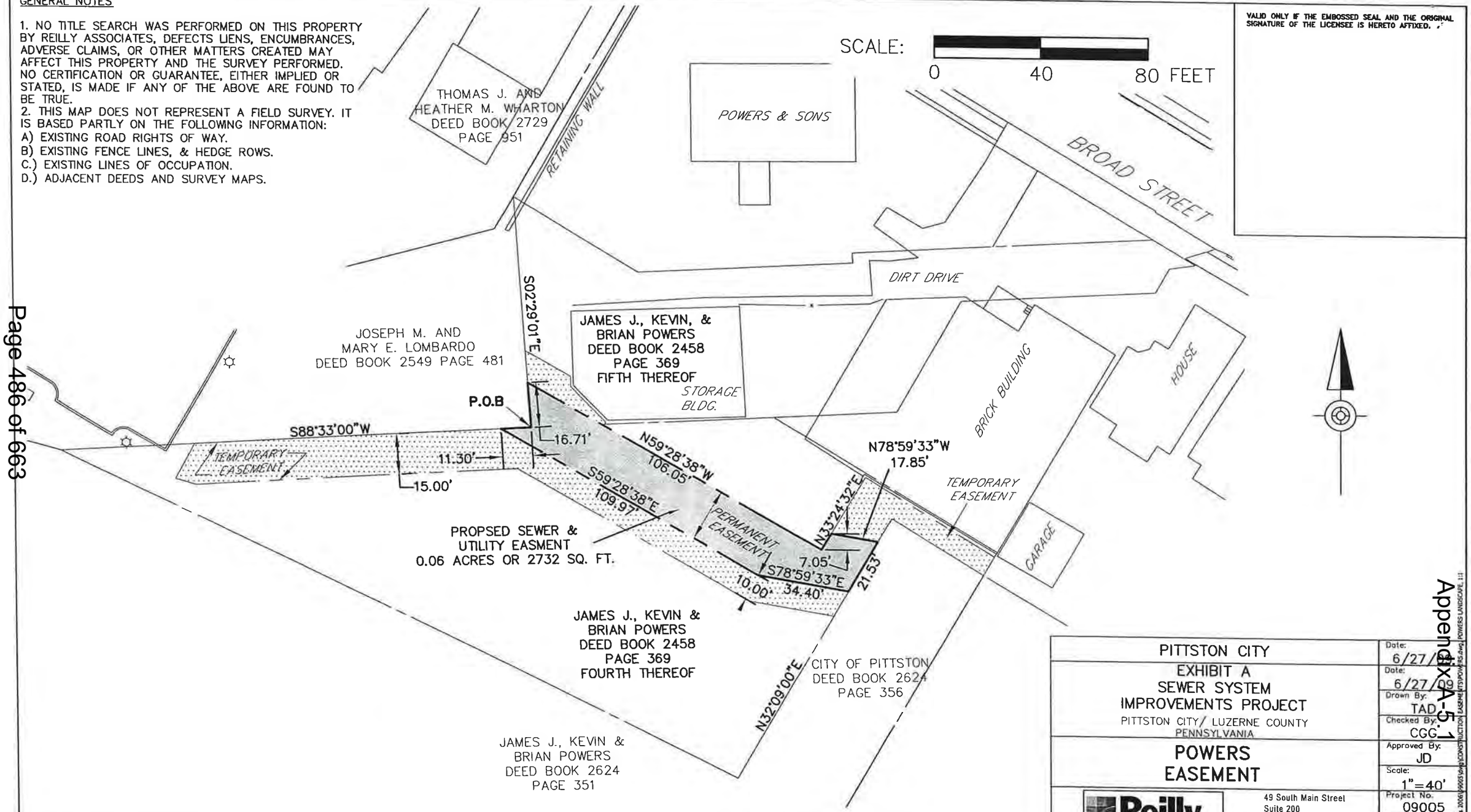
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



PITTSTON CITY	Date: 6/27/
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/ LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: TAD Checked By: CGG Approved By: JD
POWERS EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly ASSOCIATES SINCE 1930
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.6880
www.reillyengineering.com

Z:\Land Projects 2006\09005\dwg\CONSTRUCTION EASEMENTS\POWERS.dwg, POWERS LANDSCAPE, 1:1

Exhibit "B"
James J., Kevin, Brian Powers
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point, said point being the southeasterly corner of the lands of Joseph M. and Mary E. Lombardo, as recorded in Deed Book 2549 page 481 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE along said lands of Joseph M. and Mary E. Lombardo, North 02°29'01" West a distance of 16.71 feet to a point;

THENCE through the lands of James J., Kevin, and Brian Powers, as recorded in Deed Book 2458 page 369 in the Recorder of Deeds Office in Luzerne County, Pennsylvania, the following courses and distances:

1) South 59°28'38" East a distance of 106.05 feet to a point;
2) North 33°24'32" East a distance of 7.05 feet to a point;
3) South 78°59'33" East a distance of 17.85 feet to a point;
4) South 32°09'00" West a distance of 21.53 feet to a point;
5) North 78°59'33" West a distance of 34.40 feet to a point;
6) North 59°28'38" West a distance of 109.97 feet to a point in the southerly line of said lands of Joseph M. and Mary E. Lombardo;

THENCE along said lands of Joseph M. and Mary E. Lombardo, North 88°33'00" East a distance of 11.30 feet to the Point of Beginning.

CONTAINING 0.06 acres or 2732 square feet of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11NE4 -11 -2 - PITTSTON CITY
CERTIFIED 12/04/2009 BY LP

AGREEMENT

THIS AGREEMENT is entered into the 19th day of November 2009 by and between **THREE-ONE COMPANY**, a Pennsylvania corporation (hereinafter referred to as "Owner") and the **CITY OF PITTSTON** in Luzerne County, Pennsylvania (hereinafter referred to as "City").

WHEREAS, the City wishes to acquire a permanent easement and a construction easement for the construction of a sewer over land owned by the Owner; and

WHEREAS, the Owner is willing to grant an easement to the City upon certain terms and conditions;

NOW, THEREFORE, intending to be legally bound and in consideration of the promises set forth herein, the parties hereto agree as follows:

COPY

1. The Owner will grant to the City an easement as set forth on Exhibit "A" which is attached hereto and made a part hereof.

2. It is recognized that the grant of the easement will materially affect the value of the Owner's property and the construction easement will materially interfere with the operation of the Owner's business. The Owner will grant the easement without recourse and reserving all of its rights under the Eminent Domain Code of the Commonwealth of Pennsylvania. The parties will attempt in good faith to agree upon the compensation to be paid to the Owner for the grant of the permanent easement and the construction easement, as well as all other damages and attorney's fees to which Owner is entitled under the law. If the parties cannot agree within a reasonable time, the Owner may

PIN# E11NE4 B11 L2

exercise all of its rights under the Eminent Domain Code and the other laws of the Commonwealth of Pennsylvania.

3. The Owner operates a Burger King restaurant on its premises.

A. The work on the Owner's property shall be done when the Burger King business is closed. The allowed working hours are 12:00 AM to 6:00 AM;

B. The work area shall be fully cleaned up each morning and all equipment, materials and workers shall be off the site by 6:00 AM;

C. Excavation areas shall be completely secured and temporarily paved over with covered steel plates each morning;

D. The paved areas shall be cleaned of all dirt and temporary pavement shall be placed and maintained in all disturbed areas;

E. The land shall be fully restored, including landscaping, one (1) week after completion of the pipe work unless prevented by the winter season, in which case it shall be fully restored within one (1) week after the asphalt plants open in the spring;

F. Additional signage during the work shall be provided on Kennedy Boulevard indicating that the Burger King restaurant is open for business.

4. During construction, the utilities to the Owner's land and the Burger King restaurant shall not be interfered with and the drive-thru service of the Burger King shall not be interfered with. The utilities and drive-thru shall be maintained at all times.

5. Upon completion of the work, all disturbed areas shall be restored to better than pre-existing condition and any areas of the parking lot excavated, marked or scarred from equipment access shall be re-paved so that the entire affected area is overlaid and not merely patched.

6. All work done on Owner's property shall be done in a good and workmanlike

manner, and in compliance with the latest version of the Pennsylvania Department of Transportation Publication 408, Specifications.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first set forth above.

THREE-ONE COMPANY

WITNESS:

_____

BY: _____

COPY

CITY OF PITTSTON

WITNESS:

Sheila McGarry

BY: _____

Exhibit "A"

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 19th day of November A.D., 20 09, between Three-One Company, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 10/23/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2739, Page 34; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land described on Exhibit "B", necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil. Grantee shall comply with the terms and conditions of an agreement of even date between the parties hereto as to the initial and all subsequent construction and maintenance activities on the Right of Way.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 19th day of November, 2009.

Witness

Three One Company, a Pennsylvania General Partnership

Grantor / General Partner (Seal)

Witness

Grantor (Seal)

ATTEST

Sheila McHarry

CITY OF PITTSTON

BY

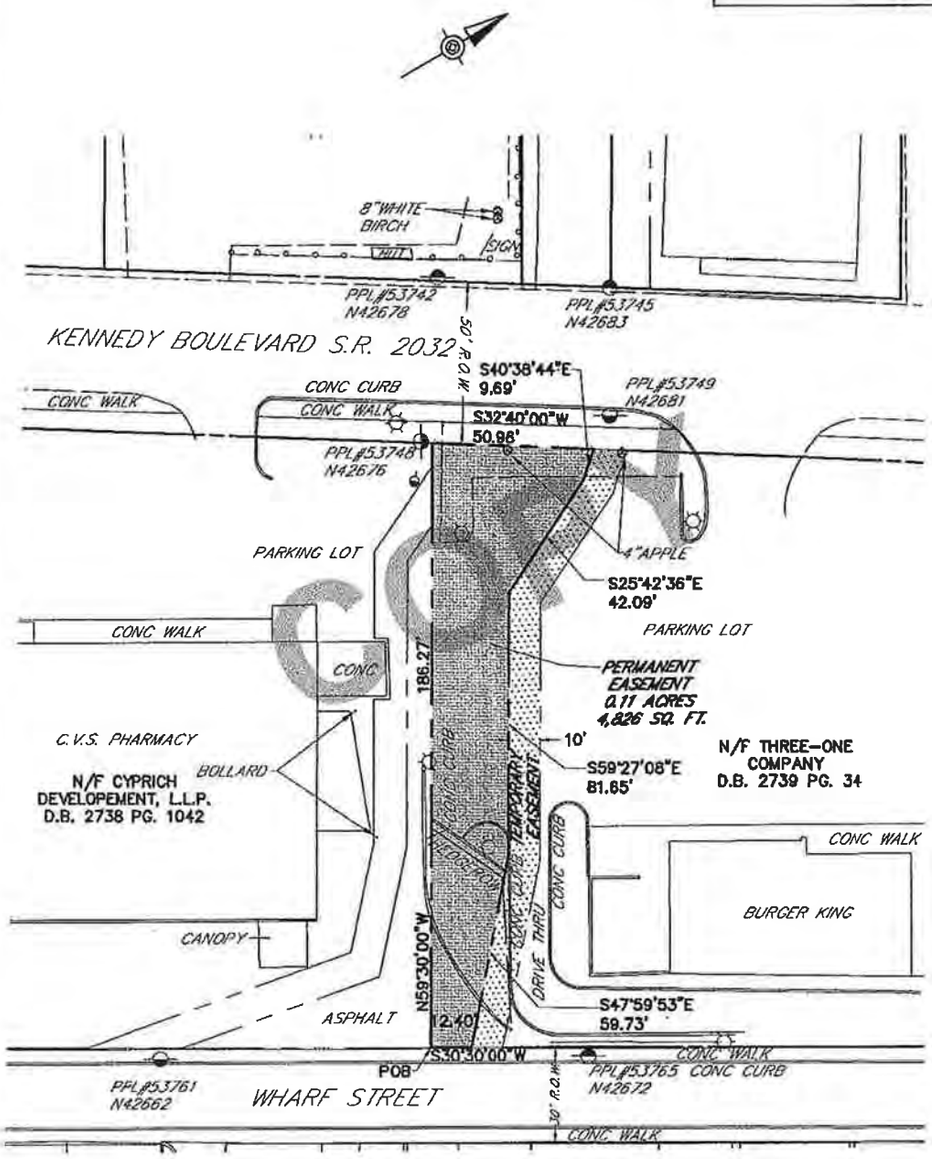
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Appendix A-5.1

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 7/31/09 Drawn By: JMM Checked By: CGG Approved By: CGG
THREE-ONE COMPANY EASEMENT	Scale: 1"=40'
Reilly Associates 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2472 fax: 570.654.6480 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Y:\Land Projects 2006\09005\dwg\CONSTRUCTION EASEMENTS\THREE-ONE.dwg, THREE-ONE, 7/31/2009 2:13:46 PM, Adobe PDF, 111

Exhibit "B"
Three-One Company
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Northwesterly right-of-way line of Wharf Street, said point being the southeasterly corner of lands now or formerly of Three-One Company as recorded in Deed Book 2739, Page 34 in the Recorder of Deeds Office of Luzerne County, Pennsylvania, said point also being the Northeasterly corner of lands now or formerly of Cyprich Development, L.L.P. as recorded in Deed Book 2738, Page 1042 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along the Northerly boundary of said lands now or formerly of Cyprich Development North 59°30'00" West a distance of 186.27 feet to a point on the Southerly right-of- way line of State Road 2032 also known as Kennedy Boulevard;

THENCE along said Southerly right-of way line North 32°40'00" East a distance of 50.96 feet to a point;

COPY

THENCE through said lands now or formerly of Three-One Company the following courses and distances:

1) South 40°38'44" East a distance of 9.69 feet to a point;
2) South 25°42'36" East a distance of 42.09 feet to a point;
3) South 59°27'08" East a distance of 81.65 feet to a point;
4) South 47°59'53" East a distance of 59.73 feet to a point, said point being on the said Northwesterly right-of-way line of Wharf Street;

THENCE along said Northwesterly right-of-way line South 30°30'00" West a distance of 12.40 feet to the point of beginning.

CONTAINING 0.11 acres or 4,826 sq. ft. of surface land, being the same, more or less.

July 31, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 19th day of November, 20 09, before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared Stephen I. Morris who acknowledged himself to be the

General Partner of Three One Company a corporations/ organizations, and

_____, who acknowledged himself

to be the _____ of _____, and

that ~~they~~ he as such officers being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the corporations/ organizations by ~~themselves~~ himself as officers.

In witness whereof, I hereunto set my hand and official seal,

Mary Beth Search

Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Mary Beth Search, Notary Public
Union Twp., Luzerne County
My Commission Expires Feb. 12, 2013
Member, Pennsylvania Association of Notaries

My Commission Expires

2-12, 2013

COPY

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 30th day of November, 2009, before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared DONNA M. CONNORS who acknowledged herself to be the

Mayor of The City of Pittston, a corporations/ organizations, and

_____, who acknowledged himself

to be the _____ of _____, and

that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Patricia Survilla
Notary Public

COPY

My Commission Expires

January 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5897115
RECORDED ON
Dec 04, 2009
2:01:16 PM
Book/Page: REC/3009/242128
Total Pages: 8

PA WRIT TAX	$0.50
LUZERNE COUNTY RECORDING FEE	$26.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

RECORDER OF DEEDS OF LUZERNE COUNTY PENNSYLVANIA

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Three-One Company, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 10/23/00 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2739, Page 34; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

Burger King

This Indenture,

Made the 23d day of October, in the year Two Thousand (2000)

BETWEEN Cyprich Development L.L.P., a Pennsylvania Limited Liability Partnership with its principal offices at 35 Slocum Avenue, Borough of Exeter, County of Luzerne, Commonwealth of Pennsylvania,

GRANTOR

AND

THREE-ONE COMPANY, A Pennsylvania General Partnership, with offices located at 185 Ferguson Avenue, Shavertown, Pennsylvania

GRANTEE

WITNESSETH, That the said Grantor for and in consideration of the sum of ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS ----($125,000.00) Dollars lawful money of the United States of America, unto it well and truly paid by the said Grantee, at and before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, aliened, enfeoffed, released and confirmed, and by these presents does grant, bargain and sell, alien, enfeoff, release and confirm unto the said Grantee, their successors and assigns,

ALL THAT certain lot piece or parcel of land situate in the city of Pittston, County of Luzerne, State of Pennsylvania, bounded and described as follows:

BEGINNING at a point in the northwesterly sideline of Wharf Street at its intersection with the southwesterly sideline of Dock Street:

THENCE along the northwesterly sideline of Wharf Street, South 30 degrees 30 minutes West for a distance of 230.98 feet to the easterly corner of lands nor or formerly of Edmund P. Davis, William J. Powell and John Morgan, co-partners trading as THREE-ONE COMPANY, a partnership, as described in deed dated December 9, 1976 and recorded in Luzerne County Deed Book 1908 at page 366;

THENCE along said lands now or formerly of THREE-ONE COMPANY, North 59 degrees 30 minutes West for a distance of 186.27 feet to a point on the southeasterly sideline of Kennedy Boulevard, SR#2019;

THENCE along the southeasterly sideline of Kennedy Boulevard, SR#2019, North 32 degrees 40 minutes East for a distance of 86.14 feet to a point;

THENCE continuing along the same on a curve to the right having a radius of 5704.65 feet and an arc length of 115.99 feet, being subtended by a chord of North 33 degrees 14 minutes 57 seconds East for a distance of 115.99 feet to a point;

THENCE along the southwesterly sideline of Dock Street, the following three (3) courses and distances:

1. ALONG a curve to the right having a radius of 25.00 feet and an arc length of 37.82 feet, being subtended by a chord of North 77 degrees 09 minutes 57 seconds East for a distance of 34.31 feet to a point;

2. North 30 degrees 30 minutes East for a distance of 5.50 feet to a point;

3. South 59 degrees 30 minutes East for a distance of 152.49 feet to the point of beginning.

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

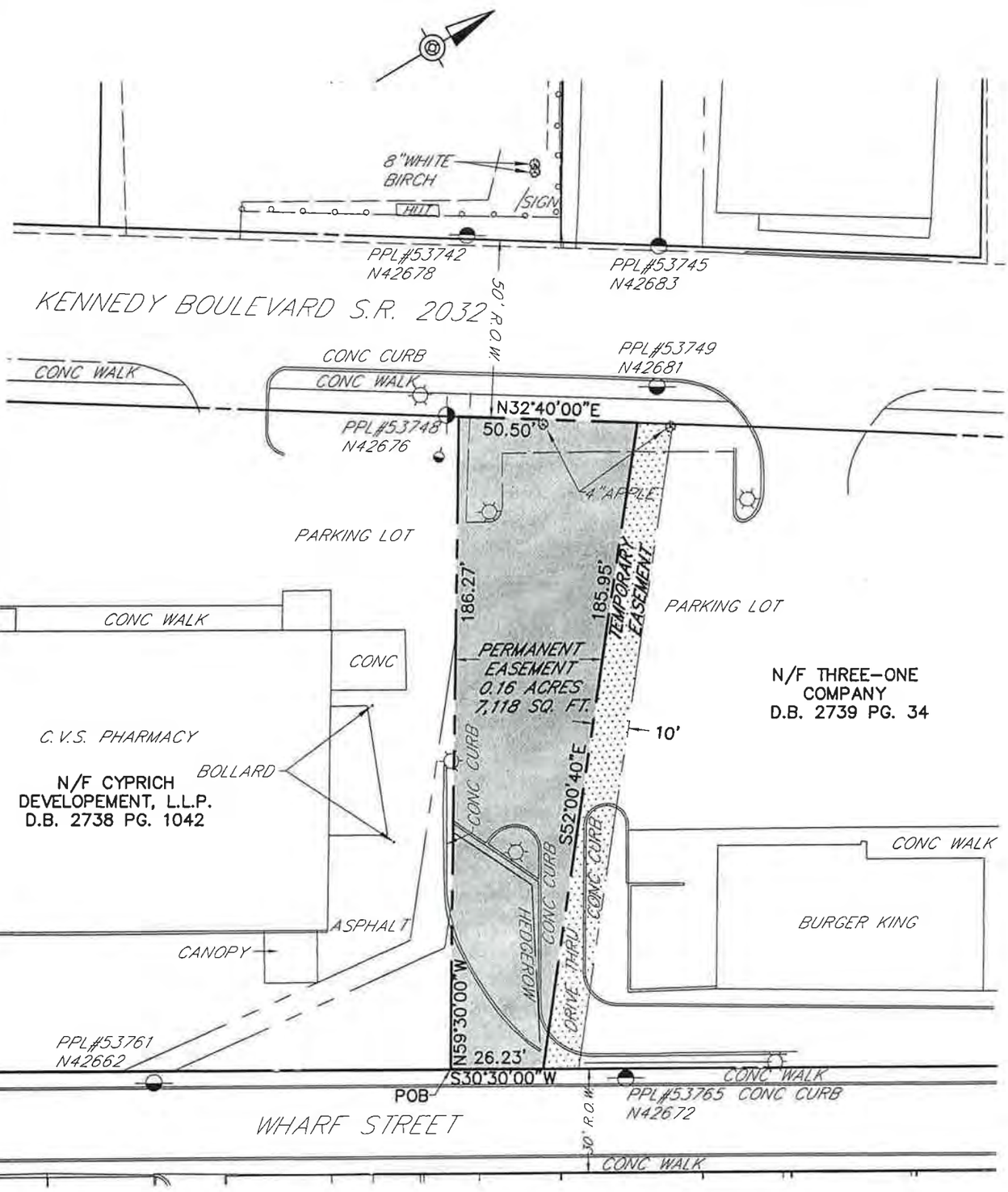
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/26/09 Drawn By: JMM Checked By: CGG Approved By: CGG
THREE-ONE COMPANY EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly ASSOCIATES SINCE 1930
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.6880
www.reillyengineering.com

T:\Land Projects 2006\06005\Dwg\CONSTRUCTION EASEMENTS\THREE-ONE.dwg, THREE-ONE, 1:1

Exhibit "B"
Three-One Company
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in Pittston City, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the northerly right-of-way line of Wharf Street, said point being the southeasterly corner of lands now or formerly of Three-One Company as recorded in Deed Book 2739, Page 34 in the Recorder of Deeds Office of Luzerne County, Pennsylvania, said point also being the Northeasterly corner of lands now or formerly of Cyprich Development, L.L.P. as recorded in Deed Book 2738, Page 1042 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along the Northeasterly boundary of said lands now or formerly of Cyprich Development North 59°30'00" West a distance of 186.27 feet to a point on the Southerly right-of- way line of State Road 2032 also known as Kennedy Boulevard;

THENCE along said Southerly right-of way line North 32°40'00" East a distance of 50.50 feet to a point;

THENCE through said Three-One Company lands South 52°00'40" East a distance of 185.95 feet to a point on the Northerly right-of- way line of said Wharf Street;

THENCE along said Northerly right-of-way line South 30°30'00" West a distance of 26.23 feet to the point of beginning.

CONTAINING 0.16 acres or 7,118 sq. ft. of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

THIS DEED

MADE the 13th day of July, in the year of Our Lord Two Thousand and Nine (2009),

BETWEEN *CONSTANTINO TURCO and ELIZABETH TURCO*, his wife, of the Borough of Laflin and *CHARLES TURCO and LINDA TURCO*, his wife, of the Borough of Hughestown, all of the County of Luzerne and Commonwealth of Pennsylvania, and trading as Dell Mar Realty Co.,

GRANTORS

AND

THE REDEVELOPMENT AUTHORITY OF THE CITY OF PITTSTON, of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEE

COPY

WITNESSETH, that in consideration of *Five Hundred Fifty Thousand Dollars and 00/100 ----------($550,000.00)----------* in hand paid, the receipt whereof is hereby acknowledged, the said Grantors do hereby grant and convey to the said Grantee, its successors and assigns,

ALL those certain lots, pieces or parcels of land situate and being in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

THE FIRST THEREOF:

BEGINNING at a point in the westerly right-of-way line of a proposed highway said point being distant, eighty-four and fifty-five hundredths (84.55) feet measured southerly along said right-of-way line of proposed highway from the southerly sideline of Dock Street extended to intersect the said westerly right-of-way line of a proposed highway;

Continued

REC Book 3009 Page 198090

THENCE along said proposed highway right-of-way line on a curve to the left having a radius of five thousand seven hundred fifty-four and sixty-five hundredths (5,754.65) feet having an arc length of fifty-nine and ninety-nine hundredths (59.99) feet and having a chord or bearing of South, thirty-two degrees fifty-eight minutes West fifty-nine and ninety-eight hundredths (59.98) feet to a point;

THENCE continuing along said proposed highway right-of-way line South thirty-two degrees 40 minutes West, thirty and two hundredths (30.02) feet to a corner;

THENCE North fifty-nine degrees thirty minutes West, two hundred ten and twenty-two hundredths (210.22) feet to a point in the southeasterly right-of-way line of the Lehigh Valley Railroad Company;

THENCE along said Railroad right-of-way line North sixty-four degrees fifteen minutes East, sixty-one and forty-eight hundredths (61.48) feet to a corner;

COPY

THENCE continuing along said Railroad right-of-way line North fifty-four degrees twenty-three minutes East, forty-two and forty-four hundredths (42.44) feet to a corner;

THENCE South fifty-nine degrees thirty minutes East, one hundred sixty-two and fifty-eight hundredths (162.58) feet to the POINT OF BEGINNING.

CONTAINING sixteen thousand six hundred thirty-nine (16,639) square feet of land.

PIN NO. E11NE4 B10 L2

THE SECOND THEREOF:

BEGINNING at a point in the northwesterly right-of-way line of Kennedy Boulevard at the southwesterly corner of lands conveyed by the Redevelopment Authority of the City of Pittston to Michael Turco, et al by deed dated June 17, 1968 and recorded in Luzerne County Deed Book No. 1643 at page 42;

THENCE along the said right-of-way of Kennedy Boulevard, south thirty-two degrees forty minutes West, twenty-eight (28) feet to a point;

THENCE North fifty-nine degrees thirty minutes West, two hundred twenty-seven and eighty-six hundredths (227.86) feet to a point in the southeasterly right-of-way line of Lehigh Valley Railroad Company;

THENCE along said right-of-way line of Lehigh Valley Railroad Company, North sixty-four degrees fifteen minutes East, thirty-three and sixty-eight hundredths (33.68) feet to the northwesterly corner of said lands of Michael Turco, et al;

THENCE along said lands of Michael Turco, et al, South fifty-nine degrees thirty minutes East, two hundred ten and twenty-two hundredths (210.22) feet to the point of beginning.

CONTAINING an area of six thousand one hundred thirty-three and fifty-eight hundredths (6,133.58) square feet of land, more or less.

PIN NO. E11NE4 B10 L3A

COPY

BEING the same premises conveyed unto the Grantors herein by deed of Michael Turco and Fidelia Turco, his wife dated July 29, 1993 and recorded in Luzerne County Deed Book 2464 page 1081.

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETED LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAY RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

AND the said Grantors Will Warrant SPECIALLY

the property hereby conveyed

IN WITNESS WHEREOF, the Grantors have hereunto set their hands and seals the day and year first above written.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF

Constantino Turco Individually and T/A Dell Mar Realty Co.

Elizabeth Turco Individually and T/A Dell Mar Realty Co.

Charles Turco Individually and T/A Dell Mar Realty Co.

Linda Turco Individually and T/A Dell Mar Realty Co.

COPY

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LUZERNE SS.

On this, the 13th *day of July A.D. 2009 , before me , the undersigned Officer, personally appeared* ***Constantino Turco and Elizabeth Turco, his wife*** **known to me (or satisfactorily proven) to be the person whose name subscribed to the within instrument, and acknowledge that they executed the same for the purposes therein contained.*

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Individually and T/A Dell Mar Realty Co.

Title of Officer

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda Alba, Notary Public
City of Pittston, Luzerne County
My Commission Expires April 20, 2010
Member, Pennsylvania Association of Notaries

REC Book 3009 Page 198093

4

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LUZERNE SS.

On this, the 13th day of July A.D. 2009 , before me , the undersigned Officer, personally appeared

Charles Turco and Linda Turco, his wife, individually and t/a Dell Mar Realty Co. known to me (or satisfactorily proven) to be the person whose name subscribed to the within instrument, and acknowledge that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda Alba, Notary Public
City of Pittston, Luzerne County
My Commission Expires April 20, 2010
Member, Pennsylvania Association of Notaries

Linda Alba
Title of Officer

COPY

I Hereby Certify, that the precise residence of the Grantee:

Suite 202
35 BROAD ST
PITTSTON PA 18640

Linda Alba
Agent for Grantee

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

James Red O'Brien
JAMES RED O'BRIEN
RECORDER OF DEEDS

REC Book 3009 Page 198094

CERTIFICATION NUMBER
MUNICIPALITY Pittston City
PIN MAP E11NE4 BLOCK 10 LOT 2,3A
TRANSFER DIVISION
DATE 09-30-09 COUNTY CLERK

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
588820
RECORDED ON
Sep 30, 2009
2:46:11 PM
BOOK=REC/3009
PAGE=198090
Total Pages: 5

PA WRIT TAX	$0.50
PA REALTY TAX	$5,500.00
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$16.50
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY HOUSING TRUST FUND	$13.00
PITTSTON REALTY TAX	$2,750.00
PITTSTON CITY TAX	$2,750.00
TOTAL PAID	$11,045.00

INV: 588740

5

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Constantino Turco and Elizabeth Turco, his wife, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 7/29/93 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.2464, Page 1081; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

E11 NE4 BLOCK 1 LOT 3A + 2

THIS DEED, *made this 29th day of JULY in the year nineteen hundred and ninety-three.*

BETWEEN MICHAEL TURCO and FIDELIA TURCO, his wife, of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania

Grantors,

CONSTANTINO TURCO and ELIZABETH TURCO, his wife, of the Borough of Laflin, County of Luzerne and Commonwealth of Pennsylvania, Tenants by the Entireties as between themselves, and Tenants in Common with CHARLES TURCO and LINDA TURCO, his wife, of the Borough of Hughestown, County of Luzerne and Commonwealth of Pennsylvania, also Tenants by the Entireties as between themselves, general partners trading as Dell Mar Realty Co., with offices at 3 Concord Drive, Laflin, Pennsylvania.

Grantees,

WITNESSETH, *that in consideration of the sum of One ($1.00) Dollar in hand paid, the receipt whereof is hereby acknowledged, the said Grantors do hereby grant and convey to the said Grantee their heirs and assigns, all of their interest in and to* all that certain lot, piece or parcel of land including a building and improvements thereon situate in the City of Pittston, Luzerne County, Pennsylvania, bounded and described as follows, to wit:

THE FIRST THEREOF:

BEGINNING at a point in the westerly right-of-way line of a proposed highway said point being distant, eighty-four and fifty-five hundredths (84.55), measured southerly along said right-of-way line of proposed highway, from the southerly sideline of Dock Street extended to intersect the said westerly right-of-way line of a proposed highway.

THENCE along said proposed highway right-of-way line on a curve to the left having a radius of five thousand seven hundred fifty-four and sixty-five hundredths (5,754.65) feet having an

BOOK 2464 PAGE 1081

Print Job: REILLY - 06/18/2009 10:21:02 AM
LUZERNE COUNTY
Inst.# 4990762 - Page 1

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

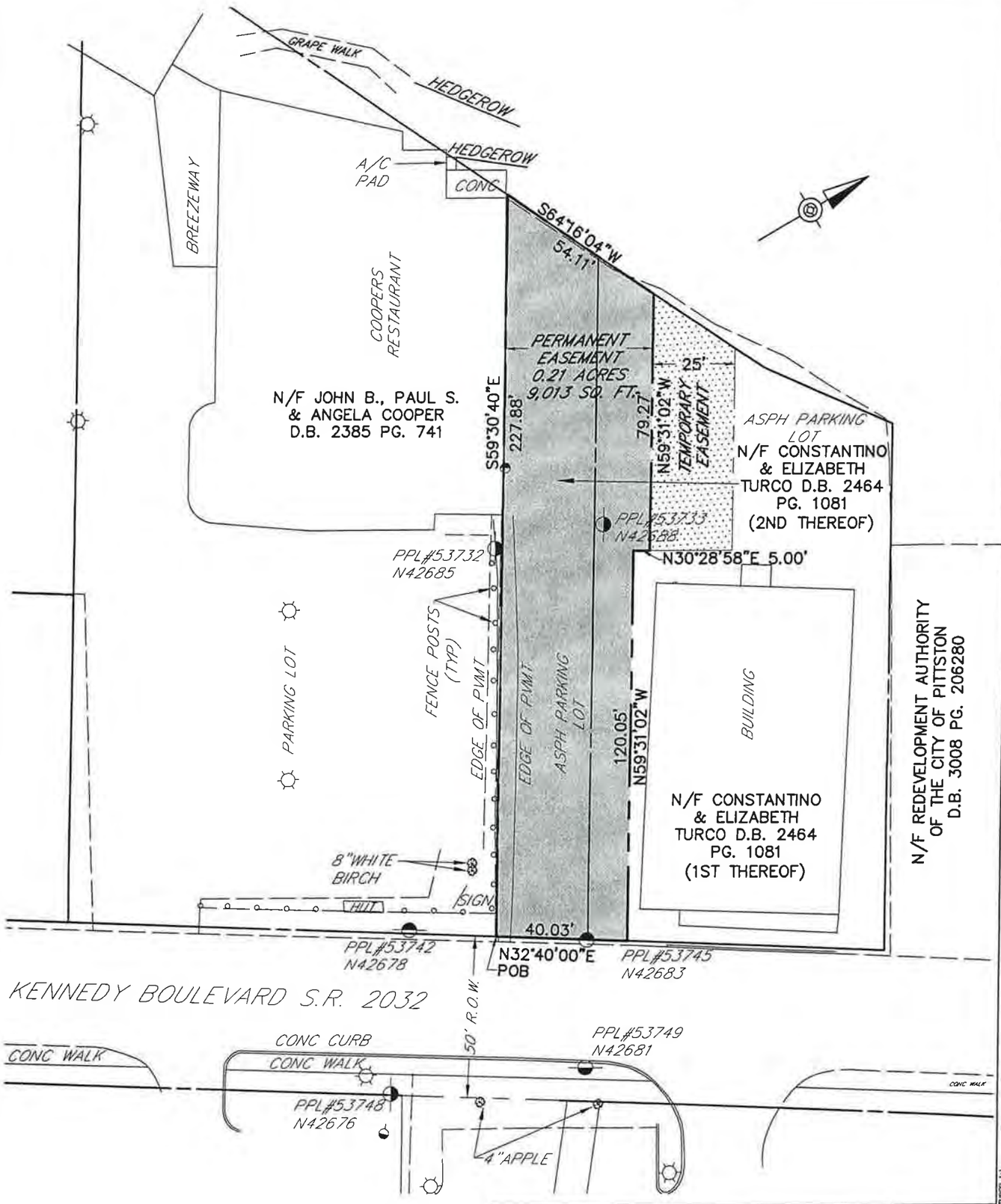
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS AFFIXED HERETO.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/26/09 Drawn By: JMM Checked By: CGG Approved By: CGG
CONSTANTINO AND ELIZABETH TURCO EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly Associates SINCE 1930
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.6880
www.reillyengineering.com

Exhibit "B"
Constantino and Elizabeth Turco
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the northerly right-of-way line of Kennedy Boulevard, said point also being the Northeasterly corner of lands now or formerly John B., Paul S., and Angela Cooper, as recorded in Deed Book 2385 page 741 in the Recorder of Deeds Office in Luzerne County, Pennsylvania;

THENCE continuing along said Kennedy Boulevard right-of-way, North 32°40'00" East a distance of 40.03 feet to a point;

THENCE through lands of Constantino and Elizabeth Turco as recorded in Deed Book 2464 Page 1081 in the Recorder of Deeds Office in Luzerne County, Pennsylvania the following courses and distances:

1) North 59°31'02" West a distance of 120.05 feet to a point;
2) North 30°28'58" East a distance of 5.00 feet to a point;
3) North 59°31'02" West a distance of 79.27 feet to a point on the Northerly line of said lands of Constantino and Elizabeth Turco;

THENCE along said Northerly line South 64°16'04" West a distance of 54.11 feet to a point, said point being the Northwesterly corner of said lands of John B., Paul S., and Angela Cooper;

THENCE along the Northeasterly boundary of said Cooper lands South 59°30'40" East a distance of 227.88 feet to the Point of Beginning.

CONTAINING 0.21 acres or 9,013 sq. ft. of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

51-E11/SE2 B007 L01C +01D

THIS DEED, made the 1st day of December 1972 between COALBROOK IRON AND METAL COMPANY, a business corporation under the laws of the Commonwealth of Pennsylvania (herein called GRANTOR)

AND

MARVIN L. SLOMOWITZ, TRUSTEE, of the Borough of Kingston, County of Luzerne and State of Pennsylvania (herein called GRANTEE),

WITNESSETH, that in consideration of the sum of FORTY TWO HUNDRED ($4200.00) DOLLARS,

he receipt whereof is hereby acknowledged, GRANTOR hereby grants and conveys unto RANTEE, his heirs, successors and assigns:

All that certain piece or parcel of land situate partly in the Township of Pittston d partly in the City of Pittston, in the County of Luzerne and State of Pennsylvania, bounded d described as follows:

Beginning at a point in the Northwesterly right-of-way line of the Erie and Wyoming alley Railroad Company, distant fifty (50) feet Northwesterly, measured at right angles from center line, said point being also distant fifty (50) feet Southerly, measured at right angles om the former center line of the right-of-way of the Central Valley Railroad Company, own as the "Laurel Line"; thence South eighty-six (86) degrees thirty-six (36) minutes West listance of two hundred sixty five (265) feet to a point of curve at station 13+10.7 of said ter line; thence in a westerly direction on a curve to the right with a radius of 1482.7 t, being parallel with and distant fifty (50) feet southerly from the former center line, a ance of 375 feet more or less, to a corner; thence in a Southeasterly direction along the thwesterly line of lands now or formerly of Carlo Solono a distance of one hundred sixty- (168) feet more or less to a corner; thence in a Southwesterly direction along a prolon- on of the Northwesterly line of a parcel of land conveyed by Pennsylvania Coal Company omas Fitzmaurice, a distance of one hundred twelve (112) feet to a corner in the North- rly line of said lands of Thomas Fitzmaurice; thence in a Northwesterly direction parallel Market Street, a distance of one hundred fifty-eight (158) feet more or less to a corner;

BOOK 1769 PAGE 814

COPY

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF Luzerne : SS

On this, the 13th day of July, 2007 before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared Marvin F. Slomowitz, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

Melanie M. Man
Notary Public

My Commission Expires

_____, 20__

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Melanie M. Man, Notary Public
Borough of Kingston, Luzerne County
My commission expires September 29, 2011

COPY

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF Luzerne :

On this the 15th day of September, 2009, before me,

a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally

appeared Donna McFadden Connors who acknowledged ~~himself~~ herself to be the

Mayor of The City of Pittston, a corporations/ organizations, and

Ron Mortimer, who acknowledged himself

to be the City Clerk of The City of Pittston, and

that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein

contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

Patricia Survilla
Notary Public

My Commission Expires

January 23, 2012

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA SURVILLA, Notary Public
City of Pittston, Luzerne County
My Commission Expires January 23, 2012

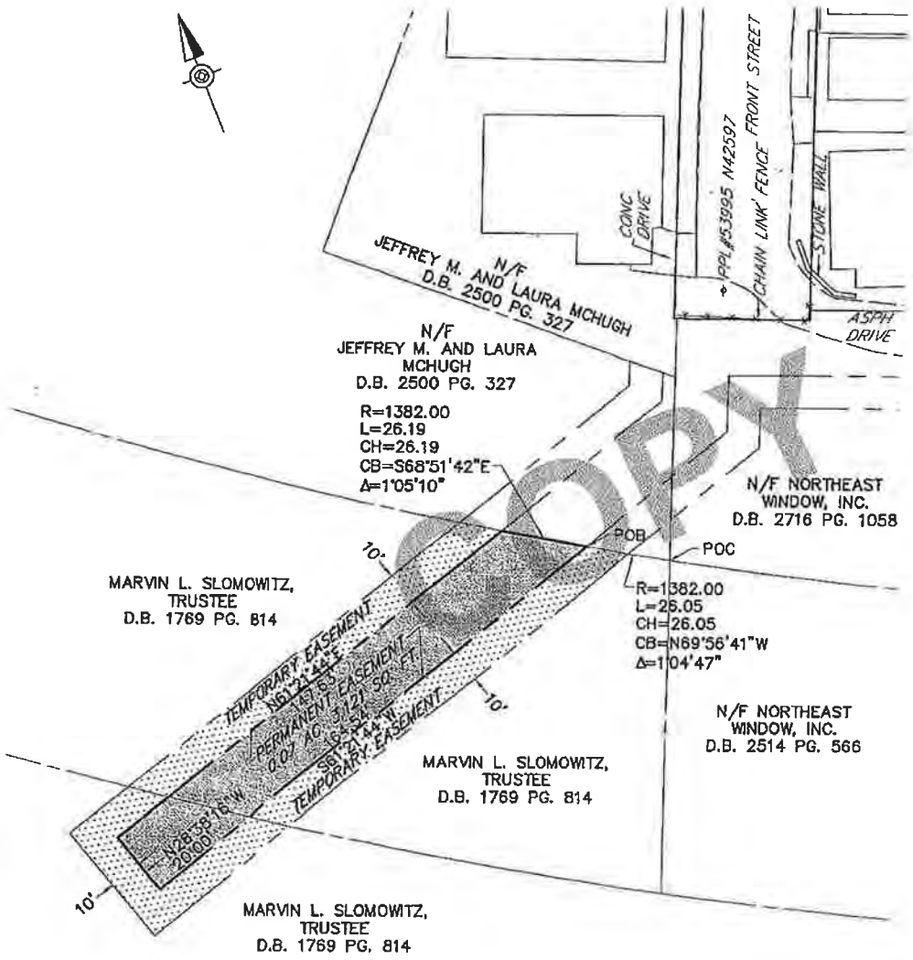
COPY

Appendix A-5.1

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



COPY

SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: JMM Checked By: CGG Approved By: CGG
MARVIN L. SLOMOWITZ EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly Associates
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.3473
fax: 570.654.6880

CERTIFIED PROPERTY IDENTIFICATION NUMBERS
E11SE2 -7 -8A - PITTSTON CITY
CERTIFIED 09/22/2009 BY LP

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this 13th day of July A.D., 2009, between Marvin L. Slomowitz, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 12/1/72 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.1769, Page 814; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this 13th day of July, 2009.

Witness _____ Grantor _____ (Seal)

Witness _____ Grantor _____ (Seal)

ATTEST _____ CITY OF PITTSTON BY _____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
5887716
RECORDED ON
Sep 22, 2009
3:00:03 PM
Book/Page: REC/3009/192270
Total Pages: 5

PA WRIT TAX	$0.50
JCS/ACCESS TO JUSTICE	$10.00
LUZERNE COUNTY RECORDING FEE	$20.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY PIN CERTIFICATIONS COLLECTED	$10.00

RECORDER OF DEEDS OF LUZERNE COUNTY PENNSYLVANIA

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES O'BRIEN
RECORDER OF DEEDS

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Marvin L. Slomowitz, hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 12/1/72 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No.1769, Page 814; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the City of Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the Heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has Executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTON EASEMENT AND RIGHT-OF-WAY.doc

51-E11/SE2 B007 L01C +01D

THIS DEED, made the 1st day of December 1972 between COALBROOK IRON AND METAL COMPANY, a business corporation under the laws of the Commonwealth of Pennsylvania (herein called GRANTOR)

AND

MARVIN L. SLOMOWITZ, TRUSTEE, of the Borough of Kingston, County of Luzerne and State of Pennsylvania (herein called GRANTEE),

WITNESSETH, that in consideration of the sum of FORTY TWO HUNDRED ($4200.00) DOLLARS,

the receipt whereof is hereby acknowledged, GRANTOR hereby grants and conveys unto GRANTEE, his heirs, successors and assigns:

All that certain piece or parcel of land situate partly in the Township of Pittston and partly in the City of Pittston, in the County of Luzerne and State of Pennsylvania, bounded and described as follows:

Beginning at a point in the Northwesterly right-of-way line of the Erie and Wyoming Valley Railroad Company, distant fifty (50) feet Northwesterly, measured at right angles from its center line, said point being also distant fifty (50) feet Southerly, measured at right angles from the former center line of the right-of-way of the Central Valley Railroad Company, known as the "Laurel Line"; thence South eighty-six (86) degrees thirty-six (36) minutes West a distance of two hundred sixty five (265) feet to a point of curve at station 13+10.7 of said center line; thence in a westerly direction on a curve to the right with a radius of 1482.7 feet, being parallel with and distant fifty (50) feet southerly from the former center line, a distance of 375 feet more or less, to a corner: thence in a Southeasterly direction along the Southwesterly line of lands now or formerly of Carlo Solono a distance of one hundred sixty-eight (168) feet more or less to a corner: thence in a Southwesterly direction along a prolongation of the Northwesterly line of a parcel of land conveyed by Pennsylvania Coal Company to Thomas Fitzmaurice, a distance of one hundred twelve (112) feet to a corner in the Northwesterly line of said lands of Thomas Fitzmourice; thence in a Northwesterly direction parallel with Market Street, a distance of one hundred fifty-eight (158) feet more or less to a corner;

BOOK 1769 PAGE 814

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ , known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

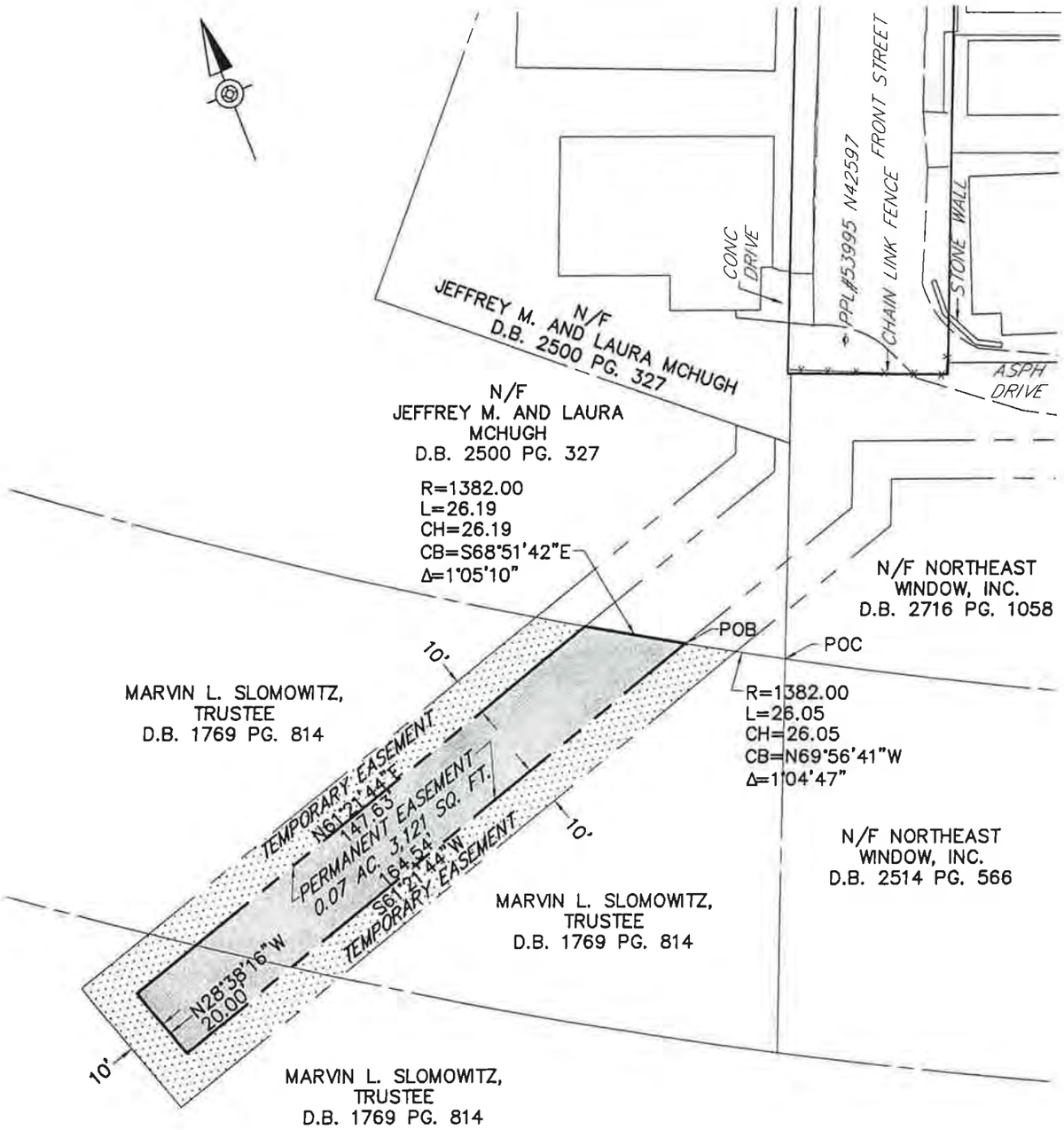
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: JMM Checked By: CGG
MARVIN L. SLOMOWITZ EASEMENT	Approved By: CGG Scale: 1"=40'
Reilly ASSOCIATES SINCE 1930 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.8860 www.reillyengineering.com	Project No. 09005 Sheet No. 1 OF 1

Y:\Land Projects 2009\09005\dwg\CONSTRUCTION EASEMENTS\SLOMOWITZ.dwg, SLOMOWITZ, 1:1

Exhibit "B"
Marvin L. Slomowitz
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in the City of Pittston, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

COMMENCING at a point, said point being the Southeast corner of lands now or formerly of Jeffrey M. and Laura McHugh as recorded in Deed Book 2500, Page 327 in the Recorder of Deeds Office of Luzerne County, Pennsylvania, said point also being on the Northeast corner of lands now or formerly of Marvin L. Slomowitz as recorded in Deed Book 1769, Page 814 in the Recorder of Deeds Office of Luzerne County;

THENCE along the Southerly line of said lands of Jeffrey M. and Laura McHugh along the arc of a curve to the right having a radius of 1382.00 feet and a central angle of 01°04'47" a distance of 26.05 feet (chord bearing and distance between said points being North 69°56'41" West 26.05 feet) to the Point of Beginning;

THENCE through said lands of Marvin L. Slomowitz the following courses and distances:

1) South 61°21'44" West a distance of 164.54 feet to a point;
2) North 28°38'16" West a distance of 20.00 feet to a point;
3) North 61°21'44" East a distance of 147.63 feet to a point on said Southerly line of lands now or formerly of Jeffrey M. and Laura McHugh ;

THENCE along said Southerly line of McHugh lands along the arc of a curve to the left having a radius of 1382.00 feet and a central angle of 01°05'10" a distance of 26.19 feet (chord bearing and distance between said points being South 68°51'42" East 26.19 feet) to the Point of Beginning;

CONTAINING 0.07 acres and 3,121 Sq. Ft. of surface land, being the same, more or less.

June 27, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

This Deed,

Made the 28th *day of* JULY *in the year of our Lord two thousand and* ten (2010)

Between

ANGELO PARENTE and LENA PARENTE, his wife of the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTORS

AND

NORTHEAST WINDOW, INC., with Offices at 55 Front Street, City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTEE

Witnesseth, *that in consideration of* Fifteen Thousand Dollars & 00/100 ----------($15,000.00)---------- *Dollars, in hand paid, the receipt whereof is hereby acknowledged; the Grantors do hereby grant and convey to the said Grantee* , its Successors and Assigns.,

All

the surface of the certain lot, piece or parcel of land situate in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

COPY

BEGINNING at a corner in the westerly line of Fear Street South 11 degrees 34 minutes West one hundred twenty-five (125) feet from the southerly line of Broad Street;

THENCE along said Fear Street South 11 degrees 34 minutes West seventy-five (75) feet to a corner in line of lands now or formerly of the Pennsylvania Coal Company;

THENCE along the same North 78 degrees 26 minutes West seventy-three (73) feet to a corner in line of the parcel described as "The First Thereof" in Deed dated March 27, 1948 and recorded in Deed Book 982 page 81;

THENCE along the same and lands now or late of Sylvester J. Tracy, et ux, North 11 degrees 34 minutes East seventy-five (75) feet to a corner in line of lands now or late of the Cawley Estate;

THENCE along the same South 78 degrees 26 minutes East, seventy-three (73) feet to the *PLACE OF BEGINNING.*

CONTAINING 5,475 square feet of land, be the same more or less.

BEING the same premises conveyed to Angelo Parente and Lena Parente, his wife by deed of The First Bank of Greater Pittston, PA dated February 1, 1985 and recorded in Luzerne County Deed Book 2151 page 251.

PIN NO. E11SE2 B17 L20

CERTIFIED PROPERTY IDENTIFICATION NUMBER
MUNICIPALITY Pittston City
PIN MAP E/1SE2 BLOCK 17 LOT 20
TRANSFER ✓ DIVISION
DATE 7-30-10 MR

REC Book 3010 Page 126308

RECORDER OF DEEDS
LUZERNE COUNTY
PENNSYLVANIA

INSTRUMENT NUMBER
200924412
RECORDED ON
Jul 30, 2010
2:39:15 PM
BOOK:REC/3010
PAGE:126308
Total Pages: 4

PA WRIT TAX	$0.50
PA REALTY TAX	$150.00
JCS/ACCESS TO JUSTICE	$23.50
LUZERNE COUNTY RECORDING FEE	$13.00
LUZERNE COUNTY ARCHIVES FEE	$2.00
LUZERNE RECORDER'S ARCHIVES FEE	$3.00
LUZERNE COUNTY HOUSING TRUST FUND	$13.00
PITTSTON REALTY TAX	$75.00
PITTSTON CITY TAX	$75.00
TOTAL PAID	$355.00

INV: 816578

COPY

I hereby CERTIFY that this document is recorded in the Recorder of Deeds Office of Luzerne County, Pennsylvania.

JAMES RED O'BRIEN
RECORDER OF DEEDS

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

And the said Grantors Will Warrant SPECIALLY

the property hereby conveyed

In Witness Whereof, the Grantors have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the presence of

Angelo Parente Seal

Lena Parente Seal

Seal

Seal

Seal

Seal

Seal

Seal

Seal

Seal

Seal

COPY

Commonwealth of Pennsylvania } ss.

County of LUZERNE }

On this, the 28th day of JULY A.D. 2010, before me the undersigned Officer, personally appeared Angelo Parente and Lena Parente, his wife known to me (or satisfactorily proven) to be the person whose name subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda Alba, Notary Public
City of Pittston, Luzerne County
My Commission Expires April 20, 2014
Member, Pennsylvania Association of Notaries

Linda Alba

Title of Officer

Commonwealth of Pennsylvania } ss.

County of }

On this, the day of A.D. 20, before me the undersigned Officer, personally appeared known to me (or satisfactorily proven) to be the person whose name subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

Title of Officer

REC Book 3010 Page 126310

State of
County of } ss.

On this, the day of A.D. 20 , before me the undersigned Officer, personally appeared known to me (or satisfactorily proven) to be the person whose name subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Whereof, I hereunto set my hand and official seal.

.....

.....
Title of Officer

I Hereby Certify, that the precise residence of the Grantee

Linda Allen

35 Front St. Agent for Grantee
Pittston Pa 18640

COPY

Warranty Deed
Act 1909

From
Angelo Parente
and
Lena Parente, his wife

To
Northeast Window, Inc.

GPA #10055

Form No. 25BC-Legal Blank Printery, Laceyville, PA

Commonwealth of Pennsylvania
County of } ss.

Recorded on this day of A.D. 20 , in the Recorder's Office of the said County in Deed Book Volume Page

Given under my hand and the seal of the said Office, the date above written.

.....Recorder

REC Book 3010 Page 126311

GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY

AGREEMENT made this _____ day of _____A.D., 20_____, between Angelo Parente and Lena Parente, his wife hereinafter called "Grantor(s)", and the City of Pittston, Luzerne County, Pennsylvania hereinafter called "Grantee".

WHEREAS, the Grantor(s) are owner(s) of a certain tract of land situate in the City of Pittston, Luzerne County, Pennsylvania, more particularly described in Deed dated 2/1/85 and recorded in the office of the Recorder of Deeds of Luzerne County, Pennsylvania, in Deed Book No. 2151, Page251; and

WHEREAS, the City of Pittston has undertaken a sewer project within Pittston City limits and, in connection with said project, it will be required to construct sewer lines and appurtenances across a portion of the property referred above.

NOW, THEREFORE, in consideration of the premises aforesaid and of the benefits to be derived by the undersigned, as well as for and in consideration of the sum of one ($1.00) dollar this day paid to the undersigned, owners in fee of said lands do hereby grant and convey to Grantee, the heirs, executors, trustees, administrators, transferees, successors and assigns, such right, title or interest, right-of-way and easement on and under the lands, as shown on Exhibit "A" and described in Exhibit "B", along the route designated, as are necessary to lay, install, construct, operate, replace and maintain said sewer or utility line and appurtenances, together with all rights of ingress, egress and regress in, to, over, upon, through, along and from said land, necessary or convenient for full and complete use by the Borough of West Pittston and those working for the City of Pittston of the said right, title or interest, right-of-way and easement, and for the exercise of said rights and privileges to lay, construct, replace, renew, repair and maintain said sewer or utility lines and appurtenances, including surface markers.

It is expressly understood and agreed that this Grant of Perpetual Easement and Right-of-Way is made for the purpose of allowing the City of Pittston and its respective employees, agents, contractors and subcontractors to enter upon the Project Property, with full ingress, egress and regress, with all necessary and convenient personnel, materials, supplies and equipment, to do all things necessary to complete the Project.

The Grantor(s) covenants that the Grantor(s) will not perform, or permit to be performed, any activity that would alter, damage or destroy the Facilities or the Project Property, or in any way obstruct or hinder the Sewer System activities, will not place any trees or permanent structure on Project property and will not permit the installation of any other underground utilities.

THIS GRANT OF PERPETUAL EASEMENT AND RIGHT-OF-WAY is granted upon the express condition that the Grantee shall, in connection with the exercise of any rights under the aforesaid perpetual and construction rights-of-way and easement, restore the surfaces of said strips of land to as nearly as practicable to its contour and condition as existed prior to the exercise of any of said rights, and shall also restore said strips of land with equal surfacing of gravel, macadam, concrete, or other improved surface as the case may be, and in all other cases with ground and/or topsoil.

This Grant of Perpetual Easement and Right-of-Way shall be binding upon the Grantor(s) and the Grantor(s)'s heirs, administrators, executors, trustees, transferees, successors and, to the extent assignable, assigns. The Grantee shall have the right to transfer or assign all or a portion of this grant to a governmental body without the consent of the Grantor(s).

IN WITNESS WHEREOF, the Grantor(s), intending to legally bind the Grantor(s) and the heirs, executors, administrators, trustees, transferees, successors and assigns of the Grantor(s), has executed this Grant of Perpetual Easement and Right-of-Way this _____ day of _____, 20__.

_____ _____(Seal)
Witness Grantor

_____ _____(Seal)
Witness Grantor

ATTEST CITY OF PITTSTON

_____ BY_____

Z:\09005\EASEMENT LEGAL DESCRIPTIONS\PITTSTONJ EASEMENT AND RIGHT-OF-WAY.doc

E11 SE2 BLOCK 17 LOT 20

WARRANTY DEED—From a Corporation—Printed on Plankenhorn's 100% Linen Record Paper

This Deed,

Made *the* 1st *day of* February *in the year nineteen hundred and* Eighty-five (1985)

Between THE FIRST BANK OF GREATER PITTSTON, PA., a corporation chartered under the laws of the Commonwealth of Pennsylvania, with principal offices in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania,

GRANTOR

AND

ANGELO PARENTE and LENA PARENTE, his wife, of the City of Pittston, Luzerne County, Pennsylvania,

GRANTEES

Witnesseth. *That in consideration of* TWENTY-FOUR THOUSAND EIGHT HUNDRED AND 00/100 ($24,800.00)----------*Dollars, in hand paid, the receipt whereof is hereby acknowledged, the said grantor* do es *hereby grant and convey to the said grantees* their heirs and assigns,

All the surface of the certain lot, piece or parcel of land situate in the City of Pittston, County of Luzerne and Commonwealth of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a corner in the westerly line of Fear Street South 11 degrees 34 minutes West one hundred twenty-five (125) feet from the Southerly line of Broad Street;

THENCE along said Fear Street South 11 degrees 34 minutes West seventy-five (75) feet to a corner in line of lands now or formerly of the Pennsylvania Coal Company;

THENCE along the same North 78 degrees 26 minutes West seventy-three (73) feet to a corner in line of the parcel described as "The First Thereof" in Deed dated March 27, 1948, and recorded in Deed Book 982, page 81;

THENCE along the same and lands now or late of Sylvester J. Tracy, et ux., North 11 degrees 34 minutes East seventy-five (75) feet to a corner in line of lands now or late of the Cawley Estate;

THENCE along the same South 78 degrees 26 minutes East, seventy-three (73) feet to the place of beginning.

CONTAINING 5,475 square feet of land, be the same more or less.

IMPROVED with a four (4) family, two story residential structure known as 34-40 Fear Street, Pittston, Pennsylvania.

BEING the same premises described in Deed of Frank J. Jagodinski, Sheriff of the County of Luzerne, in the State of Pennsylvania, to The First Bank of Greater Pittston, Pennsylvania, Grantor herein, dated Feb. 10, 1984, recorded in Luzerne County Deed Book Volume 2122 at Page 254.

SUBJECT to the same restrictions, reservations and conditions as set forth in prior deeds in the line of title.

BOOK 2151 PAGE 251

Job: REILLY - 06/18/2009 10:36:07 AM LUZERNE COUNTY Inst.# 2651073 - Page 1

For individual landowners

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this, the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

My Commission Expires

_____, 20__

For corporations/ organizations

COMMONWEALTH OF PENNSYLVANIA:

: SS

COUNTY OF _____ :

On this the _____ day of _____, 20__, before me, a Notary Public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ who acknowledged himself to be the _____ of _____, a corporations/ organizations, and _____, who acknowledged himself to be the _____ of _____, and that they as such officers being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporations/ organizations by themselves as officers.

In witness whereof, I hereunto set my hand and official seal,

_____
Notary Public

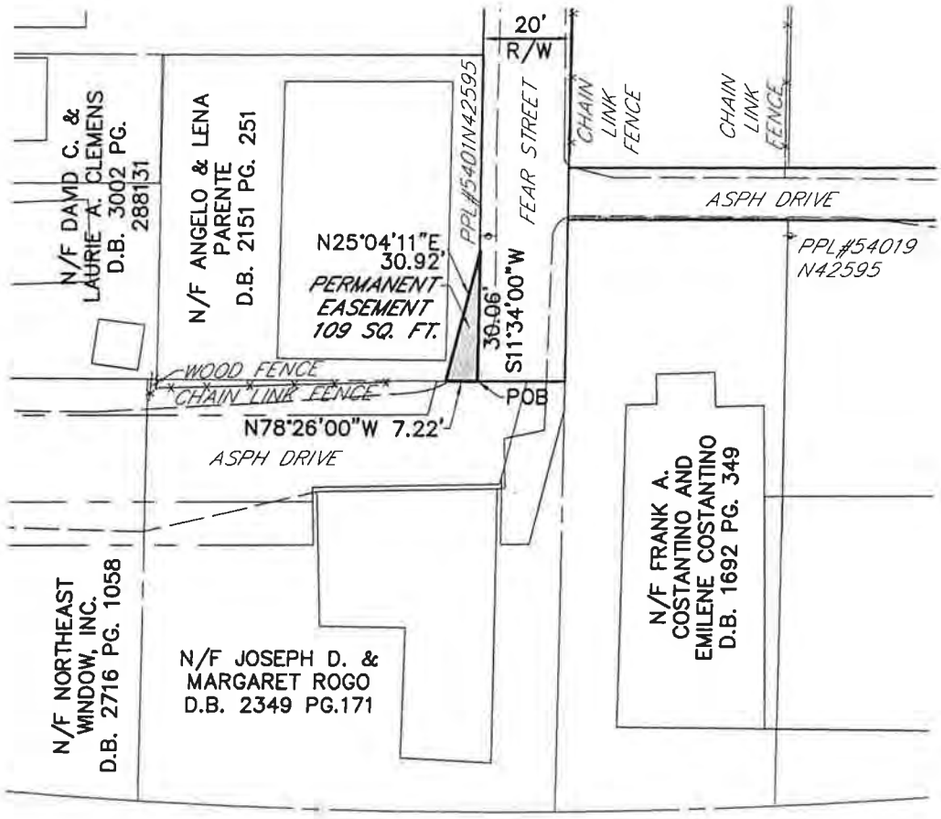
My Commission Expires

_____, 20__

GENERAL NOTES

1. NO TITLE SEARCH WAS PERFORMED ON THIS PROPERTY BY REILLY ASSOCIATES, DEFECTS LIENS, ENCUMBRANCES, ADVERSE CLAIMS, OR OTHER MATTERS CREATED MAY AFFECT THIS PROPERTY AND THE SURVEY PERFORMED. NO CERTIFICATION OR GUARANTEE, EITHER IMPLIED OR STATED, IS MADE IF ANY OF THE ABOVE ARE FOUND TO BE TRUE.
2. THIS MAP DOES NOT REPRESENT A FIELD SURVEY. IT IS BASED PARTLY ON THE FOLLOWING INFORMATION:
A) EXISTING ROAD RIGHTS OF WAY.
B) EXISTING FENCE LINES, & HEDGE ROWS.
C.) EXISTING LINES OF OCCUPATION.
D.) ADJACENT DEEDS AND SURVEY MAPS.

VALID ONLY IF THE EMBOSSED SEAL AND THE ORIGINAL SIGNATURE OF THE LICENSEE IS HERETO AFFIXED.



SCALE: 0 40 80 FEET

PITTSTON CITY	
EXHIBIT A SEWER SYSTEM IMPROVEMENTS PROJECT PITTSTON CITY/LUZERNE COUNTY PENNSYLVANIA	Date: 6/27/09 Drawn By: JMM Checked By: CGG Approved By: CGG
ANGELO AND LENA PARENTE EASEMENT	Scale: 1"=40' Project No. 09005 Sheet No. 1 OF 1

Reilly Associates Since 1950
ENGINEERING / ENVIRONMENTAL / SURVEYING
49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.6880
www.reillyengineering.com

Y:\Land Projects 2009\09005\Dwg\CONSTRUCTION EASEMENTS\PARENTE.dwg, PARENTE, 1:1

Exhibit "B"
Angelo and Lena Parente
Proposed Permanent Easement

ALL that certain lot, piece, or parcel of land situate in Pittston City, County of Luzerne and State of Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point on the Westerly right-of-way line of Fear Street, said point being the Southeasterly corner of lands now or formerly of Angelo and Lena Parente as recorded in Deed Book 2151, Page 251 in the Recorder of Deeds Office of Luzerne County, Pennsylvania;

THENCE along said Southerly line of Angelo and Lena Parente lands North 78°26'00" West a distance of 7.22 feet to a point;

THENCE through lands of said Angelo and Lena Parente North 25°04'11" East a distance of 30.92 feet to a point on the Easterly line of lands of said Angelo and Lena Parente, said point also being on said Westerly right-of-way line of Fear Street;

THENCE along said Westerly right-of-way line South 11°34'00" West a distance of 30.06 feet to the point of beginning.

CONTAINING 109 sq. ft. of surface land, being the same, more or less.

June 26, 2009

CHARLES G. GMITER, P.L.S.
REILLY ASSOCIATES
CONSULTING ENGINEERS
49 SOUTH MAIN STREET
PITTSTON, PA 18640

ASSET PURCHASE AGREEMENT

By and Between

CITY OF PITTSTON

As Seller

and

PENNSYLVANIA AMERICAN WATER COMPANY

As Buyer

Dated as of May 30, 2025

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of May 30, 2025 (the "Effective Date"), is made and entered into by and between the City of Pittston, Luzerne County, a body corporate and politic, a City of the Third Class under the Constitution and the laws of the Commonwealth of Pennsylvania and the City's Home Rule Charter, (the "Seller" or the "City"), and Pennsylvania American Water Company, (the "Buyer"), a Pennsylvania corporation.

WITNESSETH:

WHEREAS, Seller, acting by and through the Mayor and City Council of the City (the "Municipal Board") owns and operates a combined stormwater and sanitary wastewater collection and conveyance system (the "System") that provides stormwater and sanitary wastewater service to various customers in the City (the "Service Area"); and

WHEREAS, Buyer is a regulated public utility that furnishes water and wastewater service to the public in various counties throughout Pennsylvania and has the financial strength, management experience and expertise to operate and maintain water and wastewater systems, including the System; and

WHEREAS, Buyer, in reliance upon the representations, warranties and covenants of the Seller herein, desires to purchase and acquire from the Seller, and the Seller, in reliance upon the representations, warranties and covenants of Buyer herein, desires to sell, transfer and convey to Buyer all of the assets of the System (other than the Excluded Assets), and in connection therewith, Buyer has agreed to assume certain ongoing obligations and liabilities of the Seller related to such acquired assets, all on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties, covenants, and agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged, intending to be legally bound, the Parties agree as follows:

ARTICLE I.

DEFINITIONS

In addition to the capitalized terms defined elsewhere in this Agreement, the following terms, as used in this Agreement (unless otherwise specified in this Agreement), have the meanings specified in this Article I:

"**Abstractor**" has the meaning specified in Section 6.05(a).

"**Accounts Receivables**" means all accounts or notes receivable held by Seller, and any security, claim, remedy or other right related to the foregoing, including the right to receive and collect payment for sanitary wastewater customer services and to receive and hold customer deposits in connection thereof.

"**Acquired Assets**" has the meaning specified in Section 2.01.

"**Act 537**" has the meaning specified in Section 7.12.

"**Act 537 Plan**" has the meaning specified in Section 7.12.

"**Affiliate**" means, when used to indicate a relationship with a specified Person, a Person that, directly or indirectly, through one or more intermediaries has a 10% or more voting or economic interest in such specified Person or controls, is controlled by or is under common control with (which include, with respect to a managed fund or trust, the right to direct or cause the direction of the management and policies of such managed fund or trust as manager, advisor, supervisor, sponsor or trustee pursuant to relevant contractual arrangements) such specified Person, and a Person is deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise (and for purposes of this definition, a managed fund or trust is deemed to be an Affiliate of the Person managing, supervising, sponsoring or advising such fund or trust and a limited partner in a managed fund or trust is deemed to be an Affiliate of such fund or trust and of the Person managing, supervising, sponsoring or advising such fund or trust).

"**Agreement**" has the meaning specified in the preamble to this Agreement (and includes all Schedules and Exhibits referred to herein), as amended, modified and supplemented from time to time in accordance with the terms hereof.

"**Allocation Schedule**" has the meaning specified in Section 3.03.

"**Assigned Contracts**" has the meaning specified in Section 4.13 and includes the Municipal Agreements.

"**Assignment and Assumption Agreement**" has the meaning specified in Section 13.02(c).

"**Assumed Liabilities**" has the meaning specified in Section 2.04(a).

"**Authorizations and Permits**" mean all licenses, permits, franchises, authorizations, certificates, registrations, consents, orders, adjudications, variances, waivers and approvals currently in effect issued or granted by Governmental Authorities, including without limitation, environmental permits, operating permits and approvals that are held by the Seller that primarily relate directly or indirectly to the operation of the System, including those set forth on Schedule 4.12.

"**Business Day**" means any day that is neither a Saturday, a Sunday nor a day observed as a holiday by either the Commonwealth of Pennsylvania or the United States government.

"**Buyer**" has the meaning specified in the preamble of this Agreement.

"**Buyer Fundamental Representations**" has the meaning specified in Section 8.01.

"**Buyer Indemnified Parties**" has the meaning specified in Section 8.02.

"**CERCLA**" means the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq., as amended.

"**City"** has the meaning specified in the preamble of this Agreement.

"**Closing**" means the consummation of the sale and purchase of the Acquired Assets and assumption of the Assumed Liabilities, the release/waiver of liabilities and the other transactions contemplated by this Agreement, all in accordance with the terms and conditions of this Agreement and as provided for in Article XIII.

"**Closing Date**" has the meaning specified in Section 13.01.

"**Closing Effective Time**" has the meaning specified in Section 13.01.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Combined Sewer Overflow**" or "**CSO**" means any discharge from the Seller's Combined Sewer System at a CSO Outfall in the Combined Sewer System from which combined sewage and stormwater are discharged and so designated in the currently applicable WVSA Permits.

"**Combined Sewer System**" means the portion of the System designed to convey municipal sewage, wastewaters (domestic, commercial, and industrial) and stormwater runoff in the same system of pipes to a wastewater treatment plant.

"**Combined Sewer System Assets**" means the assets of the System designed and constructed to collect and convey municipal sewage (i.e., domestic, commercial and industrial) and stormwater through a single pipe-system to a wastewater treatment plant or CSO structures, including (i) wastewater collection pipes, pumping stations and other assets used for wastewater collection, (ii) stormwater drains, pipes, collection basins, pumping stations and all other stormwater drainage assets used for stormwater collection, and (iii) catch basins, inlets, pipes and all other stormwater lateral facilities, in each case that connect wastewater and surface stormwater drains to the combined sewer mains that discharge to the WVSA wastewater treatment plant or combined sewer overflow structures, but excluding the Municipal Separate Stormwater System.

"**Confidential Information**" means any information about Buyer, Seller or the System related to the transactions contemplated by this Agreement; except that such term does not include information which the receiving Party can demonstrate (a) is generally available to or known by the public other than as a result of improper disclosure by the receiving Party, (b) is obtained by the receiving Party from a source other than the disclosing Party, and that such source was not bound by a duty of confidentiality to the disclosing Party with respect to such information, or (c) is legally in the public domain.

"**CSO Outfall**" means an outfall in the Combined Sewer System from which combined sewage and stormwater are discharged and so designated in the currently applicable WVSA Permit.

"Deposit" has the meaning specified in Section 3.01(a)(i).

"**Easement Escrow Agreement**" has the meaning set forth in Section 3.01(c).

"**Easements**" means all easements, rights of way, licenses, use agreements, occupancy agreements, leases and other agreements and appurtenances for and over the real property of third parties that, in each case, is for or used in connection with the operation of the System or to provide continuous and unimpeded rights of way for the Acquired Assets (including access thereto).

"**EDU**" means the equivalent dwelling unit that also equates to 262.5 gallons per day.

"**Effective Date**" has the meaning specified in the preamble.

"**Environment**" means soil, surface waters, ground waters, land, stream sediments, flora, fauna, surface or subsurface strata and ambient air.

"**Environmental Claims**" means all notices of investigations, warnings, notice letters, notices of violations, Liens, orders, claims, demands, suits or administrative or judicial actions for any injunctive relief, fines, penalties, third party claims, or other claims asserting violations or liability pursuant to Environmental Requirements or responsibility for Environmental Liabilities.

"**Environmental Conditions**" means the Release of Hazardous Materials or the presence of Hazardous Materials on, in, under or within any property (including the presence in the Environment), other than the presence of Hazardous Materials in locations and at concentrations that are naturally occurring.

"**Environmental Liabilities**" means any legal obligation or liability arising under Environmental Requirements or related to or arising out of any Environmental Condition, including those consisting of or relating to any (a) duty imposed by, breach of or noncompliance with any Environmental Requirements; (b) environmental, health or safety matters or conditions (including on-site or off-site contamination, occupational safety and health and regulation of Hazardous Materials); (c) Remedial Action undertaken by any Person; (d) bodily injury (including illness, disability and death, and regardless of when any such bodily injury occurred, was incurred or manifested itself), property damage (including trespass, nuisance, wrongful eviction and deprivation of the use of real or personal property), or other losses or damages incurred by any other Person (including any employee or former employee of such Person); (e) any injury to, destruction of, or loss of natural resources, or costs of any natural resource damage assessments; (f) exposure of any Person to any Hazardous Materials; and (g) the presence or Release of any Hazardous Materials.

"**Environmental Requirements**" mean all Laws (including common law), regulations, legally binding or otherwise enforceable requirements and Authorizations and Permits relating to human health, pollution, or protection of the Environment (including ambient air, surface water,

ground water, land surface or surface strata), including (i) those relating to emissions, discharges, Releases, or threatened Releases of Hazardous Materials, and (ii) those relating to the identification, generation, manufacture, processing, distribution, use, treatment, storage, disposal, release, recovery, transport or other handling of Hazardous Materials. Without limiting the foregoing, the term "**Environmental Requirements**" includes (1) CERCLA; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Emergency Planning and Community Right to Know Act, 42 U.S.C. Sections 11001-11050; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901-6992k ("RCRA"); the Safe Drinking Water Act, 42 U.S.C. Sections 300f to 300j-26; the Toxic Substances Control Act, 15 U.S.C. Sections 2601-2692; the Hazardous Materials Transportation Act, 49 U.S.C. Sections 5101-5127; the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387; the Oil Pollution Act of 1990, 33 U.S.C. Sections 2701--2761; the Clean Air Act, 42 U.S.C. Sections 7401-7671q; the Atomic Energy Act of 1954, as amended, 42 U.S.C. Sections 2011 et seq.; the Low Level Radioactive Waste Policy Act, as amended, 42 U.S.C. Section 2022b et seq.; the Occupational Safety and Health Act, 29 U.S.C. Sections 651-678, and the regulations promulgated pursuant to the above-listed federal statutes, and (2) counterpart Laws and regulations promulgated or issued by any state or local Governmental Authority, specifically including the Pennsylvania Storage Tank and Spill Prevention Act of 1989 (35 Pa. C.S.A. § 6021.101 *et. seq.*).

"**EPA**" means the United States Environmental Protection Agency, or a successor Governmental Authority with substantially similar power and authority thereto.

"**Equipment and Machinery**" means (i) all the equipment, tangible personal property, machinery, office furniture and equipment, fixtures, tooling, spare maintenance or replacement parts, environmental testing equipment, and vehicles owned or leased by the Seller (including all leases of such property), which are primarily used in the operation of the System, (ii) any rights of the Seller to warranties applicable to the foregoing (to the extent assignable), and licenses received from manufacturers and seller of any such item, and (iii) any related claims, credits, and rights of recovery with respect thereto, as listed on Schedule 4.10.

"**Excluded Assets**" has the meaning specified in Section 2.02.

"**Excluded Liability**" or "**Excluded Liabilities**" means all liabilities other than Assumed Liabilities.

"**Files and Records**" means all files and records of the Seller primarily relating to the System and the Acquired Assets, whether in hard copy, digital, or magnetic or other format including data, geographic information system data, plans, and contracts relating to the Acquired Assets (including property records, related to the foregoing), customer and supplier records, customer lists (both current and prospective), records of sales calls, manuals, books, files, records, engineering data, procedures, systems, instructions, drawings, blueprints, plans, designs, specifications, equipment lists, parts lists, equipment maintenance records, equipment warranty information, plant plans, specifications and drawings, sales and advertising material, computer software, and records, whether stored on-site or off-site.

"**Final Order**" means a Governmental Approval by a Governmental Authority as to which (a) no request for stay of the action is pending, no such stay is in effect and if any time period is permitted by statute or regulation for filing any request for such stay, such time period has passed, (b) no petition for rehearing, re-argument, reconsideration, clarification, rescission, amendment, or supersedes of the action is pending and the time for filing any such petition has passed, (c) such Governmental Authority does not have action under consideration on its own motion and (d) no appeal to a court or administrative tribunal or a request for stay by a court or administrative tribunal of the Government Authority's action is pending or in effect and the deadline for filing any such appeal or request for stay has passed.

"**Governmental Approval**" means any consent, approval, authorization, notice, filing, registration, submission, reporting, order, adjudication or similar item of, to or with any Governmental Authority.

"**Governmental Authority**" or "**Governmental Authorities**" means any court, department, commission, board, bureau, municipality, municipal authority (established pursuant to the Municipal Authorities Act of the Commonwealth of Pennsylvania), agency or instrumentality of the United States, any state, county, city or political subdivision thereof, or any foreign governmental body, including without limitation, the PaPUC, the EPA, PaDEP, and the Municipal Board.

"**Hazardous Materials**" means any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is a contaminant, pollutant, dangerous substance, toxic substance, hazardous waste, residual waste, solid waste, hazardous material or hazardous substance which is or becomes regulated by applicable Environmental Requirements or which is classified as hazardous or toxic under applicable Environmental Requirements (including gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls, asbestos and urea formaldehyde foam insulation).

"**Indemnified Party**" means any Buyer Indemnified Parties or Seller Indemnified Parties, as applicable, entitled to indemnification pursuant to Article VIII.

"**Indemnifying Party**" means a Party which is obligated to indemnify the Buyer Indemnified Parties or the Seller Indemnified Parties, as applicable, pursuant to Article VIII.

"**Knowledge**" means either (i) the actual knowledge of a Representative of Buyer and the knowledge that such person would reasonably be expected to obtain in the course of diligently performing his or her duties for Buyer or (ii) the actual knowledge of Senior Staff, and in the case of Senior Staff, the knowledge that each person would reasonably be expected to obtain in the course of diligently performing his or her duties for Seller, as applicable based on the context in which the term is used.

"**Law**" means any applicable law, including but not limited to the City's Home Rule Charter, statute, regulation, ordinance, rule, order, judicial, administrative and regulatory decree, judgment, adjudication, consent decree, settlement agreement or governmental requirement enacted, promulgated, entered into, agreed or imposed by any Governmental Authority, as may be in effect at the relevant time or times in the context in which the term is used.

"**Liability Cap**" has the meaning specified in Section 8.05(c).

"**Lien**" means any lien in a fixed and ascertainable monetary sum, or any pledge, mortgage, deed of trust or security interest securing a fixed and ascertainable monetary sum, or any charge or claim in a fixed and ascertainable monetary sum. In addition, in connection with Real Property, any item otherwise falling within the definition of a "Lien" must be filed of record by the responsible Party in accordance with the terms of this Agreement.

"**Loss**" means any and all losses, liabilities, obligations, damages, penalties, interest, Taxes, claims, actions, demands, causes of action, judgments, reasonable attorneys', consultants' and other professional fees, and all other reasonable costs and expenses sustained or incurred in investigating, preparing or defending or otherwise incident to any such claim, action, demand, cause of action or judgment or the enforcement of a Party's rights under Article VIII; except that "**Losses**" do not include punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple, except in the case of fraud or to the extent actually awarded to a Governmental Authority (other than Seller or the Municipal Board) or other third party in respect of a Third Party Claim.

"**Material Adverse Effect**," means any result, occurrence, fact, change, event or effect that has a material adverse effect on the business, financial condition or results of operations of the System; except that no effect arising out of or in connection with or resulting from any of the following will be deemed, either alone or in combination, to constitute or contribute to a Material Adverse Effect: (i) general economic conditions or changes therein; (ii) financial, banking, currency or capital markets fluctuations or conditions (either in the United States or any international market and including changes in interest rates); (iii) conditions affecting the real estate, financial services, construction, water utility or sewer utility industries generally; (iv) any existing event, circumstance, condition or occurrence of which the Buyer has Knowledge on the Effective Date; (v) any action, omission, change, effect, circumstance or condition contemplated by this Agreement or attributable to the execution, performance or announcement of this Agreement or the transactions contemplated by this Agreement; and (vi) negligence, intentional misconduct or bad faith of the Buyer or its Representatives.

"**Missing Easements**" means, as of any particular date, each Easement that either (a) has not been expressly obtained through a duly executed and recorded instrument by the Seller and is for or used in connection with the operation of the System or (b) if such Easement has been obtained by the Seller, such Easement is unrecorded or such Easement is not sufficient to operate the System as currently conducted.

"**Municipal Board**" has the meaning set forth in the recitals to this Agreement.

"Municipal Code" has the meaning set forth in Section 7.15.

"**Municipal Separate Storm Sewer System**" or "**MS4 System**" means the current and any future assets and facilities, built, operated or maintained, or real property ("**MS4 System Real Property**") and Stormwater System Assets owned by the Seller, and used for the purpose of capturing, conveying and discharging stormwater separate from any sewage or wastewaters. This

includes any assets which may be built by the Buyer and contributed to the Seller as the case may be at future date to separate the wastewater and stormwater flows in the Combined Sewer System.

"**Objection Notice**" has the meaning set forth in Section 6.02(a).

"**Outside Date**" means the date that is the later to occur of (i) 365 days after the date the application to the PaPUC is accepted as complete by the PaPUC, (ii) 365 days after the date the statutory 6-month consideration period is initiated pursuant to 66 Pa. C.S. §1329, and (iii) 545 days after the Effective Date provided, that if there is litigation pending on such date in which any Person seeks to prevent the consummation of the transaction described in this Agreement, or to frustrate a material term contained in this Agreement (specifically including, without limitation, litigation involving the proceedings before the PaPUC as contemplated in this Agreement), the Outside Date will be extended to the date that is sixty (60) days following the unappealable resolution of such litigation.

"**Outstanding Indebtedness**" means the following outstanding indebtedness of the Seller: City of Pittston General Obligation Bond Series of 2023.

"**PaDEP**" means the Pennsylvania Department of Environmental Protection, or any successor Governmental Authority with substantially similar powers thereto.

"**PaPUC**" means the Pennsylvania Public Utility Commission, or any successor Governmental Authority with substantially similar powers thereto.

"**Party**" means Buyer or the Seller and the term "Parties" means together the Buyer and the Seller.

"**PCB Equipment**" means PCB equipment as defined in 40 C.F.R. Part 761.

"**Pending Development Plan**" means any project for the development of real property which is the subject of a subdivision or land development plan that has been submitted to the Seller for approval, or for which the Seller already has granted approval, pursuant to the Pennsylvania Municipal Planning Code and the City's Home Rule Charter, but which has yet to be constructed as of the Effective Date (and as updated before the Closing Date), as provided in Schedule 4.17.

"**Permitted Liens**" means (a) Liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures; (b) easements, rights of way, deed restrictions and other similar encumbrances affecting Real Property and Easements to which Buyer has not raised a Title Objection Item or an Easement Objection Item in Article VI hereof; (c) other than with respect to Real Property owned by Seller, Liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business; (d) other imperfections of title or Liens, if any, that have not had, and would not have, a Material Adverse Effect; and (e) any encumbrances set forth in the Title Commitment not identified in the Objection Notice in accordance with the procedures and deadlines prescribed in Section 6.02(a).

"**Person**" means any individual (including, the heirs, beneficiaries, executors, legal representatives or administrators thereof), corporation, partnership, joint venture, trust, limited

liability company, limited partnership, joint stock company, unincorporated association or other entity or a Governmental Authority.

"**Personnel**" means the employees of the Seller who are primarily employed to operate the System.

"**Purchase Price**" has the meaning specified in Section 3.01.

"**Real Property**" means those certain parcels of land, with the buildings, improvements, and Equipment and Machinery affixed thereto, that are part of the System and fee simple title to which is to be conveyed by Seller to Buyer as part of the Acquired Assets.

"**Regulated Asbestos Containing Material**" means regulated asbestos containing material as defined by 40 C.F.R. § 61.141.

"**Release**" means any actual or threatened spilling, leaking, pumping, pouring, injecting, emptying, discharging, emitting, escaping, leaching, dumping, disposal, or release or migration of Hazardous Materials into the Environment, including the abandonment or discarding of barrels, containers and other receptacles containing any Hazardous Materials.

"**Remedial Action**" means any and all actions to (a) investigate, clean up, remediate, remove, treat, contain or in any other way address any Hazardous Materials in the Environment, (b) prevent the Release or threat of Release or minimize the further Release of any Hazardous Materials so it does not migrate or endanger public health or welfare or the indoor or outdoor Environment, and (c) perform pre-remedial studies and investigations and post-remedial monitoring, maintenance and care. The term "**Remedial Action**" includes any action which constitutes (i) a "removal", "remedial action" or "response" as defined by Section 101 of CERCLA, 42 U.S.C. §§ 9601(23), (24), and (25); (ii) a "corrective action" as defined in RCRA, 42 U.S.C. § 6901 et seq.; or (iii) a "response" or "interim response" as defined in the Pennsylvania Hazardous Sites Cleanup Act, 35 P.S. §6020.103.

"**Representative**" means, with respect to any Person, any director (including, in the case of the Seller, any member of the Municipal Board), officer, employee, official, lender, mortgagee, financier, provider of any financial instrument (or any agent or trustee acting on their behalf), partner, member, owner, agent, lawyer, accountant, auditor, professional advisor, consultant, engineer, contractor, other Person for whom such Person is at law responsible or other representative of such Person and any professional advisor, consultant or engineer designated by such Person as its "Representative."

"**Schedules**" means the disclosure schedules delivered by Seller and Buyer, respectively, concurrently with the execution and delivery of this Agreement, and as may be supplemented and updated pursuant to Sections 9.03 and 10.04. Any disclosure set forth on any particular Schedule are deemed disclosure in reference to all Schedules comprising the Schedules to which such disclosure is reasonably apparent.

"**Seller**" has the meaning specified in the preamble of this Agreement.

"**Seller DEP Permits**" means the permits listed on Schedule 4.12 issued by PaDEP to Seller with respect to the System, including any revisions or amendments thereto.

"**Seller Fundamental Representations**" has the meaning specified in Section 8.01.

"**Seller Indemnified Parties**" has the meaning specified in Section 8.03.

"Senior Staff" means the City Chief Financial Officer David Hines, City Administrator Joseph Chacke, and City Engineer Don Totino.

"**Service Area**" has the meaning specified in the recitals to this Agreement.

"**Stormwater System Assets**" means all assets owned by the Seller and used exclusively in the operation or maintenance of the MS4 System, including (i) drains, pipes and collection basins and all other stormwater drainage assets used exclusively for stormwater collection, conveyance and discharge; and (ii) catch basins, inlets, pipes and all other stormwater lateral facilities (the "**Stormwater Lateral Facilities**") that connect surface stormwater drains to storm conveyances which discharge to surface waters. Stormwater System Assets shall not include the Combined Sewer System Assets or any other property that is jointly used for (a) the collection, transportation and treatment of stormwater or otherwise in the operation of the stormwater system and (b) the operation of the System, including the Stormwater Lateral Facilities that connect surface stormwater drains to Combined Sewer System Assets mains.

"**Supplies**" means all lubricants, spare parts, fuel, chemicals, raw materials, and other supplies and inventory as related to the Acquired Assets, and all rights to warranties received from suppliers with respect to the foregoing, and related claims, credits, and rights of recovery with respect thereto.

"**System**" has the meaning specified in the recitals to this Agreement and includes the Acquired Assets and excludes the Excluded Assets.

"**System Improvements**" has the meaning specified in Section 7.10(a).

"**Taxes**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, permit fees, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, abandoned or unclaimed property, parking, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax, levy, impost, stamp tax, duty, fee, withholding or similar imposition of any kind payable, levied, collected, withheld or assessed at any time, including any interest, penalty or addition thereto, whether disputed or not.

"Third Party Claim" has the meaning specified in Section 8.05(a)

"**Threshold Amount**" has the meaning specified in Section 8.05(a).

"**Title Commitment**" has the meaning specified in Section 6.01.

"**Title Company**" has the meaning specified in Section 6.01.

"**Title Policy"** has the meaning specified in Section 2.03.

"**UCC Search"** has the meaning specified in Section 6.04.

"**Unscheduled Real Property"** has the meaning specified in Section 6.06.

"**Utility Valuation Expert**" means an expert that has applied and has been approved by the PaPUC and is currently, at the time of this Agreement, on the list of approved appraisers maintained by the PaPUC.

"WVSA" means the Wyoming Valley Sanitary Authority.

"WVSA Agreement" means the Agreement dated September 8, 1965 between the City and the WVSA, as amended by a Supplemental Service Agreement dated December 1, 1965, for the treatment of the City's sanitary wastewater.

"WVSA Permits" means the permits held by WVSA and utilized in the Combined Sewer System.

ARTICLE II.

TERMS OF PURCHASE AND ASSUMPTION OF LIABILITIES

Section 2.01. Purchase and Sale of Acquired Assets

Subject to the terms and conditions set forth in this Agreement, at Closing, Buyer shall purchase from the Seller and the Seller shall sell, transfer, assign and deliver to Buyer, free and clear of all Liens except for Permitted Liens, all of Seller's right, title and interest in and to all assets, facilities, business, goodwill, properties and rights of the Seller of every kind and description, whether tangible or intangible, real, personal or mixed, wherever situated, in each case used in, held for use in, or acquired or developed for use in, the System, or otherwise related to, or arising out of the operation or conduct of the System (whether or not any such assets have any value for accounting purposes or are carried or reflected on the books or financial records of the Seller), including any of the foregoing in which Seller is entitled to acquire such rights or interests but in all cases other than the Excluded Assets (the foregoing collectively referred to as the "Acquired Assets"), including:

(a) all real property and appurtenant interests necessary for the operation of the System, including without limitation (i) good and marketable fee simple title to the Real Property set forth on Schedule 4.09 hereof, and (ii) all Easements, including without limitation those set forth on Schedule 4.09;

(b) all sanitary wastewater conveyance facilities, including but not limited to the Seller's (i) assets set forth on Schedule 2.01(b), and (ii) all collection system mains (whether gravity or force mains), laterals (from the collection system main to the edge-of-road or curb-line when the main is located within a public right-of-way or the edge of an easement where the main is located within private property), generators, manholes, pump stations and other related appurtenances including all rights under Pending Development Plans to have any of the foregoing assets dedicated to Seller, and any billing and collections related assets necessary to own and operate the System;

(c) all contracts, licenses and leases set forth on Schedule 4.13 to which the Seller is a party, including without limitation, the WVSA Agreement, customer service agreements or applications for service, construction contracts, surety bonds, operation and maintenance agreements, management agreements, reserved capacity agreements, architect agreements and consultant agreements, and agreements relating to vehicles and other items of personal property (the "Assigned Contracts");

(d) all Supplies;

(e) all personal property and fixed assets, including all Equipment and Machinery, auxiliary equipment and plant equipment, including without limitation those items listed on Schedule 4.10 hereof;

(f) all expenses prepaid by Seller and security deposits by Seller;

(g) all Files and Records;

(h) Accounts Receivable arising on or after the Closing Date; and

(i) all Authorizations and Permits of or held by the Seller (to the extent transferrable to Buyer under Law), including all Authorizations and Permits which are environmental permits, the Seller DEP Permits as set forth on Schedule 4.12 hereto and other operating permits and those items set forth on Schedule 4.12 hereto;

(j) all Combined Sewer System Assets; and

(k) all goodwill of the System.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTIES OF ANY KIND WHATSOEVER REGARDING THE VALUE OF ANY OF THE ACQUIRED ASSETS OF THE SYSTEM OR THE FUTURE PROFITABILITY OR FUTURE EARNINGS PERFORMANCE OF THE ACQUIRED ASSETS OR THE SYSTEM OR ANY FUTURE RATEMAKING THAT MAY BE ALLOWED BY THE PAPUC FOR ANY OF THE ACQUIRED ASSETS. NOTWITHSTANDING THE FOREGOING, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE VALID UNTIL THE TIME OF CLOSING.

Section 2.02. **Excluded Assets**

Notwithstanding Section 2.01 or any other provision of this Agreement to the contrary, the Acquired Assets do not include the following (the "Excluded Assets"):

(a) the Stormwater System Assets;

(b) the MS4 System Real Property; and

(c) all contracts, licenses and leases that are not Assigned Contracts;

(d) the seals, organizational documents, minute books, Tax returns, books of account or other records having to do with the organization of Seller;

(e) cash (including any cash whenever received resulting from the payment received by Seller attributable to wastewater service provided to EDU's before the Closing Date) and cash equivalents, including Accounts Receivable accrued before the Closing Date and existing financial security guaranteeing installation of public improvements (including sewer facilities);

(f) all insurance policies of Seller and all rights to applicable claims and proceeds thereunder;

(g) other than to the extent relating to any Assumed Liability, all actions, suit or claim of any nature available to or being pursued by Seller, whether arising by way of counterclaim or otherwise;

(h) all assets, properties and rights used by Seller other than those which primarily relate to the operations of the System;

(i) the assets, properties and rights specifically set forth on Schedule 2.02(g);

(j) all individual customer grinder pumps owned by Seller, if any, installed and used by the customer on private property to convey sewage into the sanitary sewer collection system;

(k) all customer sanitary sewer service laterals located outside of road right-of-way or sewer easement limits on private property and owned by Seller, if any;

(l) certain interests in real estate to be created and or retained by the City including real property interests that will be subdivided from existing System-related real estate and certain easements with respect to stormwater utility and other City access easements; and

(m) the rights which accrue or will accrue to Seller under this Agreement and any related agreement, exhibit or schedule.

Section 2.03. **Sale Free of Liens**

After Buyer fulfills its obligations pursuant to Section 3.01(b), on the Closing Date, the Acquired Assets will be free and clear of all Liens other than Permitted Liens. The Seller shall convey such Acquired Assets by appropriate special warranty or other deed (subject to Section 6.02(c)), bills of sale, endorsements, assignments and other instruments of transfer or conveyance described in

the Agreement, or by transfer documents satisfactory in form and substance reasonably acceptable to Buyer and Seller and their counsel in their reasonable discretion. At Closing, Buyer shall cause the Title Company to insure the Real Property, at the Title Company's filed rates, as a good and marketable title, free and clear of all Liens and exceptions to title insurance coverage, except for the Permitted Liens, pursuant to an owner's policy of title insurance on the American Land Title Association's ("ALTA") Owner's Form 2006, subject to the terms of Section 6.02 below (the "Title Policy").

Section 2.04. **Assumption of Liabilities**

(a) On the terms and subject to the conditions set forth in this Agreement and excluding the Excluded Liabilities, Buyer shall assume and agrees to pay, perform and discharge when due any and all liabilities and obligations of the Seller (1) arising under the Seller DEP Permits (arising from, related to, or based on events or circumstances occurring on or after the Closing Date), and (2) arising out of or relating to the System or the Acquired Assets on or after the Closing, including, without limitation, the following:

(i) all liabilities and obligations under the Assigned Contracts and Authorizations and Permits resulting from events that occur or conditions that arise on or after the Closing;

(ii) any litigation initiated against Seller related to the System or the Acquired Assets resulting from events that occur or conditions that arise on or after the Closing;

(iii) all liabilities and obligations for Taxes relating to the System, its operation, the Acquired Assets and the Assumed Liabilities attributable to the period beginning on the Closing Date; and

(iv) all other liabilities and obligations arising out of or relating to Buyer's ownership or operation of the System and the Acquired Assets on or after the Closing (all of the aforementioned liabilities in this Section 2.04(a) are referred to as the "Assumed Liabilities").

For the avoidance of doubt, the Parties agree that the Assumed Liabilities do not include any liabilities or obligations arising from or relating to events or circumstances occurring prior to Closing except as the Parties may otherwise agree in writing.

(b) After the Closing, Buyer shall indemnify Seller against its obligations under the Assumed Liabilities in accordance with Section 8.03.

(c) Buyer shall not assume or be liable to pay any liabilities or obligations relating to the Excluded Liabilities or any other liabilities or obligations that are not Assumed Liabilities.

Section 2.05. **Further Assurances**

At any time and from time to time after the Closing Date, the Seller shall, upon the request of Buyer, and Buyer shall, upon the request of the Seller, at the cost of requesting Party, promptly

execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate, (a) the sale, conveyance, transfer, assignment and delivery hereunder of the Acquired Assets to Buyer, (b) the assumption by Buyer of any of the Assumed Liabilities, (c) performance by the Parties of any of their other respective obligations under this Agreement, (d) the vesting in Buyer of all right, title and interest in the Acquired Assets and the System as provided herein, and (e) any other matters reasonably requested by a Party to carry out the provisions, purposes and intent of this Agreement.

Section 2.06. **Certain Transfers; Assignment of Contracts**

(a) Notwithstanding anything to the contrary in this Agreement, and subject to the provisions of this Section 2.06(a) and Section 2.06(b), to the extent that the sale, transfer, assignment, conveyance and delivery, or attempted sale, transfer, assignment, conveyance and delivery, to Buyer of any Assigned Contract or other Acquired Asset would result in a violation of Law, or would require the consent, authorization, approval or waiver of any Person (other than the Parties hereto), including any Governmental Authority, and such consent, authorization, approval or waiver has not been obtained before the Closing, this Agreement shall not constitute a sale, transfer, assignment, conveyance and delivery, or an attempted sale, transfer, assignment, conveyance and delivery, thereof (any such Acquired Asset, a "Nonassignable Asset"). Following the Closing, the Seller and the Buyer shall use commercially reasonable efforts (at the cost and expense of the Party that is responsible for compliance with such Law or obtaining such consent, authorization, approval or waiver), and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution, novation or amendment required to sell, transfer, assign, convey and deliver any such Nonassignable Asset to Buyer; except that in no event will Buyer be required to pay any consideration therefor. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, the Seller shall sell, transfer, assign, convey and deliver to Buyer the relevant Acquired Asset to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration.

(b) Until such time as a Nonassignable Asset is transferred to Buyer pursuant to this Article II, Buyer and Seller shall cooperate in any commercially reasonable and economically feasible arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and, to the extent permitted under Law, operational equivalent of the transfer of such Nonassignable Asset to Buyer at the Closing and the performance by Buyer of its obligations with respect thereto, and so long as the Seller transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under Law and the terms of any applicable contract that constitutes a Nonassignable Asset, as agent or subcontractor for the Seller, pay, perform and discharge the liabilities and obligations of the Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would constitute Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, the Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other

monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which the Seller is a party which is not set forth on Schedule 4.13 as an Assigned Contract as of the Effective Date, and Buyer reasonably determines such contract is necessary to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.13 reflecting the addition of such contract, and such contract will thereafter constitute and be deemed an Assigned Contract for all purposes hereunder.

(d) If, during the twenty four (24) month period following the Closing, Buyer identifies any contract to which the Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary to the operation of the System, the Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract will be deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price**

The purchase price for the Acquired Assets is Twenty-Six Million Four Hundred Forty Thousand Dollars ($26,440,000) (the "Purchase Price") which Buyer shall pay as follows at Closing unless otherwise indicated:

(a) Deposit.

(i) Buyer shall pay Two Hundred Thousand Dollars ($200,000) to Seller as a deposit on account of the Purchase Price (the "Deposit") upon the fifth (5th) Business Day following the execution by the Parties of this Agreement; and

(ii) The Deposit shall be used to pay the costs and expenses incurred by the Seller in connection with the implementation of the provisions of this Agreement;

(iii) Once such costs and expenses are paid, Seller shall be free to use the Deposit as it determines in the Seller's sole discretion; and

(iv) In the event that this Agreement is terminated by Seller, the Deposit shall be refundable to the Buyer within ninety (90) days following the effective date of termination per Section 14.01, provided, however, if the Agreement is terminated by Seller

pursuant to Section 14.01(c), then Seller shall be permitted to offset against Seller's obligation to refund the Deposit any damages recoverable by Seller per the terms of this Agreement.

(v) In the event that this Agreement is terminated by Buyer, the Deposit shall be retained by the Seller, provided, however, if the Agreement is terminated by Buyer pursuant to Section 14.01(d), then Seller shall be obligated to refund the Deposit to Buyer.

(vi) In the event that this Agreement is terminated by Buyer or Seller pursuant to Section 14.01(b)(ii), then Seller shall be required to refund the Deposit to Buyer.

(b) Outstanding Indebtedness. Upon direction of the Seller, Buyer shall pay all or a portion of the Outstanding Indebtedness which payment shall be a credit against the Purchase Price;

(c) Easement Escrow at Closing. Buyer shall cause to be deposited in escrow pursuant to an escrow agreement substantially in the form attached as Exhibit C and entered into by and among the Seller, the Buyer and the escrow agent party thereto (the "Easement Escrow Agreement") an amount calculated in accordance with Section 6.05(e);

(d) Final Payment. Subject to any adjustment in Purchase Price resulting from the proration procedures specified in Section 3.01(e) below, Buyer shall pay to the Seller at Closing by wire transfer of immediately available funds the balance of the Purchase Price remaining after the payment of the Deposit, the repayment of the Outstanding Indebtedness pursuant to Section 3.01(b), and any escrow as set forth in Section 6.05(e), to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

(e) Final Billing. The Buyer is entitled to all customer billings with respect to sanitary wastewater customer services for the period on or after the Closing Effective Time, and the Seller is entitled to all such billings before the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to the extent that a Party collects billings that are attributable to service provided by another Party, the Party holding the other Party's billing collections shall pay such amount to the other Party.

Section 3.02. **Fair Consideration**

The Parties acknowledge and agree that the consideration provided for in this Article III represents fair consideration and reasonable equivalent value for the sale and transfer of the Acquired Assets and the transactions, covenants and agreements set forth in this Agreement, which consideration was agreed upon as the result of arm's-length good faith negotiations between the Parties and their respective Representatives.

Section 3.03. **Allocation Schedule**

The Purchase Price (which for purposes of this Section 3.03 shall include any liabilities required to be treated as part of the Purchase Price for federal income tax purposes), may, at the option of the Buyer, be allocated among the Acquired Assets in accordance with the allocation reflected in

a schedule prepared by Buyer and attached hereto as Schedule 3.03 (the "Allocation Schedule"). In the event Buyer does not opt to prepare a schedule pursuant to the preceding sentence, then within sixty (60) days following the Closing Date, Buyer may deliver to Seller a draft of the Allocation Schedule setting forth Buyer's proposed allocation for Seller's review. Seller shall have the right to review and reasonably comment upon Buyer's proposed Allocation Schedule, provided, that (a) such proposed Allocation Schedule shall be deemed approved by Seller and shall be final and binding upon the Parties unless Seller provides written notice of Seller's comments to one or more items reflected in the proposed Allocation Schedule within twenty (20) Business Days after delivery of the proposed Allocation Schedule to Seller, and (b) upon receipt of any such written comments from Seller with respect to the proposed Allocation Schedule, Buyer may make such adjustments or revisions to the proposed Allocation Schedule based on Seller's comments as Buyer determines in good faith to be necessary and appropriate, provided further, that Buyer shall have no obligation to make any such adjustments or revisions absent manifest error. The Parties shall adhere to the Allocation Schedule (as finally determined pursuant to this Section 3.03) for all purposes relevant to the calculation of federal or state Taxes, and will report the transactions contemplated herein in a manner consistent with such Allocation Schedule. Except as required by applicable Law, Buyer and Seller shall not take any position on their respective Tax Returns that is inconsistent with the Allocation Schedule.

Section 3.04. **Transfer Taxes**

Any and all deed stamps or transfer Taxes which may be due the Commonwealth of Pennsylvania or any political subdivision in connection with the sale, transfer, assignment, conveyance and delivery hereunder of the Acquired Assets to Buyer (collectively, "Transfer Taxes"), will be paid by Buyer. The terms hereof shall survive Closing. Seller and Buyer shall cooperate in good faith to prepare the Pennsylvania Form REV-138 (Realty Transfer Tax Statement of Value) setting forth the amount of the Purchase Price that shall be allocated to the Real Property for purposes of calculating Transfer Taxes.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller makes only the specified representations and warranties which are set forth in this Article IV.

As a material inducement to Buyer to enter into this Agreement and to consummate the transactions contemplated by this Agreement, the Seller represents and warrants, as of the Effective Date and as of the Closing Date (except to the extent any of the following representations and warranties specifically apply to or relate to another date, in which event such representations and warranties shall be true and correct as of such other date), as follows:

Section 4.01. **Organization**

Seller is a City of the Third Class of the Commonwealth of Pennsylvania duly organized and operating as a home rule municipality under a Home Rule Charter effective January 2, 2013.

Section 4.02. **Power and Authority**

Seller has (i) duly adopted the ordinance(s) authorizing the transactions contemplated by this Agreement, which remain(s) in full force and effect, (ii) duly authorized and approved the execution and delivery of this Agreement, and (iii) duly authorized and approved the performance by the Seller of its obligations contained in this Agreement. The Seller has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof.

Section 4.03. **Enforceability**

This Agreement has been duly authorized, executed and delivered by the Seller and constitutes a valid and legally binding obligation of the Seller, enforceable against the Seller in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

Section 4.04. **No Conflict or Violation**

The execution and delivery of this Agreement by the Seller, the consummation of the transactions contemplated by this Agreement and the performance by the Seller of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Seller under (i) any Law or (ii) any agreement, instrument or document to which the Seller is a party or by which it is bound.

Section 4.05. **Consents and Approvals**

Schedule 4.05 sets forth a list of each consent, waiver, authorization or approval of any Governmental Authority, or of any other Person, and each declaration to or filing or registration with any Governmental Authority required in connection with the execution and delivery of this Agreement by the Seller or the performance by the Seller of their respective obligations hereunder. For purposes of this Section, Governmental Authority shall not include Seller.

Section 4.06. **Undisclosed Liabilities**

Except as set forth on Schedule 4.06, there are no liabilities or obligations of Seller, either accrued, absolute, contingent or otherwise, relating to the Acquired Assets, that would be required to be set forth on a balance sheet prepared under generally accepted accounting principles applicable to municipalities, other than liabilities incurred in the ordinary course that could not reasonably be expected to have a Material Adverse Effect. Upon payment of the Purchase Price in accordance with Section 3.01(b), (a) all of the Outstanding Indebtedness shall, without further action, be immediately repaid, extinguished or defeased in full and (b) any security interests granted by Seller to secure its obligations pursuant thereto shall, without further action, be immediately extinguished or terminated at or before the Closing pursuant to the contractual terms applicable to such Outstanding Indebtedness.

Section 4.07. **Absence of Certain Changes or Events**

Except as set forth on Schedule 4.07, since December 31, 2023, there has not been any transaction or occurrence that has resulted or is reasonably likely to result in a Material Adverse Effect and the Seller has operated and maintained the System since December 31, 2023 in the ordinary course.

Section 4.08. **Tax Matters**

Except as set forth on Schedule 4.08 or as would not have a Material Adverse Effect, that (i) the Seller has timely paid all Taxes that may have been or may be due and payable by the Seller on or before the Closing Date, arising from the ownership or operation of the Acquired Assets or the System on or before the Closing Date; (ii) no Taxing authority has asserted any claim against the Seller for the assessment of any additional Tax liability or initiated any action or proceeding which could result in such an assertion; (iii) the Seller has made all withholding of Taxes required to be made under all Laws and regulations, including without limitation, withholding with respect to compensation paid to employees for the System, if any, and the amounts withheld have been properly paid over to the appropriate Taxing authorities; and (iv) the Seller has at all times been exempt from U.S. federal income Tax and from income Taxes imposed by the Commonwealth of Pennsylvania (and its political subdivisions) and by other states (and their respective political subdivisions), and income and revenue produced by or with respect to the System and the Acquired Assets has at all times been excluded from gross income by virtue of the provisions of Section 115(1) of the Code.

Section 4.09. **Real Property and Easements**

Schedule 4.09 identifies all Real Property of Seller and separately identifies all Easements. Except as provided in Schedule 4.09, Seller does not lease (as lessee) any real property that is used in the operation of the System. There are no pending condemnation proceedings relating to any of the Real Property or Easements nor has Seller actually received any written threats of any condemnation proceedings and, to the Knowledge of Seller, no such proceedings are threatened. The Seller has not received any written notices of any violations of any Law from any Governmental Authority with respect to the Real Property or the Easements which have not been cured in all material respects and, to Seller's Knowledge, no such violations of Law exist. With respect to the Real Property (i) there are no leases, options, rights of reversions or other rights of use or rights to acquire the Real Property held by third parties, (ii) Seller is in sole possession of the Real Property, and (iii) to Seller's Knowledge there are no encroachments either way across the boundary of the Real Property, nor any dispute with adjacent property owners over the location of boundaries or potential claims adverse to title.

Section 4.10. **Equipment and Machinery**

Schedule 4.10 sets forth all Equipment and Machinery included in the Acquired Assets. Except as set forth on Schedule 4.10, the Seller has good title, free and clear of all Liens (other than the Permitted Liens and Liens which are released on or before Closing) to such Equipment and Machinery. Except as specifically disclosed on Schedule 4.10, all the Equipment and machinery is owned by Seller and none is leased or used under any conditional sales, title-retention, lease, license or similar arrangement.

Section 4.11. **Environmental Compliance**

Except as set forth on Schedule 4.11 or that otherwise could not be expected to have a Material Adverse Effect:

(a) To the Seller's Knowledge, the System as currently operated by the Seller and all operations and activities conducted by the Seller with respect to the System are in compliance in all material respects with all applicable Environmental Requirements.

(b) To the Seller's Knowledge, the Seller has generated, used, handled, treated, stored and disposed of all Hazardous Materials in (i) compliance in all material respects with all applicable Environmental Requirements and (ii) a manner that has not given, and could not reasonably be anticipated to give, rise to Environmental Liabilities.

(c) Except as has been disclosed to Buyer on Schedule 4.11, the Seller has not received notice of any Environmental Claims related to the System that have not been fully and finally resolved, and to the Knowledge of Seller no claims of Environmental Liabilities have been threatened allegedly arising from or relating to the System that have not been fully and finally resolved.

(d) To Seller's Knowledge, Hazardous Materials are not present at or on the System, there has been no Release of Hazardous Materials at, on or from any part of the System or the Acquired Assets, in each case in a manner that violates any Environmental Requirements or has resulted in, or could reasonably be anticipated to give rise to, Environmental Liabilities which has not been appropriately resolved pursuant to applicable Environmental Requirements.

(e) No Lien or activity use limitation or institutional control has been recorded affecting any Acquired Assets by any Governmental Authority due to either the presence of any Hazardous Material on or off the Acquired Assets or a violation of any Environmental Requirement except as has been disclosed by the Seller to Buyer on Schedule 4.11.

(f) The Seller has no Knowledge of any underground storage tanks on or at any of the Acquired Assets other than as set forth on Schedule 4.11. To the Seller's Knowledge, any underground storage tanks previously located at the Acquired Assets other than as set forth on Schedule 4.11 have been removed or otherwise closed, plugged and abandoned in compliance with applicable Environmental Requirements in effect at the time of such closure.

(g) The Seller has no Knowledge of any PCB Equipment on or at any of the Acquired Assets. Any PCB Equipment that previously existed at the Acquired Assets has been flushed of polychlorinated byphenyls or has been removed and properly disposed of, in compliance with applicable Environmental Requirements, and any remaining PCB Equipment is labeled to the extent required under applicable Environmental Requirements and being managed in compliance with applicable Environmental Requirements.

(h) The Seller has no Knowledge of the existence of any Regulated Asbestos Containing Material in or on the Acquired Assets in an aggregate amount that would reasonably

be expected to result in an Environmental Liability; and any Regulated Asbestos Containing Material is being managed in compliance with all applicable Environmental Requirements.

(i) The Seller has delivered to Buyer (1) all environmental site assessments, if any, pertaining to the System, that the Seller has Knowledge of; (2) all compliance audits or compliance assurance reviews prepared within the previous five (5) years relating to compliance with Environmental Requirements by the System, and (3) all documents pertaining to, any known and unresolved Environmental Liabilities incurred in relation to the System, to the extent possessed by or under the reasonable control of the Seller.

(j) Except as has been disclosed to Buyer on Schedule 4.11, the Seller has not received notice nor does it have Knowledge of any historic environmental conditions that could give rise to any Environmental Claims related to the System, any Acquired Asset, or the underlying Real Property.

Section 4.12. **Authorizations and Permits**

Except as set forth on Schedule 4.12, Seller possesses all Authorizations and Permits required under the Law, including but not limited to Environmental Requirements to own occupy and operate the System. Schedule 4.12 sets forth the Authorizations and Permits of the Seller as applicable. The Seller has made true and complete copies of all Authorizations and Permits available to Buyer and all such Authorizations and Permits are in full force and effect. Except as set forth on Schedule 4.12, the Seller is in compliance in all material respects with all terms, conditions and requirements of all Authorizations and Permits, and no proceeding is pending or, to the Knowledge of the Seller threatened relating to the revocation or limitation of any of the Authorizations or Permits, other than those revocations or limitations which do not individually or in the aggregate have a Material Adverse Effect.

Section 4.13. **System Contracts**

(a) Schedule 4.13 sets forth a complete and accurate list of all the Assigned Contracts and any amendments thereto.

(b) Except as specifically identified on Schedule 4.13, the Seller have made available to Buyer true and complete copies of all the contracts primarily related to the System, including the foregoing Assigned Contracts.

(c) All of the Assigned Contracts set forth on Schedule 4.13 are in full force and effect. Seller has not, nor to the Knowledge of the Seller has any other party thereto, breached any material provision of or defaulted under the material terms of, nor does any condition exist which, with notice or lapse of time, or both, would cause the Seller, or to the Knowledge of Seller, any other party, to be in default under any Assigned Contract.

Section 4.14. **Compliance with Law; Litigation**

(a) The Seller has operated and is operating the System in compliance, in all material respects, with all Laws, Authorizations and Permits and are not in breach of any Law,

Authorization or Permit that would have a Material Adverse Effect on the operations of the System or on the Buyer. There are no Authorizations or Permits from any Governmental Authority necessary for the operation of the System as currently being operated except for those Authorizations and Permits listed in Schedule 4.12.

(b) Except as set forth on Schedule 4.14, there are no facts, circumstances, conditions or occurrences regarding the System that could reasonably be expected to give rise to any environmental claims or governmental enforcement actions that could reasonably be expected to have a Material Adverse Effect, and there are no past, pending or threatened environmental claims or governmental enforcement actions against the Seller that individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(c) Except as set forth on Schedule 4.14, there is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Seller, threatened against the Seller before or at the Closing Effective Time, which will have a Material Adverse Effect. There is no action, suit or proceeding, at Law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Seller, threatened against the Seller which could materially affect the validity or enforceability of this Agreement.

Section 4.15. **Broker's and Finder's Fees**

No broker, finder, or Person is entitled to any commission or finder's fee by reason of any agreement or action of Seller in connection with this Agreement or the transactions contemplated by this Agreement. Seller has employed PFM Financial Advisors LLC, as municipal advisor to provide transaction structuring advice and to provide Seller with municipal advice relating to the sale of the System. Seller is solely responsible to pay all fees owed to PFM Financial Advisors LLC in connection with the transactions contemplated by this Agreement.

Section 4.16. **Title to the Acquired Assets; Sufficiency**

(a) Except as set forth on Schedule 4.16(a), the Seller has good and marketable title to, valid leasehold interest in or valid licenses or Easements to use, all of the Acquired Assets, free and clear of all Liens, other than Permitted Liens and Liens which will be fully and unconditionally released at or before Closing. The use of the Acquired Assets is not subject to any Liens, other than Permitted Liens, and such use does not encroach on the property or the rights of any Person.

(b) Except as set forth on Schedule 4.16(b), the Acquired Assets are sufficient for, and constitute all the assets, properties, business, goodwill and rights of every kind and description, and services required for, the continued conduct and operation of the System by Buyer in substantially the same manner as currently conducted and operated by Seller. Except for the Excluded Assets and except as set forth on Schedule 4.16(b), (i) the Acquired Assets, taken as a whole, comprise all the assets, properties, business, goodwill and rights of every kind and description used or held for use in, or useful or necessary to the operation of the System as currently operated by Seller, and (ii) there are no assets, properties, business, goodwill, rights or services used in the conduct or operation of the System that are owned by any Person other than Seller that will not be licensed or leased to Buyer under valid, current license arrangements or leases pursuant to an Assigned Contract, if applicable. None of the Excluded Assets are material to the System.

Section 4.17. **Pending Development Plans**

Schedule 4.17 sets forth a full and complete list of all Pending Development Plans for which Seller has received notice as of the Effective Date. Each Pending Development Plan, if consummated, could result in additional customers and reduction of available treatment capacity. Seller provides no assurances whatsoever that any development or expansion of the Service Area associated with any Pending Development Plan will actually be undertaken or completed. The Parties expect that Schedule 4.17 will change from time to time between the Effective Date and Closing, and the Seller shall promptly provide updates to Schedule 4.17 upon the occurrence of any significant change, decision or development and shall further deliver such updates pursuant to Section 9.03.

Section 4.18. **Customer Sewer Laterals and Grinder Pumps**

As of the Closing Date, the Seller will not own, or have any responsibility for: (i) any grinder pumps; (ii) connecting facilities located in the area originating from the collection facilities at the edge-of-road or curb-line when the facilities are located within a public right-of-way or the edge of an easement where the collection facilities are located within private property to and throughout the customer's property; or (iii) any and all piping and fixtures internal to each individual customer structure (whether residential, commercial, industrial or other customer classes/types).

ARTICLE V.

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes only the representations and warranties that are set forth in this Article V.

As a material inducement to the Seller to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer represents and warrants to the Seller, as of the Effective Date and as of the Closing Date (except to the extent any of the following representations and warranties specifically apply or relate to another date, in which event such representations and warranties shall be true and correct as of such other date), as follows:

Section 5.01. **Organization**

Buyer is duly organized, validly existing and in good standing under the laws of the state of its organization.

Section 5.02. **Authorization and Validity of Agreement**

Buyer has the power and authority to enter into this Agreement and to do all acts and things and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof. This Agreement has been duly authorized, executed and delivered by the Buyer and constitutes a valid and legally binding obligation of the Buyer, enforceable against it in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

Section 5.03. **No Conflict or Violation**

The execution and delivery of this Agreement by the Buyer, the consummation of the transactions contemplated by this Agreement and the performance by the Buyer of the terms, conditions and provisions hereof has not and will not contravene or violate or result in a material breach of (with or without the giving of notice or lapse of time, or both) or acceleration of any material obligations of the Buyer under (i) any Law, (ii) any material agreement, instrument or document to which the Buyer is a party or by which it is bound or (iii) the articles, bylaws or governing documents of the Buyer.

Section 5.04. **Consents and Approvals**

Schedule 5.04, sets forth a list of each consent, waiver, authorization or approval of any Governmental Authority, or of any other Person, and each declaration to or filing or registration with any Governmental Authority required in connection with the execution and delivery of this Agreement by Buyer or the performance by Buyer of its obligations hereunder. For purposes of this Section, Governmental Authority shall not include Seller.

Section 5.05. **Broker's and Finder's Fees**

No broker, finder or third party is entitled to any commission or finder's fee in connection with this Agreement or the transactions contemplated by this Agreement.

Section 5.06. **Financial Wherewithal**

Upon Closing, and after giving effect to the consummation of the transactions contemplated by this Agreement and the incurrence of any indebtedness in connection therewith, Buyer shall have the financial ability and will have sufficient working capital for its needs and anticipated needs to operate the System as a certificated public utility system regulated by the PaPUC authorized, among things, to provide wastewater utility services to retail residential, commercial and industrial customers in the System.

Section 5.07. **Sufficient Funds**

Buyer shall have sufficient funds available at Closing to consummate the transactions contemplated by this Agreement, to pay the Purchase Price in accordance with Article III and expenses related to the transactions contemplated by this Agreement, and on and after Closing, to generally provide ownership, operation and capital for the operations and capital needs of the System following the Closing, and assuring that the customers of the System will receive safe, adequate and reliable wastewater service equal to or better than such customers would have received without the transactions contemplated by this Agreement and at all times consistent with the provisions of the Pennsylvania Public Utility Code, 66 Pa. C. S. § 101 *et seq*, and Law to the extent applicable.

Section 5.08. **Independent Decision**

Except as expressly set forth in this Agreement, or any of the related agreements, Buyer acknowledges that (a) neither Seller nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of the System or information provided to Buyer, and (b) neither Seller nor any other Person shall have or be subject to any liability to Buyer or any other Person resulting from the distribution to Buyer, or Buyer use of, any information regarding the System or Acquired Assets that has been furnished or made available to Buyer and its Representatives. Buyer acknowledges that other than as expressly set forth in this Agreement or any related agreement, Seller expressly disclaims any warranty of future profitability or future earnings performance of any Acquired Assets or the System.

Section 5.09. **Scheduled Matters**

Buyer acknowledges that: (a) the inclusion of any matter on any Schedule is not an admission by Seller that such listed matter is material or that such listed matter has or could have a Material Adverse Effect or constitutes a material liability with respect to the Acquired Assets; (b) matters reflected in the Schedules are not necessarily limited to matters required by this Agreement to be reflected in such Schedules; and (c) such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature.

Section 5.10. **Independent Investigation**

Buyer acknowledges that it has conducted an independent investigation of the financial condition, assets, liabilities, properties and projected capital needs and operations of the System in making its determination as to the propriety of the transaction contemplated by this Agreement and, in entering into this Agreement and related agreements**,** has relied solely on the results of its investigation and on the representations and warranties of the Seller expressly contained in Article IV of this Agreement.

Section 5.11. **Litigation**

The Buyer is not in breach of any applicable Law that could have a Material Adverse Effect on the operations of the System or the Buyer. Neither the Buyer nor any Affiliate of the Buyer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the United States Department of the Treasury, the Bureau of Industry and Security of the United States Department of Commerce or their successors, or on any other list of Persons with which the Seller may not do business under applicable Law: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. Except as set forth on Schedule 5.11, there is no action, suit or proceeding, at law or in equity, or before or by any Governmental Authority, pending nor, to the Knowledge of the Buyer, threatened against the Buyer before or at the Closing Effective Time, which will have a Material Adverse Effect on (i) the transactions contemplated by this Agreement or (ii) the validity or enforceability of this Agreement.

ARTICLE VI.

TITLE TO REAL ESTATE; EASEMENTS

Section 6.01. Evidence of Title

Subject to Section 6.06, with respect to all Real Property, Buyer shall obtain, at its sole cost and expense, a commitment for an owner's policy of title insurance on the American Land Title Association's ("ALTA") Owner's Form 2006 (the "Title Commitment"), issued by a title insurance company selected by Buyer and licensed to insure title to real property by the Commonwealth of Pennsylvania (the "Title Company"), having an effective date after the Effective Date. Promptly following the Effective Date, Buyer shall order the Title Commitment from the Title Company and shall provide Seller evidence of the order. Notwithstanding anything to the contrary in Section 6.02(a) below, Buyer shall not be entitled to send an Objection Notice with respect to any parcel of Real Property and the Title Commitment for the same if, within forty five (45) Business Days after the Effective Date, Buyer has not ordered the Title Commitment from the Title Company for such parcel of Real Property and provided Seller with evidence of the same.

Section 6.02. Objections to Title

(a) Notice of Objections. Within forty five (45) days of Buyer's receipt from the Title Company of a Title Commitment for any of the parcels of Real Property, Buyer shall deliver to Seller a true, correct and complete copy of the Title Commitment and true, correct, complete and legible copies of any and all exception documents listed in the Title Commitment, along with Buyer's written notice to Seller of any of the exceptions to title set forth on Schedule B of such Title Commitment to which Buyer objects (the "Title Objection Items") (such written notice of Buyer being referred to as the "Objection Notice"). The Objection Notice shall (a) not contain exceptions that are Permitted Liens, (b) not relate to the Buyer or any requirements, conditions or obligations of the Buyer, (c) not relate to matters of record and set forth in the Title Commitment and unrecorded matters revealed to Buyer in its due diligence or revealed in the survey unless such Title Objection Item materially and adversely in Buyer's commercially reasonable opinion restricts or prevents the use of the Real Property in the current operation of the System, and (d) not contain the standard Title Company exceptions to the extent that such standard Title Company exceptions are commonly removed by the execution and delivery of a standard owner's affidavit by Seller. The Buyer shall include a true, correct and complete copy of the Title Commitment and true, correct, complete and legible copies of any and all exception documents listed in the same in the Objection Notice. If Buyer provides the Seller with an Objection Notice, the Seller shall use commercially reasonable efforts to have all of the Title Objection Items cured, satisfied or released of record, or insured over, by the Title Company (individually, "Cure" and collectively, "Cured") before or as of the Closing. At or before the Closing, the Seller shall deliver written evidence to Buyer, in form and substance reasonably satisfactory to Buyer, evidencing that Seller has Cured all such Title Objection Items. In the event that Seller is unable to Cure any Title Objection Item per this Section 6.02(a), Seller shall indemnify Buyer for such inability per the terms of Article VIII hereof, provided that Seller's indemnification obligation arising under this Section 6.02(a) shall not be subject to the Threshold Amount nor the Liability Cap set forth in Section 8.05. For

avoidance of doubt, Buyer acknowledges that no item listed in clauses (a) through and including (d) above, may be objected to by Buyer as a Title Objection Item.

(b) Liens. Without limiting the Seller's obligations pursuant to Section 6.02(a) above, before or as of the Closing, the Seller shall, at the Seller's cost and expense, Cure any Lien encumbering the Real Property which can be Cured by the payment of money (other than Permitted Liens).

(c) Title Endorsements/Survey. Buyer shall pay for any endorsements required by the Buyer or any mortgagee of the Buyer to Buyer's Title Policy. If any survey is required or desired by Buyer, its mortgagee or the Title Company, either as a condition to any such endorsement or otherwise, the Buyer shall obtain it at its sole cost and expense. If Buyer obtains a survey of any or all of the Real Property and desires the deed to contain the legal description based on such survey, if the same is not identical to the legal description contained in Seller's deed of record, Seller is not obligated to include the same in the deed to Buyer unless the survey is certified to Seller and such description is included in the deed on a "quitclaim" basis only and without warranty of title.

(d) License at Closing. If necessary, at Closing, Seller shall provide Buyer with a license agreement granting Buyer a license in all of Seller's rights to access such Real Property in order to allow Buyer to operate and maintain the System until such time as Buyer is provided title to such Real Property or Real Property interest as provided for in this Agreement. For the avoidance of doubt, Seller shall provide such title as soon as reasonably practicable in accordance with Section 6.01.

