



VIA E-FILING

May 7, 2026

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

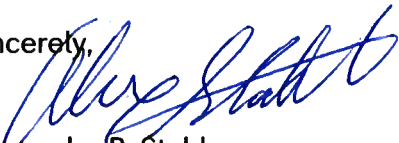
**RE: Water Wheeling Agreement Between the Schwenksville Borough Authority
and Aqua Pennsylvania, Inc.
Docket No. U-2026-3061926**

Dear Secretary Homsher:

Enclosed for filing are Aqua Pennsylvania, Inc.'s responses to the Pennsylvania Public Utility Commission Bureau of Technical Utility Services Data Request Set 1.

If you have any questions regarding this filing, please contact me at 610-645-1130 or by email at astahl@aquaamerica.com.

Sincerely,


Alexander R. Stahl
Regulatory Counsel

cc: Paul Zander, Bureau of Technical Utility Services (via email, pzander@pa.gov)

Enclosures

Respondent: William C. Packer
Date: 05/07/2026

AQUA PENNSYLVANIA, INC.

DOCKET NO. U-2026-3061926

BUREAU OF TECHNICAL UTILITY SERVICES

SET I DATA REQUESTS

U-1 Paragraph B of the Background Section of the Water Wheeling Agreement referenced a Bulk Water Agreement between the Schwenksville Borough Authority and Aqua dated March 9, 2016 (2016 Agreement). However, the Water Wheeling Agreement did not include a copy of the 2016 Agreement. Please provide a complete copy of the 2016 Agreement, including any exhibits and/or attachments.

RESPONSE

The 2016 Agreement is not an Exhibit or an Attachment to the Water Wheeling Agreement. Please see U-1 Attachment 1.

**BULK WATER AGREEMENT BETWEEN SCHWENKSVILLE BOROUGH
AUTHORITY
AND AQUA PENNSYLVANIA, INC. FOR THE PURCHASE AND SALE
OF BULK POTABLE WATER**

THIS BULK WATER AGREEMENT ("Agreement") is made this 9th day of March, 2016 ("Effective Date") by and between Aqua Pennsylvania, Inc., a Pennsylvania corporation, having an address of 762 W. Lancaster Avenue, Bryn Mawr, Montgomery County Pennsylvania and its successors or assigns ("Aqua") and Schwenksville Borough Authority a municipal authority of the Borough of Schwenksville, Montgomery County, Pennsylvania having an address of P.O. Box 458, Schwenksville, Montgomery County Pennsylvania, and its successors or assigns ("Authority") (Aqua and the Authority, each a "Party" and collectively, the "Parties").

BACKGROUND

WHEREAS, Aqua (through its predecessor Philadelphia Suburban Water Company) and the Authority entered into a Service Agreement dated November 24, 1998 ("Service Agreement") pursuant to which the Authority determined to take water service from Aqua in order to provide a supply of water to serve the residents of the Borough of Schwenksville; and

WHEREAS, the initial term of the Service Agreement expires on November 24, 2018; and

WHEREAS, the parties desire to terminate the Service Agreement and enter into a new agreement for the purchase and sale of bulk potable water.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and intending to be legally bound, the Authority and Aqua agree as follows:

DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meanings, regardless of whether the spelling is capitalized:

"Aqua's Water System" means the system owned and/or operated by Aqua for the production and distribution of Potable Water to customers of the Authority and others, and including all the Potable Water meters and related appurtenances. The Authority has no responsibility with regard to the ownership, operation, maintenance, repair or replacement of Aqua's Water System nor shall the Authority have any other responsibility, financial or otherwise.

"Authority's Water System" means the potable water system utilized by the Authority to transport water from the Point of Delivery to customers of the Authority, and is the system owned and/or operated by the Authority for the distribution of potable water within the service area of the Authority, said system being located on the Authority's side of the Point of Delivery. It shall include the pipeline, storage tank(s), utility line, pump station, valves, hydrants, meters, buildings, parking landscaping, screening, signage, fencing, or other structures constructed by or

on behalf of the Authority to deliver water it purchases from Aqua at the Point of Delivery to the Authority's customers. Aqua has no responsibility with regard to the ownership, operation, maintenance, repair or replacement of the Authority's Water System nor shall Aqua have any other responsibility, financial or otherwise.

