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PA Public Utility      |
Commission,           |   Docket Nos.:
    v.                 |   R-2025-3057983
Pennsylvania American |   R-2025-3058051
Water Company - Water |
    And               |
PA Public Utility     |
Commission,           |
    v.                 |
Pennsylvania American |
Water Company - Wastewater |
In-Person Public Input |
Hearing               |
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Coatesville City Hall
City Council Chamber
1 City Hall Place
Coatesville, PA

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Docket Nos. R-2025-3057983, R-2025-3058051

Hearing Date: January 29, 2026

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**PENNSYLVANIA
AMERICAN WATER**

NOTICE OF PROPOSED WATER RATE CHANGES

EXHIBIT
Craven

1

Dear Customer:

On November 14, 2025, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of January 13, 2026. A full investigation of this request could delay the change until August 2026. This notice describes our request, the PUC's role and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall increase of approximately \$168.7 million for all of its water and wastewater operations. Over the 24 months beginning July 2025, Pennsylvania American Water plans to invest approximately \$1.2 billion to improve service reliability, water quality and fire protection for your community and more than 420 others across the Commonwealth.

These investments include necessary upgrades to treatment facilities, storage tanks, wells and pumping stations to help ensure that systems meet regulatory standards. Pennsylvania American Water plans to replace over 100 miles of aging pipeline, as well as valves, service lines and other parts of its 12,080-mile network of water and sewer lines. By making prudent, ongoing investments to maintain and upgrade water and wastewater systems, Pennsylvania American Water is committed to protecting communities from public health concerns and quality of life issues associated with failing infrastructure.

If the entire rate request is approved as filed, the typical water bill for:

- Residential customers using 3,263 gallons a month would increase from \$81.55 to \$95.27 per month.
- Commercial customers using 20,802 gallons a month would increase from \$379.78 to \$445.61 per month.
- Industrial customers using 647,754 gallons a month would increase from \$8,639.78 to \$9,759.49 per month.

Handwritten notes:
+17.72
to 2.1 million
35.472,000
x 12 = 425,000,000
+16.32 + %

Pennsylvania American Water's filing requests approval of a combined revenue requirement for the company's water and wastewater operations as authorized by legislation enacted in 2012. The filing requests approval of a Customer Assistance Program rider in accordance with 66 Pa. C.S. § 1330. If approved as filed, the immediate impact on your rates from this alternative rate mechanism would be \$0.

To find out more about how the request might affect your water bill, please contact Pennsylvania American Water's Customer Service Organization at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No. 58 to Tariff Water PA PUC No. 5, and Supplement No. 61 to Tariff Wastewater PA PUC No. 16 on our website at pennsylvaniaamwater.com/rates. You can also review the material filed with the PUC at our office at 852 Wesley Drive, Mechanicsburg, PA 17055. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change. A visual summary of the rate making process is available on pennsylvaniaamwater.com/rates.



Scan to learn more about the rate making process.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates.

As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- 1. Send a letter to the PUC.** You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Secretary's Bureau, Pennsylvania Public Utility Commission, 400 North Street, Harrisburg, PA 17120.
- 2. Attend or present testimony at a PUC public input hearing.** You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3. File a formal complaint.** If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before January 13, 2026. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Secretary's Bureau, Pennsylvania Public Utility Commission, 400 North Street, Harrisburg, PA 17120, or by going to its website at www.puc.pa.gov.

Handwritten note:
10% Analysis ending in 2024

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★ / Pennsylvania / Customer Service & Billing / From Treatment to Tap



FROM TREATMENT TO TAP: WE'RE INVESTING IN YOU

Pennsylvania American Water is committed to delivering safe and reliable water and wastewater services to more than 2.4 million customers across the Commonwealth.

To support this mission, we filed a rate adjustment request with the Pennsylvania Public Utility Commission (PUC) on November 14, 2025, to help fund over \$1.2 billion in critical infrastructure upgrades through June 2027.

Why We're Investing

Components of many of our systems' infrastructure are more than a century old. Planned upgrades will continue improving water quality and reliability by:

- Eliminating lead service lines by 2037
- Expanding PFAS treatment across multiple systems with \$321 million investment
- Replacing 117 miles of aging water mains
- Replacing 32 miles of aging wastewater mains to prevent millions of gallons of untreated wastewater from entering drinking water sources and recreational waterways

For more information on Pennsylvania American Water's infrastructure investment efforts, visit pennsylvaniaamwater.com/infrastructure.

Water System Improvements

We're investing in water system upgrades across Pennsylvania to improve service quality and reliability. Below are examples of water infrastructure upgrades in your community:

- **Audubon:** Infrastructure upgrades commenced immediately after we acquired the system in May 2025. Three wells exceeding Pennsylvania Department of Environmental Protection PFAS limits were shut down and water is being redirected from our Norristown system.
- **Coatesville:** A 21-mile main replacement project from Cain Township to Quarryville is underway using slip lining to upgrade aging infrastructure with minimal disruption to customers' service.
- **Greater Pittsburgh Area:** Hays Mine Water Treatment Plant is being upgraded to expand the beneficial use of treatment residuals, reduce landfill disposal and deliver long-term savings and environmental benefits while maintaining affordable service.
- **Hershey:** Upgrades to the Hershey Water Treatment Plant and booster station infrastructure will improve water storage and turnover, helping maintain fresher, better-quality drinking water.
- **Monroe County:** Through the Mid-Monroe Interconnect Project, installation of 3.5 miles of main will connect existing water systems, improving reliability, pressure and emergency service across communities.
- **New Castle:** Filter upgrades at the New Castle Water Treatment Plant include new media and instrumentation to improve water quality, taste and system reliability.
- **Norristown:** A nearly \$6 million project is replacing aging mains in Norristown and East Norriton, improving water flow and reliability.
- **Philipsburg:** Construction of a new 1-million-gallon tank and baffled clearwell at the Philipsburg Water Treatment Plant will enhance water quality and reliability.
- **Royersford:** Construction of the new Lock 57 Water Treatment Plant will replace the existing 1917 facility and feature advanced treatment for emerging contaminants like PFAS.
- **Scranton:** Dam improvements include removing Curtis Dam and upgrading spillways at Maple Lake, Marshwood and Dunmore Dam No. 7 to reduce flood risks and support long-term environmental health.

- **Wyomissing:** Two new tanks are being installed to enhance water pressure and fire protection, improving everyday service reliability and emergency response capabilities.

Wastewater System Improvements

We're making targeted improvements to wastewater systems in communities across Pennsylvania:

- **Butler:** Installing wet weather tanks and upgrading pump stations to eliminate sewer overflows during major storms.

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- **McEwensville:** Adding phosphorus removal systems to protect local streams.
- **McKeesport:** Advancing stormwater separation to reduce pollution.
- **Saw Creek:** Replacing aging tanks and lift stations to improve reliability.
- **Scranton:** Building overflow storage and upgrading pumps to reduce untreated discharges.
- **York:** Replacing 2,500 feet of clay pipe and installing a digital control system to reduce overflows and improve plant performance.

Supporting Affordability

We believe that the service we provide should be safe, reliable and affordable. In support of our commitment to affordability, we are proposing:

- A Deduct Adjustment to calculate summer wastewater charges based on average winter water use, excluding seasonal spikes from outdoor activities like lawn watering and car washing. [Click here](#) to learn more.
- A Renter Assistance Pilot Program (RAPP) in Butler and Scranton to support low-income renters in master-metered buildings with quarterly stipends. Administered by the Dollar Energy Fund, RAPP will test outreach, eligibility and cost management strategies during a two-year period. [Click here](#) to learn more.

To learn more about our H2O Help to Others customer assistance program, offering grants, bill discounts, arrearage forgiveness and water-saving devices and education, visit pennsylvaniaamwater.com/H2O.

What this Means for You

If the proposed rate adjustment is approved by the PUC as we've requested:

- The average residential water customer (using 3,263 gallons/month) would see a monthly increase of \$13.72, from \$81.55 to \$95.27.
- The average residential wastewater sanitary sewer customer (based on winter average usage of 3,164 gallons/month) would see a monthly increase of \$10.00, from \$109.50 to \$119.50.
- The average residential wastewater combined sewer customer (based on winter average usage of 3,164 gallons/month) would see a monthly increase of \$20.54, from \$103.62 to

\$124.16.

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American Water's rates, visit pennsylvaniaamwater.com/rates.