(e) Insurable Claims. To the extent any Claim for Losses under Article VIII constitutes an Insurable Claim (as defined below), Buyer shall assert the Insurable Claim and use its commercially reasonable efforts to obtain recovery for such Insurable Claim against the Title Company (which shall include commencing litigation and diligently prosecuting such Insurable Claim to judgment) before pursuing a Claim for Losses under Article VIII. If at any time following a non-favorable judgment that substantially denies the relief sought by Buyer from the Title Company in connection with the Insurable Claim (each a "Non-Favorable Judgment"), Buyer may, following such Non-Favorable Judgment, pursue the Seller with a Claim for Losses under Article VIII (any such Claim against the Seller following an attempted Insurable Claim against the Title Company being a "Residual Title Claim"). Notwithstanding anything to the contrary in Article VIII, Buyer may assert a Claim for Losses based upon a Residual Title Claim for a sixty (60) day period after the Non-Favorable Judgment. For purposes of this Section 6.02(d), an "Insurable Claim" means a Claim that: (i) arises out of Buyer's discovery of a title defect or encumbrance with respect to any of the Real Property following the Closing that materially restricts or prevents the use of such Real Property in the operation of the System; and (ii) constitutes a claim against the Title Company under Buyer's Title Policy. Buyer acknowledges that any and all Claims which Buyer could otherwise bring as a breach of a covenant of title under the special warranty deed to the Real Property shall be included within the Claim for Losses under Article VIII and is subject to the terms of this Section 6.02(e).

Section 6.03. **Title Expenses**

Irrespective of whether the transactions described by this Agreement are consummated and Closing occurs, Buyer shall pay all costs and expenses of obtaining the Title Commitment, Title Policy and any survey.

Section 6.04. **UCC Search; Releases**

Not later than one hundred eighty (180) days after the Effective Date, Buyer shall obtain at its sole cost and expense a Uniform Commercial Code search against Seller covering any of the personal property or fixtures included among the Acquired Assets from the Office of the Secretary of the Commonwealth of Pennsylvania and the Recorder of Deeds for any county in Pennsylvania in which Acquired Assets are located (the "UCC Search"). On or before the Closing, Seller shall at its sole cost and expense obtain releases of any and all security interests in any of the Acquired Assets which are not Permitted Liens. The Seller shall provide the form of the releases of such security interests to Buyer on or before the Closing Date.

Section 6.05. **Easements.**

(a) Abstract of Easements. Within sixty (60) days after the Effective Date, the Seller shall, at its sole cost and expense, cause an abstractor selected by the Seller and reasonably acceptable to Buyer and the Title Company (the "Abstractor"), to perform a search of the public land records of any county in which the Acquired Assets are located, based on the Seller's records and plans of the System (and such other sources of information as are reasonably related thereto), by searching the grantee index in the names of the Seller and such other searches as the Abstractor may reasonably make, to (i) identify and provide Buyer with title information on any and all recorded Easements (including information related to any Liens or encumbrances on Seller's title thereto), and (ii) taking into account any applicable information provided by Buyer, identify all Missing Easements. During the process, as the Abstractor provides written search results to the Seller (including updated versions of the abstractor search result chart), the Seller will promptly provide the same to Buyer for its review, and, without limiting the foregoing, the Seller shall, or shall cause the Abstractor to, provide Buyer with periodic updates, oral or written, on the status of the activities set forth in the previous sentence.

(b) Notice of Objections. Within forty-five (45) days of Buyer's receipt from the Seller (or the Abstractor) of the information specified in subsection (a) above, Buyer shall deliver to Seller written notice identifying the encumbrances on the Easements that, in Buyer's commercially reasonable opinion, could materially and adversely restrict or prevent the use of the Easements in the current operation of the System (the "Easement Objection Items") (such written notice of Buyer being referred to as an "Easement Objection Notice"). The Easement Objection Notice shall not include any encumbrances that: (a) are Permitted Liens, (b) pertain to the Buyer or any requirements, conditions or obligations of the Buyer, or (c) are matters of record and set forth in the Abstractor's search results that do not, in Buyer's commercially reasonable opinion, materially and adversely restrict or prevent the use of the Easements in the current operation of the System (specifically including mortgages or other instruments securing indebtedness incurred by the owner of the land burdened by the Easement). If Buyer provides the Seller with an Easement Objection Notice, the Seller shall use commercially reasonable efforts to have the Easement Objection Items Cured, prior to or as of the Closing. At or prior to the Closing, the Seller shall

deliver written evidence to Buyer, in form and substance reasonably satisfactory to Buyer, evidencing Seller has Cured all Easement Objection Items. In the event that Seller is unable to Cure any such Easement Objection Item per this Section 6.05(b), Seller shall indemnify Buyer for such inability per the terms of Article VIII hereof, provided that Seller's indemnification obligation arising under this Section 6.05(b) shall not be subject to the Threshold Amount nor the Liability Cap set forth in Section 8.05.

(c) Missing Easements. If during the process of Abstractor's review and investigation of the county land records, either Party determines, based on the Abstractor's investigation, that there is a Missing Easement, the Seller (at its cost and expense) shall take any and all actions (including the use of its power of condemnation) to obtain any such Missing Easements so that the same may be sold, assigned, transferred and conveyed to Buyer at the Closing pursuant to the terms and conditions of this Agreement. The Seller shall pay for all costs and expenses incurred in connection with obtaining each Missing Easement (including any consideration payable to the landowner in connection with condemnation, in lieu of condemnation or otherwise to obtain Missing Easements). If Seller has not obtained all Missing Easements by the date that is ninety (90) days after the date that Abstractor has completed his review of the County land records and delivered the last results of the same to Seller (the "Abstract Completion Date"), then the Seller (at its cost and expense) shall, as soon as reasonably practicable, commence and file in the Court of Common Pleas, in the county in which the affected property is located, a condemnation or eminent domain proceeding to obtain any and all such Missing Easements. For the purposes of clarity, upon obtaining each Missing Easement (including upon the final resolution of a condemnation proceeding), each Missing Easement that has been acquired or obtained by the Seller is considered an Easement. The Seller shall be responsible for the full cost and expense of all condemnation and eminent domain proceedings in obtaining the Missing Easements. The terms of this Section shall survive Closing.

(d) License at Closing. At Closing, Seller shall provide Buyer with a license agreement granting Buyer a license in all of Seller's rights to access such Missing Easement in order to allow Buyer to operate and maintain the System until such time as Buyer is provided title to such Missing Easement as provided for in this Agreement.

(e) Escrow at Closing for Missing Easements. For all of the Missing Easements listed on attached Schedule 6.05(e) as of the Closing Date, Seller will have additional time following the Closing Date to secure and assign and transfer the Missing Easements to Buyer. Seller shall diligently pursue and deliver the Missing Easements on or before the third (3rd) anniversary of the Closing Date, subject to any extension as permitted by the Easement Escrow Agreement, in the form attached as Exhibit C, that will require, among other things, the funding of an escrow account in an amount equal to Two Thousand Dollars ($2,000) multiplied by the total number of Missing Easements set forth on Schedule 6.05(e) as of the Closing Date to secure the Seller's obligations under this Agreement and the Easement Escrow Agreement.

Section 6.06. **Unscheduled Property**

The Parties acknowledge that the Seller may own interests in or have the legal right to use or occupy the Real Property and/or Easements that are necessary or essential to the operation of the

System and that are not set forth in Schedule 4.09 (the "Unscheduled Real Property"). If the Parties discover before or after the Closing Date, one or more parcels of Unscheduled Real Property, the discovering Party shall give written notice of such discovery to the non-discovering Party. In addition to its obligations in Section 2.03, Seller shall convey, assign or otherwise transfer any rights to each parcel of Unscheduled Real Property, with no adjustment to the Purchase Price, in such a manner as to provide Buyer with reasonable assurances that Buyer will have the right to use or occupy the Unscheduled Real Property as it was used by Seller as of the Effective Date.

ARTICLE VII.

OTHER AGREEMENTS

Section 7.01. Taxes

Except as provided in this Agreement, Seller shall pay any and all Taxes, if any, arising out of the ownership of the Acquired Assets and out of the operation of the System before the Closing Date, and such Taxes shall be treated as Excluded Liabilities for purposes of this Agreement.

Section 7.02. Cooperation on Tax Matters

Seller shall furnish or cause to be furnished to Buyer, as promptly as practicable, whether before or after the Closing Date, such information and assistance relating to the System as is reasonably necessary for the preparation and filing by Buyer of any filings relating to any Tax matters.

Section 7.03. Personnel Matters

Buyer shall not be required to offer employment effective on the Closing Date to any Personnel.

Section 7.04. Initial and Future Rates

(a) Rates. After Closing, Buyer shall implement the Seller's sanitary wastewater rates then in effect at Closing, as set forth on Schedule 7.04 ("Base Rates"), as Buyer's effective sanitary wastewater rates, provided that the rates reflected on Schedule 7.04 (at Closing) shall not be lower than those in effect on the date of the Effective Date. Buyer intends to bill on a monthly basis.

(b) PaPUC Approval. The Buyer shall include the rate provisions of Section 7.04(a) in its requested PaPUC Governmental Approval.

Section 7.05. Buyer Taxpayer

From and after the Closing Date, Buyer acknowledges that, upon conveyance of the Acquired Assets to Buyer, the Buyer will be subject to, among other Taxes, real estate Taxes, which Buyer shall pay when due but solely to the extent such Taxes are owed for and relating to periods after the Closing.

Section 7.06. PaPUC Approval

(a) Buyer shall timely initiate and faithfully prosecute the necessary proceedings to obtain from the PaPUC (i) the issuance of certificates of public convenience to Buyer to provide wastewater services in the Service Area, (ii) the approval of the acquisition of the System by Buyer under terms and conditions that are reasonably acceptable to Seller and Buyer, and (iii) the approval of any inter-municipal agreements, if any, provided however that prior to Buyer commencing such proceedings, Seller shall file with the PaPUC any petition or application necessary to address extraterritorial service, if any. Seller shall cooperate with and assist Buyer in proceedings before the PaPUC.

(b) The Parties agree that the procedures for determining fair market value of the System and Acquired Assets outlined in subsection (a) of Section 1329 of Title 66 of the Pennsylvania Consolidated Statutes ("Section 1329") shall be utilized and filed with the PaPUC as contemplated by Section 1329.

(c) The fees and expenses related to engaging the licensed engineer for such Section 1329 determination shall be paid fifty percent (50%) by Buyer and fifty percent (50%) by the Seller.

(d) To the extent requested by Buyer, Seller shall participate in any proceedings before the PaPUC as an intervenor and active party, provided that the Seller shall bear the fees and expenses directly related to such intervention. Seller may be represented by the counsel of its choice in any such proceedings.

Section 7.07. **Remedies for Breach of Article VII Agreements**

If Buyer breaches any of the covenants and agreements set forth in this Article VII, in addition to all other rights and remedies available at law or in equity, including specific performance and/or injunctive relief, Seller may commence proceedings before the PaPUC seeking enforcement of such covenants and agreements.

Section 7.08. **Operation and Maintenance of MS4 and Stormwater Systems**

Subject to applicable Law, the Seller shall at all times maintain responsibility for its MS4 System and Stormwater System Assets to the extent such system and assets are not sold pursuant to this Agreement. This provision shall not preclude Seller from transferring its MS4 System and Stormwater System Assets to another governmental entity, municipal authority or other qualified purchaser at a future time. The Buyer and the Seller will cooperate in the future on projects where the Buyer elects to or is mandated by Law to separate the stormwater and wastewater flows on certain segments of the Combined Sewer System, with the Buyer retaining the wastewater assets and contributing to the Seller the stormwater assets. All costs and expenses associated with such separation of the stormwater and wastewater flows on the Combined Sewer System shall be paid by the Buyer. Buyer shall provide Seller with notice five years in advance of beginning any projects involving the separation of the stormwater and wastewater flows of the Combined Sewer System. The City shall review and provide feedback within thirty (30) days of receipt of notice of each project. Each project shall be subject to approval by the Seller within ninety (90) days of receipt of such notice, which approval shall not be unreasonably conditioned, delayed or withheld.

Section 7.09. **System and Combined Sewer System Assets.**

As soon as practicable after the Effective Date, the Seller shall provide Buyer with a current map that depicts all easements of which Seller has Knowledge relating to the System, and a current list of Combined Sewer System Assets, which shall be subject to verification and confirmation by Buyer.

Section 7.10. **Insurance.**

To the extent that the Seller (with respect to the System or any Acquired Assets), the System or any Acquired Assets were insured under any occurrence-based insurance policies of the Seller prior to the Closing Date, following the Closing, at Buyer's written request, the Seller shall make claims under such policies with respect to occurrences, events, conditions, or circumstances to the extent relating to the System or any Acquired Asset that occurred or existed prior to the Closing. The Seller does not represent, warrant or covenant that (i) such insurance policies will provide coverage for any claims reported after the Closing that Buyer may elect to make, (ii) issuers of such policies will not wrongfully refuse to honor any such claims, or (iii) it will maintain any such insurance policies following the Closing Date. The Seller shall provide reasonable assistance to Buyer (at Buyer's sole cost and expense) in connection with the tendering of such claims to the applicable insurers under such insurance policies, including providing Buyer with a copy of the applicable policy following the request of Buyer. The Seller shall remit any recoveries with respect to any claims asserted by Buyer under any such insurance policies in excess of reasonable costs of recovery of the Seller including deductibles and the amount of any increased premiums retroactively applied as a result of the payment by the applicable insurers of such claims, or any increases in premiums for the year following the year in which any such claims were paid by the applicable insurers, in either case to the extent the Seller can demonstrate to Buyer that the amount of any such increased premiums was attributable to such claims. In the event of any dispute regarding the date of any loss or occurrence, the terms of the applicable policies shall govern.

Section 7.11. **Pending Development Plans**

(a) Buyer and the Seller acknowledge that from the time of the Effective Date, the Seller shall continue to administer, and perform its duties and responsibilities with respect to the Pending Development Plans set forth on Schedule 4.17. For the avoidance of doubt, after the Closing Date, the Seller shall not seek to collect any EDU or tapping related fees. Following Closing, and for no additional consideration or adjustment to the Purchase Price, Seller shall convey any sanitary sewer system improvements that are dedicated to Seller after Closing pursuant to land development agreements executed prior to Closing in connection with Pending Development Plans.

(b) For Pending Developments Plans pursuant to which public sanitary sewer improvements have not yet been dedicated to the Seller as of Closing but for which a land development agreement exists between the developer and the Seller including terms and requirements for dedication, the Seller shall complete the dedication process with the developer and in turn convey title to the subject sanitary sewer improvements to Buyer. This term shall survive Closing.

(c) Following the Effective Date, Seller shall not enter into any contract with a third party that contemplates the construction of new sanitary wastewater facilities or upgrades to existing facilities, including, without limitation, pumping stations, force mains, manholes, or pipelines for service to future customers related to Pending Development Plans (collectively, "New System Assets") without providing a draft of such contracts to Buyer for its review and approval as to the design and specifications before execution by the parties to such contracts. Buyer shall have fifteen (15) Business Days to review and approve such contracts, and Buyer's failure to object in writing to any terms of such contracts within such fifteen (15) Business Day review period is deemed an approval of the same by Buyer.

Section 7.12. **Act 537 Plan**

(a) Buyer acknowledges that Seller has previously committed to an official plan, commonly known as an Act 537 Plan (the "Act 537 Plan") under the Pennsylvania Sewage Facilities Act ("Act 537"), which has been made available to Buyer. Buyer understands that the Act 537 Plan contains obligations and commitments, as more fully set forth in the Act 537 Plan to complete certain improvements and upgrades to the System (the "System Improvements"). Buyer shall accept and complete all of the System Improvements as Seller agreed to complete under the existing Act 537 Plan. Prior to agreeing to further obligations pursuant to future amendments to the Act 537 Plan that could reasonably be deemed to affect Buyer, Seller shall provide written notice of such proposed amendment(s), and Buyer and Seller shall negotiate in good faith to resolve any objections Buyer may raise in connection with such proposed amendment(s).

(b) Buyer acknowledges Seller has jurisdiction over sewage facilities planning and sewer service within portions of the System that provide service within the Service Area through the Act 537 Plan and its Act 537 planning program, zoning, subdivision and land development ordinances and comprehensive land use planning policies. Buyer, Seller shall cooperate with respect to current and future sewage facilities planning and sewer service consistent with the provisions of this Section 7.12.

(c) Subject to PaPUC approval of the Service Area as provided in Section 7.06, Buyer shall extend sewer lines and provide sewage collection services to properties within the Service Area in a manner consistent with the Act 537 Plan and the Buyer's tariff, the Public Utility Code, and the PaPUC's regulations and orders. Seller will confer with Buyer concerning any amendment to the Act 537 Plan that would affect the provision of sewage collection services within the Service Area. The Seller shall not propose or adopt any amendment to the Act 537 Plan that would reduce the Service Area or divert wastewater flows generated from properties located within the Service Area from being served by the System without the approval of Buyer.

(d) Buyer will not request, pursue, or implement expansions of the System within the Seller beyond the current Service Area (that would trigger an Act 537 Plan amendment) without the prior written approval of Seller (which shall not be unreasonably withheld), the PaDEP and the PaPUC, as applicable. Seller shall promptly notify and confer with Buyer, and consider Buyer's comments, concerning any proposed Act 537 Plan amendment (including any sewage facilities planning module) that would involve the provision of sewage collection services by the System to area or properties outside of the Service Area. With respect to any such potential Act 537 Plan

amendment, Seller and Buyer shall cooperate in evaluating alternatives for provision of sewage services to such areas consistent with the requirements of 25 Pa. Code Ch. 71, including consideration of the technical feasibility, economic feasibility and cost effectiveness, consistency with the objectives and policies of plans and requirements of 25 Pa. Code Ch. 71.21(a)(5), consistency with municipal land use plans and ordinances, subdivision ordinances and other ordinances and plans for controlling land use and development, technically and administratively able to be implemented, and other factors required under Act 537 or under Buyer's tariff, the Public Utility Code, and the PaPUC's regulations and orders.

(e) If Seller and Buyer each determine that the provision of sewage collection by the System to certain areas or properties outside of the Service Area is technically feasible, economically feasible and cost effective, and meets all of the requirements set forth in Act 537 and 25 Pa. Code Ch. 71, the Seller shall amend the Act 537 Plan to include such identified areas and properties in the Service Area. If Seller amends the Act 537 Plan pursuant to this subsection and such amendment is approved by PaDEP, (i) Buyer shall request that the modified Service Area be approved by PaPUC; and (ii) subject to PaPUC approval of the inclusion of such modified Service Area, Buyer shall extend sewer lines and provide sewage collection services to properties within such Service Area in a manner consistent with the Act 537 Plan and Buyer's tariff, the Public Utility Code, and the Pa PUC's regulations and orders.

Section 7.13. **Utility Valuation Experts**

Buyer and Seller shall each be responsible for the costs associated with their respective Utility Valuation Expert for the preparation and completion of their respective Utility Valuation Expert's appraisal report and any additional work by their respective Utility Valuation Expert necessary to assist in the processing and prosecution of the application to the PaPUC in regard to this transaction under Section 1329.

Section 7.14. **Compliance and Operational Reports**

After the Effective Date and through the Closing Date, Seller shall provide Buyer with periodic reports at Buyer's request to the person designated by Buyer, disclosing any and all material compliance or operational deficiencies that occurred during the previous month. During the same period, Seller shall also provide Buyer with copies of all reports filed with PaDEP regarding the System, including any discharge monitoring reports, associated supplemental reports, and WETT reports, when available. Seller shall permit Buyer to complete an inspection of the Acquired Assets within twenty (20) days prior to Closing. In the event that such inspection reveals that the working condition of any of the Acquired Assets has materially deteriorated (other than normal wear and tear provided such Acquired Asset continues to function) between the Effective Date and Closing, Seller shall have the obligation of repairing or replacing such Acquired Asset prior to Closing. If Seller fails to comply with its obligations under this Section 7.14, Buyer shall have a claim for indemnification under Article VIII which shall not be subject to the Threshold Amount in Section 8.05(a).

Section 7.15. **Implementation and Enforcement of Municipal Code**

Following the Effective Date and continuing after Closing Date, Seller shall continue to implement and enforce the relevant provisions of the Municipal Code of the City of Pittston, as amended (the "Municipal Code"), including, without limitation, enforcement of the Seller's fats, oils, and grease program, lateral inspection program, investigation of illegal connections, and related operations and maintenance programs. Prior to enacting amendments to the Municipal Code that could reasonably be deemed to affect the System or uniquely impact Buyer, Seller shall provide written notice of such proposed amendment(s) and Buyer and Seller shall negotiate in good faith to resolve any objections Buyer may raise in connection with such proposed amendment(s).

Section 7.16. **Grants**

Seller is under no obligation, and shall not come under any obligation caused by entry into this Agreement or consummation of the transaction contemplated by this Agreement, to repay or refund any third party for grant moneys received by Seller related to the System or the Acquired Assets.

Section 7.17. **Covenant Survival**

The covenants in this Article survive Closing.

ARTICLE VIII.

INDEMNIFICATION

Section 8.01. **Survival**

All representations and warranties contained in this Agreement shall survive until twelve (12) months following the Closing Date, except that (a) the representations and warranties of the Seller specified in Section 4.01 (Organization), Section 4.02 (Power and Authority), Section 4.03 (Enforceability), Section 4.15 (Brokers' and Finders' Fees) and Section 4.16 (Title to Acquired Assets) (collectively, the "Seller Fundamental Representations") shall survive the Closing indefinitely or until the latest date permitted by applicable Law, (b) the representations and warranties of Seller specified in Section 4.11 (Environmental Compliance) shall survive Closing until the expiration of the applicable statute of limitations (giving effect to any waiver, mitigation or extension thereof), and (c) the representations and warranties of Buyer specified in Section 5.01 (Organization), Section 5.02 (Authorization and Validity of Agreement), and Section 5.05 (Brokers' and Finders' Fees) (collectively, the "Buyer Fundamental Representations") shall survive the Closing indefinitely or until the latest date permitted by applicable Law. The covenants and agreements of the Parties contained herein shall survive the Closing indefinitely or for the shorter period explicitly specified therein, except that for such covenants and agreements that survive for such shorter period, breaches thereof shall survive indefinitely or until the latest date permitted by applicable Law. Notwithstanding the preceding sentences, (x) any breach of a representation, warranty, covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentences, if notice of the inaccuracy or breach thereof giving rise to such right of

indemnity shall have been given to the party against whom such indemnity may be sought before such time, and (y) nothing contained in this Section 8.01 shall limit in any way (A) any rights a Party may have to bring claims grounded in fraud, intentional misrepresentation or willful misconduct, which rights shall survive the Closing indefinitely and (B) Buyer's right to seek indemnification for a claim relating to an Excluded Liability or Excluded Asset, which rights shall survive the Closing until the expiration of the applicable statute of limitations (giving effect to any waiver, mitigation or extension thereof).

Section 8.02. **Indemnification by the Seller**

To the maximum extent permitted by applicable Law and subject to the terms and conditions of this Article VIII, the Seller shall indemnify, defend and hold harmless: (i) Buyer, (ii) Buyer's successors and Affiliates, and (iii) their respective employees, officers, directors, trustees and agents (collectively, the "Buyer Indemnified Parties"), from and against any and all claims for Losses arising from or relating to: (a) any misrepresentation as to, or any material inaccuracy in, any of the representations and warranties of the Seller contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by the Seller before the Closing pursuant to this Agreement (without regard to any materiality, Material Adverse Effect or related qualifications in the relevant representation or warranty (except where such provision requires disclosure of lists of items of a material nature or above a specified threshold)); (b) any material breach or material nonfulfillment of any of the covenants or agreements of the Seller contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by the Seller before the Closing pursuant to this Agreement; or (c) any Excluded Liability or Excluded Asset, or (d) the ownership, use, operation or control of any of the Acquired Assets or the System prior to the Closing or any incident, occurrence, condition or claim arising prior to Closing and relating to the ownership, use, operation or control of the System prior to Closing.

Section 8.03. **Indemnification by Buyer**

To the maximum extent permitted by applicable Law and subject to the terms and conditions of this Article VIII, Buyer shall defend, indemnify and hold harmless: (i) the Seller, (ii) the Seller's successors and Affiliates, and (iii) each of their respective employees, officers, directors and agents (collectively, the "Seller Indemnified Parties") from and against any and all claims for Losses arising from or relating to: (a) any misrepresentation as to, or any material inaccuracy in, any of the representations and warranties of Buyer contained in this Agreement or in any exhibit, schedule, certificate or other instrument or document furnished or to be furnished by Buyer pursuant to this Agreement; (b) any material breach of any of the covenants or agreements of Buyer contained in this Agreement or in any exhibit, schedule certificate or other instrument or document furnished or to be furnished by the Buyer pursuant to this Agreement; (c) any Assumed Liability as and when payment and performance is due, including without limitation any liability related to any claims by any Governmental Authority; (d) Buyer's actions involving Environmental Requirements, Hazardous Materials or environmental claims from and after the Closing Date; or (e) the ownership, operation or control of any of the Acquired Assets or the System from and after the Closing Date.

Section 8.04. **Indemnification Procedure**

(a) Third Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "Third Party Claim") against such Indemnified Party with respect to which the Indemnifying Party may be obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits material rights or material defenses because of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party may participate in, or by giving written notice to the Indemnified Party (and subject to the other requirements herein) to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel (which counsel is reasonably acceptable to the Indemnified Party), so long as (i) the Indemnifying Party notifies the Indemnified Party, within ten (10) Business Days after the Indemnified Party has given notice of the Third Party Claim to the Indemnifying Party (or by such earlier date as may be necessary under applicable procedural rules in order to file a timely appearance and response) that the Indemnifying Party is assuming the defense of such Third Party Claim, provided, that if the Indemnifying Party assumes control of such defense it must first agree and acknowledge in such notice that the Indemnifying Party is fully responsible (with no reservation of any rights other than the right to be subrogated to the rights of the Indemnified Party) for all Losses relating to such Third Party Claim, (ii) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently and at its own cost and expense, and (iii) the Third Party Claim (A) does not involve injunctive relief, specific performance or other similar equitable relief, any claim in respect of Taxes, any Governmental Authority, any criminal allegations, or any potential damage to the goodwill, reputation or overriding commercial interests of Buyer or its Affiliates, (B) is not one in which the Indemnifying Party is also a party and joint representation would be inappropriate or there may be legal defenses available to the Indemnified Party which are different from or additional to those available to the Indemnifying Party, or (C) does not involve a claim which, upon petition by the Indemnified Party, the appropriate court rules that the Indemnifying Party failed or is failing to vigorously prosecute or defend. The Indemnified Party shall reasonably cooperate in good faith in such defense. If the Indemnifying Party assumes the defense of any Third Party Claim, subject to Section 8.04(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party may, at its own cost and expense, participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may, subject to Section 8.04(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. The Seller and Buyer shall reasonably and in good faith cooperate with one another in all reasonable respects in connection with the defense of any Third Party Claim, including making available records relating

to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(b) Settlement of Third Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed), except as provided in this Section 8.04(b). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give prompt written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within fifteen (15) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 8.04(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any claim by an Indemnified Party with respect to any Loss which does not arise or result from a Third Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits material rights or material defenses because of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail and shall indicate the estimated amount, if reasonably practicable, of the Losses that have been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. During the thirty (30) day period, the Indemnified Party shall reasonably cooperate and assist the Indemnifying Party in determining the validity and amount of such Direct Claim. If the Indemnifying Party does not so respond within such thirty (30) day period, by delivery of written notice disputing the basis or amount of the Direct Claim, the Indemnifying Party is deemed to have rejected such claim, in which case the Indemnified Party is free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement. If the Indemnifying Party has timely disputed its indemnity obligation for any Losses with respect to such Direct Claim, the Parties shall proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, such dispute may be resolved by litigation in an appropriate court of jurisdiction determined pursuant to this Agreement, provided that so long as the Direct Claim has been asserted by the Indemnified Party prior to the expiration of the applicable statute of limitation, the Indemnified Party shall not be barred from pursuing its legal rights and remedies in an appropriate court of jurisdiction by the expiration thereof.

Section 8.05. **Limitations on Indemnification Obligations**

(a) Subject to the other limitations contained in this Section 8.05, neither Buyer nor Buyer Indemnified Parties is entitled to indemnification pursuant to Section 8.02(a) (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by the Buyer Indemnified Parties under this Agreement exceeds two percent (2%) of the Purchase Price in the aggregate (the "Threshold Amount"), in which case Seller shall then be liable for Losses in excess of the Threshold Amount; except that the foregoing limitations contained in this Section 8.05(a) shall not apply to any claims for indemnification (i) based on fraud, intentional misrepresentation or willful misconduct, (ii) based on any inaccuracy in, misrepresentation as to or breach of any of the Seller Fundamental Representations or any of the representations and warranties set forth in Section 4.11 (Environmental Compliance), or (iii) pursuant to Section 8.02(d).

(b) Subject to the other limitations contained in this Section 8.05 neither Seller nor the Seller Indemnified Parties is entitled to indemnification pursuant to Section 8.03(a) (other than for an intentional breach of any agreement or covenant contained in this Agreement) unless the aggregate amount of Losses incurred by the Seller Indemnified Parties under this Agreement exceeds the Threshold Amount, in which case Buyer shall then be liable for Losses in excess of the Threshold Amount; except that the foregoing limitations contained in this Section 8.05(a) shall not apply to any claims for indemnification based on fraud, intentional misrepresentation or willful misconduct or pursuant to Sections 8.03(c), (d) and (e).

(c) Except in the case of fraud, intentional misrepresentation or willful misconduct (for which all applicable legal and equitable remedies will be available to Buyer), the Buyer Indemnified Parties shall only be entitled to assert claims under Section 8.02(a) (other than claims with respect to breaches of any of the Seller Fundamental Representations, which shall not be limited by this Section 8.05(c)) up to the aggregate amount of six percent (6%) of the Purchase Price (the "Liability Cap"), which shall represent the sole and exclusive remedy of Buyer and the other Buyer Indemnified Parties for any such claims under Section 8.02(a) (other than claims with respect to breaches of any of the Seller Fundamental Representations, in the case of fraud, intentional misrepresentation or willful misconduct or pursuant to Section 8.02(c) which shall not be subject to the Liability Cap, but is capped at the Purchase Price).

(d) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Loss is limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds actually received and any indemnity, contribution or other similar payment received or reasonably expected to be received by the Indemnified Party in respect of any such claim. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses before seeking indemnification under this Agreement.

(e) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Loss will be reduced by an amount equal to any Tax benefit realized or reasonably expected to be realized as a result of such Loss by the Indemnified Party.

(f) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(g) Subject to the provisions of Sections 3.02, 7.07, 15.11 and any other provisions for equitable relief and/or specific performance, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article VIII. In furtherance of the foregoing, each Party waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other Party hereto and their Affiliates and each of their respective representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this Article VIII. Nothing in this Section 8.05(g) limits any Parties' right to seek and obtain any equitable relief and/or specific performance to which any Party is entitled pursuant to this Agreement.

Section 8.06. **Knowledge of Breach**

Seller will not be liable under this Article VIII for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement if Buyer had Knowledge of such inaccuracy or breach before the Closing Date. Buyer will not be liable under this Article VIII for any Losses based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement if Seller had Knowledge of such inaccuracy or breach before the Closing Date.

ARTICLE IX.

PRE-CLOSING COVENANTS OF THE SELLER

Section 9.01. **Operation of the System**

Except as otherwise expressly permitted by this Agreement, as required by applicable Law or with the prior written consent of Buyer (which consent shall not be unreasonably withheld, delayed or conditioned), from the Effective Date until the Closing, the Seller shall (i) operate and manage the System only in the ordinary course of business in accordance with past practices and procedures, (ii) comply in all material respects with all applicable Laws and Authorizations and Permits, and (iii) use commercially reasonable efforts to maintain and preserve intact the business and assets of the System and preserve the rights, franchises, goodwill and relationships of the Seller, the System and their customers, lenders, suppliers, regulators and others having business relationships with the Seller and the System, including any land development agreements in existence as of the Effective Date, which such agreements shall not be materially amended or terminated without notice to and the consent of Buyer, which consent shall not be unreasonably withheld or delayed.

Section 9.02. **Cooperation**

The Seller shall reasonably cooperate with Buyer and its employees, attorneys, accountants and other agents and, generally, act in reasonably good faith to timely carry out the purposes of this Agreement and the consummation of the transactions contemplated by this Agreement, including without limitation to effect the following at or before the Closing: (i) the repayment of the Outstanding Indebtedness and the unconditional release of any liens related thereto, and (ii) the acquisition by Seller of the right, title and interest, as applicable, to all Acquired Assets.

Section 9.03. **Supplements and Updates**

The Seller shall promptly deliver to Buyer any supplemental information updating the information set forth in the representations and warranties in Article IV of this Agreement so that such representations and warranties as supplemented by such information will be true and correct as of the Closing Date (or such other date as provided in such representations and warranties) as if then made. Following the Effective Date, the Seller shall promptly advise Buyer of any facts of which it has Knowledge which would constitute a breach of a representation or warranty as of the date made or a default in a covenant contained in this Agreement. For the avoidance of doubt, no such supplemental information or facts provided pursuant to this Section 9.03 shall be deemed to alter any Schedules without the prior written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed).

Section 9.04. **Governmental Approvals**

Promptly after the execution of this Agreement, or as required by Law, except as provided in Section 7.06 or otherwise expressly provided herein, the Seller shall file all applications and reports that are required to be filed by Seller with any Governmental Authority as provided on Schedule 4.05 to the Buyer. The Seller shall also promptly provide all information that any Governmental Authority may require in connection with any such application or report. The Seller shall use commercially reasonable efforts to obtain all required material consents, waivers, authorizations or approvals of any Governmental Authority, or of any other Person in connection with the transactions contemplated by this Agreement, including as required under any Assigned Contract. All authorizations of any Governmental Authority necessary to consummate the transactions contemplated by this Agreement shall be in form and content reasonably satisfactory to Buyer and the Seller before Closing and must be final and non-appealable. If a party to the PaPUC proceeding appeals PaPUC authorization of the transaction, the Buyer and the Seller may agree to proceed to consummate the transaction.

ARTICLE X.

PRE-CLOSING COVENANTS OF BUYER

Section 10.01. **Actions Before the Closing Date**

Buyer shall not take any action that will cause it to be in breach of any representation, warranty, covenant or agreement contained in this Agreement or cause it to be unable to perform in any material respect its obligations hereunder, and Buyer shall use commercially reasonable efforts (subject to any conditions set forth in this Agreement) to perform and satisfy all conditions to Closing to be performed or satisfied by Buyer under this Agreement, including action necessary

to obtain all consents and approvals of third parties required to be obtained by Buyer to effect the transactions contemplated by this Agreement.

Section 10.02. **Governmental Approvals**

Promptly after the execution of this Agreement, or as required by Law, except as otherwise expressly provided herein, Buyer shall file all applications and reports which are required to be filed by Buyer with any Governmental Authority as provided on Schedule 5.04. Buyer shall also promptly provide all information that any Governmental Authority may reasonably require in connection with any such application or report. Buyer shall use commercially reasonable efforts to obtain all consents, waivers, authorizations or approvals of any Governmental Authority, or of any other Person necessary to consummate the transactions contemplated by this Agreement.

Section 10.03. **Cooperation**

Buyer shall reasonably cooperate with the Seller and its employees, attorneys, accountants and other agents and, generally, do such other acts and things in good faith as may be reasonable to timely carry out the purposes of this Agreement and the consummation of the transactions contemplated in accordance with the provisions of this Agreement.

Section 10.04. **Supplements and Updates**

Buyer shall promptly deliver to the Seller any supplemental information updating the information set forth in the representations and warranties in Article V of this Agreement so that such representations and warranties as supplemented by such information will be true and correct as of the Closing Date (or such other date as provided in such representations and warranties) as if then made. Following the Effective Date, Buyer shall promptly advise the Seller of any facts of which it has Knowledge which would constitute a breach of a representation or warranty as of the date made or a default in a covenant contained herein.

ARTICLE XI.

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLER

The obligation of the Seller to consummate the transactions provided for in this Agreement is subject to the satisfaction, at or before the Closing, of the following conditions, any one or more of which may be waived in writing by the Seller in its sole discretion:

Section 11.01. **Consents and Approvals**

Receipt of all required consents, waivers, authorizations or approvals of any Governmental Authority, or of any other Person and any other approvals necessary to consummate the transactions contemplated by this Agreement set forth on Schedule 5.04, including without limitation all required EPA and PaDEP approvals and all such Authorizations and Permits and Governmental Approvals must be final (and not subject to any appeal and any applicable appeal period having expired). Seller shall obtain the consent of any Governmental Authority as required by the PaPUC or applicable Law. Notwithstanding anything herein to the contrary, for purposes

of this Section 11.01 Governmental Approval shall not include any approval required by the City to consummate this Agreement.

Section 11.02. **Representations and Warranties of Buyer**

The representations and warranties made by Buyer in Article V which are (a) not qualified by materiality shall be true and correct in all material respects on and as of the Closing Date (except for representations or warranties that speak of a specific date or time other than the Closing Date which shall be true and correct in all material respects as of such specified date) and (b) qualified by materiality shall be true and correct in all respects on and as of the Closing Date (except for representations or warranties that speak of a specific date or time other than the Closing Date which shall be true and correct in all respects as of such specified date), and the Seller shall have received a certificate to the effect of the foregoing from a duly authorized officer of Buyer dated as of the Closing Date.

Section 11.03. **PaPUC Approval**

PaPUC must have issued a Final Order approving the acquisition of the System under terms and conditions that are reasonably acceptable to the Seller and Buyer. If a party to the PaPUC proceeding appeals or files a petition for reconsideration of the PaPUC authorization of the transaction, the Buyer and Seller may mutually agree to proceed to consummate the transaction.

Section 11.04. **No Injunctions**

Neither Seller nor Buyer shall be subject to any injunction, preliminary restraining order or other similar decree of a court of competent jurisdiction prohibiting the consummation of the transactions contemplated by this Agreement.

Section 11.05. **Performance of the Obligations of Buyer**

Buyer shall have performed and been in compliance in all material respects with all obligations and covenants required under this Agreement to be performed by Buyer on or before the Closing Date, and the Seller shall have received a certificate to that effect from Buyer dated the Closing Date.

Section 11.06. **Deliveries by Buyer**

Buyer shall have made delivery to the Seller of the documents and items specified in Section 13.03.

Section 11.07. **No Material Adverse Effect**

There shall not have occurred any event or condition which gives rise to a Material Adverse Effect with respect to the Acquired Assets or the System.

ARTICLE XII.

CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligation of Buyer to consummate the transactions provided for in this Agreement is subject to the satisfaction, at or before the Closing, of the following conditions, any one or more of which may be waived in writing by Buyer in its sole discretion:

Section 12.01. Consents and Approvals

(a) Receipt of all required material, non-governmental third party consents and any other approvals necessary or advisable to consummate the transactions contemplated by this Agreement set forth on Schedule 4.05 and all consents, waivers, authorizations and approvals of any Governmental Authority required pursuant to Section 5.04, including without limitation all required EPA and PaDEP approvals/renewals and all such Authorizations and Permits and Governmental Approvals must be final (and not subject to any appeal and any applicable appeal period having expired); and

(b) Approval by the Seller for: (i)(A) defeasance and redemption of the Outstanding Indebtedness, and (B) discharge of any other outstanding debt issued by the Seller and payable to any current lender which is required to be repaid as a result of the consummation of the transaction contemplated by this Agreement and (ii) application of any related funds held in any construction fund or account under any indenture(s) being held by the Seller or any lender to the Seller on any outstanding debt (it being understood that any debt service funds or debt service reserve funds will be applied to the defeasance, redemption and discharge of outstanding debt).

(c) Delivery of evidence that Seller shall have taken all actions to acquire right, title, and interest, as applicable, to the System which includes the Acquired Assets required to permit Seller to convey the System to Buyer as pursuant to this Agreement; and

(d) Delivery of evidence of the ownership by the City of the laterals from the collection system main to the edge-of-road or curb-line when the main is located within a public right-of-way or the edge of easement where the main is located within private property. Evidence may be established by providing Buyer with a certified copy of an Ordinance adopted by Seller designating ownership.

Section 12.02. Representations and Warranties of Seller

The representations and warranties made by the Seller in Article IV of this Agreement (disregarding all "materiality" and "Material Adverse Effect" or similar qualifications contained therein) shall be true and correct on and as of the Closing Date (except for representations and warranties expressly stated to relate to a specific date, in which case each such representation and warranty shall be true and correct as of such earlier date), with only such exceptions as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and the Buyer shall have received a certificate to that effect from the Seller dated as of the Closing Date.

Section 12.03. **PaPUC Approval**

PaPUC must have issued a Final Order authorizing the Buyer to operate as a public utility in the Commonwealth of Pennsylvania and Final Order(s) approving the acquisition of the System under terms and conditions that are reasonably acceptable to the Seller and Buyer. If a party to the PaPUC proceeding appeals PaPUC authorization of the transaction, the Buyer and Seller may agree to proceed to consummate the transaction.

Section 12.04. **No Injunctions**

The Seller and the Buyer are not subject to any injunction, preliminary restraining order or other similar decree of a court of competent jurisdiction prohibiting the consummation of the transactions contemplated by this Agreement.

Section 12.05. **No Material Adverse Effect**

There shall not have occurred any event or condition which gives rise to a Material Adverse Effect with respect to the Acquired Assets or the System.

Section 12.06. **Deliveries by Seller**

Seller shall have made delivery to Buyer of the documents and items specified in Section 13.02.

Section 12.07. **Performance of the Obligations of Seller**

Seller shall have performed and been in compliance in all material respects with all obligations and covenants required under this Agreement to be performed by Seller on or before the Closing Date, and Buyer shall have received a certificate to that effect from Seller dated the Closing Date.

ARTICLE XIII.

CLOSING

Section 13.01. **Closing Date**

The Closing shall take place at a place in Pennsylvania that is mutually agreed upon by the Parties, at 10:00 a.m. eastern standard time no later than twenty (20) Business Days after the date upon which all the conditions precedent to Closing described in this Agreement have been fulfilled or waived and Buyer and the Seller receive the last of the required consents, waivers, authorizations and approvals from the Governmental Authorities, in each case, for the transactions contemplated by this Agreement, or at such other place and time, by such other method, or on such other date, as may be mutually agreed to by the Parties (the "Closing Date"). The Closing will be effective at 12:01 a.m., City of Pittston, PA time, on the day after the Closing Date (the "Closing Effective Time").

Section 13.02. **Deliveries by the Seller**

At the Closing, Seller, shall have delivered or cause to be delivered to Buyer executed copies of the following agreements, documents and other items:

(a) A Bill of Sale transferring all of the Acquired Assets comprising personal property, in the form attached hereto as Exhibit A;

(b) Possession of the Acquired Assets, including without limitation, the Real Property, the Easements and an interest in the Missing Easements, including a license from Seller to Buyer;

(c) A duly executed counterpart to an Assignment and Assumption Agreement with respect to the Assumed Liabilities (the "Assignment and Assumption Agreement"), in the form attached hereto as Exhibit B;

(d) The consents to transfer all of the Assigned Contracts and Authorizations and Permits (including environmental Authorizations and Permits), to the extent required hereunder;

(e) One or more special warranty or other deeds in recordable form reasonably acceptable to Buyer transferring fee simple title of Real Property, and one or more assignments in recordable form reasonably acceptable to Buyer with respect to the Easements (exclusive of any Missing Easements);

(f) Copies or originals of all Files and Records, materials, documents and records in possession of the Seller relating to the Real Property or the Assigned Contracts;

(g) Certificate of Seller pursuant to Section 12.02 of this Agreement;

(h) Certificate of Seller pursuant to Section 12.07 of this Agreement;

(i) Any documents duly executed by Seller required by the Title Company to issue final owner's title policies in accordance with the procedures set forth in Article VI;

(j) A duly executed counterpart to the Easement Escrow Agreement, in the form attached hereto as Exhibit C;

(k) All such other instruments of conveyance or other documents as shall, in the reasonable opinion of Buyer and its counsel, be necessary to transfer to Buyer the Acquired Assets in accordance with this Agreement, duly executed and acknowledged by Seller, if necessary, and in a recordable form;

(k) A form W-9 properly completed by the Seller;

(l) If applicable, simultaneously with Closing, evidence of UCC-3 termination statements filed with the Secretary of State of the Commonwealth of Pennsylvania releasing all liens held in the Acquired Assets by or on behalf of any lender;

(m) If applicable, an executed release, if requested by the Buyer in form and substance acceptable to the Buyer, from any lender with a lien(s) which is not a Permitted Lien on any of the

Acquired Assets, confirming the discharge of the Outstanding Indebtedness and release of any and all security interests in such Acquired Asset(s), subject only to the receipt by such lender of the amount to pay off such debt at Closing;

(n) Five Year MS4 and Stormwater System Separation Plan acceptable to the Seller; and

(o) Copies of the duly adopted ordinance(s) and resolution(s) of the Seller authorizing the transactions contemplated by this Agreement.

Section 13.03. **Deliveries by Buyer**

At the Closing, Buyer shall have delivered or caused to be delivered to the Seller the following agreements, documents and other items:

(a) Payment of the Purchase Price in accordance with Section 3.01 hereof;

(b) A duly executed counterpart to the Assignment and Assumption Agreement;

(c) Certificate of Buyer pursuant to Section 11.02 of this Agreement;

(d) Certificate of Buyer pursuant to Section 11.05 of this Agreement;

(e) Evidence of PaPUC approval as provided in Section 12.03;

(f) A duly executed counterpart to the Easement Escrow Agreement; and

(g) All such other instruments of assumption as shall, in the reasonable opinion of Seller and its counsel, be necessary for Buyer to assume the Assumed Liabilities in accordance with this Agreement.

ARTICLE XIV.

TERMINATION

Section 14.01. **Events of Termination**

This Agreement may, by notice given in the manner provided in this Agreement, be terminated and abandoned at any time before completion of the Closing:

(a) By the consent of both of the Seller and the Buyer;

(b) By any of the Seller or the Buyer if:

(i) the Closing shall not have occurred on or before the Outside Date; except that (a) the Outside Date may be automatically extended as set forth in the definition of Outside Date in Article I hereof, and (b) the Buyer shall also have the one-time right to extend the Outside Date for up to one hundred twenty (120) days if, in the Buyer's sole discretion, any

such amount of time up to one hundred twenty (120) days is necessary to obtain a required Governmental Approval; or

(ii) any Governmental Authority (other than a municipal authority or Seller), shall have issued an order, decree or ruling or taken any other immediately enforceable action, in each case permanently restraining, enjoining or otherwise prohibiting the material transactions contemplated by this Agreement and such order, decree, ruling or other action will have become final and non-appealable, provided however, that the Party seeking termination pursuant to this clause (b) of this Section 14.01 is not in breach in any material respect of any of its representations, warranties, covenants or agreements contained in this Agreement;

(c) By the Seller (if Seller is not then in material breach of any provision of this Agreement) in the event of a material breach of any covenant or agreement to be performed or complied with by the Buyer pursuant to the terms of this Agreement or of any representation or warranty of the Buyer contained in this Agreement, which breach (i) has continued without cure for a period of sixty (60) days following written notice thereof by the Seller to the Buyer or if such breach cannot be cured and (ii) would result in a condition to Closing set forth in Article XI of this Agreement not being satisfied (which condition has not been waived by the Seller in writing); or

(d) By the Buyer (if Buyer is not then in material breach of any provision of this Agreement) in the event of a material breach of any covenant or agreement to be performed or complied with by the Seller pursuant to the terms of this Agreement or of any representation or warranty of the Seller contained in this Agreement, which breach (i) has continued without cure for a period of sixty (60) days following written notice thereof by the Buyer to the Seller or if such breach cannot be cured and (ii) would result in a condition to Closing set forth in Article XII of this Agreement not being satisfied (which condition has not been waived by the Buyer in writing).

This Agreement may not be terminated after completion of the Closing.

Section 14.02. **Effect of Termination**

If this Agreement is terminated by the Seller or the Buyer pursuant to Section 14.01, written notice thereof will forthwith be given to the other and all further obligations of the Parties under this Agreement will terminate without further action by any Party and without liability or other obligation of any Party to any other Party hereunder; except that no Party will be released from liability hereunder if this Agreement is terminated and the transactions abandoned because of any willful breach of this Agreement.

ARTICLE XV.

MISCELLANEOUS

Section 15.01. **Confidentiality**

Except as and to the extent required by applicable Law (including but not limited to the Pennsylvania Right-To-Know Act at 65 Pa § 67.101) or pursuant to an order of a court of competent jurisdiction and as required hereunder to obtain any and all required Governmental

Approvals, no Party hereto shall, directly or indirectly, disclose or use (and no Party shall permit its representatives to disclose or use) any Confidential Information with respect to any other Party furnished, or to be furnished, by such other Party hereto or its shareholders, directors, officers, agents, or representatives to the other Party hereto or its employees, directors, officers, agents or representatives in connection herewith at any time or in any manner other than in connection with the completion of the transactions contemplated by this Agreement and related transactions.

Section 15.02. **Public Announcements**

Subject to applicable Law or listing rules of an exchange on which Buyer's parent corporation's stock is listed, and except as otherwise set forth in this Agreement, the initial public announcement relating to the transactions contemplated herein will be mutually agreed upon and jointly made by the Parties. Subsequent official public announcements by one Party are subject to review and approval by the other Party before issuance, such approval not to be unreasonably withheld, conditioned or delayed.

Section 15.03. **Notices**

The Parties shall make all notices, other communications and approvals required or permitted by this Agreement in writing, stating specifically that they are being given pursuant to this Agreement and shall be addressed as follows:

in the case of the Seller:

City of Pittston
35 Broad Street
Pittston, PA 18640
Attention: Mayor

with a copy to:

Attention: City Solicitor

in the case of the Buyer:

Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Attention: General Counsel

With respect to issues arising from customers of the System after Closing, Buyer will respond and attempt to deal with the issue presented within 48 hours of receiving notice from the City. The Buyer contact information below is for City use only and not to be given out to customers directly. The contact for the City to provide notice is:

Pennsylvania American Water Company
2699 Stafford Avenue
Scranton, PA 18505
Attention: Manager of External Affairs

or such other persons or addresses as a Party may from time to time designate by notice to the other Party. A notice, other communication or approval is deemed to have been sent and received (i) on the day it is delivered, or if such day is not a Business Day or if the notice is received after ordinary office hours (time of place of receipt), the notice, other communication or approval is deemed to have been sent and received on the next Business Day, or (ii) on the fourth Business Day after mailing if sent by United States registered or certified mail.

Section 15.04. **Headings**

The article, section and paragraph headings in this Agreement are for reference purposes only and have no effect on the meaning or interpretation of this Agreement.

Section 15.05. **Severability**

If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement remain in full force and effect and in no way be affected, impaired or invalidated.

Section 15.06. **Entire Agreement**

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Parties. There are no representations, warranties, conditions or other agreements, whether direct or collateral, or express or implied, that form part of or affect this Agreement, or that induced any Party to enter into this Agreement or on which reliance is placed by any Party, except as specifically set forth in this Agreement. The Parties acknowledge and agree that (i) each has substantial business experience and is fully acquainted with the provisions of this Agreement, (ii) the provisions and language of this Agreement have been fully negotiated and (iii) no provision of this Agreement shall be construed in favor of any Party or against any Party because of such provision of this Agreement having been drafted on behalf of one Party rather than the other Party.

Section 15.07. **Amendments; Waivers**

This Agreement may be amended, changed or supplemented only by a written agreement signed by the Parties. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement will be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement will

operate as a waiver of such right. No single or partial exercise of any such right precludes any other or further exercise of such right or the exercise of any other right.

Section 15.08. **Parties in Interest; Third Party Beneficiary**

Except as provided in this Agreement, this Agreement is not intended to and shall not be construed to create upon any Person other than the Parties any rights or remedies hereunder.

Section 15.09. **Successors and Assigns**

None of the Parties to this Agreement may assign any right or delegate any performance under this Agreement without the prior written consent of the other Parties, and any purported assignment or purported delegation without prior written consent is void. This Agreement is binding upon, and inures to the benefit of, the Parties and their respective permitted successors and assigns.

Section 15.10. **Governing Law; Jurisdiction**

The laws of the Commonwealth of Pennsylvania (without giving effect to its conflicts of law principles) govern all matters arising and relating to this Agreement, including torts. The Parties irrevocably agree and consent to the jurisdiction of the United States District Court for the Middle District of Pennsylvania and the Court of Common Pleas of Luzerne County, Pennsylvania, for the adjudication of any matters arising under or in connection with this Agreement. Any action initiated in court shall be filed and litigated (including all discovery proceedings) exclusively in the United States District Court for the Middle District of Pennsylvania and/or the Court of Common Pleas of Luzerne County, Pennsylvania, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such Party's address set forth in this Agreement shall be effective service of process for any suit, action or other proceeding brought in any such court.

Section 15.11. **Specific Performance**

The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties are entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 15.12. **Interpretation.**

For purposes of this Agreement: (a) the words "include," "includes", and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein", "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definition given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. The Exhibits and Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth herein.

Section 15.13. **Counterparts; Electronic Mail; Facsimile Execution**

This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Agreement will be effective when it has been executed by each Party and delivered to each Party. To evidence the fact that it has executed this Agreement, a Party may send a copy of its executed counterpart to the other Party by electronic mail or facsimile transmission. Such Party is deemed to have executed and delivered this Agreement on the date it sent such electronic mail or facsimile transmission. In such event, such Party shall forthwith deliver to the other Party an original counterpart of this Agreement executed by such Party.

[THIS SPACE INTENTIONALLY LEFT BLANK;

SIGNATURES NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed, or caused to be executed by their duly authorized Representatives, this Agreement as of the Effective Date.

CITY OF PITTSTON

By: _____
Name: Michael A. Lombardo
Its: Mayor

ATTEST:

By: _____
Name: Joseph Chacke
Its: City Administrator

PENNSYLVANIA AMERICAN WATER COMPANY

By: _____
Name:
Its:

ATTEST:

By: _____
Name:
Its:

IN WITNESS WHEREOF, the Parties hereto have executed, or caused to be executed by their duly authorized Representatives, this Agreement as of the Effective Date.

CITY OF PITTSTON

By: _____
Name:
Its:

ATTEST:

By: _____
Name:
Its:

PENNSYLVANIA AMERICAN WATER COMPANY

By: _____
Name: Justin L. Ladner
Its: President

ATTEST:

By: _____
Name: Matthew T. Stanger
Its: Corporate Counsel

EXHIBIT A

Bill of Sale

EXHIBIT B

Assignment and Assumption Agreement

EXHIBIT C

Easement Escrow Agreement

FINAL

ASSET PURCHASE AGREEMENT

By and Between

City of Pittston, Luzerne County

As Seller

and

Pennsylvania American Water Company

As Buyer

SCHEDULES AND EXHIBITS

Capitalized terms used in the Schedules which are not otherwise defined herein shall have the respective meanings ascribed to such terms in the Agreement. The Schedules are to be read in their entirety. Nothing in the Schedules is intended to broaden the scope of any representation or warranty in the Agreement. The disclosure of any item, explanation, exception or qualification in any Schedule is disclosure of that item for all purposes for which disclosure is required under the Agreement when it is reasonably apparent from the context that such item, explanation, exception or qualification also relates to another Schedule irrespective of whether any cross reference is made or no Schedule is provided with respect to a representation. Other than as expressly set forth herein or when the Schedules reference agreements or other matters not documented in a separate writing, all descriptions of agreements, written materials or other matters appearing herein, are summary in nature and are qualified by reference to the complete documents, which have been supplied to the Buyer or its counsel.

Schedule 2.01(b)

Acquired Assets

See attached map and list of assets.



PENNONI ASSOCIATES INC.
672 S. River Street, Suite 313
Plains, PA 18705
T 570.824.2200 F 570.824.0800

ALL DIMENSIONS MUST BE VERIFIED BY CONTRACTOR AND OWNER MUST BE NOTIFIED OF ANY DISCREPANCIES BEFORE PROCEEDING WITH WORK

SANITARY SEWER ASSESSMENT

CITY OF PITTSTON

LUZERNE COUNTY, PENNSYLVANIA

OVERALL KEY PLAN

CITY OF PITTSTON
35 BROAD STREET
PITTSTON PA, 18640

NO.	DATE	REVISIONS	BY

ALL DOCUMENTS PREPARED BY PENNONI ASSOCIATES ARE INSTRUMENTS OF SERVICE IN RESPECT OF THE PROJECT. THEY ARE NOT INTENDED OR REPRESENTED TO BE SUITABLE FOR REUSE BY OWNER OR OTHERS ON THE EXTENSIONS OF THE PROJECT OR ON ANY OTHER PROJECT. ANY REUSE WITHOUT WRITTEN VERIFICATION OR ADAPTATION BY PENNONI ASSOCIATES FOR THE SPECIFIC PURPOSE INTENDED WILL BE AT OWNERS SOLE RISK AND WITHOUT LIABILITY OR LEGAL EXPOSURE TO PENNONI ASSOCIATES; AND OWNER SHALL INDEMNIFY AND HOLD HARMLESS PENNONI ASSOCIATES FROM ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES ARISING OUT OF OR RESULTING THEREFROM.

PROJECT	PITTC24002
DATE	2024-10-04
DRAWING SCALE	1"=500'
DRAWN BY	NKG
APPROVED BY	DJT

CS1000

SHEET 1 OF 14

PLOTTED: 4/1/2025 7:52 AM BY: Travis Ackoff PLOTSTYLE: Pennoni WCS.stb
U:\Accounts\PITTC\PITTC24002 - Sanitary Sewer Engineering Assessment\DESIGN_SHEETS\CS-1000.dwg

CITY OF PITTSTON WASTEWATER SYSTEM
SUMMARY OF ANALYSIS OF ORIGINAL COST OF WASTEWATER SYSTEM
AS OF JANUARY 9, 2025

ACCOUNT	DESCRIPTION		ORIGINAL COST ($)
353.2	LAND AND LAND RIGHTS - COLLECTION	$	14.00
361.21	COLLECTION SEWERS - GRAVITY MAINS	$	13,842,077.90
361.22	COLLECTION SEWERS - GRAVITY MAINS - REPAIRS/UPGRADES	$	7,249,747.00
361.23	COLLECTION SEWERS - GRAVITY - MANHOLES	$	1,373,349.30
363.20	SERVICES TO CUSTOMERS	$	1,453,272.53
	SYSTEM TOTAL	$	23,918,460.73

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
353.2	**LAND AND LAND RIGHTS - COLLECTION**				
	Foundry Street West to Oconnell Street Easement	1967[1]			$1.00
	Plank Street to Collection Chamber Easement	1967[1]			$1.00
	Front Street to Rear Tunnel Street Easement	1967[1]			$1.00
	Powers Easement - 103 Broad Street (Parcel: 72E11NE3012006000)	2009			$1.00
	Constantino and Elizabeth Turco Easement - 300 Kennedy Blvd (Parcel: 72E11NE4010002000 & 72E11NE401003A000)	2009			$1.00
	Angelo and Lena Parente Easement - Fear Street (Parcel: 72E11SE2017020000)	2009			$1.00
	Three-One Company Easement - 301 Kennedy Blvd (Parcel: 72E11NE401100200)	2009			$1.00
	Lombardo Easement - 49 Broad Street (Parcel: 72E11NE3012002000)	2009			$1.00
	Northeast Windows Inc. Easement - Front Street (Parcel: 72E11SE201721A000)	2009			$1.00
	Marvin L. Slomowitz Easement - N Township Blvd (Parcel: 72E11SE200708A000)	2009			$1.00
	Cyprich Development, L.L.P. Easement - 351 Kennedy Blvd (Parcel: 72E11NE4011001000)	2009			$1.00
	Jeffrey M. and Laura McHugh Easement - 18 Tunnel Street (Parcel: 72E11NE301218D000)	2009			$1.00
	Landmark Community Bank Easement - 18 Charles Street (Parcel: 72E11NE3025034000)	2009			$1.00
	Joseph and Margaret Rogo Easement - 55 Front Street (Parcel: 72E11SE2017020A000)	2009			$1.00
	TOTAL LAND AND LAND RIGHTS - COLLECTION				**$14.00**

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
361.21	COLLECTION SEWERS - GRAVITY MAINS[2]				
	VCP - 4-inch	1908[3]	333	$2.03	$677.07
	VCP - 6-inch	1908[3]	1,040	$2.18	$2,265.61
	VCP - 8-inch	1908[3]	16,863	$2.90	$48,980.72
	VCP - 10-inch	1908[3]	17,412	$3.27	$56,897.28
	VCP - 12-inch	1908[3]	7,771	$3.63	$28,214.82
	VCP - 15-inch	1908[3]	3,763	$3.99	$15,028.90
	VCP - 18-inch	1908[3]	4,586	$4.43	$20,313.94
	VCP - 20-inch	1908[3]	2,379	$4.57	$10,883.42
	VCP - 24-inch	1908[3]	151	$4.79	$723.69
	VCP - 30-inch	1908[3]	426	$5.45	$2,320.07
	VCP - 36-inch	1908[3]	357	$6.17	$2,203.52
	VCP - 60-inch	1908[3]	17	$8.71	$148.14
	Unknown - 12-inch	1908[3]	52	$3.63	$188.80
	Unknown - Unknown	1908[3]	768	$4.43	$3,401.90
	CMP - 15-inch	1970[4]	25	$56.86	$1,421.53
	CI - 30-inch	1970[4]	62	$77.54	$4,807.34
	AC - 12-inch	1980[5]	28	$121.16	$3,392.57
	AC - 15-inch	1980[5]	285	$133.28	$37,984.71
	AC - 18-inch	1980[5]	291	$147.82	$43,015.41
	AC - 24-inch	1980[5]	476	$159.94	$76,129.35
	AC - 30-inch	1980[5]	42	$181.75	$7,633.29
	AC - 36-inch	1980[5]	539	$205.98	$111,021.98
	AC - 48-inch	1980[5]	2,231	$242.33	$540,630.86
	AC - 60-inch	1980[5]	548	$290.79	$159,354.04
	AC - 66-inch	1980[5]	309	$363.49	$112,318.42
	AC - 72-inch	1980[5]	1,337	$411.96	$550,784.35
	RCP - 30-inch	1980[5]	184	$181.75	$33,441.08
	RCP - 60-inch	1980[5]	392	$290.79	$113,990.48
	PVC/HDPE - 6-inch	1980[5]	588	$72.70	$42,746.43

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
	PVC/HDPE - 8-inch	1980[5]	1,001	$96.93	$97,027.61
	PVC/HDPE - 10-inch	1980[5]	4,297	$109.05	$468,575.01
	PVC/HDPE - 12-inch	1980[5]	7,272	$121.16	$881,099.87
	PVC/HDPE - 15-inch	1980[5]	15,021	$133.28	$2,001,994.11
	PVC/HDPE - 18-inch	1980[5]	4,576	$147.82	$676,421.05
	PVC/HDPE - 36-inch	1980[5]	158	$205.98	$32,544.48
	Unknown - Unknown	1980[5]	976	$147.82	$144,271.62
	PVC - 6-inch[6]	2010	320	$1,000.00	$320,000.00
	PVC - 8-inch[6]	2010	4,766	$1,090.53	$5,197,480.28
	PVC/HDPE - 8-inch	2012	300	$278.72	$83,617.31
	HDPE - 60-inch[6]	2020	1,875	$868.60	$1,628,626.88
	HDPE - 60-inch[6]	2024	150	$1,863.33	$279,500.00
	TOTAL COLLECTION SEWERS - GRAVITY MAINS				**$13,842,077.90**
361.22	**COLLECTION SEWERS - GRAVITY MAINS - REPAIRS/UPGRADES[7]**				
	2010 Pennvest Sewer Project	2010			$1,000,000.00
	2011 Sewer Capital Projects	2011			$851,893.00
	2012 Sewer Capital Projects	2012			$101,464.00
	2013 Sewer Capital Projects	2013			$99,732.00
	2014 Sewer Capital Projects	2014			$1,005,794.00
	2015 Sewer Capital Projects	2015			$517,477.00
	2016 Sewer Capital Projects	2016			$493,646.00
	2017 Sewer Capital Projects	2017			$573,566.00
	2018 Sewer Capital Projects	2018			$563,996.00
	2019 Sewer Capital Projects	2019			$387,435.00
	2020 Sewer Capital Projects	2020			$190,769.00
	2021 Sewer Capital Projects	2021			$362,542.00
	2022 Sewer Capital Projects	2022			$114,997.00
	2023 Sewer Capital Projects	2023			$249,960.00
	2024 Sewer Capital Projects	2024			$736,476.00
	TOTAL COLLECTION SEWERS - GRAVITY MAINS - REPAIRS/UPGRADES				**$7,249,747.00**

ACCOUNT	DESCRIPTION	YEAR	QUANTITY	UNIT COST	ORIGINAL COST
361.23	**COLLECTION SEWERS - GRAVITY - MANHOLES**				
	Initial Installation - Original System	1908[3]	145	$72.62	$10,500.22
	Sewer Extensions	1980[5]	337	$2,423.27	$817,610.27
	2010 Pennvest Sewer Project[6]	2010	40	$12,000.00	$480,000.00
	Grandview Drive Extension	2012	3	$6,968.11	$20,904.33
	Panama Street Extension[6]	2020	4	$8,583.62	$34,334.48
	North Main Street Extension[6]	2024	1	$10,000.00	$10,000.00
	TOTAL COLLECTION SEWERS - GRAVITY - MANHOLES				**$1,373,349.30**
363.20	**SERVICE TO CUSTOMERS**				
	VCP - 4-inch	1908[3]	70,752	$2.03	$143,855.69
	PVC - 4-inch	1980[5]	17,688	$67.85	$1,200,156.89
	PVC - 4-inch	2012	560	$195.11	$109,259.95
	TOTAL SERVICE TO CUSTOMERS				**$1,453,272.53**

(1) Year based on plans titled "Intercepting Sewers and Force Mains: Section No. IV Pittston City Market St. to Union St." by Albright & Friel Inc. Consulting Engineers dated 2/28/1966, last revised 1/14/1967.
(2) Gravity sewer main quantities do not include the quantities of piping that was repaired/upgraded. These pipe quantities are included in the yearly sewer capital projects costs under Account 361.22.
(3) The estimated range of construction is 1900-1920 based on an undated coal map believed to be from this era, titled "Map of Pittston City Showing Sewerage System" by John J. Reilly Consulting Engineer. 1908 was conservatively chosen as the estimated date of construction as it was the earliest available year with a Construction Cost Index (CCI) from the Engineering News-Record (ENR).
(4) The estimated range of construction is 1970-1990 based on available plans and information from the City. 1970 was used as the estimated date of construction to be conservative.
(5) The estimated range of construction is 1980-1990 based on available plans and information from the City. 1980 was used as the estimated date of construction to be conservative.
(6) Overall project costs were provided by the City. Pennoni estimated unit costs based on estimated pipe quantities.
(7) A breakdown of the individual sewer capital projects by year is attached for reference.

CITY OF PITTSTON SANITARY SEWER SYSTEM CAPITAL IMPROVEMENT EXPENDITURES BY YEAR 2011-2024

2024	**$1,025,976 (THRU NOV 2024)**
2023	**$249,960**
2022	**$114,997**
2021	**$362,542**
2020	**$1,853,730**
2019	**$387,435**
2018	**$563,996**
2017	**$573,566**
2016	**$493,646**
2015	**$517,477**
2014	**$1,005,794**
2013	**$99,732**
2012	**$101,464**
2011	**$851,893**
2010	**$6,997,479**
TOTAL	**$15,199,687**

2024 SEWER CAPITAL PROJECTS TOTAL: $1,025,976

$289,500 REPLACE/RELOCATE 60 INCH COMBINED OVERFLOW TRASMISSION CULVERT OFF NORTH MAIN STREET – New piping – 150’ – 60” HDPE and 1 manhole

$294,955 INSTALL 8 INCH SANITARY SEWER MAIN & LATERALS WILLOW LANE – 481’ – 8” PVC

$16,489 REPAIR/INSTALL NEW MANHOLE 100 BLOCK LAGRANGE ST – SAN MH-50

$12,467 REPAIR 8 IN SEWER MAIN FOUNDRY STREET – 240' – 8" PVC and 4 manholes

$2,672 MANHOLE REPAIR 531 N MAIN ST

$4,868 INLET REPAIRS WILLIAM AT CHURCH ST (COMBINED)

$5,822 SEWER CULVERT REPAIRS 41 PLANK STREET – 20' – 18" HDPE

$7,297 REPAIR SEWER MAIN SAND STREET BY DAVIS LANE – 20' – 8" PVC

$5,558 MANHOLE REPAIR PROSPECT/LEONARD STREETS – SAN MH-180

$6,295 REPAIR SEWER MAIN CRON STREET – 10' – 8" PVC

$157,393 REPLACE SEWER MAIN CANYON DRIVE FROM MAPLE LANE TO LAURIE LANE – 581' – 8" PVC

$11,260 REPAIRS TO SEWER MAIN O'CONNEL STREET NEAR TUNNEL STREET – 25' – 8" PVC

$2,105 REPAIR MANHOLE MARKET ST NEAR SPRING ST

$21,597 REPAIR SEWER MAIN FULTON STREET FROM GRANDVIEW DRIVE TO WILLIAM STREET – 45' – 8" PVC

$2,344 REPAIR MANHOLE LEONARD ST/SEARLE ST

$4,749 REPAIR MANHOLE AND SEWER MAIN PROSPECT STREET NEAR LEONARD STREET

$65,000 **RELINE SAND STREET SEWER MAIN FROM CHURCH STREET TO DAVIS LANE – 552’ – 8” PVC**

$6,081 **REPAIRS TO SAND STREET SEWER MAIN – 10’ – 8” PVC**

$18,444 **REPLACE/CUSTOMIZE SANITARY MANHOLE SAND STREET NEAR STEEPLEVIEW LANE – SAN MH-D43**

$68,359 **REPLACE SANITARY SEWER LINE IN RIGHT OF WAY OFF FOUNDRY STREET TO REAR OF HOUSES ON WILLIAM STREET – 288’ – 8” PVC**

$12,800 **REPAIR/REPLACE 8IN SEWER MAIN OFF KENNEDY BLVD DOWN TO RIVERSIDE WVSA MAIN – 143’ – 8” PVC**

$7,071 **REPLACE/REPAIR SEWER MAIN 83 BUTLER ALLEY – 65’ – 8” PVC**

$2,850 **REPAIR SEWER MAIN WEST ST AT RIVER ST – 8’ – 8” PVC**

2023 SEWER CAPITAL PROJECTS: $249,960

$6,810 **REPLACE SANITARY MANHOLE LAGRANGE AT EAST OAK STREETS**

$8,571 **REPLACE SEWER MAIN NEAR 11 SAND STREET – 60’ – 8” PVC**

$11,288 **REPLACE SEWER MAIN NEAR 164 PARSONAGE STREET FROM COLLAPSE TO THE MANHOLE – 18’ – 8” PVC**

$1,020 **REPAIR SEWER MANHOLE 79 LAGRANGE STREET**

$1,290 **REPAIR SEWER MANHOLE 324 LAUREL STREET**

$2,760 **REPAIR SEWER MANHOLE 745 NORTH MAIN STREET & WINTER STREET**

$15,839 **REPAIR/REPLACE SEWER MAIN 26-30 LAGRANGE STREET – 110' – 8" PVC**

$1,505 **REPAIR SEWER MAIN 22 EAST COLUMBUS AVENUE – 6' – 8" PVC**

$20,758 **REPLACE SEWER MAIN FROM COLLAPSE TO MANHOLE CURTIS STREET NEAR WILFORD ST – 65' – 8" PVC**

$14,881 **REPAIR/REPLACE SEWER MAIN LESLIE LANE – 60' – 8" PVC**

$15,415 **REPAIR SEWER MAIN PARSONAGE STREET NEAR 164 PARSONAGE STREET – 20' – 8" PVC**

$149,823 **REPLACE DEEP SEWER LINE CHURCH STREET – 185' – 8" PVC and 2 manholes**

2022 SEWER CAPITAL PROJECTS TOTAL: $114,997

$34,000 **REPLACE 340FT 8IN SEWER MAIN WEBSTER STREET – 340' – 8" PVC**

$4,111 **COMBINED SYSTEM INLET AND MANHOLE REPAIR PROSPECT AT LEONARD STREETS**

$7,407 **REPAIR SEWER MAIN STOUT STREET – 53' – 8" PVC**

$3,114 **REPAIR MANHOLE MILL AT HUNTER STREETS**

$2,974 **REPAIR MANHOLE CARROLL AT CHURCH STREETS**

$2,903	REPAIR MANHOLE BLUEBERRY LANE AT NEW STREET
$3,763	REPAIR SEWER MAIN RADCLIFFE SREET – 6' – 8" PVC
$8,767	REPAIR/REPLACE SEWER MAIN CENTER STREET – 32' – 8" PVC
$8,056	SEWER MAIN REPAIRS REAR CLIFF STREET REPLACE PIPE IN UNPAVED RIGHT OF WAY – 40' – 8" PVC
$1,655	REPAIRS TO MANHOLE AND COMBINED INLET PLANK STREET AT GRAVITY STREET
$2,974	REPLACE COMBINED INLET REAR BROAD STREET
$2,929	REPLACE COMBINED INLET BROAD AND CHURCH STREETS
$10,844	REPAIR/REPLACE SEWER MAIN SAND STREET – 16' – 8" PVC
$1,500	REPAIR COMBINED SYSTEM INLET PANAMA STREET AT NORTH MAIN STREET
$4,000	REPLACE COMBINED SYSTEM INLET 120 PANAMA STREET
$4,000	REPLACE COMBINED SYSTEM INLET PANAMA STREET AT REAR MILLER STREET
$4,000	REPLACE COMBINED SYSTEM INLET 194 PANAMA ST
$4,000	REPLACE COMBINED SYSTEM INLET 198 PANAMA ST
$4,000	REPLACE COMBINED SYSTEM INLET REAR MILLER ST

2021 SEWER PROJECTS: $362,542

2020 SEWER PROJECTS: $1,853,730

$1,662,961 PANAMA STREET REPLACE COMBINED 60IN TRANSMISSION LINE AND LATERALS ENTIRE LENGTH OF STREET AND REAR MILLER STREET – New piping – 1,875' – 60" HDPE and 4 manholes

$89,000 REPLACE SEWER MAIN SOUTH MAIN STREET CHARLES STREET TO BROAD STREET UNDER SIDEWALK – 185' – 8" PVC

$5,541 REPLACE SEWER PIPE AREA OF 20 KENNEDY STREET – 6' – 8" PVC

$21,893 REPLACE SEWER MAIN INTERSECTION OF REAR TUNNEL STREET AND O'CONNELL STREET – 40' – 8" PVC

$6,325 REPLACE SEWER MAIN AREA OF 20 GREEN STREET – 6' – 8" PVC

$14,826 REPLACE SEWER MAIN LAMBERT STREET AT LYONS LANE – 16' – 8" PVC

$4,115 REPLACE LENGTH OF SEWER MAIN 140 CARROLL STREET – 6' – 8" PVC

$2,476 REPLACE SANITARY MANHOLE 90 PLANK STREET

$2,256 REPLACE LENGTH OF COLLAPSED PIPE GREEN PLACE – 6' – 8" PVC

$3,318 REPLACE COMBINED SYSTEM INLET MILLER ST

$3,269 REPLACE COMBINED SYSTEM INLET 25 JOHNSON ST

$9,039 REPLACE SEWER PIPE CORNELIA AT CURTIS – 20' – 8" PVC

$1,592 REPLACE MANHOLE LID 10 PINE STREET

$1,449 REBUILD INTERSECTION OF CRON/WATER

$10,037 REPLACE PIPE INTERSECTION LAMBERT AT NORTH MAIN STREETS – 18' – 8" PVC

$2,411 REBUILD MANHOLE 41 CENTER STREET & 13 SAND ST

$5,960 REPLACE LENGTH OF PIPE 65 CURTIS STREET – 8' – 8" PVC

$7,262 REPLACE 10IN PIPE AREA 172 CARROLL STREET – 20' – 10" PVC

2019 SEWER PROJECTS: $387,435

$387,435 VINE STREET AT JOHN STREET – 20' – 8" PVC
VINE STREET PINE TO JOHN – 260' – 8" PVC
VINE STREET AT PINE STREET – 20' – 8" PVC
CURTIS STEET AT CORNELIA STREET – 65' – 8" PVC
CURTIS STREET DEAD END – 480' – 8" PVC
EAST COLUMBUS AVE MAIN TO LAGRANGE – 500' – 8" PVC
BUTLER AT CHURCH – 200' – 8" PVC

2018 SEWER PROJECTS: $563,996

$563,996 BOLIN STREET TO WILFORD ST PIPE – 315' – 8" PVC
BUTLER STREET AT NORTH MAIN ST PIPE – 85' – 8" PVC

BUTLER STREET APPROACHING CHURCH STREET PIPE – 90' – 8" PVC
REAR BROAD STREET REPAIR PIPE SEPARATION – 350' – 8" PVC
CARROLL STREET AT RADCLIFFE STREET PIPE – 40' – 8" PVC

2017 SEWER PROJECTS: $573,566

$573,566 CARROLL STREET AT HUNTER STREET INTERSECTION – 120' – 8" PVC
CORNELIA STREET TO NEW STREET NEW PIPE – 425' – 8" PVC
CRON STREET ENTIRE STREET REPIPED – 275' – 8" PVC
EAST FROTHINGHAM ST AT S MAIN ST NEW PIPE – 60' – 8" PVC
KENNEDY BLVD TO RIVER PUMP NEW PIPE – 180' – 8" PVC

2016 SEWER PROJECTS: $493,646

$493,646 LAMBERT STREET DRUMMOND TO LYONS LANE PIPE – 215' – 8" PVC
MARKET ST EVERY CATCH BASIN REPLACED COMBINED SYSTEM
MARKET ST NEAR SPRING ST NEW PIPE – 80' – 8" PVC
N MAIN AT WILLIAM STREET NEW PIPE – 120' – 8" PVC
NEW STREET NEAR CANYON DRIVE NEW PIPE – 120' – 8" PVC
O'CONNEL ST DEAD END TO UNOPENED GAINES ST NEW PIPE – 95' – 8" PVC

2015 SEWER PROJECTS: $517,477

$517,477 PARSONAGE STREET NEAR MILLER STREET PIPE – 40' – 8" PVC
PARSONAGE STREET NEAR GIDDING STREET PIPE – 40' – 8" PVC
SOUTH MAIN ST NEAR GRAMMERCY NEW PIPE – 120' – 8" PVC
SEARLE ST NEAR SENECA ST NEW PIPE – 80' – 8" PVC
UNDERWOOD LANE S MAIN ST NEW PIPE/INLET – 40' – 18" HDPE
UNION STREET NEAR N MAIN ST REPLACE UNDERSIZE PIPE – 80' – 10" PVC
WASHINGTON TERRACE NEAR WEBSTER NEW PIPE 65 – 140' – 8" PVC
WILLIAM ST AT CHURCH ST REBUILD CHAMBER
WILLIAM ST AT FOUNDRY ST PIPE – 60' – 8" PVC

2014 SEWER PROJECTS: $1,005,794

$443,762 REPLACE COMBINED SEWER MAIN MILL STREET NORTH MAIN STREET TO CHURCH STREET (LATONA) – 1,080' – 8" PVC and 32 laterals

$562,032 H20 GRANT $526,032 GRANT C000051284

2013 SEWER PROJECTS: $99,732

$99,732 REPLACE COMBINED SYSTEM INLETS AND CORRUGATED PIPE KENNEDY BLVD (LATONA) – 80 – 24" HDPE

2012 SEWER PROJECTS: $101,464

$101,464 REPLACE COMBINED SEWER MAIN LOWER MILL STREET (LATONA) – 120' – 8" PVC

2011 SEWER PROJECTS: $851,893

$289,861 REPLACE COMBINED SEWER MAIN LOWER MILL STREET (LATONA) (PENNVEST/CITY) – 495' – 8" PVC

2010 PENNVEST SEWER PROJECT: $6,997,479

$5,997,479 All new piping
BROAD ST – 2,200' – 8" PVC
ANDERSON ST – 80' – 8" PVC
R BROAD ST – 240' – 8" PVC
FOUNDRY ST – 350' – 8" PVC
HALFORD ALLEY – 145' – 8" PVC
GRATTAN ALLEY – 80' – 8" PVC
MIDDLE ALLEY – 77' – 8" PVC
FULTON STREET – 65' – 8" PVC
TUNNEL ST – 280' – 8" PVC
R TUNNEL ST – 320' – 6" PVC
GAZETTE PL/CHARLES ST/CITY HALL REAR ALLEY – 354' – 8" PVC
CHURCH STREET TO WILLIAM STREET – 310' – 8" PVC
MSGR BENDIK WAY – 305' – 8" PVC
O'CONNEL ST – 280' – 8" PVC

$1,000,000 H20 GRANT BROAD STREET PROJECT – 1,000' – 8" PVC

Schedule 2.02(h)

Excluded Assets

None.

Schedule 3.03

Allocation Schedule

(Prepared by Buyer)

Schedule 4.05

Required Governmental Consents

1. Pennsylvania Public Utility Commission ("PaPUC") Approval of Transaction

2. PaPUC Approval of Assignment and Amendment to WVSA Agreement

3. Pennsylvania Department of Environmental Protection Approval of the updated Act 537 Official Sewage Facilities Plan recognizing transfer of wastewater collection system from Seller to Buyer

4. PaDEP Approval of Transfer of WQM Permits (as listed on Schedule 4.12)

Schedule 4.06

Undisclosed Liabilities

The City's Outstanding Debt will be defeased prior to transfer of the System to the Buyer.

Schedule 4.07

Absence of Certain Changes or Events

[None.]

Schedule 4.08

Tax Matters

None.

Schedule 4.09

Seller is endeavoring, with the assistance of its legal counsel, to prepare a schedule of Real Property and easements related to operation of the System which property would be conveyed to Buyer in the event of a sale.

Below shows the start of the work stream, which will continue through Closing.

[Foundary Street and Rear Plank Street easements are being worked on now]

[attach list from Don]

Schedule 4.10

Equipment and Machinery

None.

Schedule 4.11

Noncompliance with Environmental Requirements

None.

Schedule 4.12

Authorizations, Licenses and Permits

1. The below permits issued by the Commonwealth of Pennsylvania Department of Environmental Protection:

2. Pennsylvania Department of Environmental Protection approval of the updated Act 537 Official Sewage Facilities Plan

[WVSA permits are not being transferred but used for parts of the combined system]

Schedule 4.13

Assigned Contracts

Name of Contract	Parties to Contract	Date of Contract	Subject
Service Agreement	Wyoming Valley Sanitary Authority and City of Pittston	September 8, 1965, as amended by a Supplemental Service Agreement dated December 1, 1965	Permitting City of Pittston to send sewage flow to be treated at Wyoming Valley Sanitary Authority Plant
Shut-Off Agreement	City of Pittston and PA-American Water Company	March 18, 2021	PA-American Water Company is required to shut off the water of a delinquent sewer customer upon notice from the City

Schedule 4.14

Litigation Involving Seller

[None.]

Schedule 4.16(a)

Exception to Title to Acquired Assets

[None.]

Schedule 4.16(b)

Exception to Sufficiency of Acquired Assets

[None.]

Schedule 4.17

Pending Development Plans

Approved Pending Development Plans:

Willow Lane Project: [6] single family homes, ___ EDUs, projected to be completed in 202_.

Potential Pending Development Plans:

1) Downtown Mixed Use Economic Redevelopment: Corner of Market and South Main Street—City & Redevelopment Authority planning to construct a mixed use structure containing a theatre, apartment housing and offices along with a parking structure on Kennedy Blvd that will include first floor retail space. Sewer module not yet completed.

2) Grandview Drive: Housing development that extends across the city boundaries, that includes single family housing connecting to the Pittston City sewer on Grandview Drive that the city bills for. Uncertain time frame for additional construction. There are lots both in the city and outside of the city.

[Mill Street sewer line will require relocation due to PENNDOT's pending replacement of the Ft. Jenkins Bridge across the Susquehanna River in Pittston. Please be advised North Main Street and Kennedy Blvd that the sewer crosses, are also PENNDOT roadways, which always increases the complication and cost of the work. There is usually some cost sharing involved but that has not been quantified yet.]

Schedule 5.04

Buyer Consents and Approvals

1. Pennsylvania Public Utility Commission (the "PaPUC") Approval of Transaction

2. PaPUC Approval of Assignment of WVSA Agreement

3. Pennsylvania Department of Environmental Protection (the "PaDEP") Approval of Sanitary Sewer Collection and Conveyance System Act 537 Plan recognizing transfer of wastewater collection system from Seller to Buyer

4. PaDEP transfer of WQM Permits (as listed on Schedule 4.12)

Schedule 5.11

Buyer Litigation

[None.]

Schedule 6.05(e)

Missing Easements as of Closing Date

Schedule 7.04

Rates

Residential and Commercial:

Seller bills its customers quarterly at the following rates effective as of January 1, 2025:

$82.50 for 0 to 15,000 gallons per calendar year quarter

$4.25 for each additional 1,000 gallons per quarter or fraction thereof per quarter over 15,000 gallons

$82.50 minimum charge per quarter

Exhibit A

Bill of Sale

Exhibit B

Assignment and Assumption Agreement

Exhibit C

Easement Escrow Agreement

SERVICE AGREEMENT dated as of the 8th. day of September , 1965 , between WYOMING VALLEY SANITARY AUTHORITY, a Pennsylvania Municipality Authority, organized and existing under the Pennsylvania Municipality Authorities Act, as amended (the "Authority") and the CITY OF PITTSTON , a political subdivision of the Commonwealth of Pennsylvania (the "Municipality").

RECITALS:

A. The Sanitary Water Board of the Department of Health of the Commonwealth of Pennsylvania has heretofore ordered certain municipalities located in Wyoming Valley, Luzerne County, Pennsylvania, to discontinue the discharge of untreated sewage into waters of the Commonwealth and to submit plans and specifications for construction of the necessary facilities for the treatment of such sewage.

B. In compliance with the Sanitary Water Board order and in furtherance of a program to improve the Susquehanna River and tributary streams and to promote the health, recreational, business and commercial interests in the area, fourteen municipalities in Wyoming Valley, Luzerne County, Pennsylvania, including those under order by the Sanitary Water Board, organized the

Authority for the financing, construction and/or provision for the treatment and disposal of sewage, including works for treating and disposing of industrial wastes (hereinafter referred to as the "Project").

C. The Authority obtained a Feasibility Study from Albright & Friel Inc., Consulting Engineers, Philadelphia, Pennsylvania, dated April, 1963 which shows that the cost of treating sewage by means of the joint project will be less for residents of all municipalities to be served by the Authority than the cost of such treatment if individual municipalities each undertook a separate program.

D. The Authority, with the aid of planning advances from the Housing and Home Finance Agency of the United States Government, has caused the above-mentioned Engineers to prepare preliminary plans and studies and a preliminary report, including a special financial report on the Project (the "Special Financial Report"), a copy of which is attached to this Agreement and marked Exhibit "A".

E. The Special Financial Report, in addition, contains an estimate of the annual cost of treatment per dwelling unit within the service area which the Authority proposes to charge as the initial rates for the various classifications of users throughout the service area.

F. The Authority's advisors have recommended, and the Board of the Authority believes, that the interest cost for the project will be substantially reduced if each municipality in the service area agrees to the terms of the Service Agreement hereinafter set forth.

NOW, THEREFORE, in consideration of the payment of One ($1.00) Dollar to the Authority, receipt of which is hereby acknowledged, the agreement of other municipalities and the Authority to the terms hereinafter set forth, and the mutual obligations of the parties hereto, and intending to be legally bound hereby, the parties hereto agree as follows:

PART I

TREATMENT OF SEWAGE AND OPERATION OF FACILITIES

1. Authority to Treat Sewage. The Authority will proceed to construct a sewage treatment plant and connecting interceptors and force mains in accordance with the final plans and specifications of its Engineers and in compliance with the requirements of all governmental agencies having jurisdiction over the treatment and disposal of sewage. Upon completion of the facilities, the Authority will receive and treat sewage discharged from the Municipality's collection system which the Authority will connect to its facilities at such time as the progress of construction of the Authority's facilities permits, provided that such

sewage:

a. originates in the Municipality; and

b. otherwise conforms with the rules and regulations promulgated from time to time by the Authority in its sole discretion concerning the type of sewage and industrial wastes acceptable for treatment at the plant.

The Authority, during the term of this Agreement, will continuously operate its facilities in good repair, and will comply with all orders of any governmental body applicable to the operation, maintenance, and repair of its facilities.

2. Municipality Not to Use Other Treatment Facilities. So long as this Agreement is in effect, Municipality will not use any other treatment facilities for sewage collected within the Municipality; provided, however, that any portion thereof which is outside the geographical drainage area of the Authority's facilities may be served by the Municipality or any other system. The Municipality will not compete with the Authority's facilities or permit any other agency to do so.

The Municipality will enact and enforce a mandatory connection ordinance requiring dwelling units to connect to its collection system within the drainage area served by the Authority.

PART II

SERVICE CHARGES AND PROVISION FOR PAYMENT THEREOF

1. Municipality Payments for Sewage Treatment. The Municipality will pay to Authority for its services in treating the sewage discharged from its collection system an annual amount for each user connected to its collection system. Such annual amount shall be established by the Authority in its sole discretion in an amount at least sufficient so that all collections in the aggregate shall provide for:

a. operating and administrative expenses of the Authority;

b. debt service on the Authority's bonds issued to pay for the Authority's facilities (the "Bonds"); and

c. other payments required under the Authority's Indenture, including the establishment of such reserves as are customary in sewer financing in Pennsylvania.

Upon the retirement of the Authority's Bonds, such charges shall be sufficient to provide only the operating and administrative expenses of the Authority.

2. Initial Charges--Changes. The Authority will impose as its initial service charges the charges set forth in the Special Financial Report delivered to the Municipality herewith and Municipality agrees to said charges. The Municipality further agrees to such changes and alterations as the Authority shall determine in order to provide funds to pay the costs determined as set forth in Section 1 above.

The Authority may on 60 days' notice in writing to

Municipality establish a revised schedule of service charges, and such new schedule of service charges shall go into effect at the time stated in the notice unless suspended by a judicial order or decree.

3. Covenant Against Free Service--Other Standards of Service. The Municipality will offer no free service to any user of the system within the Municipality.

Any commercial or industrial user within the Municipality whose water use is not a fair measurement of sewer charges shall for the purpose of determining its service charge be entitled to the installation of a measuring device approved by Authority to exclude any water which is received by such establishment and diverted from the Authority's sewer system.

If the nature of the sewage or industrial waste received from any industrial or commercial establishment imposes a burden on the Authority's facilities in excess of ordinary sewage, the Authority may require pretreatment of said sewage or impose an additional service charge upon the user in accordance with the advice of its Engineers.

4. Municipality Cooperation with Authority. The Municipality will cooperate with the Authority to assure that proper service charges are paid to the Authority with respect to each user benefiting from the Authority's facilities, and to that

end agrees:

a. that it will refuse to transport through any portion of its system which is connected to the Authority's facilities any sewage which emanates from users outside Municipality, if the outside users or the municipality in which they are located are not parties to an agreement with the Authority;

b. that Municipality will take such steps as Authority may recommend to prohibit excessive infiltration;

c. that it will permit the Authority's agents and Engineers to inspect the collection system of the Municipality at all reasonable times.

5. Municipality's Financial Responsibilities. The Municipality shall annually make provision in its budget to meet its obligations to the Authority under this Agreement, and the Authority will supply estimates and other information to facilitate such budget preparation.

The Authority will bill the record title owner with respect to each user within the Municipality, quarterly, at rates sufficient to produce 102% of Municipality payments provided for in Part II, Section 1 hereof. Upon completion of said billing, the Authority shall furnish to Municipality a list of the billings, the amount payable by each owner, and the aggregate amount payable on the basis of the effective service charges; and 45 days thereafter the Authority shall notify the Municipality of collections made within the 30-day period following the billing, showing current and overdue payments. The Municipality, within 15 days of

the receipt of the notification of collections from the Authority, will pay over to the Authority the Municipality payments provided for in Part II, Section 1 hereof, after taking credit for collections made by Authority on its behalf. If the Authority collections fail to defray the total payment due from the Municipality, the Municipality will include the amount of the deficit in its budget for the next succeeding year and will, by borrowing in anticipation of taxes or other means, pay the balance due to the Authority. If the Authority collections exceed the amount payable, the excess will be deposited by the Authority to the credit of the Municipality in a Service Charge Reserve Account and may be invested in direct obligations of the United States of America or deposited in time accounts secured as provided by law, the income to be credited to the Municipality's account. The Authority may accumulate in the Service Charge Reserve Account a minimum balance equal to the next two quarterly payments to become due from the Municipality (as estimated by the Authority). The Municipality may elect to accumulate and maintain an additional amount not exceeding two such quarterly payments. The Service Charge Reserve shall be used to make up any deficiencies in quarterly payments due from the Municipality. After the minimum balance (plus the additional balance if the Municipality elects to accumulate the same as aforesaid) has been accumulated in the Reserve, the excess

will be turned over by the Authority to the Municipality.

PART III

MISCELLANEOUS

1. Capital Additions. If at any time the Authority determines that its facilities require enlargements or repairs in the nature of Capital Additions, the Authority will notify the Municipality and such Capital Additions shall be undertaken by the Authority.

2. Engineers--Reports. The term "Engineers" shall mean Albright & Friel Inc., Philadelphia, Pennsylvania, or any successor engineer having equal competency with regard to water pollution control matters.

Authority will cause the Engineers to provide Municipality, 60 days before the first date provided by law for adoption o. Municipality's budget, with a report setting forth:

a. such information as may be required to permit the Municipality to carry out its obligations under this Agreement;

b. a determination whether the Authority's facilities are being properly maintained;

c. any Capital Additions which may be required in the coming year and a report on the operations of the Authority for the preceding year and recommendations for the forthcoming year, including insurance policies and amounts of insurance to be carried and recommendations concerning service charges.

3. Independent Public Accountant--Annual Report. The Authority will employ an independent public accountant who shall annually, as of December 31 in each year, make an audit and report to the Authority and the Municipality, including the opinion of the accountant as to whether the Authority is in compliance with the requirements of its Trust Indenture and the sufficiency of rates and charges then in force.

4. Term of Agreement. The term of this Agreement shall be measured by the term of the existence of the Authority as permitted by the Municipality Authorities Act, as heretofore or as hereafter amended.

WITNESS the duly authorized execution by the parties hereto the day and year first above mentioned.

WYOMING VALLEY SANITARY AUTHORITY

By: Reuben A Zerby

Attest:

James J Lane

CITY OF PITTSTON

By: Roberta A Kopta
Mayor

Attest:

Anthony L Zaccaro
City Clerk

-10-

A1165

SUPPLEMENTAL SERVICE AGREEMENT dated as of the 1st day of December, 1965, between WYOMING VALLEY SANITARY AUTHORITY, a Pennsylvania Municipality Authority, organized and existing under the Pennsylvania Municipality Authorities Act, as amended (the "Authority") the City of Pittston, a political subdivis of the Commonwealth of Pennsylvania (the "Municipality").

RECITALS

WHEREAS, the parties have heretofore entered into a Service Agreement dated as of August 1, 1965, (the "Original Agreement") under which the Authority has undertaken to provide sewerage interception, transmission and treatment services; and

WHEREAS, the parties desire to make certain additions to and clarifying changes in the Original Agreement;

NOW, THEREFORE, the parties hereto agree as follows, intending to be legally bound:

I

ADDITIONAL PROVISIONS

The following provisions shall be added, as Part IV, to the Original Agreement:

1. The Municipality hereby authorizes the Authority to take all action necessary or appropriate (and ratifies and affirms all action heretofore taken) to apply for, accept and receive (and to do all other things incidental thereto), on behalf of the Municipality, grants-in-aid of the construction of the facilities to be constructed by the Authority, and referred to in PartII, Section 1 of the Original Agreement, from the United States of America under the Water Pollution Control Act (33 U.S.C. §466e), as amended and/or other programs for federal assistance in sewerage facilities construction. All grants so received shall be applied to reduce the costs of construction of said facilities which would otherwise have to be financed by the Authority, with a consequent reduction in annual service charges payable by the municipalities participating in the Project. The Municipality agrees that (taking into account all the provisions of this Agreement), the result of such procedure will be to give each municipality fair credit for any grant received on its behalf.

2. The Municipality will take all practical steps to prevent storm water from flowing into the Authority's interceptor sewers and treatment facilities, will not permit any sanitary sewers hereafter constructed by it to be used as storm sewers, and will require all building roof drainage systems to be disconnected from plumbing facilities draining into its existing collection system.

II

AMENDMENT OF ORIGINAL AGREEMENT

1. Part II, Section 5 of the Original Agreement is hereby amended to read in full as follows:

5. Municipality's Financial Responsibilities. The Municipality is obligated to levy and impose charges (herein called "service charges") for the use of its sewage collection system in amounts sufficient to discharge its obligations to the Authority under Part II, Section 1 and under this Section. The minimum level of the Municipality's service charges (which may be different for different classes of users), shall be sufficient to produce total actual collections, on an annual basis, equal to 102% of the Municipality's obligations to the Authority under Part II, Section 1 until the required minimum in its Service Charge Reserve Account (as hereinafter provided) has been accumulated (and during any period after a withdrawal therefrom until the same has been restored) and thereafter equal to 100% thereof. The Municipality may impose higher charges at its discretion.

The Authority will adopt, prior to the connection of the Municipality's collection system to the facilities to be constructed by the Authority, and thereafter from time to time revise to the extent necessary, a schedule of service charges calculated to produce collections equal to 102% of the Municipality's obligations under Part II, Section 1.

Upon such initial adoption, and upon each such subsequent revision, such schedule shall become the effective schedule of service charges imposed by the Municipality (and the Municipality will adopt such ordinances or resolutions as the Authority may request as necessary to impose such charges upon users of the Municipality's collection system), but the Municipality reserves the right to alter the charges set forth in any such initial or revised schedule by increasing or decreasing the rate applicable to any or all classes of users, provided only that the charges as so altered shall at all times be sufficient to comply with the covenants of the Municipality contained in the immediately preceding paragraph of this Section.

The Municipality hereby appoints the Authority as its agent for the purpose of billing and collecting the service charges imposed upon the users of the Municipality's collection system and authorizes the Authority to issue bills based upon the schedule of service charges to be initially adopted by the Authority or upon any revision thereof until such time as the Municipality requests the Authority to use an altered schedule for billing. The Authority will bill the record title owner with respect to each user within the Municipality on a quarterly basis. Upon completion of each quarterly billing, the Authority shall furnish to the Municipality a list of the billings, the amount payable by each owner, and the aggregate amount payable on the basis of the effective service charges and 45 days thereafter

the Authority shall notify the Municipality of collections made within the 30-day period following the billing, showing current and overdue payments. If the Authority collections are less than the Municipality payments provided for in Part II, Section 1, the Municipality shall forthwith make up the deficit out of any funds legally available for the purpose and, if the available funds are insufficient, shall make payment of the deficit out of the first funds becoming legally available thereafter and shall include the unpaid balance of the deficit in its budget for succeeding years until such deficit is paid in full.

If the Authority collections exceed the amount payable under Part II, Section 1, the excess will be deposited by the Authority to the credit of the Municipality in a Service Charge Reserve Account and may be invested in direct obligations of the United States of America or deposited in time accounts secured as provided by law, the income to be credited to the Municipality's account. The Authority shall accumulate in the Service Charge Reserve Account a minimum balance equal to the next two quarterly payments to become due from the Municipality (as estimated by the Authority). The Municipality may elect to accumulate and maintain an additional amount not exceeding two such quarterly payments. The Service Charge Reserve shall be used to make up any deficiencies in quarterly payments due from the Municipality. After the minimum balance (plus the additional balance if the Municipality elects to accumulate the same as aforesaid) has

been accumulated in the Reserve, the excess will be turned over by the Authority to the Municipality.

The Municipality hereby authorizes the Authority, in the name of the Authority or in the name of the Municipality as the Authority deems appropriate, to take all steps necessary or convenient to collect the sewerage user charges above mentioned, by actions in assumpsit, distress or by the filing and enforcement of municipal lien claims or otherwise as may be permitted by law.

WITNESS the duly authorized execution by the parties hereto the day and year first above mentioned.

WYOMING VALLEY SANITARY AUTHORITY

By: _____

Attest:

_____

By: _____
Mayor

Attest:

_____
City Clerk

Agreement to Provide Valuation Consulting Services Between

WADS Consultants

And

Pennsylvania America Water Company

For the Appraisal of the

Pittston Township – Sewer System

Agreement for Valuation Consulting Services

This Agreement for Valuation Consulting Services ("Agreement") is by and between Weinert Appraisal & Depreciation Services, LLC (WADS Consultants, a Wisconsin limited liability company ("Supplier") and Pennsylvania-American Water Company, a Pennsylvania corporation ("PA-American") and is entered into as of April 14, 2025. In consideration of the covenants hereinafter contained, and intending to be legally bound, the Parties hereto agree to as follows:

Section 1. Description of Services:
Supplier is being engaged to act as a Utility Valuation Expert, as such term is defined in Pennsylvania Act 12 of 2016, amending Chapter 13 of the Pennsylvania Public Utility Code and the First and Second Implementation Orders entered by the Public Utility Commission at Docket No. M-2016-2543193 (collectively, "Act 12"). Supplier is being engaged with respect to the proposed acquisition by PA-American of the water system assets currently owned by Pittston Township. Upon the issuance of a notice to proceed by PA-American for each appraisal phase, Supplier shall prepare and produce the following appraisals and/or studies suitable for the Project, including if requested (collectively, the "Services"):

1. An Appraisal (Valuation study) consistent with the 2025 Uniform Standards of Appraisal Practices (USPAP) as of the date requested by PA-American and consistent with the requirements of Act 12.
2. If applicable, provide expert witness testimony and documentation for the Valuation studies as required by Act 12.
3. If requested by PA-American, updates to the Valuation studies as of the date requested by PA-American.
4. Provide the documentation required by Act 12 with respect to the Services and the fees charged by Supplier pursuant to this Agreement.
5. If requested by PA-American, perform such other services as are consistent with Supplier's engagement as a Utility Valuation Expert.

Section 2. Duration:
Unless amended, the Project subject to this Agreement is anticipated to be approximately two years in duration and will be performed for the period beginning upon the issuance of a notice to proceed by PA-American and continuing through April 14, 2027. Supplier acknowledges and agrees that it shall not and shall have no obligation to provide the Services until such time as PA-American has issued a notice to proceed. To the extent Act 12 imposes any requirements with respect to the timing for the completion of the Services, the commencement date for such Services shall not be deemed to be any earlier than the date PA-American issues the notice to proceed.

Proprietary and Confidential
This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

Section 3. Effective & Expiration Dates:
This Agreement shall be effective as of the date set forth in the first paragraph hereof ("Effective Date") and shall continue until the earlier to completion on the Project or April 14, 2027 ("Expiration Date") unless earlier terminated as set forth in this Agreement.

Section 4. Personnel to Perform the Services:
Jerome C. Weinert, Principal and Director, shall be in charge of the Services on behalf of Supplier. Supplier shall call upon additional experienced professional staff as required. In the event that this Project or Agreement should not continue for any reason or should PA-American replace the need for Supplier, PA-American shall give notice as soon as feasibly possible for Supplier to re-deploy their resources elsewhere without any penalty to PA-American.

Both parties recognize the importance of maintaining a continuity of Supplier's personnel on this Project. Supplier agrees that any of its employees, staff, professionals, experts, partners, and/or other personnel: (a) identified as the "Project Team" identified in Section 6 of this Agreement, and/or (b) assigned to this Project subsequent to the execution of this Agreement, shall continue to be staffed on this Project throughout the entire length of time Project Services are provided under this Agreement. Further, said personnel shall be used in the same capacities in which they are initially intended as of the execution date of this Agreement, or as of the date they are assigned to the Project subsequent to execution date of this Agreement, so long as they continue to be employed by Supplier, or so long as PA-American continues to desire their services.

Should Supplier terminate its relationship and/or employment with said personnel, or if said personnel terminates the relationship with Supplier and/or resigns from employment with Supplier, to the extent that Supplier, for any reason, enters into non-compete or similar agreement(s) and/or arrangement (s) with any of its employees, staff, professionals, experts, partners, and/or other personnel, Supplier agrees to immediately release said personnel from non-compete or similar agreement(s) and/or arrangement(s) with respect to being able to work for PA-American in any capacity PA-American sees fit.

Should any or all of Suppliers employees, staff, professionals, experts, partners, and/or other personnel staffed on this Project leave the employ of Supplier during the terms of this Agreement, Supplier agrees to immediately notify PA-American and suggest alternative personnel to be staffed on the Project. In no event shall any Supplier employee, staff, professional, expert, partner, and/or other personnel be assigned to this Project (whether identified in this Section 4, or identified elsewhere subsequent to the execution of this Agreement) without the express written permission and approval by PA-American. Further, PA-American reserves the right to terminate the Services of any of Supplier employee, staff, professional, expert, partner, and/or other personnel working on this Project at any time, and for any reason, without penalty.

Section 5. Location:
Supplier's (WADS Consultants') offices in Greendale, Wisconsin.

Proprietary and Confidential
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Section 6. Prices:
Supplier fees for the Services are as follows:

Appraisal Activity	Section 1329 Compliant Appraisal	Expenses (not to exceed)
	Fees	**Expense**
Appraisal	$16,000	$3,200
Initial Appraisal		
Pre-filed Direct testimony related to the above-described Valuation studies	$3,000	$250

Valuation Activity performed by WADS Consultants staff following the filing of the PUC Application	Hourly Rates plus expenses
Jerome C. Weinert	$250
Elizabeth A. Weinert	$150

The expenses in the above tables are for travel and living, report production and shipping.

Supplier recognizes that its fees for the Project are subject to disclosure pursuant to Act 12 and so that Pa-American can include such fees as part of the transaction and closing costs associated with the proposed acquisition of the Project. Supplier further recognizes that its fees shall not exceed five percent (5%) of the fair market value of the assets to be acquired as part of the Project unless such fees are approved by the Pennsylvania Public Utility Commission ("PUC"). Supplier agrees that its fees shall comply with the requirements of Act 12.

Section 7. Payment:
Payment all undisputed amounts shall be made within 60 days upon PA-American being invoiced each month for all work completed during the prior month, or partial payment upon being invoiced should this appraisal engagement be suspended.

All payment terms are Net 60.

Section 8. Non-Disclosure:

A. The Parties agree as follows:

Proprietary and Confidential
This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

1. In connection with the Project, PA-American may find it beneficial to disclose to Supplier certain confidential or proprietary information in written, oral or other tangible or intangible forms, which may include, but is not limited to, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, tracings, diagrams, models, samples, flow charts, data, computer programs, disks, diskettes, tapes, marketing plans, customer names and other technical, financial or business information (individually and collectively, "Information"). All Information which is disclosed by PA-American to Supplier, whether provided in tangible or intangible form, including, but not limited to, electronic mail or other electronic communications, shall be deemed to be confidential or proprietary. Further, if Information is provided orally, including Information conveyed to an answering machine, voice mail box or similar medium, it shall too be deemed to be confidential or proprietary.
2. Supplier shall:
    a. Hold such Information in confidence with the same degree of care with which Supplier protects its own confidential or proprietary Information, but no less than reasonably prudent care;
    b. Restrict disclosure of the Information solely to its employees, contractors and agents with a need to know such Information, advise those persons of their obligations hereunder with respect to such Information, and assure that such persons are bound by obligations of confidentiality no less stringent than those imposed in this Agreement;
    c. Use the Information only as needed for the purposes of the Project;
    d. Except for the purposes of the Project, not copy, distribute, or otherwise use such Information or knowingly allow anyone else to copy, distribute, or otherwise use such Information; any and all copies shall bear the same notices or legends, if any, as the originals; and,
    e. Upon request, promptly return to PA-American all Information that is in tangible form; as to Information that was disclosed or is stored in intangible form, including, but not limited to electronic mail or other electronic communications, upon request by the PA-American, Supplier shall certify in writing within five (5) business days to PA-American that all such Information has been destroyed or, if the Information was recorded on an erasable storage medium, that Supplier has used reasonable efforts to erase all such Intangible Information.
3. Except for customer Information, Supplier shall have no obligation to preserve the confidential or proprietary nature of any Information which:
    a. Was already known to the Supplier free of any obligation to keep it confidential at the time of its disclosure by PA-American as evidenced by Supplier's written records prepared prior to such disclosure; or
    b. is or becomes publicly known through no wrongful act of Supplier; or
    c. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to PA-American with respect to such Information; or

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d. is independently developed by an employee, contractor or agent of Supplier or a third party not associated with the Project and who did not have any direct or indirect access to the Information, as evidenced by the Supplier's written records; or

e. is approved for release by written authorization by PA-American; or,

f. it is required to disclose pursuant to a written request or demand of a duly empowered government agency or a court of competent jurisdiction, provided due notice and an adequate opportunity to intervene is given to PA-American, unless such notice is prohibited by such written request or demand, in which case, the Supplier shall disclose only such Information as is required and shall use reasonable efforts to obtain confidential treatment for any Information that is so disclosed.

4. Any Information relating to the Project that is disclosed by PA-American to Supplier shall remain confidential for five (5) years from the date of termination of the Agreement. Notwithstanding anything to the contrary herein, Customer Information shall remain confidential indefinitely and shall never be disclosed or used without the prior written approval of an authorized representative of PA-American. "Customer Information" includes, but is not limited to, customer name, address, phone number, information concerning a customer's calling patterns, unlisted customer numbers, any other information associated with a customer or with persons in the household of a customer, and any information available to PA-American and/or its suppliers by virtue of PA-American's relationship with its customers as a provider of telecommunications, Internet, information or other services, including, but not limited to, the quantity, technical configuration, location, type, destination, amount of use of telecommunications or other services subscribed to, and information contained on the telephone bills of PA-American's customers pertaining to telephone exchange service, telephone toll service or other services received by a customer of PA-American.

5. Any disclosed Information by PA-American shall be deemed the property of PA-American, who shall retain exclusively rights to such Information. Nothing contained in this Agreement shall be construed as granting or conferring any patent, copyright, trademark or other proprietary rights by license or otherwise in any such Information to Supplier, except for the right to use such Information in accordance with this Agreement.

6. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, PA-AMERICAN MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER WITH RESPECT TO ANY INFORMATION FURNISHED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES AGAINST INFRINGEMENT.

7. In the event Supplier discloses, disseminates, or releases any confidential or proprietary Information received from PA-American, except as expressly permitted herein, such disclosure, dissemination, or release shall be deemed a material breach of this Agreement. In the event of such breach, PA-American may demand prompt return of all confidential and proprietary Information previously provided to Supplier and terminate this

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Agreement. The provisions of this Section are in addition to any other legal rights or remedies PA-American may have in law or in equity.

8. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, irrespective of its choice of law principles. Both Parties agree to comply with all laws, including, but not limited to, laws and regulations regarding the export of information outside the United States. Supplier shall not knowingly transmit, directly or indirectly, in whole or in part, any Information of PA-American or export, directly or indirectly, any product or Information in contravention of the laws of the United States or the laws of any other country governing the aforesaid activities. Supplier shall not transfer any Information received hereunder or any product made using such Information to any country prohibited from receiving such data or product by the U.S. Department of Commerce Export Administration Regulations without first obtaining a valid export license. In the event Supplier violates the foregoing, Supplier shall defend, indemnify, and hold harmless PA-American from and against any claim, loss, liability, expense or damage including fines or legal fees, incurred PA-American with respect to the export or re-export activities contrary to the foregoing. Notwithstanding any other provision of this Agreement, this Section shall survive any termination or expiration of this Agreement.

Section 9. <u>Ownership of Paid-For Development, Use and Reservation of Rights:</u>

PA-American shall be the exclusive owner of all right, title, and interest in and to all Paid-For Development (defined below), including, without limitation, all Intellectual Property Rights therein and thereto. Supplier shall assign or have assigned to PA-American and hereby assigns to PA-American all Intellectual Property Rights in and to the Paid-For Development. "Paid-For Development" shall mean any and all Items to the extent produced or developed by or on behalf of Supplier or its employees, agents, or direct or indirect contractors or suppliers (and whether completed or in-progress), or forming part of any deliverable, pursuant to this Agreement (including, without limitation under any statement of work, exhibit, order or other document under, subordinate to, or referencing this Agreement or the Project) (collectively "Agreements") for the development of which PA-American has been charged monies in one or more of the Agreements ("Development Fees"). Paid-For Development shall always exclude all Excluded Materials, but shall include (without limitation) any modifications, alterations or updates of any Excluded Materials ("Enhancements") that otherwise fall within the definition of Paid-For Development ("Paid-For Enhancements"). PA-American's ownership of Paid-For Enhancements shall be subject to Supplier's underlying rights and ownership in Supplier's Excluded Materials.

"Items" shall mean any or all inventions, discoveries, ideas, (whether patentable or not), and all works and materials, including but not limited to products, devices, computer programs, source codes, designs, files, specifications, texts, drawings, processes, data or other information or documentation in preliminary or final form, and all Intellectual Property rights in or to any of the foregoing.

"**Excluded Materials"** shall mean: i) Supplier's Pre-Existing Materials; ii) Supplier's Independently Developed Materials; and iii) Supplier's Mere Reconfigurations.

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"Supplier's Pre-Existing Materials" shall mean those Items owned by Supplier to the extent and in the form that they both existed prior to the date Supplier began any work under this Agreement and were created without any use of any PA-American Items. Supplier's Pre-Existing Materials shall not, however, include Paid-For Enhancements thereto.

"Supplier's Independently Developed Materials" shall mean those Items that have been developed by Supplier, or on Supplier's behalf, both i) without use of any PA-American Items; and ii) independently of any work performed under any Agreements.

"Supplier's Mere Reconfigurations" means those specific reconfigurations of Supplier's pre-existing software performed by Supplier, or on Supplier's behalf, but only to the extent that such reconfiguration is an alteration to such software which is strictly required to permit Supplier's software to function on PA-American's network or service platform. In no event shall Supplier's Mere Reconfigurations include enhancements, modifications, or updates that are not contained in Supplier's Pre-Existing Materials and that add any features, functionality, or capabilities.

"Intellectual Property Rights" means all patents (including all reissues, divisions, continuations, and extensions thereof) and patent applications, trade names, trademarks, service marks, logos, trade dress, copyrights, trade secrets, mask works, rights in technology, know-how, rights in content (including but not limited to performance and synchronization rights), or other intellectual property rights, protected under the laws of any governmental authority having jurisdiction.

Section 10. Right to Terminate:

PA-American has the right to terminate this Agreement, in its entirety or any portion thereof, at any time without penalty. Should PA-American terminate this Agreement at any time, Supplier shall be entitled to keep and collect all fees billed to PA-American prior to the termination date which are not the subject of a dispute between the parties. Further, Supplier shall be entitled to charge, and PA-American agrees to pay for all properly performed Services as of the termination date in accordance with the rates set forth in Section 6 or, in the case of a fixed fee, a prorata share of the monthly billing during the month in which the Agreement was terminated. Said prorata share shall be calculated by dividing the total number of days worked by Supplier during the month in which the Agreement is terminated, by the total number of calendar days in the month in which the Agreement was terminated.

Section 11. Mutual Limitation of Liability:

Appraiser and Client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of Appraiser's services under this Agreement. Except as set forth below, Appraiser and Client agree that to the fullest extent permitted by applicable law, each party's and its Personnel's maximum aggregate and joint liability to the other party for claims and causes of action relating to this Agreement shall be limited to the higher of [$50,000] or the total fees and costs charged by Appraiser for the services provided pursuant to this Agreement. Except as set forth below, this limitation of liability extends to all types of claims or

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causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence or negligent misrepresentation on the part of either party or its Personnel, but excluding claims/causes of action for grossly negligent conduct, intentionally fraudulent conduct, criminal conduct, intentionally caused injury or claims for indemnification. The Personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, members, partners and shareholders, acting within the scope of their employment. Appraiser and Client agree that they each have been free to negotiate different terms than stated above or contract with other parties.

Section 12. Invoices/Billing Information:

The Supplier agrees to submit invoices in paper and or electronic form with appropriate references to the PA-American Point of Contact identified in Section 13.

Section 13. Project Manager/Point of Contact/Legal Counsel:

The project manager and/or point of contact of Supplier shall be:

Jerome C. Weinert
Principal
WADS Consultants
Weinert Appraisal and Depreciation Services, LLC
5880 Fenton Court
Greendale, Wisconsin 53129
E-Mail: weinertj@auswest.net
414-698-8371 (office)
414-529-5750 (fax)

The point of contact for PA-American shall be:

Scott D. Fogelsanger, Director – Valuation Strategies
American Water Works Service Company
852 Wesley Drive,
Mechanicsburg, PA 17055
717-875-2282 (cell)
Email: scott.fogelsanger@amwater.com

The Legal Counsel contact for PA-American shall be:

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This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

Erin Fure, Director Corporate Counsel
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
717-265-6369 (cell)
Email: erin.fure@amwater.com

Section 14. **Signatures:**

WADS Consultants (Supplier)

Jerome C Weinert

Jerome C Weinert (Apr 18, 2025 12:11 CDT)

Jerome C. Weinert
April 14, 2025

04/18/2025

Pennsylvania American Water Company

Don Wieczenski

Don Wieczenski
Senior Director – Business Development
April 14, 2025

04/22/2025

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This Agreement and information contained therein is not for use or disclosure outside of PA-AMERICAN, its Affiliates, and third party representatives, and Supplier except under written agreement by the contracting parties or as may be required by applicable law or regulation.

Application of Pennsylvania-American Water Company for Acquisition of Substantially All of the Assets, Properties and Rights Related to the Wastewater System Owned and Operated by the City of Pittston

66 Pa. C.S. §1329

Application Filing Checklist – Water/Wastewater

Docket No. A-2025-3056419

APPENDIX A-5.2

UVE APPRAISAL OF GANNETT FLEMING

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

FAIR MARKET VALUE APPRAISAL

AT

MAY 30, 2025

Prepared by:
Gannett Fleming Valuation and Rate Consultants, LLC

Gannett Fleming
Valuation and Rate Consultants, LLC

300 Sterling Parkway, Suite 200
Mechanicsburg, PA 17050

December 5, 2025

Via email to kapensteinb@pfm.com (For Delivery)

Joseph Chacke
City Administrator
City of Pittston
35 Broad Street
Pittston, PA 18640

Dear Mr. Chacke:

Fair Market Value Appraisal

In accordance with your request, we have prepared a fair market value appraisal of the City of Pittston's wastewater system assets ("Wastewater System") consistent with the date of the Engineer's Assessment's inventory date of May 30, 2025.

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

Based on our analysis, as described in the attached appraisal report, we are of the opinion that the fair market value of the Water System is $29.6 million ($29,572,075 rounded), as of May 30, 2025.

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

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

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

Valuation Approach	Indicated Value
Cost Approach	$37,039,639
Income Approach	26,524,279
Market Approach	25,152,308

We thank the City of Pittston for this opportunity to provide valuation services in connection with the fair market value appraisal of the Wastewater System's assets.

Respectfully Submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

HAROLD WALKER, III
Manager, Financial Studies

HW:mle

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INTRODUCTION

Introduction and Summary. The following narrative report presents our findings and opinion regarding the fair market value of the wastewater system assets of the City of Pittston ("City") as of May 30, 2025. This report describes the valuation methodologies employed and the Exhibits that present the valuation results. Our conclusion of value is based upon the values indicated by the Cost, Income, and Market approaches to valuation. During our analysis we found measures of value that ranged from $25.2 million to $37.0 million. Based upon our analyses, we are of the opinion that the fair market value of the City's wastewater system assets is $29.6 million ($29,572,075 rounded), as of May 30, 2025.

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

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

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

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

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

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

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

Date of Report. The date of the report is the date on which the appraisal is transmitted to the client. The date of the report is December 5, 2025.

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

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

Type of Property. The Wastewater System is a sanitary sewer and combined sanitary/stormwater conveyance system that provides service in the City of Pittston in Luzerne County, Pennsylvania. The Wastewater System is a special purpose property.

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

Highest and Best Use. The highest and best use for the Wastewater System is as a sanitary sewer and combined sanitary/stormwater conveyance system. Since the property is specifically designed, configured, and constructed solely as a sanitary sewer and combined sanitary/stormwater conveyance system, no alternate highest and best use was considered.

Market Participants. The market participants expected to be a buyer in a fair and open negotiation to purchase the Wastewater System are assumed to include large investor-owned

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

utilities ("IOU") and larger regional municipal authorities ("MUNI") that are involved in owning and/or operating other water and/or wastewater systems.

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

Condition. Gannett Fleming relied on the engineering assessment report of the Wastewater System's facilities, "City of Pittston Sewage Facilities Engineering Assessment, City of Pittston, Luzerne County, PA," dated November 2025, and related files prepared by Pennoni Associates Inc., ("Engineering Assessment"), to confirm the condition of the Wastewater System's property and equipment. According to the Engineering Assessment, Pennoni Associates Inc. found the Wastewater System to be in good condition.

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

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

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

Limiting Conditions. We accepted all information and data provided by the City as it pertains to this assignment "as is" after a limited review. That is, we neither audited nor verified

any data, engineering assessment, financial record or operating data provided for this assignment. We assumed all title to all assets included in the appraisal is good and marketable, no hidden defects in the property or soil and no hazardous conditions or materials exist which could affect the assets. We are not an environmental consultant or auditor, and we take no responsibility for any actual or potential environmental liabilities. We have not made a specific compliance survey or analysis of the subject property to determine whether it is subject to, or in compliance with, the American Disabilities Act of 1990, and this valuation does not consider the effect, if any, of noncompliance.

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

Site Inspection. We viewed or observed the Wastewater System's facilities on November 21, 2025. We also relied on Engineering Assessment of the Wastewater System to confirm the condition of the Wastewater System's property and equipment.

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

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

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

"City of Pittston Sewage Facilities Engineering Assessment, City of Pittston, Luzerne County, PA," dated November 2025, and related files prepared by Pennoni Associates Inc.;

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

City's Audited Financials (2021-2023);

City's Budget (2025);

Asset Purchase Agreement;

City's Service Agreement with Wyoming Valley Sanitary Authority;

Wastewater System's Maps;

Wastewater System's Customer Data;

Wastewater System's Chapter 94 Reports;

Wastewater System's Fee Schedule;

Blue Chip Financial Forecasts;

US Census Bureau, various data files;

Value Line Investment Survey; and

S&P Capital IQ.

Description of the City of Pittston. The City of Pittston lies along the east side of the Susquehanna River, between the cities of Wilkes-Barre and Scranton, in northeastern Pennsylvania in Luzerne County. The City is bordered by the boroughs of Duryea, Hughestown, West Pittston, and Yatesville, and the townships of Exeter, Jenkins, and Pittston, all in Luzerne County. The City is the 54th largest land mass of Luzerne County's 76 municipalities and was the 10th most populous with 7,618 people (2023) and 3,951 housing units (2023). The City consists of 1.5

square land miles and lies approximately 117 miles north-northwest of downtown Philadelphia, Pennsylvania. According to U.S. Census figures, the City's population contracted 1.9% from 2010 to 2020, while population in Pennsylvania grew 2.4% and Luzerne County grew 1.5%.

Description of the Wastewater System. The City owns and operates the Wastewater System which provides service to 4,142 customers within a population of 7,645 people. The Wastewater System assets consist of about 22 miles of gravity mains, seven outflow chambers, approximately 632 manholes and inlets, associated infrastructure and appurtenances, and related land and land rights. The Wastewater System's flows are conveyed to, and ultimately treated at, facilities owned by Wyoming Valley Sanitary Authority in Hanover Township, Luzerne County.

The Wastewater System was originally constructed as a combined sanitary/stormwater sewage system and has since been separated into a sanitary sewer and combined sanitary/stormwater conveyance system. The combined sanitary/stormwater collection system includes seven outflow chambers. The outflow chambers relieve pressure and prevent flooding during heavy rainfall when the hydraulic capacity of the combined sanitary/stormwater collector system becomes overloaded by releasing excess untreated wastewater and stormwater into waterways (i.e., combined sewer overflows, or "CSO"). The Wastewater System has not experienced a CSO in over 12-plus years.

The Wastewater System's 116,397 linear feet of gravity mains were installed between 1908 to 2025 and range in diameter from 4-inch to 72-inch. About 31% of the mains are 8-inch or less, 56% are 10-inch to 18-inch, and 11% are 20-inch to 72-inch. About 48% of the gravity mains were installed in 1908, 35% were installed in the 1970s and 1980s, and 17% were installed since 2010. About 47% of the mains consist of vitrified clay (VCP), 45% are either polyvinyl chloride (PVC) or high density polyethelene (HDPE), and the remaining 7% are either asbestos-cement (AC),

concrete cast-in-place (CCIP), cast iron (CI), corrugated metal (CMP), reinforced concrete (RCP), or unknown. The Wastewater System also has 632 manholes and inlets, and 4,142 services which are either 4-inch or 6-inch in diameter.

The City utilizes one primary special purpose revenue fund to account for the Wastewater System's operations. The City's audited financial statements reflect the use of the modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash and provide limited detailed information for the Wastewater System. For example, only assets expected to be used up and liabilities that come due during the year or soon thereafter are reported for the Wastewater System.

During our analysis, we used the City's 2021 to 2023 audited financial statements, and the City's 2024 budget for the Wastewater System. For the year ended December 31, 2024, (shown on Exhibit 1) the Wastewater System budgeted revenues of $1.706 million, operating expenses of $0.735 million (excluding depreciation), and fund transfers-out[4] of $0.375 million. On December 31, 2023, the Wastewater System was capitalized with $0.286 million of fund equity and did not report debt[5] for the Wastewater System. At the same point in time, the Wastewater System had total assets of $0.829 million and did not report net utility plant.

The Wastewater System is exempt from PUC regulation as a municipal utility. The Wastewater System's rate requirements are established by the funds needed to run the system. Most municipalities, including Wastewater System, use a Government Accounting Standards Board ("GASB") process of accounting or the Pennsylvania Department of Community and

4 The interfund operating transfers-out from the sewer fund to the general fund is for direct personnel hours and indirect operating costs for the sewer system based on a cost-study analysis conducted for the City about eight years ago.

5 The debt shown on Exhibit 1 is the actual debt attributable to the Wastewater System.

Economic Development ("DCED") versus Financial Accounting Standards Board ("FASB") method of accounting used by IOUs. Municipalities are not typically concerned with the return on and the return of their investments of their utility systems since they deem, they are providing a public service to their taxpayers. Municipalities typically expense (i.e., maintenance expense) renewals replacement, and customer collection services capital expenditures and they do not typically fully account for the replacement of all capital assets which are all typically capitalized (i.e., construction of capital asset, construction expenditure, etc.) and "booked" at original cost by IOUs. For these reasons, we do not believe Wastewater System's financial statements should be fully relied upon without recognizing their limitations.

Demographics and Growth for the Wastewater System. As shown on Exhibit 3, Table 3.1, according to U.S. Census figures, the U.S. population grew 7.4% from 2010 to 2020, and the population in Pennsylvania grew 2.4%. During this same period, Luzerne County's population grew by 1.5%, and the population of the City (Wastewater System) decreased by 1.9% (Exhibit 3, Table 3.2). The City's 2010 to 2020 population growth is ranked 1,233 of the 2,572 municipalities in Pennsylvania.

The Census Bureau and planning agencies provide population projections for future time periods. Population projections are a primary indicator of expected future growth, and they help determine predictable demand for utility services, housing, roads, business services and facilities. The Pennsylvania Department of Environmental Protection ("DEP") publishes population projections for the City which is used to gauge the growth for the Wastewater System's service area. As shown on Page 2 of Exhibit 3, Table 3.3, the City's population growth is projected to decrease 15.9% from 2020 through 2040. The City's projected population growth places them in the lower 14 percent or 14th percentile of the 2,572 municipalities analyzed by DEP.

Currently, there are approximately 7,645 people (Exhibit 2) in the Wastewater System's service area and 7,632 people in households. There are 3,489 occupied housing units in the Wastewater System's service area, and the ratio of people to households is 2.19 persons per household. The Wastewater System's service area density is 1.8 people per customer based on an estimated population of 7,645 and 4,142 customers. The Wastewater System's service area density is lower than the 3.4 per customer density of water and wastewater systems (see Table 2 in this report) indicating lower market penetration. The Wastewater System's 4,142 customers represent 5,446 equivalent dwelling units (EDUs).

HISTORY AND NATURE OF THE BUSINESS

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

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

Economic Indicators

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

Table 1

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

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

A comparative industry to the wastewater utility industry is the water supply industry. The water utility industry has a Standard Industrial Classification ("SIC") code of 4941 (Water Supply), has water utilities, and includes establishments primarily engaged in distributing water for sale for residential, commercial, and industrial uses. Government controlled establishments

such as municipal service districts and public utilities dominate the industry. Private companies or IOUs are active in the construction and improvement of water supply facilities and infrastructure. There are currently about 11,900 U.S. Businesses with a SIC code of 4941.

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

The wastewater utility industry is a fragmented industry, although not as fragmented as the water supply industry. According to the U.S. Environmental Protection Agency's ("EPA") most recent survey of publicly owned wastewater treatment facilities in 2022, there are approximately 18,000 such facilities in the nation, serving approximately 82% of the U.S. population. Ninety eight percent of domestic wastewater systems are government owned rather than IOUs. Currently, there are no wastewater utility companies that have actively traded stock.

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

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

stronger operations.

