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March 24, 2026

Via eFiling Only

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

**RE: Newtown Artesian Water Company
Purchased Water Adjustment Clause
Supplement No. 166 to Tariff Water No. 9
Docket No. M-2026-_____**

Dear Secretary Homsher:

Please be advised that I am general counsel to Newtown Artesian Water Company, Inc. (“NAWC”), in the above-referenced matter. By electronic filing, I am submitting NAWC’s Supplement No. 166 to its Tariff Water – Pa. P.U.C. No. 9 (“Tariff No. 9”), along with supporting documentation.

Supplement No. 166 and the supporting documentation are being filed to *increase* NAWC’s Purchased Water Adjustment Clause (“PWAC”) surcharge from \$0.00 per thousand gallons to \$0.3363 per thousand gallons. The surcharge rate change will be effective on May 1, 2026. The PWAC surcharge is being adjusted to:

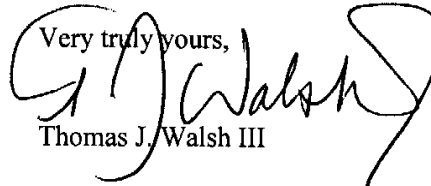
- a. reflect a recovery of 2025 under-collection of purchased water charges (per the attached PWAC computation and reconciliation of over (under) collections from 2025);
- b. recover an increase in the purchased water rate from Pennsylvania American Water Company (“PAW”). On April 22, 2025, PAW notified NAWC of a 2.0% rate increase; and
- c. reflect a refund of certain 2025 purchased water charges from the Bucks County Water and Sewer Authority (“BCWSA”) as a result of the year-end adjustment based upon actual purchased water volumes. This annual adjustment is made pursuant to Article X of the Wholesale Water Agreement dated October 26, 2011 between



NAWC and BCWSA (the "Agreement"). The Agreement is filed with the Commission at Docket No. U-2011-2276400.

The enclosed PWAC computation shows the methodology and figures used to determine the surcharge rate of \$0.3363. In accordance with Tariff No. 9, NAWC will timely notify its customers of the PWAC surcharge rate change by bill insert.

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

Very truly yours,

Thomas J. Walsh III

Enclosure

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

THE NEWTOWN ARTESIAN WATER COMPANY

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

ISSUED: March 24, 2026

EFFECTIVE: May 1, 2026

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

NOTICE

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

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

NEWTOWN ARTESIAN WATER COMPANY
Newtown, Pennsylvania 18940

Supplement No. 166
To
Water-PA P.U.C. No. 9
One Hundred Forty-Eighth Revised Page No. 2
Canceling
One Hundred Forty-Seventh Revised Page No. 2

LIST OF CHANGES MADE BY THIS SUPPLEMENT

A. Increases.

1. This tariff supplement increases the Purchased Water Adjustment Clause (PWAC) surcharge from \$0.00 per thousand gallons to \$0.3363 per thousand gallons on pages 4 and 5, effective May 1, 2026.

INDEX

Title Page	1	
List of Changes Made by this Supplement	2 – One Hundred Forty-Eighth Revised	(C)
Index	3 – One Hundred Forty-Eighth Revised	(C)
Surcharges.....	4 – Sixty-Second Revised	(C)
Schedule of Meter Rates	5 – Thirty-Second Revised	(C)
Schedule of Flat Rates		
Public and Private Fire Protection Service	6 – Eleventh Revised	
Wholesale Water Service.....	6 – Eleventh Revised	
Rules and Regulations		
Application For Service.....	7 – Second Revised	
Service Connection.....	7 – Second Revised	
Use of Service Must be in Accordance with Application and Contract.....	9 – First Revised	
Availability of the Different Classes of Service and Rates	9 – First Revised	
Metered Customers.....	9 – First Revised	
Charges for Reinstalling Meters	11 – Third Revised	
Bills.....	11 – Third Revised	
Customers’ Deposits.....	12 – Fourth Revised	
Private Fire Service	13 – Second Revised	
General.....	13 – Second Revised	
Definitions	15 – Original	
Non-Penalty Period for Commonwealth of Pennsylvania.....	16 – Original	
Main Extensions	17 – First Revised	
Water Conservation	24 – First Revised	
Contributions in Aid of Construction	25 – Third Revised	
Distribution System Improvement Charge	26 – Third Revised	
1. General Description	26 – Third Revised	
2. Computation of the DSIC	27 – First Revised	
3, 4. Quarterly Updates; Customer Safeguards.....	29 – Second Revised	
Purchased Water Adjustment Charge	31 – Sixth Revised	