What is a Rate Case? The Rate-Making Process Explained -...



Questions?

Please contact us at PA.Communityrelations@amwater.com.

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MyWater

Log in to MyWater Online to:

- Pay your bill
- Check your account balance
- Turn your service on/off
- Sign up for alerts
- View your water usage
- Setup paperless billing

Contact Us

Phone: 1-800-565-7292

Call 24/7 for any emergency. Water emergencies don't keep business hours.

For non-emergencies, Mon - Fri 7am-7pm.

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Careers

At Pennsylvania American Water, our employees have more than a job. They have a calling.

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EEO Information & Accommodation Requests

Inclusion, Diversity, and Equity



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16 Heron Lane
Coatesville, PA 19320
December 10, 2025

Secretary's Bureau
Pennsylvania Public Utility Commission
400 North State Street
Harrisburg, PA 17120

RE: Objection to Pennsylvania American Water's
November 14, 2025 Proposed Water Rate Increases

Dear Commissioners:

With respect, I object to the request that Pennsylvania America Water (PA Water) filed with the Commission on November 14, 2025 for increases in the rates that PA Water would charge to its customers for water and wastewater services, including an increase in monthly service charges, and an increase in metered water consumption charges.

If the request is granted, residential water service customers like my wife and I would have to pay at least 17% more on top of the rate increase that became effective just a year ago.

According to PA Water's website (<https://amwater.com/paaw/about-us/>), Pennsylvania American Water is a subsidiary of American Water (formally known as American Water Works Company); PA Water is the largest investor-owned water utility in the Commonwealth, while American Water is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company.

The words that PA Water uses to describe itself bear a remarkable resemblance to the words used by American Water to describe itself in its 2024 10K filing with the U.S. S.E.C. (https://s26.q4cdn.com/750150140/files/doc_financials/2024/ar/American-Water-2024-Annual-Report.pdf).

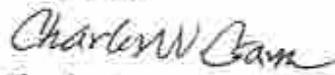
A 17% cost increase for consumers like my wife and myself hardly translates into better service or higher quality water. Rather, my review American Water's rate increase request; its notice to consumers of its rate changes; its 2024 SEC filing; and its 2024 annual report and 2025 proxy statements reveals no such betterment.

Instead, that reviews shows that the company has grown through purchases without accruing substantial debt (e.g., SEC filing. p. 122); its customer base continues to increase, as do its dividends per share (p. 128, "During 2024, 2023 and 2022, the Company paid \$585 million, \$532 million and \$467 million in cash dividends,

respectively."), and its executive compensation (most of which already total well above \$1,000,000).

The PUC should deny this rate increase unless and until Pennsylvania American Water demonstrates tangible and cost-effective benefits to its customers far beyond the financial benefits to its shareholders and executives. After all, Pennsylvania America Water is primarily a **public utility**; as such its primary goal should be **public service** in the **best interests of the public** instead of their stockholders and executives.

Sincerely,



Charles W. Craven

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GET TO KNOW US

Welcome to Pennsylvania American Water

Pennsylvania American Water, a subsidiary of American Water (NYSE: AWK), is the largest investor owned water utility in the state, providing high-quality and reliable water and/or wastewater services to approximately 2.4 million people. Pennsylvania American Water plans to invest approximately \$525 million-\$625 million annually to upgrade our water and wastewater systems. These investments are necessary to improve treatment facilities, storage tanks, wells and pumping stations to ensure that your water and wastewater service meets all regulatory standards. In addition, we proactively replace aging

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pipes, valves, service lines and other parts of our nearly more than 11,600-mile network of water and sewer main to enhance water quality, service reliability and fire protection for the communities we serve.

With a history dating back to 1886, American Water is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company. American Water employs more than 6,700 dedicated professionals who provide regulated and market-based drinking water, wastewater and other related services to more than 14 million people in 14 states and on 18 military installations. American Water provides safe, clean, affordable and reliable water services to our customers to make sure we keep their lives flowing.

Here in Pennsylvania, we:

- Serve 19% of the commonwealth's population
- Serve 418 communities in 37 counties
- Provide high quality water service to 682,000 customers

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Decline

- Maintain 272 water storage facilities
- Maintain 435 water and wastewater pumping stations

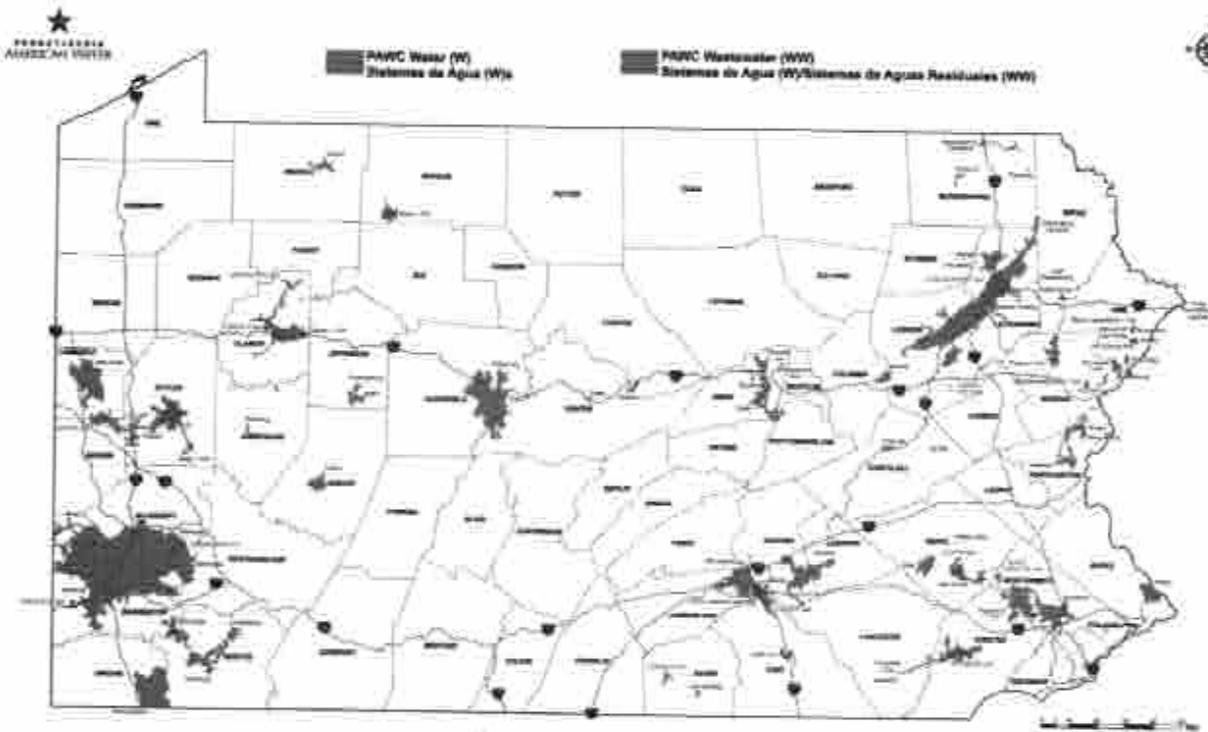


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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-34028

AMERICAN WATER WORKS COMPANY, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

51-0063696

(I.R.S. Employer Identification No.)

1 Water Street, Camden, NJ 08102-1658

(Address of principal executive offices) (Zip Code)

(856) 955-4001

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	AWK	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>
Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Shares Outstanding as of October 20, 2025</u>
Common Stock, par value \$0.01 per share	195,123,565

PART I. FINANCIAL INFORMATION**ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS****American Water Works Company, Inc. and Subsidiary Companies****Consolidated Balance Sheets (Unaudited)**

(In millions, except share and per share data)

	September 30, 2025	December 31, 2024
ASSETS		
Property, plant and equipment	\$ 36,895	\$ 35,059
Accumulated depreciation	(7,283)	(7,021)
Property, plant and equipment, net	29,612	28,038
Current assets:		
Cash and cash equivalents	166	96
Restricted funds	11	29
Accounts receivable, net of allowance for uncollectible accounts of \$58 and \$53, respectively	459	416
Income tax receivable	3	25
Unbilled revenues	437	315
Materials and supplies	109	103
Other	367	231
Total current assets	1,552	1,215
Regulatory and other long-term assets:		
Regulatory assets	1,179	1,150
Secured seller promissory note from the sale of the Homeowner Services Group	795	795
Operating lease right-of-use assets	87	89
Goodwill	1,151	1,144
Other	372	399
Total regulatory and other long-term assets	3,584	3,577
Total assets	\$ 34,748	\$ 32,830

The accompanying notes are an integral part of these Consolidated Financial Statements.