The larger IOUs have been following an aggressive acquisition program to expand their operations by acquiring smaller water and wastewater systems. They enter a new market by acquiring one or several water or wastewater utilities. After their initial entry into a new market, the larger investor-owned water utility companies continually seek to expand their market share and services through the acquisition of water and wastewater utility businesses and operations that can be integrated with their existing operations. Such acquisitions may allow a company to expand market share and increase asset utilization by eliminating duplicate management, administrative, and operational functions. Acquisitions of small, independent utilities can often add earning assets without necessarily incurring the costs associated with the Safe Drinking Water Act ("SDWA") if such acquisitions are contiguous to the potential purchaser.

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

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

financial needs against other municipal services and the general unwillingness of elected officials to raise taxes when compared to larger IOU water utilities.

QUANTITATIVE AND QUALITATIVE ANALYSIS

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

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

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

Acquisition Date Size Statistics

	Revenues (Mill. $)	Customers	Population	Customer Density
City of Pittston Wastewater System Assets	$1.704	4,142	7,645	1.8
Comparable Group				
American States Water Co	$595.459	289,414	1,000,000	3.5
American Water Works Co Inc	4,684.000	3,546,000	14,000,000	3.9
Artesian Resources -CL A	107.952	108,740	326,850	3.0
California Water Service Gp	1,036.806	555,900	2,000,000	3.6
Essential Utilities, Inc.	2,086.113	1,869,306	5,500,000	2.9
H2O America	748.439	407,000	1,551,000	3.8
Middlesex Water Company	191.877	128,300	500,000	3.9
York Water Co	74.959	79,771	212,000	2.7
Median	$671.949	348,207	1,275,500	3.4

Table 2

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

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

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

It is the responsibility of the utility seeking changes in rates to present sufficient evidence to their regulators in support of their request. Historically, the Wastewater System's rates have not considered a fair rate of return nor taxes. That is, the Wastewater System's rates would have been higher, and their financial results would have been healthier if they included a provision for a fair rate of return and taxes. As mentioned earlier, the Wastewater System annually transfers funds to the City's general fund to reimburse the City's general fund for direct and indirect operating costs required to operate the Wastewater System. As a result, the Wastewater System's historical financial performance shown on Exhibits 4 and 6 have been adjusted to reflect the Wastewater System's transfer of funds as operating expenses. Consequently, the results of the Wastewater System's historical financial performance shown in Exhibits 4 and 6 should be viewed with this knowledge.

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

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

Risk Analysis. A basic premise of finance is the tradeoff between risk and return. That is, the higher the perceived risk, the higher the required return. Conversely, the lower the perceived risk, the lower the required return. From an operations standpoint, the Wastewater System and the Comparable Group are indistinguishable. Both are required to meet SDWA and CWA requirements and are also required to provide safe and reliable services to their customers. However, based on size, the Wastewater System's risk is higher than the Comparable Group given Wastewater System's relatively small size. Table 2 details the size difference between the Wastewater System and the Comparable Group. As shown in Table 2, the Wastewater System is many times smaller than the Comparable Group.

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

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

The Comparable Group's market value on May 30, 2025, ranged from $355 million to $27,881 million as shown on Table 5.2 of Exhibit 5. Based on their market value, the Comparable Group's median market quartile was 3. Since the largest company in quartile 4 on Table 5.1 had a market value of $452 million, Wastewater System's market value would place it in quartile 4.

The change in risk adjusted common stock return rate between quartile 3 and quartile 4 (column J) is 115 basis points (3.80%- 2.65%). The results of the illustration, shown on Exhibit 5,

suggest the Wastewater System's common equity cost rate could be about 1.15 percentage points higher than the Comparable Group. The history of common stock returns indicates small company stocks are riskier than large company stocks because as one moves from the larger to smaller quartiles, the standard deviation (a measure of risk) of returns increases. Historically, common stock investors have been compensated for taking on this additional risk by the higher returns provided by small company stocks.

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

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

A higher return requirement for companies the size of Wastewater System translates into a higher capitalization rate. All else being equal, a higher capitalization rate will produce a lower value. However, all things are seldom equal as shown by the array of market multiples for the companies that comprise the Comparable Group (Exhibit 18, page 2). As shown in Exhibit 18, the Comparable Group's current market multiples do not suggest a higher capitalization rate due to size as there are numerous other risks affecting the Comparable Group's market values.

Property Plant and Equipment Analysis. The Wastewater System can best be characterized as a wastewater collection system. The Wastewater System does not have the number of large treatment facilities as the Comparable Group. The Wastewater System's gross property, plant and equipment is in relatively good condition given its age (Exhibit 6, Table 6.1) with 68% of their gross property, plant and equipment remaining undepreciated while 80% of the Comparable Group's gross property, plant and equipment remained undepreciated.[8]

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

We found a 15% (100% - 85%) difference between the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital on the valuation date (Exhibit 6, page 1, Table 6.2). The difference between the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital is comprised of "cost free" capital such as customer contributions.[9] This is evidenced by the 15% difference in the Comparable Group's net property, plant and equipment and the Comparable Group's investor provided capital (Exhibit 6, page 1, Table 6.2). Additionally, we verified known components of

8 The Wastewater System's gross and net property, plant and equipment is developed on Exhibit 7.

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

the Comparable Group's "cost free" capital by reviewing their individual balance sheets (Exhibit 6, page 1, Table 6.2) at year-end 2024.

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

Capital Expenditures Analysis. The level of capital expenditure required for business purposes is an indicator of risk. Over the last four years, the Comparable Group has had annual capital expenditures of about 10% of net plant (Exhibit 6, page 2, Table 6.3). During this same time, 2021 to 2024, the Wastewater System had annual capital expenditures, but they did not report net plant. Therefore, the Wastewater System historical capital spending relative to net plant could not be calculated.

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

Profit Margin Analyses. Higher profit margins are an indication of less risk. We compared earnings before interest and taxes ("EBIT") to revenues to see how successful the Wastewater System's management has been at generating income from the operation of the business. We also compared operating profitability or earnings before interest, tax, depreciation, and amortization ("EBITDA") divided by total revenue to gain a clearer view of the Wastewater System's core profitability. The Wastewater System's EBITDA profit margins and EBIT profit

margins are higher than the Comparable Group's, indicating less risk (Exhibit 6, page 5, Table 6.5).

VALUATION

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

The Cost Approach. In general terms, the cost approach measures value by determining the amount of money required to replace the future service capability of an asset.[10] The cost approach is based on the premise that an informed purchaser will not pay more for a property than the cost of constructing an equally desirable substitute property, minus applicable depreciation, and assuming no undue delay.

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

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

determination of the original cost method.

The original cost method begins with establishing the original cost new ("OCN") measure of the cost of the assets when first constructed.[11] The OCN is based on (1) a review and summary of the utility's accounting records, contractors' invoices and bid tabulations to determine the most appropriate data sources of each type of asset; (2) and the "pricing out" of assets using unit costs for each vintage year that property was placed in service.

Under the trended cost method, the trended original cost ("TOC") measures the reproduction cost by multiplying the OCN by specific cost indices.[12] The TOC is based on (1) a review and summary of the OCN at each location to determine those elements that would be replaced-in-kind, those that would be replaced with current methods and technologies and those that would not be replaced; (2) the selection of cost indexes and the calculation of trended original cost for those elements that would be replaced-in-kind; and (3) the estimation of the cost to purchase or construct those elements that would be replaced with current methods and technologies. The TOC is a procedure for estimating reproduction cost new of property and is sometimes used as a substitute for reproduction cost method and may be considered a form of the reproduction cost method, though not as precise.

The reproduction cost method begins with determining the reproduction cost new ("RPCN") by determining the current cost of constructing identical new property.[13] The replacement cost method begins with estimating the replacement cost new ("RCN") based on approximating the current cost of replacing service of existing property with similar new property

11 International Association of Assessing Officers, s.v. "Original Cost," *Glossary for Property Appraisal and Assessment*, Second Edition, 2013.
12 International Association of Assessing Officers, s.v. "Trended Original Cost," *Glossary for Property Appraisal and Assessment*, Second Edition, 2013.
13 American Society of Appraisers, s.v. "Reproduction Cost," *ASA Business Valuation Standards,* 2009.

having the nearest equivalent utility to the property being valued.[14]

The RPCN and the RCN methods include the research and verification of the inventory of a company's tangible personal property. Upon verification of the inventory, current material costs, current construction costs, engineering costs, administration costs, interest during construction, and entrepreneurial profit[15] are applied to the inventory listing in order to determine the RPCN and to determine the RCN.

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

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

Depreciation represents the loss in property value from: physical deterioration; functional obsolescence; and external obsolescence. The accrued depreciation represents the sum of the annual depreciation amounts that would have been charged for depreciation at a point in time. Accrued depreciation is a calculated amount that would be in the book reserve account at a point

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

in time using the current depreciation parameters (i.e., average service life). The average service lives of depreciable assets are based on the materials used for construction and how long the depreciable assets are likely to meet service demands.

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

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

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

The original cost of the Wastewater System was determined from the Engineering Assessment and is summarized on page 2 of Exhibit 7. A summarizing analysis of the original cost of the Wastewater System by account and vintage year is shown on Exhibit 8.

The accrued depreciation calculation, shown on page 3 of Exhibit 7, was based on recognized methods using estimated survivor characteristics and the straight-line depreciation method. The estimated survivor curves are those used by other Pennsylvania regulated wastewater companies and the material and age of the assets. The average service life procedure was used to

apply the methods of depreciation to group properties for which a survivor curve was used to recognize the existence of life dispersion. The detailed calculations of accrued depreciation applicable to original cost by account and vintage are included in Exhibit 8.

The results of the OCNLD Study established that the OCN of the Wastewater System's utility plant in service as of May 30, 2025, was not less than $23.2 million ($23,222,746 rounded). The OCNLD Study also determined a theoretical calculated accrued depreciation reserve of the utility plant in service of $7.3 million ($7,339,112 rounded) as of May 30, 2025. After factoring in the OCNLD Study's accrued depreciation reserve, the OCNLD of Wastewater System's utility plant in service as of May 30, 2025, was determined to be $15.9 million ($23,222,746 - $7,339,112 = $15,883,634).

The Replacement Cost Method. We utilized the OCN to calculate the trended original cost (TOC) measures, or the replacement cost of the depreciable assets (RCN), by multiplying the OCN by specific preliminary transition factors.[16] The transition factors included both cost changes measured during TOC process and preliminary obsolescence, so all RPCN values were valued on an RCN basis. The result of this analysis is shown in the Replacement Cost and Related Accrued Depreciation of the Wastewater System as of May 30, 2025 ("RCNLD Study") shown on Exhibit 9.

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

The replacement cost new of the Wastewater System (see Exhibit 10) was calculated by

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

trending the original cost measures by multiplying the OCN by Handy-Whitman indices and preliminary obsolescence factors.[17] A summarizing analysis of the replacement cost new of the Wastewater System by account and vintage year and related preliminary transition factors is shown on Exhibit 10.[18]

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

The results of the RCNLD Study established that the RCN of the Wastewater System's utility plant in service as of May 30, 2025, was not less than $124.1 million ($124,122,016 rounded). The RCNLD Study also determined a theoretical calculated accrued depreciation reserve of the utility plant in service of $82.5 million ($82,503,696 rounded) as of May 30, 2025. After factoring in the RCNLD Study's accrued depreciation reserve, the preliminary RCNLD of Wastewater System's utility plant in service as of May 30, 2025, was determined to be $41.6 million ($124,122,016 - $82,503,696 = $41,618,320).

The results of the OCNLD and preliminary RCNLD Cost Approaches show a range of value for the Wastewater System of $15.9 million to $41.6 million and collectively, indicated a

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

preliminary value of $41.6 million ($41,618,320 rounded) for the Wastewater System based on the results of the preliminary RCNLD.

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

The above-mentioned property, plant and equipment "multiples" may understate the multiple applicable to the Wastewater System because some of the Comparable Group's property, plant and equipment includes assets that were originally financed with "cost free" capital such as customer contributions.[19] Subtracting customer contributions ("CIAC") from the Comparable Group's property, plant and equipment (Exhibit 18, page 3) based on differences between investor provided capital and OCN results in CIAC adjusted multiples of 1.45-times OCNLD and 1.17-times OCN for the Comparable Group.

Multiplying the Wastewater System's OCN of $23.2 million by the Comparable Group's 1.04-times OCN multiple or the 1.17-times contributions adjusted OCN multiple indicates a range of market value of $24.1 million to $27.1 million for the Wastewater System, dissimilar to the

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

preliminary RCNLD of $41.6 million. Further, multiplying the Wastewater System's OCNLD of $15.9 million by the Comparable Group's 1.29-times OCNLD multiple or the 1.45-times contributions adjusted OCNLD multiple indicates a range of market value of $20.5 million to $23.1 million for the Wastewater System, dissimilar to the preliminary RCNLD of $41.6 million.[20] Using a similar technique, we multiplied the Wastewater System's number of customers of 4,142 by the Comparable Group's $9,430-times customer multiple and produced a market value of $39.1 million, which is similar to the preliminary RCNLD of $41.6 million.

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

Functional obsolescence ("FO") is a "form of deterioration due to a feature in the property that is no longer useful or functional, resulting in a loss of value for the entire property."[21] FO is sometimes evident due to increased operating costs, increased maintenance costs, lost profits and for a water utility, excess unaccounted for water. According to the Engineering Assessment, the Wastewater System's "facilities have been deemed to be in good condition as the City of Pittston completes regular inspection and videoing, maintenance and repairs to deficiencies in the system

20 The range of benchmark metric values suggested for the Wastewater System are not a substitute for an appraisal. However, the referenced range of market values for the Wastewater System can be a meaningful metric to evaluate the reasonableness of other indication of value produced by other valuation methods.

21 "Physical Deterioration: The loss in value of a real estate property due to the physical wearing out of a building," *Corporate Finance Institute*, Updated October 3, 2021. Accessed 6/20/22. https://corporatefinanceinstitute.com/resources/knowledge/other/physical-deterioration/

as required."[22] Additionally, the Engineering Assessment did not find any utility assets that were no longer useful or functional. Therefore, we conclude no significant FO is suggested.

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

> Economic obsolescence (EO) is the loss of value resulting from external economic factors to an asset or group of assets. EO is often encountered in valuation work performed for financial reporting purposes, bankruptcy emergence and in other practice areas when dealing with companies in capital-intensive industries. Identifying, measuring and **applying the adjustment for EO can be a complex and iterative process**, requiring expertise and interaction across multiple valuation disciplines, including real property, personal property, business valuation and intangible asset valuation.[23] (Emphasis added)

> EO manifests itself in the profit margin of business. If the operating margin of an asset or group of assets is below what provides a sufficient economic return to the supporting assets, and there is a difference between the existing operating level/capacity and a sufficient operating/level capacity, EO may be an issue.[24]

To evaluate EO we compared our preliminary RCNLD value of $41.6 million to the maximum economic values calculated in our Income and Market Approaches, discussed later in this report, and conclude EO is suggested (Exhibit 9 page 4). The maximum economic value calculated in our Income and Market Approaches of $34.8 million is $6.9 million less than our preliminary RCNLD value of $41.6 million. In our conclusion of value, discussed later in this report, we give 66.67% weight to the indicated values produced by the two economic approaches, Income and Market. Therefore, we assign 66.67% weighting to the $6.9 million ($41.6 million - $34.8 million = $6.9 million) difference in establishing $4.6 million for EO. Based on our EO

22 "City of Pittston Sewage Facilities Engineering Assessment, City of Pittston, Luzerne County, PA," dated November 2025, prepared by Pennoni Associates Inc., at page 1.
23 Mickle, Joseph and Sapnas, Charles. "Perspectives, Economic Obsolescence: Discover Loss of Value Caused by External Factors," *Valuation Research Corporation*. Accessed 6/20/22. https://www.valuationresearch.com/pure-perspectives/economic-obsolescence-determining-loss-value-caused-external-factors/#:~:text=Economic%20obsolescence%20(EO)%20is%20the,companies%20in%20capital%2Dintensive%20industries.
24 "Perspectives, Economic Obsolescence: Discover Loss of Value Caused by External Factors".

analysis, we reduced the preliminary RCNLD after FO value of $41.6 million by $4.6 million and conclude a RCNLD value of $37.0 million (Exhibit 9 page 4).

Cost Approach Conclusion. On page 4 of Exhibit 9 we reduced our RCN indicated value of $124.1 million for accrued depreciation in reaching our RCNLD conclusion. The RCNLD's accrued depreciation reflects the total loss in value from RCN due to physical deterioration, functional and economic obsolescence. We ascribed $82.5 million physical deterioration, $0.0 million functional obsolescence, and $4.6 million economic obsolescence in reaching our $37.0 million RCNLD conclusion. The results of the RCNLD method of $37.0 million ($37,039,639 rounded) form the basis for our Cost Approach conclusion, shown on Exhibit 9, page 4. Based on this result, the Cost Approach to valuation indicates a value of $37.0 million for the Wastewater System's based on the RCNLD method.

The Income Approach. Capitalizing or discounting a future income stream to a present value provides an indication of the value of a security or asset. The capitalization or discount rate reflects future growth, business risk, economic factors, financial risk, and industry risk of the assets. The theory behind the income approach is that the value of a business is the future economic benefit that ownership will provide. The income approach is defined as, "a general way of determining a value indication of a business, business ownership interest, security, or intangible asset by using one or more methods that convert anticipated economic benefits into a present single amount."[25]

The two most common methods of the income approach to valuation are the capitalization of earning or cash flow method and the discounted cash flow method ("DCF"). The capitalization

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

of earning method converts a single base economic income number to a value by dividing it by a capitalization rate. The capitalization of earnings is best suited when the future earnings, or cash flow, can be predicted. The implicit assumption in the capitalization of earning method is that the cash flow is a perpetuity, and the capitalization rate is a constant.

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

The capitalization rate used in the capitalization of earnings method and the discount rate used in the DCF method are related. The discount rate is the market participant's opportunity cost rate related to the risk of the cash flows. For the Wastewater System, the market participants are assumed to include IOU and MUNI. For the Wastewater System, the appropriate discount rate is the current municipal revenue bond yield on May 30, 2025, of 4.76%. The appropriate IOU discount rate is the current net of tax overall cost of capital (weighted average cost of capital) on May 30, 2025, and ranges from 8.92% to 11.61%.[26] The capitalization rate is simply the discount rate minus the expected growth rate. If no growth is assumed, the capitalization rate is equal to the discount rate.

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

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

For a MUNI, the appropriate discount rate is the current municipal revenue bond, 4.76%, because debt is the only major source of capital available to finance an acquisition (Exhibit 23, pages 2-6). Although a MUNI likely carries equity on their books (balance sheet), all existing equity is already invested in other assets and therefore, cannot be used to finance an acquisition.[27] For valuation purposes, an embedded cost of debt, or the historical cost of all debt issuances outstanding is not used because this capital is already invested in assets. Whereas the marginal cost of debt, 4.76%, at the valuation date is used in accordance with accepted valuation practices and used for market valuation purposes.

As discussed previously, for an IOU, the appropriate discount rate is the net of tax overall cost of capital (weighted average cost of capital), 8.92% to 11.61% (Exhibit 23, pages 2-8). In this instance, the net of tax overall cost of capital (weighted average cost of capital) is based on the Comparable Group's market value capital structure of 31.9% debt and 68.1% equity, a market cost

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

of debt of 6.02% and a range of market cost of equity of 11.07% to 15.02%.[28] The Comparable Group's net of tax overall cost of capital (weighted average cost of capital) is used as a proxy to conform to the "hypothetical buyer" or "hypothetical seller" of fair market valuation. Use of the buyer's net of tax overall cost of capital (weighted average cost of capital) would produce an investment valuation, not a fair market valuation.[29]

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

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

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

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

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

The Capitalization of Earnings Method. The capitalization of earnings method begins with an estimate of the income or cash flow producing capabilities of the business (Exhibit 12) for a recent time period and assumes current ownership and operations. We began the capitalization of earnings method for the Wastewater System by first determining the Debt Free Net Cash Flow to be capitalized. The Debt Free Net Cash Flow is comprised of current EBIT, minus income taxes, plus current depreciation and amortization, minus projected changes in net cash working capital, and minus projected capital expenditures. Specifically, our capitalization of earnings method capitalizes Wastewater System's current (budget 2025) Debt Free Net Cash Flow. The second element of the capitalization of earnings method is the determination of an appropriate capitalization rate. Our analysis uses the current municipal revenue bond yield on May 30, 2025, of 4.76% (Exhibit 12, line 24) as the capitalization rate. We typically do a second capitalization of earnings calculation based on a capitalization rate reflective of some growth. However, in this instance we did not assume any growth due to the demographics of the service area and our quantitative and qualitative analysis.

We computed the Wastewater System's indicated value based on the capitalization of earnings method by dividing the projected Debt Free Net Cash Flow by the capitalization factor. The capitalization factor is equal to the discount rate minus assumed growth in projected Debt Free Net Cash Flow. Based upon the demographics of the service area and our quantitative and qualitative analysis, we assumed no growth for the Wastewater System based on current ownership and operations.

For pro forma 2025, we adjusted the Wastewater System's Debt Free Net Cash Flow (Exhibit 12, lines 23 and 28) to include the average 2022-2025 capital expenditure to get a clearer picture of Debt Free Net Cash Flow. Exhibit 12 shows the results of the capitalization of earnings method. For the Wastewater System, the capitalization of earnings method using a 4.76% capitalization rate (no growth) indicates a value of $0.1 million, and $2.0 million based on pro forma 2025 results. Collectively, for Wastewater System, we believe the no growth scenario is the most probable result based on current ownership and operations and therefore, the capitalization of earnings method suggests a value of $2.0 million based on pro forma 2025 results and current operations (without rate increases) and ownership. These results are indicative of a system which requires adjustments to their rates if they plan to remain operational.

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

The DCF method begins with an estimate of the income or cash flow producing capabilities of the business. Specifically, our DCF methods use estimates of the results of the Wastewater System's operations over the next 20 years. We use two different assumptions for the Wastewater

System's future operations in the DCF methods: MUNI ownership shown on Exhibits 13 and 15; and IOU ownership shown on Exhibits 14 and 16.

Under the MUNI ownership the discount rate is the current 4.76% municipal revenue bond yield and under the IOU ownership the discount rate is the current net of tax overall cost of capital, reflecting the upper and lower range of the net of tax overall cost of capital for the Comparable Group of 8.92% to 11.61%. For the Capitalization DCF, the capitalization rate reflects only a scenario of no additional growth (i.e., discount rate = capitalization rate) under MUNI ownership and no growth under IOU ownership due to the demographics of the service area.

We computed the Market Multiple DCF terminal values by multiplying the Wastewater System's projected EBITDA and EBIT by the Comparable Group's adjusted multiples of 12.4-times and 16.8-times, respectively. We computed the Capitalization DCF terminal value by dividing the projected Debt Free Net Cash Flow by the capitalization factor. The capitalization factor is equal to the discount rate minus assumed growth in projected Debt Free Net Cash Flow.

Exhibit 13 shows the results of the DCF method under the MUNI ownership scenario. The results of the Capitalization DCF, shown on Exhibit 13, show a value for the Wastewater System of $16.9 million. The results of the Market Multiple DCF, shown on Exhibit 13, show a value of $16.0 million. Collectively, the DCF method based on the MUNI ownership scenario indicates a value of $16.4 million for the Wastewater System based on no growth assumption.

Exhibit 14 shows the results of the DCF method under the IOU ownership scenario. The results of the Capitalization DCF, shown on Exhibit 14, show a range of value for Wastewater System of $11.2 million to $15.1 million. The results of the Market Multiple DCF, shown on Exhibit 14, show a range of value of $13.4 million to $17.9 million. Collectively, the DCF method

based on the IOU ownership scenario and a no growth assumption indicates a value of $14.2 million for the Wastewater System.[30]

The DCF method based on the MUNI ownership scenario indicates a value of $16.4 million and the DCF method based on the IOU ownership scenario indicates a value of $14.2 million. Collectively, the DCF method indicates a value of $15.3 million based on OCNLD based on OCNLD.

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

Therefore, Exhibits 13 and 14 are recalculated on Exhibits 15 and 16 to reflect revenues and cash flows derived from an earnings base between the values indicated by the RCNLD and the Market Approach. Exhibit 15 shows the results of the DCF method under the MUNI ownership scenario. The results of the Capitalization DCF shown on Exhibit 15 show a value for the Wastewater System of $28.7 million. The results of the Market Multiple DCF, shown on Exhibit 15, show a value of $26.2 million. Collectively, the DCF method based on the MUNI ownership

30 If we used the 7.11% Comparable Group's DSIC related net of tax overall cost of capital in our valuation shown on Exhibit 14, the results of the Capitalization DCF would show a value for the Wastewater System of $19.3 million. Further, the results of the Market Multiple DCF would show a value of $22.0 million and collectively, the DCF method based on the IOU ownership scenario and a no growth assumption indicates a value of $20.7 million for the Wastewater System. The DCF method based on the MUNI ownership scenario indicates a value of $16.4 million and the DCF method based on the IOU ownership scenario indicates a value of $20.7 million. Collectively, the DCF method indicates a value of $18.6 million when DSIC is considered.

scenario indicates a value of $27.4 million for the Wastewater System based on the no growth assumption.

Exhibit 16 shows the results of the DCF method under IOU ownership. The results of the Capitalization DCF shown on Exhibit 16 show a range of value for Wastewater System of $19.5 million to $27.3 million. The results of the Market Multiple DCF, shown on Exhibit 16, show a range of value of $23.9 million to $32.8 million. Collectively, the DCF method based on the IOU ownership scenario and a no growth assumption indicates a value of $25.6 million for the Wastewater System.[31]

Income Approach Conclusion. The DCF method based on the MUNI ownership scenario indicates a value of $27.4 million and the DCF method based on the IOU ownership scenario indicates a value of $25.6 million. Collectively, the DCF method indicates a value of $26.5 million ($26,524,279 rounded) as summarized on Exhibit 17.

The Market Approach. The market approach determines the value of an asset based on the recent selling price of similar assets. The market approach entails analyzing certain public information relating to transactions involving the purchase or sales of businesses involved in the same or similar business line as the subject entity (e.g., the Wastewater System). The market approach is defined as, "a general way of determining a value indication of a business, business ownership interest, security or intangible asset by using one or more methods that compare the subject to similar businesses, business ownership interests, securities or intangible assets that have

31 If we used the 7.11% Comparable Group's DSIC related net of tax overall cost of capital in our valuation shown on Exhibit 16, the results of the Capitalization DCF would show a value for the Wastewater System of $36.2 million. Further, the results of the Market Multiple DCF would show a value of $41.3 million and collectively, the DCF method based on the IOU ownership scenario and a no growth assumption indicates a value of $38.7 million for the Wastewater System. The DCF method based on the MUNI ownership scenario indicates a value of $27.4 million and the DCF method based on the IOU ownership scenario using DSIC indicates a value of $38.7 million. Collectively, the DCF method indicates a value of $33.1 million when DSIC is considered.

been sold."[32] There are two methods of doing the Market Approach to valuation: the market multiples method; and the selected transaction method. We used both the market multiples method and the selected transaction method in our valuation analysis.

The Market Multiples Method. The market multiples method valuation begins by reviewing market price data of corporations engaged in the same or a similar line of business as the Wastewater System. We relied upon market data for the Comparable Group for these purposes since they are equally affected by similar economic, industry, and business risks as is the Wastewater System. Since no marketplace exists for the common stock of the Wastewater System, an alternative to estimate the value of the Wastewater System is to analyze the price investors are willing to pay for the publicly traded common stock of companies that are similar to the Wastewater System. The specific market price data reviewed includes the market value of common equity plus minority interest, preferred stock, and total debt net of cash and cash equivalents (i.e., Enterprise Value). Where the market value of common equity is the product of multiplying the closing stock price by the number of common shares outstanding. Enterprise Value provides an indication of the value of the entire business. The Enterprise Value multiples ("Market Multiples") are shown on Exhibit 18. For the Comparable Group, the Market Multiples were calculated as of May 30, 2025, based on the latest twelve months of financial data available at the appraisal date (Exhibit 18, page 2).

We used the Comparable Group's Enterprise Value on May 30, 2025, and calculated Market Multiples of: revenue ("Revenue"); EBITDA; EBIT; gross property plant and equipment

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

("GPPE"); net property plant and equipment ("NPPE"); investor provided capital ("ICAP"); utility customers ("Customers"); and population of the area served ("Population").

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

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

Accordingly, the Comparable Group's Market Multiples are not directly applicable to the Wastewater System. We assumed the higher risk due to the Wastewater System's size is added to the higher risk found in our quantitative and qualitative analysis. This combined risk was assumed to result in the Wastewater System being 20% more risky than the Comparable Group and produced an 80% (100% - 20%) base risk adjustment to the Comparable Group's Market Multiples. We applied the 80% base risk adjustment to all financial multiples. For example, the

Comparable Group's ICAP multiple was multiplied by 80% to produce a lower multiple applicable to the Wastewater System to account for risk differences.

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

The net risk adjustments applied to the Comparable Group's Market Multiples are shown on page 1 of Exhibit 18. The adjustments to the Comparable Group's Market Multiples are: 80% of ICAP (more risk/less growth); 90% of GPPE (more risk/lower growth and contributions); 90% of NPPE (more risk/lower growth and contributions); 80% of Revenue (more risk/lower growth); 80% of EBIT; 80% EBITDA (more risk/lower growth); 91% of Customers (growth, earning rate, and contributions); and 91% Population (growth, earning rate, and contributions). The calculation of the net risk adjustments that are applied to the Comparable Group's Market Multiples are shown on page 3 of Exhibit 18.

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

on Demographics Items. We attribute this to the fact that the dollars of Revenue, EBIT and EBITDA do not reflect any provision for taxes while the multiples for the Comparable Group do.[33] Consequently, we do not believe the results of the multiples of Revenue, EBIT and EBITDA are meaningful and should not be used for municipal utilities.

In the market multiples method, the meaningful Market Multiples of the Comparable Group are used to develop an indicated value of the Wastewater System. This is accomplished by multiplying the Wastewater System's financial and operating data by the Comparable Group's median Market Multiples (Exhibit 18, page 1). The results of the market multiples method (Exhibit 18, page 1) show a range of value for the Wastewater System of $20.1 million to $28.0 million and collectively, indicate value of $24.1 million ($24,061,818 rounded) for the Wastewater System's customers using the market multiples method.

The Selected Transactions Method. The selected transactions method entails analyzing certain public information relating to selected transactions involving the purchase or sales of businesses involved in the same or similar business line. The number of selected transactions available for review is limited because most acquisitions in the water and wastewater industry involve small acquisitions for which no public information exists. Additionally, not all transactions are comparable since some purchase prices may only involve the acquisition of the common stock, purchase prices may be net of cash and others may only involve assets. In any of these instances, the derived multiples (e.g., purchase price as a multiple of: Revenues; EBITDA; EBIT; etc.) would understate (overstate) the multiples involving a purchase price for an entire business enterprise (common stock) or business assets.

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

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

Using certain public information, we calculated sales price multiples of selected transactions involving the purchase or sale of businesses that met the stated selection criteria. The calculated sales price multiples included transactions multiples of: ICAP; GPPE; NPPE; Revenue; EBITDA; EBIT; Customers; and Population. As shown on pages 2 and 3 of Exhibit 19, the selected transactions method indicated values based on the Income Statement Items are far different than the Wastewater System's selected transactions method indicated values based on Capital Items and those based on Demographics Items. We attribute this to the fact the selling utilities' dollars of Income Statement Items do not reflect any provision for taxes.[34] Consequently, we do not believe the results of the multiples of Income Statement Items are meaningful.

The selected transaction method relies on and reflects information that was known, ex-ante, at the time the winning purchase bid (price) was offered, and the metrics used are time period sensitive. For example, bids made in 2016 only reflect metrics from 2015 since the results of 2016 could not be known at the time of the bids. The selected transaction method ex-ante information (metrics) is shown on page 2 of Exhibit 19. Complete information only exists for a few of the

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

transactions, with only Customers and the Population having ample data for all transactions as is evident from the information shown (Exhibit 19, page 2). Therefore, we supplemented the ex-ante data with ex-post information of GPPE and NPPE (collectivity called "Asset Items") as shown on page 3 of Exhibit 19.

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

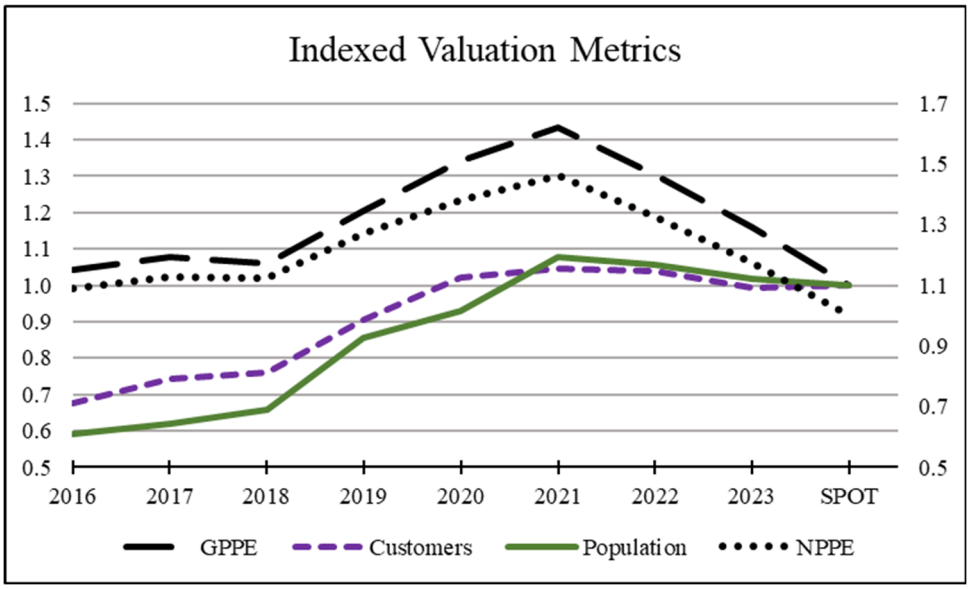


Figure 1

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

The results of the selected transactions method (Exhibit 19, page 1) show a range of value for the Wastewater System of $42.3 million to $54.1 million when all transactions are considered and a range of value of $24.1 million to $31.2 million when mostly collection/distribution transactions are solely considered. We determined an indicated value of indicated value of $26.2 million ($26,242,798 rounded) for the Wastewater System using the selected transactions method based on the results of the mostly collection/distribution transactions after adjusting for the changes in market conditions that are depicted in Figure 1.

Wall Street Transactions. In 2018 two IOUs, Connecticut Water Service, Inc. ("Connecticut Water") and SJW Group, announced a planned merger with Connecticut Water

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

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

The results of the Connecticut Water selected transactions (Exhibit 20, page 2) show a range of value for the Wastewater System of $26.3 million when the reported significant selected transactions multiples are considered and a value of $38.2 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. The results of the NESC selected transactions (Exhibit 20, page 3) show a range of value for the Wastewater System of $19.5 million when the reported significant selected transactions multiples are considered and a value of $32.7 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. The TORW selected transactions (Exhibit 20, page 4) show a range

of value for the Wastewater System of $29.8 million when the reported significant selected transactions multiples are considered and a value of $50.0 million when the reported significant selected transactions multiples have been adjusted for "cost free" capital. Collectively, the Wall Street selected transactions indicate values of $32.7 million to $50.0 million, are higher than the values found by the market multiples method of $24.1 million (Exhibit 18) and the selected transaction method of $26.2 million (Exhibit 19) for the Wastewater System.[35]

Market Approach Conclusion. The Market Approach is summarized on Exhibit 21. The results of the market multiples method (Exhibit 18) indicate value of $24.1 million. The results of the selected transactions method (Exhibit 19) indicate value of $26.2 million. Based on the aforesaid results, the Market Approach to valuation indicates a value of $25.2 million ($25,152,308 rounded) for the Wastewater System based on the results of the market multiples method and the selected transactions method (Exhibit 21).

Fair Market Value Conclusion. Each approach to valuation has its strengths and weaknesses and one may be more appropriate to use than another approach depending on the asset(s) being valued, the information available and/or the purpose of the valuation or intended use. USPAP requires consideration be given the Cost, Market and Income approaches to valuation or an explanation for the basis of their exclusion, if any. Consequently, three basic valuation approaches were considered in this analysis: the cost approach, the income approach, and the market approach.

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

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

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

We considered the results of each approach as an indicator of value individually, or as independent indicators of value. Therefore, all three approaches to valuation were given consideration in arriving at our opinion of the fair market value. The PUC requires the results of each valuation approach to be weighed evenly in reaching a conclusion of value unless good cause is given. Based on these facts, our opinion regarding the fair market value is $29.6 million. Our conclusion regarding the fair market value can be described by the weights and the specific results of the three approaches to valuation that are shown on Exhibit 22. The results of our analyses, shown on Exhibit 22, show a range of value of $25.2 million to $37.0 million and collectively support our opinion of a fair market value for the Wastewater System of $29,572,075, as of May 30, 2025.

APPENDIX A - QUALIFICATIONS

APPENDIX A

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

EDUCATION

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

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

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

BUSINESS EXPERIENCE

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

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

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

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

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

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

EXPERT TESTIMONY

Mr. Walker has submitted testimony or been deposed on various topics before regulatory commissions and courts in 30 states including: Alaska, Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, and West Virginia. His testimonies covered various subjects including: fair market value, the taking of natural resources, appropriate capital structure and fixed capital cost rates, depreciation, fair rate of return, purchased water adjustments, synchronization of interest charges for income tax purposes, valuation, cash working capital, lead-lag studies, financial analyses of investment alternatives, benchmarking, and fair value.

PROFESSIONAL AFFILIATIONS

Society of Utility and Regulatory Financial Analysts
- Board of Directors, 1996-2000, 2005-2008
- President, 2000-2002
- Treasurer, 1996-1998

National Association of Water Companies
Pennsylvania Municipal Authorities Association
- Electric Deregulation Committee

TECHNICAL PUBLICATIONS & PRESENTATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix A-5.2

COMPLIANCE & APPRAISAL CERTIFICATION

Appendix A-5.2

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

- **State the identity of the client and any intended users, by name or type:**

  The client is the City of Pittston. The intended users of the valuation are the City of Pittston, Pennsylvania American Water Company, Inc., and the Pennsylvania Public Utility Commission ("PUC").

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

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

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

  The City of Pittston ("City) lies along the east side of the Susquehanna River, between the cities of Wilkes-Barre and Scranton, in northeastern Pennsylvania in Luzerne County.

  The City owns and operates the Wastewater System which provides service to 4,142 customers within a population of 7,645 people. The Wastewater System assets consist of about 22 miles of gravity mains, seven outflow chambers, approximately 632 manholes and inlets, associated infrastructure and appurtenances, and related land and land rights. The Wastewater System's flows are conveyed to, and ultimately treated at, facilities owned by Wyoming Valley Sanitary Authority in Hanover Township, Luzerne County.

  The Wastewater System was originally constructed as a combined sanitary/stormwater sewage system and has since been separated into a sanitary sewer and combined sanitary/stormwater conveyance system. The combined sanitary/stormwater collection system includes seven outflow chambers. The outflow chambers relieve pressure and prevent flooding during heavy rainfall when the hydraulic capacity of the combined sanitary/stormwater collector system becomes overloaded by releasing excess untreated wastewater and stormwater into waterways (i.e., combined sewer overflows, or "CSO"). The Wastewater System has not experienced a CSO in over 12-plus years.

  The Wastewater System's 116,397 linear feet of gravity mains were installed between 1908 to 2025 and range in diameter from 4-inch to 72-inch. About 31% of the mains are 8-inch or less, 56% are 10-inch to 18-inch, and 11% are 20-inch to

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

72-inch. About 48% of the gravity mains were installed in 1908, 35% were installed in the 1970s and 1980s, and 17% were installed since 2010. About 47% of the mains consist of vitrified clay (VCP), 45% are either polyvinyl chloride (PVC) or high density polyethelene (HDPE), and the remaining 7% are either asbestos-cement (AC), concrete cast-in-place (CCIP), cast iron (CI), corrugated metal (CMP), reinforced concrete (RCP), or unknown. The Wastewater System also has 632 manholes and inlets, and 4,142 services which are either 4-inch or 6-inch in diameter.

The Wastewater System's land and land rights include land used for the Wastewater System's 22 miles of gravity mains, seven outflow chambers, approximately 632 manholes and inlets, associated infrastructure and appurtenances and multiple easements and rights-of-way necessary to operate the Wastewater System.

- **State the real property interests appraised**

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

- **State the type and definition of value and cite the source of the definition, including whether the opinion of value is in terms of cash or of financing terms equivalent to cash, or based on non-market financing or financing with unusual conditions or incentives**

  Fair market value is defined as:

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

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

  The effective date of the appraisal is as of May 30, 2025, and the appraisal report date is December 31, 2025.

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

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

Appendix A-5.2

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

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

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

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

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

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

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

The cost approach utilized the original cost method and replacement cost method. The reproduction cost method was calculated by trending (trended cost method) the asset inventory developed by Pennoni Associates Inc. from its original cost new inventory. The original cost method determined the original cost new measure of the cost of the assets when first constructed. The original cost new inventory was trended using the Handy Whitman Index of Public Utility Construction Costs for the water industry to produce the reproduction cost new and converted to replacement cost new after obsolescence was factored. The calculated accrued

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

depreciation was determined for the original cost new and for the replacement cost new. The calculated accrued depreciation was based on the assets' attained ages, and the service life of the assets. The cost basis of depreciable assets was reduced annually by the accumulated depreciation to reflect the loss in the service value of the assets since being constructed. All land and land rights were valued at original cost.

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

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

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

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

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

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

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

    Not applicable.

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

  Not applicable.

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

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

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

  The Wastewater System's land and land rights include land used for the Wastewater System's 22 miles of gravity mains, seven outflow chambers, approximately 632 manholes and inlets, associated infrastructure and appurtenances and multiple easements and rights-of-way necessary to operate the Wastewater System necessary to operate the Wastewater System.

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

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

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

Fulfillment of Requirements for a Personal Property Appraisal and Report

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

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

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

  No departures for Standard 1 were made.

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

  See attached for signed certification.

*- "The 2024 edition of USPAP has an effective start date but no end date." (USPAP 2024 Edition, page vii)

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APPRAISAL CERTIFICATION

Luzerne County, Pennsylvania

City of Pittston

Wastewater System Assets

Fair Market Value Appraisal Report

As of May 30, 2025

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

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

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

- Gannett Fleming Valuation and Rate Consultants, LLC has not performed an appraisal of the City of Pittston's wastewater system prior to this current appraisal.

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

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

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

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

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

APPRAISAL CERTIFICATION

Luzerne County, Pennsylvania

City of Pittston

Wastewater System Assets

Fair Market Value Appraisal Report

As of May 30, 2025

— The signers of this report relied upon Pennoni Associates Inc., who inspected the property that is the subject of this report. The signers of this report also viewed the property that is the subject of this report.

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

Gannett Fleming Valuation and Rate Consultants, LLC

By,



HAROLD WALKER, III

Manager, Financial Studies

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EXHIBITS

EXHIBIT 1

City of Pittston Wastewater System Assets
Selected Audited Financial Information

	12-Months Ended December 31:			
	2021	2022	2023	2024
Gross property, plant & equipment	0	0	0	0
Accumulated depreciation	0	0	0	0
Net property, plant & equipment	0	0	0	0
Assets	762,982	831,310	829,938	829,938
Debt Current	0	0	0	0
Debt	1,670,000	1,270,000	865,000	440,000
Equity	220,469	420,583	286,031	286,031
Total Capital	1,890,469	1,690,583	1,151,031	726,031
OPERATING REVENUES				
Charges for services	1,489,486	1,581,106	1,648,579	1,700,000
Other operating income	54	4,563	63,580	6,200
TOTAL OPERATING REVENUES	1,489,540	1,585,669	1,712,159	1,706,200
OPERATING EXPENSES				
Expenses	707,890	558,230	972,522	734,650
Depreciation	0	0	0	0
TOTAL OPERATING EXPENSES	707,890	558,230	972,522	734,650
Transfers	300,000	336,000	360,000	375,000
CAPX	348,650	114,996	249,961	1,013,037
Interest	207,848	91,325	109,189	146,850
Principal	395,000	400,000	405,000	427,000

Source of Information: Audited/draft Financial Statements (2021-2023) and Budget (2024).

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EXHIBIT 2

City of Pittston Wastewater System Assets
Population, Housing Units, Customer Count, and EDUs

	City	Population To Customers
Population in Houses (2025)	7,632	
Occupied Housing Units (2025)	3,489	
Average Size	2.19	

Population to Customers 1.8

Customers	City Customers	EDU
Residential & Commercial	4,142	5,446
Total	4,142	5,446

Population and Housing Units (2025)

	Total Population	Population in Households	Occupied Housing Units	Persons Per Housing Unit	Estimated Population Served
City of Pittston	7,645	7,632	3,489	2.19	7,645
Total	7,645	7,632	3,489	2.19	7,645

TABLE 3.1 US Population Census Counts, 2010 & 2020

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

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

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

Geographic Area	Population 2010	Population 2020	Percentage Change	Municipal Growth Rank
Pennsylvania	12,702,379	13,002,700	2.4%	-
Luzerne County	320,918	325,594	1.5%	-
Pittston City	7,739	7,591	-1.9%	1,233 out of 2,572
System Total	7,739	7,591	-1.9%	1,233 out of 2,572

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

TABLE 3.3 Forecasted Population by Municipality, 2020-2040

	Population			Percentage Change		
	Estimate 2020	Forecast 2030	Forecast 2040	2020 to 2030	2030 to 2040	2020 to 2040
Pittston C	7,042	6,535	5,920	-7.2%	-9.4%	-15.9%
System Total	7,042	6,535	5,920	-7.2%	-9.4%	-15.9%

Source: Department of Environmental Protection.

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EXHIBIT 4

Comparison of Credit Market Financial Risk Metrics
For City of Pittston Wastewater System Assets
And the Comparable Group
2022 - 2024 (1)

	City of Pittston Wastewater System			Comparable Group		
	2024	2023	2022	2024	2023	2022
Debt Service Coverage	1.0	0.7	1.4	2.4	3.2	4.1
Pre-Tax Interest Coverage - Including AFC(2)(x)	4.1	3.5	7.6	3.8	3.5	3.6
Post-Tax Interest Coverage - Including AFC(2)(x)	4.1	3.5	7.6	3.3	3.0	3.1
GCF / Interest Coverage(3)(x)	4.1	3.5	7.6	4.7	4.7	5.1
GCF / Tot. Debt(4)(%)	102.2	31.3	47.3	16.5	14.1	16.2
GCF / Construction(5)(%)	44.4	108.2	521.9	70.3	61.9	68.2

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

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

City of Pittston Wastewater System Assets
Illustrating the Impact of Size on Risk and Retun
Through Common Stock Returns

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

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

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

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

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

Appendix A-5.2

City of Pittston Wastewater System Assets
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.1 Property Plant & Equipment Analysis

(Current Know Statistics)

	Gross Property, Plant & Equipment	Net Property, Plant & Equipment	Percentage of Property, Plant & Equipment Not Depreciated
	(Millions of $)		
City of Pittston Wastewater System Assets *	$23.223	$15.884	68%
Comparable Group			
American States Water Co	$2,807.602	$2,154.074	77%
American Water Works Co Inc	35,553.000	28,464.000	80%
Artesian Resources -CL A	957.616	760.687	79%
California Water Service Gp	5,498.140	4,230.215	77%
Essential Utilities, Inc.	16,568.441	13,350.419	81%
H2O America	4,608.548	3,549.464	77%
Middlesex Water Company	1,350.457	1,086.279	80%
York Water Co	668.696	541.413	81%
Median			80%

* - Developed on Exhibit 7.

TABLE 6.2 Property Plant & Equipment Analysis for Contributions

(As of 3/31/2025)

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

Appendix A-5.2

City of Pittston Wastewater System Assets
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.3 Capital Expenditures Analysis

	PP&E-Total Net (Millions of $)				Capital Expenditures (Millions of $)			
	2024	2023	2022	2021	2024	2023	2022	2021
City of Pittston Wastewater System Assets	$0.000	$0.000	$0.000	$0.000	$1.013	$0.250	$0.115	$0.349
Comparable Group								
American States Water Co	$2,116.284	$1,908.451	$1,772.106	$1,676.718	$231.960	$188.540	$166.240	$144.515
American Water Works Co Inc	28,127.000	25,524.000	23,305.000	21,176.000	2,856.000	2,575.000	2,297.000	1,764.000
Artesian Resources -CL A	751.203	718.483	672.238	594.633	45.942	62.177	48.483	40.814
California Water Service Gp	4,147.902	3,765.909	3,470.882	2,849.059	470.800	386.563	335.523	293.194
Essential Utilities, Inc.	13,174.739	12,134.488	11,172.680	10,300.796	1,329.747	1,199.103	1,062.763	1,020.519
H2O America	3,447.748	3,168.753	2,654.825	2,518.530	353.029	271.772	218.784	233.933
Middlesex Water Company	1,069.699	1,013.049	935.584	881.299	74.622	90.179	91.335	79.378
York Water Co	532.541	495.273	431.901	383.626	49.009	65.265	53.920	46.400

	Capital Expenditures / PP&E-Total Net			
	2024	2023	2022	2021
City of Pittston Wastewater System Assets	NA	NA	NA	NA
Comparable Group				
American States Water Co	11%	10%	9%	9%
American Water Works Co Inc	10%	10%	10%	8%
Artesian Resources -CL A	6%	9%	7%	7%
California Water Service Gp	11%	10%	10%	10%
Essential Utilities, Inc.	10%	10%	10%	10%
H2O America	10%	9%	8%	9%
Middlesex Water Company	7%	9%	10%	9%
York Water Co	9%	13%	12%	12%
Median	10%	10%	10%	9%

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City of Pittston Wastewater System Assets
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

	Revenues				EBITDA			
	2024	2023	2022	2021	2024	2023	2022	2021
	(Millions of $)				(Millions of $)			
City of Pittston Wastewater System Assets	$1.706	$1.712	$1.586	$1.490	$0.597	$0.380	$0.691	$0.482
Comparable Group								
American States Water Co	$595.459	$595.699	$491.528	$498.853	$231.645	$241.422	$175.850	$185.064
American Water Works Co Inc	4,684.000	4,234.000	3,792.000	3,930.000	1,306.476	1,154.957	1,102.741	917.849
Artesian Resources -CL A	107.952	98.861	98.897	90.859	433.284	387.423	380.137	340.460
California Water Service Gp	1,036.806	794.632	846.431	790.909	30.401	25.800	26.382	25.061
Essential Utilities, Inc.	2,086.113	2,053.824	2,288.032	1,878.144	147.867	140.577	127.710	122.709
H2O America	748.439	670.363	620.698	573.686	38.056	33.947	35.841	28.720
Middlesex Water Company	191.877	166.274	162.434	143.141	86.302	83.532	68.003	63.335
York Water Co	74.959	71.031	60.061	55.119	25.743	24.780	24.359	21.800

	EBIT			
	2024	2023	2022	2021
	(Millions of $)			
City of Pittston Wastewater System Assets	$0.597	$0.380	$0.691	$0.482
Comparable Group				
American States Water Co	$187.419	$198.168	$134.153	$145.090
American Water Works Co Inc	1,746.000	1,536.000	1,350.000	1,274.000
Artesian Resources -CL A	33.466	28.794	29.784	28.031
California Water Service Gp	276.757	82.135	145.352	139.248
Essential Utilities, Inc.	758.528	696.564	669.275	610.400
H2O America	177.665	148.205	129.804	107.206
Middlesex Water Company	58.268	41.825	46.648	35.241
York Water Co	28.565	28.449	23.208	22.182

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City of Pittston Wastewater System Assets
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.4 Growth Rate Analyses

	Revenue Growth			EBITDA Growth		
	2024	2023	2022	2024	2023	2022
City of Pittston Wastewater System Assets	-0.4%	7.9%	6.4%	57.1%	-45.0%	43.4%
Comparable Group						
American States Water Co	0.0%	21.2%	-1.5%	-4.0%	37.3%	-5.0%
American Water Works Co Inc	10.6%	11.7%	-3.5%	13.1%	4.7%	20.1%
Artesian Resources -CL A	9.2%	0.0%	8.8%	11.8%	1.9%	11.7%
California Water Service Gp	30.5%	-6.1%	7.0%	17.8%	-2.2%	5.3%
Essential Utilities, Inc.	1.6%	-10.2%	21.8%	5.2%	10.1%	4.1%
H2O America	11.6%	8.0%	8.2%	12.1%	-5.3%	24.8%
Middlesex Water Company	15.4%	2.4%	13.5%	3.3%	22.8%	7.4%
York Water Co	5.5%	18.3%	9.0%	3.9%	1.7%	11.7%
Median	9.9%	5.2%	8.5%	8.5%	3.3%	9.6%

	EBIT Growth		
	2024	2023	2022
City of Pittston Wastewater System Assets	57.1%	-45.0%	43.4%
Comparable Group			
American States Water Co	-5.4%	47.7%	-7.5%
American Water Works Co Inc	13.7%	13.8%	6.0%
Artesian Resources -CL A	16.2%	-3.3%	6.3%
California Water Service Gp	237.0%	-43.5%	4.4%
Essential Utilities, Inc.	8.9%	4.1%	9.6%
H2O America	19.9%	14.2%	21.1%
Middlesex Water Company	39.3%	-10.3%	32.4%
York Water Co	0.4%	22.6%	4.6%
Median	15.0%	9.0%	6.2%

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City of Pittston Wastewater System Assets
Property Plant & Equipment Analysis
Capital Expenditures Analysis
Growth Rate Analyses
Profit Margin Analyses

TABLE 6.5 Profit Margin Analyses

	EBITDA / Revenue - Margin		
	2024	2023	2022
City of Pittston Wastewater System Assets	35.0%	22.2%	43.6%
Comparable Group			
American States Water Co	38.9%	40.5%	35.8%
American Water Works Co Inc	27.9%	27.3%	29.1%
Artesian Resources -CL A	401.4%	391.9%	384.4%
California Water Service Gp	2.9%	3.2%	3.1%
Essential Utilities, Inc.	7.1%	6.8%	5.6%
H2O America	5.1%	5.1%	5.8%
Middlesex Water Company	45.0%	50.2%	41.9%
York Water Co	34.3%	34.9%	40.6%
Median	31.1%	31.1%	32.4%

	EBIT / Revenue - Margin		
	2024	2023	2022
City of Pittston Wastewater System Assets	35.0%	22.2%	43.6%
Comparable Group			
American States Water Co	31.5%	33.3%	27.3%
American Water Works Co Inc	37.3%	36.3%	35.6%
Artesian Resources -CL A	31.0%	29.1%	30.1%
California Water Service Gp	26.7%	10.3%	17.2%
Essential Utilities, Inc.	36.4%	33.9%	29.3%
H2O America	23.7%	22.1%	20.9%
Middlesex Water Company	30.4%	25.2%	28.7%
York Water Co	38.1%	40.1%	38.6%
Median	31.2%	31.2%	29.0%

Source: S&P Capital IQ
EXHIBIT 1

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)
353.00	LAND AND LAND RIGHTS	14.00	
361.10	GRAVITY MAINS	19,535,876.22	5,445,590
361.20	MANHOLES	2,192,668.03	983,541
363.00	SERVICES TO CUSTOMERS	1,494,187.75	909,981
	TOTAL COMPANY	**23,222,746.00**	**7,339,112**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	ORIGINAL COST
(1)	(2)	(3)
353.00	LAND AND LAND RIGHTS	14.00
361.10	GRAVITY MAINS	19,535,876.22
361.20	MANHOLES	2,192,668.03
363.00	SERVICES TO CUSTOMERS	1,494,187.75
	TOTAL COMPANY	**23,222,746.00**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	SURVIVOR CURVE	ORIGINAL COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)	(5)
353.00	LAND AND LAND RIGHTS	NONDEPRECIABLE	14.00	
361.10	GRAVITY MAINS	70-R2.5	19,535,876.22	5,445,590
361.20	MANHOLES	65-R3	2,192,668.03	983,541
363.00	SERVICES TO CUSTOMERS	60-R2.5	1,494,187.75	909,981
	TOTAL COMPANY		**23,222,746.00**	**7,339,112**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

	DESCRIPTION (1)		ORIGINAL COST (2)
1.	ORIGINAL COST NEW	$	23,222,746
2.	LESS: ACCRUED DEPRECIATION	–	7,339,112
3.	**OCNLD**	**$**	**15,883,634**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 353.00 LAND AND LAND RIGHTS

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

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NONDEPRECIABLE							
1967	3.00						
2009	11.00						
	14.00						

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 361.10 GRAVITY MAINS

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

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1908	192,238.90	70.00	1.43	2,749.02	3.47	0.9504	182,710
1970	6,228.87	70.00	1.43	89.07	25.01	0.6427	4,003
1980	6,134,374.92	70.00	1.43	87,721.56	31.77	0.5461	3,350,228
2010	6,517,480.28	70.00	1.43	93,199.97	56.23	0.1967	1,282,054
2011	851,895.00	70.00	1.43	12,182.10	57.13	0.1839	156,629
2012	101,464.80	70.00	1.43	1,450.95	58.03	0.1710	17,350
2013	99,732.00	70.00	1.43	1,426.17	58.94	0.1580	15,758
2014	896,540.40	70.00	1.43	12,820.53	59.85	0.1450	129,998
2015	511,477.20	70.00	1.43	7,314.12	60.76	0.1320	67,515
2016	61,066.33	70.00	1.43	873.25	61.68	0.1189	7,258
2017	115,589.83	70.00	1.43	1,652.93	62.60	0.1057	12,219
2018	563,992.00	70.00	1.43	8,065.09	63.53	0.0924	52,130
2019	187,197.37	70.00	1.43	2,676.92	64.45	0.0793	14,843
2020	1,808,805.88	70.00	1.43	25,865.92	65.38	0.0660	119,381
2021	251,955.20	70.00	1.43	3,602.96	66.32	0.0526	13,245
2022	84,801.31	70.00	1.43	1,212.66	67.25	0.0393	3,332
2023	228,081.48	70.00	1.43	3,261.57	68.19	0.0259	5,898
2024	890,699.70	70.00	1.43	12,737.01	69.14	0.0123	10,947
2025	32,254.75	70.00	1.43	461.24	69.80	0.0029	92
	19,535,876.22			279,363.04			5,445,590

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 361.20 MANHOLES

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

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R3							
NET SALVAGE PERCENT.. 0							
1908	8,641.26	65.00				1.0000	8,641
1980	1,395,140.96	65.00	1.54	21,485.17	25.29	0.6109	852,320
2010	480,000.00	65.00	1.54	7,392.00	50.60	0.2215	106,339
2012	20,904.33	65.00	1.54	321.93	52.48	0.1926	4,027
2015	6,000.00	65.00	1.54	92.40	55.35	0.1485	891
2020	44,924.48	65.00	1.54	691.84	60.18	0.0742	3,331
2021	76,695.00	65.00	1.54	1,181.10	61.16	0.0591	4,531
2022	30,195.00	65.00	1.54	465.00	62.14	0.0440	1,329
2023	21,880.00	65.00	1.54	336.95	63.12	0.0289	633
2024	108,287.00	65.00	1.54	1,667.62	64.10	0.0139	1,499
	2,192,668.03			33,634.01			983,541

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 363.00 SERVICES TO CUSTOMERS

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

YEAR	ORIGINAL COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R2.5							
NET SALVAGE PERCENT.. 0							
1908	146,707.86	60.00				1.0000	146,708
1980	1,194,177.41	60.00	1.67	19,942.76	22.82	0.6197	739,996
2012	109,252.48	60.00	1.67	1,824.52	48.08	0.1987	21,705
2021	20,000.00	60.00	1.67	334.00	56.32	0.0613	1,227
2024	24,050.00	60.00	1.67	401.64	59.14	0.0143	345
	1,494,187.75			22,502.92			909,981

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	REPLACEMENT COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)
353.00	LAND AND LAND RIGHTS	14.00	
361.10	GRAVITY MAINS	82,659,611.84	47,691,535
361.20	MANHOLES	10,314,632.68	6,228,896
363.00	SERVICES TO CUSTOMERS	31,147,757.06	28,583,265
	TOTAL COMPANY	**124,122,015.58**	**82,503,696**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	REPLACEMENT COST
(1)	(2)	(3)
353.00	LAND AND LAND RIGHTS	14.00
361.10	GRAVITY MAINS	82,659,611.84
361.20	MANHOLES	10,314,632.68
363.00	SERVICES TO CUSTOMERS	31,147,757.06
	TOTAL COMPANY	**124,122,015.58**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	SURVIVOR CURVE	REPLACEMENT COST	ACCRUED DEPRECIATION
(1)	(2)	(3)	(4)	(5)
353.00	LAND AND LAND RIGHTS	NONDEPRECIABLE	14.00	
361.10	GRAVITY MAINS	70-R2.5	82,659,611.84	47,691,535
361.20	MANHOLES	65-R3	10,314,632.68	6,228,896
363.00	SERVICES TO CUSTOMERS	60-R2.5	31,147,757.06	28,583,265
	TOTAL COMPANY		**124,122,015.58**	**82,503,696**

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

	DESCRIPTION		REPLACEMENT COST
	(1)		(2)
1.	REPLACEMENT COST NEW		$ 124,122,016
2.	LESS: ACCRUED DEPRECIATION	−	82,503,696
3.	PRELIMINARY RCNLD		41,618,320
4.	DETERMINATION OF ECONOMIC OBSOLESCENCE		
5.	MAXIMUM ECONOMIC VALUE	−	34,750,299
6.	DIFFERENCE		6,868,021
7.	WEIGHT GIVEN ECONOMIC VALUES	×	66.67%
8.	ECONOMIC OBSOLESCENCE		$ 4,578,681
9.	DETERMINATION OF RCNLD		
10.	REPLACEMENT COST NEW		$ 124,122,016
11.	LESS: ACCRUED DEPRECIATION (PHYSICAL DETERIORATION)	−	82,503,696
12.	PRELIMINARY RCNLD		41,618,320
13.	LESS: FUNCTIONAL OBSOLESCENCE	−	0
14.	ADJUSTED RCNLD AFTER FO		41,618,320
15.	LESS: ECONOMIC OBSOLESCENCE	−	4,578,681
16.	ADJUSTED RCNLD AFTER FO & EO		$ 37,039,639
17.	**CONCLUSION RCNLD**		**$ 37,039,639**

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

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

ACCOUNT	DESCRIPTION	VINTAGE YEAR	BASE COST	TRANSITION FACTOR	FACTOR REFERENCE	REPLACEMENT COST
(1)	(2)	(3)	(4)	(5)	(6)	(7)
353.00	LAND AND LAND RIGHTS	1967	3.00	1.00000	(1)	3.00
353.00	LAND AND LAND RIGHTS	2009	11.00	1.00000	(1)	11.00
361.10	GRAVITY MAINS	1908	192,238.90	139.19414	(2)	26,758,528.21
361.10	GRAVITY MAINS	1970	6,228.87	13.57143	(2)	84,534.66
361.10	GRAVITY MAINS	1980	6,134,374.92	5.64356	(2)	34,619,739.65
361.10	GRAVITY MAINS	2010	6,517,480.28	1.82692	(2)	11,906,935.13
361.10	GRAVITY MAINS	2011	851,895.00	1.75926	(2)	1,498,704.17
361.10	GRAVITY MAINS	2012	101,464.80	1.65939	(2)	168,369.54
361.10	GRAVITY MAINS	2013	99,732.00	1.62625	(2)	162,188.99
361.10	GRAVITY MAINS	2014	896,540.40	1.55951	(2)	1,398,161.50
361.10	GRAVITY MAINS	2015	511,477.20	1.54054	(2)	787,951.36
361.10	GRAVITY MAINS	2016	61,066.33	1.50993	(2)	92,206.11
361.10	GRAVITY MAINS	2017	115,589.83	1.46718	(2)	169,591.26
361.10	GRAVITY MAINS	2018	563,992.00	1.41968	(2)	800,686.03
361.10	GRAVITY MAINS	2019	187,197.37	1.37349	(2)	257,114.46
361.10	GRAVITY MAINS	2020	1,808,805.88	1.32867	(2)	2,403,308.51
361.10	GRAVITY MAINS	2021	251,955.20	1.23644	(2)	311,528.12
361.10	GRAVITY MAINS	2022	84,801.31	1.11003	(2)	94,131.93
361.10	GRAVITY MAINS	2023	228,081.48	1.03167	(2)	235,305.78
361.10	GRAVITY MAINS	2024	890,699.70	0.98616	(2)	878,371.68
361.10	GRAVITY MAINS	2025	32,254.75	1.00000	(2)	32,254.75
361.20	MANHOLES	1908	8,641.26	139.19414	(2)	1,202,812.75
361.20	MANHOLES	1980	1,395,140.96	5.64356	(2)	7,873,567.79
361.20	MANHOLES	2010	480,000.00	1.82692	(2)	876,923.08
361.20	MANHOLES	2012	20,904.33	1.65939	(2)	34,688.41
361.20	MANHOLES	2015	6,000.00	1.54054	(2)	9,243.24
361.20	MANHOLES	2020	44,924.48	1.32867	(2)	59,689.87
361.20	MANHOLES	2021	76,695.00	1.23644	(2)	94,828.96
361.20	MANHOLES	2022	30,195.00	1.11003	(2)	33,517.33
361.20	MANHOLES	2023	21,880.00	1.03167	(2)	22,573.03
361.20	MANHOLES	2024	108,287.00	0.98616	(2)	106,788.22
363.00	SERVICES TO CUSTOMERS	1908	146,707.86	168.13187	(3)	24,666,266.57
363.00	SERVICES TO CUSTOMERS	1980	1,194,177.41	5.24571	(3)	6,264,313.50
363.00	SERVICES TO CUSTOMERS	2012	109,252.48	1.53512	(3)	167,715.35
363.00	SERVICES TO CUSTOMERS	2021	20,000.00	1.23553	(3)	24,710.63
363.00	SERVICES TO CUSTOMERS	2024	24,050.00	1.02915	(3)	24,751.01
	TOTAL COMPANY		**23,222,746.00**			**124,122,015.58**

NOTES : (1) Not trended
(2) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 34
(3) Handy-Whitman Index of Public Utility Costs, 1/1/25, Cost Trends of Water Utility Construction, North Atlantic Region, Line 39

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 353.00 LAND AND LAND RIGHTS

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

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NONDEPRECIABLE							
1967	3.00						
2009	11.00						
	14.00						

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 361.10 GRAVITY MAINS

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

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 70-R2.5							
NET SALVAGE PERCENT.. 0							
1908	26,758,528.21	70.00	1.43	382,646.95	3.47	0.9504	25,432,108
1970	84,534.66	70.00	1.43	1,208.85	25.01	0.6427	54,331
1980	34,619,739.65	70.00	1.43	495,062.28	31.77	0.5461	18,907,225
2010	11,906,935.13	70.00	1.43	170,269.17	56.23	0.1967	2,342,213
2011	1,498,704.17	70.00	1.43	21,431.47	57.13	0.1839	275,552
2012	168,369.54	70.00	1.43	2,407.68	58.03	0.1710	28,791
2013	162,188.99	70.00	1.43	2,319.30	58.94	0.1580	25,626
2014	1,398,161.50	70.00	1.43	19,993.71	59.85	0.1450	202,733
2015	787,951.36	70.00	1.43	11,267.70	60.76	0.1320	104,010
2016	92,206.11	70.00	1.43	1,318.55	61.68	0.1189	10,960
2017	169,591.26	70.00	1.43	2,425.16	62.60	0.1057	17,927
2018	800,686.03	70.00	1.43	11,449.81	63.53	0.0924	74,007
2019	257,114.46	70.00	1.43	3,676.74	64.45	0.0793	20,387
2020	2,403,308.51	70.00	1.43	34,367.31	65.38	0.0660	158,618
2021	311,528.12	70.00	1.43	4,454.85	66.32	0.0526	16,377
2022	94,131.93	70.00	1.43	1,346.09	67.25	0.0393	3,698
2023	235,305.78	70.00	1.43	3,364.87	68.19	0.0259	6,085
2024	878,371.68	70.00	1.43	12,560.72	69.14	0.0123	10,795
2025	32,254.75	70.00	1.43	461.24	69.80	0.0029	92
	82,659,611.84			1,182,032.45			47,691,535

Appendix A-5.2

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 361.20 MANHOLES

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

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 65-R3							
NET SALVAGE PERCENT.. 0							
1908	1,202,812.75	65.00				1.0000	1,202,813
1980	7,873,567.79	65.00	1.54	121,252.94	25.29	0.6109	4,810,120
2010	876,923.08	65.00	1.54	13,504.62	50.60	0.2215	194,274
2012	34,688.41	65.00	1.54	534.20	52.48	0.1926	6,682
2015	9,243.24	65.00	1.54	142.35	55.35	0.1485	1,372
2020	59,689.87	65.00	1.54	919.22	60.18	0.0742	4,426
2021	94,828.96	65.00	1.54	1,460.37	61.16	0.0591	5,602
2022	33,517.33	65.00	1.54	516.17	62.14	0.0440	1,475
2023	22,573.03	65.00	1.54	347.62	63.12	0.0289	653
2024	106,788.22	65.00	1.54	1,644.54	64.10	0.0139	1,479
	10,314,632.68			140,322.03			6,228,896

CITY OF PITTSTON
WASTEWATER SYSTEM ASSETS

ACCOUNT 363.00 SERVICES TO CUSTOMERS

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

YEAR	REPLACEMENT COST	AVG. LIFE	--ANNUAL ACCRUAL-- RATE	AMOUNT	EXP.	--ACCRUED DEPREC.-- FACTOR	AMOUNT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SURVIVOR CURVE.. IOWA 60-R2.5							
NET SALVAGE PERCENT.. 0							
1908	24,666,266.57	60.00				1.0000	24,666,267
1980	6,264,313.50	60.00	1.67	104,614.04	22.82	0.6197	3,881,807
2012	167,715.35	60.00	1.67	2,800.85	48.08	0.1987	33,320
2021	24,710.63	60.00	1.67	412.67	56.32	0.0613	1,516
2024	24,751.01	60.00	1.67	413.34	59.14	0.0143	355
	31,147,757.06			108,240.90			28,583,265

Income Approach
City of Pittston Wastewater System Assets
Pro Forma Operations
Earnings Capitalization Model

		Actual			Budget Year 0
		2022	2023	2024	2025
1.	**OPERATING REVENUES (1)**				
2.	Charges for services	1,581,106	1,648,579	1,700,000	1,650,000
3.	Other operating revenue	4,563	63,580	6,200	54,000
4.	Tap Fees	0	0	0	0
5.	**Total Operating Revenues**	1,585,669	1,712,159	1,706,200	1,704,000
6.	**Rate Increase**				
7.	**OPERATING EXPENSES (1)**				
8.	Operating & Maintenance Expenses	894,230	1,332,522	1,109,650	1,105,000
9.	**Operating Expenses Before Depreciation**	894,230	1,332,522	1,109,650	1,105,000
10.	Depreciation (2)	0	0	0	2,932
11.	**Total Operating Expenses**	894,230	1,332,522	1,109,650	1,107,932
12.	**Operating Income**	691,439	379,637	596,550	596,068
13.	Revenues (3)	1,585,669	1,712,159	1,706,200	1,704,000
14.	EBITDA (4)	691,439	379,637	596,550	599,000
15.	EBIT (5)	691,439	379,637	596,550	596,068
16.	EBIT	691,439	379,637	596,550	596,068
17.	(-) Income Taxes	0	0	0	0
18.	Debt Free Net Income	691,439	379,637	596,550	596,068
19.	(+) Depreciation & Amortization	0	0	0	2,932
20.	(-) Capital Expenditures (6)	114,996	249,961	1,013,037	581,610
21.	(-) Changes in Working Capital (7)	12,051	13,012	12,967	12,950
22.	Debt Free Net Cash Flow	$564,392	$116,664	($429,454)	$4,440

Income Approach
City of Pittston Wastewater System Assets
Pro Forma Operations
Earnings Capitalization Model

		2025	Pro Forma 2025 (11)
		4.76% Capitalization Rate Model (No Growth)	4.76% Capitalization Rate Model (No Growth)
23.	Debt Free Net Cash Flow (10)	$4,440	$96,149
24.	Capitalization Factor: (8)	4.76%	4.76%
25.	Indicated Value (line 23 ÷ line 24)	$93,269	$2,019,929
		4.76% Capitalization Rate Model (0.00% Growth)	4.76% Capitalization Rate Model (0.00% Growth)
26.	Debt Free Net Cash Flow (10)	$4,440	$96,149
27.	Capitalization Factor: (9)	4.76%	4.76%
28.	Indicated Value (line 26 ÷ line 27)	$93,269	$2,019,929

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma Operations
Earnings Capitalization Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 5.

(4) Line 12 + line 10.

(5) Line 12.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on 1.41% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.

(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 22.

(11) Debt Free Net Cash Flow adjusted for average 2022-2025 CAPX.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

				Budget	Estimated	Estimated
	Actual			Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000
3. Other operating revenue	4,563	63,580	6,200	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	660,000
6. **Total Operating Revenues**	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	2,364,000
7. **Rate Increase**						**40%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
16. Depreciation (2)	0	0	0	0	336,060	340,090
17. **Total Operating Expenses**	894,230	1,332,522	1,109,650	1,105,000	1,468,685	1,501,031
18. **Operating Income**	691,439	379,637	596,550	599,000	235,315	862,969
19. Revenues (3)	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	2,364,000
20. EBITDA (4)	691,439	379,637	596,550	599,000	571,375	1,203,059
21. EBIT (5)	691,439	379,637	596,550	599,000	235,315	862,969
22. EBIT	691,439	379,637	596,550	599,000	235,315	862,969
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	691,439	379,637	596,550	599,000	235,315	862,969
25. (+) Depreciation & Amortization	0	0	0	0	336,060	340,090
26. (-) Capital Expenditures (6)	114,996	249,961	1,013,037	581,610	327,719	331,650
27. (-) Changes in Working Capital (7)	12,051	13,012	12,967	12,950	12,950	17,966
28. Debt Free Net Cash Flow	$564,392	$116,664	($429,454)	$4,440	$230,706	$853,443
29. PV Time Period (mid-year)				(0.5)	0.5	1.5
					1	2
30. Present Value Factor: 4.76% (8)					0.9770	0.9326
31. Present Value Debt Free Net Cash Flow					$225,399	$795,921
					1	2
32. Present Value Factor: 4.76% (9)					0.9770	0.9326
33. Present Value Debt Free Net Cash Flow					$225,399	$795,921

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,310,000	2,310,000	2,310,000	2,425,500	2,425,500	2,425,500
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	115,500	0	0	97,020
6. **Total Operating Revenues**	2,364,000	2,364,000	2,479,500	2,479,500	2,479,500	2,576,520
7. **Rate Increase**			**5%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
16. Depreciation (2)	344,170	348,299	352,476	356,705	360,983	365,313
17. **Total Operating Expenses**	1,534,134	1,568,012	1,602,682	1,638,166	1,674,481	1,711,648
18. **Operating Income**	829,866	795,988	876,818	841,334	805,019	864,872
19. Revenues (3)	2,364,000	2,364,000	2,479,500	2,479,500	2,479,500	2,576,520
20. EBITDA (4)	1,174,036	1,144,287	1,229,294	1,198,039	1,166,002	1,230,185
21. EBIT (5)	829,866	795,988	876,818	841,334	805,019	864,872
22. EBIT	829,866	795,988	876,818	841,334	805,019	864,872
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	829,866	795,988	876,818	841,334	805,019	864,872
25. (+) Depreciation & Amortization	344,170	348,299	352,476	356,705	360,983	365,313
26. (-) Capital Expenditures (6)	335,629	339,655	343,729	347,852	352,024	356,247
27. (-) Changes in Working Capital (7)	17,966	17,966	18,844	18,844	18,844	19,582
28. Debt Free Net Cash Flow	$820,440	$786,665	$866,721	$831,343	$795,134	$854,356
29. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
	3	4	5	6	7	8
30. Present Value Factor: 4.76% (8)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
31. Present Value Debt Free Net Cash Flow	$730,356	$668,508	$703,084	$643,709	$587,684	$602,834
	3	4	5	6	7	8
32. Present Value Factor: 4.76% (9)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
33. Present Value Debt Free Net Cash Flow	$730,356	$668,508	$703,084	$643,709	$587,684	$602,834

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	100,901	0	0	104,937
6. **Total Operating Revenues**	2,576,520	2,576,520	2,677,421	2,677,421	2,677,421	2,782,358
7. **Rate Increase**			**4%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
16. Depreciation (2)	369,695	374,130	378,617	383,159	387,755	392,406
17. **Total Operating Expenses**	1,749,689	1,788,623	1,828,473	1,869,261	1,911,010	1,953,742
18. **Operating Income**	826,831	787,897	848,948	808,160	766,411	828,616
19. Revenues (3)	2,576,520	2,576,520	2,677,421	2,677,421	2,677,421	2,782,358
20. EBITDA (4)	1,196,526	1,162,027	1,227,565	1,191,319	1,154,166	1,221,022
21. EBIT (5)	826,831	787,897	848,948	808,160	766,411	828,616
22. EBIT	826,831	787,897	848,948	808,160	766,411	828,616
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	826,831	787,897	848,948	808,160	766,411	828,616
25. (+) Depreciation & Amortization	369,695	374,130	378,617	383,159	387,755	392,406
26. (-) Capital Expenditures (6)	360,520	364,845	369,221	373,650	378,132	382,668
27. (-) Changes in Working Capital (7)	19,582	19,582	20,348	20,348	20,348	21,146
28. Debt Free Net Cash Flow	$816,425	$777,600	$837,996	$797,320	$755,686	$817,208
29. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
	9	10	11	12	13	14
30. Present Value Factor: 4.76% (8)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
31. Present Value Debt Free Net Cash Flow	$549,862	$499,919	$514,278	$467,070	$422,580	$436,226
	9	10	11	12	13	14
32. Present Value Factor: 4.76% (9)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
33. Present Value Debt Free Net Cash Flow	$549,862	$499,919	$514,278	$467,070	$422,580	$436,226

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,728,358	2,728,358	2,810,208	2,810,208	2,903,507	2,903,507
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	81,851	0	93,299	0	97,848
6. **Total Operating Revenues**	2,782,358	2,864,209	2,864,208	2,957,507	2,957,507	3,055,355
7. **Rate Increase**		**3%**		**3%**		**3%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
16. Depreciation (2)	397,113	401,877	406,698	411,576	416,512	421,509
17. **Total Operating Expenses**	1,997,482	2,042,256	2,088,086	2,134,999	2,183,020	2,232,180
18. **Operating Income**	784,876	821,953	776,122	822,508	774,487	823,175
19. Revenues (3)	2,782,358	2,864,209	2,864,208	2,957,507	2,957,507	3,055,355
20. EBITDA (4)	1,181,989	1,223,830	1,182,820	1,234,084	1,190,999	1,244,684
21. EBIT (5)	784,876	821,953	776,122	822,508	774,487	823,175
22. EBIT	784,876	821,953	776,122	822,508	774,487	823,175
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	784,876	821,953	776,122	822,508	774,487	823,175
25. (+) Depreciation & Amortization	397,113	401,877	406,698	411,576	416,512	421,509
26. (-) Capital Expenditures (6)	387,258	391,903	396,604	401,362	406,176	411,048
27. (-) Changes in Working Capital (7)	21,146	21,768	21,768	22,477	22,477	23,221
28. Debt Free Net Cash Flow	$773,585	$810,159	$764,448	$810,245	$762,345	$810,415
29. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
	15	16	17	18	19	20
30. Present Value Factor: 4.76% (8)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
31. Present Value Debt Free Net Cash Flow	$394,141	$394,061	$354,933	$359,101	$322,472	$327,246
	15	16	17	18	19	20
32. Present Value Factor: 4.76% (9)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
33. Present Value Debt Free Net Cash Flow	$394,141	$394,061	$354,933	$359,101	$322,472	$327,246

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 4.76%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$810,415
Divided by Capitalization Factor (8)	4.76%
20th Year Terminal Value	17,025,528
20th Year Present Value Factor (11)	0.4038
Present Value of Terminal Value	6,874,908
Present Value Debt Free Net Cash Flow for 20 Years	9,999,383
Indicated Value	$16,874,292

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%		Multiples (13)	Terminal Value
Projected EBIT	$823,175	16.8	$13,829,336
Projected EBITDA	1,244,684	12.4	15,434,080
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			14,904,514
20th Year Present Value Factor (11)			0.4038
Present Value of Terminal Value			6,018,443
Present Value Debt Free Net Cash Flow for 20 Years			9,999,383
Indicated Value			$16,017,826

DCF With Capitalization of Terminal Value Model @ 4.76%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$810,415
Divided by Capitalization Factor (9)	4.76%
20th Year Terminal Value	17,025,528
20th Year Present Value Factor (12)	0.4038
Present Value of Terminal Value	6,874,908
Present Value Debt Free Net Cash Flow for 20 Years	9,999,383
Indicated Value	$16,874,292

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%		Multiples (13)	Terminal Value
Projected EBIT	$823,175	16.8	$13,829,336
Projected EBITDA	1,244,684	12.4	15,434,080
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			14,904,514
20th Year Present Value Factor (12)			0.4038
Present Value of Terminal Value			6,018,443
Present Value Debt Free Net Cash Flow for 20 Years			9,999,383
Indicated Value			$16,017,826

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by MUNI in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 18 + line 16.

(5) Line 18.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on 1.41% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.

(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 28.

(11) Final year shown, line 30.

(12) Final year shown, line 30.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

				Budget	Estimated	Estimated
	Actual			Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000
3. Other operating revenue	4,563	63,580	6,200	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	1,320,000
6. **Total Operating Revenues**	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	3,024,000
7. **Rate Increase**						**80%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	0	0	0	0	32,441	32,429
16. **Operating Expenses Before Depreciation**	894,230	1,332,522	1,109,650	1,105,000	1,165,066	1,193,370
17. Depreciation (2)	0	0	0	0	336,060	340,090
18. **Total Operating Expenses**	894,230	1,332,522	1,109,650	1,105,000	1,501,126	1,533,460
19. **Operating Income**	691,439	379,637	596,550	599,000	202,874	1,490,540
20. Revenues (3)	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	3,024,000
21. EBITDA (4)	691,439	379,637	596,550	599,000	538,934	1,830,630
22. EBIT (5)	691,439	379,637	596,550	599,000	202,874	1,490,540
23. EBIT	691,439	379,637	596,550	599,000	202,874	1,490,540
24. (-) Income Taxes	0	0	0	163,599	54,608	395,322
25. Debt Free Net Income	691,439	379,637	596,550	435,401	148,266	1,095,218
26. (+) Depreciation & Amortization	0	0	0	0	336,060	340,090
27. (-) Capital Expenditures (6)	114,996	249,961	1,013,037	581,610	327,719	331,650
28. (-) Changes in Working Capital (7)	12,051	13,012	12,967	12,950	12,950	22,982
29. Debt Free Net Cash Flow	$564,392	$116,664	($429,454)	($159,159)	$143,657	$1,080,676
30. PV Time Period (mid-year)				(0.5)	0.5	1.5
31. Present Value Factor: 8.92% (8)					0.9582	0.8797
32. Present Value Debt Free Net Cash Flow					$137,652	$950,671
					1	2
33. Present Value Factor: 11.61% (9)					0.9466	0.8481
34. Present Value Debt Free Net Cash Flow					$135,985	$916,521
					1	2
35. Present Value Factor: 8.92% (8)					0.9582	0.8797
36. Present Value Debt Free Net Cash Flow					$137,652	$950,671
					1	2
37. Present Value Factor: 11.61% (9)					0.9466	0.8481
38. Present Value Debt Free Net Cash Flow					$135,985	$916,521

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,970,000	2,970,000	2,970,000	3,564,000	3,564,000	3,564,000
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	594,000	0	0	178,200
6. **Total Operating Revenues**	3,024,000	3,024,000	3,618,000	3,618,000	3,618,000	3,796,200
7. **Rate Increase**			**20%**			**5%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	39,928	39,916	39,904	43,270	43,258	43,245
16. **Operating Expenses Before Depreciation**	1,229,892	1,259,629	1,290,110	1,324,731	1,356,756	1,389,580
17. Depreciation (2)	344,170	348,299	352,476	356,705	360,983	365,313
18. **Total Operating Expenses**	1,574,062	1,607,928	1,642,586	1,681,436	1,717,739	1,754,893
19. **Operating Income**	1,449,938	1,416,072	1,975,414	1,936,564	1,900,261	2,041,307
20. Revenues (3)	3,024,000	3,024,000	3,618,000	3,618,000	3,618,000	3,796,200
21. EBITDA (4)	1,794,108	1,764,371	2,327,890	2,293,269	2,261,244	2,406,620
22. EBIT (5)	1,449,938	1,416,072	1,975,414	1,936,564	1,900,261	2,041,307
23. EBIT	1,449,938	1,416,072	1,975,414	1,936,564	1,900,261	2,041,307
24. (-) Income Taxes	378,827	364,385	500,513	483,020	473,965	509,145
25. Debt Free Net Income	1,071,111	1,051,687	1,474,901	1,453,544	1,426,296	1,532,162
26. (+) Depreciation & Amortization	344,170	348,299	352,476	356,705	360,983	365,313
27. (-) Capital Expenditures (6)	335,629	339,655	343,729	347,852	352,024	356,247
28. (-) Changes in Working Capital (7)	22,982	22,982	27,497	27,497	27,497	28,851
29. Debt Free Net Cash Flow	$1,056,669	$1,037,348	$1,456,151	$1,434,900	$1,407,758	$1,512,377
30. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
31. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
32. Present Value Debt Free Net Cash Flow	$853,472	$769,194	$991,348	$896,812	$807,913	$796,871
	3	4	5	6	7	8
33. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
34. Present Value Debt Free Net Cash Flow	$802,963	$706,227	$888,252	$784,316	$689,379	$663,631
	3	4	5	6	7	8
35. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
36. Present Value Debt Free Net Cash Flow	$853,472	$769,194	$991,348	$896,812	$807,913	$796,871
	3	4	5	6	7	8
37. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
38. Present Value Debt Free Net Cash Flow	$802,963	$706,227	$888,252	$784,316	$689,379	$663,631

See last page of this EXHIBIT for notes and assumptions.

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Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,742,200	3,742,200	3,742,200	3,867,564	3,867,564	3,867,564
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	125,364	0	0	127,630
6. **Total Operating Revenues**	3,796,200	3,796,200	3,921,564	3,921,564	3,921,564	4,049,194
7. **Rate Increase**			**3%**			**3%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	44,246	44,233	44,219	44,920	44,906	44,892
16. **Operating Expenses Before Depreciation**	1,424,240	1,458,726	1,494,075	1,531,022	1,568,161	1,606,228
17. Depreciation (2)	369,695	374,130	378,617	383,159	387,755	392,406
18. **Total Operating Expenses**	1,793,935	1,832,856	1,872,692	1,914,181	1,955,916	1,998,634
19. **Operating Income**	2,002,265	1,963,344	2,048,872	2,007,383	1,965,648	2,050,560
20. Revenues (3)	3,796,200	3,796,200	3,921,564	3,921,564	3,921,564	4,049,194
21. EBITDA (4)	2,371,960	2,337,474	2,427,489	2,390,542	2,353,403	2,442,966
22. EBIT (5)	2,002,265	1,963,344	2,048,872	2,007,383	1,965,648	2,050,560
23. EBIT	2,002,265	1,963,344	2,048,872	2,007,383	1,965,648	2,050,560
24. (-) Income Taxes	499,407	489,699	511,032	500,684	490,274	511,453
25. Debt Free Net Income	1,502,858	1,473,645	1,537,840	1,506,699	1,475,374	1,539,107
26. (+) Depreciation & Amortization	369,695	374,130	378,617	383,159	387,755	392,406
27. (-) Capital Expenditures (6)	360,520	364,845	369,221	373,650	378,132	382,668
28. (-) Changes in Working Capital (7)	28,851	28,851	29,804	29,804	29,804	30,774
29. Debt Free Net Cash Flow	$1,483,182	$1,454,078	$1,517,432	$1,486,404	$1,455,193	$1,518,071
30. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
31. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
32. Present Value Debt Free Net Cash Flow	$717,415	$645,756	$618,657	$556,361	$500,150	$478,951
	9	10	11	12	13	14
33. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
34. Present Value Debt Free Net Cash Flow	$583,039	$512,126	$478,902	$420,355	$368,600	$344,602
	9	10	11	12	13	14
35. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
36. Present Value Debt Free Net Cash Flow	$717,415	$645,756	$618,657	$556,361	$500,150	$478,951
	9	10	11	12	13	14
37. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
38. Present Value Debt Free Net Cash Flow	$583,039	$512,126	$478,902	$420,355	$368,600	$344,602

See last page of this EXHIBIT for notes and assumptions.

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Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,995,193	3,995,193	4,079,092	4,079,092	4,172,911	4,172,911
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	83,899	0	93,819	0	98,063
6. **Total Operating Revenues**	4,049,193	4,133,092	4,133,092	4,226,911	4,226,911	4,324,974
7. **Rate Increase**		**2%**		**2%**		**2%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	45,604	45,590	46,053	46,039	46,558	46,543
16. **Operating Expenses Before Depreciation**	1,645,973	1,685,969	1,727,441	1,769,462	1,813,066	1,857,214
17. Depreciation (2)	397,113	401,877	406,698	411,576	416,512	421,509
18. **Total Operating Expenses**	2,043,086	2,087,846	2,134,139	2,181,038	2,229,578	2,278,723
19. **Operating Income**	2,006,107	2,045,246	1,998,953	2,045,873	1,997,333	2,046,251
20. Revenues (3)	4,049,193	4,133,092	4,133,092	4,226,911	4,226,911	4,324,974
21. EBITDA (4)	2,403,220	2,447,123	2,405,651	2,457,449	2,413,845	2,467,760
22. EBIT (5)	2,006,107	2,045,246	1,998,953	2,045,873	1,997,333	2,046,251
23. EBIT	2,006,107	2,045,246	1,998,953	2,045,873	1,997,333	2,046,251
24. (-) Income Taxes	500,365	510,127	498,581	510,284	498,177	510,378
25. Debt Free Net Income	1,505,742	1,535,119	1,500,372	1,535,589	1,499,156	1,535,873
26. (+) Depreciation & Amortization	397,113	401,877	406,698	411,576	416,512	421,509
27. (-) Capital Expenditures (6)	387,258	391,903	396,604	401,362	406,176	411,048
28. (-) Changes in Working Capital (7)	30,774	31,411	31,411	32,125	32,125	32,870
29. Debt Free Net Cash Flow	$1,484,823	$1,513,682	$1,479,054	$1,513,679	$1,477,367	$1,513,464
30. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
31. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
32. Present Value Debt Free Net Cash Flow	$430,153	$402,639	$361,185	$339,367	$304,042	$286,045
	15	16	17	18	19	20
33. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
34. Present Value Debt Free Net Cash Flow	$302,013	$275,793	$241,530	$221,451	$193,683	$177,681
	15	16	17	18	19	20
35. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
36. Present Value Debt Free Net Cash Flow	$430,153	$402,639	$361,185	$339,367	$304,042	$286,045
	15	16	17	18	19	20
37. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
38. Present Value Debt Free Net Cash Flow	$302,013	$275,793	$241,530	$221,451	$193,683	$177,681

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,513,464
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	16,967,086
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	3,206,779
Present Value Debt Free Net Cash Flow for 20 Years	11,844,654
Indicated Value	$15,051,434

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%		Multiples (13)	Terminal Value
Projected EBIT	$2,046,251	16.8	$34,377,013
Projected EBITDA	2,467,760	12.4	30,600,222
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			31,846,563
20th Year Present Value Factor (11)			0.1890
Present Value of Terminal Value			6,019,000
Present Value Debt Free Net Cash Flow for 20 Years			11,844,654
Indicated Value			$17,863,655

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,513,464
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	13,035,866
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	1,530,411
Present Value Debt Free Net Cash Flow for 20 Years	9,707,050
Indicated Value	$11,237,461

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%		Multiples (13)	Terminal Value
Projected EBIT	$2,046,251	16.8	$34,377,013
Projected EBITDA	2,467,760	12.4	30,600,222
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			31,846,563
20th Year Present Value Factor (12)			0.1174
Present Value of Terminal Value			3,738,786
Present Value Debt Free Net Cash Flow for 20 Years			9,707,050
Indicated Value			$13,445,836

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,513,464
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	16,967,086
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	3,206,779
Present Value Debt Free Net Cash Flow for 20 Years	11,844,654
Indicated Value	$15,051,434

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,513,464
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	13,035,866
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	1,530,411
Present Value Debt Free Net Cash Flow for 20 Years	9,707,050
Indicated Value	$11,237,461

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by IOU in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

PURTA & Reg Assessment - 2026 assumed due to IOU purchase in 2026.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 19 + line 17.

(5) Line 19.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on 1.41% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the current lower end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(9) Discount rate is the current upper end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 29.

(11) Final year shown, line 31.

(12) Final year shown, line 33.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

				Budget	Estimated	Estimated
	Actual			Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000
3. Other operating revenue	4,563	63,580	6,200	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	990,000
6. **Total Operating Revenues**	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	2,694,000
7. **Rate Increase**						**60%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
16. Depreciation (2)	0	0	0	0	427,179	431,271
17. **Total Operating Expenses**	894,230	1,332,522	1,109,650	1,105,000	1,559,804	1,592,211
18. **Operating Income**	691,439	379,637	596,550	599,000	144,196	1,101,789
19. Revenues (3)	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	2,694,000
20. EBITDA (4)	691,439	379,637	596,550	599,000	571,375	1,533,059
21. EBIT (5)	691,439	379,637	596,550	599,000	144,196	1,101,789
22. EBIT	691,439	379,637	596,550	599,000	144,196	1,101,789
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	691,439	379,637	596,550	599,000	144,196	1,101,789
25. (+) Depreciation & Amortization	0	0	0	0	427,179	431,271
26. (-) Capital Expenditures (6)	114,996	249,961	1,013,037	581,610	416,990	420,985
27. (-) Changes in Working Capital (7)	12,051	13,012	12,967	12,950	12,950	20,474
28. Debt Free Net Cash Flow	$564,392	$116,664	($429,454)	$4,440	$141,435	$1,091,600
29. PV Time Period (mid-year)				(0.5)	0.5	1.5
					1	2
30. Present Value Factor: 4.76% (8)					0.9770	0.9326
31. Present Value Debt Free Net Cash Flow					$138,182	$1,018,026
					1	2
32. Present Value Factor: 4.76% (9)					0.9770	0.9326
33. Present Value Debt Free Net Cash Flow					$138,182	$1,018,026

See last page of this EXHIBIT for notes and assumptions.

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Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	2,640,000	2,640,000	2,640,000	3,036,000	3,036,000	3,036,000
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	396,000	0	0	151,800
6. **Total Operating Revenues**	2,694,000	2,694,000	3,090,000	3,090,000	3,090,000	3,241,800
7. **Rate Increase**			**15%**			**5%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
16. Depreciation (2)	435,402	439,573	443,784	448,035	452,327	456,660
17. **Total Operating Expenses**	1,625,366	1,659,286	1,693,990	1,729,496	1,765,825	1,802,995
18. **Operating Income**	1,068,634	1,034,714	1,396,010	1,360,504	1,324,175	1,438,805
19. Revenues (3)	2,694,000	2,694,000	3,090,000	3,090,000	3,090,000	3,241,800
20. EBITDA (4)	1,504,036	1,474,287	1,839,794	1,808,539	1,776,502	1,895,465
21. EBIT (5)	1,068,634	1,034,714	1,396,010	1,360,504	1,324,175	1,438,805
22. EBIT	1,068,634	1,034,714	1,396,010	1,360,504	1,324,175	1,438,805
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,068,634	1,034,714	1,396,010	1,360,504	1,324,175	1,438,805
25. (+) Depreciation & Amortization	435,402	439,573	443,784	448,035	452,327	456,660
26. (-) Capital Expenditures (6)	425,017	429,089	433,199	437,349	441,539	445,768
27. (-) Changes in Working Capital (7)	20,474	20,474	23,484	23,484	23,484	24,638
28. Debt Free Net Cash Flow	$1,058,544	$1,024,723	$1,383,111	$1,347,706	$1,311,479	$1,425,059
29. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
	3	4	5	6	7	8
30. Present Value Factor: 4.76% (8)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
31. Present Value Debt Free Net Cash Flow	$942,316	$870,810	$1,121,980	$1,043,529	$969,314	$1,005,522
	3	4	5	6	7	8
32. Present Value Factor: 4.76% (9)	0.8902	0.8498	0.8112	0.7743	0.7391	0.7056
33. Present Value Debt Free Net Cash Flow	$942,316	$870,810	$1,121,980	$1,043,529	$969,314	$1,005,522

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,187,800	3,187,800	3,187,800	3,347,190	3,347,190	3,347,190
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	159,390	0	0	133,888
6. **Total Operating Revenues**	3,241,800	3,241,800	3,401,190	3,401,190	3,401,190	3,535,078
7. **Rate Increase**			**5%**			**4%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
16. Depreciation (2)	461,035	465,451	469,910	474,411	478,956	483,544
17. **Total Operating Expenses**	1,841,028	1,879,945	1,919,766	1,960,514	2,002,210	2,044,880
18. **Operating Income**	1,400,772	1,361,855	1,481,424	1,440,676	1,398,980	1,490,198
19. Revenues (3)	3,241,800	3,241,800	3,401,190	3,401,190	3,401,190	3,535,078
20. EBITDA (4)	1,861,806	1,827,307	1,951,334	1,915,088	1,877,935	1,973,742
21. EBIT (5)	1,400,772	1,361,855	1,481,424	1,440,676	1,398,980	1,490,198
22. EBIT	1,400,772	1,361,855	1,481,424	1,440,676	1,398,980	1,490,198
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,400,772	1,361,855	1,481,424	1,440,676	1,398,980	1,490,198
25. (+) Depreciation & Amortization	461,035	465,451	469,910	474,411	478,956	483,544
26. (-) Capital Expenditures (6)	450,039	454,350	458,702	463,096	467,533	472,011
27. (-) Changes in Working Capital (7)	24,638	24,638	25,849	25,849	25,849	26,867
28. Debt Free Net Cash Flow	$1,387,130	$1,348,319	$1,466,783	$1,426,143	$1,384,553	$1,474,864
29. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
	9	10	11	12	13	14
30. Present Value Factor: 4.76% (8)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
31. Present Value Debt Free Net Cash Flow	$934,232	$866,834	$900,165	$835,434	$774,242	$787,283
	9	10	11	12	13	14
32. Present Value Factor: 4.76% (9)	0.6735	0.6429	0.6137	0.5858	0.5592	0.5338
33. Present Value Debt Free Net Cash Flow	$934,232	$866,834	$900,165	$835,434	$774,242	$787,283

See last page of this EXHIBIT for notes and assumptions.

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Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,481,078	3,481,078	3,569,497	3,569,497	3,662,304	3,662,304
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	88,419	0	92,807	0	97,051
6. **Total Operating Revenues**	3,535,078	3,623,497	3,623,497	3,716,304	3,716,304	3,813,355
7. **Rate Increase**		**3%**		**3%**		**3%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. **Operating Expenses Before Depreciation**	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
16. Depreciation (2)	488,176	492,852	497,574	502,341	507,153	512,011
17. **Total Operating Expenses**	2,088,546	2,133,231	2,178,962	2,225,764	2,273,661	2,322,682
18. **Operating Income**	1,446,532	1,490,266	1,444,535	1,490,540	1,442,643	1,490,673
19. Revenues (3)	3,535,078	3,623,497	3,623,497	3,716,304	3,716,304	3,813,355
20. EBITDA (4)	1,934,709	1,983,118	1,942,109	1,992,881	1,949,796	2,002,684
21. EBIT (5)	1,446,532	1,490,266	1,444,535	1,490,540	1,442,643	1,490,673
22. EBIT	1,446,532	1,490,266	1,444,535	1,490,540	1,442,643	1,490,673
23. (-) Income Taxes	0	0	0	0	0	0
24. Debt Free Net Income	1,446,532	1,490,266	1,444,535	1,490,540	1,442,643	1,490,673
25. (+) Depreciation & Amortization	488,176	492,852	497,574	502,341	507,153	512,011
26. (-) Capital Expenditures (6)	476,533	481,098	485,707	490,359	495,057	499,799
27. (-) Changes in Working Capital (7)	26,867	27,539	27,539	28,244	28,244	28,981
28. Debt Free Net Cash Flow	$1,431,309	$1,474,482	$1,428,863	$1,474,278	$1,426,495	$1,473,903
29. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
	15	16	17	18	19	20
30. Present Value Factor: 4.76% (8)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
31. Present Value Debt Free Net Cash Flow	$729,252	$717,188	$663,421	$653,400	$603,407	$595,162
	15	16	17	18	19	20
32. Present Value Factor: 4.76% (9)	0.5095	0.4864	0.4643	0.4432	0.4230	0.4038
33. Present Value Debt Free Net Cash Flow	$729,252	$717,188	$663,421	$653,400	$603,407	$595,162

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 4.76%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,473,903
Divided by Capitalization Factor (8)	4.76%
20th Year Terminal Value	30,964,356
20th Year Present Value Factor (11)	0.4038
Present Value of Terminal Value	12,503,407
Present Value Debt Free Net Cash Flow for 20 Years	16,169,699
Indicated Value	$28,673,106

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%			
		Multiples (13)	Terminal Value
Projected EBIT	$1,490,673	16.8	$25,043,303
Projected EBITDA	2,002,684	12.4	24,833,280
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			24,902,587
20th Year Present Value Factor (11)			0.4038
Present Value of Terminal Value			10,055,665
Present Value Debt Free Net Cash Flow for 20 Years			16,169,699
Indicated Value			$26,225,363

DCF With Capitalization of Terminal Value Model @ 4.76%	
	Terminal Value
Projected Debt Free Net Cash Flow (10)	$1,473,903
Divided by Capitalization Factor (9)	4.76%
20th Year Terminal Value	30,964,356
20th Year Present Value Factor (12)	0.4038
Present Value of Terminal Value	12,503,407
Present Value Debt Free Net Cash Flow for 20 Years	16,169,699
Indicated Value	$28,673,106

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%			
		Multiples (13)	Terminal Value
Projected EBIT	$1,490,673	16.8	$25,043,303
Projected EBITDA	2,002,684	12.4	24,833,280
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			24,902,587
20th Year Present Value Factor (12)			0.4038
Present Value of Terminal Value			10,055,665
Present Value Debt Free Net Cash Flow for 20 Years			16,169,699
Indicated Value			$26,225,363

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With MUNI Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by MUNI in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 18 + line 16.

(5) Line 18.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on 1.13% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 equal to discount rate, where capitalization rate = K - g.

(9) Discount rate is the current MUNI discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 28.

(11) Final year shown, line 30.

(12) Final year shown, line 30.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Actual			Budget	Estimated	Estimated
				Year 0	Year 1	Year 2
	2022	2023	2024	2025	2026	2027
1. **OPERATING REVENUES (1)**						
2. Charges for services	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000
3. Other operating revenue	4,563	63,580	6,200	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	0	0	0	1,485,000
6. **Total Operating Revenues**	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	3,189,000
7. **Rate Increase**						**90%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	894,230	1,332,522	1,109,650	1,105,000	1,132,625	1,160,941
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	0	0	0	0	62,680	62,665
16. **Operating Expenses Before Depreciation**	894,230	1,332,522	1,109,650	1,105,000	1,195,305	1,223,606
17. Depreciation (2)	0	0	0	0	427,179	431,271
18. **Total Operating Expenses**	894,230	1,332,522	1,109,650	1,105,000	1,622,484	1,654,876
19. **Operating Income**	691,439	379,637	596,550	599,000	81,516	1,534,124
20. Revenues (3)	1,585,669	1,712,159	1,706,200	1,704,000	1,704,000	3,189,000
21. EBITDA (4)	691,439	379,637	596,550	599,000	508,695	1,965,394
22. EBIT (5)	691,439	379,637	596,550	599,000	81,516	1,534,124
23. EBIT	691,439	379,637	596,550	599,000	81,516	1,534,124
24. (-) Income Taxes	0	0	0	163,599	21,942	406,882
25. Debt Free Net Income	691,439	379,637	596,550	435,401	59,574	1,127,242
26. (+) Depreciation & Amortization	0	0	0	0	427,179	431,271
27. (-) Capital Expenditures (6)	114,996	249,961	1,013,037	581,610	416,990	420,985
28. (-) Changes in Working Capital (7)	12,051	13,012	12,967	12,950	12,950	24,236
29. Debt Free Net Cash Flow	$564,392	$116,664	($429,454)	($159,159)	$56,813	$1,113,291
30. PV Time Period (mid-year)				(0.5)	0.5	1.5
31. Present Value Factor: 8.92% (8)					0.9582	0.8797
32. Present Value Debt Free Net Cash Flow					$54,438	$979,362
					1	2
33. Present Value Factor: 11.61% (9)					0.9466	0.8481
34. Present Value Debt Free Net Cash Flow					$53,779	$944,182
					1	2
35. Present Value Factor: 8.92% (8)					0.9582	0.8797
36. Present Value Debt Free Net Cash Flow					$54,438	$979,362
					1	2
37. Present Value Factor: 11.61% (9)					0.9466	0.8481
38. Present Value Debt Free Net Cash Flow					$53,779	$944,182

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 3	Estimated Year 4	Estimated Year 5	Estimated Year 6	Estimated Year 7	Estimated Year 8
	2028	2029	2030	2031	2032	2033
1. **OPERATING REVENUES (1)**						
2. Charges for services	3,135,000	3,135,000	3,135,000	4,389,000	4,389,000	4,389,000
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	1,254,000	0	0	1,755,600
6. **Total Operating Revenues**	3,189,000	3,189,000	4,443,000	4,443,000	4,443,000	6,198,600
7. **Rate Increase**			**40%**			**40%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,189,964	1,219,713	1,250,206	1,281,461	1,313,498	1,346,335
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	71,100	71,085	71,070	78,191	78,175	78,160
16. **Operating Expenses Before Depreciation**	1,261,064	1,290,798	1,321,276	1,359,652	1,391,673	1,424,495
17. Depreciation (2)	435,402	439,573	443,784	448,035	452,327	456,660
18. **Total Operating Expenses**	1,696,466	1,730,371	1,765,060	1,807,687	1,844,000	1,881,155
19. **Operating Income**	1,492,534	1,458,629	2,677,940	2,635,313	2,599,000	4,317,445
20. Revenues (3)	3,189,000	3,189,000	4,443,000	4,443,000	4,443,000	6,198,600
21. EBITDA (4)	1,927,936	1,898,202	3,121,724	3,083,348	3,051,327	4,774,105
22. EBIT (5)	1,492,534	1,458,629	2,677,940	2,635,313	2,599,000	4,317,445
23. EBIT	1,492,534	1,458,629	2,677,940	2,635,313	2,599,000	4,317,445
24. (-) Income Taxes	389,956	375,336	678,512	657,302	648,245	1,076,861
25. Debt Free Net Income	1,102,578	1,083,293	1,999,428	1,978,011	1,950,755	3,240,584
26. (+) Depreciation & Amortization	435,402	439,573	443,784	448,035	452,327	456,660
27. (-) Capital Expenditures (6)	425,017	429,089	433,199	437,349	441,539	445,768
28. (-) Changes in Working Capital (7)	24,236	24,236	33,767	33,767	33,767	47,109
29. Debt Free Net Cash Flow	$1,088,726	$1,069,540	$1,976,246	$1,954,930	$1,927,776	$3,204,366
30. PV Time Period (mid-year)	2.5	3.5	4.5	5.5	6.5	7.5
31. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
32. Present Value Debt Free Net Cash Flow	$879,364	$793,064	$1,345,428	$1,221,831	$1,106,351	$1,688,381
	3	4	5	6	7	8
33. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
34. Present Value Debt Free Net Cash Flow	$827,323	$728,143	$1,205,510	$1,068,565	$944,032	$1,406,076
	3	4	5	6	7	8
35. Present Value Factor: 8.92% (8)	0.8077	0.7415	0.6808	0.6250	0.5739	0.5269
36. Present Value Debt Free Net Cash Flow	$879,364	$793,064	$1,345,428	$1,221,831	$1,106,351	$1,688,381
	3	4	5	6	7	8
37. Present Value Factor: 11.61% (9)	0.7599	0.6808	0.6100	0.5466	0.4897	0.4388
38. Present Value Debt Free Net Cash Flow	$827,323	$728,143	$1,205,510	$1,068,565	$944,032	$1,406,076

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Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 9	Estimated Year 10	Estimated Year 11	Estimated Year 12	Estimated Year 13	Estimated Year 14
	2034	2035	2036	2037	2038	2039
1. **OPERATING REVENUES (1)**						
2. Charges for services	6,144,600	6,144,600	6,144,600	6,390,384	6,390,384	6,390,384
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	0	245,784	0	0	127,808
6. **Total Operating Revenues**	6,198,600	6,198,600	6,444,384	6,444,384	6,444,384	6,572,192
7. **Rate Increase**			**4%**			**2%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,379,994	1,414,493	1,449,856	1,486,102	1,523,255	1,561,336
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	88,133	88,118	88,102	89,485	89,468	89,452
16. **Operating Expenses Before Depreciation**	1,468,127	1,502,611	1,537,958	1,575,587	1,612,723	1,650,788
17. Depreciation (2)	461,035	465,451	469,910	474,411	478,956	483,544
18. **Total Operating Expenses**	1,929,161	1,968,063	2,007,868	2,049,999	2,091,678	2,134,332
19. **Operating Income**	4,269,439	4,230,537	4,436,516	4,394,385	4,352,706	4,437,860
20. Revenues (3)	6,198,600	6,198,600	6,444,384	6,444,384	6,444,384	6,572,192
21. EBITDA (4)	4,730,473	4,695,989	4,906,426	4,868,797	4,831,661	4,921,404
22. EBIT (5)	4,269,439	4,230,537	4,436,516	4,394,385	4,352,706	4,437,860
23. EBIT	4,269,439	4,230,537	4,436,516	4,394,385	4,352,706	4,437,860
24. (-) Income Taxes	1,064,888	1,055,185	1,106,560	1,096,052	1,085,656	1,106,895
25. Debt Free Net Income	3,204,551	3,175,352	3,329,956	3,298,333	3,267,050	3,330,965
26. (+) Depreciation & Amortization	461,035	465,451	469,910	474,411	478,956	483,544
27. (-) Capital Expenditures (6)	450,039	454,350	458,702	463,096	467,533	472,011
28. (-) Changes in Working Capital (7)	47,109	47,109	48,977	48,977	48,977	49,949
29. Debt Free Net Cash Flow	$3,168,437	$3,139,344	$3,292,187	$3,260,672	$3,229,495	$3,292,549
30. PV Time Period (mid-year)	8.5	9.5	10.5	11.5	12.5	13.5
31. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
32. Present Value Debt Free Net Cash Flow	$1,532,573	$1,394,183	$1,342,225	$1,220,469	$1,109,977	$1,038,799
	9	10	11	12	13	14
33. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
34. Present Value Debt Free Net Cash Flow	$1,245,513	$1,105,677	$1,039,014	$922,118	$818,031	$747,409
	9	10	11	12	13	14
35. Present Value Factor: 8.92% (8)	0.4837	0.4441	0.4077	0.3743	0.3437	0.3155
36. Present Value Debt Free Net Cash Flow	$1,532,573	$1,394,183	$1,342,225	$1,220,469	$1,109,977	$1,038,799
	9	10	11	12	13	14
37. Present Value Factor: 11.61% (9)	0.3931	0.3522	0.3156	0.2828	0.2533	0.2270
38. Present Value Debt Free Net Cash Flow	$1,245,513	$1,105,677	$1,039,014	$922,118	$818,031	$747,409

See last page of this EXHIBIT for notes and assumptions.

Appendix A-5.2

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

	Estimated Year 15	Estimated Year 16	Estimated Year 17	Estimated Year 18	Estimated Year 19	Estimated Year 20
	2040	2041	2042	2043	2044	2045
1. **OPERATING REVENUES (1)**						
2. Charges for services	6,518,192	6,518,192	6,609,446	6,609,446	6,702,640	6,702,640
3. Other operating revenue	54,000	54,000	54,000	54,000	54,000	54,000
4. Tap Fees	0	0	0	0	0	0
5. Other (Rate Increase)	0	91,255	0	93,193	0	97,859
6. **Total Operating Revenues**	6,572,192	6,663,447	6,663,446	6,756,639	6,756,640	6,854,499
7. **Rate Increase**		**1%**		**1%**		**1%**
8. **OPERATING EXPENSES (1)**						
9. Operating & Maintenance Expenses	1,600,369	1,640,379	1,681,388	1,723,423	1,766,508	1,810,671
10. Remove Economies of Scale						
11. LESS: EOS - Wages & Benefits	0	0	0	0	0	0
12. LESS: EOS - Professional Services	0	0	0	0	0	0
13. LESS: EOS - Eliminated Expenses	0	0	0	0	0	0
14. ADD: Additional O&M	0	0	0	0	0	0
15. ADD: PURTA & Reg Assessment	90,163	90,146	90,648	90,631	91,144	91,127
16. **Operating Expenses Before Depreciation**	1,690,532	1,730,525	1,772,036	1,814,054	1,857,652	1,901,798
17. Depreciation (2)	488,176	492,852	497,574	502,341	507,153	512,011
18. **Total Operating Expenses**	2,178,709	2,223,377	2,269,610	2,316,395	2,364,805	2,413,809
19. **Operating Income**	4,393,483	4,440,070	4,393,836	4,440,244	4,391,835	4,440,690
20. Revenues (3)	6,572,192	6,663,447	6,663,446	6,756,639	6,756,640	6,854,499
21. EBITDA (4)	4,881,660	4,932,922	4,891,410	4,942,585	4,898,988	4,952,701
22. EBIT (5)	4,393,483	4,440,070	4,393,836	4,440,244	4,391,835	4,440,690
23. EBIT	4,393,483	4,440,070	4,393,836	4,440,244	4,391,835	4,440,690
24. (-) Income Taxes	1,095,827	1,107,447	1,095,915	1,107,490	1,095,416	1,107,601
25. Debt Free Net Income	3,297,656	3,332,623	3,297,921	3,332,754	3,296,419	3,333,089
26. (+) Depreciation & Amortization	488,176	492,852	497,574	502,341	507,153	512,011
27. (-) Capital Expenditures (6)	476,533	481,098	485,707	490,359	495,057	499,799
28. (-) Changes in Working Capital (7)	49,949	50,642	50,642	51,350	51,350	52,094
29. Debt Free Net Cash Flow	$3,259,351	$3,293,735	$3,259,146	$3,293,386	$3,257,164	$3,293,207
30. PV Time Period (mid-year)	14.5	15.5	16.5	17.5	18.5	19.5
31. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
32. Present Value Debt Free Net Cash Flow	$944,234	$876,134	$795,883	$738,377	$670,324	$622,416
	15	16	17	18	19	20
33. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
34. Present Value Debt Free Net Cash Flow	$662,952	$600,119	$532,218	$481,822	$427,014	$386,622
	15	16	17	18	19	20
35. Present Value Factor: 8.92% (8)	0.2897	0.2660	0.2442	0.2242	0.2058	0.1890
36. Present Value Debt Free Net Cash Flow	$944,234	$876,134	$795,883	$738,377	$670,324	$622,416
	15	16	17	18	19	20
37. Present Value Factor: 11.61% (9)	0.2034	0.1822	0.1633	0.1463	0.1311	0.1174
38. Present Value Debt Free Net Cash Flow	$662,952	$600,119	$532,218	$481,822	$427,014	$386,622

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$3,293,207
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	36,919,357
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	6,977,758
Present Value Debt Free Net Cash Flow for 20 Years	20,353,814
Indicated Value	$27,331,573

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%		Multiples (13)	Terminal Value
Projected EBIT	$4,440,690	16.8	$74,603,589
Projected EBITDA	4,952,701	12.4	61,413,490
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			65,766,223
20th Year Present Value Factor (11)			0.1890
Present Value of Terminal Value			12,429,816
Present Value Debt Free Net Cash Flow for 20 Years			20,353,814
Indicated Value			$32,783,631

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$3,293,207
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	28,365,260
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	3,330,081
Present Value Debt Free Net Cash Flow for 20 Years	16,146,120
Indicated Value	$19,476,201

DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%		Multiples (13)	Terminal Value
Projected EBIT	$4,440,690	16.8	$74,603,589
Projected EBITDA	4,952,701	12.4	61,413,490
Weighted (1/3 EBIT 2/3 EBITDA) Terminal Value			65,766,223
20th Year Present Value Factor (12)			0.1174
Present Value of Terminal Value			7,720,955
Present Value Debt Free Net Cash Flow for 20 Years			16,146,120
Indicated Value			$23,867,074

DCF With Capitalization of Terminal Value Model @ 8.92%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$3,293,207
Divided by Capitalization Factor (8)	8.92%
20th Year Terminal Value	36,919,357
20th Year Present Value Factor (11)	0.1890
Present Value of Terminal Value	6,977,758
Present Value Debt Free Net Cash Flow for 20 Years	20,353,814
Indicated Value	$27,331,573

DCF With Capitalization of Terminal Value Model @ 11.61%	Terminal Value
Projected Debt Free Net Cash Flow (10)	$3,293,207
Divided by Capitalization Factor (9)	11.61%
20th Year Terminal Value	28,365,260
20th Year Present Value Factor (12)	0.1174
Present Value of Terminal Value	3,330,081
Present Value Debt Free Net Cash Flow for 20 Years	16,146,120
Indicated Value	$19,476,201

See last page of this EXHIBIT for notes and assumptions.

Income Approach
City of Pittston Wastewater System Assets
Pro Forma and Estimted Operations With IOU Ownership
DCF With Capitalization of Terminal Value Model and
DCF With EBIT & EBITDA Terminal Value Model

Notes: (1) Assumptions:

Charges for services - Pre-2025 are actual. 2025 results are based on 2025 budget. Post-2025 based on customer growth (EDU) and average revenue per customer. Rate increases (Other rate increase line item) are added year after they occur.

Other (Rate Increase) - Assumed purchase by IOU in 2026 with shown rate increases.

OPERATING EXPENSES - increase at 2.5% annually after 2025 unless noted elsewhere. Assumed economies of scale are shown on lines below.

No Additional O&M.

PURTA & Reg Assessment - 2026 assumed due to IOU purchase in 2026.

(2) Depreciation - Pre-2025 based on actual depreciation. Post-2024 based on depreciation rate plus same rate on half of CAPX.

(3) Line 6.

(4) Line 19 + line 17.

(5) Line 19.

(6) Capital Expenditures - Pre-2026 based on financials/budget. Post-2025 years are estimates based on 1.13% of prior year-end GROSS Property, plant and equipment.

(7) Changes in Working Capital - based on water industry 0.76% of revenues.

(8) Discount rate is the current lower end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(9) Discount rate is the current upper end of the IOU discount rate. Capitalization rate (K) at 5/30/2025 adjusted for stated growth (g) where capitalization rate = K - g.

(10) Final year shown, line 29.

(11) Final year shown, line 31.

(12) Final year shown, line 33.

(13) Developed on Market Multiples EXHIBIT 18.