(C) Indicates change

SURCHARGES

A. State Tax Adjustment Surcharge.

1. In addition to the net charges provided for in this Tariff, a State Tax Adjustment surcharge of 0.583% will apply to all bills for services rendered on or after April 1, 2026. (I)
2. The above surcharge will be recomputed, using the elements prescribed by the Commission:
 - (a) Whenever any of the tax rates used in calculation of the surcharge are changed;
 - (b) Whenever the utility makes effective increased or decreased rates;
 - (c) On March 31, 1975, and year thereafter.

B. Distribution System Improvement Charge (DSIC).

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

C. Purchased Water Adjustment Clause (PWAC).

In addition to the net charges provided for in this Tariff, a Purchased Water Adjustment Clause (PWAC) surcharge of \$0.3363 per thousand gallons will apply effective May 1, 2026, (I) consistent with the Commission order dated April 15, 2010, at Docket No. R-2009-2117550 approving the PWAC.

(I) Indicates Increase

Schedule of Meter Rates

Application

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

Meter Rates

Per 1,000 Gallons

All water used	\$7.676
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Minimum Charges

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

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

Purchased Water Adjustment Clause

A Purchased Water Adjustment Clause of \$0.3363 per 1,000 gallons is applied to metered sales.

(I)

(I) Indicates Increase

Newtown Artesian Water Company
Purchased Water Adjustment Clause Computation

Line	Adjustment Line Item	Illustration	Acronyms	Source/Explanation
	PWAC = (CHGPWC x 446,135)			
	671,941			
	FROM TARIFF PAGE 31 EFFECTIVE 4/18/2025			
	Baseline Purchase Water Cost (per thousand gallons)		\$3.581	
	BCWSA (Customer)	\$0.017		
	BCWSA (Consumption)	\$3.614		
	OTHER	\$3.328		
	Baseline 1,000 Gallons Purchase Water		446,135	
	BCWSA	372,081		
	OTHER	74,054		
	Baseline Water Sales (per thousand gallons)		671,941	
PURCHASED WATER ADJUSTMENT				
1.	Baseline Purchased Water Cost (per thousand gallons)		\$3.58	Baseline data from tariff
2.	BCWSA - Baseline Purchased Water Cost (per thousand gallons)		\$3.61	Baseline data from tariff
3.	OTHER - Baseline Purchased Water Cost (per thousand gallons)		\$3.33	Baseline data from tariff
4.	Baseline 1,000 Gallons of Purchased Water		446,135	Baseline data from tariff
5.	BCWSA - Baseline Purchased Water Cost (per thousand gallons)		372,081	Baseline data from tariff
6.	OTHER - Baseline Purchased Water Cost (per thousand gallons)		74,054	Baseline data from tariff
7.	Baseline 1,000 Gallons of Water Sales		671,941	Baseline data from tariff
8.	Baseline Purchased Water Expense		\$1,597,163	Baseline data Ln 1 x Ln 4
	<u>Purchase Water Cost (per thousand gallons) Effective 5/1/2026</u>			
9.	BCWSA (Customer)	\$0.015		Baseline data