American Water Works Company, Inc. and Subsidiary Companies
Consolidated Balance Sheets (Unaudited)
(In millions, except share and per share data)

	September 30, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock (\$0.01 par value; 500,000,000 shares authorized; 200,576,637 and 200,371,701 shares issued, respectively)	\$ 2	\$ 2
Paid-in-capital	8,630	8,598
Retained earnings	2,662	2,112
Accumulated other comprehensive income	4	12
Treasury stock, at cost (5,453,167 and 5,451,216 shares, respectively)	(391)	(392)
Total common shareholders' equity	10,907	10,332
Long-term debt	13,022	12,518
Redeemable preferred stock at redemption value	3	3
Total long-term debt	13,025	12,521
Total capitalization	23,932	22,853
Current liabilities:		
Short-term debt	1,005	879
Current portion of long-term debt	1,269	637
Accounts payable	302	346
Accrued liabilities	630	791
Accrued taxes	151	156
Accrued interest	139	111
Other	191	230
Total current liabilities	3,687	3,150
Regulatory and other long-term liabilities:		
Advances for construction	425	383
Deferred income taxes and investment tax credits	3,064	2,881
Regulatory liabilities	1,467	1,416
Operating lease liabilities	75	76
Accrued pension expense	203	217
Other	280	277
Total regulatory and other long-term liabilities	5,514	5,250
Contributions in aid of construction	1,615	1,577
Commitments and contingencies (See Note 11)		
Total capitalization and liabilities	\$ 34,748	\$ 32,830

The accompanying notes are an integral part of these Consolidated Financial Statements.

American Water Works Company, Inc. and Subsidiary Companies
Consolidated Statements of Operations (Unaudited)
(In millions, except per share data)

	Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating revenues	\$ 1,451	\$ 1,323	\$ 3,869	\$ 3,483
Operating expenses:				
Operation and maintenance	523	496	1,471	1,339
Depreciation and amortization	226	200	663	581
General taxes	87	84	260	246
Other	1	—	1	(1)
Total operating expenses, net	837	780	2,395	2,165
Operating income	614	543	1,474	1,318
Other (expense) income:				
Interest expense	(158)	(132)	(453)	(387)
Interest income	23	22	67	71
Non-operating benefit costs, net	4	7	12	23
Other, net	11	13	40	31
Total other (expense) income	(120)	(90)	(334)	(262)
Income before income taxes	494	453	1,140	1,056
Provision for income taxes	115	103	267	244
Net income attributable to common shareholders	\$ 379	\$ 350	\$ 873	\$ 812
Basic earnings per share: (a)				
Net income attributable to common shareholders	\$ 1.94	\$ 1.80	\$ 4.47	\$ 4.17
Diluted earnings per share: (a)				
Net income attributable to common shareholders	\$ 1.94	\$ 1.80	\$ 4.47	\$ 4.17
Weighted-average common shares outstanding:				
Basic	195	195	195	195
Diluted	195	195	195	195

(a) Amounts may not calculate due to rounding.

The accompanying notes are an integral part of these Consolidated Financial Statements.

American Water Works Company, Inc. and Subsidiary Companies
Consolidated Statements of Comprehensive Income (Unaudited)
(In millions)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income attributable to common shareholders	\$ 379	\$ 350	\$ 873	\$ 812
Other comprehensive (loss) income, net of tax:				
Defined benefit pension plan actuarial loss, net of tax of \$0 for the three months ended September 30, 2025 and 2024, and \$0 for the nine months ended September 30, 2025 and 2024	—	—	1	1
Unrealized (loss) gain on cash flow hedges, net of tax of \$0 for the three months ended September 30, 2025 and 2024, and \$(2) and \$3 for the nine months ended September 30, 2025 and 2024, respectively	(1)	(2)	(6)	17
Unrealized gain (loss) on available-for-sale fixed-income securities, net of tax of \$0 for the three months ended September 30, 2025 and 2024, and \$(1) and \$0 for the nine months ended September 30, 2025 and 2024, respectively	—	1	(3)	—
Net other comprehensive (loss) income	(1)	(1)	(8)	18
Comprehensive income attributable to common shareholders	\$ 378	\$ 349	\$ 865	\$ 830

The accompanying notes are an integral part of these Consolidated Financial Statements.

American Water Works Company, Inc. and Subsidiary Companies
Consolidated Statements of Cash Flows (Unaudited)
(In millions)

	For the Nine Months Ended September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 873	\$ 812
Adjustments to reconcile to net cash flows provided by operating activities:		
Depreciation and amortization	663	581
Deferred income taxes and amortization of investment tax credits	104	84
Provision for losses on accounts receivable	36	19
Pension and non-pension postretirement benefits	1	(2)
Other non-cash, net	(6)	11
Changes in assets and liabilities:		
Receivables and unbilled revenues	(201)	(133)
Income tax receivable	22	79
Pension contributions	(33)	(33)
Accounts payable and accrued liabilities	(2)	11
Accrued taxes	4	113
Other assets and liabilities, net	(65)	(136)
Net cash provided by operating activities	1,396	1,406
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(2,078)	(1,962)
Acquisitions, net of cash acquired	(22)	(119)
Removal costs from property, plant and equipment retirements, net	(120)	(112)
Purchases of available-for-sale fixed-income securities	(43)	(113)
Proceeds from sales and maturities of available-for-sale fixed-income securities	84	147
Net cash used in investing activities	(2,179)	(2,159)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt, net of discount	1,776	1,416
Repayments of long-term debt	(623)	(474)
Net short-term borrowings with original maturities less than three months	126	35
Advances and contributions in aid of construction, net of refunds of \$25 and \$24 for the nine months ended September 30, 2025 and 2024, respectively	60	33
Debt issuance costs	(17)	(13)
Dividends paid	(472)	(436)
Other, net	2	5
Net cash provided by financing activities	852	566
Net increase (decrease) in cash, cash equivalents and restricted funds	69	(187)
Cash, cash equivalents and restricted funds at beginning of period	140	364
Cash, cash equivalents and restricted funds at end of period	\$ 209	\$ 177
Non-cash investing activity:		
Capital expenditures acquired on account but unpaid as of the end of period	\$ 331	\$ 317
Acquisition financed by treasury stock	\$ 7	\$ —
Non-cash financing activity:		
Settlements of long-term debt	\$ 27	\$ —

The accompanying notes are an integral part of these Consolidated Financial Statements.

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AMERICAN WATER

WE KEEP LIFE FLOWING®

2025

Proxy Statement

We believe that executing our strategy in accordance with our core values directly supports and benefits each of our principal stakeholders, as summarized below:

CUSTOMERS

- We are committed to provide superior customer experience, based on the belief that every community should be stronger because we are there.
- We support customer affordability by leveraging technology, working efficiently, investing prudently and focusing on day-to-day operational execution.
- We seek to earn customers' trust by consistently meeting and/or exceeding water quality compliance standards.

PEOPLE

- Our number one focus is the safety of our employees and customers.
- We strive to maintain an environment where our employees positively impact and understand the needs of the communities we serve.
- By investing in the development of our employees, we seek to create a workplace where they can reach their fullest potential while feeling safe, respected and included.

INVESTORS

- We continue to offer investors a compelling growth opportunity while helping to address water and wastewater challenges in the United States.
- Rate base growth forms the foundation of our earnings growth and supports a targeted 7 to 9 percent long-term earnings per share ("EPS") compounded annual growth rate.
- Consistent with our expectations for earnings growth, we have had 15 consecutive years of dividend increases, with a compounded annual growth rate of 8.9 percent over the last five years.
- As we partner with communities to seek water and wastewater solutions, we have targeted a 2 percent compounded annual growth rate in acquired customers to measure our acquisition performance.

**REGULATORS/
POLICYMAKERS**

- We seek to operate in constructive regulatory environments that support long-term service reliability and customer affordability.
- To support these goals, we focus our work at the state and federal levels on policies such as customer assistance programs, drinking water standards that protect public health, and regulatory mechanisms that enable timely recovery of needed investment in our systems.