Terms:

CAPX - Capital Expenditures
CIP - Capital improvement plan
Dep - Depreciation expense
GROSS PPE - GROSS Property, plant and equipment
IOU - Investor owned utility
MUNI - Large regional municipally owned utility
NET PPE - NET Property, plant and equipment

City of Pittston Wastewater System Assets
Summary of Income Approach Results and Conclusion

Methods	Results
Exhibit 15, page 5 (MUNI)	
DCF With Capitalization of Terminal Value Model @ 4.76%	$28,673,106
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 4.76%	26,225,363
Indicated Value (Median)	$27,449,235
Exhibit 16, page 5 (IOU)	
DCF With Capitalization of Terminal Value Model @ 8.92%	$27,331,573
DCF With Capitalization of Terminal Value Model @ 11.61%	19,476,201
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 8.92%	32,783,631
DCF With EBIT & EBITDA Terminal Value Model - Discount Rate of 11.61%	23,867,074
Indicated Value (Median)	$25,599,324
Conclusion	
MUNI DCF	$27,449,235
IOU DCF	25,599,324
Conclusion (Median)	$26,524,279

Appendix A-5.2

Market Multiples Method
City of Pittston Wastewater System Assets
2025 Operations
Market Multiple Method

	A	B	C	D (Col B × Col C)	E (Col A × Col D)
	Subject Company Statistic (1)	Comparison Group's Valuation Multiples 5/30/2025	Pittston's Growth & Risk Adjustment	Pittston's Risk Adjusted Valuation Multiples 5/30/2025	Pittston's Market Multiples Valuation
Risk Adjusted Multiple					
1. City of Pittston Wastewater System Assets					
2. Investor Provided Capital	$0	1.45	80.00%	1.16	NA
3. Gross PP&E	$23,222,746	1.04	90.00%	0.94	21,829,381
4. Net PP&E	$15,883,634	1.29	90.00%	1.16	18,425,015
5. Revenues	$1,704,000	6.92	80.00%	5.54	9,440,160
6. EBITDA	$599,000	15.47	80.00%	12.38	7,415,620
7. EBIT	$263,654	21.00	80.00%	16.80	4,429,387
8. Customers	4,142	$9,430	91.00%	$8,581	35,542,502
9. Population	7,645	$2,940	91.00%	$2,675	20,450,375
10.					
11. Average					$16,790,349

Conclusion of Market Multiple Method Valuation

		Low	High		Conclusion
12.	Capital Items	$18,425,015	$21,829,381		$20,127,198
13.	(Items 2-4)				
14.	Income Statement Items	4,429,387	9,440,160		-
15.	(Items 5 -7)				
16.	Demographics Items	20,450,375	35,542,502		27,996,439
17.	(Items 8-9)				
				Conclusion *	$24,061,818

* - Conclusion based on weighting of 50% Capital Items and 50% Demographics Items

Market Multiples Method
City of Pittston Wastewater System Assets
Development of Market Multiples Method for the Market Multiples Method

	Latest Quarter End			Latest 12 Months			2024		5/30/2025
	Gross PP&E	Net PP&E	Invest. Total Capital	12 Mos. Rev.	12 Mos. EBITDA	12 Mos. EBIT	Customers	Population	Enterprise Value
	($ Mill)	($ Mill)	($ Mill)	($ Mill)	($ Mill)	($ Mill)			($ Mill)
American States Water Co	$2,807.602	$2,154.074	$1,903.898	$608.221	$239.177	$193.992	289,414	1,000,000	$3,963.448
American Water Works Co Inc	$35,553.000	$28,464.000	$25,043.000	$4,815.000	$2,602.000	$1,786.000	3,546,000	14,000,000	$42,200.811
Artesian Resources -CL A	$957.616	$760.687	$420.574	$109.294	$47.984	$34.463	108,740	326,850	$530.311
California Water Service Gp	$5,498.140	$4,230.215	$3,093.807	$970.030	$345.464	$208.232	555,900	2,000,000	$4,234.791
Essential Utilities, Inc.	$16,568.441	$13,350.419	$14,249.432	$2,257.670	$1,239.778	$860.653	1,869,306	5,500,000	$18,569.965
H2O America	$4,608.548	$3,549.464	$3,260.067	$766.656	$302.058	$186.301	407,000	1,551,000	$3,632.955
Middlesex Water Company	$1,350.457	$1,086.279	$846.410	$195.654	$89.834	$59.862	128,300	500,000	$1,433.179
York Water Co	$668.696	$541.413	$444.271	$75.787	$42.439	$28.996	79,771	212,000	$682.440
Average	$8,501.563	$6,767.069	$6,157.682	$1,224.789	$613.592	$419.812	873,054	3,136,231	$9,405.988
Max	$35,553.000	$28,464.000	$25,043.000	$4,815.000	$2,602.000	$1,786.000	3,546,000	14,000,000	$42,200.811
Min	$668.696	$541.413	$420.574	$75.787	$42.439	$28.996	79,771	212,000	$530.311
Median	$3,708.075	$2,851.769	$2,498.853	$687.439	$270.618	$190.147	348,207	1,275,500	$3,798.202

	Enterprise Value as a Multiple of								
	Invest. Capital	Gross PP&E	Net PP&E	Rev.	EBITDA	EBIT	Customers	Population	Population Per Customer
	(x)	(x)	(x)	(x)	(x)	(x)	($)	($)	
American States Water Co	2.08	1.41	1.84	6.52	16.57	20.43	$13,695	$3,963	3.46
American Water Works Co Inc	1.69	1.19	1.48	8.76	16.22	23.63	$11,901	$3,014	3.95
Artesian Resources -CL A	1.26	0.55	0.70	4.85	11.05	15.39	$4,877	$1,622	3.01
California Water Service Gp	1.37	0.77	1.00	4.37	12.26	20.34	$7,618	$2,117	3.60
Essential Utilities, Inc.	1.30	1.12	1.39	8.23	14.98	21.58	$9,934	$3,376	2.94
H2O America	1.11	0.79	1.02	4.74	12.03	19.50	$8,926	$2,342	3.81
Middlesex Water Company	1.69	1.06	1.32	7.33	15.95	23.94	$11,171	$2,866	3.90
York Water Co	1.54	1.02	1.26	9.00	16.08	23.54	$8,555	$3,219	2.66
Average	1.51	0.99	1.25	6.72	14.39	21.04	$9,585	$2,815	3.41
Max	2.08	1.41	1.84	9.00	16.57	23.94	$13,695	$3,963	3.95
Min	1.11	0.55	0.70	4.37	11.05	15.39	$4,877	$1,622	2.66
Median	1.45	1.04	1.29	6.92	15.47	21.00	$9,430	$2,940	3.53

Appendix A-5.2

Market Multiples Method
City of Pittston Wastewater System Assets
Quantification of the Effective Risk/Growth Adjustments

		Net PP&E	Gross PP&E	Invest. Capital
Comparable Group Multiple		1.29	1.04	1.45
Ratio to Net PPE			80.62%	
Not Contributed Multiple (NPPE = ICAP mult.)		1.45	1.17	
Base Risk Factor	x	80%	80%	
Subject Company Adjusted Multiple		1.16	0.94	
Subject Company Adjusted Multiple		1.16	0.94	
Comparable Group Multiple	÷	1.29	1.04	
Effective Risk/Growth Adjustment		90%	90%	

		Net PP&E	Gross PP&E
Plant Assets		100%	100%
Ratio of Known "Cost Free" Capital		22%	22%
Plant Assets Less Known "Cost Free" Capital		78%	78%
Comparable Group Multiple		1.29	1.04
Plant Assets Less Known "Cost Free" Capital	÷	78%	78%
Mulitple Without "Cost Free" Capital		1.65	1.33
Base Risk Factor	x	80%	80%
Subject Company Adjusted Multiple		1.32	1.07
Subject Company Adjusted Multiple		1.32	1.07
Comparable Group Multiple	÷	1.29	1.04
Effective Risk/Growth Adjustment		102%	103%

		Net PP&E	Customers
Comparable Group Multiple		1.29	9,430.00
Implied Capitalization Rate (1÷Multiple)		77.52%	0.0106%
Ratio of Net PP&E Mult. to Invest. Capital Mult.		112.40%	
Less 1	-	1.00	
Difference in Capital Source due to Contributions		12.40%	
Assumed Investor Financed (1-Difference in Capital Source)		87.60%	87.60%
Implied Capitalization Rate (1÷Multiple)	x		0.0106%
Not Contributed Cap. Rate			0.0093%
Not Contributed Multiple (1÷Cap. Rate)			10,764.84
Base Risk Factor	x		80%
Subject Company Adjusted Multiple			8,611.87
Subject Company Adjusted Multiple			8,611.87
Comparable Group Multiple	÷		9,430.00
Effective Risk/Growth Adjustment			91%

Appendix A-5.2

Selected Transactions Method
For City of Pittston Wastewater System Assets
Summary

		Median	Mid-Point	Value
	All Selected Transactions Companies (N = 26)			
1.	Asset Items			$42,296,819
2.	Ex-Ante (page 2)	$33,030,702	$60,956,433	
3.	Ex-Post (page 3)	$26,472,238	$48,727,903	
4.	Demographics Items			$54,053,876
5.	Ex-Ante (page 2)	$21,283,449	$86,824,303	
6.	Ex-Post (page 3)	$21,283,449	$86,824,303	
7.			Indicated Value *	$48,175,348
	Fully Integrated Including Wholesale Selected Transactions Companies (N = 14)			
8.	Asset Items			$43,650,019
9.	Ex-Ante (page 2)	$33,299,795	$60,956,433	
10.	Ex-Post (page 3)	$31,596,861	$48,746,989	
11.	Demographics Items			$61,823,180
12.	Ex-Ante (page 2)	$31,693,319	$91,953,041	
13.	Ex-Post (page 3)	$31,693,319	$91,953,041	
14.			Indicated Value *	$52,736,600
	Mostly Collection/Distribution Selected Transactions Companies (N = 12)			
15.	Asset Items			$31,155,940
16.	Ex-Ante (page 2)	$26,208,103	$37,891,434	
17.	Ex-Post (page 3)	$24,083,972	$36,440,249	
18.	Demographics Items			$24,092,056
19.	Ex-Ante (page 2)	$17,055,028	$31,129,083	
20.	Ex-Post (page 3)	$17,055,028	$31,129,083	
21.			Indicated Value *	$27,623,998
	Integrated, Excluding Wholesale Selected Transactions Companies (N = 9)			
22.	Asset Items			$29,459,859
23.	Ex-Ante (page 2)	$27,511,558	$38,079,894	
24.	Ex-Post (page 3)	$25,540,526	$26,707,459	
25.	Demographics Items			$35,613,075
26.	Ex-Ante (page 2)	$29,769,986	$41,456,165	
27.	Ex-Post (page 3)	$29,769,986	$41,456,165	
28.			Indicated Value *	$32,536,467

Conclusion of Selected Transactions Method Valuation

		Indicated Values	Weight	
29.	Mostly Collection/Distribution Transactions	$27,623,998	100%	$27,623,998
30.	Integrated, Excluding Wholesale Selected Transactions	32,536,467	0%	0
31.	Conclusion Before Market Adjustment			27,623,998
32.	Market Adjustment			95%
33.			Conclusion	$26,242,798

* - Indicated Value based on weighting of 50% Asset Items and 50% Demographics Items

Appendix A-5.2

Selected Transactions Method - Ex-Ante
For City of Pittston Wastewater System Assets
Based on 2016 - 2025 Acquisitions of Assets of Water or Sewer System, Without Discount for Customer Contributions

Name	Service	System	Announced Purchase Price was:	Investor Provided Capital	Gross PP&E	Net PP&E	Revenues	EBITDA	EBIT	Customers	Population
			Selected Transactions' Metrics								
Municipal Authority of the City of Mckeesport	WW	INTWW	$156,000,000	$83,903,219	$91,435,797	$73,813,794	$13,047,844	$6,180,616	$3,811,679	12,780	46,468
New Garden Township/Authority's WW System's Assets	WW	INT	$29,500,000	$23,001,140	$25,988,330	$17,967,319	$2,261,294	$907,386	$499,638	1,796	12,085
Limerick Township Wastewater System's Assets	WW	INT	$75,100,000	$43,501,755	$60,847,250	$36,113,701	$4,418,775	$2,487,775	$893,600	5,416	18,798
Steelton Borough (Water) Authority	W	INT	$22,500,000	NA	NA	NA	NA	NA	NA	2,472	5,932
Exeter Township Wastewater System Assets	WW	INT	$96,000,000	NA	NA	NA	$7,735,788	$4,660,967	$4,660,967	8,984	27,609
Kane Borough Authority Wastewater System	WW	INT	$17,560,000	$10,809,115	$20,265,926	$8,897,773	$1,433,978	$684,830	$181,672	2,019	4,645
Borough of Royersford Wastewater System Assets	WW	INT	$13,000,000	$4,702,972	$6,883,116	$4,545,699	$863,000	$280,365	$280,365	1,596	5,154
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$12,000,000	$13,119,705	$21,134,020	$11,252,247	$1,990,000	$245,000	($84,731)	2,899	6,166
Butler Area Sewer Authority	WW	INT	$231,500,000	$74,049,964	$138,491,270	$58,390,335	$12,258,500	$6,064,530	$2,330,186	14,699	52,499
Greenville Municipal Water Authority	W	INT	$18,000,000	$20,823,518	$30,733,353	$18,606,164	$2,221,171	$879,919	$491,044	2,951	7,256
Greenville Wastewater System Assets	WW	INTWW	$18,000,000	$8,273,183	$21,024,168	$7,006,831	$1,858,698	$822,698	$822,698	2,270	9,758
City of Beaver Falls Wastewater System Assets	WW	INTWW	$41,250,000	$8,146,961	$13,298,336	$6,026,108	$3,025,415	$773,752	$532,936	3,259	15,580
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$28,000,000	$18,965,320	$17,259,928	$16,740,424	$1,780,000	$833,460	$833,460	683	5,384
York City Sewer Authority Wastewater System Assets	WW	INTWW	$235,000,000	$100,493,098	$120,654,506	$78,592,332	$24,641,181	$9,759,797	$6,150,926	13,747	80,929
Sadsbury Township Wastewater Utility	WW	C/D	$9,250,000	NA	NA	NA	NA	NA	NA	998	3,850
East Bradford Township Wastewater System Assets	WW	C/D	$5,000,000	$1,298,627	NA	NA	$1,130,372	$49,804	$49,804	1,248	9,942
Township of Mahoning Water System Assets	W	C/D	$4,734,800	NA	NA	NA	$753,857	$151,916	$91,468	1,186	4,218
Township of Mahoning Sewer System Assets	WW	C/D	$4,765,200	NA	NA	NA	$1,193,055	($173,564)	($244,337)	1,451	4,218
Cheltenham Township Wastewater System Assets	WW	C/D	$50,250,000	NA	NA	NA	$9,290,500	$4,506,168	$4,506,168	10,219	37,841
East Norriton Township Wastewater System Assets	WW	C/D	$21,000,000	$4,055,138	NA	NA	$3,320,000	$612,827	$612,827	4,966	14,296
Valley Township Water System Assets	W	C/D	$7,325,000	NA	NA	NA	$698,550	$78,704	$78,704	1,669	7,493
Valley Township Wastewater System Assets	WW	C/D	$13,950,000	NA	NA	NA	$2,743,957	($408,562)	($408,562)	3,125	7,493
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$13,750,000	NA	$15,295,347	$11,548,897	$1,380,242	$858,878	$858,878	1,428	5,530
Lower Makefield Township Wastewater System Assets	WW	C/D	$53,000,000	$16,525,411	NA	$17,592,071	$10,012,924	$4,053,817	$3,520,813	11,151	33,197
Willistown Township Wastewater Systems Assets	WW	C/D	$17,500,000	$9,866,721	$8,673,707	$4,887,532	$2,148,508	$297,618	($8,933)	2,294	11,214
East Whiteland Township Wastewater System Assets	WW	C/D	$54,930,000	$42,513,245	$48,672,940	$34,143,673	$4,328,000	$1,942,553	$1,209,102	3,895	14,720
				Subject Company's Metrics							
City of Pittston Wastewater System Assets				$0	$23,222,746	$15,883,634	$1,704,000	$599,000	$263,654	4,142	7,645
			Subject Company's Selected Transactions Multiples Valuations								
Municipal Authority of the City of Mckeesport	WW	INTWW	$24,462,128	$0	$39,620,679	$33,568,887	$20,373,021	$15,118,881	$10,790,527	$50,559,624	$25,665,404
New Garden Township/Authority's WW System's Assets	WW	INT	$24,550,749	$0	$26,360,717	$26,078,860	$22,229,750	$19,474,072	$15,566,856	$68,033,964	$18,661,771
Limerick Township Wastewater System's Assets	WW	INT	$27,358,876	$0	$28,662,400	$33,030,702	$28,960,606	$18,082,383	$22,158,030	$57,434,306	$30,542,584
Steelton Borough (Water) Authority	W	INT	$33,348,815	NA	NA	NA	NA	NA	NA	$37,700,243	$28,997,387
Exeter Township Wastewater System Assets	WW	INT	$21,951,354	NA	NA	NA	$21,146,391	$12,337,354	$5,430,372	$44,260,018	$26,582,636
Kane Borough Authority Wastewater System	WW	INT	$22,263,069	$0	$20,122,023	$31,346,789	$20,866,596	$15,359,199	$25,484,193	$36,024,527	$28,901,227
Borough of Royersford Wastewater System Assets	WW	INT	$25,996,812	$0	$43,860,324	$45,424,750	$25,668,598	$27,774,508	$12,225,142	$33,738,095	$19,283,081
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$8,052,847	$0	$13,185,989	$16,939,160	$10,275,377	$29,338,776	($37,340,115)	$17,145,222	$14,878,365
Butler Area Sewer Authority	WW	INT	$35,247,102	$0	$38,818,806	$62,973,800	$32,179,794	$22,865,498	$26,193,571	$65,233,893	$33,711,452
Greenville Municipal Water Authority	W	INT	$13,615,498	$0	$13,601,166	$15,366,166	$13,808,932	$12,253,405	$9,664,664	$25,264,656	$18,964,994
Greenville Wastewater System Assets	WW	INTWW	$17,876,069	$0	$19,882,329	$40,803,812	$16,501,874	$13,105,663	$5,768,548	$32,844,053	$14,102,275
City of Beaver Falls Wastewater System Assets	WW	INTWW	$41,125,357	$0	$72,034,446	$108,726,877	$23,233,176	$31,933,702	$20,407,199	$52,426,358	$20,241,094
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$41,198,470	$0	$37,673,210	$26,566,935	$26,804,494	$20,123,341	$8,857,428	$169,803,807	$39,758,544
York City Sewer Authority Wastewater System Assets	WW	INTWW	$28,309,662	$0	$45,231,177	$47,493,870	$16,250,844	$14,422,943	$10,073,067	$70,805,994	$22,199,397
Sadsbury Township Wastewater Utility	WW	C/D	$28,379,069	NA	NA	NA	NA	NA	NA	$38,390,281	$18,367,857
East Bradford Township Wastewater System Assets	WW	C/D	$19,096,931	$0	NA	NA	$7,537,342	$60,135,732	$26,469,159	$16,594,551	$3,844,800
Township of Mahoning Water System Assets	W	C/D	$13,627,404	NA	NA	NA	$10,702,427	$18,669,141	$13,647,899	$16,535,870	$8,581,685
Township of Mahoning Sewer System Assets	WW	C/D	$1,491,577	NA	NA	NA	$6,805,974	($16,445,590)	($5,141,941)	$13,602,659	$8,636,784
Cheltenham Township Wastewater System Assets	WW	C/D	$9,871,156	NA	NA	NA	$9,216,511	$6,679,678	$2,940,106	$20,367,502	$10,151,985
East Norriton Township Wastewater System Assets	WW	C/D	$11,514,135	$0	NA	NA	$10,778,313	$20,526,184	$9,034,742	$17,515,505	$11,230,064
Valley Township Water System Assets	W	C/D	$24,761,560	NA	NA	NA	$17,868,155	$55,749,072	$24,538,340	$18,178,640	$7,473,592
Valley Township Wastewater System Assets	WW	C/D	$2,386,251	NA	NA	NA	$8,662,964	($20,452,343)	($9,002,240)	$18,489,888	$14,232,984
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$18,494,944	NA	$20,876,464	$18,910,894	$16,975,284	$9,589,546	$4,220,905	$39,882,703	$19,008,816
Lower Makefield Township Wastewater System Assets	WW	C/D	$14,366,413	$0	NA	$47,852,956	$9,019,543	$7,831,385	$3,968,874	$19,686,665	$12,205,470
Willistown Township Wastewater Systems Assets	WW	C/D	($40,022,471)	$0	$46,854,022	$56,871,974	$13,879,399	$35,221,359	($516,534,565)	$31,597,646	$11,930,400
East Whiteland Township Wastewater System Assets	WW	C/D	$23,655,772	$0	$26,208,103	$25,553,432	$21,626,784	$16,938,059	$11,977,908	$58,413,366	$28,528,522

Definitions: Where "INTWW" is "Fully Integrated With Wholsale Assets", "INT" is "Fully Integrated Assets" and "C/D" is "Mostly Collection/Distribution Assets".
Where "WW" is wastewater and "W" is water.

Appendix A-5.2

Selected Transactions Method - Ex-Post
For City of Pittston Wastewater System Assets
Based on 2016 - 2025 Acquisitions of Assets of Water or Sewer System, Without Discount for Customer Contributions

			Ex-Post Selected Transactions' Metrics								
Name	Service	System	Announced Purchase Price was:	Investor Provided Capital	Ex-POST - OCN - Gross PP&E	Ex-Post - OCNLD - Net PP&E	Revenues	EBITDA	EBIT	Customers	Population
Municipal Authority of the City of Mckeesport	WW	INTWW	$156,000,000	$83,903,219	$108,231,570	$80,085,602	$13,047,844	$6,180,616	$3,811,679	12,780	46,468
New Garden Township/Authority's WW System's Assets	WW	INT	$29,500,000	$23,001,140	$27,146,852	$18,567,728	$2,261,294	$907,386	$499,638	1,796	12,085
Limerick Township Wastewater System's Assets	WW	INT	$75,100,000	$43,501,755	$63,480,402	$46,153,867	$4,418,775	$2,487,775	$893,600	5,416	18,798
Steelton Borough (Water) Authority	W	INT	$22,500,000	NA	$19,739,906	$14,433,435	NA	NA	NA	2,472	5,932
Exeter Township Wastewater System Assets	WW	INT	$96,000,000	NA	$68,404,345	$42,678,351	$7,735,788	$4,660,967	$4,660,967	8,984	27,609
Kane Borough Authority Wastewater System	WW	INT	$17,560,000	$10,809,115	$21,023,527	$13,503,901	$1,433,978	$684,830	$181,672	2,019	4,645
Borough of Royersford Wastewater System Assets	WW	INT	$13,000,000	$4,702,972	$7,666,493	$5,453,064	$863,000	$280,365	$280,365	1,596	5,154
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$12,000,000	$13,119,705	$19,380,636	$10,784,743	$1,990,000	$245,000	($84,731)	2,899	6,166
Butler Area Sewer Authority	WW	INT	$231,500,000	$74,049,964	$143,771,330	$93,409,083	$12,258,500	$6,064,530	$2,330,186	14,699	52,499
Greenville Municipal Water Authority	W	INT	$18,000,000	$20,823,518	$27,382,498	$20,368,964	$2,221,171	$879,919	$491,044	2,951	7,256
Greenville Wastewater System Assets	WW	INTWW	$18,000,000	$8,273,183	$12,895,187	$6,047,619	$1,858,698	$822,698	$822,698	2,270	9,758
City of Beaver Falls Wastewater System Assets	WW	INTWW	$41,250,000	$8,146,961	$12,898,487	$7,850,687	$3,025,415	$773,752	$532,936	3,259	15,580
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$28,000,000	$18,965,320	$19,220,013	$16,620,978	$1,780,000	$833,460	$833,460	683	5,384
York City Sewer Authority Wastewater System Assets	WW	INTWW	$235,000,000	$100,493,098	$155,875,776	$115,727,779	$24,641,181	$9,759,797	$6,150,926	13,747	80,929
Sadsbury Township Wastewater Utility	WW	C/D	$9,250,000	NA	$7,480,601	$6,128,876	NA	NA	NA	998	3,850
East Bradford Township Wastewater System Assets	WW	C/D	$5,000,000	$1,298,627	$8,294,931	$5,473,948	$1,130,372	$49,804	$49,804	1,248	9,942
Township of Mahoning Water System Assets	W	C/D	$4,734,800	NA	$5,294,272	$3,507,138	$753,857	$151,916	$91,468	1,186	4,218
Township of Mahoning Sewer System Assets	WW	C/D	$4,765,200	NA	$4,931,649	$3,234,859	$1,193,055	($173,564)	($244,337)	1,451	4,218
Cheltenham Township Wastewater System Assets	WW	C/D	$50,250,000	NA	$19,818,216	$15,408,458	$9,290,500	$4,506,168	$4,506,168	10,219	37,841
East Norriton Township Wastewater System Assets	WW	C/D	$21,000,000	$4,055,138	$16,916,212	$9,251,450	$3,320,000	$612,827	$612,827	4,966	14,296
Valley Township Water System Assets	W	C/D	$7,325,000	NA	$6,843,616	$4,983,659	$698,550	$78,704	$78,704	1,669	7,493
Valley Township Wastewater System Assets	WW	C/D	$13,950,000	NA	$13,389,108	$8,832,690	$2,743,957	($408,562)	($408,562)	3,125	7,493
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$13,750,000	NA	$15,295,347	$11,548,897	$1,380,242	$858,878	$858,878	1,428	5,530
Lower Makefield Township Wastewater System Assets	WW	C/D	$53,000,000	$16,525,411	$32,003,924	$19,808,274	$10,012,924	$4,053,817	$3,520,813	11,151	33,197
Willistown Township Wastewater Systems Assets	WW	C/D	$17,500,000	$9,866,721	$19,641,520	$13,367,274	$2,148,508	$297,618	($8,933)	2,294	11,214
East Whiteland Township Wastewater System Assets	WW	C/D	$54,930,000	$42,513,245	$43,447,309	$32,955,596	$4,328,000	$1,942,553	$1,209,102	3,895	14,720

				Subject Company's Metrics							
City of Pittston Wastewater System Assets				$0	$23,222,746	$15,883,634	$1,704,000	$599,000	$263,654	4,142	7,645

			Ex-Post Subject Company's Selected Transactions Multiples Valuations								
Municipal Authority of the City of Mckeesport	WW	INTWW	$23,364,954	$0	$33,472,196	$30,939,980	$20,373,021	$15,118,881	$10,790,527	$50,559,624	$25,665,404
New Garden Township/Authority's WW System's Assets	WW	INT	$24,304,716	$0	$25,235,744	$25,235,570	$22,229,750	$19,474,072	$15,566,856	$68,033,964	$18,661,771
Limerick Township Wastewater System's Assets	WW	INT	$26,312,088	$0	$27,473,490	$25,845,308	$28,960,606	$18,082,383	$22,158,030	$57,434,306	$30,542,584
Steelton Borough (Water) Authority	W	INT	$29,482,035	NA	$26,469,821	$24,760,687	NA	NA	NA	$37,700,243	$28,997,387
Exeter Township Wastewater System Assets	WW	INT	$25,439,489	NA	$32,591,257	$35,728,392	$21,146,391	$12,337,354	$5,430,372	$44,260,018	$26,582,636
Kane Borough Authority Wastewater System	WW	INT	$20,835,896	$0	$19,396,908	$20,654,521	$20,866,596	$15,359,199	$25,484,193	$36,024,527	$28,901,227
Borough of Royersford Wastewater System Assets	WW	INT	$24,491,787	$0	$39,378,592	$37,866,279	$25,668,598	$27,774,508	$12,225,142	$33,738,095	$19,283,081
Muni Auth Borough of Shenandoah Water System Assets	W	INT	$8,293,751	$0	$14,378,937	$17,673,449	$10,275,377	$29,338,776	($37,340,115)	$17,145,222	$14,878,365
Butler Area Sewer Authority	WW	INT	$32,117,814	$0	$37,393,169	$39,365,136	$32,179,794	$22,865,498	$26,193,571	$65,233,893	$33,711,452
Greenville Municipal Water Authority	W	INT	$13,657,318	$0	$15,265,570	$14,036,326	$13,808,932	$12,253,405	$9,664,664	$25,264,656	$18,964,994
Greenville Wastewater System Assets	WW	INTWW	$20,251,755	$0	$32,415,926	$47,275,698	$16,501,874	$13,105,663	$5,768,548	$32,844,053	$14,102,275
City of Beaver Falls Wastewater System Assets	WW	INTWW	$38,245,834	$0	$74,267,491	$83,457,652	$23,233,176	$31,933,702	$20,407,199	$52,426,358	$20,241,094
Elizabeth Borough MA Wastewater System Assets	WW	INTWW	$40,742,089	$0	$33,831,241	$26,757,857	$26,804,494	$20,123,341	$8,857,428	$169,803,807	$39,758,544
York City Sewer Authority Wastewater System Assets	WW	INTWW	$25,127,106	$0	$35,010,862	$32,253,743	$16,250,844	$14,422,943	$10,073,067	$70,805,994	$22,199,397
Sadsbury Township Wastewater Utility	WW	C/D	$27,361,539	NA	$28,715,661	$23,972,359	NA	NA	NA	$38,390,281	$18,367,857
East Bradford Township Wastewater System Assets	WW	C/D	$17,886,016	$0	$13,998,155	$14,508,389	$7,537,342	$60,135,732	$26,469,159	$16,594,551	$3,844,800
Township of Mahoning Water System Assets	W	C/D	$15,764,193	NA	$20,768,683	$21,443,647	$10,702,427	$18,669,141	$13,647,899	$16,535,870	$8,581,685
Township of Mahoning Sewer System Assets	WW	C/D	$7,613,524	NA	$22,438,951	$23,397,834	$6,805,974	($16,445,590)	($5,141,941)	$13,602,659	$8,636,784
Cheltenham Township Wastewater System Assets	WW	C/D	$22,862,538	NA	$58,882,342	$51,799,642	$9,216,511	$6,679,678	$2,940,106	$20,367,502	$10,151,985
East Norriton Township Wastewater System Assets	WW	C/D	$16,746,039	$0	$28,829,011	$36,054,490	$10,778,313	$20,526,184	$9,034,742	$17,515,505	$11,230,064
Valley Township Water System Assets	W	C/D	$24,572,839	NA	$24,856,248	$23,345,823	$17,868,155	$55,749,072	$24,538,340	$18,178,640	$7,473,592
Valley Township Wastewater System Assets	WW	C/D	$8,744,688	NA	$24,195,585	$25,085,981	$8,662,964	($20,452,343)	($9,002,240)	$18,489,888	$14,232,984
Upper Pottsgrove Township Wastewater System Assets	WW	C/D	$18,494,944	NA	$20,876,464	$18,910,894	$16,975,284	$9,589,546	$4,220,905	$39,882,703	$19,008,816
Lower Makefield Township Wastewater System Assets	WW	C/D	$16,708,617	$0	$38,457,957	$42,499,039	$9,019,543	$7,831,385	$3,968,874	$19,686,665	$12,205,470
Willistown Township Wastewater Systems Assets	WW	C/D	($47,802,583)	$0	$20,690,764	$20,794,337	$13,879,399	$35,221,359	($516,534,565)	$31,597,646	$11,930,400
East Whiteland Township Wastewater System Assets	WW	C/D	$24,164,947	$0	$29,360,286	$26,474,654	$21,626,784	$16,938,059	$11,977,908	$58,413,366	$28,528,522

Definitions: Where "INTWW" is "Fully Integrated With Wholsale Assets", "INT" is "Fully Integrated Assets" and "C/D" is "Mostly Collection/Distribution Assets".
Where "WW" is wastewater and "W" is water.

Summar of Selected Transactions Method - Wall Street Transactions
For City of Pittston Wastewater System Assets
Based on Recent Walls Sreet Transactions Without Discount for Cost Free Capital

	City of Pittston Wastewater System Assets's Indicated Value
Based on Recent SJW Group's Purchase of Connecticut Water Service Inc.	$38,157,797
Based on Recent Aquarion Water Company's Purchase of New England Service Company, Inc.	$32,723,519
Based on Recent Aquarion Water Company's Purchase of Torrington Water Company, Inc.	$49,992,423

Summar of Selected Transactions Method - Wall Street Transactions

For City of Pittston Wastewater System Assets

Based on Recent SJW Group's Bid and Purchase of Connecticut Water Service Inc., With and Without Discount for Cost Free Capital

Connecticut Water Service Inc. (*Financial information reported in 000 of $*)	City of Pittston Wastewater System Assets

Purchase Price was: $1,106,267

	Subject Company Statistics	Transaction Multiple	City of Pittston Wastewater System Assets's Company Statistics	Selected Transactions Multiples Valuation		Indicated Value *
Investor Provided Capital	$573,223	1.93	$0	NA		
Gross PP&E	$939,050	1.18	$23,222,746	$27,358,031		
Net PP&E	$697,723	1.59	$15,883,634	$25,184,122	$26,271,076	
Revenues	$107,054	10.33	$1,704,000	$17,608,675		
EBITDA	$48,920	22.61	$599,000	$13,545,666		
EBIT	$32,236	34.32	$263,654	$9,048,013		$26,279,229
Customers	135,645	$8,156	4,142	$33,780,516		
Population	450,000	$2,458	7,645	$18,794,248	$26,287,382	
Average				$20,759,896		

	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$573,223	1.93	$0	NA		
Gross PP&E (Less "Cost Free" Capital)	$646,723	1.71	$23,222,746	$39,724,231		
Net PP&E (Less "Cost Free" Capital)	$480,521	2.30	$15,883,634	$36,567,686	$38,145,958	
Revenues	$107,054	10.33	$1,704,000	$17,608,675		
EBITDA	$48,920	22.61	$599,000	$13,545,666		
EBIT	$32,236	34.32	$263,654	$9,048,013		$38,157,797
Customers (Adj. "Cost Free" Capital)	93,419	$11,842	4,142	$49,049,767		
Population (Adj. "Cost Free" Capital)	309,914	$3,570	7,645	$27,289,503	$38,169,635	
Average				$27,547,648		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

Summar of Selected Transactions Method - Wall Street Transactions

For City of Pittston Wastewater System Assets

Based on Recent Aquarion Water Company's Purchase of New England Service Company, Inc., With and Without Discount for Cost Free Capital

New England Service Company, Inc.	City of Pittston Wastewater System Assets

Purchase Price was: $49,290,414

	Subject Company Statistics	Transaction Multiple	City of Pittston Wastewater System Assets's Company Statistics	Selected Transactions Multiples Valuation		Indicated Value *
Investor Provided Capital	$26,734,587	1.84	$0	NA		
Gross PP&E	$54,517,263	0.90	$23,222,746	$20,996,262		
Net PP&E	$36,566,790	1.35	$15,883,634	$21,410,435	$21,203,349	
Revenues	$7,994,088	6.17	$1,704,000	$10,506,622		
EBITDA	$2,729,953	18.06	$599,000	$10,815,189		
EBIT	$1,559,860	31.60	$263,654	$8,331,270		$19,529,286
Customers	9,515	$5,180	4,142	$21,456,741		
Population	26,437	$1,864	7,645	$14,253,705	$17,855,223	
Average				$15,395,747		

	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$26,734,587	1.84	$0	NA		
Gross PP&E (Less "Cost Free" Capital)	$32,535,719	1.51	$23,222,746	$35,181,603		
Net PP&E (Less "Cost Free" Capital)	$21,822,937	2.26	$15,883,634	$35,875,597	$35,528,600	
Revenues	$7,994,088	6.17	$1,704,000	$10,506,622		
EBITDA	$2,729,953	18.06	$599,000	$10,815,189		
EBIT	$1,559,860	31.60	$263,654	$8,331,270		$32,723,519
Customers (Adj. "Cost Free" Capital)	5,679	$8,680	4,142	$35,953,188		
Population (Adj. "Cost Free" Capital)	15,778	$3,124	7,645	$23,883,690	$29,918,439	
Average				$22,935,308		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

Summar of Selected Transactions Method - Wall Street Transactions

For City of Pittston Wastewater System Assets

Based on Recent Aquarion Water Company's Bid For Torrington Water Company, With and Without Discount for Cost Free Capital

Torrington Water Company			City of Pittston Wastewater System Assets			
Purchase Price was: $91,880,072						
	Subject Company Statistics	Transaction Multiple	City of Pittston Wastewater System Assets's Company Statistics	Selected Transactions Multiples Valuation		Indicated Value *
Investor Provided Capital	$36,395,842	2.52	$0	NA		
Gross PP&E	$75,202,417	1.22	$23,222,746	$28,372,859		
Net PP&E	$48,743,673	1.88	$15,883,634	$29,940,079	$29,156,469	
Revenues	$7,835,144	11.73	$1,704,000	$19,982,229		
EBITDA	$3,264,018	28.15	$599,000	$16,861,477		
EBIT	$2,046,050	44.91	$263,654	$11,839,666		$29,827,508
Customers	10,125	$9,075	4,142	$37,586,890		
Population	30,005	$3,062	7,645	$23,410,203	$30,498,547	
Average				$23,999,058		

	Subject Company Statistics	Transaction Multiple				
Investor Provided Capital	$36,395,842	2.52	$0	NA		
Gross PP&E (Less "Cost Free" Capital)	$44,868,813	2.05	$23,222,746	$47,554,357		
Net PP&E (Less "Cost Free" Capital)	$29,082,453	3.16	$15,883,634	$50,181,098	$48,867,728	
Revenues	$7,835,144	11.73	$1,704,000	$19,982,229		
EBITDA	$3,264,018	28.15	$599,000	$16,861,477		
EBIT	$2,046,050	44.91	$263,654	$11,839,666		$49,992,423
Customers (Adj. "Cost Free" Capital)	6,041	$15,209	4,142	$62,997,542		
Population (Adj. "Cost Free" Capital)	17,902	$5,132	7,645	$39,236,694	$51,117,118	
Average				$35,521,866		

* - Indicated Value based on weighting of 50% Capital Items and 50% Demographics Items

EXHIBIT 21

Market Approach
City of Pittston Wastewater System Assets
Market Approach Conclusion

	Method	Results	Wtd.
1.	Market Multiples Method	$24,061,818	50%
2.	Selected Transactions Method	26,242,798	50%
3.	Conclusion (Wtd.)	$25,152,308	
4.	Check - Wall Street Tansactions		
5.	Min	$32,723,519	
6.	Max	49,992,423	

*** - Indicated Value based on weighting of 50% Asset Items and 50% Demographics Items**

EXHIBIT 22

City of Pittston Wastewater System Assets
Summary of Approach Results and
Fair Market Value Conclusion at Appraisal Date

Valuation Approach	Indicated Value	Conclusion	Consideration
Cost Approach	$37,039,639		1/3
Income Approach	26,524,279		1/3
Market Approach	25,152,308		1/3
		Conclusion $29,572,075	

Appendix A-5.2

WORKPAPERS

Daily Bond Yields and Key Indicators

Updated by 11 am ET with data from the previous business day. Data as of 2-Jun-25

Moody's Daily Long-term Corporate Bond Yield Averages

	Utilities	Industrial	Corporate
Aaa	NA	5.56	5.56
Aa	5.93	5.67	5.80
A	6.07	5.91	5.99
Baa	6.26	6.34	6.30
Avg	6.09	5.87	5.98

Appendix A-5.2

Index Name: S&P Municipal Bond Revenue Index

As of: 24-Sep-25

Effective date	Yield To Maturity
5/23/2025	4.54%
5/27/2025	4.52%
5/28/2025	4.52%
5/29/2025	4.51%
5/30/2025	4.51%
6/2/2025	4.54%
6/3/2025	4.54%
6/4/2025	4.52%
6/5/2025	4.51%

Appendix A-5.2

FED H.15

DATE	DAAA	DBAA	DGS10	DGS20	DGS30
2025-05-26	NA	NA	NA	NA	NA
2025-05-27	5.50	6.27	4.43	4.95	4.94
2025-05-28	5.56	6.30	4.47	4.99	4.97
2025-05-29	5.49	6.24	4.43	4.94	4.92
2025-05-30	5.51	6.25	4.41	4.93	4.92
2025-06-02	5.56	6.30	4.46	5.00	4.99
2025-06-03	5.53	6.27	4.46	5.00	4.98
2025-06-04	5.45	6.17	4.37	4.90	4.89
2025-06-05	5.46	6.17	4.40	4.90	4.88

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FED H.15

		AAA Corp	BAA CORP	10-yr T-bond	20-yr T-bond	30-yr T-bond
Spot	5/30/25	5.51	6.25	4.41	4.93	4.92

FED H.15		AAA Corp	BAA CORP		A Rated Utility		
	5/30/25	5.51	6.25	Spread	-0.05	-0.05	
Moody's Spot ===>		5.56	6.30	Moody's Spot ===>	6.07	6.07	
		-0.05	-0.05	Implied	6.02	6.02	6.02

Moody's Daily Long-term Corporate Bond Yield Averages

	6/2/2025	Utilities	Industrial	Corporate
Spot	Aaa	NA	5.56	5.56
	Aa	5.93	5.67	5.80
	A	6.07	5.91	5.99
	Baa	6.26	6.34	6.30
	Avg	6.09	5.87	5.98

S&P Municipal Bond Revenue Index

5/30/25 4.51%

Utilities
Aa
A **6.02**
Baa

		Decade Spread	Annual Spread
10-Year	4.41		
20-Year	4.93	0.520	0.052
30-Year	4.92	-0.010	

REVENUE BOND INDEX		4.51
10-20 Yr		0.26
20-30 Yr		-0.01
		4.76

30-Yr Rev Bond Est. **4.76**

Lt Debt	6.02	6.02
Prf Stk	7.68	128%
Pref Stock Est.	128%	**7.68**

	5/30/25
A-Rated Rev Bonds	**4.76**
A-Rated PU Bonds	**6.02**
A-Rated PU Pref Stk	**7.68**
30-yr T-bond	**4.92**

Appendix A-5.2

	SBBI	SBBI
Equity Risk Premium	7.46	7.46
Beta (Value Line Med.)	0.83	0.83
Risk Adjusted Equity Premium	6.15	6.15
Yield (RF)	4.92	4.92
Size Premium	3.95	0.00
	15.02	11.07

High 15.02
Low 11.07

0.83

12.33 Total Return SBBI 1926-2021
4.87 Income Return SBBI 1926-2021

4.92 30-yr T-bond

	Recent Market Value (Mill $)	Market Quartile Name	Market Quartile	Quartile Size Premium	Value Line Beta
American States Water Co	3,037.19	Mid-Cap	2	2.48	0.75
American Water Works Co Inc	27,880.81	Large-Cap	1	0	0.85
Artesian Resources Corp	355.09	Mico-Cap	4	6.21	0.70
California Water Service Gp	2,814.69	Mid-Cap	2	2.48	0.85
Essential Utilities, Inc.	10,801.41	Mid-Cap	2	2.48	0.90
H2O America	1,793.92	Low-Cap	3	3.95	0.85
Middlesex Water Co	1,038.47	Low-Cap	3	3.95	0.80
York Water Co	470.31	Low-Cap	3	3.95	0.80
Average	6,023.990	Mid-Cap	2	2.48	0.81
Median	2,304.305	Low-Cap	3	3.95	0.83

9/15/2025

		3/31/25					5/30/25		Book Ratios					Market Ratios			
Company Name	Ticker Symbol	LT Debt-Total Qtly	Preferred S	Minority In	Common Equity-Total-Qtly	Invested Capital-Total Qtly	Market Value-Mnthly		LTD	Pref	Equity			LTD	Pref	Equity	
AMERICAN ST.	**AWR**	947.491	0.000	0.000	956.407	1,903.898	3,037.186	AMERICA	0.498	0.000	0.502	1.000		0.238	0.000	0.762	1.000
AMERICAN W/	**AWK**	13,510.000	0.000	0.000	10,534.000	24,044.000	27,880.811	AMERICA	0.562	0.000	0.438	1.000		0.326	0.000	0.674	1.000
ARTESIAN RES	**ARTN.A**	178.624	0.000	0.000	241.650	420.274	355.094	ARTESIAI	0.425	0.000	0.575	1.000		0.335	0.000	0.665	1.000
CALIFORNIA W	**CWT**	1,176.818	0.000	2.744	1,629.245	2,808.807	2,814.689	CALIFORI	0.419	0.000	0.581	1.000		0.295	0.000	0.705	1.000
ESSENTIAL UT	**WTRG**	7,693.542	0.000	0.000	6,460.091	14,153.633	10,801.408	ESSENTIA	0.544	0.000	0.456	1.000		0.416	0.000	0.584	1.000
H2O AMERICA	**HTO**	1,710.140	0.000	0.000	1,397.337	3,107.477	1,793.921	H2O AME	0.550	0.000	0.450	1.000		0.488	0.000	0.512	1.000
MIDDLESEX W	**MSEX**	361.748	1.614	0.000	449.048	812.410	1,038.474	MIDDLES	0.445	0.002	0.553	1.000		0.258	0.001	0.741	1.000
THE YORK WA	**YORW**	212.128	0.000	0.000	232.143	444.271	470.313	THE YORI	0.477	0.000	0.523	1.000		0.311	0.000	0.689	1.000
									0.490	0.000	0.510		Avg	0.333	0.000	0.667	
									0.488	0.000	0.513		Med	0.319	0.000	0.682	

Assumptions:	5/30/2025
Debt Cost	6.02
Pref. Stock Cost	7.68
Equity Cost	15.02
Equity Cost	11.07

Ratio	Cost	Wt	Shield	Overall	
31.90%	6.020	1.92	0.72	1.3826736	
0.00%	7.680	0.00	1	0	
68.10%	15.020	10.23	1	10.22862	
		12.15		**11.61**	**<<<<ANSWER**
31.90%	6.020	1.92	0.72	1.3826736	
0.00%	7.680	0.00	1	0	
68.10%	11.075	7.54	1	7.5417345	
		9.46		**8.92**	**<<<<ANSWER**

Appendix A-5.2

Appendix A-5.2

	ROE
December 2024 Earnings Report (public meeting meeting held May 8, 2025)	9.75

DSIC Weighted Cost of Capital

Assumptions:	5/30/2025
Debt Cost	6.02
Pref. Stock Cost	7.68
DSIC Equity Cost	9.75

	Ratio	Cost	Wt	Shield	Overall	
Debt	48.80%	6.020	2.94	0.72	2.115187	
Pref	0.00%	7.680	0.00	1	0	
Equity	51.20%	9.750	4.99	1	4.992	
			7.93		**7.11**	**<<<<ANSWER**

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Public Meeting held May 8, 2025

Docket Number: M-2025-3054401

BUREAU OF TECHNICAL UTILITY SERVICES

REPORT ON THE QUARTERLY EARNINGS

OF JURISDICTIONAL UTILITIES

FOR THE YEAR ENDED

December 31, 2024

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Kathryn L. Zerfuss
John F. Coleman, Jr., Joint Statement, Dissenting
Ralph V. Yanora, Joint Statement, Dissenting

Appendix A-5.2

The market indicated common equity cost rate range consists of data used from the barometer groups and is based on a series of calculations to average the DCF methods.

Market Based Returns on Common Equity [1]	
April 7, 2025	
Water Company Barometer Group	
	Cost Rates %
(1) Current DCF	9.96
(2) 52-Week Average DCF	9.88
(3) Average DCF	9.92
(4) Market Indicated Common Equity Cost Rate Range @ 1 standard deviation around the mean.[2]	7.25-12.59
(5) CAPM Check of DCF Reasonableness	10.86
(6) Recent Commission Approved ROEs[3]:	
Columbia Water Company, R-2023-3040258	9.75
Pennsylvania-American water Company, R-2023-3043189	9.45
(7) Distribution System Improvement Charge (DSIC) Return[4]:	**9.75%**

[1] As calculated by the Bureau of Technical Utility Services

[2] Standard Deviation of 12 DCF observations

[3] ROEs from base rate cases within last two years, fully litigated or stipulated for DSIC purposes

[4] Commission authorized Return on Equity (ROE) for DSIC purposes

Any questions concerning DSIC should be directed to Rich Layton of the Bureau of Technical Utility Services at (717) 214-9117.

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Aqua America's Pennsylvania Subsidiary Enters Agreement to Purchase Cheltenham Township Wastewater System

July 02, 2018 07:00 AM Eastern Daylight Time

BRYN MAWR, Pa.--(BUSINESS WIRE)--Aqua America announced today that its Pennsylvania subsidiary has signed an asset purchase agreement with Cheltenham Township to purchase its wastewater system, which serves approximately 10,500 connections in Montgomery County, for $50.25 million. The agreement must be approved by the Pennsylvania Public Utility Commission.

The transaction will be Aqua Pennsylvania's fourth acquisition application referred to the Pennsylvania PUC since Act 12, commonly referred to as fair market value legislation, was enacted last year. Aqua Pennsylvania has asset purchase agreements with the 2,100-customer New Garden Township wastewater system in Chester County and the 5,400-customer Limerick Township wastewater system in Montgomery County. The company also has an agreement, signed in December 2017, with East Bradford Township in Chester County to purchase its 1,200-customer wastewater collection system. Aqua already provides water service to East Bradford, as it does with Cheltenham.

These four systems, including Cheltenham, total more than 19,000 wastewater connections and would nearly double Aqua Pennsylvania's current 22,000-customer wastewater operation.

The new law encourages a consolidation of the fragmented industry for the benefit of customers, the environment, and local governments. This transaction will benefit customers by leveraging compliance expertise, purchasing power gained through economies of scale and operational efficiencies to ultimately benefit service to our customers at affordable rates.

"We are pleased with the momentum we are gaining to reach agreements with municipal systems," said Aqua America Chairman and CEO Christopher Franklin. "Act 12 is having its intended impact, allowing municipalities to be compensated for the fair value of their water and wastewater assets and enabling utility professionals to bring expertise to systems in need."

Aqua Pennsylvania President Marc Lucca says his team is ready to work with the Cheltenham community on making needed system improvements.

"As with our pending agreements with New Garden, East Bradford and Limerick, the Aqua Pennsylvania team is looking forward to assuming Cheltenham's sewer utility responsibilities so the township can direct its attention and capital to other priorities," said Lucca. "We are anxious to begin the work necessary to help the township meet the requirements of an outstanding Pennsylvania Department of Environmental Protection consent order, specifically related to inflow and infiltration issues there."

In total, Aqua has plans to spend nearly $50 million over the next 10 years to improve Cheltenham's wastewater system.

Aqua America is one of the largest U.S.-based, publicly traded water utilities and serves nearly 3 million people in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana and Virginia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR. Visit AquaAmerica.com for more information.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, among others: the company's ability to successfully close the acquisition of the wastewater systems noted in this release. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions, the successful integration of the customers and the facilities, the success of the company's growth efforts including its ability to utilize Act 12, and other factors discussed in our Annual Report on Form 10-K, which is on file with the Securities and Exchange Commission.

Appendix A-5.2

Cheltenham Township
1329 Proceeding
Cheltenham Twp. - Water Accounts reported for Sewer Billing

Type of Service	Gallons	Customers[1]
Commercial	280,938,300	534
Industrial	364,400	14
Public	9,962,700	23
Residential	484,692,800	9,648
Total	**775,958,200**	**10,219**

1. Customers include all Active and Inactive Accounts

Appendix A-5.2

The following table breaks down the above total figures by customer class as of December 31, 2017, 2016, and 2015 :

	2017	2016	2015
Customers:			
Residential	118,493	111,494	110,254
Commercial	9,386	8,626	8,569
Industrial	536	479	478
Public Authority	1,072	948	964
Fire Protection	3,178	2,876	2,815
Other (including non-metered accounts)	2,980	545	553
Total	135,645	124,968	123,633
Water Revenues *(in thousands):*			
Residential	$ 62,831	$ 59,884	$ 58,439
Commercial	13,676	12,250	11,816
Industrial	3,196	3,176	3,229
Public Authority	3,845	3,510	3,193
Fire Protection	20,235	18,486	18,016
Other (including non-metered accounts)	3,271	1,361	1,348
Total	$ 107,054	$ 98,667	$ 96,041
Customer Water Consumption *(millions of gallons):*			
Residential	6,408	6,583	6,551
Commercial	2,026	1,954	1,941
Industrial	711	724	777
Public Authority	575	539	503
Total	9,720	9,800	9,772

The Regulated Companies own various small, discrete parcels of land that are no longer required for water supply purposes. At December 31, 2017 , this land totaled over 600 acres. Over the past several years, we have been disposing of these land parcels through sales and/or donations, primarily to towns and municipalities. For more information, please refer to *Segments of Our Business* below.

Additional information on land dispositions can be found in Item 7 – "Management's Discussion and Analysis of Financial Conditions and Results of Operations – Commitments and Contingencies".

Competition

Our Regulated Companies face competition from a few small privately-owned water systems operating within, or adjacent to, our franchise areas and from municipal and public authority systems whose service areas in some cases overlap portions of our franchise areas.

Employees

As of December 31, 2017 , we employed a total of 294 people. Our employees are not covered by collective bargaining agreements.

Appendix A-5.2

Discover Thomson Reuters

DEALS AUGUST 6, 2018 / 5:11 PM / 6 MONTHS AGO

SJW Group makes $1.1 billion all-cash offer for Connecticut Water

3 MIN READ

NEW YORK (Reuters) - SJW Group (SJW.N) and Connecticut Water Service Inc (CTWS.O) said on Monday they were changing from a merger to an acquisition agreement, with SJW offering to buy the New England utility for $1.1 billion in cash instead of combining stock.

The switch to an all-cash offer is worth $70 per Connecticut Water share, a 33 percent premium to Connecticut Water's share price prior to the original deal announced in March, according to a joint statement.

It was also higher than the implied $61.86 per share value of the Clinton, Connecticut-based firm under the merger-of-equals transaction, which would have created a combined company in which existing SJW shareholders would hold 60 percent of the stock.

SJW closed 2.3 percent lower, while Connecticut Water was 9 percent higher at $68.50.

ADVERTISEMENT

To pay for the acquisition, SJW will initially utilize a $975 million bridge loan from financial adviser JP Morgan Chase (JPM.N). Ultimately, the purchase would be covered by debt and between $450 million and $500 million of equity finance.

The new deal aims to conclude in the first quarter of 2019, subject to approvals from Connecticut Water's shareholders, as well as regulators in Connecticut and Maine.

The duo's original all-stock merger announcement in March triggered competing offers from Eversource Energy (ES.N) and California Water Service Group (CWT.N).

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"We have converted from a stock-for-stock deal to a cash offer, which will resolve any further market distractions from the inferior proposals," SJW Chief Executive Eric Thornburg told Reuters, in reference to the actions by Eversource and CalWater.

Switching to an acquisition, versus a merger structure, means that SJW shareholders will no longer be required to vote on approving the deal, the statement said.

CalWater has an open tender offer to acquire SJW that runs until Sept. 28.

However, asked if the change was aimed at heading off any shareholder challenge to the deal, Thornburg told Reuters it "wasn't a consideration" and it had received nothing but support from its shareholders.

RBS sounds alarm over Brexit

CalWater declined to comment. A spokesman for Eversource said the company was evaluating developments but, as it has made clear, it will be disciplined in pursuing this or any other transaction.

Reporting by David French in New York; Additional Reporting by Liana B. Baker; Editing by Lisa Shumaker

Our Standards: *The Thomson Reuters Trust Principles.*

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Wastewater treatment is provided by the Borough of West Chester pursuant to a Sewer Capacity Agreement dated November 14, 2017, by and between the Borough and East Bradford Township. Copies of West Chester's 2017 Chapter 94 Reports to DEP for the Goose Creek WWTP and for the Taylor Run WWTP are attached hereto as **Exhibit E3** and **Exhibit E4**.

15. The Goose Creek WWTP has a permitted treatment capacity of 1.672 MGD. The Taylor Run WWTP has a permitted treatment capacity of 1.50 MGD. The elevation of the Goose Creek WWTP is generally about EL 370. The elevation of the Taylor Run WWTP is generally about EL 260. The elevation of the Requested Territory ranges from approximately EL 365 to EL 280.

16. Water service in the Requested Territory is provided by both Aqua Pennsylvania, Inc. and private wells.

17. The original cost, by year and major plant category, of the East Bradford Township used and useful plant in service is $8,294,931 with a related calculation depreciation reserve of $2,820,983. The original cost value includes a series of capped sewers along the North Benjamin Drive area of the Township. The capped sewers include approximately 3,300 linear feet of 8" Gravity PVC pipe and 20 manholes, with an estimated original cost value of approximately $100,000 as estimated by Aqua. The pipe and manholes are included in the totals on page 2-11 and 2-12 of Exhibit W. Aqua will categorize the capped sewer pipe and manholes as plant held for future use in its asset allocation upon closing. The area of capped sewers along North Benjamin Drive is not included in the Requested Territory.

18. Tentative journal entries to record the transaction are presented in Section IV.

IV. ASSET PURCHASE AGREEMENT

19. The *Assets Purchase Agreement* is dated December 20, 2017. The *First Amendment to Assets Purchase Agreement* is dated April 18, 2018. The purchase price is Five Million Dollars

($5,000,000.00). In addition to the purchase price, Section 1.5 of the Agreement provides that Aqua will assume certain defined liabilities and pay certain out-of-pocket costs incurred by East Bradford Township.

20. The purchase price and Agreement are based on arm's length negotiations. Aqua and East Bradford Township are not affiliated with each other. Aqua will use short term debt initially for the purchase of the assets with the expectation that the short term debt will be converted to long term debt and equity capital at a later date.

21. The wastewater system assets to be acquired are the "Assets" and have the meaning specified in Section 1.1 of the Agreement. The Assets include the assets, properties and rights of East Bradford Township that comprise the wastewater system or that are owned by East Bradford Township and used by it solely in connection with operation of the system.

22. "Excluded Assets," which are those assets not being transferred to Aqua, have the meaning specified in Section 1.4 of the Agreement. Excluded Assets include customer service laterals that run from the curb area to individual customer residences or structures; piping and fixtures internal to each customer residence or structure; cash and cash equivalents; and the items set forth in Schedule 1.4 of the Agreement.

23. "Assumed Liabilities" has the meaning specified in Section 1.6 of the Agreement and include the liabilities and obligations under the Assumed Contracts that arise after Closing, liabilities incurred or arising from and after Closing under or from failure to comply with permits, approvals or licenses related to the system that are transferred to Aqua and the obligation to provide wastewater service after Closing. The Assumed Contracts, which are listed in Schedule 1.6 of the APA and attached hereto as **Exhibit F1** and **Exhibit F2**, are the Sewer Capacity Agreement dated November 14, 2017, by and between the Borough of West Chester and East Bradford Township and the Intergovernmental Cooperation Agreement dated March 15, 1999, between East Bradford and Birmingham Township.

Appendix A-5.2

East Bradford Township

	# of Customers	Annual Gallons Treated (2017)
Residential- Single Family	399	23,783,560
Residential- Townhomes	814	36,390,635
Commercial		
Bradford Retail - The Bistro		112,800
Bradford Retail - Strip Stores		688,000
Brookworth Plaza - Dunkin Donuts		147,200
Brookworth Plaza - CVS		35,300
Brookworth Plaza - empty building		-
Brookworth Plaza - Strip Stores		142,000
Brookworth Plaza - PNC Bank		17,000
Countryside Food Mart		52,700
Antique Ice Museum		3,600
Mrs. Mike's Restaurant		103,110
Brandywine Hall Nursing Home		8,281,000
Daily Local News - now empty building		24,400
Bradford Plaza - Strip Stores		1,991,430
Bradford Plaza - Giant Food Store		2,527,700
Bradford Plaza - Walgreens		47,000
Bradford Plaza - Giant Gas Station		6,200
Chester County Art Association		120,100
Industrial		
Diesel Systems		66,300
Chem Service		173,400
Other Class(?)*		
Goddard School		252,800
Hillsdale Elementary School		649,700
WCU S Campus Apts - 144		24,200
WCU S Campus Apts - 167		583,900
WCU S Campus Apts - 168		500,900
WCU S Campus Apts - 169		441,900
WCU S Campus Apts - 170		570,900
WCU S Campus Apts - 171		318,900
WCU S Campus Apts - 172		422,000
WCU S Campus Apts - 173		306,400
WCU S Campus Apts - 174		424,500
WCU S Campus Apts - 175		323,400
WCU S Campus Apts - 176		340,000
WCU S Campus Apts - 177		356,000
University Student Housing 1		4,463,500
University Student Housing 2		5,429,000
Total		90,121,435

*May include church, school, public, etc… (please insert a line for each)

420,000
153,300,000

35
399
814
1,248

Q. How many customers will the acquisition add?

A. The acquisition of East Norriton will add 4,966 customers to Aqua's existing 28,000 wastewater customers. This is an increase in customers of 17.7% (or about 20%).[23]

Q. Will the acquisition increase rates for the customers to be acquired?

A. Yes. Aqua witness Packer states that he reasonably expects that rates for East Norriton customers will increase under Aqua ownership.[24] As discussed above, Aqua calculates that if the entire revenue deficiency resulting from the acquisition is applied to East Norriton Township customers, the adjusted average bill for customers using four thousand gallons per month would increase from approximately $39 per month to $52 per month, which would be a 35% rate increase.[25]

Q. Will the acquisition increase rates for existing Aqua customers?

A. Yes. Mr. Packer's testimony shows that, as a result of the acquisition, rates for existing Aqua water customers and existing Aqua wastewater customers will increase if the revenue deficiency is not fully borne by the East Norriton Township customers. Mr. Packer's schedules show estimated increases to existing total Aqua water and wastewater customers ranging from $0.17 per month to $1.66 per month ($2.04 per year to $19.92 per year).[26] If the costs were spread to only existing wastewater customers, and not water customers, the

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[23] Exhibit U, Direct Testimony of William C. Packer, p. 9, lines 2-3 and 11-12, p. 16, lines 11-12.

[24] Exhibit U, Direct Testimony of William C. Packer, p. 18, lines 17-20 and Appendix A, p.1; Response to OCA-II-4, Attachment 1, p. 22 (attached as OCA Exhibit DJG-12).

[25] Exhibit U, Direct Testimony of William C. Packer, Appendix A, pp. 1-2 ($38.52 + $13.42 = $51.94). ($13.42 ÷ $38.52) x 100 = 34.84%.

[26] Exhibit U, Direct Testimony of William C. Packer, Appendix A, p. 1.

Q. Describe the scope and organization of your testimony.

A. My testimony addresses the application filed by Aqua Pennsylvania Wastewater, Inc. ("Aqua" or the "Company") for the acquisition of the East Norriton Township (the "Township") wastewater collection system assets. My testimony responds to the fair market value ("FMV") approaches addressed in the testimonies of Harold Walker, III of Gannett Fleming, who sponsors the FMV appraisals commissioned by the Company, and Jerome C. Weinert, who sponsors the appraisal commissioned by the Township. I also discuss the sufficiency of the notices sent to the customers of Aqua and the Township regarding the impact on rates of the proposed acquisition.

II. EXECUTIVE SUMMARY

A. Overview

Q. Please summarizes Aqua's application in this proceeding.

A. Aqua's application proposes to acquire the Township's wastewater assets under Sections 1102 and 1329 of the Public Utility Code (the "Code"). According to Section 1329(c)(2) of the Code, the ratemaking rate base is the lesser of the negotiated purchase price and the average of two FMV appraisals. The FMV estimated by Gannett Fleming and AUS Consultants is $24.2 million and $25.1 million, respectively. The purchase price negotiated by Aqua and the Township is $21 million. Thus, the proposed rate base in the application is $21 million.

Customer List

Report by Class

Account	Name / Service Address	Tax ID	Book	Status	Alert Code
97990.00	F M BROWN SONS INC 790 DANIEL BOONE ROAD	43-5345-07-68-8539 BIRDSBORO	PA	A 19508-8737	
99991.00	DIEROLF, CANDACE 21 PINE AVENUE	BIRDSBORO	PA	A 19508	
99992.00	TELFORD, MARK 19-6 CRANBERRY RIDGE	READING	PA	A 19606-3934	

Total Class: R: 8,708

Class: TRAILER PARK

20000.00	KLIEWER, KIM B 4851 PERKIOMEN AVENUE	43-5325-08-79- READING	100 PA	A 19606	
(610)670-0191					
20010.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-14-34- READING	201 PA	A 19606-3655	
20020.00	BORDIC MOBILE HOME PARK 214 BORDIC ROAD	43-5335-09-16- READING	200 PA	A 19606-3605	
20030.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-10-35- READING	201 PA	A 19606-3655	
20060.00	ALSACE TOWNSHIP 240 SPIES CHURCH ROAD	READING	101 PA	A 19606	
20070.00	KL MHC LLC 44 KEYSTONE ROAD	43-5335-14-34-2494 READING	PA	A 19606-3655	
91230.00	PENN VIEW MOBILE PARK BROADWAY AVENUE	43-5327-14-42- READING	200 PA	A 19606	
(610)779-4202					

Total Class: T: 7

Total: 8,984

Appendix A-5.2

Exeter Township supervisors agree to sell municipal wastewater system for $96 million

readingeagle.com/news/article/exeter-township-supervisors-agree-to-sell-municipal-wastewater-system-for-96-million

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Adjust font size: A A A

The sale to Pennsylvania American Water Co. will keep taxes steady for 10 years and do other things for Exeter, the township manager said.

Written by Mike Urban

Exeter Township, PA —

The Exeter Township supervisors have agreed to sell the township's wastewater treatment plant and system to a private company for $96 million, a move they expect will save taxpayers money and put the township on much better financial footing.

The supervisors voted 4-1 on April 23 to approve the sale to Pennsylvania American Water Co., which supplies water to the township and operates 15 wastewater treatment systems statewide.

The two sides must finalize the asset purchase agreement, and the sale will require Pennsylvania Utility Commission approval, meaning the earliest the company is likely to take ownership would be early next year.

Township Manager John A. Granger said that if the sale goes through as planned, it will allow the township to hold real estate taxes steady for 10 years or more; pay for future capital projects including equipment replacement, township building relocation and storm sewer improvements; and still leave $48 million in the bank.

The current property tax rate is 2.14 mills, but that would have increased 32.6 percent to 2.8 mills in 2019 if the township retained ownership of the plant, he said.

The township is expected to raise sewer rates 29 percent before the sale is completed, but that rate hike would likely have been higher if the township held onto the system and made necessary upgrades, said Supervisor John Cusatis.

And the supervisors plan to enact a homestead tax exemption that would more than cover the rate increase for most homeowners, he said.

There are about 9,000 properties in Exeter connected to the wastewater system, and Pennsylvania American spokesman Terry M. Maenza said that they shouldn't notice any changes in sewer service once the company takes control of the system.

"It should be seamless," he said.

The company plans to retain the township's six wastewater employees, he said.

Cusatis and fellow Supervisors Lisa VanderLaan, William F. White and David G. Speece Jr. voted for the sale, saying it was a tough decision but the economic benefits were too good to turn down.

"The sale will pay off the library and sewer debt, stabilize the tax base and improve the township's credit rating," Cusatis said.

Supervisor Gary E. Lloyd Jr. voted against the sale, saying he didn't want to lose the valuable asset.

Appendix A-5.2

Cusatis said that most Exeter residents he spoke with support the move, but at the April 23 meeting several expressed concern about selling public property to private industry and giving up control of the wastewater system.

A written handout from resident Sherrie Greene noted that: "I have done some research and read that many municipalities have taken this route, then regretted it later. Once our sewer system is sold, it is gone forever and we cannot get it back."

Pennsylvania American, headquartered in Hershey, is a subsidiary of American Water Works Co., based in Vorhees, N.J.

This would be Pennsylvania American's first wastewater treatment system in Berks.

(Correspondent Valdis I. Lacis contributed to this story.)

Contact Mike Urban: 610-371-5023 or murban@readingeagle.com.

1. The collection of a DSIC prior to inclusion of the acquired assets in a base rate case;
2. The accrual of Allowance for Funds Used During Construction (AFUDC) on non-DSIC eligible post-acquisition improvements; and
3. The deferral of depreciation for book and ratemaking purposes on non-DSIC eligible post-acquisition improvements.

Q. Please briefly summarize the Acquisition Transaction that the Joint Applicants are proposing.

A. Under the terms of the Proposed Transaction, PAWC would acquire the wastewater utility assets of Kane for $17.56 million.

Q. Please describe the Kane wastewater utility.

A. Kane owns and operates a sanitary wastewater collection system that provides sanitary wastewater service to approximately 2,019 customers in Kane Borough and a portion of Westmore Township in McKean County. The breakout of Kane's customer count is: 1,847 residential, 162 commercial, 3 industrial, and 7 municipal. The $17.56 million purchase price for a wastewater utility assets serving 2,019 customers equates to a cost of approximately $8,700 per customer.

Q. Does the Application provide the terms of the Proposed Transaction?

A. Yes, the Asset Purchase Agreement ("APA") dated November 4, 2019 was included with the Application. The APA states that the purchase price is Seventeen Million, Five Hundred Sixty Thousand Dollars ($17,560,000). The Application indicates that the purchase price is based on arm's length negotiations. PAWC and Kane Borough are not affiliated with each other.

	Service Address	Customer Number	Edu Purchased	Group Code	Drainage Basin	SPA Amt	SPA Qty	SWR Amt	SWR Qty	Swr Base Amt	PEN Amt	INT Amt
3793	900 FOXMEADOW DR	12133	16	King Road	SOUTHEAST (6)	-	116,300.00	F	-	$ 1,348.80	-	-
3794	1000 FOXMEADOW DR	12134	16	King Road	SOUTHEAST (6)	-	94,400.00	F	-	$ 1,348.80	-	-
3795	1100 FOXMEADOW DR	12135	16	King Road	SOUTHEAST (6)	$ 216.44	153,200.00	F	-	$ 1,348.80	-	-
3796	1200 FOXMEADOW DR	12136	16	King Road	SOUTHEAST (6)	$ 69.15	130,400.00	F	-	$ 1,348.80	-	-
3799	1500 FOXMEADOW CIR	12139	16	King Road	SOUTHEAST (6)	$ 43.95	126,500.00	F	-	$ 1,348.80	-	-
3800	1600 FOXMEADOW CIR	12140	16	King Road	SOUTHEAST (6)	-	82,300.00	F	-	$ 1,348.80	-	-
3801	1700 FOXMEADOW CIR	12141	16	King Road	SOUTHEAST (6)	-	84,300.00	F	-	$ 1,348.80	-	-
3802	1800 FOXMEADOW CIR	12142	16	King Road	SOUTHEAST (6)	-	92,500.00	F	-	$ 1,348.80	-	-
3803	1900 FOXMEADOW DR	12143	16	King Road	SOUTHEAST (6)	-	111,200.00	F	-	$ 1,348.80	-	-
3804	2000 FOXMEADOW CIR	12144	16	King Road	SOUTHEAST (6)	$ 8.42	121,000.00	F	-	$ 1,348.80	-	-
3805	2100 FOXMEADOW CIR	12145	16	King Road	SOUTHEAST (6)	$ 160.88	144,600.00	F	-	$ 1,348.80	-	-
3806	2200 FOXMEADOW DR	12146	16	King Road	SOUTHEAST (6)	-	101,000.00	F	-	$ 1,348.80	-	-
3807	2300 FOXMEADOW DR	12147	16	King Road	SOUTHEAST (6)	$ 176.38	147,000.00	F	-	$ 1,348.80	-	-
3808	2400 FOXMEADOW CIR	12148	16	King Road	SOUTHEAST (6)	$ 94.99	134,400.00	F	-	$ 1,348.80	-	-
3809	2500 FOXMEADOW CIR	12149	16	King Road	SOUTHEAST (6)	$ 107.26	136,300.00	F	-	$ 1,348.80	-	-
161	640 N LEWIS RD	275	17	King Road	SOUTHEAST (6)	$ 1,932.95	306,700.00	F	-	$ 84.30	-	-
3674	7-27 W RIDGE PIKE/STRP ML	12005	18	King Road	SOUTHEAST (6)	$ 63.37	92,100.00	F	-	$ 927.30	-	-
3727	125 SUNSET RD	12065	18	King Road	282 GRATERFORD RD (20)	$ 1,198.45	193,000.00	F	-	$ 84.30	-	-
3772	15 KEYSTONE DR	12112	18	King Road	TRINLEY (5)	$ 2,452.98	387,200.00	F	-	$ 84.30	-	-
5199	256 SWAMP PIKE/SCHOOL	60965	18	Possum Hollow	RAVENS CLAW (18)	$ 2,015.24	334,400.00	F	-	$ 252.90	-	-
162	339 N LEWIS RD	276	19	King Road	SOUTHEAST (6)	$ 1,256.59	202,000.00	F	-	$ 84.30	-	-
3706	W RIDGE PIKE/STRIP/BANK	12039	19	King Road	SOUTH LIMERICK (3)	$ 1,373.73	272,500.00	F	-	$ 674.40	-	-
3745	542 N LEWIS RD	12084	19	King Road	TRINLEY (5)	$ 112.65	32,400.00	F	-	$ 168.60	-	-
3411	70 BUCKWALTER RD/1350/APPLEB	11737	20	King Road	SOUTHEAST (6)	$ 3,375.47	530,000.00	F	-	$ 84.30	-	-
5389	206 JONES BLVD/MICROCOAX	70011	20	Possum Hollow	BROOKE EVANS (16)	$ 14,938.23	2,319,900.00	F	-	$ 84.30	-	-
3445	70 BUCKWALTER RD/1250/TEXAS	11771	21	King Road	SOUTHEAST (6)	$ 2,419.39	382,000.00	F	-	$ 84.30	-	-
3707	22 ANCHOR PARKWAY	12040	23	King Road	SOUTHEAST (6)	$ 1,958.79	310,700.00	F	-	$ 84.30	-	-
3773	77 GRATERFORD RD	12113	23	King Road	282 GRATERFORD RD (20)	$ 1,208.14	194,500.00	F	-	$ 84.30	-	-
64	677 ELM ST	170	24	Royersford	ORCHARD TERRACE (OT)	-	12,000.00	F	-	$ 2,023.20	-	-
3863	430 W LINFIELD TRAPPE RD	12208	24	King Road	TRINLEY (5)	$ 4,782.46	747,800.00	F	-	$ 84.30	-	-
794	1101 ENTERPRISE DR	2573	28	King Road	TRINLEY (5)	$ 1,182.95	190,600.00	F	-	$ 84.30	-	-
2502	196 W RIDGE PK/FLEA MRKT	10679	29	King Road	RIDGE PIKE (10)	$ 629.07	247,000.00	F	-	$ 1,686.00	$ 1.80	-
3869	420 LINFIELD TRAPPE RD	12214	30	King Road	TRINLEY (5)	$ 852.20	139,400.00	F	-	$ 84.30	-	-
5410	14 W LIGHTCAP RD	70032	34	Possum Hollow	POSSUM HOLLOW (17)	$ 7,741.14	1,205,800.00	F	-	$ 84.30	-	-
3401	19 W LINFIELD TRAPPE RD	11727	36	King Road	SOUTHEAST (6)	$ 5,421.59	846,736.00	F	-	$ 84.30	-	-
107	475 N LEWIS RD	216	52	King Road	SOUTHEAST (6)	$ 3,921.34	614,500.00	F	-	$ 84.30	-	-
3761	88 ANCHOR PARKWAY	12101	52	King Road	SOUTHEAST (6)	$ 3,746.92	587,500.00	F	-	$ 84.30	-	-
2292	420 W LINFIELD TRAPPE RD	10357	59	King Road	TRINLEY (5)	$ 5,568.64	869,500.00	F	-	$ 84.30	-	-
167	350 S LEWIS RD	282	60	King Road	SOUTHEAST (6)	$ 3,791.50	594,400.00	F	-	$ 84.30	-	-
2465	827 N LEWIS RD	10630	80	King Road	SOUTH LIMERICK (3)	-	150,200.00	F	-	$ 6,744.00	-	-
3091	FOX RIDGE APTS	11378	97	King Road	SOUTH LIMERICK (3)	$ 2,050.04	1,043,000.00	F	-	$ 8,177.10	-	-
2685	165 W RIDGE PIKE/TRLR PK	10913	115	King Road	SOUTHEAST (6)	$ 6,018.69	1,792,000.00	F	-	$ 9,694.50	-	-
5397	EXELON LIM GEN STA	70019	137	Possum Hollow	POSSUM HOLLOW (17)	N	-	$ 8,659.75	1,348,000.00	$ 84.30	$ 1,041.07	-
5400	18 LIGHTCAP RD	70022	200	Possum Hollow	POSSUM HOLLOW (17)	$ 4,006.31	1,278,500.00	F	-	$ 7,418.40	-	-
		5416	**8402**			**$ 299,707.92**	**89,160,697**	**$ 25,039.14**	**7,288,556**	**$ 600,843.05**	**$ 14,296.74**	**$ 1,169.98**

Appendix A-5.2

ASSET PURCHASE AGREEMENT

7. Aqua and Limerick are parties to an Asset Purchase Agreement dated November 16, 2016. Aqua Exhibit 1, Application ¶ 5 and ¶ 18; *see also* Aqua Exhibit No. 1, Exhibit C.

8. The negotiated purchase price, which is based on arms' length negotiation, is Seventy-Five Million One Hundred Thousand Dollars ($75,100,000.00). Aqua and Limerick are not affiliated with each other. Aqua Exhibit No. 1, Application ¶ 18 and Aqua St. No. 1 at 6, lines 6 through 10.

9. Aqua will use short term credit lines to fund the transaction. The short term credit funding will be converted to a mix of long-term debt and equity capital shortly after closing. Aqua St. No. 1 at 7, lines 18 through 20; *see also* Aqua Exhibit No. 1, Application ¶ 18.

ASSETS BEING TRANSFERRED

10. The wastewater system assets to be transferred are the "Acquired Assets" and have the meaning specified in Section 2.01 of the Agreement. The Acquired Assets include all real property Limerick owns and uses in the operation of the wastewater system and all sanitary wastewater related treatment and conveyance facilities, including the Possum Hollow Waste Water Treatment Plant ("PHWWTP"), the King Road Waste Water Treatment Plant ("KRWWTP") and all pipes, pumping stations, manholes and pipelines and billing and collections related assets necessary to run the system. Aqua Exhibit No. 1, Application ¶ 19.

11. Acquired Assets also include the contracts identified on Schedule 4.15 of the Agreement to which Limerick is a party (the "Assigned Contracts"). Since contract parties, other than Limerick, are identified by name, Schedule 4.15 and the Assigned Contracts are considered CONFIDENTIAL. Copies of CONFIDENTIAL Schedule 4.15 and the CONFIDENTIAL Assigned Contracts were included with the Application as Confidential Exhibit F and admitted into evidence as CONFIDENTIAL Aqua Exhibit No. 4. Aqua Exhibit No. 1, Application ¶ 20 and Tr. 13 and 20.

$5,572,770. Exh. A-14-a, SWPA St. 1 at 11-12. The allocated purchase price for the water system is $4,734,800 and the wastewater system is $4,765,200. Appendix A-14, SWPA St. 2 at 4-5.

The valuation experts were paid $59,145 for the Fair Market Value Appraisal Reports for both the water and wastewater systems. Exh. A-8-a. SWPA also indicates that it will incur transaction and closing costs of approximately $1,000,000 between the Water System and the Wastewater System, which will be included in rate base. Appendix A-14, SWPA St.1 at 5-6; Appendix A-12.

OCA will examine the ratemaking rate base claims to determine if the claims are reasonable and appropriate for ratemaking purposes.

2. Proposed Rates: SWPA proposes to charge customers of the Mahoning Township system the Mahoning Township water and wastewater rates in effect at closing. Application at 6, 11; Appendix A-13. Those rates will remain in effect until SWPA's next base rate case but SWPA may impose any fee or surcharge permitted by its Commission-approved tariff. Id.

The proposed rates do not appear to match the existing Mahoning Township rates. The OCA will investigate this apparent discrepancy. The OCA will investigate the impacts on the current customers as well as on Mahoning Township customers of the various assumptions and proposals.

3. The OCA submits that additional information is necessary to determine how the transaction will substantially and affirmatively benefit Suez's existing customers.

4. Conditions: Whether any conditions should be imposed upon the proposed transfer to ensure that Suez's customers are treated in a fair and just manner in accord with Pennsylvania law and Commission rules and regulations.

MAHONING TOWNSHIP CUSTOMER LIST

Customer No	Name	Service Address	Service	SWR EDUs	EDU	Count
11470.01	T & S REALTY	304 HOLLOW DR	Sewer	1	1	1431
11471.01	T & S REALTY	306 HOLLOW DR	Sewer	1	1	1432
11472.01	T & S REALTY	308 HOLLOW DR	Sewer	1	1	1433
11473.01	T & S REALTY	310 HOLLOW DR	Sewer	1	1	1434
11474.01	T & S REALTY	312 HOLLOW DR	Sewer	1	1	1435
11475.01	DAVID & JOANNE BROOKO\	32 TERRE LANE	Sewer	1	1	1436
11476.02	JAYA SUGUNARAJ & JESSITA	214 ABBEY RD	Sewer	1	1	1437
11478.01	DAVID BULBIN & BARBARA	74 WOODLAND DR	Sewer	1	1	1438
11479.01	JEFFREY MOLINARO	1318 BLOOM RD	Sewer	1	1	1439
11480.01	CRYSTAL DOMETITA	91 WOODLAND DR	Sewer	1	1	1440
11482.01	AYUSA SINHA	672 LOWER ST	Sewer	1	1	1441
11483.01	MADIAN YAHYA	676 LOWER ST	Sewer	1	1	1442
11484.01	JEFF WATSON	168 KASEVILLE RD	Sewer	1	1	1443
11485.01	ANWER & SARAH QURESHI	656 LOWER ST	Sewer	1	1	1444
11486.01	ROSS & ASHLEY PETERS	83 TERRE LN	Sewer	1	1	1445
11488.01	QUESHI ANWER	664 LOWER STREET	Sewer	1	1	1446
11489.01	MATHUR HERSH	660 LOWER STREET	Sewer	1	1	1447
11490.01	PRASANNA SANKEPALLI & S	668 LOWER ST	Sewer	1	1	1448
11491.01	MARK GATSKI & CATHERINI	82 DELWOOD DR	Sewer	1	1	1449
11492.01	JONATHAN & LAURA SPAHF	78 TERRE LN	Sewer	1	1	1450
11166.02	DANKO HOLDINGS LP	1301 BLOOM RD	Sewer	0	1	1451
	TOTALS				2195	1451

eport Criteria:
Customer.Final bill date = {IS NULL}

5/30/18

stomer #	Name	Service Address	Meter ID	Customer Type	Size
11104.01	ANIMAL CARE	32 ENTERPRISE DR	0049503582	Commercial	1
11107.01	EMMANUEL HOME	MONTOUR BLVD. 11107	8280982952	Commercial	1
11120.02	REDEEMER ORTHODOX PRESBYTER	1820 MONTOUR BLVD.	1540802894	Commercial	1
11121.01	FAB-TEX	29 WOODBINE LANE	0004695133	Commercial	1
11137.01	GEISINGER HEALTH SYSTEMS - MCB	MCBRIDE	1541355520	Commercial	1
11151.01	ROAT-KRINER ROAT	1133 BLOOM RD.	1541286282	Commercial	1
11157.01	TRINITY METHODIST CHURCH	84 LOMBARD AVE	1018010545	Commercial	1
11159.01	VINTAGE KNOLLS ASSISTED LIVING	9 JUSTIN DR 101	1541313242	Commercial	1
11160.01	GEISINGER COMMUNITY HEALTH - VI	44 WOODBINE LANE	0048920994	Commercial	1
11165.01	RINEHART DENTAL	20 WESNER LANE	1481726108	Commercial	1
Total 1: 10				10	10
11110.01	BUSY BEAVER	23 WESNER LN	0053635505	Commercial	1.5
11139.01	MEADOWS COMM.	77 TOWER VIEW CIRCLE	0051583844	Commercial	1.5
11148.01	SHANER HOTEL GRP	43 PINE BARN PLACE	1832339361	Commercial	1.5
11170.01	HAWKINS CHEVROLET	1856 MONTOUR BLVD.	1852732193	Commercial	1.5
11439.01	GEORGE HEIM CAR WASH	1802 MONTOUR BLVD	1541551330	Commercial	1.5
Total 1.5: 5				5	5
11102.01	ATLANTIC EQUIP	15 ENTERPRISE DR	0048304212	Commercial	2
11108.01	EMMANUEL NAZARETH	1707 MONTOUR BLVD. 11108	1007034764	Commercial	2
11117.01	T & S REALTY	1083 BLOOM RD	0046645520	Commercial	2
11126.01	GUM REALTY GROUP LLC	74 SCHOOL HOUSE RD STE 101	0022379100	Commercial	2
11134.01	MARIA JOSEPH AL CENTER	MONTOUR BLVD. 11134	1832120637	Commercial	2
11136.01	GEISINGER HEALTH SYSTEMS - HUG	HUGHES CENTER SOUTH	0052693508	Commercial	2
11146.01	SHANER HOTEL GRP	43 PINE BARN PLACE A	0043702654	Commercial	2
11166.02	DANKO HOLDINGS LP	1301 BLOOM RD	1548931502	Commercial	2
Total 2: 8				8	8
11101.01	NAILS TO TAILS GROOMING SALON	938 BLOOM RD.	1810172132	Commercial	3/4
11109.01	BROKENSHIRE JOHN	769 BLOOM RD.	1541276964	Commercial	3/4
11111.01	CERO JAMES PATRICK	795 BLOOM RD	1541282452	Commercial	3/4
11113.01	COLE'S HARDWARE	25 ENTERPRISE ROAD	1541310306	Commercial	3/4
11115.01	HAWKINS JAMES	1581 MONTOUR BLVD.	1852924202	Commercial	3/4
11116.01	HAWKINS COLLISION CENTER	MONTOUR BLVD. 11116	1541425432	Commercial	3/4

Commercial Water Meters
70

Residential Water Meters
1116

2"
+ 1 = 15 Wesner Lane added 5/24/18

Total Meters
=
1186

Appendix A-5.2

21. Second, Ms. Vicari used inconsistent purchase price values to calculate the average costs per customer. Id. at 21-22.

(a) Incorrect Use of Projected Customers

Ms. Vicari used an incorrect number of customers for MACM. In Appendix A-17-a, it states that MACM has 12,780 customers, yet Ms. Vicari used 21,953 customers. OCA St. 1 at 20-21. She explained that she used that number because she counted the individual connections for each bulk customer. Id. She never supplied her calculation of the individual connections for the four bulk customers. Id.

Ms. Vicari does not necessarily apply that logic to the other acquisitions in her sample group by reflecting individual connections for any bulk customers. OCA St. 1S at 16-17. By using the actual number of customers for the other systems, she achieved a higher average cost per customer. She then multiplied this overstated cost per customer times the unsupported number of bulk customers' individual connection, compounding the error. Ms. Everette was not able to confirm whether all of the customer numbers in Ms. Vicari's sample group were consistently counted. She therefore used the 21,953 customer number used by Ms. Vicari to minimize the issues in the proceeding.

(b) Inconsistent Purchase Price Values

Similar to the problem with the customer count, MACM witness Vicari did not use consistent purchase price values. OCA St. 1 at 21-22. For the comparative acquisitions, she used the purchase price plus the value of capital improvements required by the agreement of sale. For MACM, however, she uses only the purchase price and does not consider the $62.7 million of capital investments that PAWC anticipates making over the next 10 years. Including the cost

post-gazette.com
Pittsburgh Post-Gazette

McKeesport sewer system to be sold for $156 million

September 16, 2016 12:00 AM

By Deana Carpenter

The Municipal Authority of the City of McKeesport has agreed to sell its sewer system to Pennsylvania American Water for approximately $156 million.

The sale is needed to bring the city to more stable financial ground and avoid Act 47, the program for financially distressed municipalities, or municipal bankruptcy, McKeesport Mayor Michael Cherepko said at the Sept. 7 council meeting.

“It became very clear to this administration that the only way to save our community from municipal bankruptcy, while continuing to offer the same level of services our residents deserve, would be to transfer our local sewage system to a regional or national utility company,” Mr. Cherepko said in a news release.

A purchase agreement was signed by both parties last Friday following votes by city council and the municipal authority to sell the sewer system. The sale is expected to be finalized in the second half of next year pending regulatory approvals and other closing conditions.

The system serves 22,000 customers in McKeesport and the communities of Dravosburg, Duquesne, East McKeesport, Elizabeth Township, Glassport, Liberty, Lincoln, North Versailles, Port Vue, Versailles and White Oak.

“We look forward to closing the proposed acquisition and to providing wastewater services that reflect our commitment to environmental stewardship and quality customer service,” said

Kathy L. Pape, president of Pennsylvania American Water, said that after the deal is closed, the company looks forward “to welcoming the Municipal Authority of the City of McKeesport’s employees and customers to the Pennsylvania American Water family.”

She said the company also looks forward to “providing wastewater services that reflect our commitment to environmental stewardship and quality customer service.”

The next step is approval of the acquisition by the Pennsylvania Public Utility Commission along with other approvals, such as from the state Department of Environmental Protection.

In June, state Auditor General Eugene DePasquale said McKeeesport erred when it accidentally spent $729,275 in state funds earmarked for pension costs and subsequently couldn't pay its $2.3 million annual pension obligation last year.

McKeesport officials said then they would remedy the shortfall through "the sale of an asset in the near future."

“The total proceeds of the pending sale of the Municipal Authority of the City of McKeesport will solidify the City of McKeesport’s financial position for years to come,” Mr. Cherepko said this week. “The down payment associated with this

sale will generate enough revenue to cover all of the city's outstanding financial obligations, including the minimum municipal obligations associated with the city's pension funds."

Deana Carpenter, freelance writer: suburbanliving@post-gazette.com.

Appendix A-5.2

EAST END SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	2014-1
CO1	2,070,000	2,060,000	1,831,000	2,284,000	2,971,000	2,665,000	1,498,000	1,278,000
CO2	739,000	1,050,000	885,000	793,000	1,028,000	1,061,000	873,000	873,000
IND								
MIX	15,000	9,000	10,000	4,000	17,000	14,000	12,000	18,000
RES	13,780,000	13,367,000	12,924,000	13,280,000	12,700,000	14,137,000	14,241,000	12,874,000
Grand Total	**16,604,000**	**16,486,000**	**15,650,000**	**16,361,000**	**16,716,000**	**17,877,000**	**16,624,000**	**15,043,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	2015-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	22,021	22,889	20,573	25,099	34,149	28,351	16,108	14,044
CO2	7,862	11,667	9,944	8,714	11,816	11,287	9,387	9,593
IND								
MIX	160	100	112	44	195	149	129	198
RES	146,596	148,522	145,213	145,934	145,977	150,394	153,129	141,473
Grand Total	**176,638**	**183,178**	**175,843**	**179,791**	**192,138**	**190,181**	**178,753**	**165,308**

Type	Total Units	Total Active Units	Total Accounts
CO1	145	109	65
CO2	40	16	13
IND			
MIX	8	7	3
RES	1,043	1012	823
Grand Total	**1,236**	**1,144**	**904**

Type	2015 Total	2014 Total
CO1	8,245,000	8,412,000
CO2	3,467,000	3,835,000
IND		
MIX	38,000	61,000
RES	53,351,000	53,952,000
Grand Total	**65,101,000**	**66,260,000**

Service Area	Total Units	Total Active Units	Total Accounts
BP	290	282	107
BR	52	51	52
BW	99	90	56
CR	5	4	5
CW	110	109	110
EE	1		1
GL	132	110	70
HD	127	110	112
PD	31	31	31
PM	48	47	48
PS	66	66	66
SC	65	37	40
SH	132	132	132
SRO	2	2	2
WB	76	73	72
Grand Total	**1,236**	**1,144**	**904**

Appendix A-5.2

SOUTH END SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	2014-1
CO1	163,000	68,000	33,000	27,000	277,000	265,000	28,000	25,000
RES	7,444,000	7,494,000	7,172,000	7,565,000	7,109,000	7,576,000	7,233,000	7,750,000
Grand Total	**7,607,000**	**7,562,000**	**7,205,000**	**7,592,000**	**7,386,000**	**7,841,000**	**7,261,000**	**7,775,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	)15-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	1,734	756	371	297	3,184	2,819	301	275
RES	79,191	83,267	80,584	83,132	81,713	80,596	77,774	85,165
Grand Total	**80,926**	**84,022**	**80,955**	**83,429**	**84,897**	**83,415**	**78,075**	**85,440**

Type	Total Units	Total Active Units	Total Accounts
CO1	6	2	2
RES	611	605	607
Grand Total	**617**	**607**	**609**

Type	2015 Total	2014 Total
CO1	291,000	595,000
RES	29,675,000	29,668,000
Grand Total	**29,966,000**	**30,263,000**

Service Area	Total Units	Total Active Units	Total Accounts
ES	178	174	174
HGN	129	125	125
HGS	30	29	30
MG	21	21	21
WS	259	258	259
Grand Total	**617**	**607**	**609**

Appendix A-5.2

AVONDALE SEWER ACCOUNTS SEWER ACCOUNTS

Type	2015-4	2015-3	2015-2	2015-1	2014-4	2014-3	2014-2	20144
CO1	2,833,000	3,044,000	2,895,000	3,014,000	2,844,000	2,681,000	2,598,000	2,992,000
CO2	191,000	208,000	235,000	228,000	224,000	195,000	192,000	179,000
MIX	301,000	312,000	255,000	273,000	227,000	258,000	276,000	332,000
RES	4,090,000	3,750,000	3,588,000	4,089,000	3,506,000	4,183,000	4,716,000	3,705,000
TWP	31,000	24,000	20,000	19,000	21,000	22,000	19,000	74,000
Grand Total	**7,446,000**	**7,338,000**	**6,993,000**	**7,623,000**	**6,822,000**	**7,339,000**	**7,801,000**	**7,282,000**
# DAYS	94	90	89	91	87	94	93	91

Type	2015-4 GPD	2015-3 GPD	)15-2 GPD	2015-1 GPD	2014-4 GPD	2014-3 GPD	2014-2 GPD	2014-1 GPD
CO1	30,138	33,822	32,528	33,121	32,690	28,521	27,935	32,879
CO2	2,032	2,311	2,640	2,505	2,575	2,074	2,065	1,967
MIX	3,202	3,467	2,865	3,000	2,609	2,745	2,968	3,648
RES	43,511	41,667	40,315	44,934	40,299	44,500	50,710	40,714
TWP	330	267	225	209	241	234	204	813
Grand Total	**79,213**	**81,533**	**78,573**	**83,769**	**78,414**	**78,074**	**83,882**	**80,022**

Type	Total Units	Total Active Units	Total Accounts
CO1	397	48	38
CO2	4	4	4
MIX	8	22	8
RES	306	282	230
TWP	3	3	3
Grand Total	**718**	**359**	**283**

Type	2015 Total	2014 Total
CO1	11,786,000	11,115,000
CO2	862,000	790,000
MIX	1,141,000	1,093,000
RES	15,517,000	16,110,000
TWP	94,000	136,000
Grand Total	**29,400,000**	**29,244,000**

Service Area	Total Units	Total Active Units	Total Accounts
41	308	76	46
BH	123	120	121
BH2	6	6	6
RR	130	119	79
TK	151	38	31
Grand Total	**718**	**359**	**283**

Appendix A-5.2

Dilworth Paxson LLP

The PA PUC Approves First Wastewater Sale Under New Act 12

06/14/2017

June 14, 2017 (Philadelphia, PA) - On June 14, 2017, the Pennsylvania Public Utility Commission approved, in a four-to-one vote, Aqua Pennsylvania Wastewater, Inc.'s application to acquire the wastewater system of New Garden Township and its Sewer Authority, and to begin providing wastewater service to the residents of New Garden and Kennett Townships in Chester County. The transaction is the first to be approved using the fair market valuation approach established by the Pennsylvania State Legislature and Governor Tom Wolf with Act 12 of 2016 (Act of Apr. 14, 2016, P.L. 76, No. 12, 66 Pa. C.S. § 1329).

Act 12 is changing the landscape for municipal sales of water and wastewater systems to PUC-regulated public utility companies. The new law allows the parties to the transaction to opt in to a new method of valuation, which takes the value of the system for ratemaking purposes as either the lower of the average of two independent fair market value appraisals—one obtained by the utility buyer and one by the municipal seller—or by the negotiated purchase price. Prior to Act 12, system value for ratemaking was based on depreciated original cost, which would likely always result in a lower sale price than fair market value. In addition, the new law requires the PUC to act within six months of the acceptance of the application.

Act 12 became effective mid-June 2016, and the PUC issued its final implementation order in October 2016. The New Garden transaction was the first Act 12 application, submitted for approval in December 2016. Aqua, New Garden, and the Authority agreed to a negotiated purchase price of $29,500,000, which turned out to be less than the average of the two appraisals commissioned by Aqua and New Garden. The valuation for ratemaking purposes was therefore set at $29,500,000.

A protest to Aqua's application for PUC approval pursuant to Act 12 in the New Garden transaction was filed by the Bureau of Investigation and Enforcement, which sought a review of both of the fair market appraisals used, additional information about the proposed rate freeze agreed to by the parties, and a determination of whether the transaction was in the public interest under Section 1102 of the Public Utility Code.

An additional protest was filed by the Office of Consumer Advocates requesting further information to determine whether supplementary conditions should be imposed on the transaction to ensure that Aqua's existing customers are treated in a fair and just manner; how the transaction will substantially and affirmatively benefit Aqua's existing customers; and whether the agreement sufficiently provides for safe, adequate, and reasonable service at just and reasonable rates.

An evidentiary hearing was held before an administrative law judge on February 16, 2017. After the hearing, the judge recommended the denial of Aqua's application, concluding that Aqua had failed to demonstrate by a preponderance of the evidence that the acquisition was in the public interest because it failed to demonstrate that the transaction will result in affirmative public benefits to its existing customers. The judge also concluded that Aqua had failed to support its rate stabilization plan with evidence to show its basis and impact. The judge did

Related Lawyers

Skye C.A. Nickalls

Marc A. Feller

Related Practices

Corporate and Business

Related Offices

Philadelphia, PA

invest in necessary capital improvements and resources, and experienced managerial and operating personnel necessary to provide safe and reliable sewer services to the residents of the TOS and surrounding areas. PAWC is currently the water provider within TOS and is the operator of TOS's System pump station.

Q. PLEASE DESCRIBE PAWC'S HISTORICAL RELATIONSHIP WITH TOS.

A. Since PAWC's acquisition of the water and wastewater assets of the City of Coatesville Authority ("CCA") in March 2001, PAWC has been the regional wastewater (and water) provider in the City of Coatesville and surrounding communities. . PAWC's treats the wastewater from the communities of Sadsbury Township, City of Coatesville, East Fallowfield Township, Caln Township, West Caln Township, Valley Township, West Sadsbury Township, Highland Township, West Brandywine Township and Parksburg Borough. TOS has been a bulk wastewater customer of PAWC since PAWC's acquisition of CCA's water and wastewater system assets. We maintain a relationship with TOS and other local municipalities by participating in local events, providing environmental and firefighting grants, offering the "H2O Assistance Program," and supporting economic growth through infrastructure improvements in the communities we serve.

Q. HOW MANY CUSTOMERS DOES THE TOS SYSTEM CURRENTLY SERVE AND HOW MANY CUSTOMERS DOES PAWC CURRENTLY SERVE?

A. As of December 31, 2016, TOS furnished wastewater services to 998 customers. This number includes 950 residential and 48 commercial customer connections. Of these

interest in discussing the potential acquisition of the System and the use of Section 1329, the fair market value approach. TOS's representatives executed the Letter of Interest on December 6 and 7, 2016 and returned it to PAWC. This "Letter of Interest" was extended through amendments on March 9, 2017, May 2, 2017, June 6, 2017, and July 5, 2017 to allow the parties to enter into a definitive agreement. Through these extensions, PAWC and TOS jointly retained the services of Herbert E. MacCombie, Jr., P.E., of Media Pennsylvania to complete the Engineer's Assessment of Tangible Assets pursuant to Section 1329. The Engineer's Assessment of Tangible Assets is included as **Schedule 1.1** of the APA and included with the UVE fair market valuation reports at **Appendix A-5**. PAWC, pursuant to Section 1329, retained the services of AUS Consultants of Greenfield Wisconsin to complete an appraisal of the System. TOS retained the services of Herbert, Rowland & Grubic, Inc. of Harrisburg, Pennsylvania to also complete an appraisal of the System. These appraisals accompany the Application at **Appendix A-5** (together with electronic working documents at **Appendix A-4**) and are included as **Schedule 2.2** of the APA. After receipt of the two appraisals and subsequent arms-length negotiations, on May 1, 2018 TOS's Board of Supervisors approved the APA, which was subsequently executed by PAWC and TOS that day too. This APA includes a negotiated purchase price of $9,250,000.

Q. CAN YOU PLEASE PROVIDE AN OVERVIEW OF THE APA?

A. Yes. The APA is attached as **Appendix A-24-a** to the Application **(PAWC Exhibit KEG-1)**. The APA sets forth the terms and conditions pursuant to which the TOS will sell, and PAWC will purchase, the System, as well as substantially all assets, properties and rights

Elizabeth Rose Triscari, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
(717) 520-4606
elizabeth.triscari@amwater.com

The Applicant's attorneys are authorized to receive all notices and communications regarding this Application.

6. PAWC is a regulated public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is engaged in the business of collecting, treating, storing, supplying, distributing and selling water to the public, and collecting, treating, transporting and disposing of wastewater for the public. Water and wastewater services are furnished by PAWC to the public in a service territory encompassing more than 400 communities across the Commonwealth with a combined population of over 2,400,000. A description of PAWC's existing certificated water and wastewater service territory is found in **Appendix B**, along with a detailed corporate history, outlining all of the mergers, acquisitions and consolidations, which have created PAWC as it exists on the date of this Application.

7. Steelton is a municipal water authority, organized by the Borough of Steelton in accordance with the Municipality Authorities Act, 53 Pa. C.S. §5601, et seq., with its offices located at 123 North Front Street, Steelton, Pennsylvania. Steelton owns and operates the Steelton System, providing water service to the public in the Borough of Steelton and a portion of Swatara Township (the "Service Area"), in Dauphin County, Pennsylvania.

8. As of November 30, 2018, Steelton furnishes water service to 2,472 customers including 2,289 residential, 124 commercial, 13 industrial, 34 institutional, 11 municipal, and one bulk sales customer connection.

PENNSYLVANIA REAL-TIME NEWS

Steelton water sale closer to completion as Pa. American Water signs $22.5 million agreement

Updated Nov 15, 2018;
Posted Nov 15, 2018



Pennsylvania American Water announced today it signed an agreement to acquire the water assets of the Steelton Borough Authority. Pending regulatory approvals, the sale should be complete by the third quarter of 2019.

1

8
shares

By Steve Marroni | smarroni@pennlive.com

The sale of Steelton's water system is one step closer to completion.

Pennsylvania American Water announced today it has signed an agreement to acquire the water assets of the Steelton Borough Authority for $22.5 million.

The two will next seek approval of the acquisition from the Pennsylvania Public Utility Commission and other necessary approvals from the Pennsylvania Department of Environmental Protection, according to the company.

Subscribe

Appendix A-5.2

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)33438358	Morath, Christina	Commercial	None	1	SEWER	1
)33453937	Baeder, William	Commercial	None	1	SEWER	1
)33521786	Sanders, Debra	Commercial	None	1	SEWER	1
)33757653	Advanced Auto Parts	Commercial	None	1	SEWER	1
)34016546	Nelson's Ice Cream	Commercial	None	1	SEWER	1
)34030702	Pitcher, Paul	Commercial	None	1	SEWER	1
)34083232	Beck, Katharine G	Commercial	None	1	SEWER	1
)34862572	LK Miller Properties LLC	Commercial	None	1	SEWER	1
)02939458	Fuhrman, Steve	Commercial	None	1	SEWER	1
)03198199	Sarangpur Realty LLC	Commercial	None	1	SEWER	1
)03373167	Wilhelm, Rosemarie	Commercial	None	1	SEWER	1
)04397982	Pragi Enterprises LLC	Commercial	None	1	SEWER	1
)06085025	Plank Jr, Robert E	Commercial	None	1	SEWER	1
)06197065	LD Hedge Associates LLC	Commercial	None	1	SEWER	1
)06197096	LD Hedge Associates LLC	Commercial	None	1	SEWER	1
)07394708	Fissinger, Matthew	Commercial	None	1	SEWER	1
)07425268	Snyder, Joseph	Commercial	None	1	SEWER	1
)07461417	Varlotta, Michael	Commercial	None	1	SEWER	1
)07487679	CG Complex LLC	Commercial	None	1	SEWER	1
)07519040	Bristol Road Partners Inc.	Commercial	None	1	SEWER	1
)08908308	Superior Credit Union	Commercial	None	1	SEWER	1
)09217890	Hoff Properties LLC	Commercial	None	1	SEWER	1
)10722804	AMA Realty Properties LLC	Commercial	None	1	SEWER	1
)11184863	Attilio, Thomas	Commercial	None	1	SEWER	1
)12032330	310 Chestnut Street LLC	Commercial	None	1	SEWER	1
)13068080	Branch Banking & Trust Company	Commercial	None	1	SEWER	1
)13286185	White, Elaine & Bruce	Commercial	None	1	SEWER	1
)15089717	C&R Property Management LLC	Commercial	None	1	SEWER	1
)15089748	C&R Property Management LLC	Commercial	None	1	SEWER	1
)15292810	Preston, Aaron	Commercial	None	1	SEWER	1
)16240812	Shalom, Jan	Commercial	None	1	SEWER	1
)16276750	Copenhafer, Fay	Commercial	None	1	SEWER	1
)16612479	Donohue, Patrick R	Commercial	None	1	SEWER	1
)17470098	Lewis Group Ltd Partnership	Commercial	None	1	SEWER	1
)17961983	Qawasmy, John	Commercial	None	1	SEWER	1
)18085592	Christman, Lewis	Commercial	None	1	SEWER	1
)18305104	Tarquini Herrera, Rachel	Commercial	None	1	SEWER	1
)18888302	Florence Attilio Rental Acct.	Commercial	None	1	SEWER	1
)18888319	Attilio, Thomas	Commercial	None	1	SEWER	1
)19364687	Conigliaro, Vito	Commercial	None	1	SEWER	1
)21630875	Chesterview Apartments	Commercial	None	1	SEWER	1
)22621041	Main Street Royersford LLC	Commercial	None	1	SEWER	1
)22621096	Spring Mountain Brewing Co	Commercial	None	1	SEWER	1
)23796115	Kassam, Tashir	Commercial	None	1	SEWER	1
)26295581	JD Arnold LLC	Commercial	None	1	SEWER	1
)26393133	Ostebo, Kurt	Commercial	None	1	SEWER	1
		158				

Report Criteria:

Billing.Service No = 1

Customer.Customer Type = Commercial, Industrial, Residential

Appendix A-5.2

Report Criteria:
Billing.Service No = 1
Customer.Customer Type = Industrial, Residential

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)28611137	Lewis Group Ltd. Partnership	Industrial	None	1	SEWER	1
)28619292	Giftwares Co Inc	Industrial	None	1	SEWER	1
)28619407	Specialty Chemical Systems Inc	Industrial	None	1	SEWER	1
)28619759	Accumetrics Limited	Industrial	None	1	SEWER	1
)28619773	Accumetrics Limited	Industrial	None	1	SEWER	1
)28620339	Nelson's Ice Cream Inc.	Industrial	None	1	SEWER	1
)28620858	American Machine & Tool Co.	Industrial	None	1	SEWER	1
)29486532	A.C. Miller Concrete Company	Industrial	None	1	SEWER	1
)29651213	Borough of Royersford	Industrial	None	1	SEWER	1
)29709754	Royersford Spring Company	Industrial	None	1	SEWER	1
)29784885	Advanced Fluid Systems Inc	Industrial	None	1	SEWER	1
		11				

Appendix A-5.2

Cust No	Name	Customer Type	Group Code	Service No	Description	Unit/Share
)25581487	Sakal, Brian J	Residential	None	1	SEWER	1
)25581852	Barbara Berman Ricci	Residential	None	1	SEWER	1
)25590276	Tallman, William	Residential	None	1	SEWER	1
)25596441	Tarantino, Joseph	Residential	None	1	SEWER	1
)25635087	Benson, Merrill G	Residential	None	1	SEWER	1
)25760044	Blamey, Chad & Katrin	Residential	None	1	SEWER	1
)25762972	Whitmore, Andrew	Residential	None	1	SEWER	1
)25807684	Mecca, Jessica	Residential	None	1	SEWER	1
)25824139	Gerber, Jenna	Residential	None	1	SEWER	1
)25859012	Creciun, Peter	Residential	None	1	SEWER	1
)25869156	Seiders, Lester & Monica	Residential	None	1	SEWER	1
)25879108	Chesterview Apartments	Residential	None	1	SEWER	1
)25930898	US Bank NA	Residential	None	1	SEWER	1
)25948684	Findley, Nicole M	Residential	None	1	SEWER	1
)25987108	Craft, Elena	Residential	None	1	SEWER	1
)26021179	John McDonald & Karlyn Eyre	Residential	None	1	SEWER	1
)26043841	Blanche, Camile	Residential	None	1	SEWER	1
)26160869	Hirst, Sharon A	Residential	None	1	SEWER	1
)26161459	John Marlatt & Rebecca Gardner	Residential	None	1	SEWER	1
)26204967	Niemczuk, Joseph W	Residential	None	1	SEWER	1
)26223333	Weiss, Joseph	Residential	None	1	SEWER	1
)26239376	C&R Property Management LLC	Residential	None	1	SEWER	1
)26300278	Millard, Barry & Sheryl	Residential	None	1	SEWER	1
)26310954	Nevin, Sean	Residential	None	1	SEWER	1
)26326843	Davis, Jeff	Residential	None	1	SEWER	1
)26340238	Jacobs, Jamie	Residential	None	1	SEWER	1
)26352002	Slifer, Richard	Residential	None	1	SEWER	1
)26353432	Lynch, Heather	Residential	None	1	SEWER	1
)26380250	Tallman, William	Residential	None	1	SEWER	1
)26381130	Stem, Matt & Heather	Residential	None	1	SEWER	1
)26403078	Petaccio, Andrea	Residential	None	1	SEWER	1
)26630702	O'Donnell, Kaitlyn	Residential	None	1	SEWER	1
)26660253	Ilyas, Asif	Residential	None	1	SEWER	1
)26713911	Hernandez, S & Murphy, M	Residential	None	1	SEWER	1
)26746591	Gieske and Niemann LLC	Residential	None	1	SEWER	1
)26875659	Speck, Erin	Residential	None	1	SEWER	1
)26880804	Raser, Randy	Residential	None	1	SEWER	1
)26909682	Perez, Waldemar & Aracelis	Residential	None	1	SEWER	1
)26969219	Macelwee-Todd, Lisa	Residential	None	1	SEWER	1
		1427				

Report Criteria:

Billing.Service No = 1

Customer.Customer Type = Residential

permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.15, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.15 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE

Section 3.01. Purchase Price. The purchase price for the Acquired Assets is Thirteen Million Dollars ($13,000,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall provide for payment in full of the total amount of Outstanding Indebtedness directly to Seller's obligees on account of the Purchase Price;

(b) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(c), to Seller by wire transfer of immediately available funds the balance of the Purchase Price (remaining after the debt repayment pursuant to Section 3.01(a)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

(c) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and Seller is entitled to all such billings for the period before the Closing Effective Time. The Parties

Appendix A-5.2

Report Criteria:

Service.Service number = 10,16
Group Code.Group code = "A","B","C"
Customer.Final bill date = {IS NULL}
Billing.Temporary disconnect date = {IS NULL}
Billing.Final disconnect date = {IS NULL}

Customer Number	Customer Name	Service Address	Customer Type	Units
10				
UP Commercial				
18011257.01	POTTSTOWN 1257 INC	1257 N CHARLOTTE ST	UP Commercial	2
18011277.01	CONIGLIARO, VITO	1277 N CHARLOTTE ST	UP Commercial	1
18011293.01	BURGER KING #4651	1293 N CHARLOTTE ST	UP Commercial	8
24010861.02	DCM PROPERTY INVESTMENTS LLC	861 WILLOW ST	UP Commercial	1
24010929.01	CREATIVE HEALTH SERVICES	929 WILLOW ST	UP Commercial	4
25100799.01	FULTON FINANCIAL CORP	799 STATE ST - FULTON BANK	UP Commercial	1
41020175.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	RENT-A-CENTER #50	UP Commercial	2
41020177.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	DOLLAR ADVANTAGE	UP Commercial	2
41020178.02	POTTSTOWN PLAZA ASSOC C/O COTSWOLD GRO	RADIO SHACK #60	UP Commercial	2
41021066.01	GEORGE EVANS	1066 FARMINGTON AVE	UP Commercial	1
41021173.01	SHUKOWITSH, STEVEN & JESSICA	1173 FARMINGTON AVE	UP Commercial	1
41021189.01	ARTIM, ROBERT	1189 FARMINGTON AVE	UP Commercial	1
41021320.01	STROGUS, BARRY	1320 FARMINGTON AVE	UP Commercial	1
41021346.01	AMERICAN METAL FINISHERS	1346 FARMINGTON AVE	UP Commercial	1
41021359.02	BOWERS, TODD	1359 FARMINGTON AVE	UP Commercial	1
41021391.01	MCGINNIS, DENNIS	1361 FARMINGTON AVE	UP Commercial	1
41021393.01	SDM INVESTMENTS LLC	1393 FARMINGTON AVE	UP Commercial	1
41021403.01	ARTIMS AUTOMOTIVE INC	1403 FARMINGTON AVE	UP Commercial	2
41021446.02	1446 FARMINGTON AVE LLC	1446 FARMINGTON AVE	UP Commercial	4
41021507.01	RICHARDSON, GLORIA MAUGER & THOMAS	1507 FARMINGTON AVE	UP Commercial	1
41021525.01	YOUNG, SHANE & KATHY	1525 FARMINGTON AVE	UP Commercial	1
41021587.01	BURGYONE, BARRY	1587 FARMINGTON AVE	UP Commercial	1
Total UP Commercial:				
22				40
UP Mixed Use				
20010875.01	SJW PROPERTIES LLC	875 N HANOVER ST -salon & apts	UP Mixed Use	2
20010933.02	MCGONIGLE, MICHAEL	933 N HANOVER ST	UP Mixed Use	2
20010943.01	STRAUSS, PAUL	943 N HANOVER ST	UP Mixed Use	3
20010955.01	BRODI, GERALD & ELAINE	955 N HANOVER ST	UP Mixed Use	11
21070842.01	DAVIDHEISER, ALLEN & BEVERLY	842 FARMINGTON AVE	UP Mixed Use	1
24010940.01	TOLENTINO, ROBERT & ASUNCION	940 WILLOW ST	UP Mixed Use	3
41050013.01	OLOCK, ANDREW	941 N HANOVER ST	UP Mixed Use	4
Total UP Mixed Use:				
7				26
UP Public				
16030233.01	HOLY TRINITY ORTHODOX CHURCH	1256 JUNIPER ST	UP Public	1
20011351.01	POTTSGROVE SCHOOL DISTRICT - ADMIN BLDG	1351 N HANOVER ST - MULTI	UP Public	30
41230093.01	CHURCH OF LATTER - DAY SAINTS	93 MAUGERS MILL RD	UP Public	1
Total UP Public:				
3				32
UP Residential				
10140863.02	MILLS, LUCAS	863 FARMINGTON AVE	UP Residential	1
10140871.01	POLLOCK, ANTHONY FILLMAN & BRENDA	871 FARMINGTON AVE	UP Residential	1

Customer Number	Customer Name	Service Address	Customer Type	Units
42061525.02	HUTELMYER, JULIA & GREG	1525 CLOVERHILL RD	UP Residential	1
42071000.01	HEATH, TERENCE M & CATHERINE	1000 FALLBROOK LN	UP Residential	1
42071002.02	DAVIS, STEPHEN & KATHRYN	1002 FALLBROOK LN	UP Residential	1
42071004.02	GALLINA, GAETANO	1004 FALLBROOK LN	UP Residential	1
42071006.02	LIANG, JIE LIN & XIUYAN	1006 FALLBROOK LN	UP Residential	1
42071007.01	STEELE, CORTNEY & DANIEL	1007 FALLBROOK LN	UP Residential	1
42071008.02	FENOGLIO, CASEY & RICHARD	1008 FALLBROOK LN	UP Residential	1
42071009.02	SHAW, SCOTT & THERESA	1009 FALLBROOK LN	UP Residential	1
42071010.02	JOHNSON, FRANKLIN & KIMBERLY	1010 FALLBROOK LN	UP Residential	1
42071011.01	HUBBARD, ANNA	1011 FALLBROOK LN	UP Residential	1
42071012.02	DIXON, JULIAN & ERICA	1012 FALLBROOK LN	UP Residential	1
42071013.01	HARISH, BIDADI & LAKSHMI	1013 FALLBROOK LN	UP Residential	1
42071014.02	RICHARDSON, KATRINA	1014 FALLBROOK LN	UP Residential	1
42071015.02	DZIUNYCZ, MATTHEW & EMILY	1015 FALLBROOK LN	UP Residential	1
42071016.02	ISHLER, KARI KLAUS & MICHAEL	1016 FALLBROOK LN	UP Residential	1
42071017.03	CONNER IV, SAMUEL	1017 FALLBROOK LN	UP Residential	1
42071018.01	SHORT, CHRISTOPHER & RONNA	1018 FALLBROOK LN	UP Residential	1
42071019.01	MCPHILLIMEY, MARK & ANN KOREEN	1019 FALLBROOK LN	UP Residential	1
42071020.01	MCWILLIAMS, DAVID & LAURI	1020 FALLBROOK LN	UP Residential	1
42071021.01	RIZZETTO, NINA	1021 FALLBROOK LN	UP Residential	1
42071022.02	PASQUAL, MICHAEL & MARIA	1022 FALLBROOK LN	UP Residential	1
42071024.01	COLLINGS, MARK	1024 FALLBROOK LN	UP Residential	1
42071026.01	GAINES, NICOLE	1026 FALLBROOK LN	UP Residential	1
42071028.02	SPRING HILL REALTY	1028 FALLBROOK LN	UP Residential	1
42071030.03	HOUSEAL JR, JOSEPH & CARA	1030 FALLBROOK LN	UP Residential	1
42071032.03	DAILY, ALBERT & REGINA	1032 FALLBROOK LN	UP Residential	1
42071034.01	FELTENBERGER, CHAD & HEATHER	1034 FALLBROOK LN	UP Residential	1
42071036.02	SOLIVAN, GINA & ADRIAN	1036 FALLBROOK LN	UP Residential	1
42071038.03	THAO, DAVID	1038 FALLBROOK LN	UP Residential	1
42071040.01	JORGENSON, TRISHA & ERICK	1040 FALLBROOK LN	UP Residential	1
42071042.01	KROENING, TERRY	1042 FALLBROOK LN	UP Residential	1
42071044.01	SCHURR, JEFFREY KENT	1044 FALLBROOK LN	UP Residential	1
42071045.01	PURKAYASTHA, DEBASHISH & SUDDATTA	1045 FALLBROOK LN	UP Residential	1
42071046.03	WILLIS, FRANK & FAITH	1046 FALLBROOK LN	UP Residential	1
42071047.02	CONG, MY	1047 FALLBROOK LN	UP Residential	1
42071048.01	HAINES, LARRY & DONNA	1048 FALLBROOK LN	UP Residential	1
42071050.02	MIDDLETON, JAMES	1050 FALLBROOK LN	UP Residential	1
42071052.01	SEMETER, DANIEL	1052 FALLBROOK LN	UP Residential	1
42071513.04	ROMANO, DANIEL & SARA	1513 CLOVER HILL RD	UP Residential	1
42081600.02	GOMEZ, ODETTE	1600 APPLEGATE LN	UP Residential	1
42081601.01	RODRIGUEZ, RUTH & JUAN	1601 APPLEGATE LN	UP Residential	1
42081602.02	EGARIAN, CHRISTOPHER	1602 APPLEGATE LN	UP Residential	1
42081604.01	LAWLOR, CARL & LORETTA	1604 APPLEGATE LN	UP Residential	1
42081606.01	COHEN, SIDNEY & RUTH	1606 APPLEGATE LN	UP Residential	1
42081608.01	ROCHA, WILL & CARMEN	1608 APPLEGATE LN	UP Residential	1
42081609.01	EVANS, GARETH	1609 APPLEGATE LN	UP Residential	1
42081610.01	DUNKEL, CAROL	1610 APPLEGATE LN	UP Residential	1
42081611.02	SORG, GREGORY & TRICIA	1611 APPLEGATE LN	UP Residential	1
42081612.01	MANCINI, MICHAEL & AMIE	1612 APPLEGATE LN	UP Residential	1
42091501.02	HULL, KEVIN & AMY	1501 MAYWOOD LN	UP Residential	1
42091503.02	EPSTEIN, CARL & LINDA	1503 MAYWOOD LN	UP Residential	1
410512005.01	CUTLER, ROBERT & ELIZABETH	2005 PROUT FARM RD	UP Residential	
4102152012.01	SCHAEFFER, JACK & AUDREY	1520 FARMINGTON AVE	UP Residential	1
4152006901.01	BUCK, WILLIAM	69 MICKLITZ DR	UP Residential	1
Total UP Residential: 1,390				1429

Customer Number	Customer Name	Service Address	Customer Type	Units
Total 10:				
1,422				1527
16				
UP Commercial				
10140882.01	DICKENSON, CHARLES	882 FARMINGTON AVE	UP Commercial	2
10140902.01	CMD SERVICES INC	902 FARMINGTON AVE	UP Commercial	3
18011263.02	H & E PALERMO REAL ESTATE	1263 N CHARLOTTE ST	UP Commercial	2
20010863.01	SJW PROPERTIES LLC	871 N HANOVER ST -comm.bldg	UP Commercial	6
41020179.01	APPLEBEES RESTAURANT - ROSE CAS DIN LP	815 STATE ST	UP Commercial	30
41021495.01	KIM, JONG Y & YUN K	1495 FARMINGTON AVE	UP Commercial	3
Total UP Commercial:				
6				46
Total 16:				
6				46
Grand Totals:				
1,428				1573

Report Criteria:

Service.Service number = 10,16

Group Code.Group code = "A","B","C"

Customer.Final bill date = {IS NULL}

Billing.Temporary disconnect date = {IS NULL}

Billing.Final disconnect date = {IS NULL}

Appendix A-5.2

https://www.pottsmerc.com/news/upper-pottsgrove-votes-4-1-to-sell-sewer-system-for-13-7m/article_f8f493d8-8408-11ea-8425-07388a90f968.html

FEATURED

Upper Pottsgrove votes 4-1 to sell sewer system for $13.7M

Evan Brandt ebrandt@21st-centurymedia.com @PottstownNews on Twitter
Apr 22, 2020



Upper Pottsgrove Township Commissioner Martin Schreiber, framed in yellow, outlines his objections to the sale of the township's sewer collection system during Monday's online meeting.

Photo from Screenshot

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UPPER POTTSGROVE — Township Commissioners voted 4-1 Monday night to sell the township's sewer collection system for $13.75 million to Pennsylvania American Water.

Commissioners Martin Schreiber cast the lone vote against the sale.

As The Mercury reported on April 8, the presentation provided at four online informational sessions earlier in the month forecast that sewer rates would drop by about 9.6 percent under Pennsylvania American Water ownership.

However, the decrease — from the current $71.87 per month to $65 per month — would be short-lived, according to Bernie Grundusky, senior director for business development for the water company.

A chart he shared as part of the online meetings showed rates would return to the current rate in three or four years after the sale, and then increase annually by an average of 4.5 to 5.2 percent.

By comparison, the township's sewer rates, which have increased in a more haphazard fashion, average out to between 4.6 to 6 percent a year, according to the presentation.

Now that the sale has been approved, the average homeowner will save $1,260 between the time rates were dropped to when they return to their current level, according to the presentation.

The deal must still be approved by the Pennsylvania Public Utility Commission, a process that could take longer than a year to be finalized.

As a result of the vote, PFM Financial Advisors LLC will be paid more than $250,000.

As noted by Commissioners' Chairman Trace Slinkerd, who, prior to the vote, praised the consultants for taking a risk, if the commissioners had voted against the sale, PFM would have been paid only its $7,500 fee for preliminary work.

Scott Shearer, managing director of PFM, insisted during Monday's meeting that the firm "did not make a recommendation. We're not trying to sell this system."

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During the four public information sessions the township staged online, not one negative aspect of the sale was identified. Township Manager Michelle Reddick said the presentations were put together by PFM and the staff.

During those meetings, Slinkerd restricted all interaction to questions from residents, which were mostly answered by the consultants or township staff. He said public comments would be accepted at the April 20 meeting.

When that happened Monday night, the online meeting was attended by more than 50 people.

Eight residents spoke. All but one asked the commissioners to vote against the sale or, even more frequently, delay the vote until next month or later.

Many cited the fact that the Pennsylvania American Water's bid does not expire until June 30, and there is still time to answer residents' questions.

Don Read, a former member of the Pottstown Borough Authority and a current member of the township's sewer committee, was the only person to speak fully in favor of the sale.

As he did at the April 16 meeting, Read said the best reason to sell the system is the risk inherent in running it.

He said the potential capital costs of problems with sewer lines and pump stations, as well as capital costs imposed by the Pottstown Borough Authority, which runs the plant that receives and treats Upper Pottsgrove's sewage, are too big a financial risk for a four-person staff.

"The price is on the high side of what we projected," he said of the winning bid. The other bidder was Aqua America.

"What's another month going to do? It's frustrating to watch people come in at the last hour and ask for a delay," said Read.

He was referring, presumably, to other speakers who said they were unaware of the potential sale of the system until they received a township letter in the mail, a letter which arrived after the first two public information sessions had already occurred.

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"I am imploring you all to take an opportunity to table the vote until the May 20 meeting," said Turnberry Farms resident Stephanie Rowe.

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"This is beneficial in several ways, the first being it allows all residents to be able to digest and question this decision that seems to be on a fast track for a reason that has not been satisfied by any of the presentations that you allowed to happen with little or no response from the board — almost every question was deferred to either PFM or PA American Water," Rowe said.

Darryle Tillman, who appeared in scrubs while caring "for 104 patients, one third to one half of which have COVID-19," also urged a delay.

"This plan has its good points and its bad points, but it is ridiculous to do this in a Zoom meeting in the middle of a pandemic," he said in reference to the on-line platform used for the meeting.

Al Leach, who is also the vice president of the Pottsgrove School Board, also urged a pause.

"I'm sure you've all done your due diligence, but a lot of residents are just finding out about this and would like to see if they can get more involved," Leach said.

"There are a lot of questions that need to get answered, like how the board intends to spend the proceeds, and the open space question," he said.

Although the presentation has identified the proceeds as paying down the sewer system debt; making the pension system whole and paying off general fund and road fund debt, two other proposed uses have raised questions.

One is paying off debt undertaken by the open space fund, which is paid off with a voter-approved earned income tax; and infrastructure improvements to the police station and township offices in the firehouse.

No specific plan for those improvements has been presented as part of the sewer system sale proposal, said resident Doug Kern.

"We have no access to the paperwork, no ability to examine this ourselves," said Kern, who said he did not find out about the proposal until two of the public information sessions had already passed.

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"All I have is a bunch of slides, which changed after almost every meeting, and a lot of 'take-my-word-for-it-answers. It sounds like you have a 90-day window to make a decision," said Kern, urging a delay or a no vote.

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Dustin Schreiber said his research indicates American Water, the parent company of the high bidder, "is owned by a German conglomerate called RFWAG. I'd prefer we support an American company if we sell, and I'm not convinced we should sell."

Hanover Drive resident Keith Plumadore said he sees the sale as a short-term fix for the township's finances. "It's a temporary reprieve from amateur fiscal management. The township did a good job with the (request for proposals) but I see no evidence the township will execute and bring better fiscal governance with the proceeds."

"When I moved here in 2000, the commissioners and the people all worked together," said Leach. "I implore you to at least consider the idea of tabling this motion, It would be so easy to delay this vote so we can get all our ducks in a row and demonstrate transparency we always used to have in this community."

Slinkerd closed public comment and then called on Schreiber to outline the objections he has been posting on his Facebook page and the Turnberry Farms Facebook page.

However, as Schreiber spoke, Slinkerd repeatedly interrupted him, talked over him and told him his points were not relevant to the subject at hand.

"The sewer customers paid for the sewer, if they were stockholders, they should be getting a bonus check, they're getting the short end of the stick," said Schreiber.

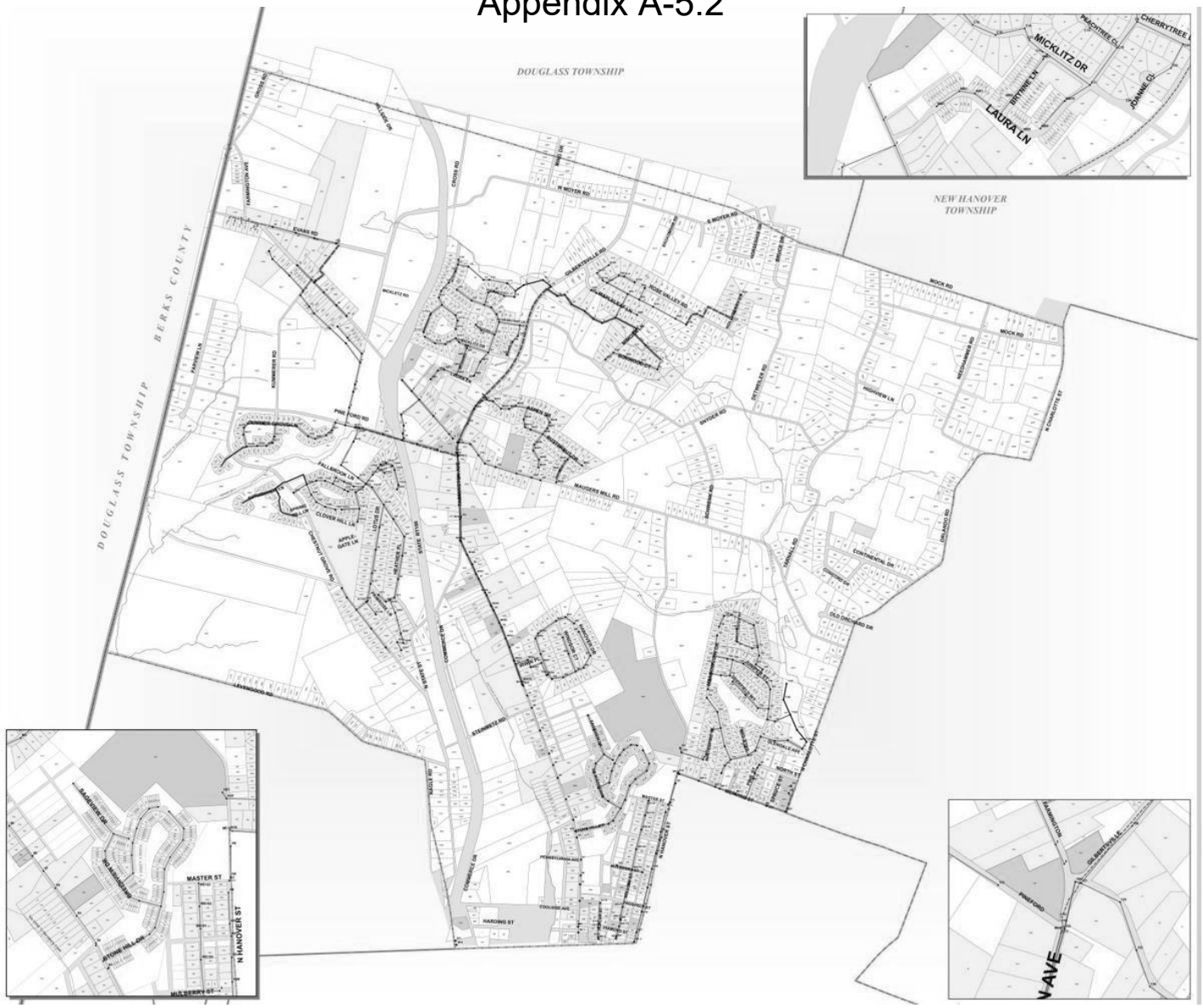
"What about people who pay school taxes but don't have any children in the system," Slinkerd interjected. "Should they not be taxed?"

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Appendix A-5.2



The areas in green on this map of Upper Pottsgrove show the areas served by the township sewer system.

Official township sewer map

"Everyone has a chance to send to send students to school," Schreiber replied. "What about open space, Martin?" Slinkerd interrupted again. "That's paid with earned income tax, but seniors don't pay that. Should we put signs up telling them they can't use the open space?" Slinkerd asked.

"We taxed ourselves for that," Schreiber started to reply and Slinkerd pressed on. "We don't separate our residents into septic or sewer residents. Are you saying that's the way we should go?"

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As Schreiber tried to raise further points, Slinkerd continued to interrupt him. "That's what you've been doing, going down this rabbit hole trying to dislodge what we're talking about," Slinkerd said.

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"You keep trying to throw things at the wall at the 11th hour to see what sticks to make it seem like you did research," he continued. "You've had a year to think about this stuff."

"Are you going to let me finish?" Schreiber finally asked. "I never stopped you," Slinkerd replied, finally allowing Schreiber to speak uninterrupted.

The other commissioners, Dave Waldt, Cathy Paretti and Renee Spaide all were permitted to speak uninterrupted, except when Schrieber spoke, thinking Paretti was finished with her point.

He apologized for interrupting her and urged her to go on.

The other commissioners joined in disputing Schreiber's points.

Spaide, who has served on the board for many years with Schreiber, read from a prepared statement that noted, in part, "all the commissioners have been involved."

She said she agrees with Read that running the sewer system is a risk. "We have a road crew, not a sewer crew and Pennsylvania American Water does this for a living," said Spaide.

Waldt said he and Paretti "ran on concern about the township's finances. People were very unhappy." He disputed Schreiber's characterization that he was left out of discussions. "We've spent hours on the budget and I never see you. You never participate," said Waldt.

"Dave and I started to get to get acquainted with this while we were running," said Paretti. "We don't have any business running a sewer business. If we keep it, our taxes would rise and the rates would be higher than if we didn't own it."

She added, "I don't wait to be invited into things, I ask for the information I need."

When Schreiber tried to point out he had asked Reddick for information and it took two days to get an answer, the other commissioners leaped to her defense. "Michelle has a lot on her plate," said Paretti.

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"Michelle has done an outstanding job," said Slinkerd.

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Paretti pointec out that while people last night were complaining about having the meeting over Zoom, it had more participants than most in-person township meetings.

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"It's great to see so many people participate. This is not as many as we get at regular meetings. I've had people tell me they like this better," said Paretti. "You're never going to make everyone happy."

But even in a pandemic, "the one thing that can't stop is your government," Paretti said.

After the vote, Slinkerd said the next steps would be discussed at a future meeting.

This article first appeared as a post in The Digital Notebook blog.

> "All I have is a bunch of slides, which changed after almost every meeting, and a lot of 'take-my-word-for-it-answers."
>
> — Doug Kern, Upper Pottsgrove resident

> "This plan has its good points and its bad points, but it is ridiculous to do this in a Zoom meeting in the middle of a pandemic."
>
> — Darryle Tillman, Upper Pottsgrove resident

> "What's another month going to do? It's frustrating to watch people come in at the last hour and ask for a delay."
>
> — Don Read, Upper Pottsgrove Sewer Committee

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> "I am imploring you all to take an opportunity to table the vote until the May 20 meeting."
>
> — Stephanie Rowe, Upper Pottsgrove resident

> "You keep trying to throw things at the wall at the 11th hour to see what sticks to make it seem like you did research."
>
> — Trace Slinkerd, Upper Pottsgrove Commissioners chairman

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Life is Good

Instant classics don´t just happen. We´ve spent over 20 years perfecting our original Crusher Tee, and its laid-back...

Evan Brandt
@PottstownNews on Twitter

Evan Brandt has been a staff reporter for The Mercury for more than 20 years. He covers municipal, school district, political, state government, federal government and environmental news.

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Va Township

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service	Charge	Rate	Current Charge	Prior Due	Total Billed	w\Penalty

Billing Summary By Class

Class	# of Units	# of Accounts	Consumption charges	Fixed charges	Special charges	Unit charges	Taxes	Prior Due	Total	Consumption
CH	0.00	6	$1,903.57	$0.00	$0.00	$0.00	$0.00	$588.17	$2,491.74	0.00
COM	0.00	119	$57,834.48	$0.00	$0.00	$0.00	$0.00	$4,543.43	$62,377.91	1,636.00
DAY	0.00	2	$2,006.87	$0.00	$0.00	$0.00	$0.00	$0.00	$2,006.87	0.00
IND	0.00	13	$11,785.09	$0.00	$0.00	$0.00	$0.00	-$967.10	$10,817.99	27.00
MH	0.00	4	$1,087.76	$0.00	$0.00	$0.00	$0.00	$1,003.61	$2,091.37	0.00
RES	1.00	3,022	$943,941.94	$0.00	$0.00	$0.00	$0.00	$224,214.75	$1,168,156.69	31,458.00
SCH	0.00	3	$4,074.10	$0.00	$0.00	$0.00	$0.00	$0.00	$4,074.10	338.00
Grand Totals	1.00		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

	Metered Sewer	Sewer	Trash	Water	Total
CH	0.00 0 $0.00 0.00	0.00 6 $1463.00 0.00	0.00 6 $440.57 0.00	0.00 0 $0.00 0.00	0.00 6 $1903.57 0.00
COM	0.00 26 $9447.60 555.00	0.00 90 $41339.82 526.00	0.00 17 $1258.76 0.00	0.00 27 $5788.30 555.00	0.00 119 $57834.48 1,636.00
DAY	0.00 0 $0.00 0.00	0.00 2 $1881.00 0.00	0.00 1 $125.87 0.00	0.00 0 $0.00 0.00	0.00 2 $2006.87 0.00
IND	0.00 0 $0.00 0.00	0.00 12 $11495.00 0.00	0.00 1 $62.94 0.00	0.00 1 $227.15 27.00	0.00 13 $11785.09 27.00
MH	0.00 0 $0.00 0.00	0.00 4 $836.00 0.00	0.00 4 $251.76 0.00	0.00 0 $0.00 0.00	0.00 4 $1087.76 0.00

Appendix A-5.2

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service Charge Rate Current Charge Prior Due Total Billed w\Penalty

	Metered Sewer	Sewer	Trash	Water	Total
RES	0.00 1,638 $326585.47 15,718.00	0.00 1,344 $274835.00 0.00	1.00 2,741 $178743.69 0.00	0.00 1,641 $163777.78 15,740.00	1.00 3,022 $943941.94 31,458.00
SCH	0.00 2 $2026.80 169.00	0.00 1 $627.00 0.00	0.00 0 $0.00 0.00	0.00 2 $1420.30 169.00	0.00 3 $4074.10 338.00
Total	0.00 1,666 $338059.87 16,442.00	0.00 1,459 $332476.82 526.00	1.00 2,770 $180883.59 0.00	0.00 1,671 $171213.53 16,491.00	1.00 3,169 $1022633.81 33,459.00

Billing Summary By District

District	Accounts	Consumption charges	Fixed charges	Special charges	Unit charges	Total Taxes	Prior Due	Total	Consumption
	98	$31,793.07	$0.00	$0.00	$0.00	$0.00	$7,493.77	$39,286.84	1,308.00
01	227	$89,098.00	$0.00	$0.00	$0.00	$0.00	$11,780.00	$100,878.00	5,375.00
02	180	$66,337.00	$0.00	$0.00	$0.00	$0.00	$7,045.26	$73,382.26	3,734.00
03	373	$140,804.30	$0.00	$0.00	$0.00	$0.00	$12,388.59	$153,192.89	8,152.00
04	128	$45,371.52	$0.00	$0.00	$0.00	$0.00	$3,462.92	$48,834.44	2,402.00
05	79	$29,618.51	$0.00	$0.00	$0.00	$0.00	$1,527.02	$31,145.53	1,676.00
06	507	$168,878.38	$0.00	$0.00	$0.00	$0.00	-$1,009.62	$167,868.76	7,332.00
A	522	$156,120.45	$0.00	$0.00	$0.00	$0.00	$53,216.98	$209,337.43	1,346.00
B	662	$191,212.44	$0.00	$0.00	$0.00	$0.00	$96,144.83	$287,357.27	1,172.00
C	364	$92,570.36	$0.00	$0.00	$0.00	$0.00	$36,930.04	$129,500.40	436.00
EF	9	$3,446.52	$0.00	$0.00	$0.00	$0.00	$91.36	$3,537.88	218.00
WC	20	$7,383.26	$0.00	$0.00	$0.00	$0.00	$311.71	$7,694.97	308.00
Grand Totals		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

Appendix A-5.2

(b) Until such time as a Nonassignable Asset is transferred to Buyer pursuant to this Article II, Buyer and Seller shall cooperate in any commercially reasonable and economically feasible arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and, to the extent permitted under Law, operational equivalent of the transfer of such Nonassignable Asset to Buyer at the Closing and the performance by Buyer of its obligations with respect thereto, and so long as Seller transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.13, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.13 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL PURCHASE PRICE

Section 3.01. Purchase Price.
The purchase price for the Acquired Assets is Thirteen Million Nine Hundred Fifty Thousand Dollars ($13,950,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(b), to Seller by wire transfer of immediately available funds the Purchase Price (remaining after the payments required in Section 3.01(a)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

Va Township

Bill ID: 20-3-30 Bill Date: 03/30/2020 Due Date: 04/30/2020

Service	Charge	Rate	Current Charge	Prior Due	Total Billed	w\Penalty

Billing Summary By Class

Class	# of Units	# of Accounts	Consumption charges	Fixed charges	Special charges	Unit charges	Taxes	Prior Due	Total	Consumption
CH	0.00	6	$1,903.57	$0.00	$0.00	$0.00	$0.00	$588.17	$2,491.74	0.00
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WC	20	$7,383.26	$0.00	$0.00	$0.00	$0.00	$311.71	$7,694.97	308.00
Grand Totals		$1,022,633.81	$0.00	$0.00	$0.00	$0.00	$229,382.86	$1,252,016.67	33,459.00

Appendix A-5.2

and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under Law and the terms of any applicable contract that is a Nonassignable Asset, as agent or subcontractor for Seller, pay, perform and discharge the liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would be Assumed Liabilities if the applicable consent or approval had been obtained on or before the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under Law, Seller shall hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and before the Closing, Buyer identifies any contract to which Seller is a party which is not set forth on Schedule 4.13, and Buyer reasonably determines such contract is necessary or useful to the operation of the System, Buyer shall notify Seller of such determination and Seller shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.13 reflecting the addition of such contract, and such contract will be an "Assigned Contract" for all purposes hereunder.