"Effective Date" means the latest date on which the Agreement is executed by the parties.

"Point of Delivery" means the meter vault connection to Aqua's Water System owned by Aqua, which includes the tap to the existing main, the piping from the tap to the meter vault, and the meter valves in the vault (meter box). Water shall be deemed to be delivered to the Authority when it is delivered to the water meter and title shall pass from Aqua to the Authority, and to be in the possession of the Authority when the water passes through the water meter.

"Potable Water" means water for human consumption which is compliant with applicable Federal, state and local standards for drinking water.

"Price Index" means the "Consumer Price Index for All Urban Consumers: All items in Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD (the CMSA)" published monthly in the "Monthly Labor Review" or other publication by the Bureau of Labor Statistics, United States Department of Labor (the Labor Bureau).

"Public Entity" means an entity organized and existing as a municipal authority and authorized to provide Potable Water for human consumption.

"Regulatory Agency" means any unit of government or governmental authority, whether federal, state, local or other, having jurisdiction concerning water standards, other environmental matters, real estate, zoning, building or otherwise having jurisdiction over Aqua's Water System, the Authority's Water System, related easements or any construction contemplated hereunder.

"Regulatory Requirements" mean any and all of the following issued, adopted or required from time to time by any Regulatory Agency: (i) the requirements or provisions of any and all state, federal and local laws, regulations, rules, orders, and ordinances; (ii) permits; and (iii) grants of authority to sell water.

"Services" mean water services provided to the Authority.

1. Termination of Service Agreement. The Parties agree that (i) the Service Agreement is terminated as of the Effective Date of this Agreement without the requirement of any further action by the Parties, (ii) the obligations of the Parties under the Service Agreement have been fully satisfied and (iii) this Agreement supersedes the Service Agreement.

2. Water Services.

- a. Aqua agrees to furnish and sell to the Authority treated Potable Water meeting all applicable government standards, delivered under the normal operating pressure to the Point of Delivery. The Authority agrees to accept delivery under the terms and conditions of this Agreement and to pay for such water in accordance within the terms herein. The Authority's sole connection to Aqua's Water System shall be the Point of

Delivery. Authority may not transfer or sell the capacity allocation reserved hereunder to a third party that will transfer or resell that allocation without first obtaining Aqua's prior written approval. The Authority shall report annually to Aqua a projection of its expected water usage for each of the coming five years.

- b. The Authority agrees that it will purchase at least 85,000 gallons of water per day from Aqua based upon a monthly average calculation ("Daily Minimum").
- c. Aqua agrees that the Authority may purchase up to 160,000 gallons of water per day ("Daily Maximum"). Subject to the terms and conditions of this Agreement, Aqua will provide the Authority with additional gallons of water per day in excess of the Daily Maximum upon the written request of the Authority, and provided that the additional gallons of water are available. The Parties will use best efforts to arrange for the usage of water at a relatively steady rate of flow.

3. Price of Water. The Authority shall be charged, and will pay, rates for the water pursuant to the following Rate schedule, terms and conditions:

a. Rate.