AMERICAN WATER 2024 OPERATING PERFORMANCE HIGHLIGHTS

The charts below provide a summary of some of our key operating performance highlights for 2024:

Diluted Earnings Per Share

\$4.51

2022

\$4.90

2023

\$5.39

2024

Total Debt to Total Capitalization Ratio (as of December 31)

62%

2022

56%

2023

58%

2024

Regulated Businesses Operating Revenues (\$ in Millions)

\$3,505

2022

\$3,920

2023

\$4,296

2024

AWK Capital Investments (\$ in Billions)

\$2.6

2022

\$2.7

2023

\$3.3

2024

Annual Dividends Paid⁽¹⁾



(1) Annual Dividends Paid is rounded to two decimal places.

(2) Compounded Annual Growth Rate, or CAGR, is anchored off 2019 dividends paid.

Shareholders may also submit questions once they have been admitted to the meeting as an authenticated shareholder. To do so, please access the virtual meeting platform at www.virtualshareholdermeeting.com/AWK2025 via the Internet. **Shareholders or their legal proxies must enter the 16-digit control number found on the shareholder's proxy card, voting instruction form or other proxy materials.**

To attend the meeting, you will need a computer or a web-enabled phone, tablet or other device, together with appropriate Internet access. To attend the meeting, cast or change your vote, or submit questions, **you will also need to authenticate your status as a shareholder with your 16-digit control number.** Online access to the meeting will open approximately 15 minutes prior to the start of the meeting to permit you time to access and log into the virtual meeting platform. Your ability to be admitted to the meeting is also subject to potential capacity limits set by the virtual meeting platform provider.

Once admitted to the meeting as an authenticated shareholder, attendees may:

- listen to and participate in the meeting;
- submit appropriate questions germane to the matters to be voted on at the meeting;
- submit a vote or change a previously submitted vote; and
- during the meeting, view a list of shareholders of record as of the record date.

Members of the public, including shareholders who do not have their 16-digit control number, will be able to access the meeting as a guest in listen-only mode by visiting www.virtualshareholdermeeting.com/AWK2025. Shareholders and other persons without a 16-digit control number will not be able to otherwise participate in, vote at, or submit appropriate questions at, the meeting.

We intend to answer at the meeting, as time permits, properly submitted and appropriate questions that are germane to the matters to be voted on at the meeting. However, we reserve the right to exclude any inappropriate question, including any question that management believes to be (i) not pertinent to meeting matters; (ii) duplicative of another question; (iii) derogatory or in bad taste as determined under our rules of conduct for the meeting; (iv) related to pending or threatened litigation or personal grievances; or (v) otherwise excludable under the meeting's rules of conduct.

No recording or rebroadcasting of the meeting by participants will be permitted.

SHARES ENTITLED TO VOTE

All shareholders of record as of the record date are entitled to vote at the meeting. As of the close of business on the record date, 195,010,945 shares of our common stock were outstanding. Each outstanding share of common stock entitles the holder of record to one vote on each matter submitted to the vote of shareholders at the meeting. Holders of our unvested restricted stock units, or RSUs, and unvested performance stock units, or PSUs, as well as holders of awards as to which the receipt of underlying common stock has been deferred, are not entitled to vote any shares of common stock underlying those awards at the meeting.

Under our Amended and Restated Bylaws, the holders of a majority of the outstanding shares of our common stock at the close of business on the record date must be present at the meeting, either virtually or by proxy, to constitute a quorum and to transact business at the meeting. Abstentions and broker non-votes are included in the determination of shares present at the meeting for quorum purposes. See "—How to Vote Shares Held in Street Name" on page 4 of this proxy statement for more information on "broker non-votes."

SHAREHOLDER LIST

If you are a shareholder of record, and you wish to examine the list of shareholders during the 10-day period preceding the annual meeting, please email your full legal name, address and daytime telephone

number and a request to examine the shareholder list, to our Secretary at contacttheboard@amwater.com. You will be contacted by telephone or email to arrange for you to access the list.

DIRECTOR COMPENSATION TABLE

The following table presents information regarding compensation earned or paid in 2024 as to each person who served as a non-employee member of the Board during that year. Ms. Harris served as a member of the Board until her resignation effective March 24, 2025. Ms. Harris's resignation was for personal reasons to focus on her health and recovery from a recent medical issue and was not due to any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

The table does not include amounts paid for reimbursement of travel expenses related to attending Board and committee meetings or other Company related functions, or any reimbursement of director educational expenses, and does not include compensation earned or paid as to the CEO. See "Executive Compensation" beginning on page 46 of this proxy statement for information relating to the CEO's compensation.

Name	Fee Earned or Paid in Cash (\$)	Stock Unit Awards (\$)(1)	All Other Compensation (\$)(2)	Total (\$)
Jeffrey N. Edwards	\$ 145,000	\$ 165,048	\$ 4,513	\$ 314,561
Martha Clark Goss (3)	\$ 120,000	\$ 165,048	\$ 4,513	\$ 289,561
Kimberly J. Harris	\$ 140,000	\$ 165,048	\$ 4,513	\$ 309,561
Laurie P. Havanec	\$ 120,000	\$ 165,048	\$ 4,513	\$ 289,561
Julia L. Johnson (4)	\$ 120,000	\$ 165,048	\$ 46,552	\$ 331,600
Patricia L. Kamplng	\$ 140,000	\$ 165,048	\$ 4,513	\$ 309,561
Karl F. Kurz	\$ 200,000 (5)	\$ 280,010	\$ 7,281	\$ 487,291
Michael L. Marberry	\$ 137,568 (6)	\$ 165,048	\$ 4,513	\$ 307,129
Stuart M. McGuigan (7)	\$ —	\$ 89,356	\$ —	\$ 89,356
James G. Stavridis (8)	\$ 35,000	\$ —	\$ 2,929	\$ 37,929

- (1) The amounts shown in this column reflect the grant date fair value of the stock units granted to the directors as part of their annual retainer. The grant date fair value was computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation—Stock Compensation*, or ASC 718. See Note 10—Stock Based Compensation, in the Notes to Consolidated Financial Statements included in the 2024 Form 10-K for the assumptions used in determining grant date fair value.
- (2) Represents dividend equivalents paid in cash in 2024 at the time of the distribution of shares underlying stock unit awards.
- (3) As of December 31, 2024, Ms. Goss held 1,376 director stock units.
- (4) As of December 31, 2024, Ms. Johnson held 4,618 director stock units.
- (5) Mr. Kurz elected to defer the receipt of 100 percent of his 2024 annual cash retainer fees.
- (6) Mr. Marberry elected to defer the receipt of 50 percent of his 2024 annual cash retainer fees.
- (7) Mr. McGuigan was initially elected to the Board on October 29, 2024 and received a pro rated equity award based on the date of such election.
- (8) Admiral Stavridis served as a member of the Board until his resignation effective February 12, 2024.

We did not grant stock options to non-employee directors in 2024 and none of the non-employee directors held any Company stock options as of December 31, 2024.

EXECUTIVE COMPENSATION

2024 SUMMARY COMPENSATION TABLE

The following table sets forth information regarding the compensation of all of our NEOs for 2024.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Bonus (\$)	Stock Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$) ⁽³⁾	Change in Pension Value and Nonqualified Deferred Compensation Earnings ⁽⁴⁾	All Other Compensation (\$) ⁽⁵⁾	Total (\$)
M. Susan Hardwick Chief Executive Officer (6)	2024	\$1,126,258	\$ —	\$4,881,557	\$2,197,831	\$ —	\$375,084	\$8,580,730
	2023	\$1,057,880	\$ —	\$4,654,564	\$1,678,611	\$ —	\$329,770	\$7,720,825
	2022	\$ 975,096	\$100,000	\$4,067,077	\$1,335,400	\$ —	\$243,180	\$6,720,753
John C. Griffith President (7)	2024	\$ 855,657	\$ —	\$2,479,082	\$1,336,343	\$ —	\$211,563	\$4,882,645
	2023	\$ 748,982	\$ —	\$1,884,974	\$ 990,538	\$ —	\$183,754	\$3,788,248
	2022	\$ 460,099	\$950,000	\$1,812,518	\$ 554,618	\$ —	\$234,602	\$4,011,837
David M. Bowler Executive Vice President and Chief Financial Officer (8) (9)	2024	\$ 473,006	\$ —	\$ 603,757	\$ 477,488	\$ —	\$100,188	\$1,654,437
Cheryl Norton Executive Vice President and Chief Operating Officer	2024	\$ 702,927	\$ —	\$1,530,351	\$ 956,166	\$1,802,518	\$ 54,794	\$5,046,756
	2023	\$ 659,878	\$ —	\$1,336,248	\$ 654,055	\$2,496,415	\$ 50,362	\$5,196,758
	2022	\$ 613,750	\$ —	\$1,099,808	\$ 557,974	\$ —	\$ 37,887	\$2,309,419
Melanie M. Kennedy Executive Vice President, Chief Human Resources Officer (10)	2024	\$ 474,932	\$ —	\$ 567,062	\$ 481,943	\$ —	\$110,852	\$1,634,489
	2023	\$ 452,489	\$ —	\$ 546,560	\$ 388,974	\$ —	\$108,014	\$1,496,037
	2022	\$ 435,545	\$ —	\$ 636,434	\$ 343,585	\$ —	\$101,460	\$1,417,024
Stacy A. Mitchell Executive Vice President and General Counsel (9) (11)	2024	\$ 483,053	\$ —	\$ 576,746	\$ 460,968	\$ —	\$ 70,856	\$1,571,625