(d) If during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract is deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL PURCHASE PRICE

Section 3.01. Purchase Price.

The purchase price for the Acquired Assets is Seven Million Three Hundred Twenty-Five Thousand Dollars ($7,325,000) (the "Purchase Price") which Buyer shall pay as follows at Closing:

(a) Buyer shall pay, subject to any adjustment pursuant to Section 3.01(b) and to release Liens, to Seller by wire transfer of immediately available funds the Purchase Price to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date; and

(b) Final Billing: The Buyer is entitled to all customer billings with respect to drinking water customers services for the period on or after the Closing Effective Time, and Seller is entitled to all such billings for the period before the Closing Effective Time. The Parties

respect thereto, and so long as Seller or the City transfers and turns over all economic and beneficial rights with respect to each such Nonassignable Asset, Buyer shall, to the extent permitted under applicable Law and the terms of any applicable contract that constitutes a Nonassignable Asset, as agent or subcontractor for Seller or the City, pay, perform and discharge the Liabilities and obligations of Seller thereunder from and after the Closing Date, but only to the extent that such liabilities and obligations would constitute Assumed Liabilities if the applicable consent or approval had been obtained on or prior to the Closing Date and such Nonassignable Asset had been assigned to Buyer at Closing. To the extent permitted under applicable Law, Seller or the City shall, at Seller's or the City's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Nonassignable Asset and all income, proceeds and other monies received by Seller with respect to such Nonassignable Asset in connection with the arrangements under this Article II.

(c) If, following the Effective Date and prior to the Closing, Buyer identifies any contract to which Seller or the City is a party which is not identified on Schedule 4.15 as an Assigned Contract as of the Effective Date, and Buyer reasonably determines such contract is necessary to the operation of the System, Buyer shall give notice of such determination to Seller or the City and Seller or the City shall, promptly following receipt of such notice, deliver to Buyer an updated Schedule 4.15 identifying such contract, and such contract shall thereafter constitute and be deemed an Assigned Contract for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing, Buyer identifies any contract to which Seller or the City was a party as of the Closing and which (i) was not set forth on or properly identified on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary to the operation of the System, Seller or the City shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

ARTICLE III.

PURCHASE PRICE

Section 3.01 Purchase Price; Agreement Proposal Security.

(a) **Purchase Price for the Assets; Adjustment for City Deposit.** Subject to the terms and conditions of this Agreement, the purchase price ("**Purchase Price**") for the Acquired Assets shall be (i) $235,000,000, *plus* (ii) the Average Daily AR Payment. The Purchase Price shall be delivered as follows:

(i) Within 60 days of the Effective Date, Buyer shall deposit Twenty Million Dollars ($20,000,000) of the Purchase Price, payable to the City in immediately available funds ("**City Deposit**"), subject to Sections 4.03, 6.06, 9.05 and 13.02 and secured by the City with a tax and revenue anticipation note (the "**Deposit Note**") substantially in the form attached hereto as Exhibit A; and

Application of Pennsylvania-American Water Company for the Acquisition of the Wastewater Collection and Treatment System Owned by the York City Sewer Authority (the "Authority") and Operated by the City of York (the "City") (collectively "York")

66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2021-3024681

17. Customers.

a. State the seller's actual number of customers by class and quantify the related consumption or gallons treated in the current calendar year and future number of connections anticipated for the next 10 years.

RESPONSE:

a. As of April 2021, York provided direct wastewater service to approximately 13,747 customers and seven bulk customers:

1. Manchester Township
2. West Manchester Township
3. York Township
4. North York Borough
5. The York Water Company (owner of the West York Borough Collection System)
6. Spring Garden Township
7. Springettsbury Township

The York does not differentiate by customer class.

Consumption (annual):

Based on 2020 monthly average flow data from the 2020 Chapter 94 Report, the annual gallon treated is 3,341,575,000 gallons, inclusive of the seven bulk customers' sewage.

Please refer to **Appendix A-20-c,** Chapter 94 Report for future EDU projections.

	York, PA Data & Demographics (As of July 1, 2020)	*Township Of Manchester Data & Demographics (As of July 1, 2020)*	*North York, PA Data & Demographics (As of July 1, 2020)*	*Township Of Spring Garden Data & Demographics (As of July 1, 2020)*	*Township Of West Manchester Data & Demographics (As of July 1, 2020)*	*West York, PA Data & Demographics (As of July 1, 2020)*	*Township Of York Data & Demographics (As of July 1, 2020)*
POPULATION							
Total Population	45,431 (100%)	19,023	2,123 (100%)	13,128	19,211	4,888 (100%)	29,228
Population in Households	44,277 (97.5%)	18,887	2,105 (99.2%)	11,033	18,869	4,888 (100.0%)	28,964
Population in Families	32,103 (70.7%)	16,281	1,537 (72.4%)	9,141	15,010	3,513 (71.9%)	23,148
Population in Group Quarters[1]	1,154 (2.5%)	136	18 (0.8%)	2,095	342	0	264
Population Density	8,583	1,198	6,961	1,941	963	9,307	1,158
Diversity Index[2]	85	39	61	30	31	57	31
INCOME							
Median Household Income	$31,354	$81,734	$43,955	$82,974	$61,253	$44,169	$68,134
Average Household Income	$43,670	$106,345	$55,262	$121,726	$76,342	$55,513	$92,430
% of Income for Mortgage[4]	11%	11%	9%	9%	12%	10%	13%
Per Capita Income	$16,097	$39,859	$21,861	$42,029	$32,321	$22,952	$39,265
Wealth Index[5]	31	139	40	190	80	40	119
HOUSING							
Total HU (Housing Units)	19,268 (100%)	7,413 (100%)	918 (100%)	4,777 (100%)	8,555 (100%)	2,143 (100%)	12,937 (100%)
Owner Occupied HU	6,444 (33.4%)	6,219 (83.9%)	438 (47.7%)	3,903 (81.7%)	6,214 (72.6%)	1,084 (50.6%)	8,495 (65.7%)
Renter Occupied HU	10,244 (53.2%)	909 (12.3%)	402 (43.8%)	605 (12.7%)	1,908 (22.3%)	937 (43.7%)	3,917 (30.3%)
Vacant Housing Units	2,580 (13.4%)	285 (3.8%)	78 (8.5%)	269 (5.6%)	433 (5.1%)	122 (5.7%)	525 (4.1%)
Median Home Value	$80,655	$208,273	$90,676	$186,383	$172,881	$108,753	$206,026
Average Home Value	$98,157	$236,145	$105,638	$251,006	$199,513	$119,373	$260,636
Housing Affordability Index[3]	159	188	227	204	162	186	147
HOUSEHOLDS							
Total Households	16,688	7,128	840	4,508	8,122	2,021	12,412
Average Household Size	2.65	2.65	2.51	2.45	2.32	2.42	2.33
Family Households	9,494	5,306	490	3,168	5,271	1,134	8,049
Average Family Size	3	3	3	3	3	3	3

system at an agreed-upon price of $53,000,000.[9] Thereafter, Aqua and the Township agreed to use the process presented in Section 1329 of the Code to determine the FMV of the wastewater system assets and the ratemaking rate base. As required by Section 1329, Aqua and LMT jointly retained the services of Ebert Engineering, Inc., Consulting Engineers (Ebert) to complete the engineering assessment and original cost estimate of the wastewater system (Assessment of Tangible Property). Aqua St. 1 at 20; Application at ¶ 11. Aqua selected Gannett Fleming, and the Township selected AUS, as their respective UVEs to prepare FMV appraisals of the wastewater system. Application at ¶ 53. Gannett Fleming's FMV report concluded that the value of the wastewater system was $55,505,000; AUS' FMV was $54,430,591. Application Exhs. Q and R. Both appraisals were prepared in compliance with the USPAP standards. Application at ¶ 61; Application Exhs. T1 and T2.

In its Application, Aqua proposed a ratemaking rate base of $53,000,000 based on the agreed-to purchase price of $53,000,000. This amount is less than the average of the two UVE appraisals for the wastewater system (($55,505,000 + $54,430,591)/2 = $54,967,796). OCA M.B. at 6; *See* 66 Pa. C.S. § 1329(c)(2).

In addition, Aqua is seeking approval of the APA with LMT. Application Exh. B. The APA requires Aqua to implement rates that are no higher than the Township's rates in effect at closing. Application Exh. B at Section 7.04. The APA also provides that Aqua intends to bill customers on a monthly basis instead of an annual basis. *Id*. Moreover, in accordance with Section 1102 of the Code, Aqua is requesting a Certificate in order to provide wastewater services to the Township customers. Application at ¶ 5. Separate customer notices were sent to the Township customers and

[9] All assets are located in the Township except for a portion of a main that collects wastewater from a small segment of residents in Yardley Borough. The main is located on University Blvd. and is owned by LMT which loops into, then out of, Yardley Borough. The residents in Yardley Borough that are connected to this main are billed by Yardley Borough. Application at 3.

adopted without comment unless they are either expressly or by necessary implication rejected or modified by this Opinion and Order.

As we proceed in our review of the various positions of the Parties in this proceeding, we are reminded that the Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *also see, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984). Exceptions that we do not specifically address shall be deemed to have been duly considered and denied without further discussion.

III. Transaction Overview

Aqua is a certificated provider of wastewater service, duly organized and existing under the laws of the Commonwealth of Pennsylvania. Aqua provides wastewater service to approximately 45,000 customer accounts in various counties throughout Pennsylvania including parts of Bucks County. Application at ¶ 7.

LMT owns a sanitary wastewater collection system operated by the Municipal Sewer Authority of the Township of Lower Makefield, which provides direct wastewater service to 11,151 customers in the Township. Application at ¶ 8; Aqua St. 2 at 10. LMT does not own a wastewater treatment plant. Wastewater treatment is mainly provided by the Municipal Authority of the Borough of Morrisville and also by Yardley Borough Sewer Authority. Application at ¶ 15.

On September 17, 2020, Aqua and LMT entered into an APA for the sale of substantially all of the assets, properties, and rights related to the Township's wastewater

Township Of Lower Makefield Data & Demographics (As of July 1, 2020)

POPULATION

Total Population	33,219 (100%)
Population in Households	33,004 (99.4%)
Population in Families	29,270 (88.1%)
Population in Group Quarters[1]	215 (0.6%)
Population Density	1,859
Diversity Index[2]	31

INCOME

Median Household Income	$150,466
Average Household Income	$195,168
% of Income for Mortgage[4]	13%
Per Capita Income	$72,302
Wealth Index[5]	302

HOUSING

Total HU (Housing Units)	12,638 (100%)
Owner Occupied HU	10,628 (84.1%)
Renter Occupied HU	1,677 (13.3%)
Vacant Housing Units	333 (2.6%)
Median Home Value	$464,690
Average Home Value	$496,307
Housing Affordability Index[3]	153

HOUSEHOLDS

Total Households	12,305
Average Household Size	2.68
Family Households	9,462
Average Family Size	3

On the Effective Date, Buyer shall provide a Letter of Credit in the amount of Three Million Dollars ($3,000,000) issued by PNC Bank in favor of Seller (the "Letter of Credit"), substantially in the form attached hereto as **Exhibit C**.

Section 3.02 **Escrow Amounts.**

At Closing, two escrows will be established:

(a) First, Nine Million Two Hundred Thousand Dollars ($9,200,000) of the Purchase Price shall be deposited in escrow (the "Indemnity Escrow Fund") with the Escrow Agent pursuant to an escrow agreement in the form of **Exhibit B-1**, by and among the Seller, the Buyer, and the Escrow Agent (the "Indemnity Escrow Agreement") to provide for Seller's post-Closing obligations pursuant to Article VIII. The Indemnity Escrow Fund shall be released in accordance with the Indemnity Escrow Agreement. After the Closing Date and notwithstanding any other provision of this Agreement, the Indemnity Escrow Fund is Buyer's sole recourse with respect to providing for Seller's post-Closing obligations pursuant to Article VIII.

(b) Second, an amount to be determined according to Section 6.05(d) to be credited at Closing against the Purchase Price shall be deposited in escrow (the "Easement Escrow Fund") with the Escrow Agent pursuant to an escrow agreement in the form of **Exhibit B-2**, by and among the Seller, the Buyer, and the Escrow Agent (the "Easement Escrow Agreement") to provide for any amounts determined in accordance with Section 6.05(d). The Easement Escrow Fund shall be released in accordance with the Easement Escrow Agreement. After the Closing Date and notwithstanding any other provision of this Agreement, the Easement Escrow Fund is Buyer's sole recourse with respect to Seller's obligations pursuant to Section 6.05(d). The Easement Escrow Agreement together with the Indemnity Escrow Agreement shall hereinafter sometimes be collectively referred to as the "Escrow Agreements".

Section 3.03. **Purchase Price and Adjustments to Purchase Price**

The purchase price for the Acquired Assets shall be Two Hundred Thirty-One Million Five Hundred Thousand Dollars ($231,500,000) (the "Purchase Price"). The Purchase Price shall be adjusted as follows:

(a) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and the Seller is entitled to all such billings prior to the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to credit the Purchase Price for the appropriate Party on the Closing Date. To the extent that either Party collects billings that are attributable to service provided by the other Party, the Party holding the other Party's billing collections shall pay such amount to the other Party.

Section 3.04. **Payment of Purchase Price**

The Purchase Price shall be paid by wire transfer of immediately available funds as follows at Closing:

Walker, Harold, III

From: Duane McKee <dmckee@basapa.org>
Sent: Friday, January 27, 2023 10:54 AM
To: Walker, Harold, III; Melillo, Sydney; Wyatt, Thomas
Cc: Olesh, Matthew; Norcross, Nicole
Subject: RE: BASA

[EXTERNAL EMAIL]: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I received this information from PAWC on Monday. The revised Act 537 plan being prepared by PAWC lists 23,211 EDU's.

Thanks for your patience while I confirmed. If you need anything else, please let me know.

Customer count:
Total active customers = 14,699
Residential = 13,617
Commercial = 915
Industrial = 31
Public = 136
(The total customer list including inactive is 15,497 but we will not be using that number in testimony or the application.)

EDUs: no mention in testimony

System flows: From Dan Hufton's testimony "The plant has a design and permitted average daily flow capacity of 10.0 million gallons per day ("MGD"), a rated maximum flow capacity of 28.0 MGD."

Duane

Duane E. McKee
Executive Director
Butler Area Sewer Authority (BASA)
100 Litman Road
Butler, PA 16001
(p) 724-282-1978 ext. 111, (f) 724-282-7656
dmckee@basapa.org

such notice, deliver to Buyer an updated Schedule 4.15 identifying such contract, and such contract shall thereafter constitute and be deemed an Assigned Contract for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing Date, Buyer identifies any contract to which the Seller and/or Municipality was a party as of the Closing and which (i) was not set forth on or properly identified on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary to the operation of the System, the Seller and/or Municipality shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

Section 2.07. **Seller Approval of Agreement**.

(a) The execution of this Agreement by Municipality and Buyer shall constitute a binding agreement between those two Parties, notwithstanding the absence of Seller's execution of this Agreement.

(b) Upon Seller's approval of this Agreement, Seller shall deliver an executed counterpart signature page and shall, within thirty (30) days following such approval by Seller, provide updated Disclosure Schedules with all information required to make such Disclosure Schedules accurate and complete.

(c) Unless and until Seller approves this Agreement, Municipality shall enjoy all of the rights of Seller and Municipality shall be responsible for and discharge all of the obligations of Seller under this Agreement and shall be liable for any breaches of Seller's representations, warranties and covenants hereunder.

ARTICLE III.

PURCHASE PRICE AND ADDITIONAL CONSIDERATION

Section 3.01. **Purchase Price and Additional Consideration**

. The purchase price for the Acquired Assets shall be Twelve Million Dollars ($12,000,000) (the "Purchase Price") which shall be paid as follows at Closing:

(a) Buyer shall provide for the payment in full the total amount of Outstanding Indebtedness on account of the Purchase Price; and

(b) Subject to any adjustment in Purchase Price resulting from the proration procedures set forth in Section 3.01(c), Buyer shall pay to the Seller at Closing by wire transfer of immediately available funds the balance of the Purchase Price to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date.

Address Type	Customers	Unique EDU's	Usage	Avg. Usage	Billed EDU's	Dollars	Avg. Dollars	Non-Meter Dollars
Commercial	200	322	14,554,000	6,974	3369	197,758.01	94.76	17,118.50
Industrial	5	5	19,125,000	318,750	60	63,051.78	1,050.86	60
Public	39	41	22,861,000	53,917	448	92,992.60	219.32	1,688.48
Residential	2652	2917	95,855,419	8,949	13208	1,506,066.39	140.61	57,287.55
Unknown	3	3	1,242,000	44,357	28	6,054.92	216.25	12
Water Totals	2899	3288	153,637,419		17113	1,865,923.70		76,166.53

Water Usage Detail

Address Type	Account Status	Account #	Account Name	Service House Number	Service Street Name	Service City	Service State	Service Zip
Commercial	Active	20701200-0	CONSTANCE ANCZARSKI	312	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20702000-7	FRANCISCO SANTANA TRONCOSO & ROBIN PEREZ	401	-401 1/2 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20706900-0	PAUL G JORDAN	343	-341 S WEST,109 W LR	SHENANDOAH	PA	17976
Commercial	Active	20712500-0	JOSEPH ANCZARSKI	313	S FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	20712550-0	JOSEPH ANCZARSKI	315	S FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	20800100-0	MARITZA PERALTA	22	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20800300-0	ADOLFO LUNA	30	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20800500-0	DENISE BRATHWAITE	5	S JARDIN ST, APT 3	SHENANDOAH	PA	17976
Commercial	Active	20800900-0	JENNIFER WAITHE	9	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20803900-0	VERIZON	221	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20806600-0	WALUKIEWICZ ORAVITZ	132	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807000-1	JESSE GOMEZ	122	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807100-0	LEROY KNAPP, JR	120	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20807300-0	FALGUNI PATEL	114	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20808500-0	VALERIE REINMILLER	30	S JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20809800-0	JAMES VEGHTE	101	-103 W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	20810400-0	BEVERLY BLACKWOOD	14	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20810900-0	STEPHEN TOTH	28	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20811300-0	ORAVITZ FUNERAL HOME	40	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20813400-0	JOSE LUIZ PEREZ	108	W COAL ST 1ST FL	SHENANDOAH	PA	17976
Commercial	Active	20821400-0	KATHY BOYLE	208	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	20824100-0	HALINA LITTLE	33	N JARDIN ST	SHENANDOAH	PA	17976
Commercial	Active	20900700-0	ANTONIO ZAMUDIO	231	N WEST ST	SHENANDOAH	PA	17976
Commercial	Active	20920300-0	ERIDANIA PEREZ	227	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	20921500-0	ROGER BETZ	226	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	21008300-0	GRISELDA M VELEON	218	W OAK ST	SHENANDOAH	PA	17976
Commercial	Active	41104600-0	FRANK MALOCU	609	W WASHINGTON ST	SHENANDOAH	PA	17976
Commercial	Active	41123400-0	FRANK HAIGLER	413	W COAL ST-GARAGE	SHENANDOAH	PA	17976
Commercial	Active	41130550-0	ROBERT SCHLACK	630	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41131200-0	JOSE ULLOA	645	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41131200-0	JOSE ULLOA	645	W COAL ST	SHENANDOAH	PA	17976
Commercial	Active	41144800-0	GLOVERS HILL ATH CLU	938	W PENN ST	SHENANDOAH	PA	17976
Commercial	Active	41204800-0	HAROLL MEREGILDO	509	W CENTRE ST	SHENANDOAH	PA	17976
Commercial	Active	90100100-0	BRIAN GROSE	23	N FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	90100120-0	JAMESTOWN TRUST	34	N FERGUSON ST	SHENANDOAH	PA	17976
Commercial	Active	90100150-0	GROSE CHIROPRACTIC P.C.	24	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90100200-0	OMAR VERAS	22	N MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90100500-3	FROILAN & EDELENI FABIAN	21	W OAK ST	SHENANDOAH	PA	17976
Commercial	Active	90100900-2	EDUC ZAMUDIO & FLOR ESTELA GOMEZ	116	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101000-0	TURKEY HILL #123	128	-130 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101200-0	TOM GWINN	10	-16 W CHERRY ST	SHENANDOAH	PA	17976
Commercial	Active	90101400-0	MICHELE PRYZBILIK	210	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101600-0	JOSEPH ANCZARSKI	216	-218 S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101650-0	JOSEPH ANCZARSKI	226	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90101700-0	JOSEPH ANCZARSKI	226	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102000-0	HANS DEIBEL	316	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102100-0	DAVID KARPOVICH	324	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102200-0	HAIR DESIGNS BY ROSE	330	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102300-0	KOWALONEK'S KIELBASY	332	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90102800-4	PREETI CORPORATION	415	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103000-0	CARROLS LLC #1047	331	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103300-0	EDWARD BOKANAVAGE	225	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90103600-0	GR SHEN HIST SOC	201	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104210-0	JOSEPHINE RAINIS	129	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104500-0	MICHAEL BRESLOSKY	123	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104600-0	THE PIZZA SHOP	121	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104700-0	TINA LEWANDOWSKI	119	S MAIN ST, 3 APTS	SHENANDOAH	PA	17976
Commercial	Active	90104800-0	RANDALL J MISKE	117	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90104900-8	GBU IMPROVEMENTS, LLC	113	S MAIN ST	SHENANDOAH	PA	17976
Commercial	Active	90105800-1	STEPHEN KOVAL	119	E OAK ST	SHENANDOAH	PA	17976

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price**

The purchase price for the Acquired Assets is Forty-One Million, Two Hundred and Fifty Thousand Dollars ($41,250,000.00) (the "Purchase Price") which shall be paid as follows:

(a) Deposits

(i) Buyer shall pay One Million Dollars ($1,000,000) to Seller as a deposit on account of the Purchase Price (the "First Deposit") upon the third business day following the execution by Buyer and Seller of this Agreement; and

(ii) Buyer shall pay One Million Dollars ($1,000,000) to Seller as a deposit on account of the Purchase Price (the "Second Deposit" and, together with the First Deposit, the "Deposits") upon the third business day following the Buyer's receipt of notice from the PaPUC that the application to the PaPUC for the transaction contemplated by this Agreement has been conditionally accepted.

(iii) In the event that this Agreement is terminated for any reason, the Deposits shall be refundable to the Buyer within ninety days following the effective date of termination per Section 14.01, provided, however, if the Agreement is terminated by Seller pursuant to Section 14.01(c), then Seller shall be permitted to offset against Seller's obligation to refund the Deposits any damages recoverable by Seller per the terms of this Agreement.

(iv) Subject to subparagraph (iii) above, Seller shall be free to use the Deposits upon receipt as it determines in the Seller's sole discretion.

(v) The obligation to refund the Deposits hereunder shall be a general obligation of Seller and shall not be subject to the Threshold Amount or the Liability Cap set forth in Article VIII hereof.

(b) Subject to any adjustment in Purchase Price resulting from the proration procedures specified in Section 3.01(c) and the Missing Easement Escrow requirements in Section 6.05(e), Buyer shall pay to the Seller at Closing by wire transfer of immediately available funds the balance of the Purchase Price (taking into account the Deposits) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days before the Closing Date.

(c) Final Billing: The Buyer is entitled to all customer billings with respect to sanitary wastewater services for the period on or after the Closing Effective Time, and the Seller is entitled to all such billings before the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to credit the Purchase Price for the appropriate Party on the Closing Date, or through another agreed upon method to ensure billing amounts are provided to the appropriate Party.

Appendix A-5.2

Municipality	Final Sewer Customers	Final Sewer Bills
City of Beaver Falls	3,252	3,252
North Sewickley	1,094	1
Patterson Township	1,191	1
Big Beaver	166	1
Eastvale	104	1
West Mayfield	521	1
White Township	421	1
Patterson Heights	270	1
Total	**7,019**	**3,259**

contract, and such contract shall thereafter constitute and be deemed an "Assigned Contract" for all purposes hereunder.

(d) In the event that, during the twelve (12) month period following the Closing, Buyer identifies any contract to which the Seller was a party as of the Closing and which (i) was not set forth on Schedule 4.13 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, the Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

(e) From the date of this Agreement until the Closing Date, the Seller shall collect accounts receivable and pay accounts payable in the ordinary course and in a manner consistent with its past practices.

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price.** The purchase price for the Acquired Assets shall be Eighteen Million Dollars ($18,000,000) (the "Purchase Price") which shall be paid as follows at Closing:

(a) Within five (5) Business Days following the PaPUC's confirmation that the application for PaPUC Approval has been accepted as complete, Buyer shall deposit into escrow the sum of Five Hundred Thousand Dollars ($500,000) (the "Deposit") to be held in accordance with the Deposit Escrow Agreement substantially in the form attached hereto as Exhibit D.

(b) Buyer shall provide for payment in full the total amount of Outstanding Indebtedness by payment directly to the creditor(s) to which the Outstanding Indebtedness is owed with all amounts paid under this subsection (a) credited against the Purchase Price;

(c) Buyer shall pay the Seller by wire transfer of immediately available funds the balance of the Purchase Price (after taking into account the release of the Deposit pursuant to the Deposit Escrow Agreement and any amount paid by the Buyer pursuant to Section 3.01(b)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date.

(d) Final Billing: The Parties agree that the Buyer shall be entitled to all customer billings with respect to sanitary wastewater customers services for the period on or after the Closing Effective Time, and the Seller shall be entitled to all such billings prior to the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to the extent that either party collects billings that are attributable to service provided

3. Please provide Sewer System's customer count, the system's EDU count and the system flows.

GSA serves 2,270 total customers in Greenville, also GSA provides bulk service to two neighboring municipalities Hempfield Township (1,168 customers) and West Salem Township (571 customers).

(c) Any and all stormwater system facilities located on, in, within, or under the real property, including easements and any and all storm water system facilities that are connected to the System and located within the public right-of-way; provided that this exclusion does not exclude facilities for the collection and discharge of stormwater runoff generated and located on the property containing the WWTP;

(d) Seller's cash on hand on the date of Closing and Seller's account receivables related to the System for services rendered through the close of business on the Closing Date;

(e) All rights of Seller under this Agreement and related Bill of Sale and Assignment of Contracts Agreement as it pertains to the transfer and sale herein contemplated; and

(f) The specific assets, properties and rights of Seller set forth on **Schedule 1.4**.

1.5 Accounts Receivable. Accounts receivable for wastewater services related to the System rendered through the close of business on the Closing Date shall be Excluded Assets as per **Schedule 1.4**, and accounts receivable for wastewater services related to the System rendered thereafter shall belong to PAWC.

(a) Any payments made in advance by Seller's wastewater customers for post-Closing service will be refunded by Seller to its customers at or after Closing with an appropriate explanation that the customer will be billed by PAWC for services provided by PAWC post-Closing. PAWC shall not receive a credit toward the Purchase Price in **Section 2.1** at Closing for any prorated amounts of such customer advance payments for the period following Closing. Seller shall address all related issues with customers that arise with refunds due to its customers for such advance payments.

ARTICLE 2

PURCHASE PRICE

2.1 Purchase Price for the Assets. Subject to the terms and conditions of this Agreement, the purchase price (the "**Purchase Price**") for the Assets shall be Twenty-Eight Million Dollars ($28,000,000). The Purchase Price shall be payable directly to Seller on the Closing Date by wire transfer or by corporate check, at Buyer's discretion.

2.2 Use of Fair Market Valuation Process. Following the execution of this Agreement, PAWC and Seller shall each take such actions as are necessary to invoke, commence and complete the fair market valuation process set forth in Section 1329 of the Public Utility Code, 66 Pa.C.S. § 1329. Without limiting the generality of the foregoing, PAWC and Seller shall each engage a utility valuation expert from the list of such experts maintained by the PUC and shall jointly select and engage a licensed engineer for the purposes set forth in Section 1329(a)(4) of the Public Utility Code, 66 Pa.C.S. § 1329(a)(4). All costs and expenses associated with the utility valuation experts shall be the responsibility of the party engaging such expert. All costs and expenses associated with the licensed engineer jointly selected by the parties shall be shared equally between PAWC and Seller. Seller agrees to provide such assistance and cooperation as is reasonably requested by PAWC to file and prosecute an application for approval of the transaction contemplated by this Agreement.

2.3 Payment of Outstanding Debt. At Closing, the proceeds of the Purchase Price shall be first used to pay and discharge in full the total amount of all outstanding indebtedness of Seller as set forth in **Schedule 2.4** (the "**Outstanding Indebtedness**") and Seller shall take all actions necessary to defease any and all bonds or other instruments related to such Outstanding Indebtedness.

E.B.M.A.

Customer Summary Report by Name

Customer #	Name/ Address	City/St/Zip/ Service Address	Phone #
EBM10009296	PRIME PROPERTIES USA 5000 ELDORADO PKWY 150	FRISCO TX, 75033- 9 MAPLE AVE SSL	
EBM10011196	WE BUY POSS LLC 301 SOUTH HILLS VILLAGE SUITE LL 200 BOX 103	PITTSBURG PA, 15241- 716 5TH AVE	
EBM10012009	PAMELA WROBLESKI 265 SCOTT HAVEN RD	SUTERSVILLE PA, 15083-1349 206 CENTER AVE	
EBM10002248	D & R HAULING 2440 RIDGE RD	ELIZABETH PA, 15037-2039 160 CENTER AVE	
EBM10008871	KEVIN ABELS 1819 ROY AVE	SUTERSVILLE PA, 15083-1405 1819 ROY AVE	(724)-872-4373
EBM10010300	CAROLYN ADAMS 612 BRINKMAN LN	MCKEESPORT PA, 15135-2318 612 BRINKMAN LN	(412)-751-2236
EBM10003993	RITE AIDE CORP #2482 C/O PO BOX 2440	SPOKANE WA, 99210-2440 300 MARKET ST	
EBM10005568	AJL PROPERT SOLUTIONS LLC 4145 MATHILDA ST	PITTSBURGH PA, 15234-1903 817 7TH AVE	
EBM10010843	AJL PROPERT SOLUTIONS LLC 4145 MATHILDA ST	PITTSBURGH PA PA, 15234-1903 238 HICKORY ST	
EBM10011842	KAITLYN ANTON 601 S 2ND AVE	ELIZABETH PA, 15037- 601 S 2ND AVE	
EBM10010166	MX 3 ENTERPRISE PO BOX 395	ELIZABETH PA, 15037-1410 208 WALNUT ST	
EBM10001995	MAYHUGH ALLEN R 401 S 2ND AVE	ELIZABETH PA, 15037-1415 401 S 2ND AVE	(412)-680-8357
EBM10005881	ERIN AMENDOLA 933 3RD AVE	ELIZABETH PA, 15037-1133 933 3RD AVE	
EBM10003890	ABBOTT ANGELA M 606 CHURCH ST	ELIZABETH PA, 15037-1612 606 CHURCH ST	
EBM10007779	GONDA MEADE 537 REED ST	CLAIRTON PA, 15025- 617 CHURCH ST	
EBM10004332	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 311 S 2ND AVE	(412)-980-9269
EBM10006914	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 108 N 2ND AVE	
EBM10007999	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 223 2ND ST APT B	(412)-384-3909
EBM10010386	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 212 S 3RD ST	(412)-980-9269
EBM10010393	ROCKWELL APARTMENTS 201 S 2ND AVE	ELIZABETH PA, 15037-1521 214 S 3RD AVE	(412)-980-9269
EBM10002303	WILLIAM APFELTHALER 283 CENTER AVE	ELIZABETH PA, 15037-1120 283 CENTER AVE	
EBM10002073	MITCHELL ARTHUR PO BOX 395	ELIZABETH PA, 15037-0395 120 S 2ND AVE	
EBM10002956	JOANN ASHTON 612 6TH AVE	ELIZABETH PA, 15037-1315 612 6TH AVE	(412)-384-7719

Appendix A-5.2

Customer Summary Report by Name

Customer #	Name/ Address	City/St/Zip/ Service Address	Phone #
EBM10003759	STEPHANIE ZIACAN 137 PINEVIEW DR	ELIZABETH PA, 15037- 108 ELLSWORTH AVE	(412)-384-7333
EBM10009636	KATE ZUZAK 707 6TH AVE	ELIZABETH PA, 15037-1230 707 6TH AVE	(724)-518-2327

680 Total Customers

forth on Schedule 4.15 (as may be updated pursuant to (c)) and (ii) Buyer reasonably believes is necessary or useful to the operation of the System, the Seller shall, promptly following Buyer's written request therefor, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such other instruments of conveyance and transfer and other documents, and perform or cause to be performed such further acts, as may be reasonably required to evidence or effectuate, or more fully evidence or effectuate the assignment of such contract to Buyer for no additional consideration, and upon such assignment, such contract shall be deemed an Assigned Contract for all purposes hereunder.

(e) From the date of this Agreement until the Closing Date, the Seller shall collect accounts receivable and pay accounts payable in the ordinary course and in a manner consistent with its past practices.

ARTICLE III.

PURCHASE PRICE

Section 3.01. **Purchase Price.** The purchase price for the Acquired Assets shall be Eighteen Million Dollars ($18,000,000) (the "Purchase Price") which shall be paid as follows at Closing:

(a) Within five (5) Business Days following the PaPUC's confirmation that the application for PaPUC Approval has been accepted as complete, Buyer shall deposit into escrow the sum of Five Hundred Thousand Dollars ($500,000) (the "Deposit") to be held in accordance with the Deposit Escrow Agreement substantially in the form attached hereto as Exhibit D.

(b) Buyer shall provide for payment in full the total amount of Outstanding Indebtedness, as set forth on Schedule 3.01(b), by payment directly to the creditor(s) to which the Outstanding Indebtedness is owed with all amounts paid under this subsection (a) credited against the Purchase Price;

(c) Buyer shall pay the Seller by wire transfer of immediately available funds the balance of the Purchase Price (after taking into account the amount paid by the Buyer pursuant to Section 3.01(c)) to one or more accounts that Seller designates and provides to Buyer at least three (3) Business Days prior to the Closing Date.

(d) Final Billing: The Parties agree that the Buyer shall be entitled to all customer billings with respect to water customers services for the period on or after the Closing Effective Time, and the Seller shall be entitled to all such billings prior to the Closing Effective Time. The Parties shall cooperate to calculate an agreed upon proration of billing amounts and to the extent that either party collects billings that are attributable to service provided by the other party, the party holding the other party's billing collections shall pay such amount to the other party.

Section 3.02. **Fair Consideration.** The Parties acknowledge and agree that the consideration provided for in this Article III represents fair consideration and reasonable equivalent value for the sale and transfer of the Acquired Assets and the transactions, covenants

Appendix A-5.2

Customers by Address Type 7/2/2024

	Count	EDU	Multi Unit Count	
Residential	2575	2909	69	
Private Fire	56	56	0	
Commercial	289	330	26	
Public	28	28	0	
Industrial	3	3	0	
Address Type Totals	2951	3326	95	1.127075568

Account #	Account Name	Service Address	City	State	Zip	Municipality	Route	Sequence	Address Type	Units
1-5	Keystone Adolescent Center	21 N. Main St #201	Greenville	PA	16125	Greenville	1	375	Residential	1
2-2	Keystone Adolescent Center	21 N. Main St. #101	Greenville	PA	16125	Greenville	1	370	Residential	1
3-1	Keystone Adolescent Center	358 S. Main St.	Greenville	PA	16125	Greenville	1	365	Residential	1
5-1	Shane Wareham	43 N. Main St.	Greenville	PA	16125	Greenville	1	75	Residential	1
6-0	Mrs. Edward Stevenson	45 N. Main St.	Greenville	PA	16125	Greenville	1	80	Residential	1
7-2	Vacant	47 N. Main St.	Greenville	PA	16125	Greenville	1	85	Residential	1
8-0	Zina L. Long	49 N. Main St.	Greenville	PA	16125	Greenville	1	90	Residential	1
9-6	Linda Calawa	51 N. Main St.	Greenville	PA	16125	Greenville	1	95	Residential	1
10-10	Kathleen Leonard	53 N. Main St.	Greenville	PA	16125	Greenville	1	100	Residential	1
11-11	Ryan Dillon	9 First Ave.	Greenville	PA	16125	Greenville	1	105	Residential	1
12-0	Elizabeth Wittenberg	11 First Ave.	Greenville	PA	16125	Greenville	1	110	Residential	1
13-6	Beth Jordan	71 N. Main St.	Greenville	PA	16125	Greenville	1	115	Residential	1
14-1	John M. Gibson	73 N. Main St.	Greenville	PA	16125	Greenville	1	120	Residential	1
15-1	Community Counseling Center	77 N. Main St.	Greenville	PA	16125	Greenville	1	125	Commercial	1
16-1	Vacant	81 N. Main St.	Greenville	PA	16125	Greenville	1	130	Commercial	1
17-0	Regional Greenville-Valley Eye	2 Second Ave.	Greenville	PA	16125	Greenville	1	135	Commercial	1
18-0	UPMC	97 N. Main St	Greeville	PA	16125	Greenville	1	140	Commercial	1
19-1	Community Conseling Center	103 N. Main St.	Greenville	PA	16125	Greenville	1	145	Commercial	1
20-2	Dan & Cheryl Moore	105 N. Main St. #101 & 201	Greenville	PA	16125	Greenville	1	150	Residential	2
21-1	PA Artifical Limb & Brace Co.	111 N. Main St. Apt. 201	Greenville	PA	16125	Greenville	1	155	Commercial	2
22-2	PA Artifical Limb & Brace Co	111 N. Main St., Suite 101	Greenville	PA	16125	Greenville	1	160	Commercial	1
23-0	Jeffrey L. Peebles	6 Third Ave.	Greenville	PA	16125	Greenville	1	170	Residential	1
24-3	Stephen Maietta	8 Third Ave.	Greenville	PA	16125	Greenville	1	175	Residential	1
25-4	Rinella Rentals	7 Third Ave.	Greenville	PA	16125	Greenville	1	180	Residential	1
26-0	Stephen Harakal	3 Third Ave.	Greenville	PA	16125	Greenville	1	165	Residential	1
27-1	Charles Gulland DMD P.C.	125 A N. Main St.	Greenville	PA	16125	Greenville	1	225	Commercial	1
28-2	UPMC Pittsburgh Physicians	125 B N Main St	Greenville	PA	16125	Greenville	1	230	Commercial	1
30-1	Joshua Johnson	25 Leech Rd.	Greenville	PA	16125	Hempfield	50	500	Residential	1
33-0	Todd Musser	28 Leech Rd.	Greenville	PA	16125	Hempfield	50	502	Residential	1
34-1	Eric Leonard	31 Leech Rd.	Greenville	PA	16125	Hempfield	50	504	Residential	1
35-1	Mario Marini	32 Leech Rd.	Greenville	PA	16125	Hempfield	50	508	Residential	1
36-1	Justine Brenot	33 Leech Rd.	Greenville	PA	16125	Hempfield	50	506	Residential	1
37-0	Linda Cummings	46 N. Main St.	Greenville	PA	16125	Greenville	1	70	Commercial	1
38-9	Donald Pisor	44 N. Main St.	Greenville	PA	16125	Greenville	1	65	Residential	1
39-3	Linda Marrie	40 N. Main St.	Greenville	PA	16125	Greenville	1	60	Residential	1
40-1	CIME Properties	36 N. Main St.	Greenville	PA	16125	Greenville	1	55	Residential	5
41-2	Rebecka Deeter	34 N. Main St.	Greenville	PA	16125	Greenville	1	50	Residential	1
42-2	Sally Johnston	28 N. Main St.	Greenville	PA	16125	Greenville	1	45	Residential	1
43-3	Vacant	26 N. Main St.	Greenville	PA	16125	Greenville	1	40	Residential	1
44-3	Pete Wickline	22 N. Main St.	Greenville	PA	16125	Greenville	1	35	Residential	1
45-2	Suzette Kineston	20 N. Main St.	Greenville	PA	16125	Greenville	1	30	Residential	1
46-2	Frank Vanderslice	16 N. Main St.	Greenville	PA	16125	Greenville	1	25	Residential	1
47-2	Frank H. Vanderslice	14 N. Main St.	Greenville	PA	16125	Greenville	1	20	Residential	1
48-2	Frank Vanderslice	12 N. Main St.	Greenville	PA	16125	Greenville	1	15	Residential	1
49-0	Frank Vanderslice	10 N. Main St.	Greenville	PA	16125	Greenville	1	10	Residential	1
50-5	Tabitha Beach & Adam May	350 Main St.	Greenville	PA	16125	Greenville	1	5	Residential	1
51-1	Primary Health	348 Main St. Suite # 202	Greenville	PA	16125	Greenville	1	390	Commercial	1
52-2	Perry Trust	348 Main St. Suite # 201	Greenville	PA	16125	Greenville	1	385	Commercial	1
53-0	Restaurant Arby's # 1320	340 Main St.	Greenville	PA	16125	Greenville	1	391	Commercial	1
59-0	Greenville Area Public Library	332 Main St.	Greenville	PA	16125	Greenville	1	400	Public	1
60-5	Thanh Tran	326 Main St.	Greenville	PA	16125	Greenville	1	405	Commercial	1
61-0	Joes Pizza	324 Main St.	Greenville	PA	16125	Greenville	1	410	Commercial	1
62-2	Joseph Henegan	320 Main St.	Greenville	PA	16125	Greenville	1	415	Commercial	1
63-5	Sky Realty Group LLC	318 Main St	Greenville	PA	16125	Greenville	1	420	Commercial	1
64-0	Greenville Borough-Railroad Park	314 Main St G'ville Railroad Park	Greenville	PA	16125	Greenville	1	425	Public	1
66-0	Southern Corp. Norfolk	306-310 Main St.	Greenville	PA	16125	Greenville	1	430	Commercial	1
67-0	Verizon	300 Main St.	Greenville	PA	16125	Greenville	1	435	Commercial	1
70-0	Sheetz Inc #139	294 Main St.	Greenville	PA	16125	Greenville	1	440	Commercial	1
71-0	Army Salvation	288 Main St.	Greenville	PA	16125	Greenville	1	445	Commercial	2
72-0	Norma Hayne (Laundry Rm)	286 Main St.	Greenville	PA	16125	Greenville	1	450	Residential	1
73-12	Jessica Burnett	286 Main St. B01	Greenville	PA	16125	Greenville	1	455	Residential	1
74-2	Sarah Seeley	286 Main St. #101	Greenville	PA	16125	Greenville	1	460	Residential	1
75-18	Brandon Thrasher	286 Main St. #201	Greenville	PA	16125	Greenville	1	465	Residential	1
76-31	Gustan Redick	286 Main St. # 301	Greenville	PA	16125	Greenville	1	470	Residential	1
77-24	Vacant	284 Main St. B01	Greenville	PA	16125	Greenville	1	475	Residential	1
78-19	Wesley Oakes	284 Main St. #101	Greenville	PA	16125	Greenville	1	480	Residential	1
79-25	Amy Jo Blessing	284 Main St. #201	Greenville	PA	16125	Greenville	1	490	Residential	1
80-28	Dale Segar	284 Main St. #301	Greenville	PA	16125	Greenville	1	495	Residential	1
81-1	Vacant	282 Main St.	Greenville	PA	16125	Greenville	1	500	Commercial	1
82-12	Christina Bozzo	1 Louisa Ave. #201	Greenville	PA	16125	Greenville	1	505	Residential	1
83-8	Charles Blackmon	1 Louisa Ave. #301	Greenville	PA	16125	Greenville	1	510	Residential	1
84-0	American Legion Post	278 Main St.	Greenville	PA	16125	Greenville	1	515	Commercial	1
85-1	Vacant	272 Main St.	Greenville	PA	16125	Greenville	1	520	Commercial	1

PART I

Item 1. Business

This annual report on Form 10-K is a combined report being filed by two separate Registrants, American States Water Company ("AWR") and Golden State Water Company ("GSWC"). References in this report to "Registrant" are to AWR and GSWC, collectively, unless otherwise specified. GSWC makes no representations as to the information contained in this report relating to AWR and its subsidiaries, other than GSWC.

AWR makes its periodic reports, Form 10-Q and Form 10-K, and current reports, Form 8-K, and amendments to those reports, available free of charge through its website, www.aswater.com, as soon as those reports are electronically filed with or furnished to the Securities and Exchange Commission ("SEC"). Such reports are also available on the SEC's website at www.sec.gov. AWR also makes available free of charge its code of business conduct and ethics, its corporate governance guidelines, its policy for the recoupment of performance-based compensation, its insider trading policy and the charters of its Nominating and Governance Committee, Compensation Committee and Audit and Finance Committee through its website or by calling (877) 463-6297.

Overview

AWR is the parent company of GSWC, Bear Valley Electric Service, Inc. ("BVES") and American States Utility Services, Inc. ("ASUS") (and its wholly-owned subsidiaries: Fort Bliss Water Services Company ("FBWS"), Old Dominion Utility Services, Inc. ("ODUS"), Terrapin Utility Services, Inc. ("TUS"), Palmetto State Utility Services, Inc. ("PSUS"), Old North Utility Services, Inc. ("ONUS"), Emerald Coast Utility Services, Inc. ("ECUS"), Fort Riley Utility Services, Inc. ("FRUS"), Bay State Utility Services LLC ("BSUS"), and Patuxent River Utility Services LLC ("PRUS")).

AWR has three reportable segments: water, electric and contracted services. Within the segments, AWR has three principal business units, water and electric service utility operations conducted through its regulated utilities GSWC and BVES, respectively, and contracted services conducted through ASUS and its subsidiaries.

GSWC is a public water utility engaged in the purchase, production, distribution and sale of water in 10 counties in the state of California. GSWC is regulated by the California Public Utilities Commission ("CPUC"). BVES is a public electric utility that distributes electricity in several San Bernardino County mountain communities in California and is also regulated by the CPUC. Additional information regarding public utility regulation is discussed in Item 7. *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* under the section titled *"Regulatory Matters."*

AWR's regulated utilities served 264,557 water customers and 24,857 electric customers at December 31, 2024, or a total of 289,414 customers, compared with 264,093 water customers and 24,777 electric customers at December 31, 2023, or a total of 288,870 customers. Both GSWC's and BVES's operations exhibit seasonal trends. Although both have diversified customer bases, residential and commercial customers account for the majority of water and electric sales and revenues. Revenues derived from commercial and residential customers accounted for approximately 90% of total water and electric revenues for the years ended December 31, 2024, 2023 and 2022.

ASUS, through its wholly owned subsidiaries, has contracted with the U.S. government to provide water and/or wastewater services at various military installations. ASUS operates, maintains and performs construction activities (including renewal and replacement capital work) on water and/or wastewater systems at various U.S. military bases pursuant to an initial 50-year, firm-fixed-price contract and additional firm-fixed-price contracts, task order agreements and contracts with third party prime contractors. ASUS has one subsidiary that has entered into a task order agreement with the U.S. government that has a term of 15 years. Each of the contracts with the U.S. government is subject to termination, in whole or in part, prior to the end of its term for convenience of the U.S. government or as a result of default or nonperformance by the ASUS subsidiary performing the contract. The price for each of these contracts is subject to annual economic price adjustments or task order adjustments. The contracts are also subject to modifications for changes in circumstances, changes in laws and regulations, and additions to the contract value for new construction of facilities at the military bases. AWR generally guarantees performance of all of the contracts of ASUS's subsidiaries.

AMERICAN STATES WATER COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 — Summary of Significant Accounting Policies

Nature of Operations: American States Water Company ("AWR") is the parent company of Golden State Water Company ("GSWC"), Bear Valley Electric Service Inc. ("BVES"), and American States Utility Services, Inc. ("ASUS") (and its subsidiaries, Fort Bliss Water Services Company ("FBWS"), Old Dominion Utility Services, Inc. ("ODUS"), Terrapin Utility Services, Inc. ("TUS"), Palmetto State Utility Services, Inc. ("PSUS"), Old North Utility Services, Inc. ("ONUS"), Emerald Coast Utility Services, Inc. ("ECUS"), Fort Riley Utility Services, Inc. ("FRUS"), Bay State Utility Services LLC ("BSUS"), and Patuxent River Utility Services LLC ("PRUS")). AWR and its subsidiaries may be collectively referred to as "Registrant" or "the Company." AWR, through its wholly owned subsidiaries, serves over one million people in ten states.

GSWC and BVES are both California public utilities. GSWC engages in the purchase, production, distribution and sale of water throughout California serving approximately 264,600 customer connections. BVES distributes electricity in several San Bernardino County mountain communities in California serving approximately 24,900 customer connections. The California Public Utilities Commission ("CPUC") regulates GSWC's and BVES's businesses in matters including properties, rates, services, facilities, and transactions between GSWC, BVES, and their affiliates.

ASUS, through its wholly owned subsidiaries, operates, maintains and performs construction activities (including renewal and replacement capital work) on water and/or wastewater systems at various U.S. military bases pursuant to initial 50-year firm fixed-price contracts with the U.S. government and one 15-year contract with the U.S. government. These contracts are subject to annual economic price adjustments and modifications for changes in circumstances, changes in laws and regulations, and additions to the contract value for new construction of facilities at the military bases. ASUS also from time to time performs construction services on military bases as a subcontractor.

There is no direct regulatory oversight by the CPUC over AWR or the operations, rates or services provided by ASUS or any of its wholly owned subsidiaries.

Basis of Presentation: The consolidated financial statements and notes thereto are presented in a combined report filed by two separate Registrants: AWR and GSWC. References in this report to "Registrant" are to AWR and GSWC, collectively, unless otherwise specified. AWR owns all of the outstanding common shares of GSWC, BVES and ASUS. ASUS owns all of the outstanding common shares of its subsidiaries. The consolidated financial statements of AWR include the accounts of AWR and its subsidiaries. These financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. Intercompany transactions and balances have been eliminated in the AWR consolidated financial statements.

Related-Party and Intercompany Transactions: As discussed in Note 9, prior to AWR and GSWC entering into new separate credit agreements in June 2023 that replaced AWR's previous credit agreement, AWR borrowed under its credit facility and provided funds to both GSWC and ASUS in support of their operations. Under AWR's current credit facility, AWR borrows and continues to provide funds to ASUS in support of its operations, through an intercompany borrowing agreement, and AWR (parent). The interest rate charged to ASUS is sufficient to cover AWR's interest expense under the credit facility. GSWC's credit facility provides support for its water operations. BVES has a separate credit facility and has also issued long-term debt to support its operations.

Furthermore, GSWC, BVES and ASUS provide and/or receive various support services to and from their parent, AWR, and among themselves. GSWC allocates certain corporate office administrative and general costs to its affiliates, BVES and ASUS, using allocation factors approved by the CPUC. During the years ended December 31, 2024, 2023 and 2022, GSWC allocated to ASUS $5.3 million, $5.0 million and $5.2 million, respectively, of corporate office administrative and general costs. During the years ended December 31, 2024, 2023 and 2022, GSWC allocated corporate office administrative and general costs to BVES of $3.2 million, $3.5 million and $2.7 million, respectively.

When necessary, AWR will make capital contributions to its regulated utilities in order to manage to the CPUC-authorized capital structure. In September 2024, BVES issued eleven Common Shares to AWR for total proceeds of $22.0 million. BVES used the proceeds from the stock issuance to pay down outstanding borrowings under its revolving credit facility and to fund its operations and capital expenditures. AWR made capital contributions to GSWC in 2024 and 2023 (Note 7).

PART I

ITEM 1. BUSINESS

The Company

With a history dating back to 1886, American Water is the largest and most geographically diverse, publicly-traded water and wastewater utility company in the United States, as measured by both operating revenues and population served. A holding company originally incorporated in Delaware in 1936, the Company employs approximately 6,700 professionals who provide drinking water, wastewater and other related services to over 14 million people in 24 states. The Company conducts the majority of its business through regulated utilities that provide water and wastewater services, collectively presented as one reportable segment, referred to as the "Regulated Businesses." The Company also operates other businesses that provide water and wastewater services to the U.S. government on military installations, as well as municipalities. Individually, these other businesses do not meet the criteria of a reportable segment in accordance with generally accepted accounting principles in the United States ("GAAP"), and are collectively presented throughout this Annual Report on Form 10-K within "Other," which is consistent with how management assesses the results of these businesses.

Throughout this Annual Report on Form 10-K, unless the context otherwise requires, references to "we," "us," "our," the "Company," and "American Water" mean American Water Works Company, Inc. and its subsidiaries, taken together as a whole. References to "parent company" mean American Water Works Company, Inc., without its subsidiaries.

Regulated Businesses

The Company's primary business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service and sale for resale customers. The Company's utilities operate in 14 states in the United States, with 3.5 million active customers in its water and wastewater networks. Services provided by the Company's utilities are subject to regulation by multiple state utility commissions or other entities engaged in utility regulation, collectively referred to as public utility commissions ("PUCs"). Federal, state and local governments also regulate environmental, health and safety, and water quality and water accountability matters. The Company reports the results of the services provided by its utilities in the Regulated Businesses segment. Operating revenues for the Regulated Businesses were $4,296 million for 2024, $3,920 million for 2023 and $3,505 million for 2022, accounting for 92%, 93% and 92%, respectively, of the Company's total operating revenues for the same periods.

Presented in the table below is a geographic summary of the Regulated Businesses' operating revenues and the number of customers the Company serves, by type of service, for and as of the year ended December 31, 2024:

	Operating Revenues (in millions)				Number of Customers (in thousands)			
	Water (a)	Wastewater	Total	% of Total	Water	Wastewater	Total	% of Total
New Jersey	$ 990	$ 61	$ 1,051	24.5 %	672	70	742	20.9 %
Pennsylvania	872	167	1,039	24.2 %	688	115	803	22.6 %
Missouri	487	21	508	11.8 %	485	24	509	14.4 %
Illinois	359	73	432	10.1 %	300	77	377	10.6 %
California	342	4	346	8.1 %	191	3	194	5.5 %
Total—Top Five States (b)	3,050	326	3,376	78.6 %	2,336	289	2,625	74.0 %
Other (c)	883	37	920	21.4 %	881	40	921	26.0 %
Total Regulated Businesses	$ 3,933	$ 363	$ 4,296	100.0 %	3,217	329	3,546	100.0 %

(a) Includes other operating revenues consisting primarily of miscellaneous utility charges, fees and rents.

(b) The Company's "Top Five States" are determined based upon operating revenues.

(c) Includes the Company's utility operations in the following states: Georgia, Hawaii, Indiana, Iowa, Kentucky, Maryland, Tennessee, Virginia and West Virginia and other revenue attributable collectively to the Regulated Businesses.

Customers

The Company's Regulated Businesses have a large and geographically diverse customer base. A customer is defined as a person, business, municipality or any other entity that purchases the Company's water or wastewater services as of the last business day of a reporting period. One single customer may purchase the Company's services for use by multiple individuals or businesses. Examples of these customers are homes, apartment complexes, businesses and governmental entities.

Other Commitments

In April 2021, Artesian Water entered into a 3-year agreement with Worldwide Industries Corporation effective July 1, 2021 to paint elevated water storage tanks. Pursuant to the agreement, the total expenditure for the three years was $1.2 million. In September 2022, this agreement was amended to paint an additional elevated water storage tank and to extend the term of the agreement for an additional year. Pursuant to the amended agreement, the total expenditure for the four years is $2.2 million. Tank painting expense for 2024, 2023 and 2022 was $735,000, $689,000, and $531,000, respectively.

Budgeted mandatory utility plant expenditures, due to planned governmental highway projects, which require the relocation of Artesian Water's water service mains, expected to be incurred in 2025 through 2027 are as follows:

In thousands	
2025	$ 4,050
2026	13,715
2027	2,400
	$ 20,165

The exact timing and extent of these relocation projects is controlled primarily by the Delaware Department of Transportation.

NOTE 12 – GEOGRAPHIC CONCENTRATION OF CUSTOMERS

Artesian Water, Artesian Water Maryland and Artesian Water Pennsylvania provide regulated water utility service to customers within their established service territory in all three counties of Delaware and in portions of Maryland and Pennsylvania, pursuant to rates filed with and approved by the DEPSC, the MDPSC and the PAPUC. As of December 31, 2024, Artesian Water was serving approximately 97,400 customers, Artesian Water Maryland was serving approximately 2,700 customers and Artesian Water Pennsylvania was serving approximately 40 customers.

Artesian Wastewater and TESI provide regulated wastewater utility service to customers within their established service territory in Sussex County, Delaware pursuant to rates filed with and approved by the DEPSC. As of December 31, 2024, Artesian Wastewater and TESI were serving approximately 8,600 customers combined including one large industrial customer.

NOTE 13 – REGULATORY PROCEEDINGS

Our water and wastewater utilities generate operating revenue from customers based on rates that are established by state public service commissions through a rate-setting process that may include public hearings, evidentiary hearings and the submission of evidence and testimony in support of the Company's requested level of rates.

We are subject to regulation by the following state regulatory commissions:

- The DEPSC, regulates Artesian Water, Artesian Wastewater, and TESI.
- The MDPSC, regulates both Artesian Water Maryland and Artesian Wastewater Maryland.
- The PAPUC, regulates Artesian Water Pennsylvania.

Our water and wastewater utility operations are also subject to regulation under the federal Safe Drinking Water Act of 1974, or Safe Drinking Water Act, the Clean Water Act of 1972, or the Clean Water Act, and related state laws, and under federal and state regulations issued under these laws. These laws and regulations establish criteria and standards for drinking water and for wastewater discharges. Capital expenditures and operating costs required as a result of water quality standards and environmental requirements have been traditionally recognized by state regulatory commissions as appropriate for inclusion in establishing rates.



Water Service Facts

- Artesian serves over 301,000 people
- Artesian supplies over 8.8 billion gallons of water per year through more than 1,470 miles of water mains
- Treatment facilities – 75
- Storage capacity – 177.5 million gallons
- Water service territory – 305 square miles
- Wastewater service territory – 58 square miles
- Through public-private partnerships, Artesian is providing a variety of water- and wastewater-related services to several municipalities

Emergencies: (800) 332-5114
Delaware: (302) 453-6930
Toll-Free Call: (800) 332-5114

Pay My Bill
Emergencies & Shut-Off Valves
Start, Stop or Move Service

Our Service Areas
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Investor Relations
Contact Us
Careers

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Overview

California Water Service Group (Company) is a holding company with seven operating subsidiaries: Cal Water, Washington Water Service Company (Washington Water), New Mexico Water Service Company (New Mexico Water), Hawaii Water Service Company, Inc. (Hawaii Water), TWSC, Inc. (Texas Water), CWS Utility Services, and HWS Utility Services LLC (CWS Utility Services and HWS Utility Services LLC being referred to collectively in this annual report as Utility Services). Cal Water, Washington Water, New Mexico Water, and Hawaii Water are regulated public utilities. Texas Water is a holding company with regulated and contracted wastewater utilities.

The regulated utility entities also provide non-regulated services. Utility Services holds non-utility property and provides non-regulated services to private companies and municipalities outside of California (see "Non-Regulated Activities" below for more details). Cal Water was the original operating company that began operations in 1926.

Our business is conducted through our operating subsidiaries and we provide utility services to approximately two million people. The bulk of our business consists of the production, purchase, storage, treatment, testing, distribution, and sale of water for domestic, industrial, public, and irrigation uses, and the provision of domestic and municipal fire protection services. In some areas, we provide wastewater collection and treatment services, including treatment which allows water recycling. We also provide non-regulated water-related services under agreements with municipalities and other private companies. The non-regulated services include full water system operation, meter reading, and billing services. Non-regulated operations also include the lease of communication antenna sites, lab services, and promotion of other non-regulated services.

During the year ended December 31, 2024, there were no significant changes in the kind of products produced or services rendered by our operating subsidiaries, or in the markets or methods of distribution.

Our mailing address and contact information is:

California Water Service Group
1720 North First Street
San Jose, California 95112-4598
Telephone number: 408-367-8200
www.calwatergroup.com

Annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports are available free of charge through our website at www.calwatergroup.com. The reports are available on our website as soon as reasonably practicable after such reports are filed with the U.S. Securities and Exchange Commission (SEC).

The content on any website referred to in this annual report is not incorporated by reference in this annual report unless expressly noted.

Regulated Business

California water operations are conducted by Cal Water, which provides service to approximately 499,400 customer connections in approximately 100 California communities through 20 separate districts, which are subject to regulation by the CPUC. California water operations accounted for approximately 89.2% of our total customer connections and 92.3% of our total consolidated operating revenue in 2024.

We operate the City of Hawthorne and the City of Commerce water systems under lease agreements. In accordance with the lease agreements, we receive all revenues from operating the systems and are responsible for paying the operating costs. The City of Hawthorne and the City of Commerce lease revenues are governed through their respective city councils and are considered non-regulated because they are outside of the CPUC's jurisdiction. We report revenue and expenses for the City of Hawthorne and City of Commerce leases in operating revenue and operating expenses because we are entitled to retain all customer billings and are responsible for all operating expenses. These leases are considered "nontariffed products and services" (NTPS) by the CPUC and require a 10% revenue share with regulated customers.

In October of 2011, an agreement was negotiated with the City of Hawthorne to lease and operate its water system. The system, which is located near our Hermosa Redondo district, serves about half of Hawthorne's population. The capital lease agreement required an up-front $8.1 million lease deposit to the city that is being amortized over the lease term. Additionally, annual lease payments are contracted to be adjusted based on changes in rates charged to customers. Under the lease, we are responsible for all aspects of system operation and capital improvements, although title to the system and system improvements reside with the city. Capital improvements are recorded as depreciable plant and equipment and depreciated per the asset lives set forth in the agreement. In exchange, we receive all revenue from the water system, which was $12.7 million, $12.2 million, and $12.5 million in 2024, 2023, and 2022, respectively. At the end of the lease, the city is required to reimburse us for the

unamortized value of capital improvements made during the term of the lease. The City of Hawthorne capital lease is a 15-year lease and expires in 2026.

In April of 2018, a renewal agreement was negotiated with the City of Commerce for us to continue to lease and to operate its water system for 15 years. Under the agreement, the operating lease requires us to pay $0.8 million per year in monthly installments. We have operated the City of Commerce water system since 1985 and are responsible for all operations, maintenance, water quality assurance, customer service programs, and financing capital improvements to provide a reliable supply of water that meets federal and state standards to customers served by the City of Commerce system. The City of Commerce retains title to the system and system improvements and remains responsible for setting its customers' water rates. We bear the risks of operation and collection of amounts billed to customers. In exchange, we receive all revenue from the water system, which was $4.1 million, $4.2 million, and $4.2 million, in 2024, 2023, and 2022, respectively. The agreement allows us to request a rate change annually in order to recover costs.

Hawaii Water provides service to approximately 6,700 water and wastewater customer connections on the islands of Kauai, Maui, Oahu, and Hawaii, including several large resorts and condominium complexes. Hawaii Water's regulated customer connections are subject to the jurisdiction of the Hawaii Public Utilities Commission (HPUC). Hawaii Water accounted for 1.2% of our total customer connections and approximately 4.3% of our total consolidated operating revenue in 2024.

Washington Water provides domestic water service to approximately 38,300 customer connections in the Tacoma, Olympia, Graham, Spanaway, Puyallup, Rainier, Yelm, and Gig Harbor areas. Washington Water's utility operations are regulated by the Washington Utilities and Transportation Commission (UTC). Washington Water accounted for approximately 6.8% of our total customer connections and approximately 2.3% of our total consolidated operating revenue in 2024.

New Mexico Water provides service to approximately 11,500 water and wastewater customer connections in our Rio Communities, Rio Del Oro, Meadow Lake, Indian Hills, Squaw Valley, Elephant Butte, Morningstar, Sandia Knolls, Juan Tomas, Monterey, and Cypress Gardens systems. New Mexico's regulated operations are subject to the jurisdiction of the New Mexico Public Regulation Commission. New Mexico Water accounted for approximately 2.1% of our total customer connections and 0.7% of our total consolidated operating revenue in 2024.

In May of 2021, Texas Water became the majority owner of BVRT Utility Holding Company (BVRT), a Texas-based utility development company owning and operating seven wastewater utilities serving growing communities outside of Austin and San Antonio. BVRT provides regulated wastewater services under the rules and regulation of the Texas Public Utilities Commission. Texas Water initially invested funds to enable BVRT to continue to build wastewater infrastructure and converted its investment to equity. BVRT's seven wastewater utilities currently serve or are under contract to serve approximately 4,200 customer connections. On August 16, 2022, BVRT entered into a long-term water supply agreement with the Guadalupe Blanco River Authority (GBRA) that enables BVRT to receive up to 2,419 acre-feet of potable water annually (see Note 15 for more details). Texas Water accounted for approximately 0.7% of our total customer connections and 0.4% of our total consolidated operating revenue in 2024.

The state regulatory bodies governing our regulated operations are referred to as the Commissions in this annual report. Rates and operations for regulated customers are subject to the jurisdiction of the respective state's regulatory Commission. The Commissions require that water and wastewater rates for each regulated district be independently determined based on the cost of service. The Commissions are expected to authorize rates sufficient to recover normal operating expenses and allow the utility to earn a fair and reasonable return on invested capital.

We treat and distribute water and treat wastewater in accordance with accepted water utility methods. Where applicable, we hold franchises and permits in the cities and communities where we operate. The franchises and permits allow us to operate and maintain facilities in public streets and rights-of-way as necessary.

Non-Regulated Activities

Non-regulated activities consist primarily of the operation of water systems that are owned by other entities under lease agreements, leasing of communication antenna sites on our properties, and billing of optional third-party insurance programs to our residential customers.

Fees for non-regulated activities are based on contracts negotiated between the parties. Under our non-regulated contract arrangements, we operate municipally owned water systems and privately owned water and recycled water distribution systems, but are not responsible for all operating costs. Non-regulated revenue received from non-leased water system operations is generally determined on a fee-per-customer basis.

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Our natural gas utility customer base is diversified among residential gas, commercial gas, industrial gas, gas transportation, and other utility. Substantially all of our natural gas utility customers are metered, which allows us to measure and bill for our customers' natural gas usage. Natural gas usage per customer is affected by local weather conditions during the year, especially during the fall, winter, and early spring. These patterns reflect the higher demand for natural gas for heating purposes during the colder months. The impact on our natural gas sales resulting from weather temperatures that are above or below normal is offset partially through our weather normalization adjustment mechanisms in place in Kentucky and in Pennsylvania (effective beginning October 2024). During the year ended December 31, 2024, we experienced 4,288 actual heating degree days (HDDs), which was warmer by 18.2% than the average or normal HDDs for Pittsburgh, Pennsylvania, which we use as a proxy for our western Pennsylvania service territory. HDDs are used in the natural gas industry to measure the relative coldness of weather and to estimate the demand for natural gas. Our regulated natural gas revenues and expenses are also affected by the cost of gas. We are generally able to pass the cost of gas through to our customers using a purchased gas adjustment clause; therefore, fluctuations in the cost of purchased gas impact revenues on a dollar-for-dollar basis. Since regulated natural gas revenues are affected by the cost of gas, higher gas costs, as well as general economic conditions, may cause customers to conserve usage, or seek alternative energy sources. In addition, higher gas costs result in an increase to our purchased gas inventory, which requires additional borrowings under credit facilities, resulting in higher interest expense.

The Company's growth in revenues over the past five years is primarily a result of increases in water and wastewater rates, increase in the cost of natural gas in 2021 and 2022, customer growth, and its acquisition in 2020 of Peoples Natural Gas Company LLC and its affiliated companies, or the Peoples Gas Acquisition. See *Economic Regulation* for a discussion of water, wastewater, and natural gas rates. The increase in our utility customer base has been due to customers added through acquisitions, partnerships with developers, and organic growth (excluding dispositions) as shown below:

Year	Utility Customer Growth Rate
2024	0.6%
2023	1.0%
2022	1.7%
2021	1.2%
2020	42.9%

In 2024, 2023, 2022, 2021, and 2020, our customer count increased by 11,845, 5,875, 31,537, 21,246, and 772,099 customers, respectively, primarily due to the water and wastewater utility systems that we acquired, organic growth, and in 2020, due to the Peoples Gas Acquisition that resulted to the addition of approximately 750,000 natural gas utility customers. Overall, for the five year period of 2020 through 2024, our utility customer base, adjusted to exclude customers associated with utility system dispositions, increased at an annual compound rate of 12.9%. During the five year period ended December 31, 2024, our utility customer base including customers associated with utility system acquisitions and dispositions increased from 1,026,704 at January 1, 2020 to 1,869,306 at December 31, 2024.

Acquisitions and Other Growth Ventures

We believe that acquisitions will continue to be an important source of customer growth for us. We intend to continue to pursue acquisitions of government-owned and regulated water and wastewater systems that provide services in areas near our existing service territories or in new service areas. We engage in continuing activities with respect to potential acquisitions, including calling on prospective sellers, performing analyses of and due diligence on acquisition candidates, making preliminary acquisition proposals, and negotiating the terms of potential acquisitions. Further, we are also seeking other potential business opportunities, including but not limited to, partnering with public and regulated utilities to invest in infrastructure projects, growing our market-based activities by acquiring businesses that provide water and wastewater or other utility-related services, and investing in infrastructure projects.

Based on the 2023 U.S. Census American Housing Survey, approximately 89% of the U.S. population obtain their water from public or private water utility systems, and 11% of the U.S. population obtain their water from individual wells. With approximately 50,000 community water systems in the U.S. (approximately 81% of which serve less than 3,300 customers), the water industry is the most fragmented of the major utility industries (telephone, natural gas, electric, water and wastewater). The majority of these community water systems are government-owned. The nation's water systems

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 10-K, or this Annual Report, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words “believes,” “expects,” “estimates”, “anticipates,” “plans,” “future,” “potential,” “probably,” “predictions,” “intends,” “will,” “continue,” “in the event” or the negative of such terms or similar expressions. Please refer to the Summary in Item 1A – Risk Factors in this Annual Report for a description of the types of forward-looking statements in this Annual Report. These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this Annual Report completely and with the understanding that our actual future results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans, and beliefs only as of the date of this Annual Report. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see Item 1A – Risk Factors. We qualify all of our forward-looking statements by these cautionary statements.

PART I

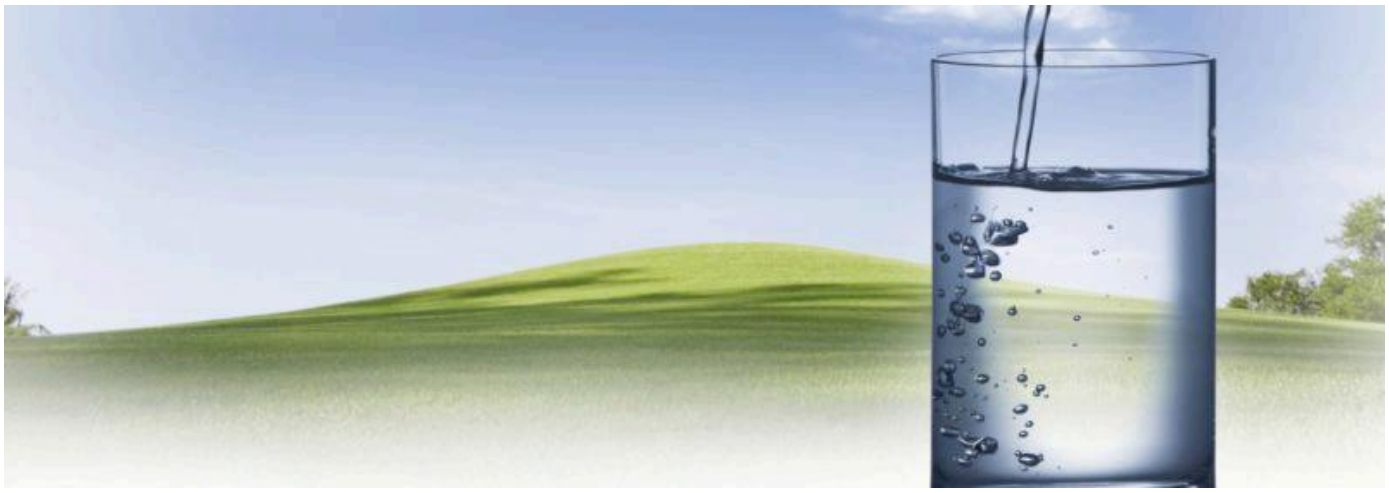
Item 1. *Business*

The Company

Essential Utilities, Inc., referred to as “Essential Utilities”, “Essential”, the “Company”, “we”, “us”, or “our”, a Pennsylvania corporation, is the holding company for regulated utilities providing water, wastewater, or natural gas services to an estimated 5.5 million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, and Kentucky under the Aqua and Peoples brands. One of our largest operating subsidiaries, Aqua Pennsylvania, Inc., or Aqua Pennsylvania, accounted for approximately 55% of operating revenues and approximately 67% of income for our Regulated Water segment in 2024. As of December 31, 2024, Aqua Pennsylvania provided water or wastewater services to approximately one-half of the total number of water and wastewater customers we serve. Aqua Pennsylvania’s service territory is located in the suburban areas in counties north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. Our other regulated water or wastewater utility subsidiaries provide similar services in seven additional states. Our Peoples subsidiaries provide natural gas service to approximately 745,000 customers in western Pennsylvania and Kentucky. Approximately 95% of the total number of natural gas utility customers we serve are in western Pennsylvania. The Company also operates market-based activities, conducted through its non-regulated subsidiaries, that provide utility service line protection solutions and repair services to households and gas marketing and production activities. Currently, the Company seeks to acquire businesses in the U.S. regulated sector, focusing on water and wastewater utilities and to opportunistically pursue growth ventures in select market-based activities, such as infrastructure opportunities that are supplementary and complementary to our regulated water utility businesses.

Appendix A-5.2

Middlesex Water Company (including Fortescue System)



Appendix A-5.2

Middlesex Water Company (NASDAQ:MSEX) established in 1897, provides a full range of regulated and non-regulated water, wastewater utility and related services in parts of New Jersey and Delaware. Headquartered in Iselin, New Jersey, the company engages in collecting, treating, distributing and selling water for domestic, commercial, municipal, industrial and fire protection purposes.

Over a Century of Water Utility Expertise

Water Quality

Middlesex Water Company has a stringent water quality monitoring and testing program to ensure drinking water that meets and consistently exceeds state and federal water quality standards. The Company provides information on its water quality results to customers through Annual Water Quality Reports to customers.

VIEW MWC WATER QUALITY REPORT >

Middlesex System

RETAIL CUSTOMERS

The Middlesex System in New Jersey provides water services to approximately 61,000 retail customers, primarily in eastern Middlesex County, New Jersey. Areas served on a retail basis include: The Township of Woodbridge, the city of South Amboy, the Boroughs of Carteret and Metuchen, portions of the Township of Edison and the Borough of South Plainfield and a small portion of the Township of Clark in Union County. These retail customers include a mix of residential customers, large industrial concerns, commercial and light industrial facilities.

CONTRACT CUSTOMERS

The Middlesex System also provides water under wholesale contracts to the City of Rahway, the Townships of Edison and Marlboro, the Boroughs of Highland Park and Sayreville and the Old Bridge Municipal Utilities Authority. Water treatment and pumping services are provided to the Township of East Brunswick under contract. Contract customers of the Middlesex System comprise an area of about 110 square miles with a population of approximately 219,000. Contracts sales to Edison, Old Bridge, Marlboro and Rahway are supplemental to the existing water systems of these customers.

The Middlesex system utilizes both surface and groundwater supplies during various times of the year and customers may receive either or a blend of both sources depending upon location and demands. Surface water is obtained from the Delaware and Raritan Canal (D&R Canal), which is owned by the State of New Jersey and operated by the New Jersey Water Supply Authority. Surface water sources provide approximately 74 percent of the Middlesex system's supply. Groundwater sources provide approximately 19% of supply from 31 wells and the balance (7 percent) is purchased water from a non-affiliated water utility.

The Company obtains groundwater from its Wellfields in South Plainfield in North and South Edison. Groundwater comes from an underground source of water known as the Brunswick Aquifer. Middlesex Water's rates are

regulated by the New Jersey Board of Public Utilities. The Company is also subject to various Federal and State regulatory agencies concerning water quality standards.

VIEW RATE INFORMATION >

VIEW TARIFF EFFECTIVE MARCH 1, 2025 >

Middlesex Water Company (Fortescue System)

Middlesex Water Company provides water service to approximately 300 customers in the Village of Fortescue in Downe Township located in the southern section of Cumberland County, NJ. This system, formerly the Bayview Water System, is now referred to as the Fortescue System. This water system is not physically interconnected with the Middlesex System, yet customers are served and billed by Middlesex Water and included under the Middlesex Water retail rate structure and tariff. Water supply to Fortescue System customers is derived solely from groundwater from an artesian aquifer known as the Lower Kirkwood Formation.

VIEW MWC FORTESCUE SYSTEM (*FORMALLY BAYVIEW*) WATER QUALITY REPORT >

SERVICE ALERTS

No DEP-issued service alerts at this time.

Contact Us

GENERAL INQUIRIES: 800-549-3802

EMAIL: csmwc@middlesexwater.com

WATER SERVICE EMERGENCY:
Contact us at (800) 782-1116 24/7, 365 days a year.

Appendix A-5.2

Pinelands Water and Wastewater Company



Appendix A-5.2

PINELANDS WATER AND WASTEWATER CO.
Middlesex Water Company Affiliates

URGENT MESSAGE: Please don't flush wipes down the toilet

These items and anything other than standard toilet paper, should not be put into the toilet. They will clog both household piping and the sewer pipes and pumpstations, resulting in blockages and jams for the pipes and the equipment treating this wastewater. Even many of the wipes that are labeled "flushable" are not and increase the risk for equipment failures and sewage overflows, and higher sewer bills.

In addition leftover and unused cooking oils, grease and fats should also not be poured down the drain and into the sewer system. While it might seem very liquid when it is coming off the stove, as it cools it hardens and also clogs pipes and sewer equipment.

Please put wipes in the trash and not toilet- ***help keep the wipes out of the pipes****. And that goes for grease and oils too.* ***We are asking our customers to help us as we manage your important utilities.***

Pinelands Water provides water services to approximately 2,500 residential customers in Burlington County, New Jersey. The Company pumps, treats and distributes water for domestic purposes in the communities of Leisure Towne and Hampton Lakes in Southhampton Township, NJ. Water supply to the Pinelands system is derived from groundwater sources. Pinelands Wastewater Company, a Middlesex Water subsidiary, collects, treats and discharges wastewater from approximately 2,500 residential customers in Burlington County, NJ. The Pinelands Wastewater treatment plant provides clarification, sedimentation, filtration and disinfection. As public utilities, Pinelands Water and Wastewater Companies are subject to the regulations of the New Jersey Board of Public Utilities. These companies are also regulated by the NJDEP and other governmental agencies concerning water quality and wastewater discharge standards.

Dedicated to Serving You

A small, dedicated team of full-time Pinelands employees work to assure continued water and wastewater service 24/7 to our customers in the Leisuretowne and Hampton Lakes communities. This consists of daily visits to the individual stations throughout the communities, service-related calls to customers, quarterly meter reading walking through the community and overseeing maintenance and construction repairs and improvements necessary for the efficient operation of our systems. We're committed to providing you with quality service.

VIEW PINELANDS WATER QUALITY REPORT >
VIEW WATER TARIFF EFFECTIVE OCTOBER 1, 2024

SERVICE ALERTS

There are no current DEP Issued Service Alerts at this time.

Middlesex Water Subsidiary Tidewater Utilities Completes The Acquisition Of Ocean View Water System

April 2, 2025 at 7:45 AM EDT

ISELIN, N.J., April 02, 2025 (GLOBE NEWSWIRE) -- Middlesex Water Company (NASDAQ: MSEX) announced today that its subsidiary, Tidewater Utilities, Inc. (TUI), completed its acquisition of the water system assets of the Town of Ocean View (TOV) in Sussex County, Delaware for $4.6 million.

“We are delighted to welcome Ocean View residents as our newest Tidewater customers,” said Bruce E. Patrick, President of TUI. “Maintaining the same water rates for all Ocean View residents during this transition is of the utmost importance to our team. We remain steadfast in our commitment of delivering clean, safe, reliable water service to our customers and remaining good community partners, just as we have for the past 17 years.”

The newly acquired TOV water system serves approximately 900 customers, who have been receiving water supply from TUI since the system was constructed in 2008. TUI also has been providing water distribution, meter reading, customer billing, and operational services to TOV during this time through its subsidiary, White Marsh Environmental Systems, Inc.

On February 19, 2025, the Delaware Public Service Commission approved TUI’s application to purchase the water assets of TOV and the right to provide water service to its existing customers.

“The sale of the Ocean View water distribution system to Tidewater Utilities presents benefits to the Town in several ways,” said Town Manager Carol Houck. “First and foremost, it ensures rate equity to our former water customers as Tidewater is subject to the regulations of the Delaware Public Service Commission. Likewise, Tidewater, a trusted partner to the Town for many years, will enhance customer service options to our former customers.”

Ocean View customers will receive additional information in the mail from TUI. Information also is available on the Tidewater website at www.TUIWater.com.

About Tidewater Utilities, Inc.

Tidewater Utilities, Inc. (“Tidewater”), a wholly owned subsidiary of Middlesex Water Company, is celebrating over 60-years of service to Delawareans. Tidewater is the largest private water supplier south of the Chesapeake & Delaware Canal in Delaware. The Company operates 172 active wells and 85 water treatment plants to serve approximately 62,000 customers in 480 separate communities in New Castle, Kent and Sussex County, Delaware.

About Middlesex Water Company

Middlesex Water Company (“Middlesex”) (NASDAQ: MSEX) is one of the nation’s premier investor-owned water and wastewater utilities. Established in 1897, Middlesex is a trusted provider of life-sustaining services to more than half a million people in New Jersey and Delaware. The company focuses on employee engagement, operational excellence, superior customer experience, investment in infrastructure, and selective and sustainable growth to deliver value to our customers, investors, and the communities we serve.

Media Contact:
Brian Hague, Vice President of Communications & Corporate Affairs
bhague@middlesexwater.com
(732) 638-7549

Source: Middlesex Water Company

Middlesex Water Company Reports 2024 Financial Results

February 28, 2025 at 4:44 PM EST

- Diluted earnings per share (“EPS”) of $2.47 for 2024, compared to 2023 earnings of $1.76
- Invested $75 million in capital expenditures in 2024 to upgrade, replace and enhance the resiliency of its water and wastewater utility infrastructure
- Utility infrastructure investment of $387 million planned from 2025 through 2027

ISELIN, N.J., Feb. 28, 2025 (GLOBE NEWSWIRE) -- Middlesex Water Company (“Middlesex” or the “Company”) (NASDAQ: MSEX) today announced financial results for the fourth quarter and year end 2024. Middlesex reported net income of $44.4 million and diluted EPS of $2.47 for 2024, compared to net income of $31.5 million and diluted EPS of $1.76 in 2023.

"Our strong 2024 performance underscores the strength of our growth strategy, the dedication of our team members, a constructive regulatory environment, and the trust we have earned from our stakeholders,” said Nadine Leslie, President and Chief Executive Officer of Middlesex Water Company. “We are excited to build on this momentum to position the company for long-term growth while delivering life-sustaining water utility service at affordable rates to our customers.”

2024 Operating Results

Middlesex reported net income for 2024 of $44.4 million, a $12.8 million increase when compared to 2023. A significant amount of the increase is attributable to the base rate increase in the Middlesex System, one-time recovery of previously incurred depreciation, operating and carrying costs of $6.0 million (net of tax) associated with the prior year construction and operation of the water treatment facilities at Middlesex’s Park Avenue water treatment plant, and increases in weather-driven customer demand across all its operating regulated water utility systems.

Revenues for 2024 were $191.9 million, an increase of $25.6 million when compared to $166.3 million in 2023. Middlesex System revenues increased $19.9 million due primarily to the New Jersey Board of Public Utilities (“NJBPU”) approved base rate increase in March 2024, and increased weather-driven customer demand. In our Delaware System, Tidewater Utilities, Inc. (“Tidewater”) revenues increased $4.5 million due primarily to increased weather-related customer demand and customer growth. Non-regulated revenues increased $0.7 million due to higher supplemental contract services.

Operations and maintenance expenses for 2024, were $92.4 million, an increase of $9.3 million when compared to $83.1 million in 2023, primarily due to higher legal, financial, and regulatory matter costs, increased labor costs due to annual wage increases, higher costs related to an enhanced water treatment process at Middlesex’s Park Avenue water treatment plant, and higher energy costs due to increased water demand.

Fourth Quarter 2024 Operating Results

Middlesex reported net income of $8.8 million and diluted EPS of $0.49, for the fourth quarter of 2024, compared to net income of $5.8 million and diluted EPS of $0.32 for the same quarter in 2023. A significant amount of the increase is attributable to the base rate increase in the Middlesex System, increases in weather-driven customer demand across all its operating regulated water utility systems, and the implementation of new interim rates in Tidewater.

Infrastructure Investments

In 2024, Middlesex invested $75 million to upgrade, replace and enhance the resiliency of its water and wastewater utility infrastructure. These investments enhanced water quality, service reliability, security, and regulatory compliance.

In 2025, the Company plans to invest approximately $93 million in infrastructure investments, including our RENEW program to replace water mains in our Middlesex System, installation of hydrants and meters, and various water main and services replacements and improvements. From 2025 through 2027, the Company expects to invest $387 million in infrastructure investments, which includes $105 million to install treatment for Perfluoroalkyl (“PFAS”) at our Carl J. Olsen surface water treatment plant.

Selective and Sustainable Growth

In February 2025, the Delaware Public Service Commission approved the application of Tidewater to purchase the water utility assets of Ocean View for approximately $4.6 million. Ocean View serves approximately 900 customers in Sussex County, Delaware. The acquisition is expected to close by April 2025.

Quarterly Dividend Declared

On January 28, 2025, the Company’s Board of Directors declared a first quarter cash dividend of $0.34 per common share. Dividends on common shares will be paid on March 3, 2025, to shareholders of record as of February 18, 2025. The Company has paid cash dividends continually since 1912 and has increased the dividends received by shareholders each calendar year for 52 consecutive years.

About Middlesex Water Company

Middlesex Water Company (NASDAQ: MSEX) is one of the nation’s premier investor-owned water and wastewater utilities. Established in 1897,

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Middlesex is a trusted provider of life-sustaining services to more than half a million people in New Jersey and Delaware. The company focuses on operational excellence, superior customer experience, investment in infrastructure, selective and sustainable growth, and employee engagement to deliver value to our customers, investors, and the communities we serve.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of U.S. federal securities laws reflecting the current beliefs or expectations of Middlesex Water Company "MSEX" or the "Company" regarding its future performance, its financial condition, its strategic plans and cash flows, its results of operations as well as any other statements that do not directly relate to any historical or current facts. These statements reflect the Company's current views and information currently available. This information is based on estimates, assumptions, and analysis that the Company believes, as of the date hereof, provide a reasonable basis for the information contained herein. Forward-looking statements can generally be identified by the use of forward-looking words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "foresees." Actual results, performance or achievements may differ materially from forward-looking statements, and the assumptions on which forward-looking statements are based. There can be no assurance that the information contained herein is reflective of future performance, and investors are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance. Unless otherwise specified, all information contained in this press release speaks only as of the date hereof. The Company undertakes no duty to update or revise the information contained herein, whether as a result of new information, future events or otherwise.

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MIDDLESEX WATER COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(In thousands except per share amounts)

	Years Ended December 31,		Quarters Ended December 31,	
	2024	2023	2024	2023
Operating Revenues	$ 191,877	$ 166,274	$ 47,107	$ 38,602
Operating Expenses:				
Operations and Maintenance	92,363	83,113	24,714	19,071
Depreciation	24,430	25,194	6,420	6,648
Other Taxes	21,874	18,744	5,444	4,640
Total Operating Expenses	138,667	127,051	36,578	30,359
Operating Income	53,210	39,223	10,529	8,243
Other Income:				
Allowance for Funds Used During Construction	1,254	2,433	467	272
Other Income, net	10,815	4,053	1,613	929
Total Other Income, net	12,069	6,485	2,080	1,201
Interest Charges	14,023	13,143	3,302	3,779
Income before Income Taxes	51,256	32,565	9,307	5,665
Income Taxes	6,905	1,041	503	(102)
Net Income	44,351	31,524	8,804	5,767
Preferred Stock Dividend Requirements	112	120	23	30
Earnings Applicable to Common Stock	$ 44,239	$ 31,404	$ 8,781	$ 5,737

Earnings per share of Common Stock:

Basic	**$ 2.48**	**$ 1.77**	**$ 0.49**	**$ 0.32**
Diluted	**$ 2.47**	**$ 1.76**	**$ 0.49**	**$ 0.32**
Average Number of				
Common Shares Outstanding :				
Basic	**17,842**	17,732	**17,881**	17,803
Diluted	**17,946**	17,847	**17,954**	17,917

Source: Middlesex Water Company

Water Utility Services' Operating Revenue and Customer Counts

The following tables present operating revenues and the number of customers by customer group of Water Utility Services:

Operating Revenue by Customer Group

	2024	2023	2022
Residential and business	$ 625,080	557,659	501,111
Industrial	5,099	4,693	5,229
Public authorities	27,446	23,755	22,027
Others	55,494	54,166	47,896
Balancing and memorandum accounts and other regulatory mechanisms	11,819	11,772	26,736
Service and other revenue	7,642	—	—
	$ 732,580	652,045	602,999

Number of Customers

	2024	2023	2022
Residential and business	384,619	383,126	379,781
Industrial	592	591	586
Public authorities	2,370	2,387	2,351
Others	11,060	10,983	10,910
	398,641	397,087	393,628

Operating Expense

Operating expense is summarized below:

Operating Expense

	2024	2023	2022
Water Utility Services	$ 560,364	506,923	473,142
Other Services	10,513	10,408	13,255
Unallocated Corporate	7,059	3,597	3,323
	$ 577,936	520,928	489,720

The primary avenue for lead and copper to enter drinking water is through plumbing materials. The Company is required to comply with the Lead and Copper Rule established by the EPA and administered by the DEP. The Company must monitor drinking water at customer taps for compliance with this rule. If lead concentrations exceed an action level, the Company must undertake additional actions to control corrosion, inform the public about steps they should take to protect their health and may be required to replace lead service lines under its control. The Company is currently in compliance with standards under the Lead and Copper Rule.

The EPA published the Lead and Copper Rule Revisions, or LCRR, that included a requirement to submit a service line inventory and a lead service line replacement plan to the respective states or agencies by October 16, 2024. Additionally, the EPA adopted a new regulation, the Lead and Copper Rule Improvements, or LCRI, to focus on the replacement of lead and certain galvanized steel service lines and ensure public education is provided along with sampling at elementary schools and childcare facilities by 2037. The Company successfully submitted its service line inventory and is developing elementary school and childcare facility mailings in preparation for LCRI sampling compliance.

The DEP and the Susquehanna River Basin Commission, or SRBC, regulate the amount of water withdrawn from streams in the watershed to assure that sufficient quantities are available to meet the needs of the Company and other regulated users. Through its Division of Dam Safety, the DEP regulates the operation and maintenance of the Company's impounding dams. The Company routinely inspects its dams and prepares annual reports of their condition as required by DEP regulations. The DEP reviews these reports and inspects the Company's dams.

Since 1980, the DEP has required any new dam to have a spillway that is capable of passing the design flood without overtopping the dam. The design flood is either the Probable Maximum Flood, or PMF, or some fraction of it, depending on the size and location of the dam. PMF is very conservative and is calculated using the most severe combination of meteorological and hydrologic conditions reasonably possible in the watershed area of a dam.

The Company engaged a professional engineer to analyze the spillway capacities at the Lake Williams and Lake Redman dams and validate the DEP's recommended flood design for the dams. Management presented the results of the study to the DEP in December 2004, and DEP then requested that the Company submit a proposed schedule for the actions to address the spillway capacities. Thereafter, the Company retained an engineering firm to prepare preliminary designs for increasing the spillway capacities to pass the PMF through armoring the dams with roller compacted concrete. Management met with the DEP on a regular basis to review the preliminary design and discuss scheduling, permitting, and construction requirements including their concern regarding the stability of the Lake Williams spillway in light of current design standards. The Company completed the final design and the permitting process to armor the dam and replace the spillway of the Lake Williams dam and began construction in 2022. The Company completed the dam armoring and spillway replacement in 2023 at a total cost of approximately $40 million. Additional capital expenditures were incurred in 2024 and are expected to be completed in 2025 for sitework around the dam and reservoir. The Lake Redman dam will be reassessed following the completion of the work on the Lake Williams dam.

Capital expenditures and operating costs required as a result of water quality standards and environmental requirements have been traditionally recognized by state public utility commissions as appropriate for inclusion in establishing rates. The capital expenditures currently required as a result of water quality standards and environmental requirements have been budgeted in the Company's capital program and represent less than 15% of its expected total capital expenditures over the next five years. The Company is currently in compliance with wastewater environmental standards and does not anticipate any major capital expenditures for its current wastewater business.

Growth

(All dollar amounts are stated in thousands of dollars)

The Company continues to grow its number of customers and distribution facilities.

The growth in the number of customers is due primarily to the acquisition of water and wastewater systems and organic growth. During the year ended December 31, 2024, the Company increased its number of customers from 77,893 to 79,771. See "Management's Discussion and Analysis – Acquisitions and Growth" for a discussion of the Company's recent acquisitions.

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THE YORK WATER COMPANY

PART I

Item 1. Business.

The York Water Company (the "Company") is the oldest investor-owned water utility in the United States and is duly organized under the laws of the Commonwealth of Pennsylvania. The Company has operated continuously since 1816. The primary business of the Company is to impound, purify to meet or exceed safe drinking water standards and distribute water. The Company also owns and operates three wastewater collection systems and eleven wastewater collection and treatment systems. The Company operates within its franchised water and wastewater territory, which covers portions of 57 municipalities within four counties in south-central Pennsylvania. The Company is regulated by the Pennsylvania Public Utility Commission, or PPUC, for both water and wastewater in the areas of billing, payment procedures, dispute processing, terminations, service territory, debt and equity financing and rate setting. The Company must obtain PPUC approval before changing any practices associated with the aforementioned areas.

Water service is supplied through the Company's own distribution system. The Company obtains the bulk of its water supply for its primary system for York and Adams Counties from both the South Branch and East Branch of the Codorus Creek, which together have an average daily flow of approximately 73.0 million gallons from a combined watershed area of approximately 117 square miles. The Company has two reservoirs on this primary system, Lake Williams and Lake Redman, which together hold up to approximately 2.5 billion gallons of water. The Company supplements these reservoirs with a 15-mile pipeline from the Susquehanna River to Lake Redman which provides access to an additional supply of 12.0 million gallons of untreated water per day. The Company obtains its water supply for its system for Franklin County from the Roxbury Dam on the Conodoguinet Creek, which has an average daily flow of approximately 26.0 million gallons from a watershed area of approximately 33 square miles. The Company has a reservoir on this system which holds up to approximately 330 million gallons of water. The Company also owns fifteen wells which are capable of providing a safe yield of approximately 923,000 gallons per day to supply water to the customers of its groundwater satellite systems in York, Adams, and Lancaster Counties. As of December 31, 2024, the Company's average daily availability was 41.1 million gallons, and average daily consumption was approximately 22.4 million gallons. The Company's service territory had an estimated population of 212,000 as of December 31, 2024. Industry within the Company's service territory is diversified, manufacturing such items as fixtures and furniture, electrical machinery, food products, paper, ordnance units, textile products, air conditioning systems, laundry detergent, barbells, and motorcycles.

The Company's water business is somewhat dependent on weather conditions, particularly the amount and timing of precipitation. Revenues are particularly vulnerable to weather conditions in the summer months. Prolonged periods of hot and dry weather generally cause increased water usage for watering lawns, washing cars, and keeping golf courses and sports fields irrigated. Conversely, prolonged periods of dry weather could lead to drought restrictions from governmental authorities. Despite the Company's adequate water supply, customers may be required to cut back water usage under such drought restrictions which would negatively impact revenues. The Company has addressed some of this vulnerability by instituting minimum customer charges which are intended to cover fixed costs of operations under all likely weather conditions.

The Company's business does not require large amounts of working capital and is not dependent on any single customer or a very few customers for a material portion of its business. Increases in revenues are generally dependent on the Company's ability to obtain rate increases from the PPUC in a timely manner and in adequate amounts and to increase volumes of water sold through increased consumption and increases in the number of customers served. The Company continuously looks for water and wastewater acquisition and expansion opportunities both within and outside its current service territory as well as additional opportunities to enter into bulk water contracts with municipalities and other entities to supply water.

The Company has agreements with several municipalities to provide billing and collection services. The Company also has a service line protection program on a targeted basis in order to further diversify its business. Under this optional program, customers pay a fixed monthly fee, and the Company will repair or replace damaged customer service lines, as needed, subject to an annual maximum dollar amount. The Company continues to review and consider opportunities to expand both initiatives.

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CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,049,437	$ 1,525,211	$ 235,212	$ -	$ 225,604	$ 3,035,464
Restricted cash				579,888		579,888
Accounts receivable, net	153,154		519,570	50,000		722,724
Taxes receivable	905,671		-			905,671
Grants receivable		370,022				370,022
Notes receivable		10,592				10,592
Accounts receivable, other	2,471		8,200			10,671
Due from federal government	409,606					409,606
Due from related parties		27,741				27,741
Due from other funds	63,144	-	-	-	-	63,144
Total current assets	2,583,483	1,933,566	762,982	629,888	225,604	6,135,523
NONCURRENT ASSETS						
Property held for resale and development	-	2,428,362	-	-	-	2,428,362
Total assets	$ 2,583,483	$ 4,361,928	$ 762,982	$ 629,888	$ 225,604	$ 8,563,885
LIABILITIES:						
Accounts payable	$ 177,578	$ 561,632	$ 272,204	$ 309,077	$ 64,000	$ 1,384,491
Due to other funds					5,500	5,500
Grants received in advance		917,537				917,537
Accrued liabilities	582,359	-	15,308	-	-	597,667
Total liabilities	759,937	1,479,169	287,512	309,077	69,500	2,905,195
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	257,499					257,499
Sewer fees	-	-	255,001	-	-	255,001
Total deferred inflows	257,499	-	255,001	-	-	512,500
FUND BALANCES:						
Nonspendable						
Properties held for resale		2,428,362				2,428,362
Unassigned fund balances	1,566,047	454,397	-	-	154,615	2,175,059
Restricted fund balances	-	-	220,469	320,811	1,489	542,769
Total fund balances	1,566,047	2,882,759	220,469	320,811	156,104	5,146,190
Total liabilities and fund balances	$ 2,583,483	$ 4,361,928	$ 762,982	$ 629,888	$ 225,604	$ 8,563,885

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:						
Taxes	$ 4,356,077	$ -	$ -	$ -	$ 218,141	$ 4,574,218
Intergovernmental revenues	1,264,380	1,892,417			6,652	3,163,449
Charges for services	921,420	5,000	1,489,486			2,415,906
Licenses and permits	197,226					197,226
Fines and forfeits	75,824					75,824
Investment earnings	14,141	13,445	54	518	59	28,217
Miscellaneous revenues	73,203	168,462	-	88,678	-	330,343
Total revenues	6,902,271	2,079,324	1,489,540	89,196	224,852	10,785,183
EXPENDITURES:						
Current:						
Public works	974,234		707,890		236,608	1,918,732
Public safety	2,514,057			16,380		2,530,437
Community development	260,322	2,247,949		106,996		2,615,267
General government - administrative	1,426,397			124,246		1,550,643
Culture and recreation	418,040					418,040
Debt service:						
Principal	569,313		395,000		121,000	1,085,313
Interest	282,372	-	207,848	-	-	490,220
Total expenditures	6,444,735	2,247,949	1,310,738	247,622	357,608	10,608,652
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	457,536	(168,625)	178,802	(158,426)	(132,756)	176,532
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of short-term debt	120,000					120,000
Transfers in	340,000				121,000	461,000
Transfers out	(121,000)	(40,000)	(300,000)	-	-	(461,000)
Total other financing sources (uses)	339,000	(40,000)	(300,000)	-	121,000	120,000
NET CHANGE IN FUND BALANCE	796,536	(208,625)	(121,198)	(158,426)	(11,756)	296,532
FUND BALANCE, BEGINNING	769,511	3,091,384	341,667	479,236	167,860	4,849,658
FUND BALANCE, ENDING	$ 1,566,047	$ 2,882,759	$ 220,469	$ 320,811	$ 156,104	$ 5,146,190

See Notes to Financial Statements

CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,596,798	$ 1,187,494	$ 218,400	$ -	$ 345,383	$ 3,348,075
Restricted cash				401,787		401,787
Accounts receivable, net	30,000		539,205	112,350		681,555
Taxes receivable	1,027,500		-			1,027,500
Prepaid expenses	18,644					18,644
Grants receivable	8,897	231,250	65,505			305,652
Notes receivable		12,703				12,703
Accounts receivable, other	439,905		8,200			448,105
Due from other governments	2,172					2,172
Due from related parties	13,908	9,287				23,195
Due from other funds	1,254	-	-	-	-	1,254
Total current assets	3,139,078	1,440,734	831,310	514,137	345,383	6,270,642
NONCURRENT ASSETS						
Property held for resale and development	-	2,523,427	-	-	-	2,523,427
Total assets	$ 3,139,078	$ 3,964,161	$ 831,310	$ 514,137	$ 345,383	$ 8,794,069
LIABILITIES:						
Accounts payable	$ 54,026	$ 532,865	$ 97,059	$ 499,827	$ -	$ 1,183,777
Due to other funds					1,254	1,254
Grants received in advance		600,922		143,151		744,073
Accrued liabilities	621,565	-	11,733	-	-	633,298
Total liabilities	675,591	1,133,787	108,792	642,978	1,254	2,562,402
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	316,994					316,994
Sewer fees	-	-	301,935	-	-	301,935
Total deferred inflows	316,994	-	301,935	-	-	618,929
FUND BALANCES:						
Nonspendable						
Properties held for resale		2,523,427				2,523,427
Unassigned fund balances	2,146,493	306,947	-	-	342,640	2,796,080
Restricted fund balances	-	-	420,583	(128,841)	1,489	293,231
Total fund balances	2,146,493	2,830,374	420,583	(128,841)	344,129	5,612,738
Total liabilities and fund balances	$ 3,139,078	$ 3,964,161	$ 831,310	$ 514,137	$ 345,383	$ 8,794,070

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:						
Taxes	$ 4,963,642	$ -	$ -	$ -	$ 213,821	$ 5,177,463
Intergovernmental revenues	721,106	2,884,956			153,349	3,759,411
Charges for services	1,016,779	181,463	1,581,106			2,779,348
Licenses and permits	194,746					194,746
Fines and forfeits	83,261					83,261
Investment earnings	32,197	9,403	4,563	7,666	49	53,878
Miscellaneous revenues	115,577	126	-	145,350	5,500	266,553
Total revenues	7,127,308	3,075,948	1,585,669	153,016	372,719	12,314,660
EXPENDITURES:						
Current:						
Public works	1,138,073		558,230	188,097	184,694	2,069,094
Public safety	2,665,727			93,753		2,759,480
Community development	213,836	3,128,333				3,342,169
General government - administrative	1,162,976			36,708		1,199,684
Culture and recreation	696,728			284,110		980,838
Debt service:						
Principal	706,232		400,000			1,106,232
Interest	299,290	-	91,325	-	-	390,615
Total expenditures	6,882,862	3,128,333	1,049,555	602,668	184,694	11,848,112
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	244,446	(52,385)	536,114	(449,652)	188,025	466,548
OTHER FINANCING SOURCES (USES):						
Transfers in	336,000					336,000
Transfers out	-	-	(336,000)	-	-	(336,000)
Total other financing sources (uses)	336,000	-	(336,000)	-	-	-
NET CHANGE IN FUND BALANCE	580,446	(52,385)	200,114	(449,652)	188,025	466,548
FUND BALANCE, BEGINNING	1,566,047	2,882,759	220,469	320,811	156,104	5,146,190
FUND BALANCE, ENDING	$ 2,146,493	$ 2,830,374	$ 420,583	$ (128,841)	$ 344,129	$ 5,612,738

See Notes to Financial Statements

CITY OF PITTSTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
Current Assets						
Cash	$ 1,962,701	$ 1,094,997	$ 296,071	$ -	$ 229,120	$ 3,582,889
Restricted cash				948,984		948,984
Accounts receivable, net	38,415		527,961	123,803		690,179
Taxes receivable	919,647					919,647
Prepaid expenses	38,611		5,906			44,517
Grants receivable	7,674	203,725				211,399
Notes receivable		3,810				3,810
Accounts receivable, other	97,565					97,565
Due from other governments	33,755					33,755
Due from related parties	306,954	11,048	-	-	-	318,002
Total current assets	3,405,322	1,313,580	829,938	1,072,787	229,120	6,850,747
NONCURRENT ASSETS						
Leases receivable		445,280				445,280
Property held for resale and development	-	3,045,751	-	-	-	3,045,751
Total assets	$ 3,405,322	$ 4,804,611	$ 829,938	$ 1,072,787	$ 229,120	$ 10,341,779
LIABILITIES:						
Accounts payable	$ 27,445	$ 213,725	$ 113,998	$ 179,287	$ -	$ 534,455
Due to related parties		38,544			-	38,544
Grants received in advance		944,636		73,658		1,018,294
Accrued liabilities	324,545	-	139,218	-	-	463,763
Total liabilities	351,990	1,196,905	253,216	252,945	-	2,055,056
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue:						
Property taxes	236,325					236,325
Leases receivable		445,280				445,280
Sewer fees	-	-	290,691	-	-	290,691
Total deferred inflows	236,325	445,280	290,691	-	-	972,296
FUND BALANCES:						
Nonspendable						
Properties held for resale		3,045,751				3,045,751
Unassigned fund balances	2,817,007	116,675	-	-	227,626	3,161,308
Restricted fund balances	-	-	286,031	819,842	1,494	1,107,367
Total fund balances	2,817,007	3,162,426	286,031	819,842	229,120	7,314,426
Total liabilities and fund balances	$ 3,405,322	$ 4,804,611	$ 829,938	$ 1,072,787	$ 229,120	$ 10,341,779

See Notes to Financial Statements

CITY OF PITTSTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	GENERAL FUND	COMMUNITY DEVELOPMENT FUND	SEWER MAINTENANCE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:						
Taxes	$ 4,930,561	$ -	$ -	$ -	$ 220,453	$ 5,151,014
Intergovernmental revenues	893,656	3,264,214		802,566	6,140	4,966,576
Charges for services	1,006,154		1,648,579			2,654,733
Licenses and permits	198,758					198,758
Fines and forfeits	81,319					81,319
Investment earnings	102,597	4,462	23,065	37,746	12,772	180,642
Miscellaneous revenues	453,364	172,049	40,515	35,000	-	700,928
Total revenues	7,666,409	3,440,725	1,712,159	875,312	239,366	13,933,971
EXPENDITURES:						
Current:						
Public works	1,294,137		972,522	1,433,604	354,375	4,054,638
Public safety	2,944,895					2,944,895
Community development	402,359	3,108,673				3,511,032
General government - administrative	3,506,112			73,025		3,579,137
Culture and recreation	620,751					620,751
Debt service:						
Principal	1,443,218		405,000			1,848,218
Interest	429,423	-	109,189	-	-	538,612
Total expenditures	10,640,895	3,108,673	1,486,711	1,506,629	354,375	17,097,283
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,974,486)	332,052	225,448	(631,317)	(115,009)	(3,163,312)
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long term debt	3,285,000			1,580,000		4,865,000
Transfers in	360,000					360,000
Transfers out	-	-	(360,000)	-	-	(360,000)
Total other financing sources (uses)	3,645,000	-	(360,000)	1,580,000	-	-
NET CHANGE IN FUND BALANCE	670,514	332,052	(134,552)	948,683	(115,009)	1,701,688
FUND BALANCE, BEGINNING	2,146,493	2,830,374	420,583	(128,841)	344,129	5,146,190
FUND BALANCE, ENDING	$ 2,817,007	$ 3,162,426	$ 286,031	$ 819,842	$ 229,120	$ 7,314,426

See Notes to Financial Statements

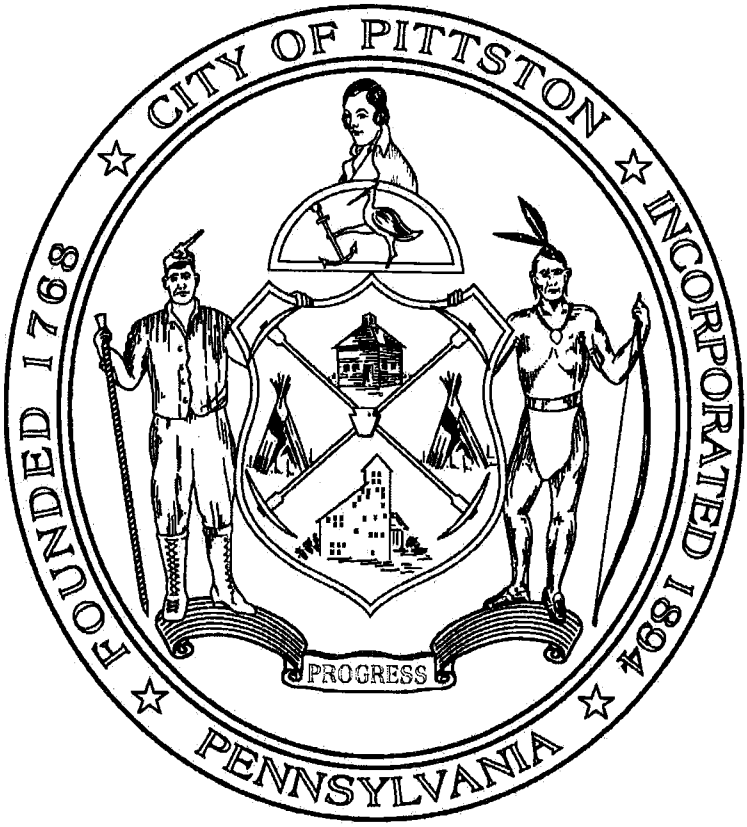
City of Pittston

Office of the Chief Financial Officer

Fiscal Year 2025
ADOPTED BUDGET

Appropriated Funds

General Fund
Sewer Maintenance Fund
Liquid Fuels Funds



SEWER MAINTENANCE FUND

Appendix A-5.2

Account Number	Account Name	2025 2025 ADOPTED	2024 2024 B	2023 2023
Revenue				
08-341-0100	INTEREST EARNINGS	19,000.00	19,000.00	21,000.00
08-359-1100	WVSA REIMBURSEMENT-SANITARY	25,000.00	25,000.00	25,000.00
08-359-1200	WVSA REIMBURSEMENT-STORMWATER	10,000.00	18,000.00	15,000.00
08-364-1200	CITY SEWER MAINTENANCE FEE	1,650,000.00	1,700,000.00	1,639,000.00
08-399-1000	APPROPRIATION OF UNRESERVED FUND BALAN	21,000.00	2,000.00	0.00
	Total Revenue:	**1,725,000.00**	**1,764,000.00**	**1,700,000.00**
Expense				
08-402-3100	FINANCE-PROFESSIONAL SERVICES	30,000.00	15,000.00	0.00
08-402-3110	FINANCE-PROF SERV-ACCOUNTING	11,000.00	10,000.00	8,000.00
08-402-3111	FINANCE-PROF SERV-ANNUAL CITY AUDIT CAFR	7,500.00	6,500.00	5,000.00
08-402-4501	FINANCE CONTRACTUAL THIRD PARTY BILLING F	100,000.00	118,000.00	112,270.00
08-402-4502	FINANCE-CONTRACTUAL-THIRD PARTY DELINQ C	0.00	8,000.00	8,100.00
08-403-3900	TREASURER-BANK CHARGES/FEES	0.00	0.00	100.00
08-404-3140	LEGAL-SPECIAL LEGAL SERVICES	0.00	50,000.00	62,000.00
08-404-3145	LEGAL--EXPERT WITNESS/CONSULTANT	0.00	0.00	35,000.00
08-404-3150	LEGAL--MEDIATION FEES	0.00	0.00	25,000.00
08-405-3421	ADMIN-ORDINANCE CODIFICATION	5,000.00	4,000.00	3,600.00
08-407-4523	IT-TYLER ACCOUNTING SYSTEM	2,500.00	1,000.00	1,000.00
08-407-4524	IT-COMPUTER MEMORY BACKUP	2,000.00	2,000.00	2,000.00
08-407-4535	IT--IWORQ/DEBT BOOKS SUPPORT	11,000.00	11,900.00	5,500.00
08-408-3001	ENGINEERING-OTHER SERV CHARGES	2,000.00	35,400.00	3,000.00
08-429-2000	SANITARY SEWERS-SUPPLIES	7,000.00	6,000.00	4,900.00
08-429-2600	SANITARY SEWERS-SMALL TOOLS/EQUIP	1,000.00	1,000.00	2,000.00
08-429-3000	SANITARY SEWERS-OTH SERVICES/CHARGES	3,000.00	3,000.00	3,000.00
08-429-3700	SANITARY SEWERS-MAINT/REPAIR	95,000.00	95,000.00	152,500.00
08-429-4500	SANITARY SEWERS--CONTRACTUAL SERVICES	95,000.00	95,000.00	98,930.00
08-429-7501	SANITARY SEWERS-CAPITAL LEASES	50,000.00	48,000.00	35,000.00
08-430-3730	STREET-BLDG MAINT/REPAIR	2,000.00	2,000.00	2,000.00
08-430-4510	STREET-MOTOR POOL REPAIR/MAINTENANCE	5,000.00	4,750.00	2,500.00
08-431-4510	ST SWEEP-MOTOR POOL REPAIR/MAINTENANCE	2,000.00	2,500.00	3,000.00
08-431-7500	ST SWEEP--CAPITAL LEASE	12,000.00	0.00	0.00
08-435-3000	SIDEWALKS/CROSSWALKS OTHER SERV CHARGE	4,000.00	4,000.00	4,000.00
08-435-4500	SIDEWALKS/CROSSWALKS-CONTRACTUAL SERVI	4,500.00	7,000.00	5,000.00
08-436-1110	STORM SEWERS--MS4 PERMIT ADMIN STIPEND	1,500.00	1,500.00	1,500.00
08-436-2000	STORM SEWERS-SUPPLIES	9,000.00	9,000.00	9,000.00
08-436-2385	STORM SEWERS--SAFETY EQUIPMENT	2,500.00	3,000.00	1,500.00
08-436-2600	STORM SEWERS-SMALL TOOLS/EQUIP	1,500.00	1,500.00	2,000.00
08-436-3000	STORM SEWERS-OTH SERVICES/CHARGES	500.00	500.00	0.00
08-436-3001	STORM SEWERS-MS4 PERMIT COSTS	500.00	1,000.00	2,000.00
08-436-3510	STORM SEWER-INSURANCE	20,000.00	15,100.00	7,000.00
08-436-3700	STORM SEWERS-MAINT/REPAIRS	75,000.00	75,000.00	39,000.00
08-436-4500	STORM SEWERS-CONTRACTUAL SERVICES	75,000.00	75,000.00	93,000.00
08-436-5000	STORM SEWERS-EQUIPMENT LEASE PURCHASE	55,000.00	45,000.00	53,000.00
08-436-7501	STORM SEWER-PAYGO CAPITAL	40,000.00	30,000.00	24,000.00
08-437-3000	EQUIP REPAIRS-OTHER SERVICE CHARGES	5,000.00	2,000.00	2,500.00
08-455-3100	SHADE TREES-PROFESSIONAL SERVICES	15,000.00	10,000.00	25,000.00
08-471-2011	DEBT-BOND-2020A	440,000.00	425,000.00	405,000.00
08-471-2014	DEBT--SERIES 2023A	2,000.00	2,000.00	0.00
08-472-2011	INT-BOND-2020A	18,000.00	34,600.00	76,200.00
08-472-2013	INTEREST--BOND--SERIES 2023A	111,800.00	112,250.00	0.00
08-489-9000	UNCLASSIFIED-GEN OTHR MISC EXPENSE	4,200.00	6,000.00	2,500.00
08-492-0100	TRANSFER TO GF-COST RECOVERY	375,000.00	375,000.00	365,000.00
08-495-8000	SPECIAL EXPENSE--BAD DEBT	20,000.00	10,000.00	8,200.00
08-499-9000	FUND BAL-PRIOR YR LIABILITIES	2,000.00	500.00	200.00
	Total Expense:	**1,725,000.00**	**1,764,000.00**	**1,700,000.00**
	Report Total:	**0.00**	**0.00**	**0.00**

Appendix A-5.2

	Pittston, PA Data & Demographics (As of July 1, 2025)
POPULATION	
Total Population	7,645 (100%)
Population in Households	7,632 (99.8%)
Population in Families	5,610 (73.4%)
Population in Group Quarters1	13 (0.2%)
Population Density	4995
Diversity Index2	47
INCOME	
Median Household Income	$47,576
Average Household Income	$66,083
% of Income for Mortgage4	18%
Per Capita Income	$30,162
Wealth Index5	43
HOUSING	
Total HU (Housing Units)	4,041 (100%)
Owner Occupied HU	1,851 (45.8%)
Renter Occupied HU	1,638 (40.5%)
Vacant Housing Units	552 (13.7%)
Median Home Value	$140,098
Average Home Value	$163,490
Housing Affordability Index3	112
HOUSEHOLDS	
Total Households	3,489
Average Household Size	2.19
Family Households	1900
Average Family Size	3

NOTES:

1. ESTIMATED LINEAR FEET OF SEWER LINE – 134,606
2. ESTIMATED NUMBER OF MANHOLES – 549



LEGEND

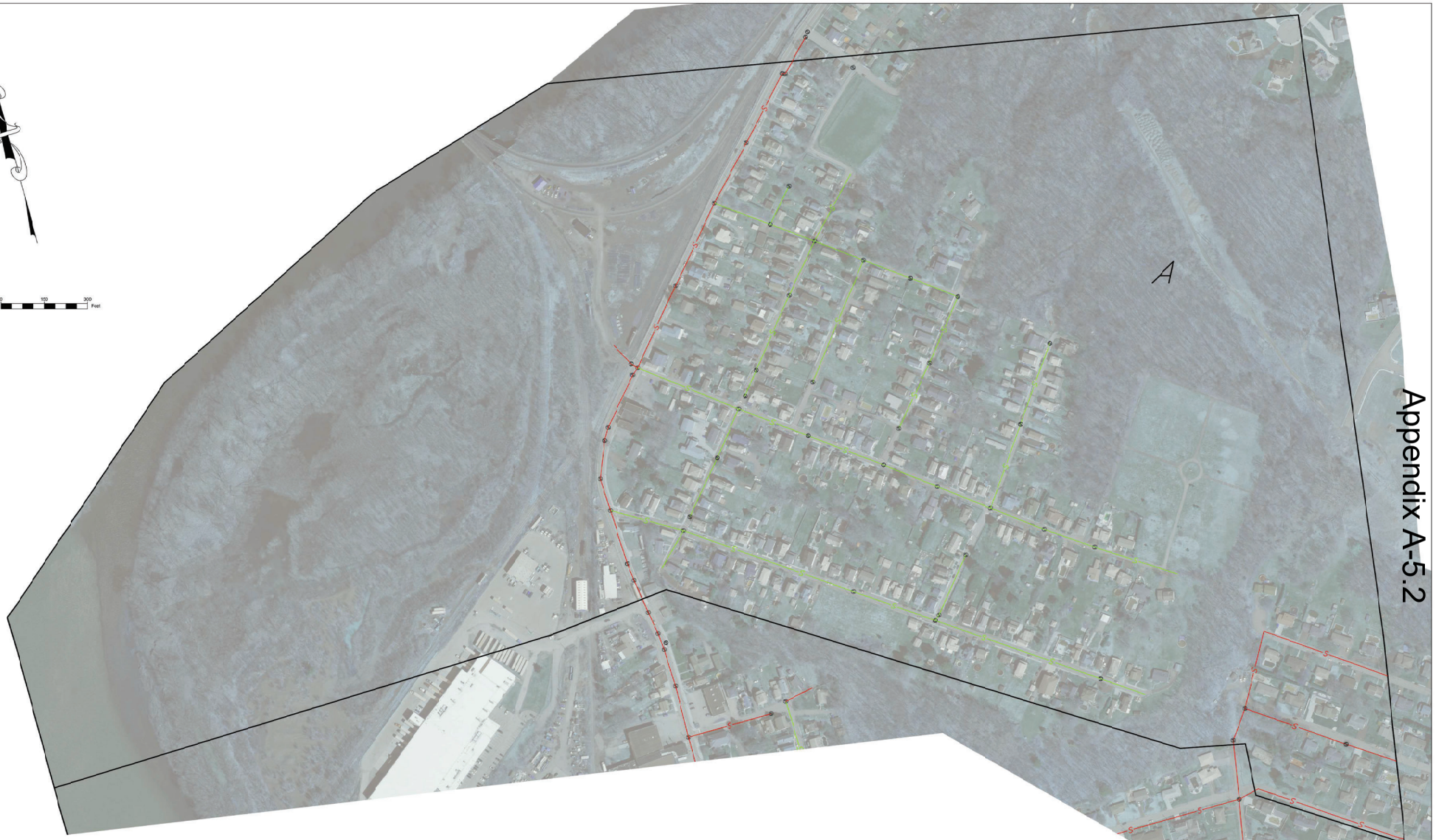
INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

0 500 1000 Feet

PITTSTON CITY	Survey Date: 2023
SEWER MAP	Drawn By: TAD
PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Checked By: TAD
	Approved By: TAD
OVERALL SECTION MAP	Date: 3/1/23
	Scale: 1"=500'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING	Project No. 10020.56
49 South Main Street Suite 200 Pittston, PA 18640 tel: 570.654.2473 fax: 570.654.5880 www.reillyengineering.com	Sheet No. 10F9

Appendix A-5.2



Appendix A-5.2

LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION A MAP	Date: 3/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING 19 South Main Sreet Suite 200 Pittston, PA 18640 tel: 570.654.3173 fax: 570.654.8883 www.reillyengineering.com	Project No. 10020.56 Sheet No. 20F9



Appendix A-5.2

LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION B MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING	Project No. 10020.56 Sheet No. 30F9

49 South Main Street
Suite 200
Pittston, PA 18640
tel. 570.654.2473
fax. 570.654.5880
www.reillyengineering.com



LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

Appendix A-5.2

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION C MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel. 570.654.2473 fax. 570.654.5880 www.reillyengineering.com	Project No. 10020.56 Sheet No. 4OF9



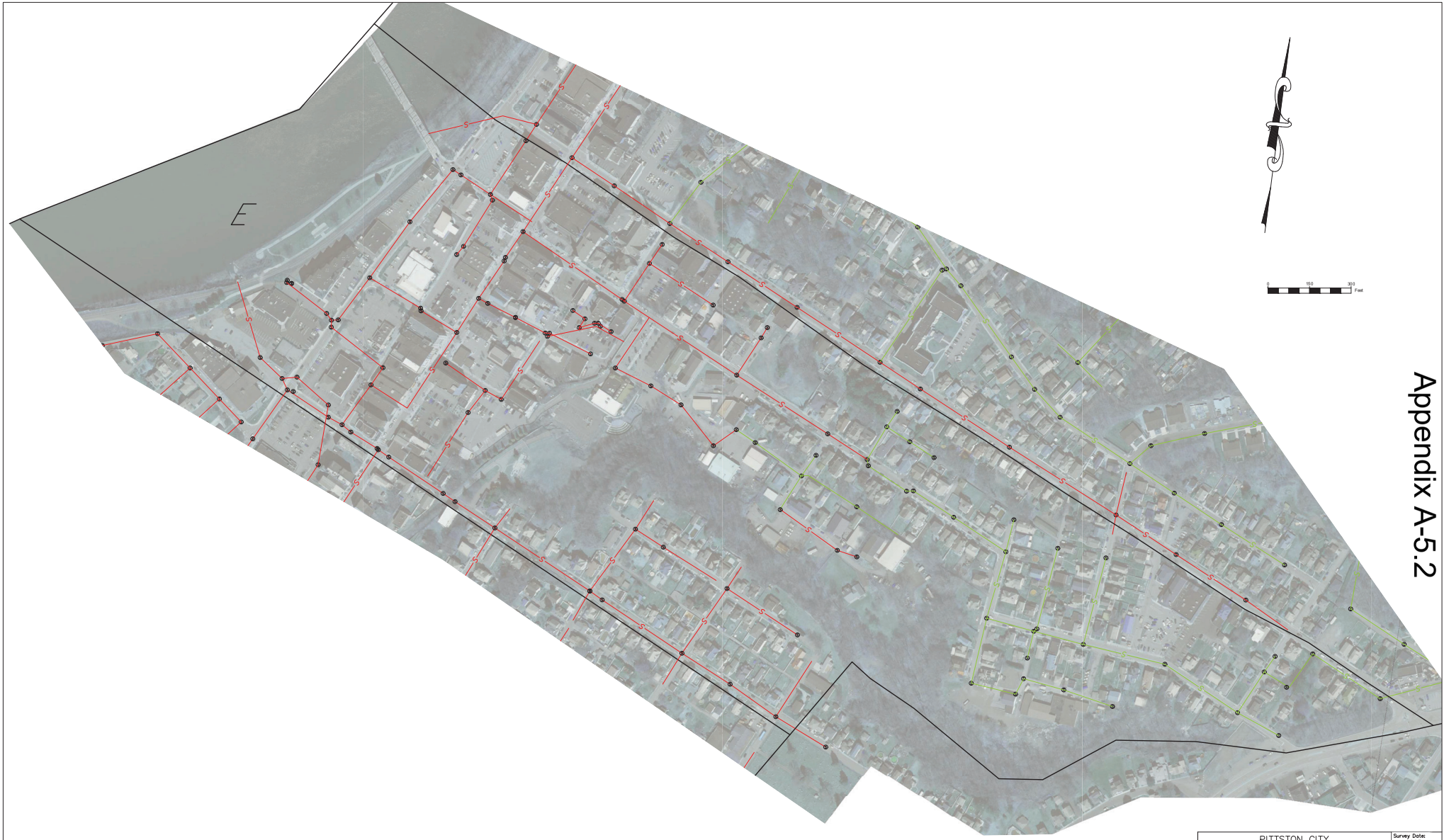
LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION D MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel 570.654.2473 fax 570.654.5880 www.reillyengineering.com	Project No. 10020.56 Sheet No. 5OF9