- 1. \$3.60 per 1000 gallons (this rate, as adjusted from time to time pursuant to this Agreement, shall be referred to as the "Rate");
- b. In the event the Authority requests additional quantities of water beyond the Daily Maximum, Aqua shall have the right of first refusal to consider and act favorably to the request of the Authority. In such event, the Authority shall pay the Rate for the additional water. If Aqua (from existing or other developable sources) is unable to provide the additional quantity of water requested by the Authority, then, in such an event, the Authority may contract with another water supplier for the provision of those additional amounts without interfering with the Company's provision of the Daily Maximum. The Authority will purchase the Daily Maximum from Aqua before purchasing water from other water purveyors, subject to the Water Purchase Exception set forth below.
- c. Notwithstanding anything to the contrary in Section 3(b) above, the Authority may purchase up to 20,000 gallons per day (calculated on a monthly average) from other water purveyors ("Water Purchase Exception") without the permission of Aqua and without first satisfying its Daily Maximum obligation. Purchases will be provided to Aqua quarterly or upon Aqua's request.
- d. There shall be no rate increase until the third (3rd) anniversary of the Effective Date ("Rate Increase Date"). *3/1/16 effective date 3/1/17 1st Anniv, 4/1/18 2nd Anniv, 3/1/19 3rd Anniv*
- e. Beginning on the Rate Increase Date, and on each anniversary thereof during the term of this Agreement, the Rate will be subject to adjustment in accordance with the Price Index. The base year of the Price Index shall be the Price Index in the year the water is

first sold. Notwithstanding anything to the contrary contained herein, on the Rate Increase Date, the Rate shall increase by a minimum of two (2%) percent

- f. Price Index adjustments (i) cannot be negative and (ii) will round to the nearest \$0.01 annually.
- g. Price Index adjustments will be used for the calculation three (3) months ahead of the rate increase (e.g., for a January rate increase, the Price Index calculation will be based on September figures).
- h. Notwithstanding anything to the contrary contained in this Agreement, in the event that the Authority conveys or sells the Authority's Water System to an entity other than Aqua during the term of this Agreement, then regardless of whether the Rate Increase Date has occurred (i) the rate for all gallons purchased pursuant to this Agreement will be at the Rate as adjusted by the Price Index and Section 3(e), (ii) the Daily Minimum will increase to 100,000 gallons per day based upon a daily calculation, plus an additional \$0.75/1000 gallons, and (iii) all other terms and conditions of this Agreement shall remain unchanged and in full force and effect.
- i. In addition to the charge per thousand gallons, the Authority shall pay a 3 inch meter charge of \$257.00 per month ("Monthly Meter Charge"). The Monthly Meter Charge shall not increase until the third (3rd) anniversary of the Effective Date, at which time the Monthly Meter Charge shall be equal to the meter charges consistent with Aqua's main tariff system rates. A true and correct copy of Aqua's main tariff system rates is attached hereto as Exhibit "A" and incorporated herein by reference. 3/1/19

4. Payment of Water Fees. Aqua will bill the Authority on a monthly basis. The Authority agrees to make payment to Aqua within thirty (30) days from the date the bill is mailed or otherwise delivered by Aqua. A past due notice will be mailed by Aqua to the Authority after thirty (30) days. If payment has not been received after sixty (60) days from the date of the notice, a one percent (1%) per month interest charge, or the maximum amount otherwise allowed by law, will be assessed on the outstanding balance.

5. End-user. Aqua and the Authority acknowledge that all water provided hereunder will be resold by the Authority to persons and businesses who are customers of the Authority, and the Authority shall not make any representation to its customers that they are Aqua customers. Aqua is selling and the Authority is purchasing water for distribution and sale exclusively within the Authority's service area. The Authority agrees that it will not sell or transport water outside of its service area for any reason without the specific written approval of Aqua, which shall not be unreasonably withheld, so long as water is available from Aqua for use outside the Authority's service area. Notwithstanding the foregoing sentence, however, it is not the intention of this paragraph 5 to limit expansion of the Authority's water system.