- (1) In 2024, the following NEOs deferred a portion of their base salary under the Employee Deferred Compensation Plan: Ms. Hardwick—\$55,827; Mr. Griffith—\$50,675; Mr. Bowler—\$37,210; Ms. Norton—\$139,332; and Ms. Kennedy—\$47,094.
- (2) The amounts shown in this column reflect the aggregate grant date fair value of PSUs and RSUs granted to each of the NEOs in 2024, as follows:

Name	PSUs	RSUs
M. Susan Hardwick	\$ 3,413,414	\$ 1,468,143
John C. Griffith	\$ 1,731,723	\$ 747,359
David M. Bowler	\$ 421,597	\$ 182,160
Cheryl Norton	\$ 1,069,589	\$ 460,762
Melanie M. Kennedy	\$ 396,495	\$ 170,507
Stacy A. Mitchell	\$ 402,186	\$ 174,560

With respect to the PSUs, the amounts disclosed in the table above include the grant date fair value based upon the target outcome of the performance conditions, determined at the grant date in accordance with ASC 718. See Note 10—Stock Based Compensation in the Notes to Consolidated Financial Statements in the 2024 Form 10-K for the assumptions that were made in determining grant date fair values of the PSU and RSU awards.

The following table shows the fair value of the PSU awards at the grant date, assuming the highest level of performance was achieved:

Name	Grant Date Fair Value		
	2024	2023	2022
M. Susan Hardwick	\$ 6,826,828	\$ 6,516,434	\$ 5,734,170
John C. Griffith	\$ 3,463,446	\$ 2,839,074	\$ 2,537,560
David M. Bowler	\$ 843,194	\$ —	\$ —
Cheryl Norton	\$ 2,139,178	\$ 1,870,702	\$ 1,569,680
Melanie M. Kennedy	\$ 752,990	\$ 765,236	\$ 767,000
Stacy A. Mitchell	\$ 804,372	\$ —	\$ —

- (3) The amounts shown in this column constitute payments under the APP with respect to each performance year, which are generally paid in March of the next calendar year. The following NEOs deferred a portion of their APP payment with respect to 2024 under the Employee-Deferred Compensation Plan: Ms. Hardwick—\$109,892; Mr. Griffith—\$80,181; Mr. Bowler—\$71,623; and Ms. Kennedy—\$38,555.
- (4) The amounts shown in this column reflect the aggregate changes in the actuarial present values of accumulated benefits under our defined benefit pension plans. For further information on these pension plans, see “—Pension Benefits at December 31, 2024.” None of the NEOs received “above-market” or “preferential” earnings (as defined by SEC regulation) under the Employee-Deferred Compensation Plan. The change in pension value for 2022 for Ms. Norton was \$(159,010), which is not reflected in the Summary Compensation Table in accordance with SEC regulations.
- (5) The totals shown in this column for 2024 consist of:

Name	Savings Plan Company Match	Savings Plan Company Defined Contribution Account (a)	Company Contributions to Employee-Deferred Compensation Plan (b)	Executive Physical	Dividend Equivalents (c)	Company-Paid Life Insurance	Total All Other Compensation
M. Susan Hardwick	\$ 13,800	\$ 18,113	\$ 274,667	\$ 1,800	\$ 65,272	\$ 432	\$ 375,084
John C. Griffith	\$ 13,800	\$ 19,113	\$ 169,823	\$ —	\$ 9,395	\$ 432	\$ 211,563
David M. Bowler	\$ 13,800	\$ 18,113	\$ 55,280	\$ 1,900	\$ 10,681	\$ 432	\$ 100,186
Cheryl Norton	\$ 8,625	\$ —	\$ 8,791	\$ 1,730	\$ 35,216	\$ 432	\$ 54,794
Melanie M. Kennedy	\$ 13,800	\$ 18,113	\$ 56,229	\$ 1,730	\$ 20,248	\$ 432	\$ 110,552
Stacy A. Mitchell	\$ 13,800	\$ 18,113	\$ 29,944	\$ 1,730	\$ 6,837	\$ 432	\$ 70,856

- (a) The Defined Contribution Account is an account in the Savings Plan to which American Water contributes 5.25 percent of each eligible employee’s total cash compensation (which includes annual base salary), subject to Code limits on compensation that may be taken into account. Generally, only employees hired on or after January 1, 2006, are eligible for this contribution.
- (b) The amounts in this column represent matching contributions with respect to 2024 made by the Company to the NEOs’ accounts in the Employee-Deferred Compensation Plan. These contributions are generally paid in the second quarter of the next calendar year. For further information on this plan, see “—2024 Nonqualified Deferred Compensation.”
- (c) Dividend equivalents are paid in cash with respect to PSUs and RSUs at such time, if ever, as the PSUs or RSUs are converted to common stock. Amounts in this column reflect PSU and RSU dividend equivalents that were paid out in 2024.
- (6) Ms. Hardwick has served as Chief Executive Officer since February 2, 2022, and served as President from February 2, 2022, to August 1, 2024. She will retire from the Company effective as of the conclusion of the annual meeting. She served as Executive Vice President and Chief Financial Officer until February 2, 2022. From December 7, 2021, until January 31, 2022, Ms. Hardwick also served as our Interim Chief Executive Officer and continued to serve as Chief Financial Officer until May 16, 2022.

- (7) Mr. Griffith has served as President since August 1, 2024. He served as Executive Vice President and Chief Financial Officer from May 16, 2022, to July 31, 2024. Mr. Griffith has been designated President and Chief Executive Officer by the Board effective as of the conclusion of the annual meeting and is also a nominee for election to the Board at the annual meeting.
- (8) Mr. Bowler was promoted to Executive Vice President and Chief Financial Officer effective August 1, 2024.
- (9) The executive was not a named executive officer with respect to any year prior to 2024.
- (10) Ms. Kennedy was no longer employed by the Company effective March 1, 2025.
- (11) Ms. Mitchell was promoted to Executive Vice President and General Counsel effective June 5, 2024.

Comparison of Key Elements of Total Compensation

The following table presents a comparison of the key elements of total compensation for 2024 for the NEOs named below, including the percentage of salary and bonus compared to total compensation. This section uses information contained in the 2024 Summary Compensation Table.

Name	Percentage of Total Compensation			
	Total Salary and Bonus	Incentive Compensation	Change in Pension Value	Other
M. Susan Hardwick	13.1%	82.5%	—%	4.4%
John C. Griffith	17.5%	78.2%	—%	4.3%
David M. Bowler	28.6%	65.3%	—%	6.1%
Cheryl Norton	13.9%	49.3%	35.7%	1.1%
Melanie M. Kennedy	29.0%	64.2%	—%	6.8%
Stacy A. Mitchell	29.5%	66.0%	—%	4.5%

Employment Offer Letters

Historically, when a new NEO joins us, we enter into an employment offer letter with the NEO (which is filed with the SEC) providing for the initial terms of the NEO's compensation. The 2024 Summary Compensation Table above reflects compensation that is ultimately earned and paid to our NEOs pursuant to these offer letters.

Under the terms of their respective employment offer letters, each of Ms. Hardwick, Mr. Griffith, Mr. Bowler

and Ms. Norton receives annual base salary, an APP award opportunity and an LTPP award opportunity, the latter of which vests ratably over three years and has the continued vesting provisions applicable to an executive serving in the CEO, President, CFO or COO role. The employment offer letter with Ms. Mitchell provides for similar terms, without the inclusion of a continued vesting provision.