Appendix A-5.2



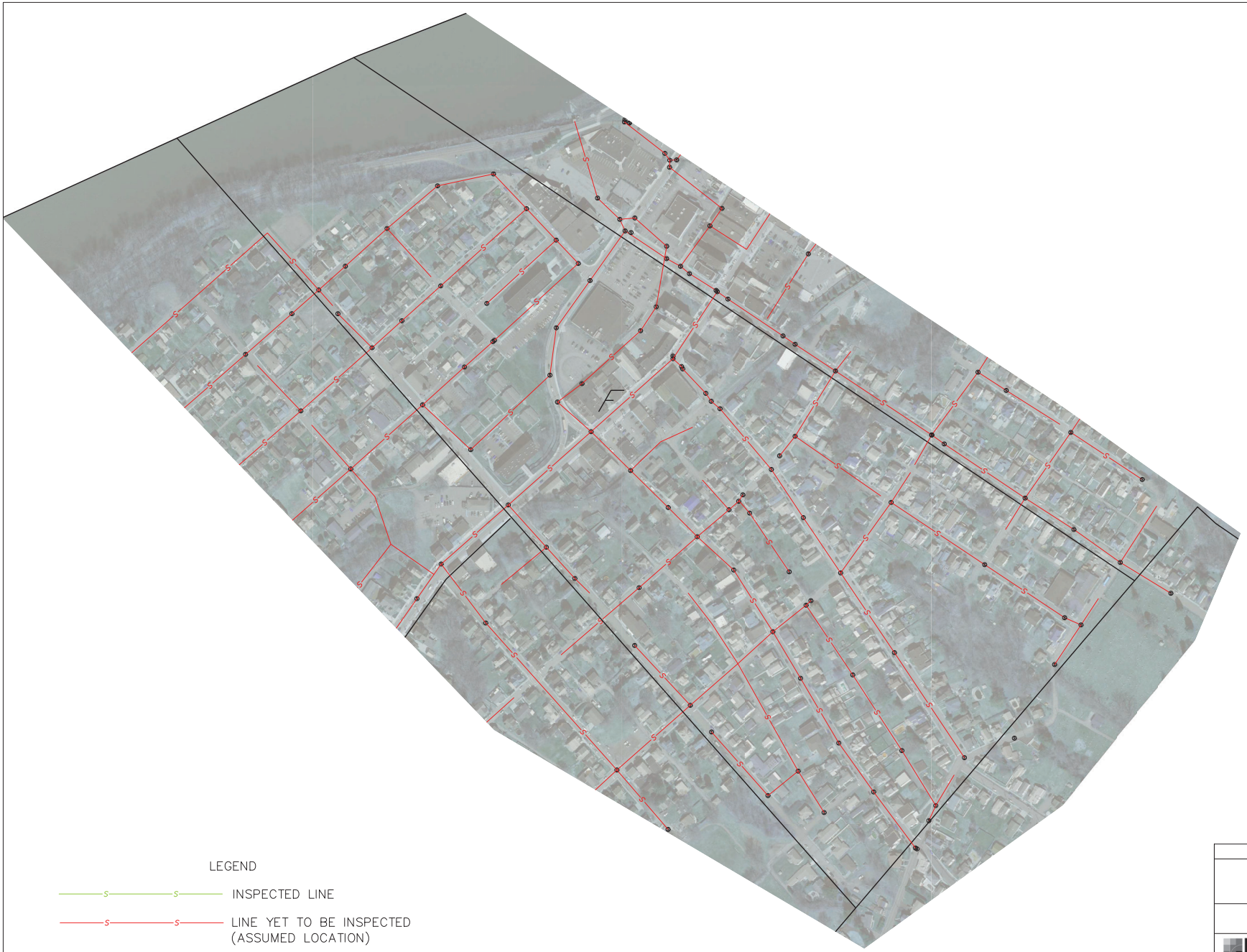
Appendix A-5.2

LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION E MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel. 570.654.2473 fax. 570.654.5880 www.reillyengineering.com	Project No. 10020.56 Sheet No. 6OF9



LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

Appendix A-5.2

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION F MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel 570.654.2473 fax 570.654.5880 www.reillyengineering.com	Project No. 10020.56 Sheet No. 7OF9



0 150 300 Feet

LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION G MAP	Date: 3/1/23 Scale: 1"=150'
Reilly Associates SINCE 1990 ENGINEERING / ENVIRONMENTAL / SURVEYING 49 South Main Street Suite 200 Pittston, PA 18640 tel. 570.654.2473 fax. 570.654.5880 www.reillyengineering.com	Project No. 10020.56 Sheet No. 8OF9

Appendix A-5.2



LEGEND

INSPECTED LINE

LINE YET TO BE INSPECTED
(ASSUMED LOCATION)

0 150 300 Feet

Appendix A-5.2

PITTSTON CITY	Survey Date: 2023
SEWER MAP PITTSTON CITY, LUZERNE COUNTY PENNSYLVANIA	Drawn By: TAD Checked By: TAD Approved By: TAD
SECTION H MAP	Date: 3/1/23 Scale: 1"=150' Project No. 10020.56 Sheet No. 9OF9

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49 South Main Street
Suite 200
Pittston, PA 18640
tel: 570.654.2473
fax: 570.654.5880
www.reillyengineering.com



Welcome



City Hall



Church St & Broad St



Church St & Broad St



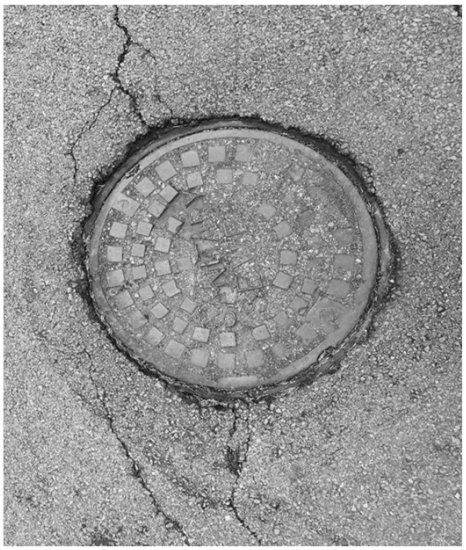
Church & Bendik Way



Vine St & E Frothingham St



Market St



Market St



Tedrick St



Tedrick St



Butler St



Maple Lane



New St



Maple Lane

Schedule 7.04

Rates

Residential and Commercial:

Seller bills its customers quarterly at the following rates effective as of January 1, 2025:

$82.50 for 0 to 15,000 gallons per calendar year quarter

$4.25 for each additional 1,000 gallons per quarter or fraction thereof per quarter over 15,000 gallons

$82.50 minimum charge per quarter

Consensus Forecast of U.S. Interest Rates and Key Assumptions

	History								Consensus Forecasts-Quarterly Avg.					
	Average For Week Ending				Average For Month			Latest Qtr	2Q	3Q	4Q	1Q	2Q	3Q
Interest Rates	Apr 25	Apr 18	Apr 11	Apr 4	Mar	Feb	Jan	1Q 2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Federal Funds Rate	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Prime Rate	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	**7.5**	**7.3**	**7.0**	**6.7**	**6.6**	**6.4**
SOFR	4.30	4.33	4.37	4.38	4.33	4.34	4.32	4.33	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Commercial Paper, 1-mo.	4.34	4.40	4.34	4.31	4.32	4.31	4.32	4.32	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Treasury bill, 3-mo.	4.33	4.33	4.33	4.31	4.34	4.33	4.34	4.34	**4.2**	**4.0**	**3.8**	**3.6**	**3.4**	**3.2**
Treasury bill, 6-mo.	4.22	4.21	4.18	4.21	4.27	4.30	4.26	4.28	**4.1**	**4.0**	**3.7**	**3.5**	**3.4**	**3.3**
Treasury bill, 1 yr.	3.97	3.98	3.95	3.97	4.06	4.19	4.18	4.14	**4.0**	**3.8**	**3.7**	**3.5**	**3.4**	**3.3**
Treasury note, 2 yr.	3.77	3.82	3.83	3.81	3.97	4.21	4.27	4.15	**3.9**	**3.7**	**3.6**	**3.5**	**3.5**	**3.4**
Treasury note, 5 yr.	3.95	3.97	3.99	3.86	4.04	4.28	4.43	4.25	**4.0**	**3.9**	**3.8**	**3.7**	**3.7**	**3.7**
Treasury note, 10 yr.	4.37	4.34	4.33	4.13	4.28	4.45	4.63	4.45	**4.3**	**4.2**	**4.1**	**4.1**	**4.1**	**4.1**
Treasury bond, 30 yr.	4.83	4.78	4.74	4.51	4.60	4.68	4.85	4.71	**4.6**	**4.5**	**4.5**	**4.4**	**4.4**	**4.4**
Corporate Aaa bond	5.62	5.61	5.66	5.36	5.38	5.39	5.55	5.44	**5.3**	**5.3**	**5.2**	**5.2**	**5.2**	**5.1**
Corporate Baa bond	6.12	6.13	6.19	5.84	5.81	5.82	5.97	5.86	**6.1**	**6.1**	**6.0**	**6.0**	**6.0**	**5.9**
State & Local bonds	4.59	4.57	4.58	4.24	4.22	4.16	4.18	4.19	**4.5**	**4.4**	**4.4**	**4.3**	**4.3**	**4.3**
Home mortgage rate	6.81	6.83	6.62	6.64	6.65	6.84	6.96	6.82	**6.6**	**6.5**	**6.4**	**6.3**	**6.2**	**6.2**
	History								Consensus Forecasts-Quarterly					
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**
Key Assumptions	2023	2023	2023	2024	2024	2024	2024	2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Fed's AFE Index	114.6	115.0	116.6	115.5	117.3	114.9	117.9	119.8	**114.9**	**114.2**	**113.3**	**112.6**	**112.5**	**112.4**
Real GDP	2.4	4.4	3.2	1.6	3.0	3.1	2.4	-0.3	**0.8**	**0.3**	**0.8**	**1.4**	**1.8**	**2.0**
GDP Price Index	1.9	3.2	1.5	3.0	2.5	1.9	2.3	3.7	**3.4**	**3.2**	**2.9**	**2.6**	**2.3**	**2.3**
Consumer Price Index	3.0	3.5	2.8	3.7	2.8	1.4	3.0	3.8	**3.4**	**3.7**	**3.1**	**2.8**	**2.5**	**2.4**
PCE Price Index	2.9	2.7	1.7	3.4	2.5	1.5	2.4	3.6	**3.5**	**3.4**	**3.0**	**2.6**	**2.4**	**2.3**

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Appendix A-5.2

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
SPOT	**5/30/2025**	**3,963.448**	**42,200.811**	**530.311**	**4,234.791**	**18,569.965**	**3,632.955**	**1,433.179**	**682.440**
2013	1/31/2013	**1,272.729**	**12,286.137**	**313.776**	**1,346.998**	**5,463.243**	**840.392**	**471.008**	**327.909**
2013	2/28/2013	**1,319.039**	**12,543.905**	**310.650**	**1,372.614**	**5,752.372**	**849.367**	**473.371**	**322.237**
2013	3/31/2013	**1,421.276**	**12,924.431**	**313.406**	**1,480.334**	**6,070.791**	**884.304**	**479.603**	**327.140**
2013	4/30/2013	**1,382.181**	**13,011.119**	**322.028**	**1,488.901**	**6,111.438**	**866.219**	**480.988**	**326.493**
2013	5/31/2013	**1,327.647**	**12,730.222**	**310.271**	**1,388.183**	**6,001.923**	**900.226**	**466.480**	**329.776**
2013	6/30/2013	**1,338.061**	**12,959.456**	**311.607**	**1,377.682**	**6,030.071**	**883.124**	**477.079**	**329.129**
2013	7/31/2013	**1,541.518**	**13,217.123**	**321.512**	**1,509.379**	**6,391.779**	**892.992**	**496.380**	**355.640**
2013	8/31/2013	**1,344.711**	**13,008.539**	**307.599**	**1,421.185**	**5,931.749**	**858.423**	**484.377**	**334.858**
2013	9/30/2013	**1,393.458**	**13,104.640**	**311.146**	**1,438.847**	**6,008.335**	**896.079**	**506.089**	**341.960**
2013	10/31/2013	**1,429.051**	**13,387.603**	**316.282**	**1,509.493**	**6,087.743**	**907.986**	**495.629**	**350.224**
2013	11/30/2013	**1,439.115**	**13,212.258**	**322.689**	**1,532.222**	**5,877.778**	**893.165**	**516.290**	**363.409**
2013	12/31/2013	**1,421.692**	**13,196.213**	**316.752**	**1,542.247**	**5,792.958**	**940.143**	**499.733**	**350.984**
2014	1/31/2014	**1,408.915**	**13,251.478**	**313.833**	**1,552.749**	**5,856.573**	**916.352**	**483.176**	**343.736**
2014	2/28/2014	**1,457.723**	**13,861.514**	**307.667**	**1,575.749**	**6,042.927**	**953.434**	**488.111**	**341.147**
2014	3/31/2014	**1,545.292**	**13,960.600**	**315.416**	**1,596.279**	**6,024.472**	**952.839**	**510.130**	**344.156**
2014	4/30/2014	**1,471.451**	**13,983.832**	**312.162**	**1,551.564**	**6,028.013**	**919.410**	**486.661**	**339.087**
2014	5/31/2014	**1,455.593**	**14,549.126**	**313.525**	**1,530.414**	**6,100.259**	**915.588**	**486.122**	**344.787**
2014	6/30/2014	**1,569.991**	**14,699.502**	**314.941**	**1,632.714**	**6,248.990**	**918.820**	**497.473**	**350.611**
2014	7/31/2014	**1,466.063**	**14,398.750**	**308.963**	**1,569.887**	**5,816.962**	**922.876**	**483.724**	**327.441**
2014	8/31/2014	**1,504.687**	**14,985.574**	**307.188**	**1,645.895**	**6,067.568**	**934.005**	**492.765**	**343.916**
2014	9/30/2014	**1,431.912**	**14,559.199**	**298.616**	**1,554.111**	**5,805.341**	**924.502**	**477.832**	**341.606**
2014	10/31/2014	**1,639.398**	**15,480.025**	**315.919**	**1,706.069**	**6,278.412**	**1,033.923**	**525.200**	**367.012**
2014	11/30/2014	**1,599.013**	**15,364.380**	**313.338**	**1,660.170**	**6,344.315**	**993.669**	**517.774**	**342.619**
2014	12/31/2014	**1,705.381**	**15,409.208**	**322.240**	**1,638.180**	**6,365.511**	**1,037.788**	**534.208**	**381.175**
2015	1/31/2015	**1,781.413**	**15,918.445**	**318.712**	**1,634.833**	**6,427.333**	**1,071.181**	**515.036**	**387.067**
2015	2/28/2015	**1,783.911**	**15,659.191**	**315.263**	**1,700.947**	**6,308.784**	**1,071.732**	**537.430**	**387.067**
2015	3/31/2015	**1,774.738**	**15,689.014**	**316.257**	**1,656.971**	**6,292.882**	**1,024.348**	**527.808**	**397.687**
2015	4/30/2015	**1,708.039**	**15,744.786**	**317.463**	**1,644.315**	**6,381.568**	**985.925**	**528.220**	**408.985**
2015	5/31/2015	**1,703.231**	**15,539.174**	**311.723**	**1,645.267**	**6,326.332**	**1,003.771**	**508.673**	**374.761**
2015	6/30/2015	**1,663.940**	**14,776.135**	**308.993**	**1,595.477**	**6,002.288**	**1,015.365**	**520.457**	**355.474**
2015	7/31/2015	**1,707.765**	**15,366.410**	**312.852**	**1,556.263**	**6,170.504**	**1,006.790**	**523.362**	**361.646**
2015	8/31/2015	**1,687.895**	**15,548.252**	**318.585**	**1,513.172**	**6,214.504**	**984.846**	**524.314**	**359.324**
2015	9/30/2015	**1,823.823**	**16,114.257**	**335.890**	**1,584.511**	**6,410.758**	**1,025.777**	**541.771**	**356.622**
2015	10/31/2015	**1,799.617**	**16,525.243**	**338.013**	**1,579.311**	**6,787.353**	**1,045.579**	**572.968**	**384.415**
2015	11/30/2015	**1,849.951**	**16,647.800**	**353.053**	**1,587.450**	**6,930.835**	**1,018.443**	**572.246**	**394.035**
2015	12/31/2015	**1,854.358**	**17,004.944**	**363.938**	**1,622.879**	**7,010.227**	**1,003.768**	**586.998**	**407.850**
2016	1/31/2016	**1,981.070**	**17,931.006**	**389.534**	**1,710.013**	**7,315.448**	**1,063.895**	**626.878**	**429.979**
2016	2/29/2016	**1,898.437**	**18,049.528**	**372.803**	**1,727.113**	**7,204.881**	**1,154.038**	**610.991**	**444.178**
2016	3/31/2016	**1,787.041**	**18,781.144**	**369.135**	**1,822.751**	**7,431.837**	**1,155.876**	**644.639**	**478.391**
2016	4/30/2016	**1,873.359**	**19,457.530**	**361.329**	**1,907.492**	**7,403.482**	**1,114.000**	**738.018**	**467.232**
2016	5/31/2016	**1,783.573**	**19,859.644**	**367.975**	**1,966.020**	**7,524.858**	**1,115.898**	**738.049**	**431.212**
2016	6/30/2016	**1,957.570**	**21,709.652**	**417.489**	**2,243.309**	**8,118.712**	**1,215.780**	**842.482**	**495.968**
2016	7/31/2016	**1,934.907**	**21,366.663**	**418.089**	**2,224.254**	**7,937.897**	**1,284.437**	**808.862**	**488.259**
2016	8/31/2016	**1,805.259**	**19,994.999**	**360.465**	**2,068.828**	**7,228.007**	**1,291.874**	**691.809**	**446.991**
2016	9/30/2016	**1,844.377**	**20,146.216**	**369.619**	**2,145.581**	**7,240.420**	**1,312.112**	**722.253**	**464.494**
2016	10/31/2016	**1,841.818**	**20,003.894**	**366.978**	**2,084.430**	**7,279.433**	**1,459.764**	**736.255**	**489.140**
2016	11/30/2016	**1,945.995**	**19,732.904**	**393.220**	**2,254.717**	**7,127.461**	**1,519.906**	**815.201**	**548.981**
2016	12/31/2016	**2,061.556**	**19,713.324**	**398.917**	**2,223.537**	**7,182.442**	**1,567.159**	**851.037**	**572.095**
2017	1/31/2017	**1,996.461**	**19,905.567**	**389.627**	**2,252.318**	**7,248.066**	**1,446.877**	**767.474**	**541.276**

Appendix A-5.2

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2017	2/28/2017	2,047.038	21,005.750	405.435	2,392.199	7,523.184	1,435.642	764.867	543.844
2017	3/31/2017	2,031.672	20,926.809	404.806	2,348.927	7,599.924	1,429.755	753.446	533.381
2017	4/30/2017	2,041.028	21,280.485	459.255	2,390.278	7,766.839	1,427.576	772.741	564.881
2017	5/31/2017	2,093.355	21,154.982	433.318	2,339.857	7,745.858	1,411.182	729.496	511.596
2017	6/30/2017	2,152.674	21,113.998	457.631	2,443.100	7,854.194	1,434.551	799.276	534.073
2017	7/31/2017	2,227.371	21,675.300	465.979	2,584.899	7,868.402	1,505.884	793.407	533.431
2017	8/31/2017	2,169.768	21,819.040	453.840	2,515.272	7,959.355	1,559.816	778.848	513.165
2017	9/30/2017	2,167.935	21,820.823	459.738	2,548.885	7,922.048	1,582.374	799.924	526.013
2017	10/31/2017	2,332.837	23,042.057	487.148	2,739.110	8,361.244	1,653.532	868.706	542.715
2017	11/30/2017	2,476.643	23,708.052	503.036	2,911.964	8,804.494	1,834.526	920.464	569.968
2017	12/31/2017	2,484.712	23,695.565	468.093	2,899.961	9,024.830	1,746.286	818.955	528.172
2018	1/31/2018	2,386.045	22,211.482	455.741	2,676.690	8,488.205	1,664.408	782.177	499.236
2018	2/28/2018	2,330.478	21,836.881	418.441	2,544.649	8,219.887	1,536.610	745.889	453.581
2018	3/31/2018	2,328.275	22,289.321	451.736	2,500.460	8,201.649	1,533.329	771.522	492.648
2018	4/30/2018	2,426.935	23,282.773	468.415	2,624.854	8,395.553	1,707.585	852.870	508.105
2018	5/31/2018	2,451.747	22,749.901	480.670	2,696.964	8,369.772	1,763.351	901.984	514.206
2018	6/30/2018	2,484.072	23,148.728	478.088	2,634.468	8,455.162	1,826.988	864.849	501.956
2018	7/31/2018	2,592.803	23,659.726	461.952	2,786.663	8,768.262	1,814.911	899.530	491.641
2018	8/31/2018	2,612.593	24,095.482	458.067	2,789.067	8,877.359	1,676.083	938.895	482.498
2018	9/30/2018	2,638.674	24,174.899	465.173	2,873.189	8,827.543	1,742.928	981.843	486.373
2018	10/31/2018	2,641.612	24,290.974	462.968	2,829.926	8,050.059	1,746.945	925.781	495.930
2018	11/30/2018	2,854.211	25,542.931	463.975	3,025.470	8,506.486	2,028.455	1,045.851	521.201
2018	12/31/2018	2,852.741	24,704.953	451.203	3,118.722	8,488.692	2,073.270	1,070.612	507.494
2019	1/31/2019	2,877.728	25,589.887	455.156	3,208.128	8,641.721	2,196.215	1,117.347	518.356
2019	2/28/2019	3,025.515	26,859.987	490.710	3,333.307	9,026.116	1,849.590	1,161.131	564.264
2019	3/31/2019	3,031.767	27,312.084	479.352	3,441.939	9,123.151	1,866.040	1,127.299	540.471
2019	4/30/2019	3,028.482	28,021.492	468.022	3,320.050	11,050.329	1,887.889	1,161.422	536.716
2019	5/31/2019	3,121.361	29,319.236	466.417	3,263.733	11,290.895	1,875.662	1,193.839	542.849
2019	6/30/2019	3,205.990	29,857.182	478.012	3,331.602	11,685.697	1,851.208	1,195.321	558.914
2019	7/31/2019	3,288.044	29,829.949	469.082	3,464.451	11,810.826	1,989.620	1,274.213	562.153
2019	8/31/2019	3,884.746	32,110.699	480.794	3,654.773	10,594.814	2,087.461	1,247.870	582.798
2019	9/30/2019	3,786.405	31,552.483	486.230	3,485.801	10,711.334	2,086.324	1,312.817	664.804
2019	10/31/2019	3,980.509	31,431.278	485.879	3,625.583	10,819.222	2,206.163	1,350.758	669.734
2019	11/30/2019	3,620.848	31,026.340	492.349	3,405.560	10,629.068	2,163.663	1,394.308	678.928
2019	12/31/2019	3,670.581	31,355.352	493.271	3,413.263	11,205.363	2,170.492	1,407.556	702.048
2020	1/31/2020	3,741.313	33,768.714	498.659	3,461.408	12,284.567	2,235.658	1,437.014	718.284
2020	2/29/2020	3,321.663	31,843.781	466.908	3,283.261	10,810.825	3,151.102	1,301.150	652.432
2020	3/31/2020	3,511.490	31,126.337	498.652	3,397.807	11,201.474	3,056.183	1,312.483	668.987
2020	4/30/2020	3,426.059	31,517.277	475.551	3,191.238	11,468.551	3,106.331	1,315.831	628.114
2020	5/31/2020	3,550.718	32,843.911	479.889	3,292.562	15,977.179	3,233.842	1,451.846	682.602
2020	6/30/2020	3,426.051	33,144.409	490.099	3,326.661	15,604.716	3,213.031	1,439.987	728.972
2020	7/31/2020	3,361.504	36,513.246	480.649	3,383.125	16,366.794	3,223.009	1,394.988	707.480
2020	8/31/2020	3,342.280	35,704.383	488.618	3,307.546	16,052.756	3,245.849	1,397.813	700.589
2020	9/30/2020	3,300.601	36,345.845	481.605	3,214.184	15,486.091	3,198.199	1,363.233	657.053
2020	10/31/2020	3,291.012	37,366.024	488.471	3,269.510	15,725.350	3,193.349	1,401.172	656.793
2020	11/30/2020	3,259.697	38,014.499	513.794	3,534.809	16,590.019	3,358.436	1,477.460	696.617
2020	12/31/2020	3,469.596	38,030.813	514.725	3,761.581	17,083.015	3,465.807	1,546.988	716.975
2021	1/31/2021	3,386.596	39,036.873	547.444	3,791.984	16,840.196	3,374.713	1,671.545	675.737
2021	2/28/2021	3,245.232	36,222.602	515.978	3,893.920	15,986.424	3,323.574	1,485.815	651.856
2021	3/31/2021	3,340.061	37,685.571	541.459	3,963.904	16,764.010	3,400.003	1,666.677	766.019
2021	4/30/2021	3,472.960	38,787.077	548.064	4,123.256	17,349.628	3,442.143	1,719.388	800.898
2021	5/31/2021	3,503.694	38,895.355	553.306	4,026.161	17,480.428	3,409.374	1,798.882	782.208

Appendix A-5.2

		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2021	6/30/2021	3,510.708	38,733.847	513.800	3,960.076	16,968.753	3,375.116	1,724.948	716.451
2021	7/31/2021	3,834.066	41,633.725	533.442	4,378.985	17,809.166	3,565.949	2,090.894	755.147
2021	8/31/2021	4,010.188	44,081.595	540.347	4,423.820	18,053.677	3,577.871	2,226.277	804.546
2021	9/30/2021	3,763.240	41,684.037	529.782	4,185.729	17,181.238	3,480.408	2,110.315	701.239
2021	10/31/2021	3,959.617	42,616.925	549.980	4,252.000	17,424.538	3,520.518	2,251.487	756.755
2021	11/30/2021	4,085.497	41,691.818	576.037	4,364.055	17,716.969	3,563.170	2,128.318	748.481
2021	12/31/2021	4,427.527	45,375.219	607.616	4,829.636	19,339.578	3,737.653	2,430.317	786.746
2022	1/31/2022	4,013.472	40,281.270	623.558	4,315.656	18,088.501	3,608.207	2,096.824	729.610
2022	2/28/2022	3,732.609	38,400.829	608.322	4,096.303	17,883.367	3,555.659	2,079.496	722.403
2022	3/31/2022	3,912.119	41,029.501	628.164	4,222.530	19,040.466	3,687.988	2,174.185	738.296
2022	4/30/2022	3,530.984	38,716.435	609.522	3,836.918	17,428.769	3,372.977	1,893.110	699.191
2022	5/31/2022	3,563.128	38,202.183	630.033	3,933.709	18,041.991	3,459.152	1,824.977	736.815
2022	6/30/2022	3,646.648	37,751.435	630.804	4,034.802	17,935.876	3,476.085	1,871.509	728.980
2022	7/31/2022	3,855.817	39,863.729	656.852	4,338.696	19,512.074	3,610.024	2,013.281	765.450
2022	8/31/2022	3,736.380	38,598.202	703.687	4,254.445	19,148.482	3,568.887	1,906.446	742.936
2022	9/30/2022	3,550.856	35,273.327	643.650	3,937.006	17,111.415	3,366.228	1,702.701	663.898
2022	10/31/2022	4,013.186	38,243.846	679.906	4,446.526	17,861.286	3,787.037	1,931.177	737.087
2022	11/30/2022	4,317.869	39,417.198	701.492	4,603.871	19,223.387	3,908.618	2,001.379	777.289
2022	12/31/2022	4,116.802	39,537.205	736.984	4,368.676	19,089.619	4,105.693	1,740.680	767.153
2023	1/31/2023	4,176.679	40,277.244	740.620	4,397.733	18,827.328	3,991.086	1,832.225	773.863
2023	2/28/2023	3,996.679	37,923.461	720.256	4,182.275	18,019.716	4,001.471	1,715.257	745.738
2023	3/31/2023	4,014.661	40,888.375	715.839	4,319.377	18,402.915	3,991.909	1,744.109	778.775
2023	4/30/2023	4,009.485	39,870.915	716.100	4,278.123	18,151.764	3,985.431	1,653.428	740.771
2023	5/31/2023	4,068.918	39,131.270	710.352	4,324.596	17,515.070	4,018.866	1,815.441	756.502
2023	6/30/2023	4,001.621	38,800.375	689.094	4,028.963	17,295.635	3,817.103	1,803.064	740.205
2023	7/31/2023	4,053.758	40,099.998	666.609	4,192.111	17,924.858	3,859.884	1,820.370	741.063
2023	8/31/2023	3,941.537	38,408.327	645.669	4,032.277	16,679.806	3,710.570	1,728.791	741.290
2023	9/30/2023	3,737.055	35,505.818	605.880	3,862.633	16,000.026	3,531.076	1,568.884	694.781
2023	10/31/2023	3,713.760	34,302.766	578.143	3,947.632	15,769.906	3,679.773	1,520.610	674.460
2023	11/30/2023	3,804.453	37,239.907	607.530	4,056.706	16,580.242	3,780.681	1,544.753	713.444
2023	12/31/2023	3,823.683	37,269.113	601.892	4,131.731	17,055.550	3,771.421	1,575.380	721.177
2024	1/31/2024	3,608.456	35,717.314	555.384	3,750.838	16,653.345	3,585.890	1,403.546	681.936
2024	2/29/2024	3,545.178	35,149.296	531.067	3,857.709	16,609.473	3,502.694	1,313.088	675.061
2024	3/31/2024	3,575.878	35,864.048	558.671	3,891.737	17,237.914	3,551.746	1,347.638	700.539
2024	4/30/2024	3,541.104	35,893.603	537.832	4,130.748	17,109.362	3,520.673	1,315.915	689.645
2024	5/31/2024	3,643.981	38,024.947	539.350	4,175.218	17,339.072	3,529.054	1,386.125	718.074
2024	6/30/2024	3,606.007	37,711.283	533.105	4,094.363	17,229.662	3,513.259	1,357.243	718.792
2024	7/31/2024	3,976.807	40,825.941	573.469	4,381.401	18,137.761	3,735.951	1,618.798	779.326
2024	8/31/2024	3,989.891	40,979.797	545.904	4,518.587	17,874.238	3,682.958	1,557.006	751.352
2024	9/30/2024	4,059.936	41,587.770	556.682	4,453.291	17,759.294	3,654.172	1,596.767	729.521
2024	10/31/2024	4,028.847	40,143.795	520.370	4,346.194	17,767.505	3,621.963	1,467.265	696.632
2024	11/30/2024	4,154.653	39,915.769	528.981	4,300.400	18,432.577	3,623.958	1,544.616	714.258
2024	12/31/2024	3,867.775	37,489.340	498.059	3,951.886	17,413.772	3,407.810	1,315.980	669.411
	MAX								
2014		$1,705.381	$15,480.025	$322.240	$1,706.069	$6,365.511	$1,037.788	$534.208	$381.175
2015		$1,854.358	$17,004.944	$363.938	$1,700.947	$7,010.227	$1,071.732	$586.998	$408.985

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		American States Water Company	American Water Works Company, Inc.	Artesian Resources Corporation	California Water Service Group	Essential Utilities, Inc.	H2O America	Middlesex Water Company	The York Water Company
IQ_TEV	Total Enterprise Value								
2016		$2,061.556	$21,709.652	$418.089	$2,254.717	$8,118.712	$1,567.159	$851.037	$572.095
2017		$2,484.712	$23,708.052	$503.036	$2,911.964	$9,024.830	$1,834.526	$920.464	$569.968
2018		$2,854.211	$25,542.931	$480.670	$3,118.722	$8,877.359	$2,073.270	$1,070.612	$521.201
2019		$3,980.509	$32,110.699	$493.271	$3,654.773	$11,810.826	$2,206.163	$1,407.556	$702.048
2020		$3,741.313	$38,030.813	$514.725	$3,761.581	$17,083.015	$3,465.807	$1,546.988	$728.972
2021		$4,427.527	$45,375.219	$607.616	$4,829.636	$19,339.578	$3,737.653	$2,430.317	$804.546
2022		$4,317.869	$41,029.501	$736.984	$4,603.871	$19,512.074	$4,105.693	$2,174.185	$777.289
2023		$4,176.679	$40,888.375	$740.620	$4,397.733	$18,827.328	$4,018.866	$1,832.225	$778.775
2024		$4,154.653	$41,587.770	$573.469	$4,518.587	$18,432.577	$3,735.951	$1,618.798	$779.326
		MIN							
2014		$1,408.915	$13,251.478	$298.616	$1,530.414	$5,805.341	$915.588	$477.832	$327.441
2015		$1,663.940	$14,776.135	$308.993	$1,513.172	$6,002.288	$984.846	$508.673	$355.474
2016		$1,783.573	$17,931.006	$360.465	$1,710.013	$7,127.461	$1,063.895	$610.991	$429.979
2017		$1,996.461	$19,905.567	$389.627	$2,252.318	$7,248.066	$1,411.182	$729.496	$511.596
2018		$2,328.275	$21,836.881	$418.441	$2,500.460	$8,050.059	$1,533.329	$745.889	$453.581
2019		$2,877.728	$25,589.887	$455.156	$3,208.128	$8,641.721	$1,849.590	$1,117.347	$518.356
2020		$3,259.697	$31,126.337	$466.908	$3,191.238	$10,810.825	$2,235.658	$1,301.150	$628.114
2021		$3,245.232	$36,222.602	$513.800	$3,791.984	$15,986.424	$3,323.574	$1,485.815	$651.856
2022		$3,530.984	$35,273.327	$608.322	$3,836.918	$17,111.415	$3,366.228	$1,702.701	$663.898
2023		$3,713.760	$34,302.766	$578.143	$3,862.633	$15,769.906	$3,531.076	$1,520.610	$674.460
2024		$3,541.104	$35,149.296	$498.059	$3,750.838	$16,609.473	$3,407.810	$1,313.088	$669.411
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
		MIDPOINT ENT VALUE							
2014		$1,557.148	$14,365.752	$310.428	$1,618.242	$6,085.426	$976.688	$506.020	$354.308
2015		$1,759.149	$15,890.539	$336.465	$1,607.060	$6,506.257	$1,028.289	$547.835	$382.229
2016		$1,922.564	$19,820.329	$389.277	$1,982.365	$7,623.087	$1,315.527	$731.014	$501.037
2017		$2,240.587	$21,806.809	$446.331	$2,582.141	$8,136.448	$1,622.854	$824.980	$540.782
2018		$2,591.243	$23,689.906	$449.556	$2,809.591	$8,463.709	$1,803.300	$908.250	$487.391
2019		$3,429.118	$28,850.293	$474.213	$3,431.450	$10,226.273	$2,027.877	$1,262.452	$610.202
2020		$3,500.505	$34,578.575	$490.816	$3,476.409	$13,946.920	$2,850.732	$1,424.069	$678.543
2021		$3,836.380	$40,798.910	$560.708	$4,310.810	$17,663.001	$3,530.614	$1,958.066	$728.201
2022		$3,924.427	$38,151.414	$672.653	$4,220.394	$18,311.744	$3,735.961	$1,938.443	$720.594
2023		$3,945.219	$37,595.571	$659.382	$4,130.183	$17,298.617	$3,774.971	$1,676.417	$726.617
2024		$3,847.879	$38,368.533	$535.764	$4,134.712	$17,521.025	$3,571.881	$1,465.943	$724.368
SPOT		$3,963.448	$42,200.811	$530.311	$4,234.791	$18,569.965	$3,632.955	$1,433.179	$682.440

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	SPOT											
	1	4	4	4	4	4	4	4	4	4	4	4
	2025	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	CQ12025	CQ42023	CQ42022	CQ42021	CQ42020	CQ42019	CQ42018	CQ42017	CQ42016	CQ42015	CQ42014	CQ42013
	CQ12025	CQ42023	CQ42022	CQ42021	CQ42020	CQ42019	CQ42018	CQ42017	CQ42016	CQ42015	CQ42014	CQ42013
	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE	IQ_GPPE
	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment	Gross Property, Plant & Equipment
American States Water Company	2,807.602	2,532.923	2,378.337	2,270.982	2,126.262	2,001.858	1,866.538	1,746.634	1,692.519	1,599.336	1,521.295	1,468.948
American Water Works Company, Inc.	35,553.000	32,275.000	29,818.000	27,505.000	25,709.000	24,044.000	23,204.000	21,716.000	19,954.000	18,504.000	17,269.000	16,497.763
Artesian Resources Corporation	957.616	904.705	846.182	754.937	712.151	672.391	629.375	582.018	539.678	514.847	496.223	472.929
California Water Service Group	5,498.140	4,905.949	4,523.255	4,182.707	3,878.445	3,540.033	3,204.703	2,947.967	2,695.414	2,485.727	2,323.703	2,195.096
Essential Utilities, Inc.	16,568.441	15,014.437	13,779.121	12,659.306	11,680.353	8,214.803	7,648.469	7,003.993	6,509.117	6,088.011	5,707.017	5,350.868
H2O America	4,608.548	4,129.656	3,876.151	3,654.971	3,403.010	3,192.780	1,976.448	1,834.123	1,704.585	1,576.208	1,467.612	1,374.327
Middlesex Water Company	1,350.457	1,252.689	1,153.975	1,083.822	1,000.470	893.664	785.863	712.990	662.635	617.412	592.589	566.285
The York Water Company	668.696	612.887	541.122	483.313	436.163	399.269	378.800	363.657	340.843	326.789	314.054	299.673

	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE	IQ_NPPE
	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment	Net Property, Plant & Equipment
American States Water Company	2,154.074	1,908.451	1,772.106	1,676.718	1,557.936	1,458.595	1,304.683	1,213.264	1,159.766	1,069.638	1,021.056	997.283
American Water Works Company, Inc.	28,464.000	25,524.000	23,305.000	21,176.000	19,805.000	18,335.000	17,409.000	16,246.000	14,992.000	13,933.000	13,029.000	12,388.354
Artesian Resources Corporation	760.687	718.483	672.238	594.633	563.817	535.013	502.527	464.384	429.383	409.562	397.823	383.102
California Water Service Group	4,230.215	3,765.909	3,470.882	2,849.059	2,654.027	2,409.873	2,220.873	2,036.971	1,847.460	1,689.251	1,579.060	1,503.612
Essential Utilities, Inc.	13,350.419	12,134.488	11,172.680	10,300.796	9,573.211	6,358.657	5,930.326	5,399.860	5,001.615	4,688.925	4,401.990	4,138.568
H2O America	3,549.464	3,168.753	2,654.825	2,518.530	2,356.988	2,230.343	1,365.771	1,278.025	1,180.481	1,082.639	1,011.434	953.401
Middlesex Water Company	1,086.279	1,013.049	935.584	881.299	813.014	722.044	628.476	566.718	526.907	491.069	474.603	455.919
The York Water Company	541.413	495.273	431.901	383.626	344.365	313.993	299.871	289.524	271.652	262.189	253.959	245.000

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers	Customers
American States Water Company	289,414	288,870	287,970	287,500	286,341	285,128	284,272	283,223	284,942	283,997	280,717	279,036
American Water Works Company, Inc.	3,546,000	3,486,000	3,449,000	3,530,000	3,496,000	3,434,000	3,382,000	3,353,000	3,312,000	3,252,691	3,219,499	3,158,226
Artesian Resources Corporation	108,740	106,640	104,740	100,640	95,640	92,640	90,440	86,500	85,000	81,400	81,900	81,200
California Water Service Group	555,900	553,600	553,000	547,600	543,000	520,600	517,500	514,300	511,500	508,404	502,900	500,700
Essential Utilities, Inc.	1,869,306	1,857,461	1,851,586	1,820,049	1,798,803	1,026,704	1,005,590	982,949	972,265	920,381	941,007	930,577
H2O America	407,000	405,350	402,900	398,000	389,293	386,607	247,267	244,133	242,421	241,000	238,977	237,600
Middlesex Water Company	128,300	125,300	122,300	121,300	122,200	120,000	113,300	114,920	109,300	108,720	105,720	102,010
The York Water Company	79,771	77,893	76,731	73,144	72,681	71,411	70,263	69,604	67,052	66,000	64,118	63,779

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	population	population	population	population	population	population	population	population	population	population	population	population
American States Water Company	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
American Water Works Company, Inc.	14,000,000	14,000,000	14,000,000	14,000,000	15,000,000	15,000,000	14,000,000	15,000,000	12,200,000	12,100,000	11,500,000	11,400,000
Artesian Resources Corporation	326,850	325,740	324,220	326,700	300,000	300,000	300,000	290,000	314,300	301,000	260,000	260,000
California Water Service Group	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,600,000	1,600,000	1,600,000
Essential Utilities, Inc.	5,500,000	5,500,000	5,000,000	5,000,000	5,000,000	3,000,000	3,000,000	3,000,000	3,053,800	2,890,800	3,000,000	3,000,000
H2O America	1,551,000	1,544,000	1,536,000	1,526,000	1,614,866	1,604,442	1,114,200	1,100,200	1,092,600	1,089,000	1,077,000	1,071,000
Middlesex Water Company	500,000	500,000	500,000	500,000	500,000	400,000	400,000	412,000	400,000	390,000	385,878	400,000
The York Water Company	212,000	209,000	208,000	204,000	202,000	201,000	199,000	198,000	196,000	194,000	190,000	189,000

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	1	2	3	4	5	6	7	8	9	10	11	12
	SPOT		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Average Gross Property, Plant & Equipment												
American States Water Company	2,807.602		2,455.630	2,324.660	2,198.622	2,064.060	1,934.198	1,806.586	1,719.577	1,645.928	1,560.316	1,495.122
American Water Works Company, Inc.	35,553.000		31,046.500	28,661.500	26,607.000	24,876.500	23,624.000	22,460.000	20,835.000	19,229.000	17,886.500	16,883.382
Artesian Resources Corporation	957.616		875.444	800.560	733.544	692.271	650.883	605.697	560.848	527.263	505.535	484.576
California Water Service Group	5,498.140		4,714.602	4,352.981	4,030.576	3,709.239	3,372.368	3,076.335	2,821.691	2,590.571	2,404.715	2,259.400
Essential Utilities, Inc.	16,568.441		14,396.779	13,219.214	12,169.830	9,947.578	7,931.636	7,326.231	6,756.555	6,298.564	5,897.514	5,528.943
H2O America	4,608.548		4,002.904	3,765.561	3,528.991	3,297.895	2,584.614	1,905.286	1,769.354	1,640.397	1,521.910	1,420.970
Middlesex Water Company	1,350.457		1,203.332	1,118.899	1,042.146	947.067	839.764	749.427	687.813	640.024	605.001	579.437
The York Water Company	668.696		577.005	512.218	459.738	417.716	389.035	371.229	352.250	333.816	320.422	306.864
Average Net Property, Plant & Equipment												
American States Water Company	2,154.074		1,840.279	1,724.412	1,617.327	1,508.266	1,381.639	1,258.974	1,186.515	1,114.702	1,045.347	1,009.170
American Water Works Company, Inc.	28,464.000		24,414.500	22,240.500	20,490.500	19,070.000	17,872.000	16,827.500	15,619.000	14,462.500	13,481.000	12,708.677
Artesian Resources Corporation	760.687		695.361	633.436	579.225	549.415	518.770	483.456	446.884	419.473	403.693	390.463
California Water Service Group	4,230.215		3,618.396	3,159.971	2,751.543	2,531.950	2,315.373	2,128.922	1,942.216	1,768.356	1,634.156	1,541.336
Essential Utilities, Inc.	13,350.419		11,653.584	10,736.738	9,937.004	7,965.934	6,144.492	5,665.093	5,200.738	4,845.270	4,545.458	4,270.279
H2O America	3,549.464		2,911.789	2,586.678	2,437.759	2,293.666	1,798.057	1,321.898	1,229.253	1,131.560	1,047.037	982.418
Middlesex Water Company	1,086.279		974.317	908.442	847.157	767.529	675.260	597.597	546.813	508.988	482.836	465.261
The York Water Company	541.413		463.587	407.764	363.996	329.179	306.932	294.698	280.588	266.921	258.074	249.480
Average Customers												
American States Water Company	289,414		288,420	287,735	286,921	285,735	284,700	283,748	284,083	284,470	282,357	279,877
American Water Works Company, Inc.	3,546,000		3,467,500	3,489,500	3,513,000	3,465,000	3,408,000	3,367,500	3,332,500	3,282,346	3,236,095	3,188,863
Artesian Resources Corporation	108,740		105,690	102,690	98,140	94,140	91,540	88,470	85,750	83,200	81,650	81,550
California Water Service Group	555,900		553,300	550,300	545,300	531,800	519,050	515,900	512,900	509,952	505,652	501,800
Essential Utilities, Inc.	1,869,306		1,854,524	1,835,818	1,809,426	1,412,754	1,016,147	994,270	977,607	946,323	930,694	935,792
H2O America	407,000		404,125	400,450	393,647	387,950	316,937	245,700	243,277	241,711	239,989	238,289
Middlesex Water Company	128,300		123,800	121,800	121,750	121,100	116,650	114,110	112,110	109,010	107,220	103,865
The York Water Company	79,771		77,312	74,938	72,913	72,046	70,837	69,934	68,328	66,526	65,059	63,949
Average Population												
American States Water Company	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
American Water Works Company, Inc.	14,000,000		14,000,000	14,000,000	14,500,000	15,000,000	14,500,000	14,500,000	13,600,000	12,150,000	11,800,000	11,450,000
Artesian Resources Corporation	326,850		324,980	325,460	313,350	300,000	300,000	295,000	302,150	307,650	280,500	260,000
California Water Service Group	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,800,000	1,600,000	1,600,000
Essential Utilities, Inc.	5,500,000		5,250,000	5,000,000	5,000,000	4,000,000	3,000,000	3,000,000	3,026,900	2,972,300	2,945,400	3,000,000
H2O America	1,551,000		1,540,000	1,531,000	1,570,433	1,609,654	1,359,321	1,107,200	1,096,400	1,090,800	1,083,000	1,074,000
Middlesex Water Company	500,000		500,000	500,000	500,000	450,000	400,000	406,000	406,000	395,000	387,939	392,939

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	The York Water Company	212,000	208,500	206,000	203,000	201,500	200,000	198,500	197,000	195,000	192,000	189,500

Midpoint Ent Value

3	American States Water Company	3,963	3,945	3,924	3,836	3,501	3,429	2,591	2,241	1,923	1,759	1,557
4	American Water Works Company, Inc.	42,201	37,596	38,151	40,799	34,579	28,850	23,690	21,807	19,820	15,891	14,366
5	Artesian Resources Corporation	530	659	673	561	491	474	450	446	389	336	310
6	California Water Service Group	4,235	4,130	4,220	4,311	3,476	3,431	2,810	2,582	1,982	1,607	1,618
7	Essential Utilities, Inc.	18,570	17,299	18,312	17,663	13,947	10,226	8,464	8,136	7,623	6,506	6,085
8	H2O America	3,633	3,775	3,736	3,531	2,851	2,028	1,803	1,623	1,316	1,028	977
9	Middlesex Water Company	1,433	1,676	1,938	1,958	1,424	1,262	908	825	731	548	506
10	The York Water Company	682	727	721	728	679	610	487	541	501	382	354

Midpoint GPPE

3	American States Water Company	1.41	1.61	1.69	1.74	1.70	1.77	1.43	1.30	1.17
4	American Water Works Company, Inc.	1.19	1.21	1.33	1.53	1.39	1.22	1.05	1.05	1.03
5	Artesian Resources Corporation	0.55	0.75	0.84	0.76	0.71	0.73	0.74	0.80	0.74
6	California Water Service Group	0.77	0.88	0.97	1.07	0.94	1.02	0.91	0.92	0.77
7	Essential Utilities, Inc.	1.12	1.20	1.39	1.45	1.40	1.29	1.16	1.20	1.21
8	H2O America	0.79	0.94	0.99	1.00	0.86	0.78	0.95	0.92	0.80
9	Middlesex Water Company	1.06	1.39	1.73	1.88	1.50	1.50	1.21	1.20	1.14
10	The York Water Company	1.02	1.26	1.41	1.58	1.62	1.57	1.31	1.54	1.50
	Median	1.04	1.21	1.36	1.49	1.40	1.26	1.11	1.12	1.09

Midpoint NPPE

3	American States Water Company	1.84	2.14	2.28	2.37	2.32	2.48	2.06	1.89	1.72
4	American Water Works Company, Inc.	1.48	1.54	1.72	1.99	1.81	1.61	1.41	1.40	1.37
5	Artesian Resources Corporation	0.70	0.95	1.06	0.97	0.89	0.91	0.93	1.00	0.93
6	California Water Service Group	1.00	1.14	1.34	1.57	1.37	1.48	1.32	1.33	1.12
7	Essential Utilities, Inc.	1.39	1.48	1.71	1.78	1.75	1.66	1.49	1.56	1.57
8	H2O America	1.02	1.30	1.44	1.45	1.24	1.13	1.36	1.32	1.16
9	Middlesex Water Company	1.32	1.72	2.13	2.31	1.86	1.87	1.52	1.51	1.44
10	The York Water Company	1.26	1.57	1.77	2.00	2.06	1.99	1.65	1.93	1.88
	Median	1.29	1.51	1.71	1.88	1.78	1.64	1.45	1.45	1.40

Midpoint Customers

3	American States Water Company	13,695	13,679	13,639	13,371	12,251	12,045	9,132	7,887	6,758
4	American Water Works Company, Inc.	11,901	10,842	10,933	11,614	9,979	8,465	7,035	6,544	6,038
5	Artesian Resources Corporation	4,877	6,239	6,550	5,713	5,214	5,180	5,081	5,205	4,679
6	California Water Service Group	7,618	7,465	7,669	7,905	6,537	6,611	5,446	5,034	3,887
7	Essential Utilities, Inc.	9,934	9,328	9,975	9,762	9,872	10,064	8,512	8,323	8,055
8	H2O America	8,926	9,341	9,329	8,969	7,348	6,398	7,339	6,671	5,443
9	Middlesex Water Company	11,171	13,541	15,915	16,083	11,759	10,823	7,959	7,359	6,706
10	The York Water Company	8,555	9,399	9,616	9,987	9,418	8,614	6,969	7,914	7,531
	Median	9,430	9,370	9,795	9,874	9,645	8,540	7,187	7,015	6,372

Midpoint Population

3	American States Water Company	3,963	3,945	3,924	3,836	3,501	3,429	2,591	2,241	1,923
4	American Water Works Company, Inc.	3,014	2,685	2,725	2,814	2,305	1,990	1,634	1,603	1,631
5	Artesian Resources Corporation	1,622	2,029	2,067	1,789	1,636	1,581	1,524	1,477	1,265
6	California Water Service Group	2,117	2,065	2,110	2,155	1,738	1,716	1,405	1,291	1,101
7	Essential Utilities, Inc.	3,376	3,295	3,662	3,533	3,487	3,409	2,821	2,688	2,565
8	H2O America	2,342	2,451	2,440	2,248	1,771	1,492	1,629	1,480	1,206

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9	Middlesex Water Company	2,866	3,353	3,877	3,916	3,165	3,156	2,237	2,032	1,851
10	The York Water Company	3,219	3,485	3,498	3,587	3,367	3,051	2,455	2,745	2,569
	Median	2,940	2,990	3,112	3,173	2,735	2,520	1,935	1,818	1,741

	SPOT	2023	2022	2021	2020	2019	2018	2017	2016
Median Enterprise Value as a Multiple of:									
GPPE	1.04	1.21	1.36	1.49	1.40	1.26	1.11	1.12	1.09
NPPE	1.29	1.51	1.71	1.88	1.78	1.64	1.45	1.45	1.40
Customers	9,430	9,370	9,795	9,874	9,645	8,540	7,187	7,015	6,372
Population	2,940	2,990	3,112	3,173	2,735	2,520	1,935	1,818	1,741

	SPOT	2023	2022	2021	2020	2019	2018	2017	2016
Index Values of Multiples:									
GPPE	1.00	1.16	1.30	1.43	1.34	1.21	1.06	1.08	1.04
NPPE	1.00	1.17	1.33	1.46	1.38	1.27	1.12	1.13	1.09
Customers	1.00	0.99	1.04	1.05	1.02	0.91	0.76	0.74	0.68
Population	1.00	1.02	1.06	1.08	0.93	0.86	0.66	0.62	0.59

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		NetPlant	Advances	CIAC	DefTax	ITC		
		2024 Net Property, Plant & Equipment	Advances for construction	Contributions in aid of construction	Deferred income taxes, net	Deferred investment tax credits	2024 Known "Cost Free" Capital	2024 Percentage of Known "Cost Free" Capital
		(Millions of $)						
	Comparable Group							
1	American States Water Company	$2,099.625	$69.856	$160.306	$180.173	$0.942	$411.277	20%
2	American Water Works Company	$28,038.000	$383.000	$1,577.000	$2,881.000	$0.000	$4,841.000	17%
3	Artesian Resources Corporation	$747.186	$1.582	$272.405	$52.265	$0.409	$326.661	44%
4	California Water Service Group	$4,158.704	$202.614	$294.970	$411.083	$0.000	$908.667	22%
5	Essential Utilities, Inc.	$13,143.476	$113.323	$688.845	$1,831.868	$0.000	$2,634.036	20%
7	H2O America	$3,488.611	$155.397	$340.738	$276.043	$0.000	$772.178	22%
6	Middlesex Water Company	$1,055.372	$22.629	$181.369	$101.235	$0.000	$305.233	29%
8	The York Water Company	$531.007	$20.546	$48.869	$61.157	$0.000	$130.572	25%
	Median							22%

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CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Regulated utility plant, at cost		
Water	$ 2,227,311	$ 2,082,927
Electric	171,127	156,471
Total	2,398,438	2,239,398
Non-regulated utility property, at cost	44,457	40,223
Total utility plant, at cost	2,442,895	2,279,621
Less — accumulated depreciation	(648,199)	(624,472)
Utility plant before construction work in progress	1,794,696	1,655,149
Construction work in progress	304,929	237,131
Net utility plant	2,099,625	1,892,280
Other Property and Investments		
Other Property and Investments	50,418	42,932
Property Plant and Equipment and Investments Other and Goodv	50,418	42,932
Current Assets		
Cash and cash equivalents	26,661	14,073
Accounts receivable — customers, less allowance for doubtful ac	37,699	34,250
Unbilled receivable (Note 2)	28,446	23,516
Receivable from U.S. government, less allowance for doubtful acc	41,000	49,306
Other accounts receivable, less allowance for doubtful accounts	6,415	6,340
Income taxes receivable	65	52
Materials and supplies	15,140	17,574
Regulatory assets — current	50,504	45,144
Prepayments and other current assets	7,286	5,767
Contract assets (Note 2)	20,130	9,956
Total current assets	233,346	205,978
Regulatory and Other Assets		
Unbilled revenue, receivable from U.S government	3,423	4,886
Receivable from U.S. government (Note 2)	35,486	42,183
Contract assets (Note 2)	1,518	4,422
Operating lease right-of-use assets	8,028	7,982
Regulatory assets	27,101	25,585
Other	41,264	19,874
Total other assets	116,820	104,932
Total Assets	2,500,209	2,246,122
Capitalization		
Common shareholder’s equity	920,051	776,109
Long-term debt	640,382	575,555
Total capitalization	1,560,433	1,351,664
Current Liabilities		
Notes payable to banks	124,000	42,000
Long-term debt — current	385	353
Accounts payable	88,591	68,705
Income taxes payable	481	492
Accrued other taxes	16,694	14,654
Accrued employee expenses	15,523	14,738
Accrued interest	8,133	8,607
Contract liabilities (Note 2)	5,662	1,352
Operating lease liabilities	2,074	1,856
Purchase power contract derivative at fair value (Note 5)	8,823	2,360
Other	15,159	11,506
Total current liabilities	285,525	166,623
Other Credits		
Note payable to bank, noncurrent	165,000	291,500
Advances for construction	69,856	67,431
Contributions in aid of construction — net	160,306	151,414
Deferred income taxes	180,173	161,577
Regulatory liabilities	22,926	1,222
Unamortized investment tax credits	942	1,011
Accrued pension and other post-retirement benefits	33,816	32,652
Operating lease liabilities	6,394	6,619
Other	14,838	14,409
Total other credits	654,251	727,835
Commitments and Contingencies		
Total liabilities and capitalization	$ 2,500,209	$ 2,246,122
NetPlant	2,099,625	1,892,280
Advances	69,856	67,431
CIAC	160,306	151,414
DefTax	180,173	161,577
ITC	942	1,011

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Consolidated Balance Sheets - USD ($) $ in Millions	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Property, plant and equipment	$35,059	$32,189
Accumulated depreciation	-7,021	-6,751
Property, plant and equipment, net	28,038	25,438
Current assets:		
Cash and cash equivalents	96	330
Restricted funds	29	34
Accounts receivable, net of allowance for uncollectible accounts of $53 and $51, respectively	416	339
Income tax receivable	25	86
Unbilled revenues	315	302
Materials and supplies	103	112
Other	231	186
Total current assets	1,215	1,389
Regulatory and other long-term assets:		
Regulatory assets	1,150	1,106
Secured seller promissory note from the sale of the Homeowner Services Group	795	720
Operating lease right-of-use assets	89	86
Goodwill	1,144	1,143
Other	399	416
Total regulatory and other long-term assets	3,577	3,471
Total assets	32,830	30,298
Capitalization:		
Common stock ($0.01 par value; 500,000,000 shares authorized; 200,371,701 and 200,144,968 shares issued, respectively)	2	2
Paid-in-capital	8,598	8,550
Retained earnings	2,112	1,659
Accumulated other comprehensive income (loss)	12	-26
Treasury stock, at cost (5,451,216 and 5,414,867 shares, respectively)	-392	-388
Total common shareholders' equity	10,332	9,797
Long-term debt	12,518	11,715
Redeemable preferred stock at redemption value	3	3
Total long-term debt	12,521	11,718
Total capitalization	22,853	21,515
Current liabilities:		
Short-term debt	879	179
Current portion of long-term debt	637	475
Accounts payable	346	294
Accrued liabilities	791	791
Accrued taxes	156	67
Accrued interest	111	93
Other	230	252
Total current liabilities	3,150	2,151
Regulatory and other long-term liabilities:		
Advances for construction	383	352
Deferred income taxes and investment tax credits	2,881	2,717
Regulatory liabilities	1,416	1,481
Operating lease liabilities	76	73
Accrued pension expense	217	262
Other	277	196
Total regulatory and other long-term liabilities	5,250	5,081
Contributions in aid of construction	1,577	1,551
Commitments and contingencies (See Note 16)		
Total capitalization and liabilities	$32,830	$30,298

NetPlant	28,038	25,438
Advances	383	352
CIAC	1,577	1,551
DefTax	2,881	2,717
ITC	0	0

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CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Utility plant, at original cost (less accumulated depreciation - 2024 - $192,253; 2023 - $185,170)	$747,186	$714,284
Current assets		
Cash and cash equivalents	1,147	2,505
Accounts and other receivables (less provision for expected credit loss 2024 - $343; 2023 - $328)	11,339	12,830
Income tax receivable	624	1,799
Unbilled operating revenues	1,861	1,934
Materials and supplies	4,278	5,983
Prepaid property taxes	2,188	2,269
Prepaid expenses and other	3,091	3,297
Total current assets	24,528	30,617
Other assets		
Non-utility property (less accumulated depreciation - 2024 - $1,116; 2023 - $1,052)	3,603	3,693
Other deferred assets	6,525	8,504
Goodwill	1,939	1,939
Operating lease right of use assets	414	506
Total other assets	12,481	14,642
Regulatory assets, net	14,428	7,289
Total assets	798,623	766,832
Stockholders' equity		
Common stock	10,300	10,285
Preferred stock	0	0
Additional paid-in capital	143,920	143,369
Retained earnings	84,969	76,743
Total stockholders' equity	239,189	230,397
Long-term debt, net of current portion	176,509	178,307
Total stockholders' equity and long-term debt	415,698	408,704
Current liabilities		
Lines of credit	0	0
Current portion of long-term debt	2,167	2,235
Accounts payable	11,228	9,697
Accrued expenses	5,336	3,519
Overdraft payable	31	9
Accrued interest	930	2,275
Income taxes payable	500	2
Customer and other deposits	3,347	2,983
Other	2,054	1,694
Total current liabilities	25,593	22,414
Commitments and contingencies		
Deferred credits and other liabilities		
Net advances for construction	1,582	2,797
Operating lease liabilities	404	503
Regulatory liabilities	30,267	25,676
Deferred investment tax credits	409	423
Deferred income taxes	52,265	58,381
Total deferred credits and other liabilities	84,927	87,780
Net contributions in aid of construction	272,405	247,934
Total Liabilities and Stockholders' Equity	$798,623	$766,832

NetPlant	747,186	714,284
Advances	1,582	2,797
CIAC	272,405	247,934
DefTax	52,265	58,381
ITC	409	423

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CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Utility plant:		
Land	$56,621	$47,002
Depreciable plant and equipment	4,977,217	4,557,964
Construction work in progress	329,439	287,596
Intangible assets	37,212	32,921
Total utility plant	5,400,489	4,925,483
Less accumulated depreciation and amortization	-1,241,785	-1,152,228
Net utility plant	4,158,704	3,773,255
Current assets:		
Cash and cash equivalents	50,121	39,591
Restricted cash	45,566	45,375
Receivables:		
Customers, net	58,585	59,349
Regulatory balancing accounts	55,917	64,240
Other, net	33,976	16,431
Accrued and unbilled revenue, net	39,718	36,999
Materials and supplies	20,511	16,170
Taxes, prepaid expenses, and other assets	19,742	18,130
Total current assets	324,136	296,285
Other assets:		
Regulatory assets	357,406	257,621
Goodwill	37,063	37,039
Other	302,974	231,333
Total other assets	697,443	525,993
TOTAL ASSETS	5,180,283	4,595,533
Capitalization:		
Common stock, $0.01 par value; 136,000 shares authorized, 59,484 and 57,724 outstanding in 2024 and 2023, respectively	595	577
Additional paid-in capital	966,975	876,583
Retained earnings	674,918	549,573
Accumulated other comprehensive loss	-7,217	0
Noncontrolling interest	3,015	3,579
Total equity	1,638,286	1,430,312
Long-term debt, net	1,104,571	1,052,768
Total capitalization	2,742,857	2,483,080
Current liabilities:		
Long-term debt, net	72,422	672
Short-term borrowings	205,000	180,000
Accounts payable	167,533	157,305
Regulatory balancing accounts	22,648	21,540
Accrued other taxes	6,084	4,591
Accrued interest	8,406	6,625
Other accrued liabilities	56,271	59,606
Total current liabilities	538,364	430,339
Deferred income taxes	411,083	352,762
Regulatory Liabilities	814,551	683,717
Pension	81,665	82,920
Advances for construction	202,614	199,448
Contributions in aid of construction	294,970	286,491
Other long-term liabilities	94,179	76,776
Contingencies and commitments (Note 15)		
TOTAL CAPITALIZATION AND LIABILITIES	$5,180,283	$4,595,533

NetPlant	4,158,704	3,773,255
Advances	202,614	199,448
CIAC	294,970	286,491
DefTax	411,083	352,762
ITC	0	0

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Consolidated Balance Sheets - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Assets		
Property, plant and equipment, at cost	$16,275,377	$14,977,021
Less: accumulated depreciation	3,131,901	2,879,949
Net property, plant and equipment	13,143,476	12,097,072
Current assets:		
Cash and cash equivalents	9,156	4,612
Accounts receivable, net	166,522	144,300
Unbilled revenues	142,310	101,436
Inventory - materials and supplies	48,619	47,494
Inventory - gas stored	45,311	65,173
Prepayments and other current assets	41,139	99,884
Regulatory assets	32,854	29,080
Total current assets	485,911	491,979
Regulatory assets	1,907,786	1,766,892
Deferred charges and other assets, net	112,712	102,388
Funds restricted for construction activity	1,420	1,381
Goodwill	2,340,713	2,340,738
Operating lease right-of-use assets	31,263	37,416
Intangible assets	3,273	3,593
Total assets	18,026,554	16,841,459
Essential Utilities stockholders' equity:		
Common stock at $0.50 par value, authorized 600,000,000 shares, issued 278,209,660 and 276,595,228 as of December 31, 2024 and December 31, 2023	139,105	138,297
Capital in excess of par value	4,199,836	4,137,696
Retained earnings	1,949,492	1,706,675
Treasury stock, at cost, 3,386,069 and 3,299,191 shares as of December 31, 2024 and December 31, 2023	-89,624	-86,485
Total stockholders' equity	6,198,809	5,896,183
Long-term debt, excluding current portion	7,416,289	6,870,593
Less: debt issuance costs	47,908	44,508
Long-term debt, excluding current portion, net of debt issuance costs	7,368,381	6,826,085
Commitments and contingencies (See Note 9)		
Current liabilities:		
Current portion of long-term debt	142,807	67,415
Loans payable	186,542	160,123
Accounts payable	258,615	221,191
Book overdraft	47,714	13,358
Accrued interest	72,281	53,084
Accrued taxes	38,219	40,641
Regulatory liabilities	1,770	31,270
Dividends payable	89,441	83,929
Other accrued liabilities	137,279	126,916
Total current liabilities	974,668	797,927
Deferred credits and other liabilities:		
Deferred income taxes and investment tax credits	1,831,868	1,628,324
Customers' advances for construction	113,323	128,755
Regulatory liabilities	764,745	820,910
Asset retirement obligations	860	848
Operating lease liabilities	27,447	34,425
Pension and other postretirement benefit liabilities	33,680	38,850
Other	23,928	24,086
Total deferred credits and other liabilities	2,795,851	2,676,198
Contributions in aid of construction	688,845	645,066
Total liabilities and equity	$18,026,554	$16,841,459

NetPlant	13,143,476	12,097,072
Advances	113,323	128,755
CIAC	688,845	645,066
DefTax	1,831,868	1,628,324
ITC	0	0

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CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Statement of Financial Position [Abstract]		
UTILITY PLANT: Water Production	$314,924	$303,791
Transmission and Distribution	855,497	809,862
General	105,167	100,593
Construction Work in Progress	34,209	19,636
TOTAL	1,309,797	1,233,882
Less Accumulated Depreciation	254,425	235,540
UTILITY PLANT - NET	1,055,372	998,342
CURRENT ASSETS: Cash and Cash Equivalents	4,226	2,390
Accounts Receivable, net of allowance for credit losses of $2,695 and $2,137, respectively in 2024 and 2023	18,842	18,172
Litigation Settlement Receivable		69,872
Unbilled Revenues	10,764	9,297
Materials and Supplies (at average cost)	6,719	6,972
Prepayments	2,422	1,833
TOTAL CURRENT ASSETS	42,973	108,536
OTHER ASSETS: Operating Lease Right of Use Asset	2,567	3,185
Regulatory Assets	101,783	90,694
Non-utility Assets - Net	11,760	11,522
Employee Benefit Plans	36,856	21,779
Other	3,863	1,994
TOTAL OTHER ASSETS	156,829	129,174
TOTAL ASSETS	1,255,174	1,236,052
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION: Common Stock, No Par Value	248,202	246,764
Retained Earnings	197,061	176,227
TOTAL COMMON STOCKHOLDERS' EQUITY	445,263	422,991
Preferred Stock	1,635	2,084
Long-term Debt	352,822	358,153
TOTAL CAPITALIZATION	799,720	783,228
CURRENT Current Portion of Long-term Debt	7,711	7,740
LIABILITIES: Notes Payable	23,000	42,750
Accounts Payable	28,050	27,618
Litigation Settlement Payable		6,237
Accrued Taxes	11,976	10,535
Accrued Interest	2,916	3,138
Unearned Revenues and Advanced Service Fees	1,476	1,390
Other	7,759	4,421
TOTAL CURRENT LIABILITIES	82,888	103,829
COMMITMENTS AND CONTINGENT LIABILITIES (Note 4)		
OTHER LIABILITIES: Advances for Construction	22,629	21,313
Lease Obligations	2,432	3,063
Accumulated Deferred Income Taxes	101,235	88,736
Regulatory Liabilities	64,557	113,021
Other	344	592
TOTAL OTHER LIABILITIES	191,197	226,725
CONTRIBUTIONS IN AID OF CONSTRUCTION	181,369	122,270
TOTAL CAPITALIZATION AND LIABILITIES	$1,255,174	$1,236,052

NetPlant	1,055,372	998,342
Advances	22,629	21,313
CIAC	181,369	122,270
DefTax	101,235	88,736
ITC	0	0

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CONSOLIDATED BALANCE SHEETS - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
Utility plant:		
Land	$44,657	$41,415
Depreciable plant and equipment	4,249,314	3,967,911
Construction work in progress	179,486	106,980
Intangible assets	51,604	35,946
Total utility plant	4,525,061	4,152,252
Less accumulated depreciation and amortization	1,036,450	981,598
Net utility plant	3,488,611	3,170,654
Nonutility properties and real estate investments	1,314	13,350
Less accumulated depreciation and amortization	98	194
Net nonutility properties and real estate investments	1,216	13,156
Current assets:		
Cash and cash equivalents	11,114	9,723
Accounts receivable:		
Customers, net of allowances for uncollectible accounts of $1,172 and $6,551 in 2024 and 2023, respectively	68,679	67,870
Income tax	5,953	5,187
Other	7,059	3,684
Accrued unbilled revenue	60,847	49,543
Assets held for sale	0	40,850
Prepaid expenses	10,297	11,110
Current regulatory assets	18,172	4,276
Other current assets	8,593	6,146
Total current assets	190,714	198,389
Other assets:		
Regulatory assets, less current portion	224,055	235,910
Investments	18,087	16,411
Postretirement benefit plans	66,422	33,794
Other intangible asset	0	28,386
Goodwill	640,311	640,311
Other	28,893	8,056
Total other assets	977,768	962,868
Total assets	4,658,309	4,345,067
Stockholders' equity:		
Common stock, $0.001 par value; authorized 70,000,000 shares in 2024 and 2023; issued and outstanding 33,629,169 shares in 2024 and 32,023,004 shares in 2023	34	32
Additional paid-in capital	827,796	736,191
Retained earnings	537,184	495,383
Accumulated other comprehensive income	1,960	1,791
Total stockholders' equity	1,366,974	1,233,397
Long-term debt, less current portion	1,706,904	1,526,699
Total capitalization	3,073,878	2,760,096
Current liabilities:		
Lines of credit	119,124	171,500
Current portion of long-term debt	3,648	48,975
Accrued groundwater extraction charges, purchased water and power	25,118	24,479
Accounts payable	56,256	46,121
Accrued interest	17,476	15,816
Accrued payroll	15,193	12,229
Current regulatory liabilities	1,122	3,059
Other current liabilities	23,236	20,795
Total current liabilities	261,173	342,974
Deferred income taxes	276,043	238,528
Advances for construction	155,397	146,582
Contributions in aid of construction	340,738	326,451
Postretirement benefit plans	45,063	46,836
Regulatory liabilities, less current portion	483,719	461,108
Other noncurrent liabilities	22,298	22,492
Commitments and contingencies		
Total capitalization and liabilities	$4,658,309	$4,345,067

NetPlant	3,488,611	3,170,654
Advances	155,397	146,582
CIAC	340,738	326,451
DefTax	276,043	238,528
ITC	0	0

Appendix A-5.2

Balance Sheets - USD ($) $ in Thousands	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
UTILITY PLANT, at original cost	$664,927	$620,201
Plant acquisition adjustments	-9,838	-9,384
Accumulated depreciation	-124,082	-117,113
Net utility plant	531,007	493,704
OTHER PHYSICAL PROPERTY, net of accumulated depreciation of $536 in 2024 and $501 in 2023	1,534	1,569
CURRENT ASSETS:		
Cash and cash equivalents	1	1
Accounts receivable, net of reserves of $1,610 in 2024 and $1,005 in 2023	7,249	7,837
Unbilled revenues	3,604	3,484
Recoverable income taxes	587	332
Materials and supplies inventories, at cost	3,413	3,109
Prepaid expenses	1,597	821
Total current assets	16,451	15,584
OTHER LONG-TERM ASSETS:		
Prepaid pension cost	25,009	23,380
Note receivable	255	255
Deferred regulatory assets	54,061	48,949
Other assets	5,156	4,764
Total other long-term assets	84,481	77,348
Total Assets	633,473	588,205
COMMON STOCKHOLDERS' EQUITY:		
Common stock, no par value, authorized 46,500,000 shares, issued and outstanding 14,386,282 shares in 2024 and 14,332,245 shares in 2023	138,089	136,174
Retained earnings	93,103	85,004
Total common stockholders' equity	231,192	221,178
PREFERRED STOCK, authorized 500,000 shares, no shares issued	0	0
LONG-TERM DEBT	205,561	180,007
COMMITMENTS		
CURRENT LIABILITIES:		
Accounts payable	9,525	10,873
Dividends payable	2,892	2,754
Accrued compensation and benefits	1,806	1,629
Accrued interest	2,490	1,741
Deferred regulatory liabilities	864	644
Other accrued expenses	712	502
Total current liabilities	18,289	18,143
DEFERRED CREDITS:		
Customers' advances for construction	20,546	18,853
Deferred income taxes	61,157	55,235
Deferred employee benefits	3,526	3,847
Deferred regulatory liabilities	43,947	42,989
Other deferred credits	0	632
Total deferred credits	129,562	121,556
Contributions in aid of construction	48,869	47,321
Total Stockholders' Equity and Liabilities	$0	$588,205
		0
		0
NetPlant	531,007	493,704
Advances	20,546	18,853
CIAC	48,869	47,321
DefTax	61,157	55,235
ITC	0	0

Appendix A-5.2

Commonwealth of Pennsylvania
Department of Environmental Protection
Population Projections Report

County Name	Municipality	DEP	2000	2010	2020	2030	2040
	Pittston C	40005	8,104	7,739	7,042	6,535	5,920

Appendix A-5.2

Geocode	County	Municipality	2010	2020	Change		Munic. Rank
					Numeric	Percent	
	Pennsylvania	Pennsylvania	**12,702,379**	**13,002,700**	**300,321**	**2.4%**	
079	Luzerne County	Luzerne County	320,918	325,594	4,676	1.5%	
07961048	Luzerne County	Pittston city	7739	7591	-148	-1.9%	1,233

Appendix A-5.2

State-Level Census Counts, 1900 to 2020

State	1900	1910	1920	1980	1990	2000	2010	2020
United States	76,212,168	92,228,496	106,021,537	226,545,805	248,709,873	281,421,906	308,745,538	331,449,281
Alabama	1,828,697	2,138,093	2,348,174	3,893,888	4,040,587	4,447,100	4,779,736	5,024,279
Alaska	63,592	64,356	55,036	401,851	550,043	626,932	710,231	733,391
Arizona	122,931	204,354	334,162	2,718,215	3,665,228	5,130,632	6,392,017	7,151,502
Arkansas	1,311,564	1,574,449	1,752,204	2,286,435	2,350,725	2,673,400	2,915,918	3,011,524
California	1,485,053	2,377,549	3,426,861	23,667,902	29,760,021	33,871,648	37,253,956	39,538,223
Colorado	539,700	799,024	939,629	2,889,964	3,294,394	4,301,261	5,029,196	5,773,714
Connecticut	908,420	1,114,756	1,380,631	3,107,576	3,287,116	3,405,565	3,574,097	3,605,944
Delaware	184,735	202,322	223,003	594,338	666,168	783,600	897,934	989,948
District of Columbia	278,718	331,069	437,571	638,333	606,900	572,059	601,723	689,545
Florida	528,542	752,619	968,470	9,746,324	12,937,926	15,982,378	18,801,310	21,538,187
Georgia	2,216,331	2,609,121	2,895,832	5,463,105	6,478,216	8,186,453	9,687,653	10,711,908
Hawaii	154,001	191,874	255,881	964,691	1,108,229	1,211,537	1,360,301	1,455,271
Idaho	161,772	325,594	431,866	943,935	1,006,749	1,293,953	1,567,582	1,839,106
Illinois	4,821,550	5,638,591	6,485,280	11,426,518	11,430,602	12,419,293	12,830,632	12,812,508
Indiana	2,516,462	2,700,876	2,930,390	5,490,224	5,544,159	6,080,485	6,483,802	6,785,528
Iowa	2,231,853	2,224,771	2,404,021	2,913,808	2,776,755	2,926,324	3,046,355	3,190,369
Kansas	1,470,495	1,690,949	1,769,257	2,363,679	2,477,574	2,688,418	2,853,118	2,937,880
Kentucky	2,147,174	2,289,905	2,416,630	3,660,777	3,685,296	4,041,769	4,339,367	4,505,836
Louisiana	1,381,625	1,656,388	1,798,509	4,205,900	4,219,973	4,468,976	4,533,372	4,657,757
Maine	694,466	742,371	768,014	1,124,660	1,227,928	1,274,923	1,328,361	1,362,359
Maryland	1,188,044	1,295,346	1,449,661	4,216,975	4,781,468	5,296,486	5,773,552	6,177,224
Massachusetts	2,805,346	3,366,416	3,852,356	5,737,037	6,016,425	6,349,097	6,547,629	7,029,917
Michigan	2,420,982	2,810,173	3,668,412	9,262,078	9,295,297	9,938,444	9,883,640	10,077,331
Minnesota	1,751,394	2,075,708	2,387,125	4,075,970	4,375,099	4,919,479	5,303,925	5,706,494
Mississippi	1,551,270	1,797,114	1,790,618	2,520,638	2,573,216	2,844,658	2,967,297	2,961,279
Missouri	3,106,665	3,293,335	3,404,055	4,916,686	5,117,073	5,595,211	5,988,927	6,154,913
Montana	243,329	376,053	548,889	786,690	799,065	902,195	989,415	1,084,225
Nebraska	1,066,300	1,192,214	1,296,372	1,569,825	1,578,385	1,711,263	1,826,341	1,961,504
Nevada	42,335	81,875	77,407	800,493	1,201,833	1,998,257	2,700,551	3,104,614
New Hampshire	411,588	430,572	443,083	920,610	1,109,252	1,235,786	1,316,470	1,377,529
New Jersey	1,883,669	2,537,167	3,155,900	7,364,823	7,730,188	8,414,350	8,791,894	9,288,994
New Mexico	195,310	327,301	360,350	1,302,894	1,515,069	1,819,046	2,059,179	2,117,522
New York	7,268,894	9,113,614	10,385,227	17,558,072	17,990,455	18,976,457	19,378,102	20,201,249
North Carolina	1,893,810	2,206,287	2,559,123	5,881,766	6,628,637	8,049,313	9,535,483	10,439,388
North Dakota	319,146	577,056	646,872	652,717	638,800	642,200	672,591	779,094
Ohio	4,157,545	4,767,121	5,759,394	10,797,630	10,847,115	11,353,140	11,536,504	11,799,448
Oklahoma	790,391	1,657,155	2,028,283	3,025,290	3,145,585	3,450,654	3,751,351	3,959,353
Oregon	413,536	672,765	783,389	2,633,105	2,842,321	3,421,399	3,831,074	4,237,256
Pennsylvania	6,302,115	7,665,111	8,720,017	11,863,895	11,881,643	12,281,054	12,702,379	13,002,700
Rhode Island	428,556	542,610	604,397	947,154	1,003,464	1,048,319	1,052,567	1,097,379
South Carolina	1,340,316	1,515,400	1,683,724	3,121,820	3,486,703	4,012,012	4,625,364	5,118,425
South Dakota	401,570	583,888	636,547	690,768	696,004	754,844	814,180	886,667
Tennessee	2,020,616	2,184,789	2,337,885	4,591,120	4,877,185	5,689,283	6,346,105	6,910,840
Texas	3,048,710	3,896,542	4,663,228	14,229,191	16,986,510	20,851,820	25,145,561	29,145,505
Utah	276,749	373,351	449,396	1,461,037	1,722,850	2,233,169	2,763,885	3,271,616
Vermont	343,641	355,956	352,428	511,456	562,758	608,827	625,741	643,077
Virginia	1,854,184	2,061,612	2,309,187	5,346,818	6,187,358	7,078,515	8,001,024	8,631,393
Washington	518,103	1,141,990	1,356,621	4,132,156	4,866,692	5,894,121	6,724,540	7,705,281
West Virginia	958,800	1,221,119	1,463,701	1,949,644	1,793,477	1,808,344	1,852,994	1,793,716
Wisconsin	2,069,042	2,333,860	2,632,067	4,705,767	4,891,769	5,363,675	5,686,986	5,893,718
Wyoming	92,531	145,965	194,402	469,557	453,588	493,782	563,626	576,851

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

WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
GROSS Property, plant and equipment	-	-	-		23,222,746	23,222,746	23,501,307	23,783,209	24,068,494	24,357,201	24,649,371
Accumulated Depreciation	-	-	-		7,339,112	7,339,112	7,626,014	7,916,356	8,210,182	8,507,533	8,808,450
NET PPE	-	-	-		15,883,634	15,883,634	15,875,293	15,866,853	15,858,312	15,849,668	15,840,921
Total Debt	-	-	-	-	-	-					
Net Equity	-	-	-	-	-	-					
Investor Provided Capital	-	-	-	-	-	-	-				
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.44%				0	0
				Muni CAPX	**0**	**581,610**	**0**	**0**	**0**	**0**	**0**
			IOU savings	**0%**			100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.41%	1.41%	1.41%	1.41%	1.41%
				CAPX	**1,013,037**	**581,610**	**327,719**	**331,650**	**335,629**	**339,655**	343,729
				Dep rate	0.00%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
				Half yr. Dep	0.00%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
				Dep on CAPX	-	4,188	2,360	2,388	2,417	2,446	2,475
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	151,956	87,242	49,158	49,748	50,344	50,948	51,559
				Dep on Retired property	-	1,256	708	716	725	734	742
				Dep on Prior yr. GROSS	-	-	334,408	338,419	342,478	346,586	350,744
				Total Dep	-	2,932	336,060	340,090	344,170	348,299	352,476
Pittston											
Depreciation Expense	-	-	-	-	-						
				part of OCN							
				NET PPE			PURTA	0.001527765			
				Rev			Reg Assessment Fee	0.005652534			
					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030
	Pittston										
	FIX CIP			**CIP**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
				part of OCN		= to DepX					
					1,013,037	581,610					
									191	71	72
					2024	**2025**					
						-	-	-	-	-	-
Sewer Rental Charges	0	1,489,486	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	2,505,160	2,505,160	2,505,160	
EDUs	0	0	0	0	5,446	5,446	5446	5446	5446	5446	5446
					0	0	-	-	-	-	0
		0	0	0	2723	5446	5446	5446	5446	5446	
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	312.1557106						
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00	
		#DIV/0!	#DIV/0!	#DIV/0!	624.3114212	302.9746603					

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GROSS Property, plant and equipment	24,945,045	25,244,265	25,547,075	25,853,517	26,163,635	26,477,473	26,795,075	27,116,487	27,441,755	27,770,924	28,104,042	28,441,155
Accumulated Depreciation	9,112,977	9,421,156	9,733,032	10,048,649	10,368,052	10,691,286	11,018,396	11,349,431	11,684,437	12,023,461	12,366,553	12,713,759
NET PPE	15,832,068	15,823,109	15,814,043	15,804,868	15,795,583	15,786,187	15,776,679	15,767,056	15,757,318	15,747,463	15,737,489	15,727,396
Total Debt												
Net Equity												
Investor Provided Capital												

Depreciation / GROSS PPE

	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
	347,852	352,024	356,247	360,520	364,845	369,221	373,650	378,132	382,668	387,258	391,903	396,604
	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
	2,505	2,535	2,565	2,596	2,627	2,658	2,690	2,723	2,755	2,788	2,822	2,856
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	52,178	52,804	53,437	54,078	54,727	55,383	56,048	56,720	57,400	58,089	58,785	59,491
	751	760	769	779	788	798	807	817	827	836	847	857
	354,951	359,209	363,517	367,878	372,291	376,756	381,276	385,849	390,477	395,161	399,901	404,698
	356,705	360,983	365,313	369,695	374,130	378,617	383,159	387,755	392,406	397,113	401,877	406,698

Pittston

Depreciation Expense

	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	56											
	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Rental Charges												
EDUs	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446
	0	0	0	0	0	0	0	0	0	0	0	0

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	2043	2044	2045
GROSS Property, plant and equipment	28,782,313	29,127,563	29,476,954
Accumulated Depreciation	13,065,131	13,420,717	13,780,569
NET PPE	15,717,182	15,706,846	15,696,385
Total Debt			
Net Equity			
Investor Provided Capital			

Depreciation / GROSS PPE

	0	**0**	**0**
	100%	100%	100%
	1.41%	1.41%	1.41%
	401,362	406,176	411,048
	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%
	2,890	2,924	2,960
	15.0%	15.0%	15.0%
	60,204	60,926	61,657
	867	877	888
	409,553	414,465	419,437
	411,576	416,512	421,509

Pittston

Depreciation Expense

	18 2043	19 2044	20 2045
	$ -	$ -	$ -
	-	-	-
Sewer Rental Charges			
EDUs	5446	5446	5446
	0	0	0

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	WORKING NOTES										WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
Pittston					C	4,142	0				
					E	5,446	0				
						0.76					
				1742000							
		Customer Growth				**0**	**0**	**0**	**0**	**0**	0.00%
		Delivered to Customer	-	14.49	14	14	14	14	14	14	14
Pittston		Customers	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
		Total Revenue (Less TAP)	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000	2,310,000	2,310,000	2,310,000
										100.00%	
		avg CUST rev	381.73	398.02	410.43	398.36	398.36	398.36	557.70	557.70	557.70
		avg CUST flow	-	0	0	0	0	0	0	0	0
		avg EDU rev	#DIV/0!	#DIV/0!	312.16	302.97	302.97	302.97	424.16	424.16	424.16
		avg EDU flow	#DIV/0!	#DIV/0!	0	0	0	0	0	0	0
		Rev Calculated				1,700,000	1,650,000	1,650,000	1,650,000	2,310,000	2,310,000

| | | | | | | | | | |

NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Pittston												
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	14	14	14	14	14	14	14	14	14	14	14	14
Pittston	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358	2,810,208
		100.00%										
	585.59	585.59	585.59	609.01	609.01	609.01	633.37	633.37	633.37	658.71	658.71	678.47
	0	0	0	0	0	0	0	0	0	0	0	0
	445.37	445.37	445.37	463.19	463.19	463.19	481.72	481.72	481.72	500.98	500.98	516.01
	0	0	0	0	0	0	0	0	0	0	0	0
	2,310,000	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358

	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2031	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**
			4.0%			4.0%			4.0%		3.0%	
	$ 585.59	$ 585.59	$ 609.01	$ 609.01	$ 609.01	$ 633.37	$ 633.37	$ 633.37	$ 658.71	$ 658.71	$ 678.47	$ 678.47
	$ -	$ -	**$ 23.42**	$ -	$ -	**$ 24.36**	$ -	$ -	**$ 25.33**	$ -	**$ 19.76**	$ -
	-	-	-	-	-	-	-	-	-	-	-	-
	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358	2,810,208
	-	-	97,020	-	-	100,901	-	-	104,937	-	81,851	-
	22,684	22,672	22,659	22,646	22,633	22,619	22,606	22,592	22,578	22,564	22,550	22,536
	14,108	14,108	14,108	14,660	14,660	14,660	15,235	15,235	15,235	15,832	15,832	16,297
	36,792	36,780	36,767	37,306	37,293	37,279	37,841	37,827	37,813	38,396	38,382	38,833

	2043	2044	2045
Pittston			
	0.00%	0.00%	0.00%
	14	14	14
Pittston	4,142	4,142	4,142
	2,810,208	2,903,507	2,903,507
	678.47	700.99	700.99
	0	0	0
	516.01	533.14	533.14
	0	0	0
	2,810,208	2,810,208	2,903,507

0.0%	*0.0%*	*0.0%*
2043	**2044**	**2045**
3.3%		3.4%
$ 700.99	$ 700.99	$ 724.62
$ 22.53	**$ -**	**$ 23.62**
-	-	-
2,810,208	2,903,507	2,903,507
93,299	-	97,848
3.62%		3.66%
22,522	22,507	22,492
16,297	16,828	16,828
38,819	39,335	39,320

WORKING NOTES

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-		0.15		LESS: EOS - Wages
LESS: EOS - Professional Services	0	0	0	0	-	-	-		0.5		LESS: EOS - Profes
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-				LESS: EOS - Eli

	2020	2021	2022	2023	2024	2025	2026
Wages			0	0	0	0	0
Professional Services					0	0	0
Eliminated Exp			0	0	0	0	

					included in OCN	= to DepX
Reported CAPX - from the financials	0	348,650	114,996	249,961	1,013,037	**581,610**

	2020	2021	2022	2023	2024	Assets	Per Books	Difference
GROSS Property, plant and equipment	-	-	-	-	23,222,746	**23,222,746**	-	
Accumulated Depreciation	-	-	-	-	7,339,112	**7,339,112**	-	
NET PPE	-	-	-	-	15,883,634	**15,883,634**	-	15,883,634
Total Debt	-	-	-	-	-	**335,346**		
Net Equity	-	-	-	-	-			
Investor Provided Capital	-	-	-	-	-			
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.44%			
Depreciation Expense	-	-	-	-	-	335,346.00	OCNLD Study	

	2025	2026	2027	2028	2029	
CAPX	0	0	0	0	0	0

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NOTES												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
LESS: EOS - Wages & Benefits	Wages & Benefits		15% savings	15%	0.15							
LESS: EOS - Professional Services	Net Professional Services		50% savings	50%	0.5							
LESS: EOS - Eliminated Expenses	Line Rentals		10% savings	100%	1							

Wages
Professional Services

Eliminated Exp

Reported CAPX - from the financials

											1.500%	
	2023	0.0899	28.10%								1.35%	
	2024	0.0849	27.71%								2.850%	
GROSS Property, plant and equipment	2025	0.0799	27.31%						39			
Accumulated Depreciation	2026	0.0749	26.92%						41			
NET PPE	2027	0.0699	26.52%						42			
	2028	0.0649	26.13%						40.66666667			
Total Debt	2029	0.0599	25.73%						13.55555556			
Net Equity	2030	0.0549	25.34%									
Investor Provided Capital	2031	0.0499	24.94%									

Depreciation Rate

Depreciation Expense

CAPX

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	2043	2044	2045
LESS: EOS - Wages & Benefits			
LESS: EOS - Professional Services			
LESS: EOS - Eliminated Expenses			
Wages			
Professional Services			
Eliminated Exp			
Reported CAPX - from the financials			
	3.250%		3.370%
GROSS Property, plant and equipment			
Accumulated Depreciation			
NET PPE			
Total Debt			
Net Equity			
Investor Provided Capital			
Depreciation Rate			
Depreciation Expense			
CAPX			

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WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
GROSS Property, plant and equipment	-	-	-		23,222,746	23,222,746	23,501,307	23,783,209	24,068,494	24,357,201	24,649,371
Accumulated Depreciation	-	-	-		7,339,112	7,339,112	7,626,014	7,916,356	8,210,182	8,507,533	8,808,450
NET PPE	-	-	-		15,883,634	15,883,634	15,875,293	15,866,853	15,858,312	15,849,668	15,840,921
Total Debt	-	-	-	-	-	-					
Net Equity	-	-	-	-	-	-					
Investor Provided Capital	-	-	-	-	-	-	-				
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.44%				0	0
				Muni CAPX	**0**	**581,610**	**0**	**0**	**0**	**0**	**0**
			IOU savings	**0%**			100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.41%	1.41%	1.41%	1.41%	1.41%
				CAPX	**1,013,037**	**581,610**	**327,719**	**331,650**	**335,629**	**339,655**	343,729
				Dep rate	0.00%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
				Half yr. Dep	0.00%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
				Dep on CAPX	-	4,188	2,360	2,388	2,417	2,446	2,475
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	151,956	87,242	49,158	49,748	50,344	50,948	51,559
				Dep on Retired property	-	1,256	708	716	725	734	742
				Dep on Prior yr. GROSS	-	-	334,408	338,419	342,478	346,586	350,744
				Total Dep	-	-	336,060	340,090	344,170	348,299	352,476

Pittston

Depreciation Expense	-	-	-	-	-
				part of OCN	

NET PPE		PURTA	0.001527765
Rev		Reg Assessment Fee	0.005652534

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030
Pittston											
	FIX CIP			**CIP**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					part of OCN	= to DepX					
					1,013,037	581,610					
									191	71	72

					2024	**2025**					
						-	-	-	-	-	-
Sewer Rental Charges	0	1,489,486	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	2,505,160	2,505,160	2,505,160	
EDUs	0	0	0	0	5,446	5,446	5446	5446	5446	5446	5446
					0	0	-	-	-	-	0
		0	0	0	2723	5446	5446	5446	5446	5446	
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	312.1557106						
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00	
		#DIV/0!	#DIV/0!	#DIV/0!	624.3114212	302.9746603					

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GROSS Property, plant and equipment	24,945,045	25,244,265	25,547,075	25,853,517	26,163,635	26,477,473	26,795,075	27,116,487	27,441,755	27,770,924	28,104,042	28,441,155
Accumulated Depreciation	9,112,977	9,421,156	9,733,032	10,048,649	10,368,052	10,691,286	11,018,396	11,349,431	11,684,437	12,023,461	12,366,553	12,713,759
NET PPE	15,832,068	15,823,109	15,814,043	15,804,868	15,795,583	15,786,187	15,776,679	15,767,056	15,757,318	15,747,463	15,737,489	15,727,396
Total Debt												
Net Equity												
Investor Provided Capital												

Depreciation / GROSS PPE

	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
	347,852	352,024	356,247	360,520	364,845	369,221	373,650	378,132	382,668	387,258	391,903	396,604
	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
	2,505	2,535	2,565	2,596	2,627	2,658	2,690	2,723	2,755	2,788	2,822	2,856
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	52,178	52,804	53,437	54,078	54,727	55,383	56,048	56,720	57,400	58,089	58,785	59,491
	751	760	769	779	788	798	807	817	827	836	847	857
	354,951	359,209	363,517	367,878	372,291	376,756	381,276	385,849	390,477	395,161	399,901	404,698
	356,705	360,983	365,313	369,695	374,130	378,617	383,159	387,755	392,406	397,113	401,877	406,698

Pittston

Depreciation Expense

	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	56											
	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Rental Charges												
EDUs	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446
	0	0	0	0	0	0	0	0	0	0	0	0

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	2043	2044	2045
GROSS Property, plant and equipment	28,782,313	29,127,563	29,476,954
Accumulated Depreciation	13,065,131	13,420,717	13,780,569
NET PPE	15,717,182	15,706,846	15,696,385
Total Debt			
Net Equity			
Investor Provided Capital			

Depreciation / GROSS PPE

	0	**0**	**0**
	100%	100%	100%
	1.41%	1.41%	1.41%
	401,362	406,176	411,048
	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%
	2,890	2,924	2,960
	15.0%	15.0%	15.0%
	60,204	60,926	61,657
	867	877	888
	409,553	414,465	419,437
	411,576	416,512	421,509

Pittston

Depreciation Expense

	18 2043	19 2044	20 2045
	$ -	$ -	$ -
	-	-	-
Sewer Rental Charges			
EDUs	5446	5446	5446
	0	0	0

Appendix A-5.2

WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
Pittston					C	4,142	0				
					E	5,446	0				
						0.76					
				1742000							
		Customer Growth				**0**	**0**	**0**	**0**	**0**	0.00%
		Delivered to Customer	-	14.49	14	14	14	14	14	14	14
Pittston		Customers	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
		Total Revenue (Less TAP)	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000	2,310,000	2,310,000	2,310,000
										100.00%	
		avg CUST rev	381.73	398.02	410.43	398.36	398.36	398.36	557.70	557.70	557.70
		avg CUST flow	-	0	0	0	0	0	0	0	0
		avg EDU rev	#DIV/0!	#DIV/0!	312.16	302.97	302.97	302.97	424.16	424.16	424.16
		avg EDU flow	#DIV/0!	#DIV/0!	0	0	0	0	0	0	0
		Rev Calculated				1,700,000	1,650,000	1,650,000	1,650,000	2,310,000	2,310,000

							0.0%		*0.0%*		*0.0%*		*0.0%*		*0.0%*		*0.0%*	
							2025		**2026**		**2027**		**2028**		**2029**		**2030**	
							Change				40.0%						5.0%	
						$ 410.43	$ 398.36		$ 398.36		$ 557.70		$ 557.70		$ 557.70		$ 585.59	
											$ 159.34		**$ -**		**$ -**		**$ 27.89**	
							-		-		-		2,310,000		-		-	
							1,700,000		1,650,000		1,650,000		2,310,000		2,310,000		2,310,000	
							-		-		660,000		-		-		115,500	

Prior yr							
NET PURTA	0.1432%			22,745	22,733	22,721	22,709	22,697
REV Reg Assessment	0.5690%			9,696	9,696	13,451	13,451	13,451
				32,441	32,429	36,172	36,160	36,148

City of Pittston Wastewater System Assets	
Investor Provide	-
Gross PP&E	23,222,746
Net PP&E	15,883,634
Revenues	1,704,000
EBITDA	599,000
EBIT	263,654
Customers	4,142
Population	7,645

Appendix A-5.2

NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Pittston												
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	14	14	14	14	14	14	14	14	14	14	14	14
Pittston	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358	2,810,208
		100.00%										
	585.59	585.59	585.59	609.01	609.01	609.01	633.37	633.37	633.37	658.71	658.71	678.47
	0	0	0	0	0	0	0	0	0	0	0	0
	445.37	445.37	445.37	463.19	463.19	463.19	481.72	481.72	481.72	500.98	500.98	516.01
	0	0	0	0	0	0	0	0	0	0	0	0
	2,310,000	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358

	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2031	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**
			4.0%			4.0%			4.0%		3.0%	
	$ 585.59	$ 585.59	$ 609.01	$ 609.01	$ 609.01	$ 633.37	$ 633.37	$ 633.37	$ 658.71	$ 658.71	$ 678.47	$ 678.47
	$ -	$ -	**$ 23.42**	$ -	$ -	**$ 24.36**	$ -	$ -	**$ 25.33**	$ -	**$ 19.76**	$ -
	-	-	-	-	-	-	-	-	-	-	-	-
	2,425,500	2,425,500	2,425,500	2,522,520	2,522,520	2,522,520	2,623,421	2,623,421	2,623,421	2,728,358	2,728,358	2,810,208
	-	-	97,020	-	-	100,901	-	-	104,937	-	81,851	-
	22,684	22,672	22,659	22,646	22,633	22,619	22,606	22,592	22,578	22,564	22,550	22,536
	14,108	14,108	14,108	14,660	14,660	14,660	15,235	15,235	15,235	15,832	15,832	16,297
	36,792	36,780	36,767	37,306	37,293	37,279	37,841	37,827	37,813	38,396	38,382	38,833

	2043	2044	2045
Pittston			
	0.00%	0.00%	0.00%
	14	14	14
Pittston	4,142	4,142	4,142
	2,810,208	2,903,507	2,903,507
	678.47	700.99	700.99
	0	0	0
	516.01	533.14	533.14
	0	0	0
	2,810,208	2,810,208	2,903,507

0.0%	*0.0%*	*0.0%*
2043	**2044**	**2045**
3.3%		3.4%
$ 700.99	$ 700.99	$ 724.62
$ 22.53	**$ -**	**$ 23.62**
-	-	-
2,810,208	2,903,507	2,903,507
93,299	-	97,848
3.62%		3.66%
22,522	22,507	22,492
16,297	16,828	16,828
38,819	39,335	39,320

WORKING NOTES

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-		0.15		LESS: EOS - Wages
LESS: EOS - Professional Services	0	0	0	0	-	-	-		0.5		LESS: EOS - Profes
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-				LESS: EOS - Eli

	2020	2021	2022	2023	2024	2025	2026
Wages			0	0	0	0	0
Professional Services					0	0	0
Eliminated Exp			0	0	0	0	

					included in OCN	= to DepX
Reported CAPX - from the financials	0	348,650	114,996	249,961	1,013,037	**581,610**

	2020	2021	2022	2023	2024	Assets	Per Books	Difference
GROSS Property, plant and equipment	-	-	-	-	23,222,746	**23,222,746**	-	
Accumulated Depreciation	-	-	-	-	7,339,112	**7,339,112**	-	
NET PPE	-	-	-	-	15,883,634	**15,883,634**	-	15,883,634
Total Debt	-	-	-	-	-	**335,346**		
Net Equity	-	-	-	-	-			
Investor Provided Capital	-	-	-	-	-			
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.44%			
Depreciation Expense	-	-	-	-	-	335,346.00	OCNLD Study	

	2025	2026	2027	2028	2029	
CAPX	0	0	0	0	0	0

Appendix A-5.2

NOTES												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
LESS: EOS - Wages & Benefits	Wages & Benefits		15% savings	15%	0.15							
LESS: EOS - Professional Services	Net Professional Services		50% savings	50%	0.5							
LESS: EOS - Eliminated Expenses	Line Rentals		10% savings	100%	1							

Wages
Professional Services

Eliminated Exp

Reported CAPX - from the financials

											1.500%	
	2023	0.0899	28.10%								1.35%	
	2024	0.0849	27.71%								2.850%	
GROSS Property, plant and equipment	2025	0.0799	27.31%						39			
Accumulated Depreciation	2026	0.0749	26.92%						41			
NET PPE	2027	0.0699	26.52%						42			
	2028	0.0649	26.13%						40.66666667			
Total Debt	2029	0.0599	25.73%						13.55555556			
Net Equity	2030	0.0549	25.34%									
Investor Provided Capital	2031	0.0499	24.94%									

Depreciation Rate

Depreciation Expense

CAPX

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	2043	2044	2045
LESS: EOS - Wages & Benefits			
LESS: EOS - Professional Services			
LESS: EOS - Eliminated Expenses			
Wages			
Professional Services			
Eliminated Exp			
Reported CAPX - from the financials			
	3.250%		3.370%
GROSS Property, plant and equipment			
Accumulated Depreciation			
NET PPE			
Total Debt			
Net Equity			
Investor Provided Capital			
Depreciation Rate			
Depreciation Expense			
CAPX			

Appendix A-5.2

WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
GROSS Property, plant and equipment	-	-	-		23,222,746	23,222,746	23,501,307	23,783,209	24,068,494	24,357,201	24,649,371
Accumulated Depreciation	-	-	-		7,339,112	7,339,112	7,626,014	7,916,356	8,210,182	8,507,533	8,808,450
NET PPE	-	-	-		15,883,634	15,883,634	15,875,293	15,866,853	15,858,312	15,849,668	15,840,921
Total Debt	-	-	-	-	-	-					
Net Equity	-	-	-	-	-	-					
Investor Provided Capital	-	-	-	-	-	-	-				
Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.44%				0	0
				Muni CAPX	**0**	**581,610**	**0**	**0**	**0**	**0**	**0**
			IOU savings	**0%**			100%	100%	100%	100%	100%
				CAPX/Prior Yr. GROSS PPE			1.41%	1.41%	1.41%	1.41%	1.41%
				CAPX	**1,013,037**	**581,610**	**327,719**	**331,650**	**335,629**	**339,655**	343,729
				Dep rate	0.00%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
				Half yr. Dep	0.00%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
				Dep on CAPX	-	4,188	2,360	2,388	2,417	2,446	2,475
				Rate of retirement	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
				Retired property	151,956	87,242	49,158	49,748	50,344	50,948	51,559
				Dep on Retired property	-	1,256	708	716	725	734	742
				Dep on Prior yr. GROSS	-	-	334,408	338,419	342,478	346,586	350,744
				Total Dep	-	-	336,060	340,090	344,170	348,299	352,476

Pittston

Depreciation Expense	-	-	-	-	-
				part of OCN	

NET PPE		PURTA	0.001527765
Rev		Reg Assessment Fee	0.005652534

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030
Pittston											
	FIX CIP			**CIP**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					part of OCN	= to DepX					
					1,013,037	581,610					
									191	71	72

					2024	**2025**					
						-	-	-	-	-	-
Sewer Rental Charges	0	1,489,486	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	2,505,160	2,505,160	2,505,160	
EDUs	0	0	0	0	5,446	5,446	5446	5446	5446	5446	5446
					0	0	-	-	-	-	0
		0	0	0	2723	5446	5446	5446	5446	5446	
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	312.1557106						
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00	
		#DIV/0!	#DIV/0!	#DIV/0!	624.3114212	302.9746603					

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GROSS Property, plant and equipment	24,945,045	25,244,265	25,547,075	25,853,517	26,163,635	26,477,473	26,795,075	27,116,487	27,441,755	27,770,924	28,104,042	28,441,155
Accumulated Depreciation	9,112,977	9,421,156	9,733,032	10,048,649	10,368,052	10,691,286	11,018,396	11,349,431	11,684,437	12,023,461	12,366,553	12,713,759
NET PPE	15,832,068	15,823,109	15,814,043	15,804,868	15,795,583	15,786,187	15,776,679	15,767,056	15,757,318	15,747,463	15,737,489	15,727,396
Total Debt												
Net Equity												
Investor Provided Capital												

Depreciation / GROSS PPE

	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%
	347,852	352,024	356,247	360,520	364,845	369,221	373,650	378,132	382,668	387,258	391,903	396,604
	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%
	2,505	2,535	2,565	2,596	2,627	2,658	2,690	2,723	2,755	2,788	2,822	2,856
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	52,178	52,804	53,437	54,078	54,727	55,383	56,048	56,720	57,400	58,089	58,785	59,491
	751	760	769	779	788	798	807	817	827	836	847	857
	354,951	359,209	363,517	367,878	372,291	376,756	381,276	385,849	390,477	395,161	399,901	404,698
	356,705	360,983	365,313	369,695	374,130	378,617	383,159	387,755	392,406	397,113	401,877	406,698

Pittston

Depreciation Expense

	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	56											
	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Rental Charges												
EDUs	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446	5446
	0	0	0	0	0	0	0	0	0	0	0	0

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	2043	2044	2045
GROSS Property, plant and equipment	28,782,313	29,127,563	29,476,954
Accumulated Depreciation	13,065,131	13,420,717	13,780,569
NET PPE	15,717,182	15,706,846	15,696,385
Total Debt			
Net Equity			
Investor Provided Capital			

Depreciation / GROSS PPE

	0	**0**	**0**
	100%	100%	100%
	1.41%	1.41%	1.41%
	401,362	406,176	411,048
	1.44%	1.44%	1.44%
	0.72%	0.72%	0.72%
	2,890	2,924	2,960
	15.0%	15.0%	15.0%
	60,204	60,926	61,657
	867	877	888
	409,553	414,465	419,437
	411,576	416,512	421,509

Pittston

Depreciation Expense

	18 2043	19 2044	20 2045
	$ -	$ -	$ -
	-	-	-
Sewer Rental Charges			
EDUs	5446	5446	5446
	0	0	0

Appendix A-5.2

	WORKING NOTES										WORKING N
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pittston					C	4,142	0				
					E	5,446	0				
						0.76					
				1742000							
	Customer Growth					**0**	**0**	**0**	**0**	**0**	0.00%
	Delivered to Customer		-	14.49	14	14	14	14	14	14	14
Pittston	Customers		4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	Total Revenue (Less TAP)		1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000	2,970,000	2,970,000	2,970,000
										100.00%	
	avg CUST rev		381.73	398.02	410.43	398.36	398.36	398.36	717.04	717.04	717.04
	avg CUST flow		-	0	0	0	0	0	0	0	0
	avg EDU rev		#DIV/0!	#DIV/0!	312.16	302.97	302.97	302.97	545.35	545.35	545.35
	avg EDU flow		#DIV/0!	#DIV/0!	0	0	0	0	0	0	0
	Rev Calculated					1,700,000	1,650,000	1,650,000	1,650,000	2,970,000	2,970,000

							0.0%		*0.0%*		*0.0%*		*0.0%*		*0.0%*		*0.0%*	
							2025		**2026**		**2027**		**2028**		**2029**		**2030**	
							Change				80.0%						20.0%	
						$ 410.43	$ 398.36		$ 398.36		$ 717.04		$ 717.04		$ 717.04		$ 860.45	
											$ 318.69		**$ -**		**$ -**		**$ 143.41**	
							-		-		-		2,970,000		-		-	
							1,700,000		1,650,000		1,650,000		2,970,000		2,970,000		2,970,000	
							-		-		1,320,000		-		-		594,000	

Prior yr									
NET PURTA	0.1432%				22,745	22,733	22,721	22,709	22,697
REV Reg Assessment	0.5690%				9,696	9,696	17,207	17,207	17,207
					32,441	32,429	39,928	39,916	39,904

City of Pittston Wastewater System Assets	
Investor Provide	-
Gross PP&E	23,222,746
Net PP&E	15,883,634
Revenues	1,704,000
EBITDA	599,000
EBIT	263,654
Customers	4,142
Population	7,645

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Pittston												
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	14	14	14	14	14	14	14	14	14	14	14	14
Pittston	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	3,564,000	3,564,000	3,564,000	3,742,200	3,742,200	3,742,200	3,867,564	3,867,564	3,867,564	3,995,193	3,995,193	4,079,092
		100.00%										
	860.45	860.45	860.45	903.48	903.48	903.48	933.74	933.74	933.74	964.56	964.56	984.81
	0	0	0	0	0	0	0	0	0	0	0	0
	654.43	654.43	654.43	687.15	687.15	687.15	710.17	710.17	710.17	733.60	733.60	749.01
	0	0	0	0	0	0	0	0	0	0	0	0
	2,970,000	3,564,000	3,564,000	3,564,000	3,742,200	3,742,200	3,742,200	3,867,564	3,867,564	3,867,564	3,995,193	3,995,193

	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2031	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**
			5.0%			3.4%			3.3%		2.1%	
	$ 860.45	$ 860.45	$ 903.48	$ 903.48	$ 903.48	$ 933.74	$ 933.74	$ 933.74	$ 964.56	$ 964.56	$ 984.81	$ 984.81
	$ -	$ -	**$ 43.02**	$ -	$ -	**$ 30.27**	$ -	$ -	**$ 30.81**	$ -	**$ 20.26**	$ -
	-	-	-	-	-	-	-	-	-	-	-	-
	3,564,000	3,564,000	3,564,000	3,742,200	3,742,200	3,742,200	3,867,564	3,867,564	3,867,564	3,995,193	3,995,193	4,079,092
	-	-	178,200	-	-	125,364	-	-	127,630	-	83,899	-
	22,684	22,672	22,659	22,646	22,633	22,619	22,606	22,592	22,578	22,564	22,550	22,536
	20,586	20,586	20,586	21,600	21,600	21,600	22,314	22,314	22,314	23,040	23,040	23,517
	43,270	43,258	43,245	44,246	44,233	44,219	44,920	44,906	44,892	45,604	45,590	46,053

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	2043	2044	2045
Pittston			
	0.00%	0.00%	0.00%
	14	14	14
Pittston	4,142	4,142	4,142
	4,079,092	4,172,911	4,172,911
	984.81	1,007.46	1,007.46
	0	0	0
	749.01	766.23	766.23
	0	0	0
	4,079,092	4,079,092	4,172,911

0.0%	*0.0%*	*0.0%*
2043	**2044**	**2045**
2.3%		2.4%
$ 1,007.46	$ 1,007.46	$ 1,031.14
$ 22.65	**$ -**	**$ 23.68**
-	-	-
4,079,092	4,172,911	4,172,911
93,819	-	98,063
2.50%		2.56%
22,522	22,507	22,492
23,517	24,051	24,051
46,039	46,558	46,543

WORKING NOTES

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-		0.15		LESS: EOS - Wages
LESS: EOS - Professional Services	0	0	0	0	-	-	-		0.5		LESS: EOS - Profes
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-				LESS: EOS - Eli

	2020	2021	2022	2023	2024	2025	2026
Wages			0	0	0	0	0
Professional Services					0	0	0
Eliminated Exp			0	0	0	0	

					included in OCN	= to DepX
Reported CAPX - from the financials	0	348,650	114,996	249,961	1,013,037	**581,610**

	2020	2021	2022	2023	2024	Assets	Per Books	Difference
GROSS Property, plant and equipment	-	-	-	-	23,222,746	**23,222,746**	-	
Accumulated Depreciation	-	-	-	-	7,339,112	**7,339,112**	-	
NET PPE	-	-	-	-	15,883,634	**15,883,634**	-	15,883,634
Total Debt	-	-	-	-	-	**335,346**		
Net Equity	-	-	-	-	-			
Investor Provided Capital	-	-	-	-	-			
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.44%			
Depreciation Expense	-	-	-	-	-	335,346.00	OCNLD Study	

	2025	2026	2027	2028	2029	
CAPX	0	0	0	0	0	0

Appendix A-5.2

NOTES												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
LESS: EOS - Wages & Benefits	Wages & Benefits		15% savings	15%	0.15							
LESS: EOS - Professional Services	Net Professional Services		50% savings	50%	0.5							
LESS: EOS - Eliminated Expenses	Line Rentals		10% savings	100%	1							

Wages
Professional Services

Eliminated Exp

Reported CAPX - from the financials

											1.500%	
	2023	0.0899	28.10%								1.35%	
	2024	0.0849	27.71%								2.850%	
GROSS Property, plant and equipment	2025	0.0799	27.31%						39			
Accumulated Depreciation	2026	0.0749	26.92%						41			
NET PPE	2027	0.0699	26.52%						42			
	2028	0.0649	26.13%						40.66666667			
Total Debt	2029	0.0599	25.73%						13.55555556			
Net Equity	2030	0.0549	25.34%									
Investor Provided Capital	2031	0.0499	24.94%									

Depreciation Rate

Depreciation Expense

CAPX

Appendix A-5.2

	2043	2044	2045
LESS: EOS - Wages & Benefits			
LESS: EOS - Professional Services			
LESS: EOS - Eliminated Expenses			
Wages			
Professional Services			
Eliminated Exp			
Reported CAPX - from the financials			
	3.250%		3.370%
GROSS Property, plant and equipment			
Accumulated Depreciation			
NET PPE			
Total Debt			
Net Equity			
Investor Provided Capital			
Depreciation Rate			
Depreciation Expense			
CAPX			

Appendix A-5.2

WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
GROSS Property, plant and equipment	-	-	-		37,000,000	37,000,000	37,354,441	37,712,278	38,073,542	38,438,268	38,806,487
Accumulated Depreciation	-	-	-		-	-	364,630	732,753	1,104,402	1,479,611	1,858,415
NET PPE	-	-	-		37,000,000	37,000,000	36,989,811	36,979,525	36,969,140	36,958,657	36,948,072
Total Debt	-	-	-	-	-	-					
Net Equity	-	-	-	-	-	-					
Investor Provided Capital	-	-	-	-	-	-	-				

Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.15%				0	0
Muni CAPX					**0**	**581,610**	**0**	**0**	**0**	**0**	**0**
IOU savings				**0%**			100%	100%	100%	100%	100%
CAPX/Prior Yr. GROSS PPE							1.13%	1.13%	1.13%	1.13%	1.13%
CAPX					**1,013,037**	**581,610**	**416,990**	**420,985**	**425,017**	**429,089**	433,199
Dep rate					0.00%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%
Half yr. Dep					0.00%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%
Dep on CAPX					-	3,344	2,398	2,421	2,444	2,467	2,491
Rate of retirement					15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Retired property					151,956	87,242	62,549	63,148	63,753	64,363	64,980
Dep on Retired property					-	1,003	719	726	733	740	747
Dep on Prior yr. GROSS					-	-	425,500	429,576	433,691	437,846	442,040
Total Dep					-	-	427,179	431,271	435,402	439,573	443,784

Pittston

Depreciation Expense	-	-	-	-	-	
				part of OCN		

NET PPE		PURTA	0.001527765
Rev		Reg Assessment Fee	0.005652534

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030
Pittston											
	FIX CIP			**CIP**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					part of OCN	= to DepX					
					1,013,037	581,610					
									191	71	72

					2024	**2025**					
						-	-	-	-	-	-
Sewer Rental Charges	0	1,489,486	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	2,505,160	2,505,160	2,505,160	
EDUs	0	0	0	0	5,446	5,446	5446	5446	5446	5446	5446
					0	0	-	-	-	-	0
		0	0	0	2723	5446	5446	5446	5446	5446	
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	312.1557106						
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00	
		#DIV/0!	#DIV/0!	#DIV/0!	624.3114212	302.9746603					

Appendix A-5.2

NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GROSS Property, plant and equipment	39,178,234	39,553,542	39,932,445	40,314,978	40,701,175	41,091,072	41,484,704	41,882,107	42,283,316	42,688,369	43,097,302	43,510,153
Accumulated Depreciation	2,240,848	2,626,944	3,016,739	3,410,268	3,807,566	4,208,672	4,613,619	5,022,445	5,435,187	5,851,883	6,272,570	6,697,288
NET PPE	36,937,386	36,926,598	36,915,706	36,904,710	36,893,609	36,882,400	36,871,085	36,859,662	36,848,129	36,836,486	36,824,732	36,812,865
Total Debt												
Net Equity												
Investor Provided Capital												

Depreciation / GROSS PPE

	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%
	437,349	441,539	445,768	450,039	454,350	458,702	463,096	467,533	472,011	476,533	481,098	485,707
	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%
	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%
	2,515	2,539	2,563	2,588	2,613	2,638	2,663	2,688	2,714	2,740	2,766	2,793
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	65,602	66,231	66,865	67,506	68,153	68,805	69,464	70,130	70,802	71,480	72,165	72,856
	754	762	769	776	784	791	799	806	814	822	830	838
	446,275	450,550	454,866	459,223	463,622	468,064	472,547	477,074	481,644	486,258	490,916	495,619
	448,035	452,327	456,660	461,035	465,451	469,910	474,411	478,956	483,544	488,176	492,852	497,574

Pittston

Depreciation Expense

	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	56											
	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Rental Charges												
EDUs	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0

Appendix A-5.2

	2043	2044	2045
GROSS Property, plant and equipment	43,926,958	44,347,756	44,772,585
Accumulated Depreciation	7,126,075	7,558,969	7,996,010
NET PPE	36,800,883	36,788,787	36,776,575
Total Debt			
Net Equity			
Investor Provided Capital			

Depreciation / GROSS PPE

	0	**0**	**0**
	100%	100%	100%
	1.13%	1.13%	1.13%
	490,359	495,057	499,799
	1.15%	1.15%	1.15%
	0.58%	0.58%	0.58%
	2,820	2,847	2,874
	15.0%	15.0%	15.0%
	73,554	74,259	74,970
	846	854	862
	500,367	505,160	509,999
	502,341	507,153	512,011

Pittston

Depreciation Expense

	18 2043	19 2044	20 2045
	$ -	$ -	$ -
	-	-	-
Sewer Rental Charges			
EDUs	5446	5446	5446
	0	0	0

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WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
Pittston					C	4,142	0				
					E	5,446	0				
						0.76					
				1742000							
		Customer Growth				**0**	**0**	**0**	**0**	**0**	0.00%
		Delivered to Customer	-	14.49	14	14	14	14	14	14	14
Pittston		Customers	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
		Total Revenue (Less TAP)	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000	2,640,000	2,640,000	2,640,000
										100.00%	
		avg CUST rev	381.73	398.02	410.43	398.36	398.36	398.36	637.37	637.37	637.37
		avg CUST flow	-	0	0	0	0	0	0	0	0
		avg EDU rev	#DIV/0!	#DIV/0!	312.16	302.97	302.97	302.97	484.76	484.76	484.76
		avg EDU flow	#DIV/0!	#DIV/0!	0	0	0	0	0	0	0
		Rev Calculated				1,700,000	1,650,000	1,650,000	1,650,000	2,640,000	2,640,000

							0.0%		*0.0%*		*0.0%*		*0.0%*		*0.0%*		*0.0%*	
							2025		**2026**		**2027**		**2028**		**2029**		**2030**	
							Change				60.0%						15.0%	
						$ 410.43	$ 398.36		$ 398.36		$ 637.37		$ 637.37		$ 637.37		$ 732.98	
											$ 239.01		**$ -**		**$ -**		**$ 95.61**	
							-		-		-		2,640,000		-		-	
							1,700,000		1,650,000		1,650,000		2,640,000		2,640,000		2,640,000	
							-		-		990,000		-		-		396,000	

Prior yr									
NET PURTA	0.1432%				52,984	52,969	52,955	52,940	52,925
REV Reg Assessment	0.5690%				9,696	9,696	15,329	15,329	15,329
					62,680	62,665	68,284	68,269	68,254

City of Pittston Wastewater System Assets	
Investor Provide	-
Gross PP&E	37,000,000
Net PP&E	37,000,000
Revenues	1,704,000
EBITDA	599,000
EBIT	173,500
Customers	4,142
Population	7,645

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Pittston												
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	14	14	14	14	14	14	14	14	14	14	14	14
Pittston	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	3,036,000	3,036,000	3,036,000	3,187,800	3,187,800	3,187,800	3,347,190	3,347,190	3,347,190	3,481,078	3,481,078	3,569,497
		100.00%										
	732.98	732.98	732.98	769.63	769.63	769.63	808.11	808.11	808.11	840.43	840.43	861.78
	0	0	0	0	0	0	0	0	0	0	0	0
	557.47	557.47	557.47	585.35	585.35	585.35	614.61	614.61	614.61	639.20	639.20	655.43
	0	0	0	0	0	0	0	0	0	0	0	0
	2,640,000	3,036,000	3,036,000	3,036,000	3,187,800	3,187,800	3,187,800	3,347,190	3,347,190	3,347,190	3,481,078	3,481,078
	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2031	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**
			5.0%			5.0%			4.0%		2.5%	
	$ 732.98	$ 732.98	$ 769.63	$ 769.63	$ 769.63	$ 808.11	$ 808.11	$ 808.11	$ 840.43	$ 840.43	$ 861.78	$ 861.78
	$ -	$ -	**$ 36.65**	$ -	$ -	**$ 38.48**	$ -	$ -	**$ 32.32**	$ -	**$ 21.35**	$ -
	-	-	-	-	-	-	-	-	-	-	-	-
	3,036,000	3,036,000	3,036,000	3,187,800	3,187,800	3,187,800	3,347,190	3,347,190	3,347,190	3,481,078	3,481,078	3,569,497
	-	-	151,800	-	-	159,390	-	-	133,888	-	88,419	-
	52,910	52,894	52,879	52,863	52,848	52,832	52,816	52,799	52,783	52,767	52,750	52,733
	17,582	17,582	17,582	18,446	18,446	18,446	19,353	19,353	19,353	20,115	20,115	20,618
	70,492	70,476	70,461	71,309	71,294	71,278	72,169	72,152	72,136	72,882	72,865	73,351

	2043	2044	2045
Pittston			
	0.00%	0.00%	0.00%
	14	14	14
Pittston	4,142	4,142	4,142
	3,569,497	3,662,304	3,662,304
	861.78	884.19	884.19
	0	0	0
	655.43	672.48	672.48
	0	0	0
	3,569,497	3,569,497	3,662,304

0.0%	*0.0%*	*0.0%*
2043	**2044**	**2045**
2.6%		2.7%
$ 884.19	$ 884.19	$ 907.62
$ 22.41	**$ -**	**$ 23.43**
-	-	-
3,569,497	3,662,304	3,662,304
92,807	-	97,051
2.84%		2.88%
52,716	52,699	52,682
20,618	21,146	21,146
73,334	73,845	73,828

WORKING NOTES

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-		0.15		LESS: EOS - Wages
LESS: EOS - Professional Services	0	0	0	0	-	-	-		0.5		LESS: EOS - Profes
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-				LESS: EOS - Eli

	2020	2021	2022	2023	2024	2025	2026
Wages			0	0	0	0	0
Professional Services					0	0	0
Eliminated Exp			0	0	0	0	

					included in OCN	= to DepX
Reported CAPX - from the financials	0	348,650	114,996	249,961	1,013,037	**581,610**

	2020	2021	2022	2023	2024	Assets	Per Books	Difference
GROSS Property, plant and equipment	-	-	-	-	37,000,000	**37,000,000**	-	
Accumulated Depreciation	-	-	-	-	-	-	-	
NET PPE	-	-	-	-	37,000,000	**37,000,000**	-	37,000,000
Total Debt	-	-	-	-	-	**425,500**		
Net Equity	-	-	-	-	-			
Investor Provided Capital	-	-	-	-	-			
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.15%			
Depreciation Expense	-	-	-	-	-	425,500.00	OCNLD Study	

	2025	2026	2027	2028	2029	
CAPX	0	0	0	0	0	0

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NOTES												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
LESS: EOS - Wages & Benefits	Wages & Benefits		15% savings	15%	0.15							
LESS: EOS - Professional Services	Net Professional Services		50% savings	50%	0.5							
LESS: EOS - Eliminated Expenses	Line Rentals		10% savings	100%	1							

Wages
Professional Services

Eliminated Exp

Reported CAPX - from the financials

											1.500%	
	2023	0.0899	28.10%								1.35%	
	2024	0.0849	27.71%								2.850%	
GROSS Property, plant and equipment	2025	0.0799	27.31%						39			
Accumulated Depreciation	2026	0.0749	26.92%						41			
NET PPE	2027	0.0699	26.52%						42			
	2028	0.0649	26.13%						40.66666667			
Total Debt	2029	0.0599	25.73%						13.55555556			
Net Equity	2030	0.0549	25.34%									
Investor Provided Capital	2031	0.0499	24.94%									

Depreciation Rate

Depreciation Expense

CAPX

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	2043	2044	2045
LESS: EOS - Wages & Benefits			
LESS: EOS - Professional Services			
LESS: EOS - Eliminated Expenses			
Wages			
Professional Services			
Eliminated Exp			
Reported CAPX - from the financials			
	3.250%		3.370%
GROSS Property, plant and equipment			
Accumulated Depreciation			
NET PPE			
Total Debt			
Net Equity			
Investor Provided Capital			
Depreciation Rate			
Depreciation Expense			
CAPX			

Appendix A-5.2

WORKING NOTES											WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
GROSS Property, plant and equipment	-	-	-		37,000,000	37,000,000	37,354,441	37,712,278	38,073,542	38,438,268	38,806,487
Accumulated Depreciation	-	-	-		-	-	364,630	732,753	1,104,402	1,479,611	1,858,415
NET PPE	-	-	-		37,000,000	37,000,000	36,989,811	36,979,525	36,969,140	36,958,657	36,948,072
Total Debt	-	-	-	-	-	-					
Net Equity	-	-	-	-	-	-					
Investor Provided Capital	-	-	-	-	-	-	-				

Depreciation / GROSS PPE	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	0.00%	1.15%				0	0
Muni CAPX					**0**	**581,610**	**0**	**0**	**0**	**0**	**0**
IOU savings				**0%**			100%	100%	100%	100%	100%
CAPX/Prior Yr. GROSS PPE							1.13%	1.13%	1.13%	1.13%	1.13%
CAPX					**1,013,037**	**581,610**	**416,990**	**420,985**	**425,017**	**429,089**	433,199
Dep rate					0.00%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%
Half yr. Dep					0.00%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%
Dep on CAPX					-	3,344	2,398	2,421	2,444	2,467	2,491
Rate of retirement					15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Retired property					151,956	87,242	62,549	63,148	63,753	64,363	64,980
Dep on Retired property					-	1,003	719	726	733	740	747
Dep on Prior yr. GROSS					-	-	425,500	429,576	433,691	437,846	442,040
Total Dep					-	-	427,179	431,271	435,402	439,573	443,784

Pittston

Depreciation Expense	-	-	-	-	-	
				part of OCN		

NET PPE		PURTA	0.001527765
Rev		Reg Assessment Fee	0.005652534

					2024	2025	1 2026	2 2027	3 2028	4 2029	5 2030
Pittston											
	FIX CIP			**CIP**	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					part of OCN	= to DepX					
					1,013,037	581,610					
									191	71	72

					2024	**2025**					
						-	-	-	-	-	-
Sewer Rental Charges	0	1,489,486	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	2,505,160	2,505,160	2,505,160	
EDUs	0	0	0	0	5,446	5,446	5446	5446	5446	5446	5446
					0	0	-	-	-	-	0
		0	0	0	2723	5446	5446	5446	5446	5446	
	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	312.1557106						
						$ 460.00	$ 460.00	$ 460.00	$ 460.00	$ 460.00	
		#DIV/0!	#DIV/0!	#DIV/0!	624.3114212	302.9746603					

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NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
GROSS Property, plant and equipment	39,178,234	39,553,542	39,932,445	40,314,978	40,701,175	41,091,072	41,484,704	41,882,107	42,283,316	42,688,369	43,097,302	43,510,153
Accumulated Depreciation	2,240,848	2,626,944	3,016,739	3,410,268	3,807,566	4,208,672	4,613,619	5,022,445	5,435,187	5,851,883	6,272,570	6,697,288
NET PPE	36,937,386	36,926,598	36,915,706	36,904,710	36,893,609	36,882,400	36,871,085	36,859,662	36,848,129	36,836,486	36,824,732	36,812,865
Total Debt												
Net Equity												
Investor Provided Capital												

Depreciation / GROSS PPE

	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%	1.13%
	437,349	441,539	445,768	450,039	454,350	458,702	463,096	467,533	472,011	476,533	481,098	485,707
	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%	1.15%
	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%
	2,515	2,539	2,563	2,588	2,613	2,638	2,663	2,688	2,714	2,740	2,766	2,793
	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
	65,602	66,231	66,865	67,506	68,153	68,805	69,464	70,130	70,802	71,480	72,165	72,856
	754	762	769	776	784	791	799	806	814	822	830	838
	446,275	450,550	454,866	459,223	463,622	468,064	472,547	477,074	481,644	486,258	490,916	495,619
	448,035	452,327	456,660	461,035	465,451	469,910	474,411	478,956	483,544	488,176	492,852	497,574

Pittston

Depreciation Expense

	6 2031	7 2032	8 2033	9 2034	10 2035	11 2036	12 2037	13 2038	14 2039	15 2040	16 2041	17 2042
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	56											
	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Rental Charges												
EDUs	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0	5446 0

Appendix A-5.2

	2043	2044	2045
GROSS Property, plant and equipment	43,926,958	44,347,756	44,772,585
Accumulated Depreciation	7,126,075	7,558,969	7,996,010
NET PPE	36,800,883	36,788,787	36,776,575
Total Debt			
Net Equity			
Investor Provided Capital			