10.	BCWSA (Consumption)	\$3.784		Pro Forma rate
11.	OTHER	\$3.495		Pro Forma rate
12.	<u>1,000 Gallons of Purchased Water Effective 5/1/2026</u>		446,135	Ln 13 + Ln 14
13.	BCWSA	372,081		Pro Forma Gallons
14.	OTHER	74,054		Pro Forma Gallons
15.	Pro Forma Purchase Water Cost (per thousand gallons)		\$3.75	((Ln 13 x (Ln 9 + Ln 10)) + (Ln 14 x Ln 11)) / Ln 12
16.	Change in Purchase Water Cost (per thousand gallons)		\$0.17	CHGPWC Ln 15 - Ln 1
17.	Pro Forma Change in Purchased Water Expense		\$75,186	Ln 16 x Ln 4
18.	PWAC (per thousand gallons) -			
19.	determined to the nearest one-hundredth cent (0.01)		\$0.1119	PWAC Ln 17/Ln 7
20.	Reconciliation of Over (Under) Collections from 2025			
21.	Actual Volume of Water Sold (1,000 Gallons) in 2025		702,367	Actual Data
22.	Actual Purchased Water Costs Recovered in Base Rates in 2025		\$1,671,633	(Ln 21 x (Ln 8 / Ln 7))
23.	Actual Purchased Water Cost Incurred in 2025		\$1,868,599	Actual Data
24.	Base Rate Revenue Over (Under) Collected		(\$196,965)	(Ln 22 - Ln 23)
25.	PWAC Revenue Collected		\$28,462	Actual Data
26.	PWAC Over (Under) Recovery Account from 2025		(\$168,503)	(Ln 24 + Ln 25)
27.	BCWSA Over (Under) Payment of Finance Charge (>Annual Minimum) from 2025 (Refunded 2026)		\$58,210	Actual Data
28.	Approved Over (Under) Recovery Account Calendar Year 2025		(\$40,500)	Actual Data
29.	Net Over (Under) Recovery from 2025		(\$150,793)	(Ln 26 through Ln 28)
30.	Current PWAC (C-factor + E-factor Revenue)			Actual Data
31.	Baseline 1,000 Gallons of Water Sales for Jan-Apr 2026			(Ln 7/12 mos) x 4 mos
32.	Pro Forma Additions to Over (Under) Recovery Acct for Jan-Apr 2026			(Ln 30 x Ln 31)
33.	Pro Forma Over (Under) Recovery Account at May 1, 2026		(\$150,793)	(Ln 29 + Ln 32)

Newtown Artesian Water Company
Purchased Water Adjustment Clause Computation

<u>Line</u>	<u>Adjustment Line Item</u>	<u>Illustration</u>	<u>Acronyms</u>	<u>Source/Explanation</u>
34.	<u>Determination of PWAC</u>			
35.	Pro Forma Over (Under) Recovery Account at May 1, 2025	\$ 150,793		(Ln 33 x-1)
36.	Baseline 1,000 Gallons of Annual Water Sales	<u>671,941</u>		Ln 7
37.	<u>Under (Over) Recovery Account 1,000 Gallons of Water Sale from 2025</u>	<u>\$0.2244</u>		(Ln 35 / Ln 36)
38.	Proforma PWAC Without Annual Reconciliation	<u>\$0.1119</u>		Ln 19
39.	PWAC (per thousand gallons) - "determined to the nearest one-hundredth cent (0.01)"	<u>\$0.3363</u>	PWAC	Ln 37 + Ln 38
40.	Baseline Revenues	\$7,190,898	<i>Baseline data</i>	
41.	Pro Forma Purchased Water Expense			
42.	as a percent of Baseline Revenues	3.1%		(Ln 39 x Ln 7)/Ln 40
43.	Mandated Cap on PWAC at 7.5% of Revenues	7.5%	Rate Cap	
44.	Mandated Cap in Recoverable Purchased Water Expense	\$539,317		Ln 43 x Ln 40
45.	Maximum PWAC (per thousand gallons) - Under the Cap determined to the nearest one-hundredth cent (0.01)	\$0.8026	PWAC	Ln 44/Ln 7