2024 GRANTS OF PLAN-BASED AWARDS

The following table presents certain information regarding plan-based awards granted to the NEOs named below during the fiscal year ended December 31, 2024.

Name	Grant Date	Approval Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)		Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares or Units (#)(3)	Grant Date Fair Value of Stock Awards (\$)(4)
			Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
M. Susan Hardwick									
APP	2/13/2024	2/13/2024	\$ 1,397,045	\$ 2,794,090	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	12,257	\$ 1,468,143
PSU	2/13/2024	2/13/2024	\$ —	\$ —	2,043	8,171	16,342	—	\$ 666,548
PSU	2/13/2024	2/13/2024	\$ —	\$ —	3,575	14,300	28,600	—	\$ 1,712,854
PSU	2/13/2024	2/13/2024	\$ —	\$ —	1,532	6,128	12,256	—	\$ 734,012
John C. Griffith									
APP	2/13/2024	2/13/2024	\$ 649,443	\$ 1,298,886	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	4,910	\$ 588,120
RSU	8/1/2024	7/30/2024	\$ —	\$ —	—	—	—	1,102	\$ 180,239
PSU	2/13/2024	2/13/2024	\$ —	\$ —	818	3,273	6,546	—	\$ 387,183
PSU	2/13/2024	2/13/2024	\$ —	\$ —	1,432	5,728	11,456	—	\$ 688,100
PSU	2/13/2024	2/13/2024	\$ —	\$ —	614	2,455	4,910	—	\$ 294,060
PSU	8/1/2024	7/30/2024	\$ —	\$ —	184	735	1,470	—	\$ 98,963
PSU	8/1/2024	7/30/2024	\$ —	\$ —	322	1,288	2,572	—	\$ 185,827
RSU	8/1/2024	7/30/2024	\$ —	\$ —	138	551	1,102	—	\$ 79,620
David M. Bowler									
APP	2/13/2024	2/13/2024	\$ 303,614	\$ 607,228	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	1,031	\$ 123,493
RSU	8/1/2024	7/30/2024	\$ —	\$ —	—	—	—	406	\$ 65,687
PSU	2/13/2024	2/13/2024	\$ —	\$ —	172	688	1,375	—	\$ 81,384
PSU	2/13/2024	2/13/2024	\$ —	\$ —	301	1,203	2,406	—	\$ 144,089
PSU	2/13/2024	2/13/2024	\$ —	\$ —	129	516	1,032	—	\$ 61,806
PSU	8/1/2024	7/30/2024	\$ —	\$ —	66	271	542	—	\$ 36,485
PSU	8/1/2024	7/30/2024	\$ —	\$ —	119	474	948	—	\$ 65,493
PSU	8/1/2024	7/30/2024	\$ —	\$ —	51	203	406	—	\$ 29,134
Cheryl Norton									
APP	2/13/2024	2/13/2024	\$ 607,788	\$ 1,215,576	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	3,480	\$ 416,834
RSU	8/1/2024	7/30/2024	\$ —	\$ —	—	—	—	304	\$ 43,928
PSU	2/13/2024	2/13/2024	\$ —	\$ —	580	2,320	4,640	—	\$ 274,433
PSU	2/13/2024	2/13/2024	\$ —	\$ —	1,015	4,061	8,122	—	\$ 486,427
PSU	2/13/2024	2/13/2024	\$ —	\$ —	435	1,740	3,480	—	\$ 208,417
PSU	8/1/2024	7/30/2024	\$ —	\$ —	51	202	404	—	\$ 27,188
PSU	8/1/2024	7/30/2024	\$ —	\$ —	89	354	708	—	\$ 51,153
PSU	8/1/2024	7/30/2024	\$ —	\$ —	38	152	304	—	\$ 21,964
Melania M. Kennedy									
APP	2/13/2024	2/13/2024	\$ 308,346	\$ 616,692	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	1,424	\$ 170,567
PSU	2/13/2024	2/13/2024	\$ —	\$ —	237	949	1,898	—	\$ 112,257
PSU	2/13/2024	2/13/2024	\$ —	\$ —	415	1,661	3,322	—	\$ 198,955
PSU	2/13/2024	2/13/2024	\$ —	\$ —	178	712	1,424	—	\$ 85,283

Name	Grant Date	Approval Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)		Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	Grant Date Fair Value of Stock Awards (\$)(4)
			Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
Stacy A. Mitchell									
APP	2/13/2024	2/13/2024	\$ 293,013	\$ 566,026	—	—	—	—	\$ —
RSU	2/13/2024	2/13/2024	\$ —	\$ —	—	—	—	637	\$ 76,300
RSU	8/1/2024	7/30/2024	\$ —	\$ —	—	—	—	680	\$ 80,260
PSU	2/13/2024	2/13/2024	\$ —	\$ —	106	425	850	—	\$ 50,273
PSU	2/13/2024	2/13/2024	\$ —	\$ —	186	743	1,486	—	\$ 88,997
PSU	2/13/2024	2/13/2024	\$ —	\$ —	80	319	638	—	\$ 38,210
PSU	8/1/2024	7/30/2024	\$ —	\$ —	113	453	906	—	\$ 60,987
PSU	8/1/2024	7/30/2024	\$ —	\$ —	198	793	1,580	—	\$ 114,559
PSU	8/1/2024	7/30/2024	\$ —	\$ —	85	340	680	—	\$ 49,130

- (1) These columns represent target and maximum APP payout opportunities. The actual payments that were made under the APP for 2024 performance are shown in the 2024 Summary Compensation Table. There is no specified minimum award for participants in the APP, and therefore we did not include a column in the table for the threshold amount of such award. For further information on the APP, see "Compensation Discussion and Analysis—2024 Compensation—2024 Annual Performance Plan" beginning on page 35 of this proxy statement.
- (2) These columns represent threshold, target and maximum payout opportunities under the LTPP with respect to our PSUs. For further information on the LTPP, under which the PSUs were granted, see "Compensation Discussion and Analysis—2024 Compensation—2024 Long-Term Performance Plan" beginning on page 37 of this proxy statement.
- (3) This column represents grants of RSUs. For further information on the LTPP, under which all of the RSUs were granted, see "Compensation Discussion and Analysis—2024 Compensation—2024 Long-Term Performance Plan" beginning on page 37 of this proxy statement.
- (4) This column represents the grant date fair values of the PSUs and RSUs, determined in accordance with ASC 718. See footnote (2) to the 2024 Summary Compensation Table for additional information.

OUTSTANDING EQUITY AWARDS AT 2024 FISCAL YEAR-END

The following table presents information regarding equity awards held by the NEOs named below at December 31, 2024. None of our NEOs held any outstanding stock options as of December 31, 2024; thus, the table below omits all columns pertaining to option awards.

Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(2)
M. Susan Hardwick					
	2/15/2022	2,726	\$ 339,360	32,862	\$ 4,090,990
	2/14/2023	6,235	\$ 776,195	31,519	\$ 3,923,600
	2/13/2024	12,267	\$ 1,525,674	49,027	\$ 6,103,371
John C. Griffith					
	5/18/2022	1,242	\$ 154,617	17,411	\$ 2,167,495
	2/14/2023	2,525	\$ 314,337	12,765	\$ 1,589,115
	2/13/2024	4,910	\$ 611,246	18,630	\$ 2,444,659
	8/1/2024	1,102	\$ 137,188	4,409	\$ 548,876

Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(2)
David M. Bowler					
	2/15/2022	170	\$ 21,163	2,050	\$ 255,205
	2/14/2023	496	\$ 61,747	2,505	\$ 311,847
	2/13/2024	1,031	\$ 128,349	4,125	\$ 513,646
	8/1/2024	406	\$ 50,543	1,625	\$ 202,296
Cheryl Norton					
	2/15/2022	716	\$ 89,135	8,626	\$ 1,073,851
	2/14/2023	1,791	\$ 222,962	9,048	\$ 1,126,386
	2/13/2024	3,480	\$ 433,225	13,922	\$ 1,733,150
	8/1/2024	304	\$ 37,845	1,214	\$ 151,131
Melanie M. Kennedy					
	2/15/2022	348	\$ 43,323	4,189	\$ 521,489
	2/14/2023	732	\$ 91,127	3,701	\$ 460,737
	2/13/2024	1,424	\$ 177,274	5,695	\$ 708,971
Stacy A. Mitchell					
	2/15/2022	109	\$ 13,569	1,300	\$ 162,957
	2/14/2023	322	\$ 40,086	1,626	\$ 202,423
	2/13/2024	637	\$ 79,300	2,549	\$ 317,325
	8/1/2024	680	\$ 84,653	2,710	\$ 338,488

- (1) This column reflects RSUs that are not subject to performance conditions and will vest in equal increments on January 31 of each of the three years following the year in which the RSUs were granted, and, except as to RSUs with continued vesting, subject to continued employment through each vesting date.
- (2) The market value of the RSUs and PSUs is based on the \$124.49 closing price of a share of our common stock on December 31, 2024, the last trading day of the year, as reported by the NYSE.
- (3) This column reflects PSUs that are subject to vesting upon the achievement of stated performance goals over a three-year period and are earned in three equal annual increments on January 31 of each year in such three-year period, and, except as to PSUs with continued vesting, subject to continued employment through each such date. In accordance with applicable SEC regulations, the number of shares disclosed in this column represents the number of shares that would vest if (i) threshold performance were achieved for PSUs related to TSR, and (ii) maximum performance were achieved for PSUs related to EPS and ROE.