Depreciation / GROSS PPE

	0	**0**	**0**
	100%	100%	100%
	1.13%	1.13%	1.13%
	490,359	495,057	499,799
	1.15%	1.15%	1.15%
	0.58%	0.58%	0.58%
	2,820	2,847	2,874
	15.0%	15.0%	15.0%
	73,554	74,259	74,970
	846	854	862
	500,367	505,160	509,999
	502,341	507,153	512,011

Pittston

Depreciation Expense

	18 2043	19 2044	20 2045
	$ -	$ -	$ -
	-	-	-
Sewer Rental Charges			
EDUs	5446	5446	5446
	0	0	0

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	WORKING NOTES										WORKING N
	2020	2021	2022	2023	2024	2025	**2026**	**2027**	2028	2029	2030
Pittston					C	4,142	0				
					E	5,446	0				
						0.76					
				1742000							
		Customer Growth				**0**	**0**	**0**	**0**	**0**	0.00%
		Delivered to Customer	-	14.49	14	14	14	14	14	14	14
Pittston		Customers	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
		Total Revenue (Less TAP)	1,581,106	1,648,579	1,700,000	1,650,000	1,650,000	1,650,000	3,135,000	3,135,000	3,135,000
										100.00%	
		avg CUST rev	381.73	398.02	410.43	398.36	398.36	398.36	756.88	756.88	756.88
		avg CUST flow	-	0	0	0	0	0	0	0	0
		avg EDU rev	#DIV/0!	#DIV/0!	312.16	302.97	302.97	302.97	575.65	575.65	575.65
		avg EDU flow	#DIV/0!	#DIV/0!	0	0	0	0	0	0	0
		Rev Calculated				1,700,000	1,650,000	1,650,000	1,650,000	3,135,000	3,135,000

						0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
						2025	**2026**	**2027**	**2028**	**2029**	**2030**
						Change		90.0%			40.0%
					$ 410.43	$ 398.36	$ 398.36	$ 756.88	$ 756.88	$ 756.88	$ 1,059.63
								$ 358.52	$ -	$ -	**$ 302.75**
						-	-	-	3,135,000	-	-
						1,700,000	1,650,000	1,650,000	3,135,000	3,135,000	3,135,000
						-	-	1,485,000	-	-	1,254,000

Prior yr									
NET PURTA	0.1432%					52,984	52,969	52,955	52,940	52,925
REV Reg Assessment	0.5690%					9,696	9,696	18,145	18,145	18,145
						62,680	62,665	71,100	71,085	71,070

City of Pittston Wastewater System Assets	
Investor Provide	-
Gross PP&E	37,000,000
Net PP&E	37,000,000
Revenues	1,704,000
EBITDA	599,000
EBIT	173,500
Customers	4,142
Population	7,645

Appendix A-5.2

NOTES	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Pittston												
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	14	14	14	14	14	14	14	14	14	14	14	14
Pittston	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142
	4,389,000	4,389,000	4,389,000	6,144,600	6,144,600	6,144,600	6,390,384	6,390,384	6,390,384	6,518,192	6,518,192	6,609,446
		100.00%										
	1,059.63	1,059.63	1,059.63	1,483.49	1,483.49	1,483.49	1,542.83	1,542.83	1,542.83	1,573.68	1,573.68	1,595.71
	0	0	0	0	0	0	0	0	0	0	0	0
	805.91	805.91	805.91	1,128.28	1,128.28	1,128.28	1,173.41	1,173.41	1,173.41	1,196.88	1,196.88	1,213.63
	0	0	0	0	0	0	0	0	0	0	0	0
	3,135,000	4,389,000	4,389,000	4,389,000	6,144,600	6,144,600	6,144,600	6,390,384	6,390,384	6,390,384	6,518,192	6,518,192

	0.0%	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
	2031	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**
			40.0%			4.0%			2.0%		1.4%	
	$ 1,059.63	$ 1,059.63	$ 1,483.49	$ 1,483.49	$ 1,483.49	$ 1,542.83	$ 1,542.83	$ 1,542.83	$ 1,573.68	$ 1,573.68	$ 1,595.71	$ 1,595.71
	$ -	$ -	**$ 423.85**	$ -	$ -	**$ 59.34**	$ -	$ -	**$ 30.86**	$ -	**$ 22.03**	$ -
	-	-	-	-	-	-	-	-	-	-	-	-
	4,389,000	4,389,000	4,389,000	6,144,600	6,144,600	6,144,600	6,390,384	6,390,384	6,390,384	6,518,192	6,518,192	6,609,446
	-	-	1,755,600	-	-	245,784	-	-	127,808	-	91,255	-
	52,910	52,894	52,879	52,863	52,848	52,832	52,816	52,799	52,783	52,767	52,750	52,733
	25,281	25,281	25,281	35,270	35,270	35,270	36,669	36,669	36,669	37,396	37,396	37,915
	78,191	78,175	78,160	88,133	88,118	88,102	89,485	89,468	89,452	90,163	90,146	90,648

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	2043	2044	2045
Pittston			
	0.00%	0.00%	0.00%
	14	14	14
Pittston	4,142	4,142	4,142
	6,609,446	6,702,640	6,702,640
	1,595.71	1,618.21	1,618.21
	0	0	0
	1,213.63	1,230.75	1,230.75
	0	0	0
	6,609,446	6,609,446	6,702,640

	0.0%	*0.0%*	*0.0%*
	2043	**2044**	**2045**
	1.4%		1.5%
	$ 1,618.21	$ 1,618.21	$ 1,641.84
	$ 22.50	**$ -**	**$ 23.63**
	-	-	-
	6,609,446	6,702,640	6,702,640
	93,193	-	97,859
	1.54%		1.58%
	52,716	52,699	52,682
	37,915	38,445	38,445
	90,631	91,144	91,127

WORKING NOTES

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
LESS: EOS - Wages & Benefits	0	-	-	-	-	-	-		0.15		LESS: EOS - Wages
LESS: EOS - Professional Services	0	0	0	0	-	-	-		0.5		LESS: EOS - Profes
LESS: EOS - Eliminated Expenses	0	0	0	0	-	-	-				LESS: EOS - Eli

	2020	2021	2022	2023	2024	2025	2026
Wages			0	0	0	0	0
Professional Services					0	0	0
Eliminated Exp			0	0	0	0	

					included in OCN	= to DepX
Reported CAPX - from the financials	0	348,650	114,996	249,961	1,013,037	**581,610**

	2020	2021	2022	2023	2024	Assets	Per Books	Difference
GROSS Property, plant and equipment	-	-	-	-	37,000,000	**37,000,000**	-	
Accumulated Depreciation	-	-	-	-	-	-	-	
NET PPE	-	-	-	-	37,000,000	**37,000,000**	-	37,000,000
Total Debt	-	-	-	-	-	**425,500**		
Net Equity	-	-	-	-	-			
Investor Provided Capital	-	-	-	-	-			
Depreciation Rate	0.00%	0.00%	0.00%	0.00%	1.15%			
Depreciation Expense	-	-	-	-	-	425,500.00	OCNLD Study	

	2025	2026	2027	2028	2029	
CAPX	0	0	0	0	0	0

Appendix A-5.2

NOTES												
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
LESS: EOS - Wages & Benefits	Wages & Benefits		15% savings	15%	0.15							
LESS: EOS - Professional Services	Net Professional Services		50% savings	50%	0.5							
LESS: EOS - Eliminated Expenses	Line Rentals		10% savings	100%	1							

Wages
Professional Services

Eliminated Exp

Reported CAPX - from the financials

											1.500%	
	2023	0.0899	28.10%								1.35%	
	2024	0.0849	27.71%								2.850%	
GROSS Property, plant and equipment	2025	0.0799	27.31%						39			
Accumulated Depreciation	2026	0.0749	26.92%						41			
NET PPE	2027	0.0699	26.52%						42			
	2028	0.0649	26.13%						40.66666667			
Total Debt	2029	0.0599	25.73%						13.55555556			
Net Equity	2030	0.0549	25.34%									
Investor Provided Capital	2031	0.0499	24.94%									

Depreciation Rate

Depreciation Expense

CAPX

Appendix A-5.2

	2043	2044	2045
LESS: EOS - Wages & Benefits			
LESS: EOS - Professional Services			
LESS: EOS - Eliminated Expenses			
Wages			
Professional Services			
Eliminated Exp			
Reported CAPX - from the financials			
	3.250%		3.370%
GROSS Property, plant and equipment			
Accumulated Depreciation			
NET PPE			
Total Debt			
Net Equity			
Investor Provided Capital			
Depreciation Rate			
Depreciation Expense			
CAPX			

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TRANSFER ADJUSTED City of Pittston Wastewater System Assets			
Total Debt	440,000	865,000	1,270,000
Purchase of Capital Assets	1,013,037	249,961	114,996
	2024	2023	2022
Income (Loss) AFTER Transfers	449,700	270,448	600,114
Interest paid	146,850	109,189	91,325
Depreciation	0	0	0
Total Source	$596,550	$379,637	$691,439
Income tax	0	0	0
Principal	427,000	405,000	400,000
Interest paid	146,850	109,189	91,325
Total Use	$573,850	$514,189	$491,325
WITH TRANSFER			
Debt Service Coverage	1.04	0.74	1.41
Pre-Tax Interest Coverage - Including AFC(3)(x)	4.06	3.48	7.57
Post-Tax Interest Coverage - Including AFC(3)(x)	4.06	3.48	7.57
GCF / Interest Coverage(4)(x)	4.06	3.48	7.57
GCF / Tot. Debt(7)(%)	102.20	31.27	47.25
GCF / Construction(6)(%)	44.39	108.20	521.86

Comparable Group

Debt Service Coverage - As Reported

Comparable Group	2024	2023	2022
AMERICAN STATES WATER COMPANY	2.2	4.9	5.4
AMERICAN WATER WORKS COMPANY, INC.	2.4	2.8	4.2
ARTESIAN RESOURCES CORPORATION	3.9	3.5	3.9
CALIFORNIA WATER SERVICE GROUP	6.3	4.2	5.0
ESSENTIAL UTILITIES, INC.	1.0	1.0	0.8
H2O AMERICA	2.3	3.7	1.6
MIDDLESEX WATER COMPANY	4.0	2.4	4.7
THE YORK WATER COMPANY	0.6	0.6	0.5
Median	2.4	3.2	4.1

	2024	2023	2022	2024	2023	2022
Company Name	**DEPRECIATION**	**DEPRECIATION**	**DEPRECIATION**	**TOTAL INTERST EXPENSE**	**TOTAL INTERST EXPENSE**	**TOTAL INTERST EXPENSE**
AMERICAN STATES WATER COMPANY	44.226	43.254	41.697	50.382	42.762	27.027
AMERICAN WATER WORKS COMPANY, INC.	788.000	704.000	649.000	523.000	460.000	433.000
ARTESIAN RESOURCES CORPORATION	13.629	13.335	12.620	8.779	9.156	8.502
CALIFORNIA WATER SERVICE GROUP	134.139	123.124	117.364	60.698	52.809	46.686
ESSENTIAL UTILITIES, INC.	369.552	343.695	321.177	302.467	283.362	238.116
H2O AMERICA	115.050	108.138	106.439	71.390	66.144	58.062
MIDDLESEX WATER COMPANY	28.038	29.442	27.475	14.023	13.143	9.367
THE YORK WATER COMPANY	12.962	11.746	10.139	8.904	7.047	5.114

	2024	2023	2022	2024	2023	2022
	INCOME TO PREF+COMM	**INCOME TO PREF+COMM**	**INCOME TO PREF+COMM**	**REPAY LT DEBT**	**REPAY LT DEBT**	**REPAY LT DEBT**
AMERICAN STATES WATER COMPANY	50.382	42.762	27.027	44.870	0.334	0.377
AMERICAN WATER WORKS COMPANY, INC.	523.000	460.000	433.000	475.000	282.000	15.000
ARTESIAN RESOURCES CORPORATION	8.779	9.156	8.502	2.257	2.010	1.643
CALIFORNIA WATER SERVICE GROUP	60.698	52.809	46.686	0.889	1.811	5.423
ESSENTIAL UTILITIES, INC.	302.467	283.362	238.116	1,027.473	876.379	977.175
H2O AMERICA	71.390	66.144	58.062	48.975	4.347	89.177
MIDDLESEX WATER COMPANY	14.023	13.143	9.367	7.646	17.463	7.423
THE YORK WATER COMPANY	8.904	7.047	5.114	61.213	64.148	61.458

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Company Name	Pretax Operating Income			Interest expense			Net Income		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	199.823	209.282	129.087	50.382	42.762	27.027	119.268	124.921	78.396
AMERICAN WATER WORKS COMPANY, INC.	1,882.000	1,656.000	1,441.000	523.000	460.000	433.000	1,051.000	944.000	820.000
ARTESIAN RESOURCES CORPORATION	36.488	32.203	32.378	8.779	9.156	8.502	20.394	16.699	17.998
CALIFORNIA WATER SERVICE GROUP	293.994	97.939	149.072	60.698	52.809	46.686	190.807	51.911	96.011
ESSENTIAL UTILITIES, INC.	875.945	715.143	689.024	302.467	283.362	238.116	595.314	498.226	465.237
H2O AMERICA	174.327	157.087	140.386	71.390	66.144	58.062	93.967	84.987	73.828
MIDDLESEX WATER COMPANY	65.279	45.708	55.036	14.023	13.143	9.367	44.351	31.524	42.429
THE YORK WATER COMPANY	30.579	32.081	24.709	8.904	7.047	5.114	20.325	23.757	19.580

Company Name	Gross Cash Flow			Total debt			CAPX		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	165.536	172.958	122.896	938.235	917.883	734.428	231.960	188.540	166.240
AMERICAN WATER WORKS COMPANY, INC.	1,974.000	1,832.000	1,535.000	14,124.000	12,445.000	12,455.000	2,856.000	2,575.000	2,297.000
ARTESIAN RESOURCES CORPORATION	32.958	31.418	30.882	179.119	181.063	198.307	45.942	62.177	48.483
CALIFORNIA WATER SERVICE GROUP	351.478	165.261	215.546	1,395.496	1,247.007	1,140.700	470.800	386.563	335.523
ESSENTIAL UTILITIES, INC.	915.800	745.109	739.704	7,780.482	7,108.766	6,874.589	1,329.747	1,199.103	1,062.763
H2O AMERICA	215.848	181.715	172.320	1,829.676	1,747.174	1,655.903	353.029	271.772	218.784
MIDDLESEX WATER COMPANY	75.360	55.556	69.024	386.533	411.706	366.948	74.622	90.179	91.335
THE YORK WATER COMPANY	31.710	31.880	28.222	205.947	180.639	140.145	49.009	65.265	53.920

Company Name	Pretax Interest Coverage			Posttax Interest Coverage			GCF Interest Coverage		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	4.0	4.9	4.8	3.4	3.9	3.9	4.3	5.0	5.5
AMERICAN WATER WORKS COMPANY, INC.	3.6	3.6	3.3	3.0	3.1	2.9	4.8	5.0	4.5
ARTESIAN RESOURCES CORPORATION	4.2	3.5	3.8	3.3	2.8	3.1	4.8	4.4	4.6
CALIFORNIA WATER SERVICE GROUP	4.8	1.9	3.2	4.1	2.0	3.1	6.8	4.1	5.6
ESSENTIAL UTILITIES, INC.	2.9	2.5	2.9	3.0	2.8	3.0	4.0	3.6	4.1
H2O AMERICA	2.4	2.4	2.4	2.3	2.3	2.3	4.0	3.7	4.0
MIDDLESEX WATER COMPANY	4.7	3.5	5.9	4.2	3.4	5.5	6.4	5.2	8.4
THE YORK WATER COMPANY	3.4	4.6	4.8	3.3	4.4	4.8	4.6	5.5	6.5
Median	3.8	3.5	3.6	3.3	3.0	3.1	4.7	4.7	5.1

Company Name	GCF To Debt			GCF To CAPX		
	2024	2023	2022	2024	2023	2022
AMERICAN STATES WATER COMPANY	17.6	18.8	16.7	71.4	91.7	73.9
AMERICAN WATER WORKS COMPANY, INC.	14.0	14.7	12.3	69.1	71.1	66.8
ARTESIAN RESOURCES CORPORATION	18.4	17.4	15.6	71.7	50.5	63.7
CALIFORNIA WATER SERVICE GROUP	25.2	13.3	18.9	74.7	42.8	64.2
ESSENTIAL UTILITIES, INC.	11.8	10.5	10.8	68.9	62.1	69.6
H2O AMERICA	11.8	10.4	10.4	61.1	66.9	78.8
MIDDLESEX WATER COMPANY	19.5	13.5	18.8	101.0	61.6	75.6
THE YORK WATER COMPANY	15.4	17.6	20.1	64.7	48.8	52.3
Median	16.5	14.1	16.2	70.3	61.9	68.2

	2024	2023	2022
Pre-Tax Interest Coverage - Including AFC(3)(x)	3.8	3.5	3.6
Post-Tax Interest Coverage - Including AFC(3)(x)	3.3	3.0	3.1
GCF / Interest Coverage(4)(x)	4.7	4.7	5.1
GCF / Tot. Debt(7)(%)	16.5	14.1	16.2
GCF / Construction(6)(%)	70.3	61.9	68.2

Bulletin No. 201

1912 to January1, 2025

The Handy-Whitman Index® of Public Utility Construction Costs™

Trends of Construction Costs

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Baltimore, Maryland 21231
410-235-3450

	BCWSA			ACSA			CRWA		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	540,008,150	536,640,274	458,738,341	976,534,842	828,595,274	708,595,336	291,296,387	259,108,984	238,929,570
Operating Income	16,596,456	17,210,783	19,882,598	107,595,279	99,605,915	91,358,404	21,519,175	21,732,619	24,357,342
ROR/N PPE	3.07%	3.21%	4.33%	11.02%	12.02%	12.89%	7.39%	8.39%	10.19%
3-Year Average	3.54%			11.98%			8.66%		
Median of Each Year		6.32%							
Median of Each Entity		6.02%							
Conclusion			6.17%						

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	CHESTER WATER AUTHORITY			DELCORA			ERIE CITY WATER AUTHORITY			LASA*		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	287,868,153	286,754,067	285,180,639	331,393,541	322,410,805	276,768,326	250,900,906	236,455,664	213,346,735	156,992,998	152,872,595	146,644,636
Operating Income	(813,090)	682,966	3,560,108	21,426,788	21,552,339	19,062,611	18,212,368	15,544,238	17,164,895	6,048,103	7,872,136	8,029,263
ROR/N PPE	-0.28%	0.24%	1.25%	6.47%	6.68%	6.89%	7.26%	6.57%	8.05%	3.85%	5.15%	5.48%
3-Year Average	0.40%			6.68%			7.29%			4.83%		
Median of Each Year												
Median of Each Entity												
Conclusion												

* Fiscal year 3/31

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	RAWA			WCMA*			PITTSBURGH WATER & SEWER		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**	**2023**	**2022**	**2021**
NET Property, plant and equipment	55,651,505	57,431,307	61,048,731	673,454,865	640,527,167	629,477,093	1,206,020,000	1,110,785,000	1,041,255,000
Operating Income	3,188,031	3,680,375	3,942,963	10,869,952	19,417,767	27,709,981	55,267,000	74,487,000	64,835,000
ROR/N PPE	5.73%	6.41%	6.46%	1.61%	3.03%	4.40%	4.58%	6.71%	6.23%
3-Year Average	6.20%			3.02%			5.84%		

*Fiscal Year 3/31

Median of Each Year

Median of Each Entity

Conclusion

Appendix A-5.2

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2021 AND 2020

Appendix A-5.2

Assets and Deferred Outflows of Resources	2021	2020
Assets:		
Current assets:		
Cash and cash equivalents	$ 256,262,201	$ 209,431,473
Accounts receivable:		
Billed sewer revenue	20,251,775	20,446,710
Unbilled sewer revenue	46,174,198	44,044,901
Other	145,244	4,734
Other current assets	6,736,857	6,634,434
Total current assets	329,570,275	280,562,252
Restricted/designated assets:		
Cash and cash equivalents	205,156,065	272,815,362
Total restricted/designated assets	205,156,065	272,815,362
Prepaid bond costs	5,333,878	5,815,062
Nondepreciable capital assets:		
Land	5,344,896	5,344,896
Construction in progress	170,406,333	94,302,298
Total nondepreciable capital assets	175,751,229	99,647,194
Depreciable capital assets - at cost, net of accumulated depreciation	532,844,107	543,854,942
Total	708,595,336	643,502,136
Net pension asset	1,680,266	-
Total Assets	1,250,335,820	1,202,694,812
Deferred Outflows of Resources:		
Related to pensions	26,830,110	27,581,534
Related to other post-retirement benefits	2,392,336	1,758,333
Refunding adjustment	4,682,815	5,247,763
Total Deferred Outflows of Resources	33,905,261	34,587,630
Total Assets and Deferred Outflows of Resources	$ 1,284,241,081	$ 1,237,282,442

Liabilities, Deferred Inflows of Resources, and Net Position	2021	2020
Liabilities:		
Current liabilities:		
Accounts payable	$ 9,426,774	$ 2,927,005
Accounts payable - capital	11,618,234	3,165,967
Accrued liabilities:		
Compensated absences	5,640,410	5,950,167
Salaries and wages	2,064,530	1,985,019
Accrued interest on bonds	2,473,080	2,592,551
Reserve for litigation	2,371,900	2,371,900
Pretreatment advance payments	-	2,600
Current maturities of sewer revenue bonds	31,255,000	28,785,000
Total current liabilities	64,849,928	47,780,209
Long-term liabilities:		
Other post-employment benefits	14,074,940	13,901,968
Net pension liability	1,344,126	7,266,922
Sewer revenue bonds - less current maturities	639,240,000	670,495,000
Unamortized bond premium	62,134,271	67,960,993
Net long-term debt	701,374,271	738,455,993
Total long-term liabilities	716,793,337	759,624,883
Total Liabilities	781,643,265	807,405,092
Deferred Inflows of Resources:		
Related to pensions	28,103,085	25,133,372
Related to other post-retirement benefits	3,934,376	3,169,749
Total Deferred Inflows of Resources	32,037,461	28,303,121
Net Position:		
Net investment in capital assets	185,804,945	154,324,268
Unrestricted	283,075,144	247,249,961
Restricted - pension	1,680,266	-
Total Net Position	470,560,355	401,574,229
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,284,241,081	$ 1,237,282,442

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

Appendix A-5.2

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues	$ 197,355,657	$ 186,799,875
Operating Expenses:		
Treatment	50,925,066	50,981,608
Intercepting sewer systems	8,693,262	8,771,952
Upper Allegheny system	398,157	307,944
Administrative and engineering	16,108,332	15,682,596
Billing and collecting	4,052,673	4,461,391
Management information systems	4,088,595	4,071,959
Total operating expenses before depreciation	84,266,085	84,277,450
Operating Income Before Depreciation	113,089,572	102,522,425
Depreciation	21,731,168	22,374,952
Operating Income	91,358,404	80,147,473
Non-operating Revenues (Expenses):		
Interest income	100,243	2,002,687
Interest expense on bonds	(25,729,360)	(27,485,399)
Amortization of prepaid bond costs	(481,184)	(516,597)
Capital fees recognized	159,694	-
Loss on capital assets retired	-	(4,573,423)
Change in value of pension related items	3,881,925	(2,469,057)
Change in value of OPEB related items	(303,596)	(2,175,059)
Total non-operating revenues (expenses)	(22,372,278)	(35,216,848)
Change in Net Position	68,986,126	44,930,625
Net Position:		
Beginning of year	401,574,229	356,643,604
End of year	$ 470,560,355	$ 401,574,229

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2022 AND 2021

Assets and Deferred Outflows of Resources

	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	$ 311,516,031	$ 256,262,201
Accounts receivable:		
Billed sewer revenue	23,428,325	20,251,775
Unbilled sewer revenue	48,333,723	46,174,198
Other	84,200	145,244
Other current assets	6,943,836	6,736,857
Total current assets	390,306,115	329,570,275
Restricted/designated assets:		
Cash and cash equivalents	111,375,912	205,156,065
Investments	240,867,599	-
Accrued interest receivable	732,112	-
Total restricted/designated assets	352,975,623	205,156,065
Prepaid bond costs	6,953,344	5,333,878
Nondepreciable capital assets:		
Land	13,343,651	5,344,896
Construction in progress	197,768,039	170,406,333
Total nondepreciable capital assets	211,111,690	175,751,229
Depreciable capital assets - at cost, net of accumulated depreciation	617,483,584	532,844,107
Total	828,595,274	708,595,336
Net pension asset	24,141,265	1,680,266
Total Assets	1,602,971,621	1,250,335,820
Deferred Outflows of Resources:		
Related to pensions	20,709,578	26,830,110
Related to other post-retirement benefits	2,428,808	2,392,336
Refunding adjustment	4,170,832	4,682,815
Total Deferred Outflows of Resources	27,309,218	33,905,261
Total Assets and Deferred Outflows of Resources	$ 1,630,280,839	$ 1,284,241,081

Liabilities, Deferred Inflows of Resources, and Net Position

	2022	2021
Liabilities:		
Current liabilities:		
Accounts payable	$ 13,347,080	$ 9,426,774
Accounts payable - capital	9,294,858	11,618,234
Accrued liabilities:		
Compensated absences	5,274,999	5,640,410
Salaries and wages	2,138,052	2,064,530
Accrued interest on bonds	3,673,712	2,473,080
Reserve for litigation	2,371,900	2,371,900
Current maturities of sewer revenue bonds	32,830,000	31,255,000
Total current liabilities	68,930,601	64,849,928
Long-term liabilities:		
Other post-employment benefits	14,817,512	14,074,940
Net pension liability	-	1,344,126
Sewer revenue bonds - less current maturities	873,560,000	639,240,000
Unamortized bond premium	72,852,963	62,134,271
Net long-term debt	946,412,963	701,374,271
Total long-term liabilities	961,230,475	716,793,337
Total Liabilities	1,030,161,076	781,643,265
Deferred Inflows of Resources:		
Related to pensions	36,738,124	28,103,085
Related to other post-retirement benefits	3,444,236	3,934,376
Total Deferred Inflows of Resources	40,182,360	32,037,461
Net Position:		
Net investment in capital assets	206,498,766	185,804,945
Unrestricted	329,297,372	283,075,144
Restricted - pension	24,141,265	1,680,266
Total Net Position	559,937,403	470,560,355
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,630,280,839	$ 1,284,241,081

Appendix A-5.2

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

Appendix A-5.2

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues	$ 211,516,526	$ 197,355,657
Operating Expenses:		
Treatment	54,028,555	50,925,066
Intercepting sewer systems	10,592,060	8,693,262
Upper Allegheny system	429,310	398,157
Administrative and engineering	16,662,143	16,108,332
Billing and collecting	4,333,268	4,052,673
Management information systems	4,393,392	4,088,595
Total operating expenses before depreciation	90,438,728	84,266,085
Operating Income Before Depreciation	121,077,798	113,089,572
Depreciation	21,471,883	21,731,168
Operating Income	99,605,915	91,358,404
Non-operating Revenues (Expenses):		
Intergovernmental grants	247,500	-
Interest income	7,049,207	100,243
Interest expense on bonds	(25,903,240)	(25,729,360)
Amortization of prepaid bond costs	(455,928)	(481,184)
Capital fees recognized	-	159,694
Change in value of pension related items	9,049,554	3,881,925
Change in value of OPEB related items	(215,960)	(303,596)
Total non-operating revenues (expenses)	(10,228,867)	(22,372,278)
Change in Net Position	89,377,048	68,986,126
Net Position:		
Beginning of year	470,560,355	401,574,229
End of year	$ 559,937,403	$ 470,560,355

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

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF NET POSITION

DECEMBER 31, 2023 AND 2022

Assets and Deferred Outflows of Resources

	2023	2022
Assets:		
Current assets:		
Cash and cash equivalents	$ 382,535,262	$ 311,516,031
Accounts receivable:		
Billed sewer revenue	23,638,302	23,428,325
Unbilled sewer revenue	51,387,922	48,333,723
Other	30,626	84,200
Other current assets	7,217,236	6,943,836
Total current assets	464,809,348	390,306,115
Restricted/designated assets:		
Cash and cash equivalents	178,954,345	111,375,912
Investments	21,883,846	240,867,599
Accrued interest receivable	55,339	732,112
Total restricted/designated assets	200,893,530	352,975,623
Prepaid bond costs	6,418,365	6,953,344
Nondepreciable capital assets:		
Land	23,110,313	13,343,651
Construction in progress	299,726,893	197,768,039
Total nondepreciable capital assets	322,837,206	211,111,690
Depreciable capital assets - at cost, net of accumulated depreciation	653,697,636	617,483,584
Total	976,534,842	828,595,274
Net pension asset	-	24,141,265
Total Assets	1,648,656,085	1,602,971,621
Deferred Outflows of Resources:		
Related to pensions	60,980,053	20,709,578
Related to other post-retirement benefits	2,272,198	2,428,808
Refunding adjustment	3,714,432	4,170,832
Total Deferred Outflows of Resources	66,966,683	27,309,218
Total Assets and Deferred Outflows of Resources	$ 1,715,622,768	$ 1,630,280,839

Liabilities, Deferred Inflows of Resources, and Net Position

	2023	2022
Liabilities:		
Current liabilities:		
Accounts payable	$ 16,132,729	$ 13,347,080
Accounts payable - capital	15,205,717	9,294,858
Accrued liabilities:		
Compensated absences	4,985,334	5,274,999
Salaries and wages	2,418,572	2,138,052
Accrued interest on bonds	3,401,697	3,673,712
Reserve for litigation	2,365,905	2,371,900
Current maturities of sewer revenue bonds	31,490,000	32,830,000
Total current liabilities	75,999,954	68,930,601
Long-term liabilities:		
Other post-employment benefits	11,203,983	14,817,512
Net pension liability	29,541,132	-
Sewer revenue bonds - less current maturities	842,070,000	873,560,000
Unamortized bond premium	66,935,029	72,852,963
Net long-term debt	909,005,029	946,412,963
Total long-term liabilities	949,750,144	961,230,475
Total Liabilities	1,025,750,098	1,030,161,076
Deferred Inflows of Resources:		
Related to pensions	25,868,844	36,738,124
Related to other post-retirement benefits	6,658,653	3,444,236
Total Deferred Inflows of Resources	32,527,497	40,182,360
Net Position:		
Net investment in capital assets	240,647,775	206,498,766
Unrestricted	416,697,398	329,297,372
Restricted - pension	-	24,141,265
Total Net Position	657,345,173	559,937,403
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 1,715,622,768	$ 1,630,280,839

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

Appendix A-5.2

ALLEGHENY COUNTY SANITARY AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues	$ 225,649,201	$ 211,516,526
Operating Expenses:		
Treatment	57,357,729	54,028,555
Intercepting sewer systems	11,238,294	10,592,060
Upper Allegheny system	471,611	429,310
Administrative and engineering	18,510,806	16,662,143
Billing and collecting	4,322,436	4,333,268
Management information systems	4,332,080	4,393,392
Total operating expenses before depreciation	96,232,956	90,438,728
Operating Income Before Depreciation	129,416,245	121,077,798
Depreciation	21,820,966	21,471,883
Operating Income	107,595,279	99,605,915
Non-Operating Revenues (Expenses):		
Intergovernmental grants	-	247,500
Interest income	30,149,114	7,049,207
Interest expense on bonds	(37,501,503)	(25,903,240)
Amortization of prepaid bond costs	(534,980)	(455,928)
Change in value of pension related items	(2,542,642)	9,049,554
Change in value of OPEB related items	242,502	(215,960)
Total non-operating revenues (expenses)	(10,187,509)	(10,228,867)
Change in Net Position	97,407,770	89,377,048
Net Position:		
Beginning of year	559,937,403	470,560,355
End of year	$ 657,345,173	$ 559,937,403

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

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 6,432,360	$ 5,872,075
Investments	17,874,746	17,122,426
Accounts Receivable, Net of Allowance for Doubtful Accounts	2,117,621	8,310,705
Unbilled Revenue Receivable	10,372,592	9,768,802
Prepaid Expenses	360,952	729,044
Total Current Assets	37,158,271	41,803,052
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	3,228,837	3,617,503
Investments	102,212,622	63,732,897
Interest Receivable	1,121,119	920,477
Total Restricted Assets	106,562,578	68,270,877
Net Pension Asset	8,271,425	-
Net OPEB Asset	1,380,862	-
Capital Assets		
Land, Rights-of-Way and Construction in Progress	93,684,793	81,292,208
Other Capital Assets, Net of Accumulated Depreciation	365,053,548	376,251,860
Total Capital Assets, Net	458,738,341	457,544,068
Total Non-Current Assets	565,300,919	525,814,945
Total Assets	612,111,477	567,617,997
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	6,844,887	7,790,319
Pension: Changes in Assumptions	394,071	591,106
Pension: Difference Between Expected and Actual Experience	615,126	805,127
Pension: Difference Between Projected and Actual Earnings on Investments	-	1,691,386
Pension: Contributions Made Subsequent to Measurement Date	1,404,507	4,326,752
OPEB: Difference Between Expected and Actual Experience	17,483	26,180
Total Deferred Outflows of Resources	9,276,074	15,230,870
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	10,097,700	12,749,312
Current Portion of Bonds Payable	23,230,000	22,375,000
Interest Payable	731,832	745,039
Total Current Liabilities	34,059,532	35,869,351
Non-Current Liabilities		
Customer and Developer Deposits	3,240,339	3,613,254
Bonds Payable, Net of Unamortized Bond Discount and Premium	248,092,224	223,030,306
Line of Credit	34,191	-
Net Pension Liability	-	1,880,256
Net OPEB Liability	-	4,026,011
Total Non-Current Liabilities	251,366,754	232,549,827
Total Liabilities	285,426,286	268,419,178
Deferred Inflows of Resources		
Pension: Changes in Assumptions	21,411	32,118
Pension: Difference Between Projected and Actual Earnings on Investments	4,388,041	-
OPEB: Changes in Assumptions	169,859	241,345
OPEB: Difference Between Projected and Actual Earnings on Investments	42,467	86,429
OPEB: Difference Between Expected and Actual Experience	1,210,371	-
Proceeds from Sale of Future Revenues	3,622,933	3,795,454
Total Deferred Inflows of Resources	9,455,082	4,155,346
Net Position		
Net Investment in Capital Assets	201,178,213	229,523,791
Restricted for Capital Activity	54,384,207	15,719,591
Restricted for Debt Service	31,553,004	31,553,004
Unrestricted	39,390,759	33,477,957
Total Net Position	$ 326,506,183	$ 310,274,343

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues		
Retail Sewer Service	$ 55,151,489	$ 54,861,161
Wholesale Sewer Service	14,937,200	14,337,247
Retail Water Service	12,474,575	11,747,314
Wholesale Water Service	4,208,255	4,663,441
Improvement and Tapping Fees	435,475	263,705
Other Revenues	5,090,592	3,557,822
Total Operating Revenues	92,297,586	89,430,690
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	21,056,048	19,678,584
Water Procurement	5,713,269	5,736,644
Total Sewage Treatment and Water Procurement	26,769,317	25,415,228
Plant Operations		
Payroll and Related Costs	2,692,828	2,732,227
Repairs and Maintenance	1,942,332	1,945,504
Electricity	448,383	521,131
Water and Sewage Testing	317,490	249,680
Total Plant Operations	5,401,033	5,448,542
Collection, Transmission and Distribution Service		
Payroll and Related Costs	7,678,484	8,845,809
Repairs and Maintenance	2,640,708	3,084,311
Electricity	1,021,448	885,701
Other Related Costs	223,666	216,408
Total Collection, Transmission and Distribution Service	11,564,306	13,032,229
Total Operating Expenses	43,734,656	43,895,999
General and Administrative Expenses		
Payroll and Related Costs	4,143,623	4,412,980
Professional Fees	2,499,480	2,329,876
Insurance	556,650	497,923
Other	2,867,918	2,382,465
Total General and Administrative Expense	10,067,671	9,623,244
Total Expenses	53,802,327	53,519,243
Income From Operations Before Depreciation	38,495,259	35,911,447
Depreciation	(18,612,661)	(17,966,462)
Operating Income	19,882,598	17,944,985
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(8,423,982)	(7,770,635)
Investment Income	474,617	628,113
Improvement and Tapping Fees	4,722,418	1,821,485
Amortization	(476,546)	(253,291)
Total Nonoperating Expense	(3,703,493)	(5,574,328)
Increase In Net Position Before Contributed Capital	16,179,105	12,370,657
Contributed Capital	52,735	-
Increase in Net Position	16,231,840	12,370,657
Net Position - Beginning of Year	310,274,343	297,903,686
Net Position - End of Year	$ 326,506,183	$ 310,274,343

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 2,499,078	$ 6,432,360
Investments	17,248,047	17,874,746
Accounts Receivable, Net of Allowance for Doubtful Accounts	1,814,619	2,117,621
Unbilled Revenue Receivable	10,292,003	10,372,592
Prepaid Expenses	408,111	360,952
Total Current Assets	32,261,858	37,158,271
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	2,955,980	3,228,837
Investments	222,607,789	102,212,622
Interest Receivable	1,677,958	1,121,119
Total Restricted Assets	227,241,727	106,562,578
Net Pension Asset	14,969,897	8,271,425
Net OPEB Asset	123,382	1,380,862
Capital Assets		
Land, Rights-of-Way and Construction in Progress	119,858,159	93,684,793
Other Capital Assets, Net of Accumulated Depreciation	416,782,115	365,053,548
Total Capital Assets, Net	536,640,274	458,738,341
Total Non-Current Assets	763,882,001	565,300,919
Total Assets	811,237,138	612,111,477
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	6,006,582	6,844,887
Pension: Changes in Assumptions	363,476	394,071
Pension: Difference Between Expected and Actual Experience	1,301,548	615,126
Pension: Difference Between Projected and Actual Earnings on Investments	-	-
Pension: Contributions Made Subsequent to Measurement Date	1,342,657	1,404,507
OPEB: Difference Between Projected and Actual Earnings on Investments	853,556	-
OPEB: Difference Between Expected and Actual Experience	103,823	17,483
Total Deferred Outflows of Resources	9,971,642	9,276,074
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	10,920,922	10,097,700
Current Portion of Bonds Payable	17,173,000	23,230,000
Interest Payable	1,831,417	731,832
Total Current Liabilities	29,925,339	34,059,532
Non-Current Liabilities		
Customer and Developer Deposits	2,872,771	3,240,339
Bonds Payable, Net of Unamortized Bond Discount and Premium	434,474,548	248,092,224
Line of Credit	282,123	34,191
Net Pension Liability	-	-
Net OPEB Liability	-	-
Total Non-Current Liabilities	437,629,442	251,366,754
Total Liabilities	467,554,781	285,426,286
Deferred Inflows of Resources		
Pension: Changes in Assumptions	-	21,411
Pension: Difference Between Projected and Actual Earnings on Investments	10,558,960	4,388,041
OPEB: Changes in Assumptions	87,542	169,859
OPEB: Difference Between Projected and Actual Earnings on Investments	-	42,467
OPEB: Difference Between Expected and Actual Experience	912,983	1,210,371
Proceeds from Sale of Future Revenues	3,622,933	3,622,933
Total Deferred Inflows of Resources	15,182,418	9,455,082
Net Position		
Net Investment in Capital Assets	279,739,588	201,178,213
Restricted for Capital Activity	10,832,631	54,384,207
Restricted for Debt Service	30,091,903	31,553,004
Unrestricted	17,807,459	39,390,759
Total Net Position	$ 338,471,581	$ 326,506,183

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues		
Retail Sewer Service	$ 56,053,277	$ 55,151,489
Wholesale Sewer Service	13,089,053	14,937,200
Retail Water Service	12,112,909	12,474,575
Wholesale Water Service	4,388,017	4,208,255
Improvement and Tapping Fees	1,298,050	435,475
Other Revenues	3,614,871	5,090,592
Total Operating Revenues	90,556,177	92,297,586
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	19,467,392	21,056,048
Water Procurement	5,965,165	5,713,269
Total Sewage Treatment and Water Procurement	25,432,557	26,769,317
Plant Operations		
Payroll and Related Costs	2,878,756	2,692,828
Repairs and Maintenance	2,569,969	1,942,332
Electricity	459,108	448,383
Water and Sewage Testing	287,226	317,490
Total Plant Operations	6,195,059	5,401,033
Collection, Transmission and Distribution Service		
Payroll and Related Costs	6,837,299	7,678,484
Repairs and Maintenance	2,883,152	2,640,708
Electricity	983,945	1,021,448
Other Related Costs	288,202	223,666
Total Collection, Transmission and Distribution Service	10,992,598	11,564,306
Total Operating Expenses	42,620,214	43,734,656
General and Administrative Expenses		
Payroll and Related Costs	3,738,609	4,143,623
Professional Fees	2,258,136	2,499,480
Insurance	713,750	556,650
Other	2,935,796	2,867,918
Total General and Administrative Expense	9,646,291	10,067,671
Total Expenses	52,266,505	53,802,327
Income From Operations Before Depreciation	38,289,672	38,495,259
Depreciation	(21,078,889)	(18,612,661)
Operating Income	17,210,783	19,882,598
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(9,749,173)	(8,423,982)
Investment Income	1,921,363	474,617
Improvement and Tapping Fees	2,582,427	4,722,418
Amortization	-	(476,546)
Total Nonoperating Expense	(5,245,383)	(3,703,493)
Increase In Net Position Before Contributed Capital	11,965,400	16,179,105
Contributed Capital	-	52,735
Increase in Net Position	11,965,400	16,231,840
Net Position - Beginning of Year	326,506,183	310,274,343
Net Position - End of Year	$ 338,471,583	$ 326,506,183

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF NET POSITION
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 2,440,109	$ 2,499,078
Investments	15,766,106	17,248,047
Accounts Receivable, Net of Allowance for Doubtful Accounts	8,442,736	1,814,619
Unbilled Revenue Receivable	10,842,556	10,292,003
Prepaid Expenses	2,380,972	408,111
Total Current Assets	39,872,479	32,261,858
Non-Current Assets		
Restricted Assets		
Cash and Cash Equivalents	3,129,508	2,955,980
Investments	217,825,182	222,607,789
Interest Receivable	1,943,898	1,677,958
Total Restricted Assets	222,898,588	227,241,727
Net Pension Asset	-	14,969,897
Net OPEB Asset	1,552,496	123,382
Capital Assets		
Land, Rights-of-Way and Construction in Progress	136,786,758	119,858,159
Other Capital Assets, Net of Accumulated Depreciation	403,221,392	416,782,115
Total Capital Assets, Net	540,008,150	536,640,274
Total Non-Current Assets	764,459,234	778,975,280
Total Assets	804,331,713	826,330,417
Deferred Outflows of Resources		
Deferred Amount from Debt Refundings	5,261,229	6,006,584
Pension: Changes in Assumptions	272,607	363,476
Pension: Difference Between Expected and Actual Experience	2,991,523	1,301,548
Pension: Difference Between Projected and Actual Earnings on Investments	2,768,344	-
Pension: Contributions Made Subsequent to Measurement Date	3,665,364	1,342,657
OPEB: Difference Between Projected and Actual Earnings on Investments	-	853,556
OPEB: Difference Between Expected and Actual Experience	459,263	103,823
Total Deferred Outflows of Resources	15,418,330	9,971,644
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts Payable and Accrued Expenses	12,136,667	10,920,922
Current Portion of Note Payable	305,972	-
Current Portion of Bonds Payable	18,928,000	17,173,000
Interest Payable	1,050,318	1,831,418
Total Current Liabilities	32,420,957	29,925,340
Non-Current Liabilities		
Customer and Developer Deposits	2,862,316	2,872,771
Note Payable, Net of Current Portion	9,450,376	-
Bonds Payable, Net of Unamortized Bond Discount and Premium	413,835,533	434,474,548
Line of Credit	-	282,123
Net Pension Liability	1,157,469	-
Total Non-Current Liabilities	427,305,694	437,629,442
Total Liabilities	459,726,651	467,554,782
Deferred Inflows of Resources		
Pension: Difference Between Projected and Actual Earnings on Investments	-	10,558,960
OPEB: Changes in Assumptions	907,009	87,542
OPEB: Difference Between Projected and Actual Earnings on Investments	617,646	-
OPEB: Difference Between Expected and Actual Experience	-	912,983
Proceeds from Sale of Future Revenues	3,277,891	3,622,933
Total Deferred Inflows of Resources	4,802,546	15,182,418
Net Position		
Net Investment in Capital Assets	168,969,226	279,739,588
Restricted for Capital Activity	155,033,771	10,832,632
Restricted for Debt Service	33,949,869	30,091,903
Unrestricted (Deficit)	(2,732,020)	17,807,459
Total Net Position	$ 355,220,846	$ 338,471,582

See accompanying notes to the financial statements.

BUCKS COUNTY WATER AND SEWER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues		
Retail Sewer Service	$ 61,051,538	$ 56,053,277
Wholesale Sewer Service	15,968,805	13,089,053
Retail Water Service	12,806,653	12,112,909
Wholesale Water Service	4,390,343	4,388,017
Improvement and Tapping Fees	233,090	1,298,050
Other Revenues	4,333,498	3,614,871
Total Operating Revenues	98,783,927	90,556,177
Expenses		
Operating Expenses		
Sewage Treatment and Water Procurement		
Sewage Treatment	21,499,275	19,467,392
Water Procurement	5,582,443	5,965,165
Total Sewage Treatment and Water Procurement	27,081,718	25,432,557
Plant Operations		
Payroll and Related Costs	3,567,877	2,878,756
Repairs and Maintenance	3,263,557	2,569,969
Electricity	414,119	459,108
Water and Sewage Testing	422,475	287,226
Total Plant Operations	7,668,028	6,195,059
Collection, Transmission and Distribution Service		
Payroll and Related Costs	8,899,132	6,837,299
Repairs and Maintenance	3,514,979	2,883,152
Electricity	1,225,008	983,945
Other Related Costs	336,699	288,202
Total Collection, Transmission and Distribution Service	13,975,818	10,992,598
Total Operating Expenses	48,725,564	42,620,214
General and Administrative Expenses		
Payroll and Related Costs	3,891,114	3,738,609
Professional Fees	1,985,039	2,258,136
Insurance	1,110,595	713,750
Other	3,835,502	2,935,796
Total General and Administrative Expense	10,822,250	9,646,291
Total Expenses	59,547,814	52,266,505
Income From Operations Before Depreciation	39,236,113	38,289,672
Depreciation	(22,639,657)	(21,078,889)
Operating Income	16,596,456	17,210,783
Nonoperating Revenue (Expense)		
Interest Expense, Net of Amounts Capitalized	(16,011,716)	(9,749,172)
Investment Income	11,742,363	1,921,363
Improvement and Tapping Fees	4,422,162	2,582,425
Total Nonoperating Expense	152,809	(5,245,384)
Increase In Net Position	16,749,265	11,965,399
Net Position - Beginning of Year	338,471,581	326,506,183
Net Position - End of Year	$ 355,220,846	$ 338,471,582

See accompanying notes to the financial statements.

Appendix A-5.2

Chester Water Authority
Statements of Net Position
December 31, 2021 and 2020

Assets and Deferred Outflows of Resources

	December 31, 2021	December 31, 2020
Current Assets		
Cash and cash equivalents	$ 19,728,089	$ 15,530,656
Accounts receivable, net of allowance for doubtful accounts of $300,000 in both 2020 and 2019	6,854,771	6,430,271
Unbilled revenue	4,765,392	4,654,512
Materials and supplies	3,444,198	3,960,894
Other current assets	144,416	144,954
Total Current Assets	34,936,866	30,721,287
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	285,180,639	280,862,318
Total Non-Current Assets	285,180,639	280,862,318
Restricted Assets		
Cash and cash equivalents	13,952,651	23,092,782
Total Restricted Assets	13,952,651	23,092,782
Total Assets	334,070,156	334,676,387
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	12,765,793	8,625,661
Changes in OPEB investment returns and actuarial assumptions	2,660,741	1,822,033
Total Deferred Outflows of Resources	15,426,534	10,447,694
Total Assets and Deferred Outflows of Resources	$ 349,496,690	$ 345,124,081

See accompanying notes to financial statements.

Appendix A-5.2

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2021 and 2020

	December 31, 2021	December 31, 2020
Operating Revenues		
Residential	$ 16,899,827	$ 17,121,643
Commercial	7,125,290	6,768,994
Industrial	9,004,424	9,367,380
Fire protection	4,290,826	4,295,482
Capacity charges, flat and late fee revenues	516,504	520,960
Sales to other water utilities	6,980,638	7,166,136
Total Operating Revenues	44,817,509	45,240,595
Operating Expenses		
Purification and Pumping	8,304,031	7,593,847
Distribution	7,334,492	6,454,917
Administrative	12,895,219	12,980,171
Finance/customer service, billing and collections	3,574,232	3,994,762
Depreciation	9,149,427	9,287,985
Total Operating Expenses	41,257,401	40,311,682
Operating Income	3,560,108	4,928,913
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(1,743,358)	(804,757)
Net investment income	136,156	254,729
Interest expense	(3,032,935)	(3,209,698)
Other nonoperating revenues	275,427	267,789
Amortization of bond discounts and debt issuance costs	502,180	549,445
Gain (loss) on disposal of property and equipment	46,789	11,160
Total Non-Operating Revenues/(Expenses)	(3,815,741)	(2,931,332)
Income Before Contributions	(255,633)	1,997,581
Capital Contributions	1,800,147	2,911
Change In Net Position	1,544,514	2,000,492
Net Position - Beginning of year	240,073,508	238,073,016
Net Position - End of year	$ 241,618,022	$ 240,073,508

See accompanying notes to financial statements.

Chester Water Authority
Statements of Net Position
December 31, 2022 and 2021

Assets and Deferred Outflows of Resources

	December 31, 2022	December 31, 2021
Current Assets		
Cash and cash equivalents	$ 19,396,127	$ 19,728,089
Accounts receivable, net of allowance for doubtful accounts of $412,168 and $300,000 2022 and 2021	9,014,961	6,854,771
Unbilled revenue	4,824,012	4,765,392
Materials and supplies	3,665,397	3,444,198
Other current assets	185,425	144,416
Total Current Assets	37,085,922	34,936,866
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	286,653,987	285,180,639
Right of use asset	100,080	-
Total Non-Current Assets	286,754,067	285,180,639
Restricted Assets		
Cash and cash equivalents	24,434,336	13,952,651
Total Restricted Assets	24,434,336	13,952,651
Total Assets	348,274,325	334,070,156
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	14,721,139	12,765,793
Changes in OPEB investment returns and actuarial assumptions	2,911,564	2,660,741
Total Deferred Outflows of Resources	17,632,703	15,426,534
Total Assets and Deferred Outflows of Resources	$ 365,907,028	$ 349,496,690

See accompanying notes to financial statements.

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2022 and 2021

	December 31, 2022	December 31, 2021
Operating Revenues		
Residential	$ 17,866,610	$ 16,899,827
Commercial	7,816,426	7,125,290
Industrial	9,642,989	9,004,424
Fire protection	4,463,708	4,290,826
Capacity charges, flat and late fee revenues	460,147	516,504
Sales to other water utilities	4,379,246	6,980,638
Total Operating Revenues	44,629,126	44,817,509
Operating Expenses		
Purification and Pumping	9,978,367	8,304,031
Distribution	8,119,945	7,334,492
Administrative	13,338,620	12,895,219
Finance/customer service, billing and collections	3,332,798	3,574,232
Depreciation	9,176,430	9,149,427
Total Operating Expenses	43,946,160	41,257,401
Operating Income	682,966	3,560,108
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(3,958,644)	(1,743,358)
Net investment income	196,553	136,156
Interest expense	(3,417,547)	(3,032,935)
Other nonoperating revenues	938,288	275,427
Amortization of bond discounts and debt issuance costs	489,835	502,180
Gain (loss) on disposal of property and equipment	-	46,789
Total Non-Operating Revenues/(Expenses)	(5,751,515)	(3,815,741)
Loss Before Contributions	(5,068,549)	(255,633)
Capital Contributions	1,686,616	1,800,147
Change In Net Position	(3,381,933)	1,544,514
Net Position - Beginning of year	241,618,022	240,073,508
Net Position - End of year	$ 238,236,089	$ 241,618,022

See accompanying notes to financial statements.

Chester Water Authority
Statements of Net Position
December 31, 2023 and 2022

	2023	2022
Assets and Deferred Outflows of Resources		
Assets		
Current Assets		
Cash and cash equivalents	$ 16,186,527	$ 19,396,127
Accounts receivable, net of allowance for credit losses of $713,850 and $412,168 for 2023 and 2022	8,966,040	9,014,961
Unbilled revenue	4,870,076	4,824,012
Materials and supplies	3,326,824	3,665,397
Other current assets	338,957	185,425
Total Current Assets	33,688,424	37,085,922
Non-Current Assets		
Property, plant, and equipment—net of accumulated depreciation	287,802,943	286,653,987
Right of use asset - operating leases	65,210	100,080
Total Non-Current Assets	287,868,153	286,754,067
Restricted Assets		
Cash and cash equivalents	20,366,893	24,434,336
Total Restricted Assets	20,366,893	24,434,336
Total Assets	341,923,470	348,274,325
Deferred Outflows of Resources		
Changes in pension investment returns and actuarial assumptions	8,661,367	14,721,139
Changes in OPEB investment returns and actuarial assumptions	1,702,184	2,911,564
Total Deferred Outflows of Resources	10,363,551	17,632,703
Total Assets and Deferred Outflows of Resources	$ 352,287,021	$ 365,907,028

See accompanying notes to financial statements.

Chester Water Authority
Statements of Revenues, Expenses, and Changes In Net Position
For The Years Ended December 31, 2023 and 2022

	2023	2022
Operating Revenues		
Residential	$ 18,718,420	$ 17,866,610
Commercial	7,917,233	7,816,426
Industrial	9,652,062	9,642,989
Fire protection	4,552,198	4,463,708
Capacity charges, flat and late fee revenues	1,299,777	460,147
Sales to other water utilities	3,875,439	4,379,246
Total Operating Revenues	46,015,129	44,629,126
Operating Expenses		
Purification and Pumping	10,178,290	9,978,367
Distribution	7,758,826	8,119,945
Administrative	14,556,591	13,338,620
Finance/customer service, billing and collections	4,592,742	3,332,798
Depreciation	9,741,770	9,176,430
Total Operating Expenses	46,828,219	43,946,160
Operating Income (Loss)	(813,090)	682,966
Non-Operating Revenues/(Expenses)		
Actuarial changes for OPEB and pension	(970,730)	(3,958,644)
Net investment income	819,966	196,553
Interest expense	(3,395,113)	(3,417,547)
Other nonoperating revenues	272,803	938,288
Amortization of bond discounts and debt issuance costs	639,566	489,835
Total Non-Operating Revenues/(Expenses), net	(2,633,508)	(5,751,515)
Loss Before Capital Contributions	(3,446,598)	(5,068,549)
Capital Contributions	620,063	1,686,616
Change In Net Position	(2,826,535)	(3,381,933)
Net Position - Beginning of year	238,236,089	241,618,022
Net Position - End of year	$ 235,409,554	$ 238,236,089

See accompanying notes to financial statements.

Appendix A-5.2

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

	2021	2020
Assets and Deferred Outflows of Resources		
Assets:		
Current assets:		
Cash and cash equivalents	$ 33,460,091	$ 33,125,086
Accounts receivable, net of allowance for uncollectible accounts of $6,528,063 and $6,812,663	12,970,971	12,990,450
Grants receivable	470,408	207,125
Due from the City of Harrisburg	3,154,272	3,247,428
Prepaid expenses	499,149	631,891
Inventory	389,700	226,727
Total current assets	50,944,591	50,428,707
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	9,982,127	10,339,323
Investments - restricted under trust indentures	18,706,514	19,133,382
Total restricted assets	28,688,641	29,472,705
Noncurrent assets:		
Capital assets, not being depreciated	47,399,049	41,304,196
Capital assets, net of accumulated depreciation of $144,683,414 and $138,312,983	191,530,521	182,981,052
Net pension asset	2,269,724	793,994
Total noncurrent assets	241,199,294	225,079,242
Total Assets	320,832,526	304,980,654
Deferred Outflows of Resources:		
Deferred loss on refunding	5,432,538	6,138,866
Deferred outflows of resources for other postemployment benefits	264,303	154,587
Deferred outflows of resources for pension	950,272	1,018,573
Total Deferred Outflows of Resources	6,647,113	7,312,026
Total Assets and Deferred Outflows of Resources	$ 327,479,639	$ 312,292,680

Appendix A-5.2

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues:		
User charges	$ 52,548,506	$ 46,053,281
Total operating revenues	52,548,506	46,053,281
Operating Expenses:		
Operating	16,094,648	15,078,242
Administrative	5,686,814	5,832,986
Depreciation	6,409,702	6,058,571
Total operating expenses	28,191,164	26,969,799
Operating Income	24,357,342	19,083,482
Non-Operating Revenues (Expenses):		
Investment income	75,084	426,489
Grant revenue	263,283	177,024
Gain on sale of easements	-	191,516
Miscellaneous income (expense)	975,524	921,942
Gain (loss) on disposal of capital assets	-	2,000
Interest expense	(5,617,642)	(5,725,558)
Total non-operating revenues (expenses)	(4,303,751)	(4,006,587)
Change in Net Position	20,053,591	15,076,895
Net Position:		
Beginning of year	$109,699,768	$ 94,622,873
End of year	$129,753,359	$109,699,768

The accompanying notes are an integral part of these financial statements.

Appendix A-5.2

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

Assets and Deferred Outflows of Resources	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	$ 25,410,234	$ 33,460,091
Investments	5,000,000	-
Accounts receivable, net of allowance for uncollectible accounts of $7,465,495 and $6,528,063	11,386,611	12,970,971
Grants receivable	-	470,408
Current portion of lease receivable	47,672	46,162
Due from the City of Harrisburg	3,110,046	3,154,272
Prepaid expenses	512,306	499,149
Inventory	420,144	389,700
Total current assets	45,887,013	50,990,753
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	10,211,157	9,982,127
Investments - restricted under trust indentures	18,883,549	18,706,514
Total restricted assets	29,094,706	28,688,641
Noncurrent assets:		
Lease receivable, net of current portion	3,574,845	3,622,517
Capital assets, not being depreciated	53,883,822	47,399,049
Capital assets, net of accumulated depreciation of $151,267,081 and $144,683,414	201,650,317	191,530,521
Net pension asset	2,159,758	2,269,724
Total noncurrent assets	261,268,742	244,821,811
Total Assets	336,250,461	324,501,205
Deferred Outflows of Resources:		
Deferred loss on refunding	4,731,128	5,432,538
Deferred outflows of resources for other postemployment benefits	218,185	264,303
Deferred outflows of resources for pension	1,771,949	950,272
Total Deferred Outflows of Resources	6,721,262	6,647,113
Total Assets and Deferred Outflows of Resources	$ 342,971,723	$ 331,148,318

Appendix A-5.2

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Operating Revenues:		
User charges	$ 53,517,987	$ 52,548,506
Total operating revenues	53,517,987	52,548,506
Operating Expenses:		
Operating	19,139,084	16,094,648
Administrative	5,989,706	5,686,814
Depreciation	6,656,578	6,409,702
Total operating expenses	31,785,368	28,191,164
Operating Income	21,732,619	24,357,342
Non-Operating Revenues (Expenses):		
Investment income	493,957	75,084
Grant revenue	279,442	263,283
Miscellaneous income (expense)	310,431	974,028
Gain (loss) on disposal of capital assets	89,272	-
Lease principal revenue	114,049	26,281
Lease interest revenue	2,918	1,719
Interest expense	(5,503,238)	(5,617,642)
Total non-operating revenues (expenses)	(4,213,169)	(4,277,247)
Change in Net Position	17,519,450	20,080,095
Net Position:		
Beginning of year, restated	129,779,863	109,699,768
End of year	$147,299,313	$129,779,863

The accompanying notes are an integral part of these financial statements.

Appendix A-5.2

CAPITAL REGION WATER

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

Assets and Deferred Outflows of Resources	2023	2022
Assets:		
Current assets:		
Cash and cash equivalents	$ 33,894,864	$ 25,410,234
Investments	3,626,713	5,000,000
Accounts receivable, net of allowance for uncollectible accounts of $8,664,074 and $7,465,495	11,324,629	11,386,611
Current portion of lease receivable	49,227	47,672
Due from the City of Harrisburg	3,213,665	3,110,046
Prepaid expenses	533,373	512,306
Inventory	420,525	420,144
Total current assets	53,062,996	45,887,013
Restricted assets:		
Cash and cash equivalents - restricted under trust indentures and guarantee agreement	8,709,226	10,211,157
Investments - restricted under trust indentures	18,748,885	18,883,549
Total restricted assets	27,458,111	29,094,706
Noncurrent assets:		
Lease receivable, net of current portion	3,525,618	3,574,845
Capital assets, not being depreciated	40,597,028	53,883,822
Capital assets, net of accumulated depreciation	247,173,741	201,650,317
Net pension asset	-	2,159,758
Total noncurrent assets	291,296,387	261,268,742
Total Assets	371,817,494	336,250,461
Deferred Outflows of Resources:		
Deferred loss on refunding	4,034,882	4,731,128
Deferred outflows of resources for other postemployment benefits	174,249	218,185
Deferred outflows of resources for pension	4,255,789	1,771,949
Total Deferred Outflows of Resources	8,464,920	6,721,262
Total Assets and Deferred Outflows of Resources	$ 380,282,414	$ 342,971,723

Appendix A-5.2

CAPITAL REGION WATER

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues:		
User charges	$ 55,510,850	$ 53,517,987
Total operating revenues	55,510,850	53,517,987
Operating Expenses:		
Operating	19,736,954	19,139,084
Administrative	6,683,072	5,989,706
Depreciation	7,571,649	6,656,578
Total operating expenses	33,991,675	31,785,368
Operating Income	21,519,175	21,732,619
Non-Operating Revenues (Expenses):		
Investment income	1,979,193	493,957
Grant revenue	100,867	279,442
Miscellaneous income (expense)	99,513	310,431
Gain (loss) on disposal of capital assets	155,234	89,272
Lease principal revenue	115,444	114,049
Lease interest revenue	2,881	2,918
Interest expense	(5,388,973)	(5,503,238)
Total non-operating revenues (expenses)	(2,935,841)	(4,213,169)
Change in Net Position	18,583,334	17,519,450
Net Position:		
Beginning of year	147,299,313	129,779,863
End of year	$165,882,647	$147,299,313

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2021	2020
ASSETS		
Current:		
Cash and cash equivalents	$ 86,690,610	$ 89,049,989
Investments	1,102,135	2,162,546
Receivables:		
Western Region		
Residental, net of allowance for doubtful accounts of $909,826 and $544,202 in 2021 and 2020, respectively	1,421,750	1,095,888
Municipal	2,107,274	2,148,298
Major Industries	493,065	135,440
Permit industries	223,516	397,439
Notes receivable, current portion	-	80,460
Other receivables	1,300,045	1,448,595
Prepaid expenses	545,529	335,511
Total current assets	93,883,924	96,854,166
Non current:		
Capital assets, net of accumulated depreciation	294,241,463	276,768,326
Notes receivable, net of current portion	-	1,593,511
Restricted cash and cash equivalents	11,648,746	11,648,746
Total non current assets	305,890,209	290,010,583
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	3,249,968	3,521,742
Pension plan related deferred outflows	10,483,842	11,682,586
Total assets and deferred outflows of resources	$ 413,507,943	$ 402,069,077
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 7,535,576	$ 5,323,543
Payable to the City of Philadelphia	1,754,708	1,589,057
Current portion of long-term debt	6,192,051	6,142,851
Accrued bond interest payable	1,028,843	1,075,979
Advances on services		
Residential	213,348	126,993
Central Delaware County Authority	1,060,064	793,146
Muckinipates Authority	635,630	464,278
Darby Creek Joint Authority	1,384,002	1,374,210
Municipal	-	447,261
Major Industries	933,410	512,873
Total current liabilities	20,737,632	17,850,191
Noncurrent		
Long term debt, net of current portion	145,460,209	152,189,228
Net pension liability	7,100,169	8,473,571
Deferred compensation plan	573,017	459,586
Total non current liabilities	153,133,395	161,122,385
Total liabilities	173,871,027	178,972,576
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	4,326,029	2,870,217
Total liabilities and deferred inflows of resources	178,197,056	181,842,793
NET POSITION		
Invested in capital assets, net of related debt	141,560,360	118,436,483
Restricted for debt service	11,022,139	-
Unrestricted	82,728,388	101,789,801
Total net position	235,310,887	220,226,284
TOTAL LIABILITIES AND NET POSITION	$ 413,507,943	$ 402,069,077

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2021	2020
Operating revenues		
Western Region:		
Major Industries	$ 8,483,823	$ 7,988,950
Residential	9,337,233	8,797,981
Municipal	11,091,658	10,509,730
Contract operation fees	461,772	634,364
Permit Industries	1,554,144	1,489,836
Total Western Region	30,928,630	29,420,861
Eastern Region:		
Darby Creek Joint Authority	20,923,500	18,967,409
Central Delaware County Authority	10,362,238	9,591,402
Muckinipates Authority	4,538,196	4,272,642
Total Eastern Region	35,823,934	32,831,453
Sludge disposal and processing	6,384,090	6,621,620
Total operating revenues	73,136,654	68,873,934
Operating expenses, including depreciation of $9,445,142 in 2021 and $8,590,205 in 2020	54,074,043	53,391,628
Operating income	19,062,611	15,482,306
Non-operating revenues (expense)		
Interest income	147,467	900,936
Interest expense	(6,314,072)	(6,568,009)
Bond premium amortization	1,322,851	1,322,852
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income (see Note 9)	242,176	10,694,498
Total non-operating revenues (expense)	(4,873,352)	6,078,503
Net income before capital contributions	14,189,259	21,560,809
Capital contributions:	895,344	761,060
Net income	15,084,603	22,321,869
Net position - beginning	220,226,284	197,904,415
Net position - ending	$ 235,310,887	$ 220,226,284

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2022	2021
ASSETS		
Current:		
Cash and cash equivalents	$ 70,487,931	$ 86,690,610
Investments	485,673	1,102,135
Receivables:		
Western Region		
Residential, net of allowance for doubtful accounts of $1,172,935 and $909,826 in 2022 and 2021, respectively	2,401,935	1,421,750
Municipal	2,338,630	2,107,274
Major industries	476,208	493,065
Permit industries	203,853	223,516
Other receivables	1,869,725	1,300,045
Prepaid expenses	268,067	545,529
Total current assets	78,532,022	93,883,924
Non current:		
Capital assets, net of accumulated depreciation	322,299,993	294,241,463
Right to use asset	110,812	-
Restricted cash and cash equivalents	11,740,850	11,648,746
Total non current assets	334,151,655	305,890,209
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	2,978,193	3,249,968
Pension plan related deferred outflows	10,610,065	10,483,842
Total assets and deferred outflows of resources	$ 426,271,935	$ 413,507,943
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,772,098	$ 7,535,576
Payable to the City of Philadelphia	1,948,014	1,754,708
Current portion of long-term debt	6,453,914	6,192,051
Accrued bond interest payable	994,978	1,028,843
Current portion of operating lease liability	43,532	-
Advances on services		
Eastern Region		
Residential	158,048	213,348
Central Delaware County Authority	1,280,721	1,060,064
Muckinipates Authority	554,152	635,630
Darby Creek Joint Authority	2,202,771	1,384,002
Major industries	31,796	933,410
Total current liabilities	20,440,024	20,737,632
Noncurrent		
Operating lease liability - net of current protion	67,280	-
Long term debt, net of current portion	138,964,327	145,460,209
Net pension liability	2,366,661	7,100,169
Deferred compensation plan	485,673	573,017
Total non current liabilities	141,883,941	153,133,395
Total liabilities	162,323,965	173,871,027
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	10,138,949	4,326,029
Total liabilities and deferred inflows of resources	172,462,914	178,197,056
NET POSITION		
Invested in capital assets, net of related debt	176,881,753	141,560,360
Restricted for debt service	11,740,850	11,022,139
Unrestricted	65,186,418	82,728,388
Total net position	253,809,021	235,310,887
TOTAL LIABILITIES AND NET POSITION	$ 426,271,935	$ 413,507,943

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2022	2021
Operating revenues		
Western Region:		
Major Industries	$ 9,711,481	$ 8,483,823
Residential	10,927,364	9,337,233
Municipal	11,550,992	11,091,658
Contract operation fees	551,853	461,772
Permit Industries	1,780,740	1,554,144
Total Western Region	34,522,430	30,928,630
Eastern Region:		
Darby Creek Joint Authority	22,547,367	20,923,500
Central Delaware County Authority	11,237,212	10,362,238
Muckinipates Authority	4,965,915	4,538,196
Total Eastern Region	38,750,494	35,823,934
Sludge disposal and processing	6,190,959	6,384,090
Total operating revenues	79,463,883	73,136,654
Operating expenses, including depreciation of $9,792,367 in 2022 and $9,445,142 in 2021	57,911,544	54,074,043
Operating income	21,552,339	19,062,611
Non-operating revenues (expense)		
Interest income	1,294,078	147,467
Interest expense	(6,118,633)	(6,314,072)
Bond premium amortization	1,322,851	1,322,851
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income	138,573	242,176
Total non-operating revenues (expense)	(3,634,905)	(4,873,352)
Net income before capital contributions	17,917,434	14,189,259
Capital contributions:	580,700	895,344
Net income	18,498,134	15,084,603
Net position - beginning	235,310,887	220,226,284
Net position - ending	$ 253,809,021	$ 235,310,887

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY
CONTROL AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31,

	2023	2022
ASSETS		
Current:		
Cash and cash equivalents	$ 80,027,579	$ 70,487,931
Investments	5,428,897	485,673
Receivables:		
Western Region		
Residential, net of allowance for doubtful accounts of $827,905 and $1,172,935 in 2023 and 2022, respectively	1,768,423	2,401,935
Municipal	3,587,623	2,338,630
Major industries	333,719	476,208
Permit industries	166,554	203,853
Other receivables	1,764,514	1,869,725
Prepaid expenses	201,488	268,067
Total current assets	93,278,797	78,532,022
Non current:		
Capital assets, net of accumulated depreciation	331,304,329	322,299,993
Right to use asset	89,212	110,812
Restricted cash and cash equivalents	14,148,555	11,740,850
Pension funding	1,193,299	-
Total non current assets	346,735,395	334,151,655
DEFERRED OUTFLOWS OF RESOURCES		
Deferred expense on refunding	2,706,419	2,978,193
Pension plan related deferred outflows	7,364,785	10,610,065
Total assets and deferred outflows of resources	$ 450,085,396	$ 426,271,935
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 6,732,388	$ 6,772,098
Payable to the City of Philadelphia	1,922,141	1,948,014
Current portion of long-term debt	6,704,762	6,453,914
Accrued bond interest payable	1,076,358	994,978
Current portion of operating lease liability	27,175	43,532
Advances on services		
Eastern Region		
Residential	183,190	158,048
Central Delaware County Authority	1,530,298	1,280,721
Muckinipates Authority	811,418	554,152
Darby Creek Joint Authority	2,601,579	2,202,771
Major industries	193,617	31,796
Total current liabilities	21,782,926	20,440,024
Noncurrent		
Operating lease liability - net of current protion	62,037	67,280
Long term debt, net of current portion	144,364,378	138,964,327
Net pension liability	-	2,366,661
Deferred compensation plan	618,903	485,673
Total non current liabilities	145,045,318	141,883,941
Total liabilities	166,828,244	162,323,965
DEFERRED INFLOWS OF RESOURCES		
Pension plan related deferred inflows	9,505,985	10,138,949
Total liabilities and deferred inflows of resources	176,334,229	172,462,914
NET POSITION		
Invested in capital assets, net of related debt	180,237,083	176,881,753
Restricted for debt service	14,148,555	11,740,850
Unrestricted	79,365,529	65,186,418
Total net position	273,751,167	253,809,021
TOTAL LIABILITIES AND NET POSITION	$ 450,085,396	$ 426,271,935

The accompanying notes to the financial statements are an integral part of these statements.

DELAWARE COUNTY REGIONAL WATER QUALITY CONTROL AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31,

	2023	2022
Operating revenues		
Western Region:		
Major Industries	$ 9,253,941	$ 9,711,481
Residential	11,753,876	10,927,364
Municipal	12,253,797	11,550,992
Contract operation fees	625,939	551,853
Permit Industries	1,719,335	1,780,740
Total Western Region	35,606,888	34,522,430
Eastern Region:		
Darby Creek Joint Authority	23,166,612	22,547,367
Central Delaware County Authority	11,460,816	11,237,212
Muckinipates Authority	5,011,092	4,965,915
Total Eastern Region	39,638,520	38,750,494
Sludge disposal and processing	6,507,209	6,190,959
Total operating revenues	81,752,617	79,463,883
Operating expenses, including depreciation of $10,891,213 in 2023 and $9,792,367 in 2022	60,325,829	57,911,544
Operating income	21,426,788	21,552,339
Non-operating revenues (expense)		
Interest income	3,742,325	1,294,078
Interest expense	(6,414,305)	(6,118,633)
Bond premium amortization	1,322,851	1,322,851
Bond issuance costs	(344,000)	-
Deferred cost on refunding amortization	(271,774)	(271,774)
Other income	163,821	138,573
Total non-operating revenues (expense)	(1,801,082)	(3,634,905)
Net income before capital contributions	19,625,706	17,917,434
Capital contributions	316,440	580,700
Net income	19,942,146	18,498,134
Net position - beginning	253,809,021	235,310,887
Net position - ending	$ 273,751,167	$ 253,809,021

The accompanying notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2021 and 2020

	2021	2020
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 18,499,233**	$ 15,840,370
Restricted cash - workers' compensation fund	**317,269**	279,455
Investments - cash and certificates of deposit (at par)	**794,729**	795,109
Receivables - customers, net	**5,006,643**	5,791,611
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**1,227,692**	1,549,331
Prepaid expenses	**3,357,083**	1,340,963
Total current assets	**29,222,249**	25,616,439
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,678,971**	7,686,000
Amount provided for future system improvements	**6,110,198**	11,941,433
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,210,000**	5,225,000
Long-term customer receivables	**96,705**	117,932
Capital assets, net of accumulated depreciation		
Contributed capital assets	**2,225,557**	2,508,257
Purchased capital assets	**211,121,178**	197,500,684
Total non-current assets	**238,442,609**	229,979,306
Total assets	**267,664,858**	255,595,745
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**98,201,989**	103,067,058
Changes in pension experience	**1,187,254**	1,753,594
Changes in pension assumptions	**1,214,688**	1,969,111
Deferred loss on advanced bond refunding, net	**28,165,906**	23,376,680
Deferred bond swap fee, net	**10,447,114**	11,179,830
Total deferred outflow of resources	**139,216,951**	141,346,273
Total assets and deferred outflow of resources	**$ 406,881,809**	$ 396,942,018

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2021 and 2020

	2021	2020
Operating revenues	**$ 42,221,410**	$ 40,725,085
Operating expenses		
Personnel	**6,419,997**	6,112,365
Personnel benefits	**3,002,841**	3,504,971
Supplies and materials	**2,691,295**	2,012,909
Other services and charges	**5,608,226**	5,037,083
City of Erie lease	**-**	2,850,000
Total operating expenses	**17,722,359**	19,517,328
Operating income before depreciation	**24,499,051**	21,207,757
Depreciation	**7,334,156**	7,746,138
Operating income	**17,164,895**	13,461,619
Non-operating revenue (expense)		
Interest expense	**(14,994,518)**	(13,588,313)
Other revenue (expense), net	**(2,498,599)**	(153,290)
Net loss before contributed capital	**(328,222)**	(279,984)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**(328,222)**	(279,984)
Net Position		
Beginning of year	**(56,066,078)**	(55,786,094)
End of year	**$ (56,394,300)**	$ (56,066,078)

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2022 and 2021

	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 11,399,995**	$ 18,499,233
Restricted cash - workers' compensation fund	**339,314**	317,269
Investments - cash and certificates of deposit (at par)	**786,698**	794,729
Receivables - customers, net	**5,273,855**	5,006,643
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**1,604,945**	1,227,692
Prepaid expenses	**3,243,579**	3,357,083
Total current assets	**22,667,986**	29,222,249
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,719,261**	8,678,971
Amount provided for future system improvements	**483,482**	6,110,198
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,195,000**	5,210,000
Long-term customer receivables	**77,384**	96,705
Capital assets, net of accumulated depreciation		
Contributed capital assets	**1,968,299**	2,225,557
Purchased capital assets	**234,487,365**	211,121,178
Total non-current assets	**255,930,791**	238,442,609
Total assets	**278,598,777**	267,664,858
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**95,394,890**	98,201,989
Changes in pension experience	**-**	1,187,254
Changes in pension assumptions	**630,016**	1,214,688
Deferred loss on advanced bond refunding, net	**26,675,474**	28,165,906
Deferred bond swap fee, net	**9,714,398**	10,447,114
Total deferred outflow of resources	**132,414,778**	139,216,951
Total assets and deferred outflow of resources	**$ 411,013,555**	$ 406,881,809

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2022 and 2021

	2022	2021
Operating revenues	**$ 42,909,437**	$ 42,221,410
Operating expenses		
Personnel	**6,816,018**	6,419,997
Personnel benefits	**3,995,453**	4,602,810
Supplies and materials	**2,759,799**	2,691,295
Other services and charges	**6,711,191**	5,608,226
Total operating expenses	**20,282,461**	19,322,328
Operating income before depreciation	**22,626,976**	22,899,082
Depreciation	**7,082,738**	7,334,156
Operating income	**15,544,238**	15,564,926
Non-operating revenue (expense)		
Interest expense	**(14,669,271)**	(14,994,518)
Other revenue (expense), net	**(10,209,483)**	(898,630)
Net loss before contributed capital	**(9,334,516)**	(328,222)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**(9,334,516)**	(328,222)
Net Position		
Beginning of year	**(56,394,300)**	(56,066,078)
End of year	**$ (65,728,816)**	$ (56,394,300)

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Net Position
December 31, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	**$ 4,909,700**	$ 11,399,995
Restricted cash - workers' compensation fund	**17,403**	14,419
Investments - cash and certificates of deposit (at par)	**820,393**	786,698
Receivables - customers, net	**7,130,686**	5,273,855
Current portion of customer receivables	**19,600**	19,600
Inventories, at cost	**2,141,613**	1,604,945
Prepaid expenses	**3,317,608**	3,243,579
Total current assets	**18,357,003**	22,343,091
Non-Current Assets		
Restricted investments		
Amount provided for retirement of long-term debt	**8,843,081**	8,719,261
Amount provided for future system improvements	**9,366,985**	483,482
Amount for workers compensation benefits	**326,034**	324,895
Board designated reserve for capital expenditures	**5,000,000**	5,000,000
Investment in self-liquidity bonds	**5,180,000**	5,195,000
Long-term customer receivables	**66,579**	77,384
Capital assets, net of accumulated depreciation		
Contributed capital assets	**1,742,089**	1,968,299
Purchased capital assets	**249,158,817**	234,487,365
Total non-current assets	**279,683,585**	256,255,686
Total assets	**298,040,588**	278,598,777
Deferred Outflows of Resources		
Deferred City of Erie lease payments	**92,587,791**	95,394,890
Changes in pension investment returns	**1,486,347**	-
Changes in pension assumptions	**-**	630,016
Deferred loss on advanced bond refunding, net	**25,185,043**	26,675,474
Deferred bond swap fee, net	**8,981,681**	9,714,398
Total deferred outflow of resources	**128,240,862**	132,414,778
Total assets and deferred outflow of resources	**$ 426,281,450**	$ 411,013,555

The notes to the financial statements are an integral part of these statements.

ERIE CITY WATER AUTHORITY
(AKA ERIE WATER WORKS)
Statement of Revenues, Expenses and Changes in Net Position
December 31, 2023 and 2022

	2023	2022
Operating revenues	**$ 45,297,990**	$ 42,909,437
Operating expenses		
Personnel	**6,746,696**	6,816,018
Personnel benefits	**3,699,993**	3,995,453
Supplies and materials	**2,950,064**	2,759,799
Other services and charges	**6,798,166**	6,711,191
Total operating expenses	**20,194,919**	20,282,461
Operating income before depreciation	**25,103,071**	22,626,976
Depreciation	**6,890,703**	7,082,738
Operating income	**18,212,368**	15,544,238
Non-operating revenue (expense)		
Interest expense	**(15,456,722)**	(14,669,271)
Other revenue (expense), net	**13,427,632**	(10,209,483)
Net gain (loss) before contributed capital	**16,183,278**	(9,334,516)
Capital asset contributions	**-**	-
CHANGE IN NET POSITION	**16,183,278**	(9,334,516)
Net Position		
Beginning of year	**(65,728,816)**	(56,394,300)
End of year	**$ (49,545,538)**	$ (65,728,816)

The notes to the financial statements are an integral part of these statements.

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2022 and 2021

	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 3,093,973	$ 4,644,074
Investments	2,000,000	-
Funds in custody of trustee, restricted cash	4,365,000	4,210,000
Accounts receivable	4,021,035	3,593,825
Prepaid expenses	85,877	71,764
Total Current Assets	13,565,885	12,519,663
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	6,976,467	4,742,245
Capital assets being depreciated		
Sewer system - lines	123,302,525	122,165,152
Sewer system - pump stations	42,146,759	41,931,866
Sewer system - treatment plant	73,994,644	72,170,735
Buildings and improvements	4,126,937	4,090,201
Technology	1,473,958	1,424,091
Vehicles	2,276,708	2,529,916
Equipment	1,329,764	1,077,480
Accumulated depreciation	(109,858,307)	(103,992,369)
Capital Assets, Net	146,644,636	147,014,498
Accounts receivable, net of current portion	118,356	161,167
Net pension asset	1,363,728	-
Funds in custody of trustee, restricted cash, net of current portion	10,744,085	16,446,170
Funds in custody of trustee, restricted investments	21,738,103	9,338,053
Total Assets	194,174,793	185,479,551
Deferred Outflows of Resources		
Pension	330,943	496,415
Total Assets and Deferred Outflows of Resources	$ 194,505,736	$ 185,975,966

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2022 and 2021

	2022	2021
Operating Revenue		
Sewer rental	$ 24,357,660	$ 22,534,309
Industrial waste surcharges	453,949	357,471
Bulk treatment fees	521,606	406,091
Trucked waste program	531,510	503,123
Interest and penalties	339,750	254,311
Miscellaneous income	395,505	321,335
Total operating revenue	26,599,980	24,376,640
Operating Expenses		
Administrative	3,375,692	3,841,748
Collection department	8,357,491	7,913,564
Treatment plant	5,190,388	5,168,757
Pretreatment program and laboratory department	384,804	306,245
Columbia Borough	566,414	741,975
West Earl	695,928	335,295
Total operating expenses	18,570,717	18,307,584
Operating income	8,029,263	6,069,056
Nonoperating Revenues (Expenses)		
Interest income (losses)	(208,801)	99,485
Tapping fees	3,056,393	1,322,458
Capacity reservation fees	299,814	287,960
Gain (loss) on sale of assets	73,257	66,100
Interest expense	(2,430,336)	(2,519,082)
Bond issue costs	-	(109,314)
Amortization	415,469	555,179
Total nonoperating revenues (expenses)	1,205,796	(297,214)
Income before capital contributions	9,235,059	5,771,842
Capital contributions	1,231,729	1,075,815
Increase in net position	10,466,788	6,847,657
Net position at beginning of year	110,933,742	104,086,085
Net position at end of year	$ 121,400,530	$ 110,933,742

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2023 and 2022

	2023	2022
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 1,680,572	$ 3,093,973
Investments	3,982,781	2,000,000
Funds in custody of trustee, restricted cash	4,565,000	4,365,000
Accounts receivable	4,494,373	4,021,035
Prepaid expenses	81,491	85,877
Total Current Assets	14,804,217	13,565,885
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	7,358,747	6,976,467
Capital assets being depreciated		
Sewer system - lines	134,414,746	123,302,525
Sewer system - pump stations	42,635,900	42,146,759
Sewer system - treatment plant	74,205,462	73,994,644
Buildings and improvements	4,126,937	4,126,937
Technology	1,473,958	1,473,958
Vehicles	2,601,170	2,276,708
Equipment	1,362,764	1,329,764
Accumulated depreciation	(116,182,270)	(109,858,307)
Capital Assets, Net	152,872,595	146,644,636
Accounts receivable, net of current portion	92,935	118,356
Net pension asset	-	1,363,728
Funds in custody of trustee, restricted cash, net of current portion	6,697,677	10,744,085
Funds in custody of trustee, restricted investments	22,402,017	21,738,103
Total Assets	196,869,441	194,174,793
Deferred Outflows of Resources		
Pension	2,075,744	330,943
Total Assets and Deferred Outflows of Resources	$ 198,945,185	$ 194,505,736

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2023 and 2022

	2023	2022
Operating Revenue		
Sewer rental	$ 25,947,712	$ 24,357,660
Industrial waste surcharges	872,975	453,949
Bulk treatment fees	474,082	521,606
Trucked waste program	494,463	531,510
Interest and penalties	400,987	339,750
Miscellaneous income	475,872	395,505
Total operating revenue	28,666,091	26,599,980
Operating Expenses		
Administrative	4,541,457	3,372,804
Collection department	8,498,149	8,203,509
Treatment plant	6,081,353	5,313,976
Pretreatment program and laboratory department	435,039	384,804
Columbia Borough	665,941	598,689
West Earl	572,016	696,935
Total operating expenses	20,793,955	18,570,717
Operating income	7,872,136	8,029,263
Nonoperating Revenues (Expenses)		
Interest income (losses)	696,384	(208,801)
Tapping fees	1,124,462	3,056,393
Capacity reservation fees	317,626	299,814
Gain on sale of assets	6,600	73,257
Interest expense	(2,275,786)	(2,430,336)
Amortization	431,369	415,469
Total nonoperating revenues (expenses)	300,655	1,205,796
Income before capital contributions	8,172,791	9,235,059
Capital contributions	1,583,529	1,231,729
Increase in net position	9,756,320	10,466,788
Net position at beginning of year	121,400,530	110,933,742
Net position at end of year	$ 131,156,850	$ 121,400,530

LANCASTER AREA SEWER AUTHORITY
Statements of Net Position
March 31, 2024 and 2023

	2024	2023
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	$ 7,104,220	$ 1,680,572
Investments	600,000	3,982,781
Funds in custody of trustee, restricted cash	4,750,000	4,565,000
Accounts receivable	7,020,753	4,494,373
Prepaid expenses	85,344	81,491
Total Current Assets	19,560,317	14,804,217
Capital Assets		
Capital assets not being depreciated		
Land	875,181	875,181
Construction in progress	14,102,795	7,358,747
Capital assets being depreciated		
Sewer system - lines	136,134,891	134,414,746
Sewer system - pump stations	43,853,820	42,635,900
Sewer system - treatment plant	74,747,800	74,205,462
Buildings and improvements	4,163,886	4,126,937
Technology	1,203,611	1,473,958
Vehicles	2,860,507	2,601,170
Equipment	1,376,515	1,362,764
Accumulated depreciation	(122,326,008)	(116,182,270)
Capital Assets, Net	156,992,998	152,872,595
Accounts receivable, net of current portion	42,928	92,935
Funds in custody of trustee, restricted cash, net of current portion	16,734,276	6,697,677
Funds in custody of trustee, restricted investments	15,444,885	22,402,017
Total Assets	208,775,404	196,869,441
Deferred Outflows of Resources		
Pension	1,486,574	2,075,744
Total Assets and Deferred Outflows of Resources	$ 210,261,978	$ 198,945,185

LANCASTER AREA SEWER AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
March 31, 2024 and 2023

	2024	2023
Operating Revenue		
Sewer rental	$ 26,576,175	$ 25,947,712
Industrial waste surcharges	439,223	872,975
Bulk treatment fees	566,110	474,082
Trucked waste program	532,608	494,463
Interest and penalties	432,364	400,987
Miscellaneous income	405,048	475,872
Total operating revenue	28,951,528	28,666,091
Operating Expenses		
Administrative	5,369,092	4,589,551
Collection department	10,642,577	9,123,996
Treatment plant	6,000,920	6,081,353
Pretreatment program and laboratory department	501,626	435,039
West Earl	389,210	564,016
Total operating expenses	22,903,425	20,793,955
Operating income	6,048,103	7,872,136
Nonoperating Revenues (Expenses)		
Interest income	2,147,390	696,384
Tapping fees	4,067,355	1,124,462
Capacity reservation fees	399,991	317,626
Gain on sale of assets	9,600	6,600
Interest expense	(2,057,536)	(2,275,786)
Amortization	449,032	431,369
Total nonoperating revenues (expenses)	5,015,832	300,655
Income before capital contributions	11,063,935	8,172,791
Capital contributions	467,165	1,583,529
Increase in net position	11,531,100	9,756,320
Net position at beginning of year	131,156,850	121,400,530
Net position at end of year	$ 142,687,950	$ 131,156,850

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2021 AND 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 76,422	$ 60,210
Accounts receivable, net:		
Water:		
Billed	8,332	7,400
Unbilled	8,576	7,955
Total water	16,908	15,355
Wastewater treatment:		
Billed	4,886	3,676
Unbilled	4,219	3,457
Total wastewater treatment	9,105	7,133
Other receivables	555	1,924
Total accounts receivable, net	26,568	24,412
Prepaid expenses	1,747	1,737
Inventory	2,028	2,075
Total current assets	106,765	88,434
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	16,785	16,201
Investments	9,099	9,705
Total restricted assets	25,884	25,906
Capital assets, not being depreciated	158,128	155,050
Capital assets, net of accumulated depreciation	857,243	766,600
Total noncurrent assets	1,041,255	947,556
Total Assets	1,148,020	1,035,990
Deferred Outflows of Resources		
Deferred charge on refunding	84,644	91,827
Accumulated decrease in fair value of hedging derivatives	21,465	33,863
Total Deferred Outflows of Resources	106,109	125,690

(Continued)

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

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Operating Revenues:		
Residential, commercial, and industrial water sales	$ 181,870	$ 162,676
Wastewater treatment	76,774	71,899
Other	10,477	7,422
Total operating revenues	269,121	241,997
Operating Expenses:		
Direct operating expenses	99,160	92,134
Wastewater treatment	76,802	72,698
Reimbursement for City of Pittsburgh indirect services	3,818	4,289
Expense of water provided by other entities	120	386
Depreciation	24,386	21,659
Total operating expenses	204,286	191,166
Operating Income	64,835	50,831
Non-operating Revenues (Expenses):		
Federal and private grants	1,347	7,001
Interest revenue	24	201
Interest and amortization	(39,431)	(37,463)
Bond issuance costs	-	(2,075)
Total non-operating revenues (expenses)	(38,060)	(32,336)
Net Income before Capital Contribution and Special Item	26,775	18,495
Capital Contribution:		
Donated property	567	76
Special Item:		
Private lead line replacement	(3,088)	(18,832)
Net Income (Loss)	24,254	(261)
Net Position:		
Beginning of year	1,274	1,535
End of year	$ 25,528	$ 1,274

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

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2022 AND 2021

	2022	2021 (restated)
Assets		
Current assets:		
Cash and cash equivalents	$ 83,695	$ 76,422
Accounts receivable, net:		
Water:		
Billed	16,053	8,332
Unbilled	8,746	8,576
Total water	24,799	16,908
Wastewater treatment:		
Billed	2,706	4,886
Unbilled	3,880	4,219
Total wastewater treatment	6,586	9,105
Other receivables	3,297	555
Total accounts receivable, net	34,682	26,568
Prepaid expenses	1,804	1,747
Inventory	2,645	2,028
Total current assets	122,826	106,765
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	17,129	16,785
Investments	9,183	9,099
Total restricted assets	26,312	25,884
Hedging derivative - interest rate swap	20,167	-
Capital assets, not being depreciated	212,414	158,128
Capital assets, net of accumulated depreciation/amortization	898,371	861,249
Total noncurrent assets	1,157,264	1,045,261
Total Assets	1,280,090	1,152,026
Deferred Outflows of Resources		
Deferred charge on refunding	75,822	84,644
Accumulated decrease in fair value of hedging derivatives	384	21,465
Total Deferred Outflows of Resources	76,206	106,109

(Continued)

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

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021 (restated)
Operating Revenues:		
Residential, commercial, and industrial sales	$ 199,761	$ 181,870
Wastewater treatment	80,868	76,774
Other	6,537	10,477
Total operating revenues	287,166	269,121
Operating Expenses:		
Direct operating expenses	98,962	99,160
Wastewater treatment	81,804	76,802
Reimbursement for City of Pittsburgh indirect services	3,805	3,818
Expense of water provided by other entities	172	120
Depreciation and amortization	27,936	24,386
Total operating expenses	212,679	204,286
Operating Income	74,487	64,835
Non-operating Revenues (Expenses):		
Federal and private grants	9,264	1,347
Interest revenue	348	24
Interest and amortization	(40,687)	(39,431)
Bond issuance costs	(536)	-
Total non-operating revenues (expenses)	(31,611)	(38,060)
Net Income before Capital Contribution and Special Item	42,876	26,775
Capital Contribution:		
Donated property	876	567
Special Item:		
Private lead line replacement, net	(4,748)	(3,088)
Net Income (Loss)	39,004	24,254
Net Position:		
Beginning of year	25,528	1,274
End of year	$ 64,532	$ 25,528

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

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF NET POSITION

(Dollars expressed in thousands)

DECEMBER 31, 2023 AND 2022

	2023	2022 (restated)
Assets		
Current assets:		
Cash and cash equivalents	$ 67,966	$ 83,695
Accounts receivable, net:		
Water:		
Billed	16,235	16,053
Unbilled	9,950	8,746
Total water	26,185	24,799
Wastewater treatment:		
Billed	3,325	2,706
Unbilled	4,144	3,880
Total wastewater treatment	7,469	6,586
Other receivables	8,683	3,297
Total accounts receivable, net	42,337	34,682
Prepaid expenses	2,080	1,804
Inventory	2,702	2,645
Total current assets	115,085	122,826
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	20,393	17,129
Investments	10,266	9,183
Total restricted assets	30,659	26,312
Hedging derivative - interest rate swap	12,896	20,167
Capital assets, not being depreciated	244,278	212,414
Capital assets, net of accumulated depreciation/amortization	961,742	901,685
Total noncurrent assets	1,249,575	1,160,578
Total Assets	1,364,660	1,283,404
Deferred Outflows of Resources		
Deferred charge on refunding	63,130	75,822
Accumulated decrease in fair value of hedging derivatives	-	384
Total Deferred Outflows of Resources	63,130	76,206

(Continued)

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

Appendix A-5.2

PITTSBURGH WATER AND SEWER AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

(Dollars expressed in thousands)

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating Revenues:		
Residential, commercial, and industrial sales	$ 207,487	$ 199,761
Wastewater treatment	87,791	80,868
Other	3,438	6,537
Total operating revenues	298,716	287,166
Operating Expenses:		
Direct operating expenses	116,056	98,962
Wastewater treatment	90,060	81,804
Reimbursement for City of Pittsburgh indirect services	4,073	3,805
Expense of water provided by other entities	164	172
Depreciation and amortization	33,096	27,936
Total operating expenses	243,449	212,679
Operating Income	55,267	74,487
Non-operating Revenues (Expenses):		
Federal and private grants	11,901	9,264
Interest revenue	1,890	348
Interest and amortization	(43,210)	(40,687)
Bond issuance costs	(1,917)	(536)
Total non-operating revenues (expenses)	(31,336)	(31,611)
Net Income before Capital Contribution and Special Item	23,931	42,876
Capital Contribution:		
Donated property	3,168	876
Special Item:		
Private lead line replacement, net	(7,894)	(4,748)
Net Income (Loss)	19,205	39,004
Net Position:		
Beginning of year	64,532	25,528
End of year	$ 83,737	$ 64,532

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

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2021	2020
Assets		
Current Assets, Unrestricted		
Cash	$ 17,689,072	$ 16,436,716
Accounts receivable, water billings, net of allowance 2021 and 2020 $2,820,082	3,969,397	4,157,344
Accounts receivable, trash and recycling billings, net of allowance 2021 $56,489; 2020 $78,819	8,601	8,978
Unbilled water usage	1,033,025	995,687
Inventory	146,694	114,583
Total Current Assets, Unrestricted	22,846,789	21,713,308
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	26	9
Construction Account	-	2
Debt Service Account	24	29
Debt Service Reserve Account	2,511,922	4,018,568
Total Current Assets, Restricted	2,511,972	4,018,608
Capital Assets		
Capital assets not being depreciated, construction in progress	81,951	304,561
Capital assets being depreciated		
Leasehold improvements	82,407,773	80,754,706
Acquired systems	922,519	879,745
Equipment	13,176,176	12,589,754
Vehicles	3,189,248	3,153,520
Computers and software	933,646	933,646
	100,629,362	98,311,371
Accumulated depreciation	(39,662,582)	(35,278,978)
	60,966,780	63,032,393
Capital Assets, Net	61,048,731	63,336,954
Other Asset		
Leased land rights	849,525	883,620
Deferred Outflow of Resources, Refinancing Loss	5,100,539	5,280,266
Total Assets and Deferred Outflow of Resources	92,357,556	95,232,756

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2021	2020
Operating Revenues		
Water billings	$ 31,847,547	$ 31,735,206
Tampered meter and other charges	535,209	344,642
Interest and penalty charges	452,716	619,149
Tapping and connection fees	167,474	54,873
Abandonment fees	17,604	21,664
Total Operating Revenues	33,020,550	32,775,534
Operating Expenses		
Lease payments, City of Reading	12,538,372	12,543,495
Salaries and payroll taxes	5,025,425	5,182,418
Employee benefits	1,273,912	1,253,169
Chemical supplies	1,198,734	1,156,151
Contracted services	1,038,313	928,007
Repairs and maintenance	897,848	489,663
Utilities	644,695	668,639
Supplies	539,606	444,116
Bank charges	418,972	381,017
Legal fees	380,804	444,124
Bad debt expense	275,164	564,837
Insurance	138,484	149,321
Engineering	93,283	175,475
Dues and subscriptions	71,899	71,492
Grant expenditures	58,304	75,769
Advertising	32,686	17,929
Professional services	29,690	34,250
Education	3,697	1,215
Development	-	20,875
Total Operating Expenses	24,659,888	24,601,962
Operating Income before Depreciation and Amortization	8,360,662	8,173,572
Depreciation and Amortization	4,417,699	4,519,916
Operating Income	3,942,963	3,653,656

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2022	2021
Assets		
Current Assets, Unrestricted		
Cash	$ 17,892,202	$ 17,689,072
Accounts receivable, water billings, net of allowance 2022 $2,988,313; 2021 $2,820,082	4,557,294	3,969,397
Accounts receivable, trash and recycling billings, net of allowance 2022 $38,964; 2021 $56,489	5,608	8,601
Due from the City of Reading	154,040	-
Unbilled water usage	1,060,154	1,033,025
Inventory	334,406	146,694
Total Current Assets, Unrestricted	24,003,704	22,846,789
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	8	26
Debt Service Account	7,500	24
Debt Service Reserve Account	2,553,761	2,511,922
Total Current Assets, Restricted	2,561,269	2,511,972
Capital Assets		
Capital assets not being depreciated, construction in progress	298,848	81,951
Capital assets being depreciated		
Leasehold improvements	82,661,102	82,407,773
Acquired systems	922,519	922,519
Equipment	13,481,181	13,176,176
Vehicles	3,189,248	3,189,248
Computers and software	939,118	933,646
	101,193,168	100,629,362
Accumulated depreciation	(44,060,709)	(39,662,582)
	57,132,459	60,966,780
Capital Assets, Net	57,431,307	61,048,731
Other Asset		
Prepaid expenses	868,113	849,525
Deferred Outflow of Resources, Refinancing Loss	4,924,291	5,100,539
Total Assets and Deferred Outflow of Resources	89,788,684	92,357,556

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2022	2021
Operating Revenues		
Water billings	$ 33,383,684	$ 31,847,547
Tampered meter and other charges	334,857	535,209
Interest and penalty charges	456,642	452,716
Tapping and connection fees	159,235	167,474
Abandonment fees	8,552	17,604
Total Operating Revenues	34,342,970	33,020,550
Operating Expenses		
Lease payments, City of Reading	12,670,536	12,538,372
Salaries and payroll taxes	5,225,977	5,025,425
Employee benefits	1,471,525	1,273,912
Chemical supplies	1,658,599	1,198,734
Contracted services	936,570	1,038,313
Repairs and maintenance	776,928	897,848
Utilities	1,036,602	644,695
Supplies	565,324	539,606
Bank charges	469,976	418,972
Legal fees	603,244	380,804
Bad debt expense	281,628	275,164
Insurance	156,383	138,484
Engineering	167,494	93,283
Dues and subscriptions	76,493	71,899
Grant expenditures	67,987	58,304
Advertising	34,352	32,686
Professional services	27,800	29,690
Education	2,955	3,697
Total Operating Expenses	26,230,373	24,659,888
Operating Income before Depreciation and Amortization	8,112,597	8,360,662
Depreciation and Amortization	4,432,222	4,417,699
Operating Income	3,680,375	3,942,963

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Net Position - Enterprise Fund

	December 31, 2023	2022
Assets		
Current Assets, Unrestricted		
Cash	$ 17,354,085	$ 17,892,202
Accounts receivable, water billings, net of allowance 2023 $3,500,826; 2022 $2,988,313	4,622,837	4,557,294
Accounts receivable, trash and recycling billings, net of allowance 2023 $32,663; 2022 $38,964	2,482	5,608
Due from the City of Reading	(51,869)	154,040
Unbilled water usage	1,162,581	1,060,154
Inventory	371,785	334,406
Total Current Assets, Unrestricted	23,461,901	24,003,704
Current Assets, Restricted		
Trust accounts, cash and investments		
Clearing Account	9	8
Debt Service Account	19,840	7,500
Debt Service Reserve Account	2,655,698	2,553,761
Total Current Assets, Restricted	2,675,547	2,561,269
Capital Assets		
Capital assets not being depreciated, construction in progress	1,223,264	298,848
Capital assets being depreciated		
Leasehold improvements	83,795,945	82,661,102
Acquired systems	922,519	922,519
Equipment	13,700,417	13,481,181
Vehicles	3,189,248	3,189,248
Computers and software	933,646	939,118
	102,541,775	101,193,168
Accumulated depreciation	(48,113,534)	(44,060,709)
	54,428,241	57,132,459
Capital Assets, Net	55,651,505	57,431,307
Other Asset		
Prepaid expenses	845,295	868,113
Deferred Outflow of Resources, Refinancing Loss	4,751,795	4,924,291
Total Assets and Deferred Outflow of Resources	87,386,043	89,788,684

See accompanying notes.

Reading Area Water Authority
A Component Unit of the City of Reading

Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

	Years Ended December 31, 2023	2022
Operating Revenues		
Water billings	$ 33,603,238	$ 33,383,684
Tampered meter and other charges	308,571	334,857
Interest and penalty charges	503,250	456,642
Tapping and connection fees	252,744	159,235
Abandonment fees	19,401	8,552
Total Operating Revenues	34,687,204	34,342,970
Operating Expenses		
Lease payments, City of Reading	12,675,512	12,670,536
Salaries and payroll taxes	5,365,387	5,225,977
Employee benefits	1,583,746	1,471,525
Chemical supplies	2,388,334	1,658,599
Contracted services	986,286	936,570
Repairs and maintenance	772,843	776,928
Utilities	998,169	1,036,602
Supplies	696,376	565,324
Bank charges	281,590	469,976
Legal fees	471,085	603,244
Bad debt expense	552,364	281,628
Insurance	158,304	156,383
Engineering	209,875	167,494
Dues and subscriptions	110,665	76,493
Grant expenditures	71,061	67,987
Advertising	49,432	34,352
Professional services	29,800	27,800
Education	11,424	2,955
Total Operating Expenses	27,412,253	26,230,373
Operating Income before Depreciation and Amortization	7,274,951	8,112,597
Depreciation and Amortization	4,086,920	4,432,222
Operating Income	3,188,031	3,680,375

See accompanying notes.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY

Statements of Net Position

March 31, 2022 and 2021

	2022	2021
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 36,150,461	$ 32,955,491
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2022 and 2021)	7,377,787	6,110,790
Unbilled water and sewer service	9,995,199	10,669,704
Surcharges receivable, current portion	350,000	350,000
Other receivables	619,743	235,285
Material and supplies	3,808,950	3,914,453
Prepaid expenses	1,138,084	1,023,104
Total Current Assets	59,440,224	55,258,827
Property, Plant and Equipment		
Property, plant and equipment (Note 2)	881,298,641	858,530,155
Less: accumulated depreciation	(251,821,548)	(241,031,877)
Property, Plant and Equipment, Net	629,477,093	617,498,278
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2022 and 2021	1,603,849	1,166,543
Prepaid bond insurance	871,552	920,538
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	120,369,951	140,795,056
Restricted cash held by the Authority (Note 6)	1,767,245	3,613,385
Total Non-Current Assets	124,612,597	146,495,522
Total Assets	813,529,914	819,252,627
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	5,145,157	-
Changes in assumptions related to pensions	12,005	29,403
Difference between expected and actual experience related to pensions	1,900,074	549,765
Contribution to pension plan subsequent to measurement date	51,452	51,812
Difference between expected and actual experience related to OPEB	4,756,335	16,345
Changes in assumptions related to OPEB	5,911,510	7,818,150
Deferred losses on bond refundings, net of amortization (Note 8)	2,879,725	3,104,156
Total Deferred Outflows of Resources	20,656,258	11,569,631

(continued)

See accompanying notes to the financial statements.

Appendix A-5.2

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2022 and 2021

	2022	2021
Operating Revenues		
Water	$ 87,548,661	$ 88,548,010
Wastewater	17,638,554	17,024,421
Other operating revenues	4,290,022	1,945,458
Total Operating Revenues	109,477,237	107,517,889
Operating Expenses		
Source of supply	992,302	1,075,085
Treatment system	9,109,157	8,688,752
Distribution	20,556,330	21,126,537
Engineering	1,537,634	1,674,676
Wastewater system	10,444,798	9,424,097
Landfill	4,765	4,842
Depreciation and amortization	16,491,844	15,777,383
Commercial and general	21,067,926	21,858,960
Management fee	1,562,500	1,350,000
Total Operating Expenses	81,767,256	80,980,332
Operating Income Before Non-Operating Expenses	27,709,981	26,537,557
Non-Operating Revenues (Expenses)		
Investment income	1,983,251	2,891,362
Net increase (decrease) in the fair value of investments	(249,750)	40,103
Interest expense	(17,959,022)	(19,831,042)
Loss on disposals of property, plant and equipment	(365,140)	(199,495)
Total Non-Operating Expenses	(16,590,661)	(17,099,072)
Income Before Capital Contributions	11,119,320	9,438,485
Capital Contributions	9,261,867	6,497,060
Increase in Net Position	20,381,187	15,935,545
Total Net Position, Beginning of Fiscal Year	172,443,334	156,507,789
Total Net Position, End of Fiscal Year	$ 192,824,521	$ 172,443,334

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Net Position
March 31, 2023 and 2022

	2023	2022
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 30,684,527	$ 36,150,461
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2023 and 2022)	7,327,912	7,377,787
Unbilled water and sewer service	9,928,769	9,995,199
Surcharges receivable, current portion	350,000	350,000
Other receivables	381,570	619,743
Material and supplies	7,080,136	3,808,950
Prepaid expenses	682,919	1,138,084
Total Current Assets	56,435,833	59,440,224
Property, Plant and Equipment		
Property, plant and equipment (Note 2)	908,356,457	881,298,641
Less: accumulated depreciation	(267,829,290)	(251,821,548)
Property, Plant and Equipment, Net	640,527,167	629,477,093
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2023 and 2022	1,347,243	1,603,849
Prepaid bond insurance	819,296	871,552
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	97,754,612	120,369,951
Restricted cash held by the Authority (Note 6)	2,628,293	1,767,245
Total Non-Current Assets	102,549,444	124,612,597
Total Assets	799,512,444	813,529,914
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	11,129,745	5,145,157
Changes in assumptions related to pensions	-	12,005
Difference between expected and actual experience related to pensions	1,108,993	1,900,074
Contribution to pension plan subsequent to measurement date	-	51,452
Difference between expected and actual experience related to OPEB	3,987,075	4,756,335
Changes in assumptions related to OPEB	4,004,870	5,911,510
Deferred losses on bond refundings, net of amortization (Note 8)	2,655,295	2,879,725
Total Deferred Outflows of Resources	22,885,978	20,656,258

(continued)

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2023 and 2022

	2023	2022
Operating Revenues		
Water	$ 89,737,982	$ 87,595,488
Wastewater	17,821,176	17,638,554
Other operating revenues	4,787,897	4,243,196
Total Operating Revenues	112,347,055	109,477,238
Operating Expenses		
Source of supply	1,037,374	992,302
Treatment system	11,670,279	9,109,157
Distribution	23,950,276	20,704,504
Engineering	1,644,530	1,537,634
Wastewater system	12,130,597	10,444,798
Landfill	4,765	4,765
Depreciation and amortization	16,531,917	16,491,844
Commercial and general	23,653,356	20,919,753
Management fee	1,750,000	1,562,500
Loss on disposals of property, plant and equipment	556,194	365,140
Total Operating Expenses	92,929,288	82,132,397
Operating Income before Non-Operating Expenses	19,417,767	27,344,841
Non-Operating Revenues (Expenses)		
Investment income	2,810,346	1,983,251
Net increase (decrease) in the fair value of investments	511,226	(249,750)
Interest expense	(16,880,321)	(17,959,022)
Total Non-Operating Revenues (Expenses)	(13,558,749)	(16,225,521)
Income before Capital Contributions	5,859,018	11,119,320
Capital Contributions	4,350,561	9,261,867
Increase in Net Position	10,209,579	20,381,187
Total Net Position, Beginning of Fiscal Year	192,824,521	172,443,334
Total Net Position, End of Fiscal Year	$ 203,034,100	$ 192,824,521

See accompanying notes to the financial statements.

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Net Position
March 31, 2024 and 2023

	2024	Restated 2023
Current Assets		
Cash and cash equivalents, unrestricted (Note 3)	$ 13,869,356	$ 30,684,527
Accounts receivable, customers (net of allowance for doubtful accounts of $474,033 in 2024 and 2023)	8,084,838	7,327,912
Unbilled water and sewer service	10,322,094	9,928,769
Surcharges receivable, current portion	350,000	350,000
Other receivables	513,241	381,570
Material and supplies	7,458,718	7,080,136
Prepaid expenses	1,214,622	595,682
Total Current Assets	41,812,869	56,348,596
Capital Assets		
Capital assets (Note 2)	958,074,217	911,281,664
Less: accumulated depreciation and amortization	(284,619,352)	(268,150,448)
Capital Assets, Net	673,454,865	643,131,216
Non-Current Assets		
Surcharges receivable, net of current portion and allowance for doubtful accounts of $200,000 in 2024 and 2023	1,119,752	1,343,974
Prepaid bond insurance	773,581	822,566
Restricted assets:		
Special funds held by Trustee (Note 4 and 5)	62,765,189	97,754,612
Restricted cash held by the Authority (Note 6)	3,628,507	2,628,293
Total Non-Current Assets	68,287,029	102,549,445
Total Assets	783,554,763	802,029,257
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	6,991,296	11,129,745
Changes in assumptions related to pensions	137,509	-
Difference between expected and actual experience related to pensions	604,021	1,108,993
Difference between expected and actual experience related to OPEB	3,217,815	3,987,075
Changes in assumptions related to OPEB	2,098,230	4,004,870
Deferred losses on bond refundings, net of amortization (Note 8)	2,455,041	2,655,295
Total Deferred Outflows of Resources	15,503,912	22,885,978

(continued)

See accompanying notes to the financial statements.

Appendix A-5.2

MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY
Statements of Revenues, Expenses and Changes in Net Position
Fiscal Years Ended March 31, 2024 and 2023

	2024	Restated 2023
Operating Revenues		
Water	$ 86,458,074	$ 88,048,607
Wastewater	18,706,777	17,821,176
Other operating revenues	3,337,442	6,437,391
Total Operating Revenues	108,502,293	112,307,174
Operating Expenses		
Source of supply	1,075,349	1,038,900
Treatment system	13,600,497	11,671,599
Distribution	27,388,726	23,650,647
Engineering	1,735,261	1,644,530
Wastewater system	13,537,077	12,079,508
Landfill	8,978	4,765
Depreciation and amortization	18,002,750	16,853,075
Commercial and general	20,934,092	23,573,776
Management fee	1,750,000	1,750,000
(Gain) loss on disposals of capital assets	(400,389)	556,194
Total Operating Expenses	97,632,341	92,822,994
Operating Income before Non-Operating	10,869,952	19,484,180
Non-Operating Revenues (Expenses)		
Investment income	2,673,917	2,810,346
Net increase in the fair value of investments	2,339,794	511,226
Interest expense	(15,572,984)	(16,951,350)
Total Non-Operating Revenues (Expenses)	(10,559,273)	(13,629,778)
Income before Capital Contributions	310,679	5,854,402
Capital Contributions	6,296,359	4,350,561
Increase in Net Position	6,607,038	10,204,963
Total Net Position, Beginning of Fiscal Year	203,029,484	192,824,521
Total Net Position, End of Fiscal Year	$ 209,636,522	$ 203,029,484

See accompanying notes to the financial statements.

Appendix A-5.2

Series Id: CUUR0000SA0,CUUS0000SA0
Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Download:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174	174.1	174	170.8	173.6
2001	175.1	175.8	176.2	176.9	177.7	178	177.5	177.5	178.3	177.7	177.4	176.7	176.6	177.5
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181	181.3	181.3	180.9	178.9	180.9
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185	184.5	184.3	183.3	184.6
2004	185.2	186.2	187.4	188	189.1	189.7	189.4	189.5	189.9	190.9	191	190.3	187.6	190.2
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	193.2	197.4
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	200.6	202.6
2007	202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.49	208.936	210.177	210.036	205.709	208.976
2008	211.08	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	214.429	216.177
2009	211.143	212.193	212.709	213.24	213.856	215.693	215.351	215.834	215.969	216.177	216.33	215.949	213.139	215.935
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.23	225.672	223.598	226.28
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.85	230.338
2013	230.28	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548
2014	233.916	234.781	236.293	237.072	237.9	238.343	238.25	237.852	238.031	237.433	236.151	234.812	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.28	260.388	260.229	260.474	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.31	276.589	277.948	278.802	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	288.347	296.963
2023	299.17	300.84	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	302.408	306.996
2024	308.417	310.326	312.332	313.548	314.069	314.175	314.54	314.796	315.301	315.664	315.493	315.605	312.145	315.233
2025	317.671	319.082	319.799	320.795	321.465	322.561	323.048	323.976					320.229	

	Handy-Whitman Line #	Handy-Whitman Line #
	34	**39**
-9999		
1890	**9**	**6**
1908	**8**	**5**
1912	**9**	**6**
1913	**10**	**6**
1914	**8**	**5**
1915	**9**	**6**
1916	**11**	**6**
1917	**16**	**9**
1918	**19**	**10**
1919	**20**	**11**
1920	**22**	**12**
1921	**22**	**13**
1922	**20**	**12**
1923	**21**	**12**
1924	**22**	**13**
1925	**21**	**13**
1926	**21**	**13**
1927	**21**	**13**
1928	**20**	**13**
1929	**20**	**14**
1930	**20**	**14**
1931	**20**	**14**
1932	**18**	**13**
1933	**18**	**11**
1934	**19**	**12**
1935	**19**	**13**
1936	**20**	**13**
1937	**21**	**14**

	Handy-Whitman Line #	Handy-Whitman Line #
	34	**39**
1938	**22**	**14**
1939	**22**	**14**
1940	**24**	**14**
1941	**0**	**15**
1942	**0**	**16**
1943	**0**	**16**
1944	**25**	**17**
1945	**26**	**17**
1946	**29**	**19**
1947	**35**	**22**
1948	**41**	**25**
1949	**42**	**27**
1950	**43**	**28**
1951	**45**	**29**
1952	**47**	**31**
1953	**48**	**33**
1954	**48**	**35**
1955	**53**	**36**
1956	**57**	**0**
1957	**60**	**41**
1958	**63**	**44**
1959	**65**	**46**
1960	**68**	**48**
1961	**69**	**50**
1962	**71**	**51**
1963	**72**	**53**
1964	**73**	**55**
1965	**74**	**58**
1966	**75**	**60**
1967	**76**	**63**
1968	**77**	**66**

	Handy-Whitman	Handy-Whitman
	Line #	Line #
	34	**39**
1969	**80**	**72**
1970	**84**	**79**
1971	**94**	**89**
1972	**98**	**96**
1973	**100**	**100**
1974	**110**	**115**
1975	**146**	**123**
1976	**154**	**130**
1977	**162**	**139**
1978	**173**	**145**
1979	**185**	**160**
1980	**202**	**175**
1981	**219**	**184**
1982	**231**	**198**
1983	**239**	**207**
1984	**244**	**215**
1985	**254**	**221**
1986	**255**	**226**
1987	**263**	**230**
1988	**280**	**245**
1989	**295**	**258**
1990	**301**	**262**
1991	**307**	**272**
1992	**311**	**283**
1993	**321**	**292**
1994	**327**	**300**
1995	**332**	**307**
1996	**339**	**321**
1997	**347**	**323**

	Handy-Whitman	Handy-Whitman
	Line #	Line #
	34	**39**
1998	**355**	**330**
1999	**361**	**334**
2000	**377**	**348**
2001	**391**	**354**
2002	**404**	**360**
2003	**407**	**368**
2004	**432**	**388**
2005	**469**	**410**
2006	**499**	**454**
2007	**530**	**485**
2008	**588**	**514**
2009	**614**	**537**
2010	**624**	**555**
2011	**648**	**576**
2012	**687**	**598**
2013	**701**	**602**
2014	**731**	**608**
2015	**740**	**618**
2016	**755**	**624**
2017	**777**	**650**
2018	**803**	**668**
2019	**830**	**688**
2020	**858**	**705**
2021	**922**	**743**
2022	**1027**	**804**
2023	**1105**	**854**
2024	**1156**	**892**
2025	**1140**	**918**
SPOT	**1140**	**918**

Appendix A-5.2

BVR
What It's Worth

Cost of Capital Professional

Screen & Export RECENT SAVE RESET

User Input Download User References

Specify search criteria

Company Name
Gannett Fleming

Valuation Date
12/31/2020

Returns Reference – Start Year
EARLIEST YEAR (Y

Returns Reference – End Year
2020

Returns Calculation - Mean
Arithmetic
Geometric

ERP Size Premium IRP CoE WACC Summary

	Firms			Portfolio		Size Premium	
Decile	Count	Min size ('000)	Max Size ('000)	Annual Return	Beta	S&P 500	Beta Adjusted
1 - Largest	199	$29,075,803	$1,966,078,882	11.06%	0.92	(0.75%)	

Appendix A-5.2

2	186	$13,178,743	$28,808,073	12.82%	1.04	1.01%
3	210	$6,743,361	$13,177,828	13.66%	1.11	1.85%
4	218	$3,861,858	$6,710,676	13.67%	1.13	1.86%
5	255	$2,445,693	$3,836,536	14.49%	1.17	2.68%
6	246	$1,591,865	$2,444,745	14.82%	1.18	3.01%
7	306	$911,586	$1,591,765	15.63%	1.26	3.82%
8	365	$451,955	$911,103	15.91%	1.31	4.10%
9	412	$190,019	$451,800	16.69%	1.34	4.88%
10 - Smallest	569	$2,194	$189,831	19.64%	1.40	7.83%
1 through 2	385	$13,178,743	$1,966,078,882	11.32%	0.94	(0.48%)
3 through 5	683	$2,445,693	$13,177,828	13.80%	1.13	1.99%
6 through 8	917	$451,955	$2,444,745	15.27%	1.23	3.46%
9 through 10	981	$2,194	$451,800	17.53%	1.35	5.72%
1 through 5	1,068	$2,445,693	$1,966,078,882	11.64%	0.96	(0.17%)
6 through 10	1,898	$2,194	$2,444,745	15.49%	1.24	3.68%

S&P 500 Annual Return for Period 1928 - 2020 : 11.81%

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2022 SBBI® Yearbook

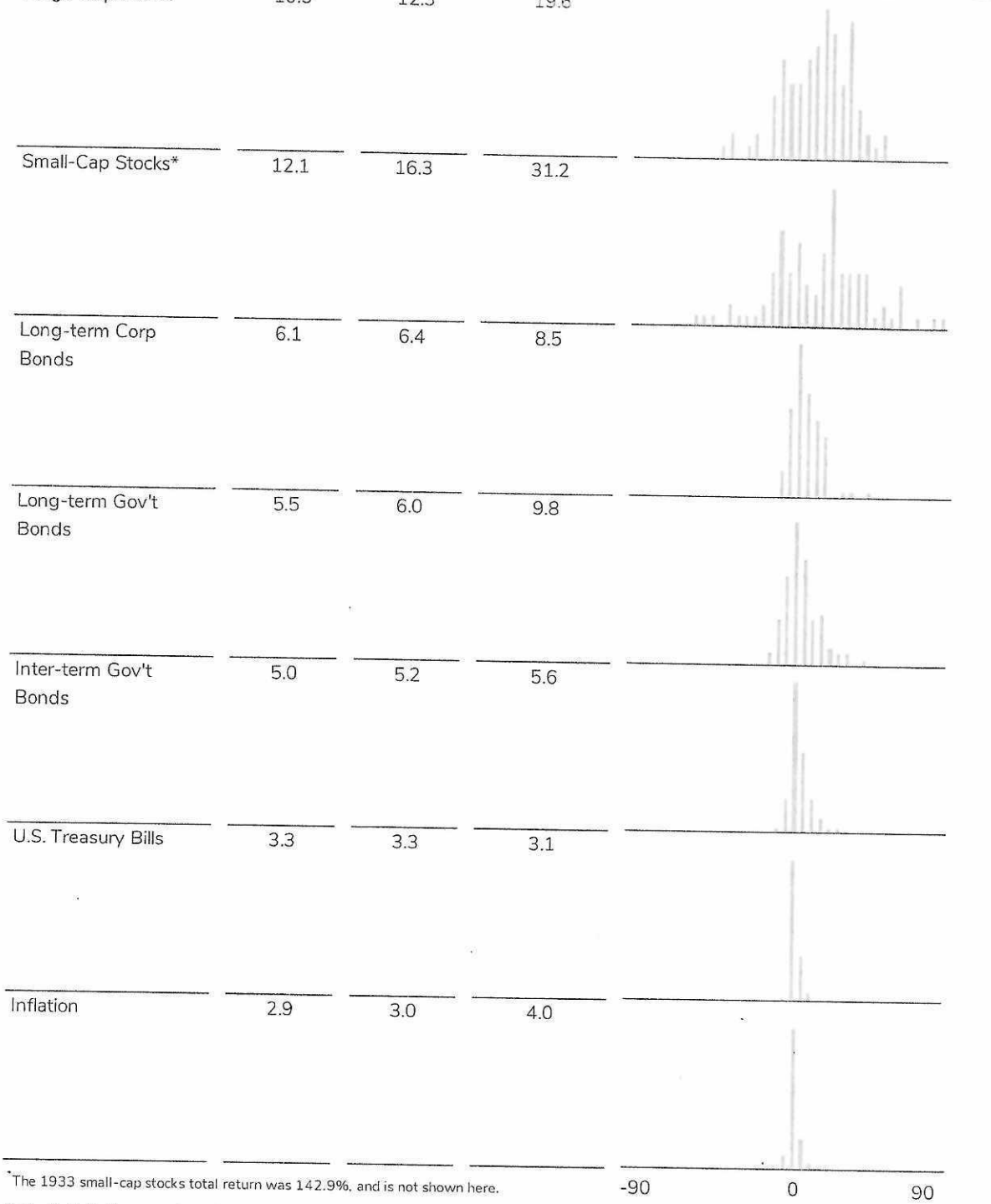
Stocks, Bonds, Bills, and Inflation®

U.S. Capital Markets Performance by
Asset Class 1926–2021

Appendix A-5.2

Exhibit 2.3: Basic Series, Summary Statistics of Annual Total Returns (%)
1926–2021

Series	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)	Distribution (%)
Large-Cap Stocks	10.5	12.3	19.6	
Small-Cap Stocks*	12.1	16.3	31.2	
Long-term Corp Bonds	6.1	6.4	8.5	
Long-term Gov't Bonds	5.5	6.0	9.8	
Inter-term Gov't Bonds	5.0	5.2	5.6	
U.S. Treasury Bills	3.3	3.3	3.1	
Inflation	2.9	3.0	4.0	



*The 1933 small-cap stocks total return was 142.9%, and is not shown here.

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Exhibit 6.8: Total Returns, Income Returns, and Capital Appreciation Returns of the SBBI® Asset Classes; Summary Statistics of Annual Returns (%)
1926–2021

	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)	Serial Correlation
Large-Cap Stocks				
Total Return	10.5	12.3	19.6	0.01
Income	3.9	3.9	1.6	0.92
Capital Appreciation	6.4	8.2	19.0	0.01
Small-Cap Stocks (TR)	12.1	16.3	31.2	0.05
Long-term Corp Bonds (TR)	6.1	6.4	8.5	0.01
Long-term Gov't Bonds				
Total Return	5.5	6.0	9.8	-0.16
Income	4.8	4.9	2.6	0.96
Capital Appreciation	0.5	0.9	8.9	-0.25
Inter-term Gov't Bonds				
Total Return	5.0	5.2	5.6	0.14
Income	4.3	4.3	2.9	0.96
Capital Appreciation	0.6	0.7	4.4	-0.17
U.S. Treasury Bills (TR)	3.3	3.3	3.1	0.92
Inflation	2.9	3.0	4.0	0.62

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In general, risk is rewarded by a higher return over the long term. For example, Exhibit 6.8 shows that over the 1926–2021 time horizon small-cap stocks were the riskiest asset class with a standard deviation of 31.2%, but also provided the greatest rewards to long-term investors, with an arithmetic mean annual return of 16.3%. Comparably, the risk (as measured by standard deviation) of large-cap stocks was significantly lower at 19.6%, and the reward (as measured by arithmetic average annual return) of large-cap stocks was correspondently lower at 12.3%.

U.S. Treasury bills, with a standard deviation of 3.1%, were nearly riskless and had the lowest arithmetic mean annual return at 3.3%.

Inflation-Adjusted Series Summary Statistics

Inflation-adjusted basic series summary statistics are presented in Exhibit 6.9. Note that the real rate of interest is close to zero (0.4%) on average. For the 96-year period, the geometric and arithmetic means are lower by the amount of inflation than those of the nominal series.

Note that this increased return comes at a price: risk (as measured by standard deviation) increased from 19.6% for large-cap stocks to 31.2% for small-cap stocks. The relationship between risk and return is a fundamental principle of finance. History tells us that small companies are riskier than large companies. Investors are compensated for taking on this additional risk by the higher returns provided by small companies.

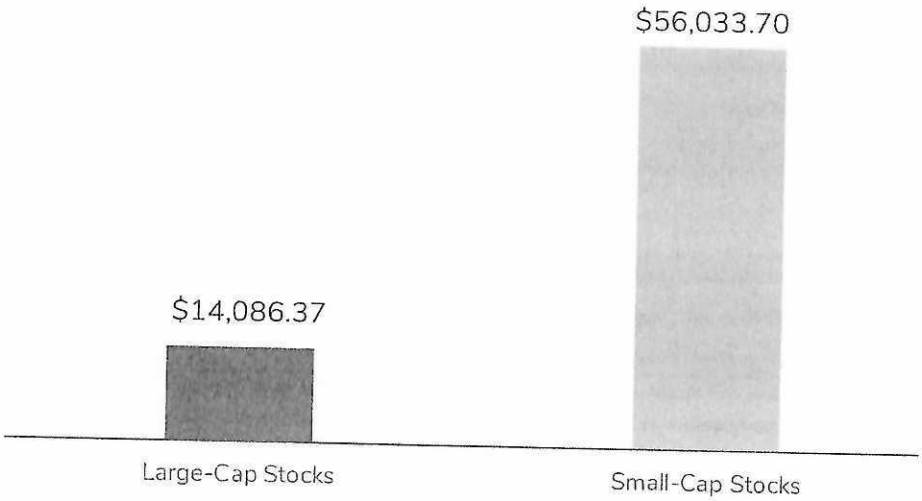
Exhibit 7.1: Summary Statistics of Large-Cap Stocks and Small-Cap Stocks (%) 1926–2021

	Geometric Mean (%)	Arithmetic Mean (%)	Standard Deviation (%)
Large-Cap Stocks	10.5	12.3	19.6
Small-Cap Stocks	12.1	16.3	31.2

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The differences in the performance of large-cap stocks and small-cap stocks can have important implications for investors. Exhibit 7.2 is a graphical depiction of the value of $1 invested at the end of 1925 in large-cap and small-cap stocks and held through December 31, 2021 (a total of 96 years).

Exhibit 7.2: The Value of $1 Invested in Large-Cap and Small-Cap Stocks, 1926–2021
Index (Year-end 1925 = $1.00)



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120 months (10-years), to 240 months (20-years) and finally to 360 months (30-years), small stocks increasingly outperform large stocks (55%, 66%, 88%, and 96% of the time, respectively).

This same pattern of increasing outperformance of small stocks as the holding period is increased can also be seen in the three "Post Banz" periods.