2024 OPTION EXERCISES AND STOCK VESTED

The following table presents information regarding the vesting of RSUs and PSUs held by the NEOs named below during 2024. None of the NEOs held any stock options during 2024; thus, the table below omits all columns pertaining to the exercise of option awards.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(1)
M. Susan Hardwick	11,431	\$ 1,398,989
John C. Griffith	2,504	\$ 310,546
David M. Bowler	1,594	\$ 193,329
Cheryl Norton	5,510	\$ 668,905
Melanie M. Kennedy	2,969	\$ 359,858
Stacy A. Mitchell	1,023	\$ 124,074

- (1) Represents the aggregate market value of the shares realized on vesting, calculated by multiplying the vested number of shares by the closing price of a share of common stock on the date the applicable RSUs or PSUs vested (or on the last trading day prior thereto when the vesting occurs on a non-trading day).

PENSION BENEFITS AT DECEMBER 31, 2024

The following table presents certain information regarding pension benefits for Ms. Norton at December 31, 2024.

Name	Plan Name (1)	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit (\$)(2)	Payments During Last Fiscal Year (\$)
M. Susan Hardwick	N/A	N/A	N/A	N/A
John C. Griffith	N/A	N/A	N/A	N/A
David M. Bowler	N/A	N/A	N/A	N/A
Cheryl Norton (3)	ERP	36	\$6,086,970	N/A
	AWWPP	36	\$2,155,945	N/A
Melanie M. Kennedy	N/A	N/A	N/A	N/A
Stacy A. Mitchell	N/A	N/A	N/A	N/A

- (1) Since Meses. Hardwick, Kennedy and Mitchell, and Messrs. Griffith and Bowler, were hired after January 1, 2006, they were not eligible to participate in the AWWPP or the ERP.
- (2) Amounts shown reflect the present value of the accumulated benefit as of December 31, 2024. All amounts for the AWWPP and the ERP were determined using the same interest and mortality assumptions as those used for financial reporting purposes. The following assumptions were used to calculate pension values at the following measurement dates:
- In 2024, for discounting annuity payments, we used a discount rate of 5.70 percent and the Pri-2012 mortality base table with a 0.94 multiplier projected forward using generational Mortality Projection Scale MP-2021, and for calculating lump sums, we used an interest rate of 5.70 percent and the IRS Prescribed Table for Lump Sums for 2025.
 - In 2023, for discounting annuity payments, we used a discount rate of 5.18 percent and the Pri-2012 mortality base table projected forward using generational Mortality Projection Scale MP-2021, and for calculating lump sums, we used an interest rate of 5.18 percent and the IRS Prescribed Table for 2024.
- (3) Ms. Norton is eligible for a subsidized early retirement benefit payable in the form of an annuity under the provisions of the AWWPP and the ERP.

receive her benefits as a lump sum. Upon voluntary termination of employment prior to eligibility for early or normal retirement, nonqualified benefits are payable as deferred (to age 65) annuities or lump sum

equivalents of such deferred annuities. All nonqualified plan lump sums are calculated as the present value of deferred or immediate single life annuities.

2024 NONQUALIFIED DEFERRED COMPENSATION

The following table presents certain information regarding the nonqualified deferred compensation benefits of all of our NEOs for 2024.

Name	Executive Contributions in Last Fiscal Year (\$)(1)	Registrant Contributions in Last Fiscal Year (\$)(2)	Aggregate Earnings in Last Fiscal Year (\$)	Aggregate Withdrawals/Distributions in Last Fiscal Year (\$)	Aggregate Balance at Last Fiscal Year End (\$)(3)
M. Susan Hardwick	\$ 185,719	\$ 274,667	\$ 94,267	\$ —	\$ 1,506,787
John C. Griffith	\$ 130,856	\$ 169,823	\$ 13,879	\$ —	\$ 533,442
David M. Bowler	\$ 108,833	\$ 55,280	\$ 35,226	\$ —	\$ 482,175
Cheryl Norton	\$ 139,332	\$ 8,791	\$ 186,052	\$ —	\$ 1,921,608
Melanie M. Kennedy	\$ 85,849	\$ 56,229	\$ 48,503	\$ (10,485)	\$ 642,935
Stacy A. Mitchell	\$ —	\$ 29,944	\$ 1,651	\$ —	\$ 66,056

- (1) The following amounts in this column are also reported as compensation to the NEOs shown in the 2024 Summary Compensation Table in the columns indicated:

Name	Salary	Non-Equity Incentive Plan Compensation
M. Susan Hardwick	\$ 55,827	\$ 109,892
John C. Griffith	\$ 50,675	\$ 80,181
David M. Bowler	\$ 37,210	\$ 71,623
Cheryl Norton	\$ 139,332	\$ —
Melanie M. Kennedy	\$ 47,094	\$ 38,555
Stacy A. Mitchell	\$ —	\$ —

- (2) The amounts in this column are also reported as compensation to the NEOs in the 2024 Summary Compensation Table in the "All Other Compensation" column.
- (3) The following amounts were reported in the Summary Compensation Table in previous years as compensation to the listed NEOs: Ms. Hardwick—\$924,553, Mr. Griffith—\$217,277, Ms. Norton—\$1,178,718, and Ms. Kennedy—\$249,950.

DESCRIPTION OF THE EMPLOYEE DEFERRED COMPENSATION PLAN

For our NEOs, the Employee Deferred Compensation Plan permits the deferral of up to 20 percent of a participant's base salary and up to 100 percent of a participant's APP payout each year on a tax-advantaged basis. It also provides for annual matching contributions determined by the following formula for our NEOs hired or rehired on or after

January 1, 2006, namely Mses. Hardwick, and Mitchell, and Messrs. Bowler and Griffith:

- the sum of:
 - 100 percent of a participant's voluntary deferrals for the year, up to a maximum of three percent of the sum of the participant's base salary and APP payout; and



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Meter Reading and Usage Summary

Meter No.	Measure	Size	From Date	To Date	Previous Read	Current Read	Meter Units	Billing Units	Total Gallons
27415549	100 gal	5/8"	12/12/2025	01/12/2026	681 (A)	707 (A)	26	26.00	2,600

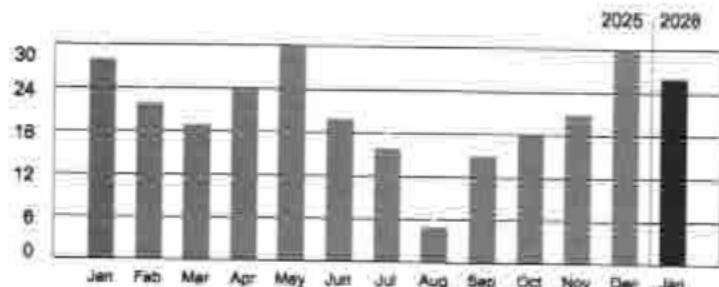
A = Actual E = Estimate

1 Billing Unit = 100 gallons

Total Gallons: 2,600

Billed Usage History (graph shown in 100 gallons)

- 2,600 gallons = usage for this period.
- 2,800 gallons = usage for same period last year



Next Scheduled Read Date: on or about February 12, 2026
Account Type: Residential

Average daily use for this period is: (32 days)