Long-term Returns in Excess of Systematic Risk

The capital asset pricing model, or CAPM, does not fully account for the higher returns of small-cap stocks. The textbook CAPM can be expressed as follows:

$$k_e = R_f + \beta \times (RP_m)$$

Where:

k_e	=	Cost of equity capital
R_f	=	Risk-free rate
β	=	Beta
RP_m	=	Equity risk premium (also referred as ERP)

According to the CAPM, the expected return on a security should consist of the riskless rate plus an additional return to compensate for the systematic risk of the security. The return in excess of the riskless rate is estimated in the context of the CAPM by multiplying the equity risk premium by beta. The equity risk premium is the return that compensates investors for taking on risk equal to the risk of the market as a whole (systematic risk). Beta measures the extent to which a security or portfolio is exposed to systematic risk.

The beta of each decile indicates the degree to which the decile's return moves with that of the overall market. A beta greater than one indicates that the security or portfolio has greater systematic risk than the market; according to the CAPM equation, investors are compensated for taking on this additional risk.

CAPM is an attempt to predict *future* returns. CAPM can be used to see how well it would have done predicting returns that we *already know* (i.e., historical returns; returns that have already occurred). This is called "back-testing". If what "actually happened" is greater than "what CAPM would have predicted", then CAPM fell short of explaining what actually happened.

Smaller companies tend to have returns that are not fully explained by their higher betas, so return in excess of that predicted by CAPM tends to *increase* as one moves from the largest companies to the smallest companies. This size related phenomenon prompted a revision to the CAPM to include a size premium. A size premium (as used in the CAPM equation) is thus a measure of "what actually happened" minus "what textbook CAPM predicted":

Appendix A-5.2

Size Premium = Actual Excess Return – Excess Return Predicted by CAPM

A size premium is a common adjustment that analysts make to the textbook CAPM when developing cost of equity capital estimates.[189] [190] This is sometimes referred to as the "modified" CAPM:

$$k_e = R_f + \beta \times (RP_m) + RPs$$

Where:

k_e	=	Cost of equity capital
R_f	=	Risk-free rate
β	=	Beta
RP_m	=	Equity risk premium (also referred as ERP)
RPs	=	Size Premium

The size effect is not without controversy, nor is this controversy something new. Traditionally, small companies are believed to have greater required rates of return than large companies because small companies are inherently riskier. It is not clear, however, whether this is due to size itself, or to other factors closely related to or correlated with size (e.g., liquidity).[191]

189 The CRSP Deciles Size Study and Risk Premium Report Study, both of which provide size premia and other risk premia based upon data licensed from the Center for Research in Security Prices (CRSP) at the University of Chicago Booth School of Business, are fully available in the Kroll Cost of Capital Navigator platform at kroll.com/costofcapitalnavigator (subscription required). CRSP® is a registered trademark and service mark of Center for Research in Security Prices, LLC and has been licensed for use by Kroll, LLC. The Kroll publications and services are not sponsored, sold or promoted by CRSP®, its affiliates or its parent company. To learn more about CRSP, visit www.crsp.org.

190 A detailed discussion of company size and return (and size premia) based upon CRSP deciles 1-10 and the 10th decile split (10a, 10b, 10w, 10x, 10y, and 10z) is available in the Resources Library of the Cost of Capital Navigator at kroll.com/costofcapitalnavigator. (subscription required).

191 For more information, see the Resources section of the Cost of Capital Navigator at kroll.com/costofcapitalnavigator. A comprehensive discussion of the size effect is in the Cost of Capital Navigator "U.S. Cost of Capital Module's" Resources Library.

Appendix A-5.2

Exhibit 10.8: Equity Risk Premium Calculated Using the S&P 500 and the Income Return on Three Government Bonds of Different Horizons (%)
1926–2021

	Long-horizon	Intermediate-horizon	Short-horizon
S&P 500	7.46	8.04	9.03

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The equity risk premium is calculated by subtracting the arithmetic mean of the government bond income return from the arithmetic mean of the stock market total return. Exhibit 10.9 demonstrates this calculation for the long-horizon equity risk premium, the intermediate-horizon equity risk premium, and the short-horizon equity risk premium.

Exhibit 10.9: Calculation of the Long-Horizon Equity Risk Premium, the Intermediate-Horizon Equity Risk Premium, and the Short-Horizon Equity Risk Premium (%)
1926–2021

	Arithmetic Annual Mean			
	S&P 500 (the "Market")	Risk-free Rate		Equity Risk Premium
S&P 500	12.33	4.87	=	7.46
Intermediate-horizon	12.33	4.29	=	8.04
Short-horizon	12.33	3.30	=	9.03

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The Market Benchmark and Firm Size

Although not restricted to the 500 largest companies, the S&P 500 is considered a large-cap index. The returns of the S&P 500 are market-cap-weighted. The larger companies in the index therefore receive the majority of the weight. If using a large-cap index to calculate the equity risk premium, an adjustment is usually needed to account for the different risk and return characteristics of small stocks. This was discussed in Chapter 7 on the size premium.

Appendix A-5.2

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Specify search criteria

Company Name
Gannett Fleming

Valuation Date
12/31/2020

Returns Reference – Start Year
EARLIEST YEAR (Y

Returns Reference – End Year
2020

Returns Calculation - Mean
Arithmetic
Geometric

ERP Size Premium IRP CoE WACC Summary

	Firms			Portfolio		Size Premium	
Decile	Count	Min size ('000)	Max Size ('000)	Annual Return	Beta	S&P 500	Beta Adjusted
1 - Largest	199	$29,075,803	$1,966,078,882	11.06%	0.92	(0.75%)	

Appendix A-5.2

2	186	$13,178,743	$28,808,073	12.82%	1.04	1.01%
3	210	$6,743,361	$13,177,828	13.66%	1.11	1.85%
4	218	$3,861,858	$6,710,676	13.67%	1.13	1.86%
5	255	$2,445,693	$3,836,536	14.49%	1.17	2.68%
6	246	$1,591,865	$2,444,745	14.82%	1.18	3.01%
7	306	$911,586	$1,591,765	15.63%	1.26	3.82%
8	365	$451,955	$911,103	15.91%	1.31	4.10%
9	412	$190,019	$451,800	16.69%	1.34	4.88%
10 - Smallest	569	$2,194	$189,831	19.64%	1.40	7.83%
1 through 2	385	$13,178,743	$1,966,078,882	11.32%	0.94	(0.48%)
3 through 5	683	$2,445,693	$13,177,828	13.80%	1.13	1.99%
6 through 8	917	$451,955	$2,444,745	15.27%	1.23	3.46%
9 through 10	981	$2,194	$451,800	17.53%	1.35	5.72%
1 through 5	1,068	$2,445,693	$1,966,078,882	11.64%	0.96	(0.17%)
6 through 10	1,898	$2,194	$2,444,745	15.49%	1.24	3.68%

S&P 500 Annual Return for Period 1928 - 2020 : 11.81%

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Appendix A-5.2

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DEALS AUGUST 6, 2018 / 5:11 PM / 6 MONTHS AGO

SJW Group makes $1.1 billion all-cash offer for Connecticut Water

3 MIN READ

NEW YORK (Reuters) - SJW Group (SJW.N) and Connecticut Water Service Inc (CTWS.O) said on Monday they were changing from a merger to an acquisition agreement, with SJW offering to buy the New England utility for $1.1 billion in cash instead of combining stock.

The switch to an all-cash offer is worth $70 per Connecticut Water share, a 33 percent premium to Connecticut Water's share price prior to the original deal announced in March, according to a joint statement.

It was also higher than the implied $61.86 per share value of the Clinton, Connecticut-based firm under the merger-of-equals transaction, which would have created a combined company in which existing SJW shareholders would hold 60 percent of the stock.

SJW closed 2.3 percent lower, while Connecticut Water was 9 percent higher at $68.50.

ADVERTISEMENT

To pay for the acquisition, SJW will initially utilize a $975 million bridge loan from financial adviser JP Morgan Chase (JPM.N). Ultimately, the purchase would be covered by debt and between $450 million and $500 million of equity finance.

The new deal aims to conclude in the first quarter of 2019, subject to approvals from Connecticut Water's shareholders, as well as regulators in Connecticut and Maine.

The duo's original all-stock merger announcement in March triggered competing offers from Eversource Energy (ES.N) and California Water Service Group (CWT.N).

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"We have converted from a stock-for-stock deal to a cash offer, which will resolve any further market distractions from the inferior proposals," SJW Chief Executive Eric Thornburg told Reuters, in reference to the actions by Eversource and CalWater.

Switching to an acquisition, versus a merger structure, means that SJW shareholders will no longer be required to vote on approving the deal, the statement said.

CalWater has an open tender offer to acquire SJW that runs until Sept. 28.

However, asked if the change was aimed at heading off any shareholder challenge to the deal, Thornburg told Reuters it "wasn't a consideration" and it had received nothing but support from its shareholders.

RBS sounds alarm over Brexit

CalWater declined to comment. A spokesman for Eversource said the company was evaluating developments but, as it has made clear, it will be disciplined in pursuing this or any other transaction.

Reporting by David French in New York; Additional Reporting by Liana B. Baker; Editing by Lisa Shumaker

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Appendix A-5.2

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CONNECTICUT WATER SERVICE INC / CT
BALANCE_SHEET2
Form Type: 10-K
Period End: Dec 31, 2017
Date Filed: Mar 15, 2018
Table Of Contents

CONNECTICUT WATER SERVICE, INC.

CONSOLIDATED BALANCE SHEETS

December 31, (in thousands, except share amounts)	2017	2016
ASSETS		
Utility Plant	$ 927,289	$ 777,860
Construction Work in Progress	11,761	33,748
	939,050	811,608
Accumulated Provision for Depreciation	(241,327)	(210,212)
Net Utility Plant	697,723	601,396
Other Property and Investments	10,662	9,071
Cash and Cash Equivalents	3,618	1,564
Accounts Receivable (Less Allowance, 2017 - $1,265; 2016 - $1,100)	14,965	13,024
Accrued Unbilled Revenues	8,481	8,171
Materials and Supplies, at Average Cost	1,593	1,536
Prepayments and Other Current Assets	7,021	5,069
Total Current Assets	35,678	29,364
Unrecovered Income Taxes - Regulatory Asset	66,631	93,264
Pension Benefits - Regulatory Asset	11,339	12,266
Post-Retirement Benefits Other Than Pension - Regulatory Asset	116	265
Goodwill	67,016	30,427
Deferred Charges and Other Costs	9,618	8,449
Total Regulatory and Other Long-Term Assets	154,720	144,671
Total Assets	$ 898,783	$ 784,502
CAPITALIZATION AND LIABILITIES		
Common Stockholders' Equity:		
Common Stock Without Par Value: Authorized - 25,000,000 Shares		
Issued and Outstanding:		
2017 - 12,065,016; 2016 - 11,248,458	$ 191,641	$ 145,739
Retained Earnings	102,417	91,213
Accumulated Other Comprehensive Loss	(428)	(924)
Common Stockholders' Equity	293,630	236,028
Preferred Stock	772	772
Long-Term Debt	253,367	197,047
Total Capitalization	547,769	433,847
Current Portion of Long-Term Debt	6,173	4,859
Interim Bank Loans Payable	19,281	32,953
Accounts Payable and Accrued Expenses	11,319	13,116
Accrued Interest	1,439	1,012
Current Portion of Refund to Customers - Regulatory Liability	64	855
Other Current Liabilities	3,262	2,330
Total Current Liabilities	41,538	55,125
Advances for Construction	20,024	19,127
Deferred Federal and State Income Taxes	33,579	50,558
Unfunded Future Income Taxes	58,384	90,977
Long-Term Compensation Arrangements	32,649	33,540
Unamortized Investment Tax Credits - Regulatory Liability	1,133	1,189
Excess Accumulated Deferred Income Tax - Regulatory Liability	30,937	4,373
Refund to Customers - Regulatory Liability	-	108
Other Long-Term Liabilities	1,241	701
Total Long-Term Liabilities	177,947	200,573
Contributions in Aid of Construction	131,529	94,957
Commitments and Contingencies	-	-
Total Capitalization and Liabilities	$ 898,783	$ 784,502

Appendix A-5.2

Created by EDGAR Online, Inc.

CONNECTICUT WATER SERVICE INC / CT
INCOME_STATEMENT2
Form Type: 10-K
Period End: Dec 31, 2017
Date Filed: Mar 15, 2018
Table Of Contents

CONNECTICUT WATER SERVICE, INC.

CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, (in thousands, except per share data)	2017	2016	2015
Operating Revenues	$ 107,054	$ 98,667	$ 96,041
Operating Expenses			
Operation and Maintenance	48,017	44,191	48,052
Depreciation	16,684	13,905	12,871
Income Taxes	(1,993)	2,570	(818)
Taxes Other Than Income Taxes	10,941	9,796	9,294
Total Operating Expenses	73,649	70,462	69,399
Net Operating Revenues	33,405	28,205	26,642
Other Utility Income, Net of Taxes	824	744	797
Total Utility Operating Income	34,229	28,949	27,439
Other Income (Deductions), Net of Taxes			
(Loss) Gain on Real Estate Transactions	33	(54)	349
Non-Water Sales Earnings	1,167	1,219	1,394
Allowance for Funds Used During Construction	774	1,198	530
Other	(2,308)	(1,009)	(214)
Total Other Income (Loss), Net of Taxes	(334)	1,354	2,059
Interest and Debt Expenses			
Interest on Long-Term Debt	9,054	7,714	7,087
Other Interest Income, Net	(359)	(922)	(458)
Amortization of Debt Expense and Premium, Net	146	124	108
Total Interest and Debt Expenses	8,841	6,916	6,737
Net Income	25,054	23,387	22,761
Preferred Stock Dividend Requirement	38	38	38
Total Net Income Applicable to Common Stock	$ 25,016	$ 23,349	$ 22,723
Weighted Average Common Shares Outstanding:			
Basic	11,540	11,009	10,958
Diluted	11,762	11,228	11,164
Earnings Per Common Share:			
Basic	$ 2.17	$ 2.12	$ 2.07
Diluted	$ 2.13	$ 2.08	$ 2.04

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, (in thousands)	2017	2016	2015
Net Income	$ 25,054	$ 23,387	$ 22,761
Other Comprehensive Income (Loss), net of tax			
Adjustment to post-retirement benefit plans, net of tax benefit (expense) of $(419), $15, and $(505) in 2017, 2016, and 2015, respectively	289	(24)	765
Unrealized Investment gain (loss), net of tax (expense) benefit of $(13), $(22) and $62, in 2017, 2016, and 2015, respectively	207	35	(97)
Other Comprehensive Income, net of tax	$ 496	$ 11	$ 668
Comprehensive Income	$ 25,550	$ 23,398	$ 23,429

A-6 LIST OF TOWNS SERVED

List by operating divisions the towns served directly, indicating those in which franchise is for limited area by an asterisk (*) after name. Give population of the area and the number of customers.

Line No.	Town	Population of Area	Number of Customers	Line No.	Town	Population of Area	Number of Customers
					Sub Totals Forward:	30,120	725
1	Belmont N. H.	7,356	160	16			
2	Bow, N.H.	7,519	95	17			
3	Carroll, N.H.	763	409	18			
4	Belmont, NH	7,356	22	19			
5	Gilford, NH	7,126	39	20			
6				21			
7				22			
8				23			
9				24			
10				25			
11				26			
12				27			
13				28			
14				29			
15	Sub Totals Forward:	30,120	725	30	Total	30,120	725

A-7 PAYMENTS TO INDIVIDUALS

List names of all individuals, partnerships, or corporations to whom payments totaling $10,000 or more for services rendered were made or accrued during the year, and the amount paid or accrued to each. Where payments or accruals to the individual members of a partnership or firm together total $10,000 or more, list each individual and the amount paid or due each.

Line No.	Name	Address	Amount
1	NESC	Plainville,, Ct.	222,877
2	City of Laconia	Laconia, NH	91,004
3	Rowell's Services	Northfield, NH	57,242
4	Eversource	Boston, MA	43,226
5	CoBank	Greenwood Village, CO	43,000
6	Stephen P. St. Cyr & Associates	Biddeford, Me.	40,959
7	NH Brown Law	Somersworth, NH	37,206
8	PKF O'Conner Davies	Shelton, Ct.	36,020
9	State of NH	Concord, NH	16,544
10	Fortin Construction	Londonderry, NH	16,155
11	Town of Carroll	Carroll, NH	15,201
12	Town of Belmont	Belmont, NH	14,953
13	Harcros Chemicals	Chicago, IL	12,909
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	Total		$ 647,296

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CONSUMPTION INFORMATION (Dover Division)

1. Estimated total population of territory covered by franchise		
2. Estimated population reached by the distributing system		
3. Estimated population actually supplied		1,809
4. Total consumption during the year in gallons		50,866,736
5. Average daily consumption (in gallons)		138,429
6. Day on which the greatest amount was pumped		8/13/2020
7. Gallons pumped on above day		368,000
8. Week during which greatest amount was pumped	8/9/20-8/15/20	
9. Gallons pumped during above week		1,906,000
10. Gallons per day per service		218
11. Consumption metered		50,866,736
12. Consumption metered,	100 percent of total consumption	

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
637	1	0	636

Name of City, Town, or District	Number of Customers as of December 31
Dover, MA	636

Sixty-four of these connections represent contractual service to Town of Dover plus one master meter at town connection.

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CONSUMPTION INFORMATION (Plymouth Division)

1. Estimated total population of territory covered by franchise	2,513
2. Estimated population reached by the distributing system	2,513
3. Estimated population actually supplied	2,513
4. Total consumption during the year (GALS)	101,211,880
5. Average daily consumption	294,414
6. Day on which the greatest amount was pumped	7/27/2020
7. Gallons pumped on above day	724,300
8. Week during which greatest amount was pumped	7/26/2020-8/1/2020
9. Gallons pumped during above week	4,544,900
10. Gallons per day per service	219
11. Consumption metered	101,211,880
12. Consumption metered,	100% percent of total consumption

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
853	0	9	862

Name of City, Town, or District	Number of Customers as of December 31
Plymouth, MA	862

Page 415

CONSUMPTION INFORMATION (Springdale Division)

1. Estimated total population of territory covered by franchise		115
2. Estimated population reached by the distributing system		115
3. Estimated population actually supplied		115
4. Total consumption during the year (GALS)		7,463,606
5. Average daily consumption		20,448
6. Day on which the greatest amount was pumped		6/27/2020
7. Gallons pumped on above day		88,000
8. Week during which greatest amount was pumped	6/21/20-6/27/20	
9. Gallons pumped during above week		407,000
10. Gallons per day per service		418
11. Consumption metered		7,463,606
12. Consumption metered,	100 percent of total consumption	

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
41	0	1	42

Name of City, Town, or District	Number of Customers as of December 31
Dover, MA	42

Appendix A-5.2

Annual Return of Mountain Water Systems, Inc. Calendar year ending December 31, 2020

Page 415

CONSUMPTION INFORMATION

1. Estimated total population of territory covered by franchise	1100	
2. Estimated population reached by the distributing system	1100	
3. Estimated population actually supplied	1100	
4. Total consumption during the year	31,956,826	gals.
5. Average daily consumption	87,553	gals.
6. Day on which the greatest amount was pumped	7/20/2020	
7. Gallons pumped on above day	173,596	
8. Week during which greatest amount was pumped	7/16/20-7/25/20	
9. Gallons pumped during above week	975,066	
10. Gallons per day per service	180	
11. Consumption metered	31,956,826	gals.
12. Consumption metered,	100	% of total consumption

13. CUSTOMERS

Number Being Supplied at Beginning of Year	Discontinued Since	Connected Since	Number Being Supplied at Close of Year
487	0		487

Name of City, Town, or District	Number of Customers as of December 31
Sheffield, MA	
*487 metered customers, 3 fixed fee customers	490

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Filed by Eversource Energy
(Commission File No. 001-05324) pursuant
to Rule 425 under the Securities Act of 1933

Subject Company: New England Service Company





JOINT NEWS RELEASE

New England Service Company To be Acquired by Aquarion Water Company

Region's largest private water company expands operations in
Connecticut, Massachusetts and New Hampshire

BRIDGEPORT, CONN. – April 8, 2021 – Aquarion Company (Aquarion), parent of Aquarion Water Company, and New England Service Company (NESC) (OTC Pink Sheets Trading Symbol: NESW) today announced that they have entered into a definitive agreement whereby Aquarion will acquire all outstanding shares of NESC and NESC will become a wholly-owned subsidiary of Aquarion. Aquarion is a water supply company and holding company based in Bridgeport, Connecticut, providing regulated water service to customers in Connecticut, Massachusetts, and New Hampshire. NESC is a holding company based in Plainville, Connecticut providing regulated water service to customers in Connecticut, Massachusetts, and New Hampshire.

Under the agreement, which was unanimously approved by the Boards of Directors of both Aquarion and NESC, the acquisition will be executed through a stock-for-stock transaction that is structured to be a tax-free reorganization. The agreement provides that the stockholders of NESC will receive 0.51208 shares of the common shares of Aquarion's parent, Eversource Energy (Eversource) (NYSE: ES), in exchange for each share of NESC common stock. The fixed exchange ratio implies a $44.90 per share price based on the $87.68 closing price of Eversource Energy common shares on April 6, 2021. In connection with the exchange, Eversource Energy will issue approximately 463,000 shares of ES Common Stock at closing.

The merger includes NESC's Valley Water System in Connecticut, Colonial Water Company and Mountain Water Systems in Massachusetts, and Abenaki Water Company in New Hampshire, as well as unregulated service operations throughout New England. The merger will add nearly 10,000 customers to Aquarion's existing base of 216,000 customers. Under the agreement, all NESC employees will be retained.

"This merger will create long-term benefits for customers, employees, and the communities we serve," said Donald Morrissey, President of Aquarion Water Company. "We will make investments in these water systems focused on reliability and water quality and deliver a superior customer experience. We also welcome NESC's dedicated employees to the Aquarion team. I'm confident that we share a similar passion for delivering superior water service to customers and the communities we serve and being great stewards of the environment."

Over the last ten years, Aquarion has integrated over 70 water systems into its operations, strengthening the company's ability to deliver high-quality water to communities throughout the region.

"I am pleased to announce the NESC and Aquarion combination and look forward to working with Aquarion's leadership team on a smooth transition for our customers and employees," said Don Vaughan, NESC Chairman. He also noted, "Aquarion is well-positioned to deliver the reliable high-quality water service that our customers expect." NESC President, Nicholas LaChance, added "The stockholders, customers and employees of NESC will benefit from this deal with Aquarion. We view this transaction with Aquarion as a win for all of our stakeholders, and we look forward to working closely with their team."

The completion of the transaction will require approval by the stockholders of NESC, and the NESC Board of Directors has resolved to recommend the adoption of the merger agreement by the stockholders. The transaction is also subject to the approval of regulatory authorities, including the Connecticut Public Utilities Regulatory Authority, Massachusetts Department of Public Utilities, and New Hampshire Public Utilities Commission, and satisfaction of several other conditions. The parties plan to file all required regulatory applications over the coming months with an anticipated closing by the end of 2021.

Advisors and Counsel

Ropes & Gray LLP served as counsel to Aquarion Company and Eversource Energy in the transaction. Boenning & Scattergood, Inc. provided a fairness opinion to the Board of Directors of New England Service Company. Cranmore, FitzGerald and Meaney served as counsel to New England Service Company.

About Aquarion Water Company:

Aquarion Water Company is the public water supply company for more than 625,000 people in 52 cities and towns throughout Connecticut, as well as serving customers in Massachusetts and New Hampshire. It is the largest investor-owned water utility in New England and among the seven largest in the U.S. Based in Bridgeport, CT, Aquarion has been in the public water supply business since 1857. Across its operations, Aquarion strives to act as a responsible steward of the environment and to assist the communities it serves in promoting sustainable practices. Aquarion Company is a wholly-owned subsidiary of Eversource.

For more information on Aquarion Water Company, please visit www.aquarionwater.com or www.facebook.com/aquarionwater.

About New England Service Company

Headquartered in Plainville, Connecticut, NESC is predominantly involved in the operation, management and financing of water systems and other related activities. NESC was formed in 1997 to operate in both regulated and unregulated water markets. NESC is the sole stockholder of four regulated water companies.

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For more information on New England Service Company please visit
www.NewEnglandServiceCompany.com

This news release includes statements concerning Aquarion and Aquarion Water Company's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts, including statements regarding the planned merger with New England Service Company, the timing of such transaction and benefits anticipated from such transaction. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, readers can identify these forward-looking statements through the use of words or phrases such as "will," "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to: the transaction is subject to conditions to closing, including regulatory approvals, that may not be satisfied; it may take longer than anticipated to consummate the transaction; we may not realize the benefits we anticipate from the transaction; unforeseen liabilities; risks relating to integration of the acquired business; and other presently unknown or unforeseen factors.

Other risk factors are detailed in Eversource Energy's reports filed with the Securities and Exchange Commission (SEC) and updated as necessary, and are available on Eversource Energy's website at www.eversource.com and on the SEC's website at www.sec.gov. All such factors are difficult to predict and contain uncertainties that may materially affect Aquarion or Aquarion Water Company's actual results, many of which are beyond our control. You should not place undue reliance on the forward-looking statements; each speaks only as of the date on which such statement is made, except as required by federal securities laws, and Aquarion Water Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

Additional Information

This communication does not constitute an offer to buy or solicitation of any offer to sell securities. This communication relates to a proposed business combination transaction between Aquarion Company and New England Service Company. In connection with the proposed business combination, Eversource Energy will file a registration statement with the SEC. This communication is not a substitute for any registration statement, prospectus/proxy statement or other document Eversource Energy, Aquarion Company and/or New England Service Company may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF NEW ENGLAND SERVICE COMPANY ARE URGED TO READ CAREFULLY THE REGISTRATION STATEMENT, PROSPECTUS, PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT EVERSOURCE ENERGY, AQUARION COMPANY, NEW ENGLAND SERVICE COMPANY AND THE PROPOSED TRANSACTION. Investors and security holders may obtain free copies of these documents (when they are available) and other related documents filed with the SEC at the SEC's web site at www.sec.gov or by directing a request to Eversource's Investor Relations department at (860) 665-5154 or by email to jeffrey.kotkin@eversource.com.

Appendix A-5.2

Certain Information Regarding Participants

This filing may be deemed solicitation material in respect of the proposed business combination transaction between Aquarion Company and New England Service Company. The directors, trustees, executive officers and certain other members of management and employees of Eversource Energy, Aquarion Company and New England Service Company may be deemed "participants" in the solicitation of proxies from stockholders of New England Service Company in favor of the proposed merger. You can find information about Eversource's trustees and executive officers in Eversource's annual report on Form 10-K for the year ended December 31, 2020, which was filed with the SEC on February 17, 2021 and its proxy statement for its 2021 annual meeting filed with the SEC on March 26, 2021. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of New England Service Company in connection with the proposed merger will be set forth in the registration statement, prospectus/proxy statement or other documents filed with the SEC if any when they become available. You may obtain these documents (when they become available) free of charge at the SEC's web site at www.sec.gov and from Investor Relations at Eversource as described above.

Media Contacts:
Aquarion Contact:
Peter Fazekas
Director – Corporate Communications
Aquarion Water Company
Phone: (203) 336-7651
pfazekas@aquarionwater.com

New England Service Company Contact:
Nicholas LaChance
President and Chief Executive Officer
New England Service Company
37 Northwest Drive
Plainville, CT 06062
Phone: (860)-747-1665
NLaChance@NewEnglandServiceCompany.com

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NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

	December 31, 2020	December 31, 2019
ASSETS		
Utility plant, at cost	$ 52,176,919	$ 50,866,999
Less accumulated depreciation and amortization	(17,108,971)	(16,242,563)
Net Utility Plant	35,067,948	34,624,436
Non-utility property, plant and equipment	2,340,344	2,229,441
Less: accumulated depreciation	(841,502)	(736,994)
Net Non-Utility Property, Plant and Equipment	1,498,842	1,492,447
Current Assets		
Cash and cash equivalents	1,217,863	781,095
Marketable securities	387,294	456,385
Accounts receivable	682,735	728,725
Accrued unbilled revenues	391,450	369,136
Regulatory asset - revenue adjustment mechanism, current portion	83,303	218,322
Income taxes receivable	-	5,286
Materials and supplies inventory	105,343	99,032
Prepaid expenses	51,811	52,968
Total Current Assets	2,919,799	2,710,949
Other Assets		
Investment in cooperative capital plan	28,473	21,500
Deferred charges and other regulatory assets	2,243,524	1,750,628
Regulatory asset - revenue adjustment mechanism, net of current portion	10,426	48,847
Preliminary survey and investigation	5,111	4,883
Regulatory asset - income taxes recoverable	4,263,900	4,238,900
Total Other Assets	6,551,434	6,064,758
Total Assets	$ 46,038,023	$ 44,892,590

See Notes to Consolidated Financial Statements

NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets *(continued)*

	December 31, 2020	December 31, 2019
STOCKHOLDERS' EQUITY AND LIABILITIES		
Stockholders' Equity		
Common stock, no par; 3,000,000 shares authorized; 906,418 shares issued, 903,325 and 900,850 shares outstanding at December 31, 2020 and 2019	$ 3,784,217	$ 3,784,217
Additional paid in capital	297,426	297,426
Treasury stock, at cost, 3,093 and 5,568 shares at December 31, 2020 and 2019	(72,974)	(128,758)
Retained earnings	12,776,934	12,511,864
Total Stockholders' Equity	16,785,603	16,464,749
Long-term debt, net of current portion	9,148,153	9,349,951
Current Liabilities		
Note payable, bank	122,000	70,500
Current portion of long-term debt	678,831	570,170
Accounts payable and accrued expenses	765,365	544,412
Accrued property and other taxes	234,396	215,792
Deferred revenues	117,927	76,874
Total Current Liabilities	1,918,519	1,477,748
Other Liabilities		
Deferred income taxes	5,739,210	5,443,590
Regulatory - excess deferred income taxes	762,275	763,669
Regulatory - excess income taxes	293,643	195,762
Security deposits and other deferred credits	105,525	109,249
Customer advances for construction	97,586	42,738
Contributions in aid of construction	9,519,329	9,431,954
Amortized contributions in aid of construction	1,668,180	1,614,180
Total Other Liabilities	18,185,748	17,601,142
Total Stockholder's Equity and Liabilities	$ 46,038,023	$ 44,893,590

See Notes to Consolidated Financial Statements

NEW ENGLAND SERVICE COMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Income

	Year Ended December 31, 2020	2019
OPERATING REVENUES		
Contracts with customers		
Utility revenues	$ 6,531,154	$ 6,047,244
Contracting and jobbing	1,519,110	1,497,323
Total Contracts with Customers	8,050,264	7,544,567
Alternative revenue programs	(56,176)	97,506
Total Operating Revenues	7,994,088	7,642,073
OPERATING EXPENSES		
Operation expenses	3,399,314	3,292,866
Maintenance expenses	369,749	322,583
Cost of contracting and jobbing	737,715	804,274
Depreciation and amortization	1,170,093	1,129,426
Taxes other than income taxes	757,357	743,266
Interest charges	347,298	350,372
Total Operating Expenses	6,781,526	6,642,787
Income from Operations	1,212,562	999,286
OTHER INCOME AND (DEDUCTIONS)		
Rental income and other	2,000	3,114
Investment income	21,350	70,550
Allowance for funds used during construction	10,771	5,275
Non-operating expense	(3,454)	(2,676)
Total Other Income	30,667	76,263
Income Before Income Taxes	1,243,229	1,075,549
Income tax expense	310,230	289,200
Net Income	$ 932,999	$ 786,349
PER SHARE AMOUNTS		
Weighted average shares outstanding	902,454	897,030
Net income	$ 1.03	$ 0.88
Dividends	$ 0.74	$ 0.70
Book value	$ 18.60	$ 18.35

See Notes to Consolidated Financial Statements

VALLEY WATER SYSTEMS, INC.

Notes to Financial Statements
Years Ended December 31, 2020 and 2019

1. Description of the Company

Valley Water Systems, Inc. (the "Company"), a wholly owned subsidiary of New England Service Company ("NESC"), is a public utility distributing water to approximately 6,760 customers in the towns of Plainville, Farmington, and Southington, Connecticut area. As a public utility operating in Connecticut, the Company functions under rules and regulations prescribed by the State of Connecticut Public Utilities Regulatory Authority ("PURA").

2. Summary of Significant Accounting Policies

Basis of Presentation

The Company maintains its accounts in accordance with the PURA Uniform System of Accounts as prescribed for Water Utilities Class A. The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America which include the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 980, *Regulated Operations* ("ASC 980"). Under ASC 980, regulated companies defer costs and credits on the balance sheet as regulatory assets and liabilities when it is probable that those costs and credits will be recognized in the rate setting process in a period different from the period in which they would have been reflected in income by an unregulated company. These deferred regulatory assets and liabilities are then reflected in the income statement in the period in which the same amounts are reflected in rates charged for service.

Use of Estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes cash balances held in bank accounts and highly liquid debt instruments with maturities of three months or less at the time of purchase.

From time to time, the Company had on deposit at financial institutions cash and cash equivalents which exceed current federal deposit insurance limitations. The Company had not experienced any losses in such accounts to date and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company continuously monitors the creditworthiness of customers and establishes, when necessary, an allowance for amounts that may become uncollectible in the future based on current economic trends, historical payment and bad debt write-off experience.

subsidiary water companies, serving approximately 200,000 customers in 52 towns and cities with a population of approximately 674,000 throughout Connecticut's seven counties.[2] A map showing AWC-CT's current service area is attached to the Joint Application as Exhibit I. AWC-CT has provided water and water services to Connecticut residents and customers continuously since 1857. AWC-CT is well known to PURA and well respected by the water industry in Connecticut, and nationally. AWC-CT had over $1.68 billion of utility plant assets as of December 31, 2020 and operating revenues of $189.6 million in 2020.

Q. Please describe New England Service Company.

A. NESC is a Connecticut stock corporation. NESC was formed in 1996 as a holding company to operate in both regulated and unregulated water utility markets. NESC has one regulated water distribution operating subsidiary in Connecticut. VWS, a utility established in 1884 as the Plainville Water Company, delivers water to over 6,800 customers or a population of approximately 18,000 in Plainville, Southington, and Farmington, Connecticut. A map showing VWS' current service area is attached to the Joint Application as Exhibit I.

In addition to owning VWS, NESC is also the sole stockholder of Colonial Water Company, a utility that provides water to about 1,530 customers in Dover and Plymouth, Massachusetts; Mountain Water Systems, a utility that provides water to about 490 customers in Sheffield, Massachusetts; and Abenaki Water Company, a combination of

[2] AWC-CT has acquired and integrated 16 new water systems since its last general rate proceeding in September 2013 via the acquisitions of the assets of the Indian Fields, West Service Corp. (2 systems), Bedrock, East Derby, Litchfield Hills, Southeastern CT Water Authority Lantern Hill Division, Hickory Hills Corporation, Arlington Acres, Pleasure Valley, Hillside Water Corporation, Town of Marlborough, and Town of New Fairfield systems, in addition to the transfer of the Laurel Ridge, West Shore Owners Association and Interlaken Water System assets.

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425 1 tm228722d1_425.htm 425

Filed by Eversource Energy
(Commission File No. 001-05324) pursuant
to Rule 425 under the Securities Act of 1933
Subject Company: The Torrington Water Company

THE TORRINGTON WATER COMPANY LETTERHEAD

March 8, 2022

Dear Stockholder:

We are pleased to announce that on March 7, 2022, the Board of Directors of The Torrington Water Company (OTC Pink Sheets Trading Symbol: TORW) unanimously approved an Agreement and Plan of Merger (the "Agreement") with Aquarion Company (" Aquarion"), a wholly-owned subsidiary of Eversource Energy (NYSE: ES). Aquarion is a holding company based in Bridgeport, Connecticut with regulated water operations in Connecticut, Massachusetts, and New Hampshire. The Torrington Water Company ("TWC") is a public utility that provides water service to approximately 10,000 customers in the city of Torrington and the towns of Burlington, Harwinton, Litchfield and New Hartford, Connecticut.

Under the terms of the Agreement, which has been unanimously approved by the boards of directors of Aquarion and TWC, TWC would merge with and become a wholly-owned subsidiary of Aquarion, and the stockholdcrs of TWC would receive in exchange for their TWC shares a number of validly issued, fully paid and nonassessable common shares, par value $5.00 per share, of Eversource Energy. The exchange ratio ("Exchange Ratio") that determines the number of Eversource Energy common shares issued in the merger will float between 1.0241 and 1.07 IO and will be determined by dividing $93.51 by Eversource's volume weighted average share price for IO full trading days ending on and including the second full trading day prior to closing date of the merger ("Eversource Share Value"). The Exchange Ratio becomes fixed at 1.0710 if the Eversource Share Value is less than $87.32 and becomes fixed at 1.0241 if the Eversource Share Value is greater than $91.32. An Exchange Ratio of 1.0710 implies a $92.81 per share value based on the closing price of $88.66 for Eversource Energy common shares on March 7, 2022, or a market premium of approximately I 04% over TWC's $45.50 closing price on March 7, 2022. Boenning & Scattergood, Inc. provided a fairness opinion to the Board of Directors of TWC. Based on an Exchange Ratio or 1.07 IO and the most recently declared dividends by TWC and Eversource Energy, TWC shareholders would receive an equivalent dividend of $2.58 per share compared to their current dividend on TWC shares of$1.38 per share.

The completion of the merger will require approval by the stockholders of TWC, and the TWC Board of Directors has resolved to recommend the adoption of the Agreement by the stockholders. The merger is also subject to the satisfaction of several other customary closing conditions, including the approval of the Connecticut Public Utilities Regulatory Authority. The parties plan to file for the approval of the Connecticut Public Utilities Regulatory Authority shortly, with an anticipated consummation of the merger by the end of 2022.

Within the coming weeks, you will be mailed a Proxy Statement/Prospectus for the TWC Stockholder Meeting, at which TWC stockholders will consider and vote with respect to the proposed merger.

Enclosed with this letter is the press release announcing the signing of the Agreement. The press release provides additional information that will answer many of your questions.

Sincerely yours,
Susan Suhanovsky
President

Forward-Looking Statements

This letter includes statements concerning The Torrington Water Company's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts, including statements regarding the planned merger with Aquarion Water Company, the timing of such transaction and benefits anticipated from such transaction. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, readers can identify these forward-looking statements through the use of words or phrases such as "will," "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to: the transaction is subject to conditions to closing, including regulatory approvals, that may not be satisfied; it may take longer than anticipated to consummate the transaction; we may not realize the benefits we anticipate from the transaction; unforeseen liabilities; risks relating to integration of the acquired business; and other presently unknown or unforeseen factors.

This Communication Does Not Constitute a Solicitation of Proxies

This communication does not constitute an offer to buy or solicitation of any offer to sell securities. This communication relates to a proposed business combination transaction between Aquarion Company and The Torrington Water Company. In connection with the proposed business combination, Eversource Energy will file a registration statement with the SEC. This communication is not a substitute for any registration statement, prospectus/proxy statement or other document Eversource Energy, Aquarion Company and/or The Torrington Water Company may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF THE TORRINGTON WATER COMPANY ARE URGED TO READ CAREFULLY THE REGISTRATION STATEMENT, PROSPECTUS, PROXY STATEMENT AND OTHER DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT EVERSOURCE ENERGY, AQUARION COMPANY, THE TORRINGTON WATER COMPANY AND THE PROPOSED TRANSACTION. Investors and security holders may be able to obtain free copies of these documents (when they are available) and other related documents filed with the SEC at the SEC's website at www.sec.gov. The materials may also be obtained for free by directing a written request to: Susan Suhanovsky, President, The Torrington Water Company, PO Box 867, Torrington, CT 06790, telephone (860) 489-4149. Investors should read the proxy materials/prospectus before making a decision regarding the merger.

Appendix A-5.2

This filing may be deemed solicitation material in respect of the proposed business combination transaction between Aquarion Company and The Torrington Water Company. The directors, trustees, executive officers and certain other members of management and employees of Eversource Energy, Aquarion Company and The Torrington Water Company may be deemed "participants" in the solicitation of proxies from stockholders of The Torrington Water Company in favor of the proposed merger. You can find information about Eversource's trustees and executive officers in Eversource's annual report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 17, 2022 and its proxy statement for its 2021 annual meeting filed with the SEC on March 26, 2021. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of The Torrington Water Company in connection with the proposed merger will be set forth in the registration statement, prospectus/proxy statement or other documents filed with the SEC if any when they become available. You may obtain these documents (when they become available) free of charge at the SEC's web site at www.sec.gov and from Susan Suhanovsky at The Torrington Water Company as described above.

About Aquarion Water Company:

Aquarion Water Company is the public water supply company for more than 700,000 people in 68 cities and towns in Connecticut, Massachusetts and New Hampshire. It is the largest investor-owned water utility in New England and among the seven largest in the U.S. Based in Bridgeport, CT, Aquarion has been in the public water supply business since 1857. Across its operations, Aquarion strives to act as a responsible steward of the environment and to assist the communities it serves in promoting sustainable practices. Aquarion Water Company is a wholly-owned subsidiary of Eversource.

For more information on Aquarion Water Company, please visit www.aquarionwater.com or www.facebook.com/aquarionwater.

Appendix A-5.2

MUNICIPALITIES SUPPLIED

1. Show below the names of the municipalities in which the respondent supplies water and the number of customers in each.

Line No.	Name (a)	Estimated Population Supplied*** (b)	Number of customers served by meter* (c)	Number of customers not served by meter** (d)	Total customers supplied (e)
1	Torrington	29,000	9,789	-	9,789
2	New Hartford	18	7	-	7
3	Litchfield	171	57	-	57
4	Harwinton	402	134	-	134
5	Burlington	414	138		138
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55	Total	30,005	10,125	-	10,125

THE TORRINGTON WATER COMPANY

Balance Sheets

	December 31,		
	2021	2020	2019
ASSETS			
Utility plant, at cost	$74,999,793	$71,847,851	$69,057,611
Less: accumulated depreciation	26,458,744	25,210,076	24,139,469
Net utility plant	48,541,049	46,637,775	44,918,142
Nonutility property, net of accumulated depreciation	202,624	372,935	372,935
Current Assets			
Cash and cash equivalents	1,577,648	2,781,302	1,064,441
Accounts receivable	554,416	757,705	518,129
Accrued unbilled revenues	876,500	858,000	821,000
Regulatory asset-water revenue adjustment, current portion	627,149	631,461	707,560
Materials and supplies inventory	196,635	369,507	300,436
Prepaid expenses	168,630	183,413	132,139
Total Current Assets	4,000,978	5,581,388	3,543,705
Other Assets			
Other assets	1,924,448	1,976,334	2,306,894
Preliminary survey and investigation charges	154,216	154,216	230,862
Regulatory asset-income taxes recoverable	7,375,800	6,855,660	6,476,000
Regulatory asset-water revenue adjustment, net of current portion	146,373	142,065	154,160
Regulatory asset-unfunded postretirement benefits	3,371,985	3,205,165	3,038,255
Total Other Assets	12,972,822	12,333,440	12,206,171
Total Assets	$65,717,473	$64,925,538	$61,040,953

See notes to financial statements

THE TORRINGTON WATER COMPANY

Balance Sheets *(continued)*

	December 31,		
	2021	2020	2019
STOCKHOLDERS' EQUITY AND LIABILITIES			
Stockholders' Equity			
Common stock, no par; 1,000,000 shares authorized; 864,000 issued and outstanding	$ 1,800,000	$ 1,800,000	$ 1,800,000
Retained earnings	21,930,762	21,326,808	20,524,284
Total Stockholders' Equity	23,730,762	23,126,808	22,324,284
Long-term debt, net	12,305,080	12,656,619	10,515,289
Current Liabilities			
Current portion of long-term debt	360,000	360,000	360,000
Accounts payable	191,921	586,707	329,619
Accrued taxes	501,964	695,550	611,538
Accrued interest	173,400	179,520	185,640
Other current liabilities	113,561	131,691	133,408
Total Current Liabilities	1,340,846	1,953,468	1,620,205
Other Liabilities			
Deferred income taxes	9,589,665	8,889,230	8,416,575
Regulatory liability-excess deferred income taxes	1,139,918	1,200,609	1,261,300
Unfunded postretirement benefits	3,371,985	3,205,165	3,038,255
Customer advances for construction	506,436	544,075	515,481
Contributions in aid of construction	11,078,991	10,772,973	10,850,172
Amortized contributions in aid of construction	2,653,790	2,576,591	2,499,392
Total Other Liabilities	28,340,785	27,188,643	26,581,175
Total Stockholders' Equity and Liabilities	$65,717,473	$64,925,538	$61,040,953

See notes to financial statements

THE TORRINGTON WATER COMPANY

Statements of Income and Retained Earnings

	Year Ended December 31,		
	2021	2020	2019
OPERATING REVENUES			
Contracts with customers	$ 6,934,525	$ 6,956,272	$ 6,268,405
Alternative revenue programs	900,619	762,420	1,211,817
Total Operating Revenues	7,835,144	7,718,692	7,480,222
OPERATING EXPENSES			
Operation expenses	2,485,521	2,570,359	2,381,493
Maintenance expenses	703,589	698,831	647,629
Depreciation expense	1,217,968	1,170,187	1,146,922
Taxes other than income taxes	1,382,016	1,333,810	1,319,487
Income taxes	133,200	135,900	74,200
Total Operating Expenses	5,922,294	5,909,087	5,569,731
Utility Operating Income	1,912,850	1,809,605	1,910,491
Other Income and Deductions			
Merchandising and jobbing, net	123,068	123,170	116,208
Interest income	2,411	2,212	4,025
Miscellaneous non-operating income	247,496	192,286	160,412
Gain on forgiveness of Paycheck Protection Program loan	-	276,057	-
Allowance for funds used during construction	42,306	26,707	10,905
Total Other Income and Deductions	415,281	620,432	291,550
Taxes applicable to other income	33,604	28,604	21,055
Net Other Income and Deductions	381,677	591,828	270,495
Income Before Interest Expense	2,294,527	2,401,433	2,180,986
Interest Expense			
Interest on long-term debt	489,624	466,235	446,760
Amortization of deferred financing costs	8,461	7,998	7,350
Other interest	168	1,476	1,538
Total Interest Expense	498,253	475,709	455,648
Net Income	1,796,274	1,925,724	1,725,338
RETAINED EARNINGS			
Dividends declared	(1,192,320)	(1,123,200)	(1,080,000)
Retained earnings, beginning	21,326,808	20,524,284	19,878,946
Retained earnings, ending	$21,930,762	$21,326,808	$20,524,284
PER SHARE AMOUNTS			
Net income, basic	$ 2.08	$ 2.23	$ 2.00
Dividends declared	$ 1.38	$ 1.30	$ 1.25
Book value	$ 27.47	$ 26.77	$ 25.84

See notes to financial statements

The vast majority of water systems in the United States are run by states and local municipalities, which do not issue equities. That's the main reason why the Water Utility Industry has only six companies and is one of the smaller groups followed by *Value Line*.

Water utility stocks have not performed well over the past few years. However, in 2025 almost every member of the group has turned in a good showing. Investors concerned about the impact of tariffs and other economic uncertainties have rotated part of their portfolios into utility stocks. These equities are often in demand when there is market turbulence because of their defensive characteristics. Indeed, these equities have predictable earnings and dividends, while the demand for water is relatively inelastic.

Industry fundamentals do not change quickly in this space. Over the past decade, the companies here have all been involved in major construction programs. Large amounts of funds are being spent to upgrade existing pipelines, which are often old and in poor condition.

The Timeliness rank of the Industry has moved higher since our last report, but still falls in the bottom half of the 93 Industries under review.

A Small Niche

To cover all of the investor-owned electric utilities in the United States, the industry must be broken up into three different *Value Line* issues. That's not the case for the six-company Water Utility Industry. As measured by market capitalization, just two of these utilities can be classified as large cap stocks: *American Water Works* and *Essential Utilities*. The remaining four have a combined market cap of $8.4 billion. One of the problems with such a limited selection is that the price of the equities can be driven to high evaluations, as demand can outstrip supply.

An Encouraging Start

As we go to press, the S&P 500 Index is down by about 2% in 2025. The average gain on water utilities is more than 5.5%. Shares of *American Water Works* and *Middlesex* are both up by double digits, while *American States* is the sole stock that has lost value. The Industry's performance has been aided by the turmoil in the equity market this year, especially among technology stocks.

State Of The Industry

Water utilities have been playing catch up for more than a decade. The industry had deferred capital spending for years, partially to keep customers' bills artificially low. As a result, the condition of the nation's water infrastructure has deteriorated significantly. In many parts of the country, the average age of pipelines can vary from 40 to 75 years. In addition to leaky pipes, many valves are broken. This causes a portion of the water being transported to never make it to its destination. The companies here have increased their capital budgets aggressively and have been hard at work upgrading their systems. Nevertheless, there is so much work ahead that the construction cycle should continue for the foreseeable future.

INDUSTRY TIMELINESS: 51 (of 93)

Improving Finances

Due to large modernization projects, water utilities were forced to rely heavily on debt for funding. This led to the typical company having a leveraged balance sheet. Over the past two years, though, this trend has reversed and all but *California Water* (B++) now have an A Financial Strength rating. The two largest companies in this group have also been acquiring smaller water districts. They have proven that they can integrate them into their existing assets and achieved meaningful economies of scale, which has provided a boost to their earnings. In any case, the stronger balance sheets provides the Industry with some cushion, as it may have to rely on the fixed-income markets more in the future.

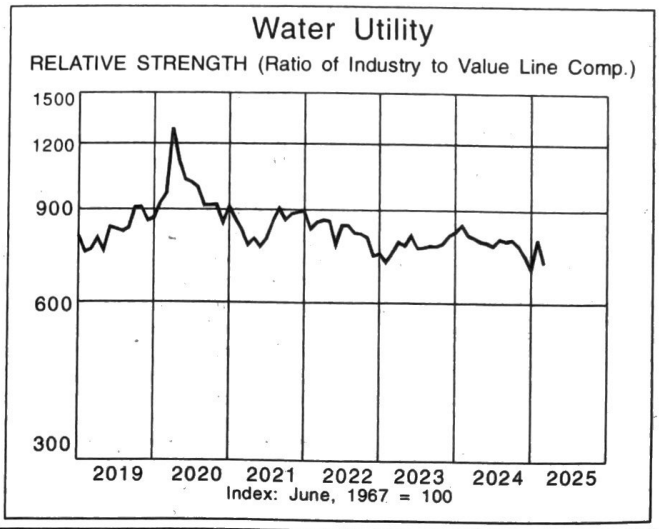
Regulatory Climate

One of the more surprising developments occurring in this space has been the ability of state authorities to maintain a constructive relationship with the firms that they regulate. For example, electric utilities and state regulators are known for long drawn-out confrontations over determining rates that can be charged. Whether the positive coexistence continues will have a major impact on the companies' ability to earn decent profits in the future. We are optimistic, but realize that state authorities are under tremendous pressure from ratepayers to not raise monthly bills, even when a utility's increased expenses are justified.

Conclusion

For investors that think the economy is headed in the wrong direction, the Water Industry might not be a bad place to park some money until a clearer outlook emerges. *American States Water* is the only equity here ranked to outperform the market in the coming year. Income-seeking accounts may also want to take a look. Although the current dividend yields are only moderately above average, most of the companies have good and predictable distribution growth prospects. *American States*, *American Water Works*, and *Essential Utilities* could all post annual 8% gains in their payouts through 2028-2030.

James A. Flood



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AMER. STATES WATER NYSE-AWR

RECENT PRICE 74.72 | P/E RATIO 22.3 (Trailing: 23.6 / Median: 30.0) | RELATIVE P/E RATIO 1.27 | DIV'D YLD 2.6% | VALUE LINE 1771

TIMELINESS 2 Raised 3/28/25
SAFETY 1 Raised 4/5/24
TECHNICAL 5 Lowered 3/21/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

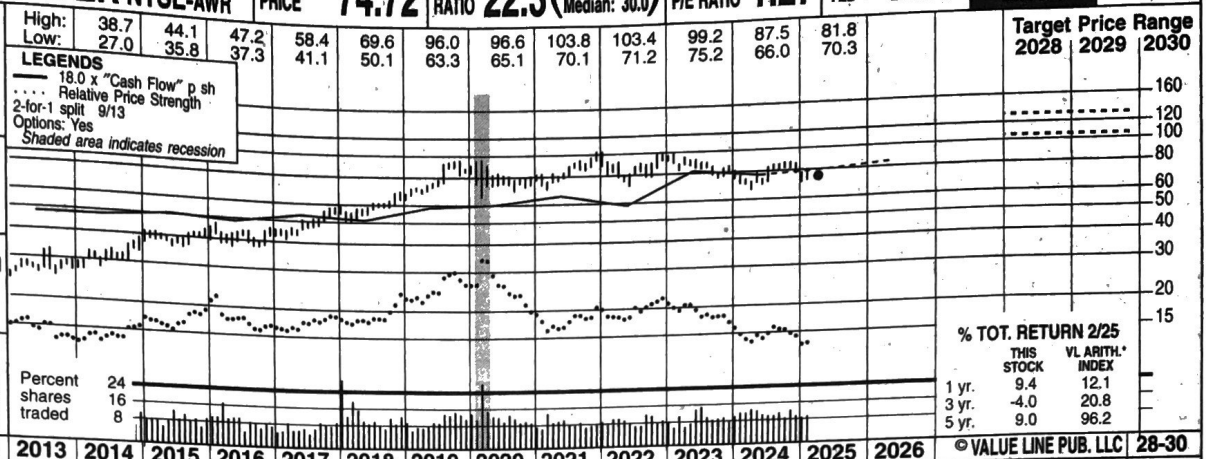
Low-High	Midpoint (% to Mid)
$63-$97	$80 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	130	(+75%)	17%
Low	105	(+40%)	11%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	167	146	158
to Sell	136	154	153
Hld's(000)	28544	35221	36704



Target Price Range 2028 | 2029 | 2030

% TOT. RETURN 2/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	9.4	12.1
3 yr.	-4.0	20.8
5 yr.	9.0	96.2

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
	9.74	10.71	11.12	12.12	12.19	12.17	12.56	11.92	12.01	11.88	12.86	13.24	13.51	13.30	16.11	15.61	*17.00*	*17.20*	Revenues per sh	*19.65*
	1.70	2.11	2.13	2.48	2.65	2.67	2.81	2.70	2.96	2.84	3.26	3.34	3.64	3.25	4.55	4.29	*4.45*	*4.70*	"Cash Flow" per sh	*5.90*
	.81	1.11	1.12	1.41	1.61	1.57	1.61	1.62	1.88	1.72	2.28	2.33	2.55	2.11	3.36	3.17	*3.30*	*3.45*	Earnings per sh [A]	*4.35*
	.51	.52	.55	.64	.76	.83	.87	.91	.99	1.06	1.16	1.28	1.40	1.53	1.66	1.79	*1.95*	*2.10*	Div'd Decl'd per sh [B■]	*2.65*
	2.09	2.12	2.13	1.77	2.52	1.89	2.39	3.55	3.08	3.44	4.12	3.54	3.91	4.50	5.10	6.08	*5.65*	*5.40*	Cap'l Spending per sh	*5.50*
	9.70	10.13	10.84	11.80	12.72	13.24	12.77	13.52	14.45	15.19	16.33	17.39	18.57	19.20	20.99	24.12	*25.90*	*28.20*	Book Value per sh [D]	*33.25*
	37.06	37.26	37.70	38.53	38.72	38.29	36.50	36.57	36.68	36.76	36.85	36.89	36.94	36.96	36.98	38.15	*38.25*	*39.00*	Common Shs Outst'g [C]	*40.00*
	21.2	15.7	15.4	14.3	17.2	20.1	24.6	25.6	25.7	34.0	34.4	34.3	33.2	41.0	25.7	24.5	*Bold figures are*		Avg Ann'l P/E Ratio	*27.0*
	1.41	1.00	.97	.91	.97	1.06	1.24	1.34	1.29	1.84	1.83	1.76	1.79	2.37	1.43	1.30	*Value Line*		Relative P/E Ratio	*1.50*
	2.9%	3.0%	3.2%	3.1%	2.7%	2.6%	2.2%	2.2%	2.0%	1.8%	1.5%	1.6%	1.7%	1.8%	1.9%	2.3%	*estimates*		Avg Ann'l Div'd Yield	*2.4%*
							458.6	436.1	440.6	436.8	473.9	488.2	498.9	491.5	595.7	595.5	*650*	*670*	Revenues ($mill)	*785*
							60.5	59.7	69.4	63.9	84.3	86.4	94.3	78.4	124.9	119.3	*125*	*135*	Net Profit ($mill)	*175*
							38.4%	36.8%	36.0%	22.0%	22.6%	24.6%	24.4%	23.2%	25.0%	20.2%	*23.5%*	*24.0%*	Income Tax Rate	*24.0%*
							--	--	--	--	--	--	--	--	2.5%	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
							41.1%	39.4%	38.0%	40.5%	44.4%	47.2%	46.1%	39.9%	52.8%	46.7%	*48.5%*	*49.0%*	Long-Term Debt Ratio	*49.0%*
							58.9%	60.6%	62.0%	59.5%	55.6%	52.8%	53.9%	60.1%	47.2%	53.3%	*51.5%*	*51.0%*	Common Equity Ratio	*51.0%*
							791.5	815.3	854.9	938.4	1082.5	1216.2	1272.6	1181.5	1643.2	1725.4	*1930*	*2100*	Total Capital ($mill)	*2600*
							1060.8	1150.9	1205.0	1296.3	1415.7	1512.0	1626.0	1753.8	1892.3	2099.6	*2300*	*2500*	Net Plant ($mill)	*3100*
							9.0%	8.6%	9.3%	7.9%	8.9%	8.0%	8.3%	7.6%	8.8%	8.3%	*8.0%*	*7.5%*	Return on Total Cap'l	*8.0%*
							13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Shr. Equity	*13.0%*
							13.0%	12.1%	13.1%	11.4%	14.0%	13.5%	13.8%	11.0%	16.1%	13.0%	*12.5%*	*12.5%*	Return on Com Equity	*13.0%*
							6.0%	5.3%	6.2%	4.5%	6.9%	6.1%	6.2%	3.1%	8.2%	5.7%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
							54%	56%	52%	61%	51%	55%	55%	72%	49%	56%	*58%*	*61%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 12/31/24

Total Debt $929.4 mill. **Due in 5 Yrs** $325.0 mill.
LT Debt $805.0 mill. **LT Interest** $42.0 mill. (53% of Cap'l)

Leases, Uncapitalized: Annual rentals $2.4 mill.
Pension Assets-12/24 $195.0 mill. **Oblig.** $217.0 mill.

Pfd Stock None

Common Stock 38,156,568 shs. as of 2/18/25

MARKET CAP: $2.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	6.0	14.1	26.7
Accts Receivable	26.2	34.3	37.7
Other	119.1	157.6	168.9
Current Assets	151.3	206.0	233.3
Accts Payable	84.9	68.7	88.6
Debt Due	255.9	42.4	124.4
Other	55.7	55.5	72.5
Current Liab.	396.5	166.6	285.5

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	4.0%	*4.5%*
"Cash Flow"	4.5%	6.0%	*6.5%*
Earnings	6.5%	8.0%	*7.0%*
Dividends	8.5%	9.0%	*8.0%*
Book Value	5.5%	7.0%	*7.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	108.6	122.5	135.0	125.4	491.5
2023	161.4	157.4	151.7	125.2	595.7
2024	135.3	155.3	161.8	143.1	595.5
2025	*145*	*170*	*180*	*155*	*650*
2026	*150*	*175*	*185*	*160*	*670*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.38	.54	.69	.50	2.11
2023	.93	1.03	.85	.55	3.36
2024	.62	.85	.95	.75	3.17
2025	*.68*	*.90*	*1.02*	*.70*	*3.30*
2026	*.70*	*.93*	*1.08*	*.74*	*3.45*

Calendar	QUARTERLY DIVIDENDS PAID [B■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.335	.335	.365	.365	1.40
2022	.365	.365	.3975	.3975	1.53
2023	.3975	.3975	.43	.43	1.66
2024	.43	.43	.4655	.4655	1.79
2025	.4655				

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Golden State Water Co., it supplies water to 264,557 customers in 10 California counties. Service areas include the metropolitan areas of Los Angeles and Orange Counties. The company also provides electricity to 24,857 customers in Big Bear Lake and San Bernardino Cnty. Provides water & wastewater services to U.S. military bases through its ASUS subsidiary. Sold Chaparral City Wtr. of AZ. (6/11). Employs 846. BlackRock, Inc. owns 18.2% of out. shares; Vanguard, 12.4%; off. & dir., 0.8% (4/24 Proxy). Chair.: Anne M. Holloway. Pres. & CEO: Robert Sprowls. Inc: CA. Address: 630 East Foothill Blvd., San Dimas, CA 91773. Tel.: 909-394-3600. Int.: www.aswater.com.

Shares of American States Water ought to appeal to an assortment of investors. For starters, the equity is ranked to outperform the market averages in the year ahead. Moreover, AWR has a solid 2.6% yield and good distribution growth prospects. Over the pull to 2028-2030, the stock offers attractive potential on a risk-adjusted basis. Indeed, even though its projected total returns are just modestly above the *Value Line* median, this is favorable because American States carries a 1 (Highest) ranking for Safety. It also scores a 95 (out of 100) for Price Stability and has a Beta coefficient of only 0.75, compared with the 1.0 average.

Meanwhile, state regulators have settled a long-delayed rate case. The company's water utility, Golden State Water (GSW), originally filed for rate relief for the 2025 to 2027 period in August, 2023. On January 30th, 2025, the California Public Utility Commission (CPUC) finally made its decision. And, while some of GSW's requests were denied, the ruling wasn't meaningfully different from what the utility and the Public Advocates Office agreed to much earlier.

The company's earnings will be better than they appear in 2025 and 2026. Due to delays in regulatory rulings, sometimes the utility will have to absorb costs for several or more quarters and then be allowed to recoup them retroactively. This can distort year-over-year comparisons, as was the case in 2023 and 2024. With higher rates in effect since February 1st, we expect the company's share earnings to rise 4% to $3.30 this year, and move 5% higher in 2026, to $3.45.

Nonutility operations could make our estimates look conservative. American States has a nonregulated business called ASUS that aids in privatizing the United States military's water operations. Bids are being sought to transform military facilities on a base-by-base basis. The contract terms are typically for 50 years. ASUS has been successful in the past and currently oversees 11 military bases. Though the bidding process is competitive, we expect ASUS to continue to be awarded more work. Since the CPUC has no jurisdiction, ASUS's returns are not capped here, as is the case for GSW.

James A. Flood *April 4, 2025*

(A) Primary earnings. Excludes nonrecurring gains/(losses): '10, (23¢); '11, 10¢. Next earnings report due mid-May.
(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.
(C) In millions, adjusted for split.
(D) Includes intangibles. As of 12/31/24: $8.0 million/$0.21 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	80

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AMERICAN WATER NYSE-AWK

RECENT PRICE 139.70 | P/E RATIO 24.0 (Trailing: 25.9) (Median: 29.0) | RELATIVE P/E RATIO 1.36 | DIV'D YLD 2.3% | VALUE LINE 1772

TIMELINESS 3 Raised 3/14/25
SAFETY 2 Raised 10/4/24
TECHNICAL 5 Lowered 2/28/25
BETA .85 (1.00 = Market)

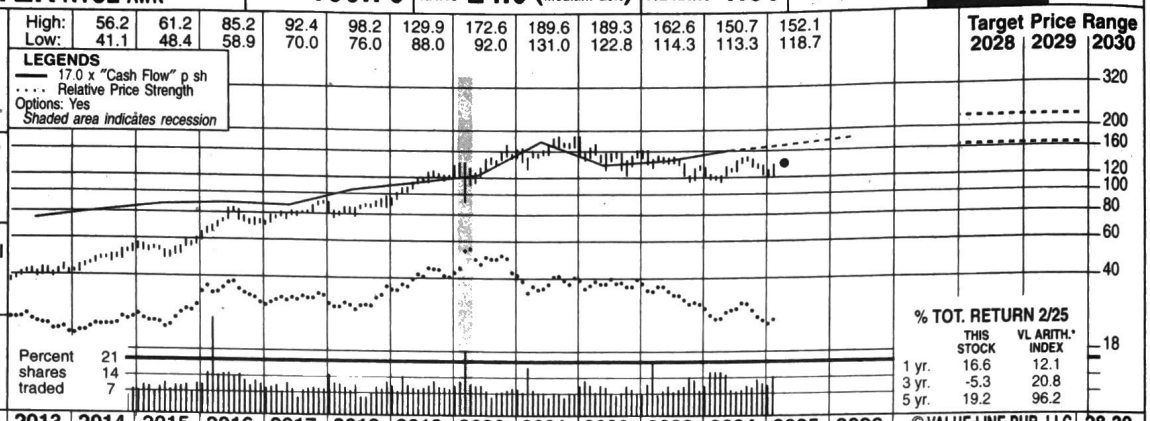
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$101-$162 $132 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	225	(+60%)	14%
Low	165	(+20%)	7%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	458	469	496
to Sell	477	430	502
Hld's(000)	172197	188107	193458



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
13.98	15.49	15.18	16.25	16.28	16.78	17.72	18.54	18.81	19.04	19.97	20.83	21.58	20.85	21.74	24.03	*25.20*	*26.85*	Revenues per sh	*31.25*
2.89	3.56	3.73	4.27	4.36	4.75	5.13	5.26	5.14	6.15	6.65	7.24	10.46	8.08	8.46	9.43	*10.05*	*10.75*	"Cash Flow" per sh	*12.60*
1.25	1.53	1.72	2.11	2.06	2.39	2.64	2.62	2.38	3.15	3.43	3.91	6.95	4.51	4.90	5.39	*5.70*	*6.15*	Earnings per sh [A]	*7.50*
.82	.86	.90	1.21	.84	1.21	1.33	1.47	1.62	1.78	1.96	2.15	2.36	2.57	2.78	3.00	*3.25*	*3.50*	Div'd Decl'd per sh [B■]	*4.45*
4.50	4.38	5.27	5.25	5.50	5.33	6.51	7.36	8.04	8.78	9.15	10.05	9.71	12.63	13.22	14.65	*16.90*	*15.25*	Cap'l Spending per sh	*16.00*
22.91	23.59	24.11	25.11	26.52	27.39	28.25	29.24	30.13	32.42	33.83	35.58	40.18	42.30	50.31	53.01	*55.55*	*58.30*	Book Value per sh [D]	*75.70*
174.63	175.00	175.66	176.99	178.25	179.46	178.28	178.10	178.44	180.68	180.81	181.30	181.61	181.86	194.73	194.92	*195.20*	*195.50*	Common Shs Outst'g [C]	*210.00*
15.6	14.6	16.8	16.7	19.9	20.0	20.5	27.7	33.8	27.3	32.9	35.3	23.6	33.6	28.6	24.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*26.0*
1.04	.93	1.05	1.06	1.12	1.05	1.03	1.45	1.70	1.47	1.75	1.81	1.28	1.94	1.59	1.30			Relative P/E Ratio	*1.45*
4.2%	3.8%	3.1%	3.4%	2.0%	2.5%	2.5%	2.0%	2.0%	2.1%	1.7%	1.6%	1.4%	1.7%	2.0%	2.3%			Avg Ann'l Div'd Yield	*2.3%*
3159.0	3302.0	3357.0	3440.0	3610.0	3777.0	3920.0	3792.0	4234.0	4684.0	*4920*	*5250*	Revenues ($mill)	*6250*
476.0	468.0	426.0	567.0	621.0	709.0	1263.0	820.0	944.0	1051.0	*1115*	*1200*	Net Profit ($mill)	*1575*
39.1%	39.2%	53.3%	28.2%	25.5%	23.3%	23.0%	18.7%	21.1%	22.7%	*22.5%*	*22.5%*	Income Tax Rate	*22.5%*
--	--	--	--	--	--	--	--	5.1%	2.9%	*3.0%*	*3.5%*	AFUDC % to Net Profit	*3.5%*
53.7%	52.4%	54.7%	56.3%	58.5%	59.1%	58.6%	58.7%	54.5%	54.8%	*57.0%*	*59.0%*	Long-Term Debt Ratio	*56.5%*
46.2%	47.5%	45.3%	43.6%	41.4%	40.9%	41.4%	41.3%	45.5%	45.2%	*43.0%*	*41.0%*	Common Equity Ratio	*43.5%*
10911	10967	11875	13433	14760	15787	17639	18619	21512	22850	*25340*	*27600*	Total Capital ($mill)	*36500*
13933	14992	16246	17409	18232	19710	21084	23223	25438	28038	*30500*	*32500*	Net Plant ($mill)	*39000*
5.7%	5.6%	4.9%	5.4%	5.4%	5.7%	8.2%	5.5%	5.4%	5.7%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Shr. Equity	*10.0%*
9.4%	9.0%	7.9%	9.7%	10.1%	11.0%	17.3%	10.7%	9.6%	10.2%	*10.5%*	*10.5%*	Return on Com Equity	*10.0%*
4.7%	4.0%	2.5%	4.2%	4.4%	5.0%	11.4%	4.6%	4.2%	4.5%	*4.5%*	*4.5%*	Retained to Com Eq	*4.0%*
50%	56%	68%	56%	57%	55%	34%	57%	56%	56%	*56%*	*57%*	All Div'ds to Net Prof	*59%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $14049 mil. **Due in 5 Yrs** $4140 mil.
LT Debt $12533 mil. **LT Interest** $506 mil.
(55% of Cap'l)

Leases, Uncapitalized: Annual rentals $10.0 mill.
Pension Assets 12/23 $1622.0 mill
Oblig. $1431.0 mill.
Pfd Stock $3.0 mill. **Pfd Div'd** $.1 mill

Common Stock 194,947,313 shares
as of 2/10/25

MARKET CAP: $27.2 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	117	364	125
Accts Receivable	334	339	416
Other	799	686	674
Current Assets	1250	1389	1215
Accts Payable	254	294	346
Debt Due	1456	654	1516
Other	1101	1203	1288
Current Liab.	2811	2151	3150

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	3.0%	*4.0%*
"Cash Flow"	7.0%	7.5%	*3.0%*
Earnings	8.5%	10.5%	*4.5%*
Dividends	10.0%	9.5%	*8.5%*
Book Value	6.5%	8.5%	*6.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	842.0	937.0	1082	931.0	3792.0
2023	938.0	1097	1167	1032	4234.0
2024	1011	1149	1323	1201	4684.0
2025	*1090*	*1200*	*1385*	*1245*	*4920*
2026	*1170*	*1280*	*1475*	*1325*	*5250*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.87	1.20	1.63	.81	4.51
2023	.91	1.45	1.66	.88	4.90
2024	.95	1.42	1.80	1.22	5.39
2025	*1.10*	*1.55*	*1.95*	*1.10*	*5.70*
2026	*1.15*	*1.70*	*2.15*	*1.15*	*6.15*

Calendar	QUARTERLY DIVIDENDS PAID [B■] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.55	.6025	.6025	.6025	2.36
2022	.6025	.655	.655	.655	2.57
2023	.655	.7075	.7075	.7075	2.28
2024	.7075	.765	.765	.765	3.00
2025	.765				

BUSINESS: American Water Works Company, Inc. is the largest investor-owned water and wastewater utility in the U.S., providing services to approximately 14 million people in 24 states. Nonregulated business assists municipalities and military bases with the maintenance and upkeep as well. Regulated operations made up 92% of 2024 revenues. Pennslyvania (23%); New Jersey (21%); Missouri (14%); and Illinois (11%) are its largest markets. Has 6,700 employees. Vanguard owns 12.3% of outstanding shares; BlackRock, 9.5%; State St., 5.7%; officers & directors, less than 1.0% (3/24 Proxy). President & Chief Executive Officer: M. Susan Hardwick. . Address: 1 Water Street, Camden, NJ 08102. Telephone: 856-346-8200. Internet: www.amwater.com.

American Water Works has bright prospects. In 2024, the water utility had a strong bottom-line showing, as its share earnings rose 10%, to $5.39. We estimate that the company's profit growth can increase by 6% and 8%, in 2025 and 2026, respectively. This is within leadership's 7%-10% annual five-year target projections. A larger rate base and rate relief, along with its acquisition strategy ought to support this level of growth.

The fragmentation of the United States' water utility industry provides American Water with significant opportunities. Excluding the smallest ones, there are an estimated 50,000 different water utilities in this country. Almost all are municipally run, inefficient, poorly capitalized, and in need of capital investment to replace aging pipelines. The company has been steadily purchasing some of these districts and increasing operating margins meaningfully (about $417 million was spent in 2024). Moreover, it plans on investing $1.5 billion to $2.0 billion over the next five years on additional acquisitions. We would not be surprised if this range was exceeded by $500 million to $1 billion, as many districts do not have the wherewithal to modernize their pipelines. American Water also has a good historical track record of using these purchases to boost earnings.

Capital expenditures will remain burdensome for the foreseeable future. Leadership recently released a projected spending budget for upgrading its existing pipeline and wastewater assets. Over the period from 2025 to 2029, expenditures are estimated at $15.5 billion to $16.0 billion. We think it will be near the higher end of the range and average $3.3 billion a year. What's more, this is not cyclical. The company's infrastructure (like all of its peers) is in such poor condition that these outlays will probably continue for decades.

These shares do not stand out for either short- or long-term performance. The equity's Timeliness rank is only a 3 (Average) while its 18-month prospects are subpar. Furthermore, though American Water has healthy share earnings and dividend growth prospects, the stock's 12% rise in 2025 seems to have factored in the good news.

James A. Flood *April 4, 2025*

(A) Diluted earnings. Excludes nonrecur. losses: '08, $4.62; '09, $2.63; '11, $0.07. Disc. oper.: '06, ($0.04); '11, $0.03; '12, ($0.10); '13,($0.01). GAAP used as of 2014. Includes $2.70 sh. gain from sale of HOS sub.in Q4,'21. Next earnings report due mid-May.
(B) Dividends paid in March, June, September, and December. ■ Div. reinvestment available.
(C) In millions. (D) Includes intangibles. On 12/31/24: $1.229 billion, $6.31/share.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	65

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CALIFORNIA WATER NYSE-CWT

RECENT PRICE 45.87 | P/E RATIO 17.1 (Trailing: 14.0) (Median: 29.0) | RELATIVE P/E RATIO 0.97 | DIV'D YLD 2.4% | VALUE LINE 1773

TIMELINESS 4 Lowered 11/1/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .85 (1.00 = Market)

18-Month Target Price Range

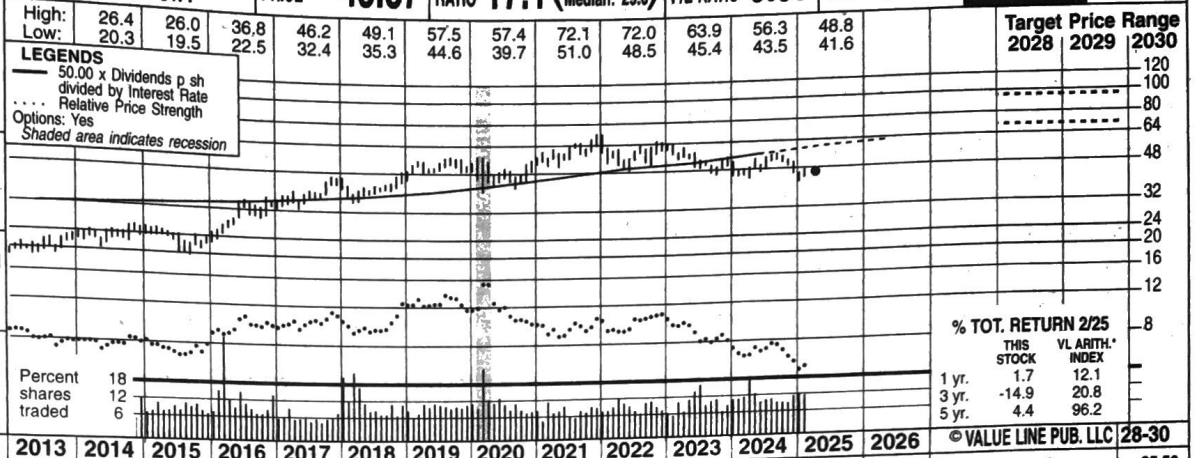
Low-High	Midpoint (% to Mid)
$38-$66	$52 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+105%)	21%
Low	70	(+55%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	144	155	167
to Sell	131	135	141
Hld's(000)	48438	58328	59582



Target Price Range 2028 | 2029 | 2030
120 100 80 64 48 32 24 20 16 12 8

% TOT. RETURN 2/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.7	12.1
3 yr.	-14.9	20.8
5 yr.	4.4	96.2

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
10.82	11.05	12.00	13.34	12.23	12.50	12.29	12.70	13.89	14.53	14.72	15.78	14.72	15.22	13.77	17.43	*19.75*	*21.15*	Revenues per sh	*25.50*
1.93	1.93	2.07	2.32	2.21	2.47	2.22	2.34	3.00	3.11	3.14	3.88	3.91	3.79	3.03	5.46	*4.45*	*4.70*	"Cash Flow" per sh	*5.05*
.98	.91	.86	1.02	1.02	1.19	.94	1.01	1.40	1.36	1.31	1.97	1.96	1.77	.91	3.26	*3.00*	*3.20*	Earnings per sh A	*3.45*
.59	.60	.62	.63	.64	.65	.67	.69	.72	.75	.79	.85	.92	1.00	1.04	1.12	*1.20*	*1.25*	Div'd Decl'd per sh B ■	*1.45*
2.66	2.97	2.83	3.04	2.58	2.76	3.69	4.77	5.40	5.65	5.64	5.93	5.46	5.90	6.65	7.91	*6.75*	*6.50*	Cap'l Spending per sh	*6.45*
10.13	10.45	10.76	11.28	12.54	13.11	13.41	13.75	14.44	15.19	16.07	18.30	21.92	23.70	24.72	27.49	*29.10*	*31.60*	Book Value per sh C	*35.00*
41.53	41.67	41.82	41.98	47.74	47.81	47.88	47.97	48.01	48.07	48.53	50.33	53.72	55.60	57.72	59.48	*55.00*	*53.00*	Common Shs Outst'g D	*50.00*
19.7	20.3	21.3	17.9	20.1	19.7	24.8	29.6	26.9	30.3	39.3	24.9	30.5	33.0	NMF	15.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*24.0*
1.31	1.29	1.34	1.14	1.13	1.04	1.25	1.55	1.35	1.64	2.09	1.28	1.65	1.91	NMF	.81			Relative P/E Ratio	*1.30*
3.1%	3.2%	3.4%	3.5%	3.1%	2.8%	2.9%	2.3%	1.9%	1.8%	1.5%	1.7%	1.5%	1.7%	1.9%	2.3%			Avg Ann'l Div'd Yield	*1.8%*
588.4	609.4	666.9	698.2	714.6	794.3	790.9	846.4	794.6	1036.8	*1085*	*1120*	Revenues ($mill) E	*1275*
45.0	48.7	67.2	65.6	63.1	96.8	101.1	96.0	51.9	190.8	*165*	*170*	Net Profit ($mill)	*173*
36.0%	35.5%	30.1%	24.5%	19.1%	11.1%	20.1%	3.3%	3.3%	18.3%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
4.3%	6.1%	3.5%	3.1%	5.8%	3.3%	1.7%	--	1.7%	1.7%	*2.0%*	*3.0%*	AFUDC % to Net Profit	*5.0%*
44.4%	44.6%	42.7%	49.3%	50.2%	45.9%	47.3%	44.4%	42.5%	40.3%	*37.5%*	*35.0%*	Long-Term Debt Ratio	*34.0%*
55.6%	55.4%	57.3%	50.7%	49.8%	54.1%	52.7%	55.6%	57.5%	59.7%	*62.5%*	*65.0%*	Common Equity Ratio	*66.0%*
1154.4	1191.2	1209.3	1440.2	1566.7	1702.4	2233.4	2370.1	2479.5	2739.8	*2550*	*2575*	Total Capital ($mill)	*2650*
1701.8	1859.3	2048.0	2232.7	2406.4	2650.6	2846.9	3058.9	3773.3	4134.6	*4200*	*4350*	Net Plant ($mill)	*4500*
5.2%	5.5%	7.1%	5.9%	5.5%	7.0%	5.5%	5.0%	3.1%	7.9%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Shr. Equity	*10.0%*
7.0%	7.4%	9.7%	9.0%	8.1%	10.5%	8.6%	7.3%	3.6%	11.7%	*10.5%*	*10.0%*	Return on Com Equity	*10.0%*
2.0%	2.4%	4.7%	4.0%	3.2%	6.0%	4.6%	3.2%	NMF	7.7%	*6.0%*	*6.0%*	Retained to Com Eq	*5.5%*
71%	68%	51%	55%	60%	43%	47%	56%	114%	34%	*40%*	*39%*	All Div'ds to Net Prof	*42%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1177.0 mill. Due in 5 Yrs $357.0 mill.
LT Debt $1104.6 mill. LT Interest $40.0 mill.
(Total interest coverage: 1.8x) (40% of Cap'l)

Pension Assets-12/24 $750.0 mill.
Oblig. $524.0 mill.

Pfd Stock None

Common Stock 59,484,000 shs.

MARKET CAP: $2.7 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	62.1	39.6	50.1
Other	233.4	256.7	274.0
Current Assets	295.5	296.3	324.1
Accts Payable	141.0	157.3	167.5
Debt Due	73.3	180.7	72.4
Other	80.4	92.3	298.5
Current Liab.	294.7	430.3	538.4

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.0%	1.5%	*8.5%*
"Cash Flow"	6.0%	6.0%	*3.5%*
Earnings	6.5%	8.0%	*9.5%*
Dividends	5.0%	7.0%	*5.5%*
Book Value	7.5%	10.5%	*5.5%*

Calendar	QUARTERLY REVENUES ($ mill.) E Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	173.0	206.2	266.3	200.9	846.4
2023	131.1	194.0	255.0	214.5	794.6
2024	270.7	244.3	299.6	222.2	1036.8
2025	*255*	*265*	*315*	*250*	*1085*
2026	*260*	*270*	*325*	*265*	*1120*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.02	.36	1.03	.35	1.77
2023	d.40	.17	.60	.52	.91
2024	1.21	.70	1.03	.33	3.26
2025	*.50*	*.65*	*1.20*	*.65*	*3.00*
2026	*.55*	*.70*	*1.25*	*.70*	*3.20*

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.230	.230	.230	.230	.92
2022	.250	.250	.250	.250	1.00
2023	.260	.260	.260	.260	1.04
2024	.280	.280	.280	.280	1.12
2025	.300				

BUSINESS: California Water Service Group provides regulated and nonregulated water service to 499,400 customers in 100 communities in the state of California. Accounts for about 90% of total customers. Also operates in Washington, New Mexico, and Hawaii. Main service areas: San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles. Acquired Rio Grande Corp; West Hawaii Utilities (9/08). Revenue breakdown, '24: residential, 67%; business, 20%; industrial, 3%; public authorities, 5%; other 5%. Off. and dir. own 1% of common stock (4/24 proxy). Has 1,184 employees. Pres. and CEO: Martin A. Kropelnicki. Inc.: DE. Addr.: 1720 North First St., San Jose, CA 95112-4598. Tel.: 408-367-8200. Internet: www.calwatergroup.com.

California Water Service Group posted mixed financial results to close out 2024. Fourth-quarter revenues of $222 million rose slightly versus the previous-year tally, as higher customer rates during the period offset relatively lower water usage. Meanwhile, operating expenses, namely water production costs and higher wholesale rates, pressured profits. A lower income tax benefit during the period also weighed on the bottom line, resulting in a 37% year-over-year earnings contraction, to $0.33 per share. But despite the tepid December period, California Water's financial performance in 2024 was largely solid.

We look for modest revenue growth and decent earnings this year. The top line ought to be supported by ongoing rate approval activity, specifically in regard to the in-process 2024 general rate case, as well as increased customer water usage and an expanding customer base. On the earnings front, production costs are likely to remain somewhat elevated in the near term. Thus, our model calls for share net to take a slight step back this year, to $3.00.

The company's track record of annual dividend increases has not wavered. The board of directors recently raised the quarterly payout 7%, to $0.30 per share. At present, the yield is slightly above that of the *Value Line* median, making these shares a good selection for income-seeking accounts.

Capital investment is poised to remain solid over the pull to late decade. In tandem with general rate case filings and capital spending budgets to state regulators, management intends to invest more than $1.5 billion over the next several years. The majority of funds will likely be earmarked for infrastructure upgrades on treatment plants and water delivery systems.

Untimely California Water shares may pique the interest of investors with a long-term horizon. At recent levels, the stock offers attractive total return potential over the 2028-2030 time frame. Moreover, the equity is ranked 2 (Above Average) for Safety and is significantly less volatile than the broader market, which adds to the stock's appeal.

Nicholas Patrikis *April 4, 2025*

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	45

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(A) Basic EPS. Excl. nonrecurring gain (loss): '11, 4¢. Next earnings report due late May.
(B) Dividends historically paid in late Feb., May, Aug., and Nov. ■ Div'd reinvestment plan available.
(C) Incl. intangible assets. In '24 : $61.2 mill., $1.03/sh.
(D) In millions.
(E) Excludes non-regulated revenues.

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ESSENTIAL UTIL. NYSE-WTRG

RECENT PRICE 38.15 | P/E RATIO 17.2 (Trailing: 17.6 Median: 26.0) | RELATIVE P/E RATIO 0.98 | DIV'D YLD 3.5% | VALUE LINE 1774

TIMELINESS 3 Raised 11/8/24
SAFETY 2 Raised 4/5/24
TECHNICAL 5 Lowered 3/14/25
BETA .90 (1.00 = Market)

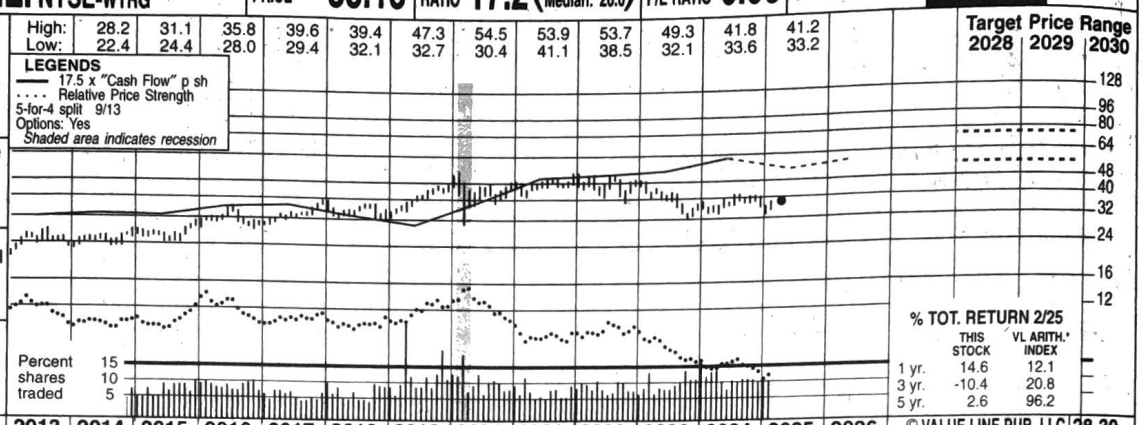
18-Month Target Price Range
Low-High: $32-$48 | Midpoint (% to Mid): $40 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+95%)	21%
Low	55	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	273	303	250
to Sell	263	245	317
Hld's(000)	215186	239652	248494



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
3.93	4.21	4.10	4.32	4.32	4.37	4.61	4.62	4.56	4.71	4.03	5.96	7.43	8.68	7.52	7.59	8.50	8.95	Revenues per sh	10.75
1.29	1.42	1.45	1.51	1.82	1.89	1.87	2.07	2.12	1.90	1.73	2.21	2.89	2.98	3.08	3.51	3.60	3.85	"Cash Flow" per sh	4.30
.62	.72	.83	.87	1.16	1.20	1.14	1.32	1.35	1.08	1.04	1.12	1.67	1.77	1.86	2.17	2.25	2.45	Earnings per sh	2.75
.44	.47	.50	.54	.58	.63	.69	.74	.79	.85	.91	.97	1.04	1.11	1.19	1.27	1.35	1.43	Div'd Decl'd per sh B	1.75
1.66	1.89	1.90	1.98	1.73	1.84	2.07	2.16	2.69	2.78	2.49	3.41	4.04	4.03	4.39	4.84	5.00	5.00	Cap'l Spending per sh	5.00
6.50	6.81	7.21	7.90	8.63	9.27	9.78	10.43	11.02	11.28	17.58	19.09	20.50	20.39	21.57	22.56	22.60	23.60	Book Value per sh D	26.05
170.61	172.46	173.60	175.43	177.93	178.59	176.54	177.39	177.71	178.09	220.76	245.39	252.87	263.74	273.30	274.82	279.00	282.00	Common Shs Outst'g C	288.00
23.1	21.1	21.3	21.9	21.2	20.8	23.5	23.9	24.7	32.6	39.1	39.6	28.3	26.6	21.6	17.5	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	24.0
1.54	1.34	1.34	1.39	1.19	1.09	1.18	1.25	1.24	1.76	2.08	2.03	1.53	1.54	1.20	.93			Relative P/E Ratio	1.35
3.1%	3.1%	2.8%	2.8%	2.4%	2.5%	2.6%	2.3%	2.4%	2.4%	2.2%	2.2%	2.2%	2.4%	3.0%	3.3%			Avg Ann'l Div'd Yield	2.8%
814.2	819.9	809.5	838.1	889.7	1462.7	1878.1	2288.0	2053.8	2086.1	2370	2520	Revenues ($mill)	3100
201.8	234.2	239.7	192.0	224.5	284.8	431.6	465.2	498.2	595.3	625	690	Net Profit ($mill)	795
6.9%	8.2%	6.6%	--	--	--	--	--	--	--	5.0%	10.0%	Income Tax Rate	20.0%
3.1%	3.8%	6.3%	6.8%	7.2%	4.5%	4.8%	1.3%	2.2%	2.2%	2.0%	2.0%	AFUDC % to Net Profit	2.0%
50.3%	48.4%	50.6%	54.4%	43.1%	54.0%	52.7%	54.2%	53.7%	54.3%	54.0%	54.0%	Long-Term Debt Ratio	54.5%
49.7%	51.6%	49.4%	45.6%	56.9%	46.0%	47.3%	45.8%	46.3%	45.7%	46.0%	46.0%	Common Equity Ratio	45.5%
3469.5	3587.7	3965.4	4407.8	6824.2	10192	10964	11748	12722	13567	13700	14450	Total Capital ($mill)	16500
4688.9	5001.6	5399.9	5930.3	6345.8	9512.9	10252	11131	12097	13143	14025	15250	Net Plant ($mill)	17100
6.9%	7.6%	7.1%	5.5%	4.2%	3.7%	4.8%	5.0%	5.0%	5.4%	4.5%	5.0%	Return on Total Cap'l	5.0%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Shr. Equity	10.5%
11.7%	12.7%	12.2%	9.6%	5.8%	6.1%	8.3%	8.7%	8.5%	9.6%	10.0%	10.5%	Return on Com Equity	10.5%
4.7%	5.6%	5.1%	2.1%	.9%	1.1%	3.3%	3.3%	3.1%	4.0%	4.0%	4.5%	Retained to Com Eq	4.0%
60%	56%	59%	79%	84%	82%	60%	62%	64%	58%	60%	58%	All Div'ds to Net Prof	64%

CAPITAL STRUCTURE as of 12/31/24
Total Debt $7697.7 mill. **Due in 5 Yrs** $1201 mill.
LT Debt $7368.4 mill. **LT Interest** $300.0 mill. (54% of Cap'l)

Pension Assets-12/24 $312.3 mill.
Oblig. $313.7 mill.

Pfd Stock None
Common Stock 274,820,000 shares

MARKET CAP: $10.5 billion (Large Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	11.4	4.6	9.2
Receivables	206.3	144.3	294.5
Inventory (AvgCst)	46.6	47.5	93.9
Other	393.9	295.6	88.3
Current Assets	658.2	492.0	485.9
Accts Payable	238.8	221.2	306.3
Debt Due	427.9	227.5	329.3
Other	355.2	349.0	339.1
Current Liab.	1021.9	797.7	974.7

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	6.0%	12.5%	5.0%
"Cash Flow"	6.5%	10.5%	6.0%
Earnings	6.0%	11.0%	6.0%
Dividends	7.5%	7.0%	6.5%
Book Value	9.5%	10.0%	3.0%

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	699.3	448.7	434.6	705.4	2288.0
2023	726.5	436.7	411.1	479.5	2053.8
2024	612.1	434.4	435.3	604.3	2086.1
2025	690	475	490	715	2370
2026	705	515	545	755	2520

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.76	.31	.26	.44	1.77
2023	.72	.34	.30	.50	1.86
2024	.97	.28	.25	.67	2.17
2025	.78	.40	.37	.70	2.25
2026	.85	.45	.40	.75	2.45

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2507	.2507	.2682	.2682	1.04
2022	.2682	.2682	.287	.287	1.11
2023	.287	.287	.3071	.3071	1.19
2024	.3071	.3071	.3255	.3255	1.27
2025	.326				

BUSINESS: Essential Utilities, Inc. became the new name for Aqua America on Feb. 3, 2020, to reflect the acquisition of Peoples, a natural gas utility, which occurred in 3/20. In 2024, Aqua Amer. provided water and wastewater services in the states of PA, OH, TX, IL, NC, NJ, IN, VA, NS, WS. Acquired AquaSource, 7/13; N. Maine Util., 7/15; and others. Water respn. for 59% of revenues in 2024; residential, 32%; commercial, 9%; industrial, wastewater & other, 18%. Gas 40%; other, 1%. Employs 3,291. Off. & dir. own less than 1% of the common stock; BlackRock, 11.3%; Vanguard, 10.2%; Can. Pen. Plan 7.9% (3/24 proxy). Pres. & CEO: Christopher Franklin. Inc.: PA Addr.: 762 W Lancaster Ave., Bryn Mawr, PA 19010. Tel.: 610-525-1400. Int.: www.essential.co.

Essential Utilities delivered mixed results to close out 2024. The diversified utility provider reported December-period revenues of $604 million and earnings of $0.67 per share. The former came in shy of our call, but improved notably year over year, while the latter bested our mark, and jumped 14% versus the previous-year tally. Toward the end of 2024, the company had some wind at its back, including rising water and natural gas volumes, as well as higher rates. These trends likely carried over into 2025, suggesting the company is poised for a strong start to the year.

Modest top- and bottom-line growth is on tap for 2025 and 2026. Based on our model, we look for annual revenue and earnings expansion of 14% and 4%, respectively, for this year. The recently completed acquisition of Greenville Wastewater and the approved Pennsylvania rate case ought to support the advance. For 2026, our introductory estimates suggest that revenues may well improve 6%, to $2.52 billion, while earnings jump roughly 9%, to $2.45 per share.

Capital investments are expected to accelerate in the years ahead. In particular, Essential Utilities will likely be focused on replacing aging water systems and pipelines, removing harmful chemicals such as PFAS contamination, as well as upgrading the safety of its natural gas operations. This will probably prompt the company to seek additional rate hike approvals from regulators going forward, as some of these costs can be recouped via rate increases.

We like these shares predominately for investors with a 3- to 5-year holding period. The stock is just an Average (Timeliness: 3) selection for relative year-ahead price performance, while upside over the 18-month window is also unexciting at recent levels. On the other hand, total return potential over the 2028-2030 time frame is well above the *Value Line Investment Survey* median. This is supported partly by a healthy dividend yield. Finally, the equity's defensive characteristics, including a favorable rank for Safety (2) and a good Financial Strength mark (A), further sweeten the pot for conservative accounts.

Nicholas Patrikis — *April 4, 2025*

(A) Diluted earnings. Includes unusual gain: '24, Q1, 24¢; Excludes nonrecurring gain: '12, 18¢. Excludes gain from discontinued operations: '12, 7¢; '13, 9¢; '14, 11¢. Next earnings report scheduled for late May.
(B) Dividends historically paid in early March, June, Sept., & Dec. ■ Div'd. reinvestment plan available (5% discount).
(C) In millions, adjusted for stock split.
(D) Includes intangibles: 12/31/24, $2.344 bill./$8.53 a share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	40
Earnings Predictability	70

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MIDDLESEX WATER NDQ-MSEX

RECENT PRICE 60.49 | P/E RATIO 23.2 (Trailing: 24.5) (Median: 28.0) | RELATIVE P/E RATIO 1.32 | DIV'D YLD 2.1% | VALUE LINE 1775

TIMELINESS 3 Raised 6/7/24
SAFETY 2 New 10/21/11
TECHNICAL 5 Lowered 3/14/25
BETA .80 (1.00 = Market)

18-Month Target Price Range

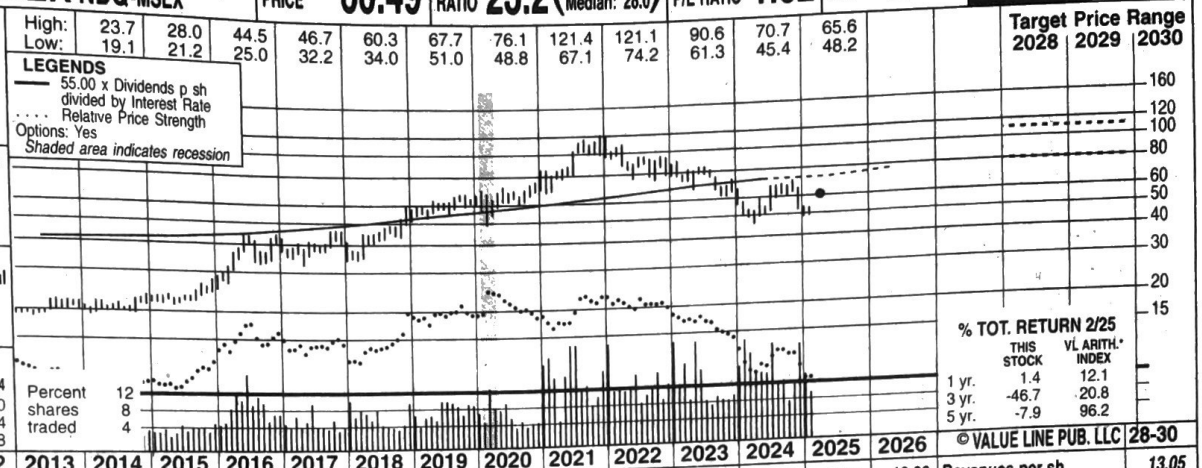
Low-High	Midpoint (% to Mid)
$34-$76	$55 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+80%)	18%
Low	80	(+30%)	10%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	94	73	100
to Sell	86	98	74
Hld's(000)	12771	16934	16718



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
6.75	6.60	6.50	6.98	7.19	7.26	7.77	8.16	8.00	8.42	7.72	8.10	8.17	9.21	9.33	10.73	*11.70*	*12.20*	Revenues per sh	*13.05*
1.40	1.55	1.46	1.56	1.72	1.84	1.97	2.17	2.24	2.89	2.90	3.25	3.28	3.70	3.41	4.04	*3.85*	*4.05*	"Cash Flow" per sh	*4.55*
.72	.96	.84	.90	1.03	1.13	1.22	1.38	1.38	1.96	2.01	2.18	2.07	2.39	1.76	2.47	*2.75*	*2.95*	Earnings per sh A	*3.45*
.71	.72	.73	.74	.75	.76	.78	.81	.86	.91	.98	1.04	1.11	1.18	1.26	1.32	*1.40*	*1.46*	Div'd Decl'd per sh B■	*1.65*
1.49	1.90	1.50	1.36	1.26	1.40	1.59	2.91	3.08	4.40	5.11	6.04	4.53	5.18	5.06	4.17	*5.45*	*5.65*	Cap'l Spending per sh	*6.00*
10.33	11.13	11.27	11.48	11.82	12.24	12.74	13.40	14.02	15.17	18.57	19.81	20.99	22.65	23.74	24.89	*25.05*	*25.85*	Book Value per sh	*26.40*
13.52	15.57	15.70	15.82	15.96	16.12	16.23	16.30	16.35	16.40	17.43	17.47	17.52	17.64	17.82	17.89	*17.95*	*18.00*	Common Shs Outst'g C	*18.00*
21.0	17.8	21.7	20.8	19.7	18.5	19.1	25.6	28.4	22.2	29.7	30.1	44.3	38.6	42.8	23.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*28.0*
1.40	1.13	1.36	1.32	1.11	.97	.96	1.34	1.43	1.20	1.58	1.55	2.39	2.23	2.38	1.25			Relative P/E Ratio	*1.55*
4.7%	4.2%	4.0%	4.0%	3.7%	3.7%	3.3%	2.3%	2.2%	2.1%	1.6%	1.6%	1.2%	1.3%	1.7%	2.3%			Avg Ann'l Div'd Yield	*1.7%*
						126.0	132.9	130.8	138.1	134.6	141.6	143.1	162.4	166.3	191.9	*210*	*220*	Revenues ($mill)	*235*
						20.0	22.7	22.8	32.5	33.9	38.4	36.5	42.4	31.5	44.4	*49.0*	*53.0*	Net Profit ($mill)	*62.0*
						34.5%	34.0%	32.7%	2.8%	--	--	--	7.1%	3.2%	13.5%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
						1.9%	2.7%	3.1%	1.4%	3.4%	3.9%	--	--	3.9%	3.9%	*2.5%*	*2.5%*	AFUDC % to Net Profit	*2.5%*
						39.4%	37.9%	37.5%	37.8%	41.5%	44.0%	45.3%	41.9%	45.7%	44.1%	*40.0%*	*39.5%*	Long-Term Debt Ratio	*38.0%*
						59.8%	61.5%	61.8%	61.6%	58.2%	55.7%	54.4%	57.7%	54.0%	55.7%	*60.0%*	*60.5%*	Common Equity Ratio	*62.0%*
						345.4	355.4	370.7	404.1	556.7	621.5	676.3	692.7	783.2	799.7	*750*	*765*	Total Capital ($mill)	*770*
						481.9	517.8	557.2	618.5	705.7	796.6	865.4	920.6	998.3	1067.1	*1075*	*1095*	Net Plant ($mill)	*1150*
						6.6%	7.1%	6.9%	8.9%	6.7%	6.8%	6.0%	6.8%	4.8%	6.3%	*7.0%*	*7.0%*	Return on Total Cap'l	*8.5%*
						9.6%	10.3%	9.8%	12.9%	10.4%	11.0%	9.9%	10.5%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Shr. Equity	*13.0%*
						9.6%	10.3%	9.9%	13.0%	10.4%	11.1%	9.9%	10.6%	7.4%	9.9%	*11.0%*	*11.5%*	Return on Com Equity	*13.0%*
						3.5%	4.3%	3.8%	7.0%	5.4%	5.8%	4.6%	5.4%	2.1%	4.7%	*5.5%*	*6.0%*	Retained to Com Eq	*7.0%*
						63%	58%	62%	46%	48%	48%	53%	49%	72%	53%	*51%*	*49%*	All Div'ds to Net Prof	*48%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $360.5 mill. **Due in 5 Yrs** $43.7 mill.
LT Debt $352.8 mill. **LT Interest** $7.5 mill.
(Total interest coverage: 8.5x)
(44% of Cap'l)

Pension Assets-12/24 $98.6 mill.
Oblig. $87.5 mill.
Pfd Stock $2.4 mill. **Pfd Div'd:** $.1 mill.

Common Stock 17,890,000 shs.

MARKET CAP: $1.1 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	3.8	2.4	4.2
Other	33.5	106.1	38.8
Current Assets	37.3	108.5	43.0
Accts Payable	24.8	27.6	28.1
Debt Due	17.5	7.7	7.7
Other	75.6	68.5	47.1
Current Liab.	117.9	103.8	82.9

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	4.0%	*5.0%*
"Cash Flow"	8.0%	7.0%	*3.5%*
Earnings	8.0%	4.5%	*7.5%*
Dividends	5.0%	6.5%	*4.5%*
Book Value	7.0%	8.5%	*2.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	36.2	39.7	47.7	38.8	162.4
2023	38.2	42.8	46.7	38.6	166.3
2024	40.5	49.1	55.1	47.2	191.9
2025	*50.0*	*52.0*	*58.0*	*50.0*	*210*
2026	*52.0*	*55.0*	*60.0*	*53.0*	*220*

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.68	.50	.80	.40	2.39
2023	.33	.55	.56	.32	1.76
2024	.59	.59	.80	.49	2.47
2025	*.62*	*.67*	*.83*	*.63*	*2.75*
2026	*.68*	*.72*	*.88*	*.67*	*2.95*

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.2725	.2725	.2725	.29	1.11
2022	.29	.29	.29	.3125	1.18
2023	.3125	.3125	.3125	.325	1.26
2024	.325	.325	.325	.34	1.32
2025	.34				

BUSINESS: Middlesex Water Company engages in the ownership and operation of regulated water utility systems in New Jersey, Delaware, and Pennsylvania. It also operates water and wastewater systems under contract on behalf of municipal and private clients in NJ and DE. Its Middlesex System provides water services to 61,000 retail customers, primarily in Middlesex County, New Jersey. In 2024, the Middlesex System accounted for 67% of operating revenues. At 12/31/24, the company had 360 employees. Incorporated: NJ. President, CEO, and Chairman: Dennis W. Doll. Officers & directors own 1.8% of the com. stock; BlackRock Inst. Trust Co., 14.6% (4/24 proxy). Add.: 485 C Route 1 South, Suite 400, Iselin, NJ 08830. Tele.: 732-634-1500. Int.: www.middlesexwater.com.

Middlesex Water's stock price has rebounded a bit since our last review in early January. Shares of the regulated water utility are up more than 10% in value over the past three months subsequent to a sharp dip in price in late 2024. Investor enthusiasm likely stemmed from a combination of solid fourth-quarter financial results and a shift in general investor sentiment toward more-conservative securities amidst recent broader market turbulence. The stock remains a middling selection (3) for Timeliness at this juncture.

Revenues and earnings are poised to remain in growth mode, in our view. Indeed, Middlesex delivered strong year-over-year top- and bottom-line expansion for 2024, supported largely by base rate increases associated with New Jersey state regulator's rate case approval last March, as well as resilient customer water demand. We think the company is in good shape for this year. On top of higher water rates, an expanding customer base, particularly in the Delaware System, holds promise. To that end, the company recently announced the purchase of water utility assets from Ocean View for $4.6 million. The acquisition, which will add more than 900 customers to the roster, is slated for completion in April.

Long-term business prospects are bright. In our view, secular growth drivers include a healthier economic backdrop and increased consumer water consumption, along with periodic rate hikes related to the company's future base rate applications with regulators. Meanwhile, capital investment across the company's aging infrastructure is apt to continue over the pull to late decade. Specifically, management plans to invest nearly $400 million on treatment plants and water delivery system upgrades through 2027.

Subscribers with a holding period of one year or longer may find these shares appealing. At recent levels, total return potential over both the 18-month and 3- to 5-year horizons is attractive. Moreover, the stock's defensive characteristics (good Financial Strength mark and high scores for Price Stability and Earnings Predictability) ought to catch the eye of conservative-leaning investors.

Nicholas Patrikis *April 4, 2025*

Company's Financial Strength	A
Stock's Price Stability	70
Price Growth Persistence	65
Earnings Predictability	85

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(A) Diluted earnings. Quarterly figures may not sum due to rounding. Next earnings report due early May.

(B) Dividends historically paid in mid-Feb., May, Aug., and November.■ Div'd reinvestment plan available.

(C) In millions.

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SJW GROUP NYSE-SJW

RECENT PRICE 51.48 | P/E RATIO 16.4 (Trailing: 18.1) (Median: 26.0) | RELATIVE P/E RATIO 0.93 | DIV'D YLD 3.1% | VALUE LINE 1776

TIMELINESS 3 Raised 3/21/25
SAFETY 2 Raised 10/4/24
TECHNICAL 4 Raised 4/4/25
BETA .80 (1.00 = Market)

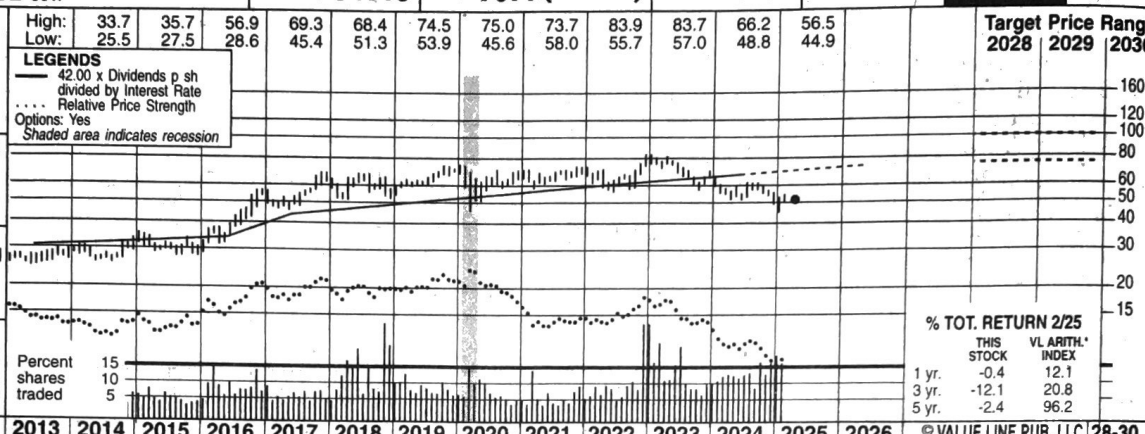
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$44-$83 $64 (25%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+95%)	20%
Low	75	(+45%)	13%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	126	126	124
to Sell	104	108	132
Hld's(000)	24970	31090	32049



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	©VALUE LINE PUB. LLC	28-30
11.68	11.62	12.85	14.01	13.73	15.76	14.97	16.61	18.97	14.00	14.78	19.77	19.01	20.15	20.93	22.26	*24.20*	*25.80*	Revenues per sh	*28.15*
2.21	2.38	2.80	2.97	2.90	4.42	3.86	4.76	5.24	3.29	3.13	5.28	5.13	5.79	6.03	*4.35*	*4.75*	*5.00*	"Cash Flow" per sh	*5.40*
.81	.84	1.11	1.18	1.12	2.54	1.85	2.57	2.86	1.82	.82	2.14	2.03	2.43	2.68	2.85	*3.20*	*3.40*	Earnings per sh A	*3.75*
.66	.68	.69	.71	.73	.75	.78	.81	1.04	1.12	1.20	1.28	1.36	1.44	1.52	1.60	*1.68*	*1.75*	Div'd Decl'd per sh BD■	*1.95*
3.17	5.65	3.75	5.67	4.68	5.02	5.24	6.95	7.26	5.08	6.25	7.44	8.32	7.85	9.01	*8.25*	*8.50*	*8.75*	Cap'l Spending per sh	*8.75*
13.66	13.75	14.20	14.71	15.92	17.75	18.83	20.61	22.57	31.31	31.27	32.12	34.28	36.06	38.52	40.65	*44.55*	*47.60*	Book Value per sh	*51.65*
18.50	18.55	18.59	18.67	20.17	20.29	20.38	20.46	20.52	28.40	28.46	28.56	30.18	30.80	32.02	33.63	*32.00*	*31.00*	Common Shs Outst'g C	*30.00*
28.7	29.1	21.2	20.4	24.3	11.2	16.6	15.7	18.8	32.7	NMF	30.0	32.9	27.3	26.4	20.0	*Bold figures are*		Avg Ann'l P/E Ratio	*23.0*
1.91	1.85	1.33	1.30	1.37	.59	.84	.82	.95	1.77	NMF	1.54	1.78	1.58	1.47	1.12	*Value Line*		Relative P/E Ratio	*1.30*
2.8%	2.8%	2.9%	3.0%	2.7%	2.6%	2.5%	2.0%	1.9%	1.9%	1.9%	2.0%	2.0%	2.2%	2.1%	2.8%	*estimates*		Avg Ann'l Div'd Yield	*2.2%*
305.1	339.7	389.2	397.7	420.5	564.5	573.7	620.7	670.4	748.5	*775*	*800*	Revenues ($mill)	*845*
37.9	52.8	59.2	38.8	23.4	61.5	60.5	73.8	85.0	*96.0*	*103*	*106*	Net Profit ($mill)	*113*
38.1%	38.8%	36.7%	20.6%	26.4%	12.0%	12.2%	10.3%	6.5%	*21.0%*	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
--	--	--	--	--	--	--	6.4%	6.4%	*1.5%*	*1.5%*	*1.5%*	AFUDC % to Net Profit	*1.5%*
49.8%	50.7%	48.2%	32.7%	59.1%	58.4%	59.1%	57.3%	55.3%	*55.5%*	*51.5%*	*47.0%*	Long-Term Debt Ratio	*39.0%*
50.2%	49.3%	51.8%	67.3%	40.9%	41.6%	40.9%	42.7%	44.7%	*44.5%*	*48.5%*	*53.0%*	Common Equity Ratio	*61.0%*
764.6	855.0	894.3	1320.7	2173.6	2204.7	2527.5	2602.8	2760.1	3073.9	*2925*	*2775*	Total Capital ($mill)	*2550*
1036.8	1146.4	1239.3	1328.8	2206.5	2334.9	2497.5	2630.3	3155.6	3488.6	*3550*	*3685*	Net Plant ($mill)	*3880*
6.3%	7.4%	7.9%	3.9%	1.8%	4.0%	3.5%	4.0%	4.3%	*3.5%*	*4.0%*	*4.5%*	Return on Total Cap'l	*5.0%*
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	*7.0%*	*7.0%*	*7.0%*	Return on Shr. Equity	*7.5%*
9.9%	12.5%	12.8%	4.4%	2.6%	6.7%	5.8%	6.6%	6.9%	*7.0%*	*7.0%*	*7.0%*	Return on Com Equity	*7.5%*
5.7%	8.6%	8.2%	1.8%	NMF	2.7%	2.0%	2.7%	3.0%	*3.0%*	*3.5%*	*3.5%*	Retained to Com Eq	*3.5%*
42%	31%	36%	60%	NMF	59%	66%	59%	56%	*56%*	*52%*	*51%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1710.5 mill. **Due in 5 Yrs** $44.3 mill.
LT Debt $1706.9 mill. **LT Interest** $50.0 mill.
(LT Interest Coverage: 6.7x)
(55% of Cap'l)

Pension Assets-12/23 $285.5 mill.
Oblig. $297.8 mill.
Pfd Stock None.
Common Stock 33,629,000 shs.

MARKET CAP: $1.7 billion (Small Cap)

CURRENT POSITION ($MILL.)	2022	2023	12/31/24
Cash Assets	12.3	9.7	11.1
Accts Receivable	58.2	67.9	68.7
Other	84.2	120.8	110.9
Current Assets	154.7	198.4	190.7
Accts Payable	29.6	46.1	56.3
Debt Due	4.4	49.0	3.6
Other	230.7	247.9	201.3
Current Liab.	264.7	343.0	261.2

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	3.5%	5.0%	*5.0%*
"Cash Flow"	5.5%	9.0%	*-.5%*
Earnings	4.5%	7.0%	*6.5%*
Dividends	7.5%	5.5%	*4.5%*
Book Value	8.5%	5.5%	*5.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	124.3	149.0	176.0	171.4	620.7
2023	137.3	156.9	204.8	171.4	670.4
2024	149.4	176.2	225.1	197.8	748.5
2025	*155*	*185*	*235*	*200*	*775*
2026	*165*	*190*	*240*	*205*	*800*

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.12	.38	.82	1.09	2.43
2023	.37	.58	1.13	.59	2.68
2024	.36	.64	1.17	.68	2.85
2025	*.50*	*.70*	*1.25*	*.75*	*3.20*
2026	*.55*	*.75*	*1.30*	*.80*	*3.40*

Calendar	QUARTERLY DIVIDENDS PAID BD■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.34	.34	.34	.34	1.36
2022	.36	.36	.36	.36	1.44
2023	.38	.38	.38	.38	1.52
2024	.40	.40	.40	.40	1.60
2025					

BUSINESS: SJW Group engages in the production, purchase, storage, purification, distribution, and retail sale of water. It provides water service to approximately 232,000 connections with a total population of roughly one million people in the San Jose area and 16,000 connections that reach about 88,000 residents in the region between San Antonio and Austin, Texas. The company merged with Connecticut Water (10/19) which provides service to approx. 142,000 connections with a total population of 463,000 people. Has 808 employees. Officers and directors own less than 1.0% of outstanding shares (3/24 proxy). Chairman & CEO: Eric Thornburg. Incorporated: California. Address: 110 West Taylor Street, San Jose, CA 95110. Telephone: (408) 279-7800. Internet: www.sjwater.com.

SJW Group recently announced some upper-level management changes. Effective June 30, 2025, current Chief Executive Officer and President Eric W. Thornburg is set to retire, and will be succeeded by Andrew F. Walters (current CFO). In addition, Bruce A. Hauk will be promoted to President in addition to his COO role. Lastly, Mr. Thornburg will remain on as non-executive Chair of the Board.

The company reported decent results for the full-year 2024. The top line advanced 11% year over year, to $749 million, while the bottom line rose by 7%, to $2.85 per share. Driving the performance was a combination of rate increases (+$62 million), higher customer water usage (+$15 million), and customer expansion (+$2.5 million). This more than offset a modest decline in revenues from regulatory adjustments. Elsewhere, rising water production costs and higher administrative fees kept somewhat of a lid on earnings growth during the year. For 2025, our model suggests that revenues may well edge higher 3%, to $775 million, while profits are poised to jump 12%, to $3.20 per share.

Long-term capital spending initiatives are ramping up from previously announced levels. Subsequent to investing more than $350 million on infrastructure and water supply upgrades last year, management has raised its five-year spending plan by 25%, to approximately $2.0 billion. These increased funds will be utilized primarily to support water and wastewater systems, as well as bolster the treatment of harmful chemicals. Indeed, we think these actions ought to prompt increased rate approval activity in the years ahead, as the company seeks to raise customer rates to recoup a good portion of these investments.

These shares are a worthwhile selection for investors with an eye to late decade. The stock, which is now neutrally ranked (3) for Timeliness, offers solid total return potential over the pull to 2028-2030. This is supported partly by a healthy dividend yield. What's more, a Safety rank of 2 (Above Average) and a high score for Price Stability (90 out of 100) should pique the interest of conservative accounts.

Nicholas Patrikis *April 4, 2025*

(A) Diluted earnings. Excludes nonrecurring losses: '10, $0.46. GAAP accounting as of 2013. Next earnings report due early May. Quarterly egs. may not add due to rounding.

(B) Dividends historically paid in early March, June, September, and December. ■ Div'd reinvestment plan available.

(C) In millions.

(D) Paid special dividend of $0.17 per share on 11/17.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	50

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Artesian Res Corp NASDAQ:ARTNA

Last Price	Day Change	Trailing P/E	Relative P/E Last FY	Dividend Yield	3 to 5-Year Target Price Range	Performance	Safety	Financial Strength
$34.50	$0.03 (0.09%)		1.82	3.56%	--			

As of 4:00 PM May 09, 2025. Delayed at least 15 minutes.

Industry Rank: Water Utility -

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QUOTES

Last Price	Day's Change	Volume
$34.50	**$0.03 0.09%**	**31,686**

Bid (size)	Ask (size)	
$34.50 (3)	**$48.00 (3)**	**Below** 10-day avg.

As of 4:00 PM May 9, 2025. Delayed at least 15 minutes.

Previous close	34.47
Open	34.25
Trailing P/E	
Market cap	325.06M
Shares outstanding	9.42M
Beta	0.7
Next earnings date	5/8/2020

52 Week Low & High

$29.45 1/10/2025 — 7/18/2024 **$41.29**

$34.50

Hist. Prices

INDUSTRY AN

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Filing	Filing Date	Category
10-Q	May 9, 2025	Quarterly
8-K	May 8, 2025	Quarterly
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
8-K	May 6, 2025	Quarterly
SCHEDULE 13G/A	Apr 17, 2025	Unknown
8-K	Apr 7, 2025	Quarterly

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Apple Inc	AAPL	1
Boeing Co	BA	3
Caterpillar Inc	CAT	2
Chevron Corporation	CVX	2
Cisco Systems Inc	CSCO	1
Coca Cola Company	KO	1

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INSTITUTIONAL OWNERSHIP

Number of Transactions Show top holders

FINANCIAL STATEMENTS

Income Statement & Balance Sheet	2024	2 Year Trend
Gross Profit	58	
Total Operating Expenses	74	
Operating Income	**33**	

Buys Sells

All insiders

Date	Insider	Trans.
No data available.		

Appendix A-5.2

Buyers Sellers Closing price

Percent Shares Held by Institutions

Income Statement & Balance Sheet	2024	2 Year Trend
Net Income	**20**	
Total Liabilities	**559**	
Shareholders' Equity	**239**	
Total Liab. & Stockholders' Eq.	**799**	
Cash Flow		
Closing Cash	**1**	
Net CapEx	**--**	
Free Cash Flow	**-8**	

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ARTNA

York Water Co. (The) NASDAQ:YORW

Last Price	Day Change	Trailing P/E	Relative P/E Last FY	Dividend Yield	3 to 5-Year Target Price Range	Performance	Safety	Financial Strength
$32.79	$0.10 (0.31%)		1.59	2.67%	--			

As of 4:00 PM May 09, 2025. Delayed at least 15 minutes.

Industry Rank: Water Utility -

Securities Banner:
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1 of 4 Close All Next

CHARTING

1d 5d 3m 1y 5y Show data

QUOTES

Last Price	Day's Change	Volume
$32.79	**$0.10 0.31%**	**61,733**

Bid (size)	Ask (size)	
$32.20 (3)	**$33.42 (1)**	**Below** 10-day avg.

As of 4:00 PM May 9, 2025. Delayed at least 15 minutes.

Previous close	32.69
Open	32.61
Trailing P/E	
Market cap	472.18M
Shares outstanding	14.40M
Beta	0.8
Next earnings date	3/14/2012

52 Week Low & High

$29.86 1/23/2025 — 7/25/2024 **$41.96**

$32.79

Hist. Prices

INDUSTRY AN

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Filing	Filing Date	Category
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
4	May 7, 2025	Insider Activity
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American Express Company	AXP	3
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Apple Inc	AAPL	1
Boeing Co	BA	3
Caterpillar Inc	CAT	2
Chevron Corporation	CVX	2
Cisco Systems Inc	CSCO	1
Coca Cola Company	KO	1

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INSIDER TRANSACTIONS

Options | Buys & Sells

INSTITUTIONAL OWNERSHIP

Number of Transactions Show top holders

FINANCIAL STATEMENTS

Income Statement & Balance Sheet	2024	2 Year Trend
Gross Profit	55	
Total Operating Expenses	47	
Operating Income	**28**	

Buys Sells

All insiders

Date	Insider	Trans.
Apr 16	Hand Joseph Th…	Buy
Apr 16	Chiaruttini Al…	Buy
Apr 16	Scarpato Matth…	Buy
Apr 16	Grimm Ashley M	Buy
Apr 16	Snyder Mark S	Buy
Apr 16	Poff Matthew E	Buy
Mar 28	Hand Joseph Th…	Buy

Appendix A-5.2

Buyers Sellers Closing price

Percent Shares Held by Institutions

Income Statement & Balance Sheet	2024	2 Year Trend
Net Income	**20**	
Total Liabilities	**402**	
Shareholders' Equity	**231**	
Total Liab. & Stockholders' Eq.	**633**	
Cash Flow		
Closing Cash	**0**	
Net CapEx	**--**	
Free Cash Flow	**-18**	

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	Company Name	AMERICAN STATES WATER COMPANY	AMERICAN WATER WORKS COMPANY, INC.	ARTESIAN RESOURCES CORPORATION	CALIFORNIA WATER SERVICE GROUP	ESSENTIAL UTILITIES, INC.	H2O AMERICA	MIDDLESEX WATER COMPANY	THE YORK WA
2019	Sales-Net[y19]	473.869	3610	83.595	714.557	889.692	420.482	134.598	51.578
2020	Sales-Net[y20]	488.243	3777	88.141	794.307	1462.698	564.526	141.592	53.852
2021	Sales-Net[y21]	498.853	3930	90.859	790.909	1878.144	573.686	143.141	55.119
2022	Sales-Net[y22]	491.528	3792	98.897	846.431	2288.032	620.698	162.434	60.061
2023	Sales-Net[y23]	595.699	4234	98.861	794.632	2053.824	670.363	166.274	71.031
2024	Sales-Net[y24]	595.459	4684	107.952	1036.806	2086.113	748.439	191.877	74.959
2019	Cash & Short Term Investment[y19]	1.334	60	0.596	42.653	1868.922	12.944	2.23	0.002
2020	Cash & Short Term Investment[y20]	36.737	547	0.028	44.555	4.827	5.269	4.491	0.002
2021	Cash & Short Term Investment[y21]	4.963	116	0.092	78.38	10.567	10.908	3.533	0.001
2022	Cash & Short Term Investment[y22]	5.997	85	1.309	62.1	11.398	12.344	3.828	0.001
2023	Cash & Short Term Investment[y23]	14.073	330	2.505	39.591	4.612	9.723	2.39	0.001
2024	Cash & Short Term Investment[y24]	26.661	96	1.147	50.121	9.156	11.114	4.226	0.001
2019	Current Assets-Total[y19]	122.456	1285	14.207	184.712	2015.127	122.046	29.133	9.384
2020	Current Assets-Total[y20]	157.115	1906	17.619	266.016	380.22	127.331	34.123	16.29
2021	Current Assets-Total[y21]	138.052	1554	18.664	300.458	437.795	134.085	34.355	11.262
2022	Current Assets-Total[y22]	151.294	1250	27.804	295.535	658.159	158.386	37.306	14.234
2023	Current Assets-Total[y23]	205.978	1389	30.617	296.285	491.979	198.389	108.536	15.584
2024	Current Assets-Total[y24]	233.346	1215	24.528	324.136	485.911	190.714	42.973	16.451
2019	Debt in Current Liabilities[y19]	7.193	814	9.24	198.42	142.941	139.481	27.178	6.5
2020	Debt in Current Liabilities[y20]	2.371	1611	28.695	376.884	214.22	251.335	9.255	0
2021	Debt in Current Liabilities[y21]	33.421	641	28.33	41.994	286.709	102.102	19.731	7.5
2022	Debt in Current Liabilities[y22]	257.791	1456	22.222	74.375	465.866	163.938	72.962	0
2023	Debt in Current Liabilities[y23]	44.209	654	2.253	181.634	248.256	220.475	50.49	0
2024	Debt in Current Liabilities[y24]	126.459	1527	2.206	278.64	384.654	122.772	31.279	0
2019	Current Liabilities-Total[y19]	115.998	2045	25.599	358.721	323.461	234.567	64.981	15.156
2020	Current Liabilities-Total[y20]	118.572	2881	43.724	588.706	603.873	350.795	56.848	11.993
2021	Current Liabilities-Total[y21]	155.574	2141	47.206	271.937	675.063	203.271	56.619	20.086
2022	Current Liabilities-Total[y22]	396.522	2811	44.07	294.65	1021.869	268.322	117.859	16.981
2023	Current Liabilities-Total[y23]	166.623	2151	22.414	430.339	797.927	342.974	103.829	18.143
2024	Current Liabilities-Total[y24]	285.525	3150	25.593	538.364	974.668	261.173	82.888	18.289
2019	noncash wkcap	12.317	-6	-2.748	-18.242	-34.315	14.016	-10.9	0.726
2020	noncash wkcap	4.177	89	2.562	9.639	-14.26	22.602	-17.961	4.295
2021	noncash wkcap	10.936	-62	-0.304	-7.865	38.874	168.66	30.467	18.761
2022	noncash wkcap	6.566	-190	4.647	13.16	90.758	41.658	-11.419	-2.748
2023	noncash wkcap	69.491	-438	7.951	7.989	-62.304	66.167	52.807	-2.56
2024	noncash wkcap	47.619	-504	-0.006	14.291	-113.259	41.199	-12.862	-1.839
2020	Change Non cashWrk Cap	-8.14	95	5.31	27.881	20.055	8.586	-7.061	3.569
2021	Change Non cashWrk Cap	6.759	-151	-2.866	-17.504	53.134	146.058	48.428	14.466
2022	Change Non cashWrk Cap	-4.37	-128	4.951	21.025	51.884	-127.002	-41.886	-21.509
2023	Change Non cashWrk Cap	62.925	-248	3.304	-5.171	-153.062	24.509	64.226	0.188
2024	Change Non cashWrk Cap	-21.872	-66	-7.957	6.302	-50.955	-24.968	-65.669	0.721
2020		-1.67%	2.52%	6.02%	3.51%	1.37%	1.52%	-4.99%	0.066274
2021	WK cap/sale	1.35%	-3.84%	-3.15%	-2.21%	2.83%	25.46%	33.83%	0.26245
2022	WK cap/sale	-0.89%	-3.38%	5.01%	2.48%	2.27%	-20.46%	-25.79%	-0.35812
2023	WK cap/sale	10.56%	-5.86%	3.34%	-0.65%	-7.45%	3.66%	38.63%	0.002647
2024	WK cap/sale	-3.67%	-1.41%	-7.37%	0.61%	-2.44%	-3.34%	-34.22%	0.009619
	Average	1.14%	-2.39%	0.77%	0.75%	-0.69%	1.37%	1.49%	-0.00343
							Median		0.76%

Appendix A-5.2

Appendix A-5.2

The following sources of information were reviewed but are not included in the workpapers as they are included separately in the PA PUC section 1329 filing related to this FMV and are considered included by this reference:

"City of Pittston Sewage Facilities Engineering Assessment, City of Pittston, Luzerne County, PA," dated November 2025, and related files prepared by Pennoni Associates Inc.;

Wastewater System's Chapter 94 Reports;

City's Service Agreement with Wyoming Valley Sanitary Authority; and

Asset Purchase Agreement.