Year to Date Billed Usage: 2,600 gallons

Account Detail

Service To: [Redacted]

Prior Billing		49.27
Payments		-49.27
Total payments as of Jan 6. Thank you!		
Balance Forward		0.00
Service Related Charges - 12/12/25 to 01/12/26		
Water Service		67.61
Water Service Charge		16.80
Water Usage Charge	(26 x \$1.8772)	48.81
Other Charges		1.03
State Tax Adjustment Surchage	(\$67.61 x 0.13%)	-0.09
Distribution System Improvement Charge	(\$67.61 x 1.65%)	1.12
Total Service Related Charges		68.64
Total Current Period Charges		68.64

Total Amount Due ➔ **\$68.64**

Understanding Your Bill

The information below defines some of the new terms you may find on your bill:

- **Service Related Charges:** This section includes charges for services related to water, wastewater and fire protection, if applicable, credits and debits for corrections to previously billed charges are itemized in this section.
- **Bill Period:** This section shows the time period for which the bill is based. Billing periods may range from 26-35 days in accordance with PUC regulations.
- **Fees and Adjustments:** This section provides details related to additional charges or adjustments for the service period referenced. Fees, when applicable, would include items such as service activation and late payment charges.
- **Billing Units:** One billing unit equals 100 gallons of water used. If the meter serving your property measures your water use in cubic feet or a different unit of measure, we convert the usage to gallons to make it easier to understand.
- **Average Daily Use:** The gallons shown in the water droplet above represent your average daily water use for the current billing period. Tracking the amount of water you use can help you manage your overall water use from month to month.
- **Protection programs for water, sewer and in-home plumbing** are offered by American Water Resources but are not required. Learn more in the Explanation of Fees and Other Terms section on page 2 of your bill.
- **Still have questions?** We are here to help. Our customer service representatives are available M-F, 7 a.m. to 7 p.m. More information on understanding your bill and charges can also be found on our website. See the link below.

Para obtener asistencia de traducción en la lectura de su factura, comuníquese con nuestro Centro de Atención al Cliente al 1-800-565-7292 de lunes a viernes de 7 a. m. a 7 p. m.

For more information about your charges and rates, please visit: <https://amwater.com/vpaaw/rates>

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Saving in the New Year

1 message

Pennsylvania American Water <myaccount@amwater.com>
Reply-To: Pennsylvania American Water <myaccount@amwater.com>

Thu, Jan 8, 2026 at 1:24 PM

[View this email in your browser](#)



Welcome the new year with savings that will last all year long. From your kitchen to your backyard, we're here to help you save time, money and water.



Save time.

Time is a gift – no need to spend that time on paying bills when there's Auto Pay and paperless billing. By enrolling in Auto Pay, your bill is paid automatically on time, every time. Level up by also enrolling in paperless billing and eliminate the paper clutter. We'll email you your bill to view online.

Enroll in both programs through your [MyWater](#) account. Not signed up for



Save money.

Saving water saves money. By saving water inside and outside your home, you'll notice the savings on your bill. These simple tips can help you keep the savings going year-round.

INSIDE

- Run dishwashers and clothes washers only when full.
- Use low-flow showerheads and faucet aerators.
- Install water- and energy-efficient appliances.
- Check for leaks and fix them as soon as possible.

OUTSIDE

- Water only when necessary. Turn off sprinklers during and for 48 hours after rain.
- Use drip irrigation to water plants, and water in the early morning or evening.
- Check your irrigation system and repair leaks. Disconnect hoses when not in use to stop leaks before they start.



Stay informed.

- **ALERTS:** Use our interactive [Customer Advisory Map](#) to find outages and alerts near you.
- **REPORT AN EMERGENCY:** Submit reports about street/sidewalk and hydrant leaks by clicking on [Report Emergency](#) on our homepage.

You can also view active alerts and report an emergency in your [MyWater](#) account. Make sure your contact information and notification preferences are up-to-date.

FACING FINANCIAL HARDSHIP? WE MAY BE ABLE TO HELP.

We want to help keep life flowing to our customers. For more than 30 years, Pennsylvania American Water has been assisting customers who qualify through our H2O Help to Others Program™. [Click here](#) to learn more.



SERVICE. ONE MORE WAY WE KEEP LIFE FLOWING.



pennsylvaniaamwater.com

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This is the output from Microsoft CoPilot on Jan 16, 2026 using my previous 12-month average of Pennsylvania American Water monthly bills vs CoPilot's estimate of an equivalent amount of water in London Grove Township, Chester County using Chester Water Authority as the water supplier.

Water Cost Comparison

Chester Water Authority (London Grove Township)

vs.

Pennsylvania American Water (East Fallowfield Township)

Usage Basis: 2,217 gallons per month (≈ 6,651 gallons per quarter)

PAW Actual Customer Average: \$141.08 per month

Quarterly Cost Comparison

Provider	Township	Quarterly Cost	Notes
Chester Water Authority (CWA)	London Grove Township	≈ \$87.26 per quarter	Quarterly usage (6,651 gallons) falls within CWA's minimum-bill allowance.
The above was obtained from the Copilot AI	Personally called CWA on Jan 29, 2026	Customer rep indicated \$8.94 per 1000 gallons for the first 25000 gallons	\$8.94 X 7000/1000 = \$62.58 Rep did not indicate if CWA had a minimum bill. (will presume they do and that it is \$87.26)
PA American Water (PAW)	East Fallowfield Township	≈ \$423.24 per quarter	Based on actual customer billing: 141.08 × 3 = 423.24.

Annual Cost Comparison

Provider	Township	Annual Cost	Difference
CWA	London Grove Township	≈ \$349 per year	—

Provider	Township	Annual Cost	Difference
PAW (Actual)	East Fallowfield Township	≈ \$1,692.96 per year	\$1,343.96 more per year

The PAW cost is 4.85 times as much as (or 485% more than) the cost of CWA.

How the CWA (London Grove Township) Rates Were Estimated

1. Minimum-Bill Volume

- CWA's rate structure uses a minimum quarterly bill that covers water usage up to approximately 7,000 gallons per quarter for a standard residential 5/8" meter.
- Your quarterly usage (6,651 gallons) is below this threshold, so no additional per-gallon charges apply.

2. Minimum-Bill Cost

- The minimum quarterly charge for a 5/8" residential meter in London Grove Township is approximately \$87.26 per quarter.
- This amount includes all base charges and the water allowance up to the minimum-bill volume.

3. Annual Cost Calculation

- Minimum quarterly charge × 4 = ≈ \$349 per year.

Source of CWA minimum-bill information:

CWA's publicly available rate schedule and its "Drop to Drop" comparison tool, which list minimum charges and included gallonage for each municipality in the CWA service area.

Why Pennsylvania American Water (PAW) Is More Expensive

Pennsylvania American Water is a for-profit, investor-owned utility, while CWA is a public, nonprofit authority. This structural difference drives a lot of the cost gap:

- **Return on Equity (Profit):**
PAW is allowed to earn a regulated profit on its investments. That profit is built
-

into customer rates; CWA does not have shareholders and does not charge for profit.

- **Higher Fixed Service Charges:**
PAW typically has higher monthly/quarterly base charges before any water is used. These fixed fees make bills high even at relatively low usage.
- **Volumetric Rates and Surcharges:**
PAW adds per-gallon charges plus infrastructure surcharges (such as DSIC). These are stacked on top of the base charge and increase total cost significantly.
- **Acquisition and Infrastructure Costs:**
When PAW acquires systems (including those in East Fallowfield), the cost of upgrades and system integration is rolled into the rate base and recovered from customers.

East Fallowfield Is One of PAW's Most Expensive Service Areas

This is important:

- **East Fallowfield Township is not just more expensive than CWA — it is also one of the more expensive areas within PAW's own system.**

This is due to:

- **Higher infrastructure investment requirements**
- **Legacy system conditions**
- **Rate-base recovery rules that allow PAW to charge more in certain districts**
- **A higher proportion of fixed charges relative to usage**

As a result, PAW customers in East Fallowfield often pay more than PAW customers in many other townships, even at the same usage level.

Summary for Your Actual Usage (2,217 gallons/month)

- **CWA (London Grove Township): ≈ \$87 per quarter**
 - **PAW (East Fallowfield Township, actual bills): ≈ \$423 per quarter**
-

- **Quarterly Savings with CWA: \approx \$336**
 - **Annual Savings with CWA: \approx \$1,344**
-