6. Water Quality. Aqua will provide Potable Water as defined herein. Before sending water supplies to the Authority, Aqua shall treat the water to drinking standards applicable to a Public Entity. The Potable Water delivered by Aqua to the Authority shall be compliant with all

Federal, State and Local laws, regulations and requirements for water quality at the Point of Delivery. Aqua assumes all responsibility for ensuring that the water passing into the Authority's Water System at the Point of Delivery is compliant with Public Entity drinking water standards as required by law and is otherwise safe for public consumption. Further, Aqua shall defend and indemnify the Authority for any and all claims by third parties relating to the water supplied at the Point of Delivery which does not meet the water quality requirements of this Agreement, including, but not limited to, any and all fees, penalties and/or fines imposed upon the Authority by a third party solely caused by the actions or inactions of Aqua, including governmental regulatory bodies, and shall reimburse the Authority for any and all costs associated with public notification or the like as a result of the inability to provide Potable Water caused by the actions of Aqua. The Authority assumes all responsibility and costs for ensuring that water that has passed the Point of Delivery remains compliant with applicable drinking water standards as required by law and is otherwise safe for public consumption, including making such improvements, to the extent necessary as determined by the Authority, to maintain water quality throughout the Authority's Water System. The Authority shall defend and indemnify Aqua against any and all claims by third parties relating to whether water in the Authority's Water System is compliant with applicable Public Entity standards as required by law. Aqua will conduct all water quality testing in accordance with applicable Federal, State and Local Laws, regulations and requirements applicable to a Public Entity. At the Authority's request, Aqua will provide the Authority with copies of such water quality testing within fifteen (15) business days of such request made by the Authority, unless during an emergency situation in which case Aqua will provide the Authority with copies of water quality testing as soon as practicable.

7. No Fire Service. The Authority acknowledges that water provided by Aqua is for potable water use only and that Aqua is not responsible to provide water in flows or duration necessary for providing fire service. Aqua assumes no responsibility for providing any equipment that may be necessary in order to comply with state laws or local ordinances regarding fire service or protection and the Authority shall not in any way represent that Aqua provides such service.

8. Service Interruptions.

a. The Authority acknowledges that periodic unplanned service interruptions may occur due to main or equipment breaks. The Authority shall install such equipment as may be necessary to minimize the impact of such interruptions on the Authority's Water System and agrees that Aqua is not responsible for any damages resulting from such interruptions and that any claims arising from service interruptions fall within the Authority's obligations under the indemnification provisions hereunder. Notwithstanding the foregoing sentence of this Paragraph 8, and notwithstanding Paragraph 3.c hereof, in the event Aqua fails to meet the Potable Water quality requirements set forth in Paragraph 5 hereof, the Authority shall not be required to meet the Daily Minimum requirements set forth herein, and shall have the right to purchase water from a third party without obtaining prior approval from Aqua.

b. In the event that Aqua is required or properly authorized by a regulatory body or governmental or municipal authority to limit service to its customers as a result of drought or other similar restrictions not within its control, Aqua shall have the right to impose drought

restrictions on the Authority. Authority shall reimburse Aqua for any fines or penalties levied against Aqua for Authority's failure to implement or enforce such restrictions.

9. Discontinuance of Service.

a. Service may be discontinued (turned off) by Aqua after thirty (30) days written or printed notice for any of the following reasons:

1. For molesting or tampering by the Authority or others with the knowledge of the Authority, with any meters, connection service pipe, meter cock, seal, or any other appliance of Aqua controlling or regulating the Authority's service.

2. For nonpayment of amounts due under this Agreement for thirty (30) days.

3. For failure to comply in any way with Aqua's cross-connection and backflow prevention program; provided, however, this subsection shall not apply to the Authority's distribution system.

Upon receipt of the notice of discontinuance, the Authority shall contact Aqua to discuss the pending discontinuance and steps that the Authority can take to avoid discontinuance of service.

b. Water service may be discontinued immediately and without notice at the sole discretion of the Commonwealth of Pennsylvania Department of Health or Aqua if there is an imminent or existing health risk to Aqua's customers.

10. Water Meters.

a. The water meter at the Point of Delivery (whether one or more in parallel) shall be used to calculate the Authority's water use. The water meter at the Point of Delivery used for measuring the quantity of water delivered to the Authority shall be maintained in good mechanical condition and shall be adequate in size and design for the type of service which is provided.

b. Aqua shall read the water meter at the Point of Delivery not less than once a month.

c. The water meter at the Point of Delivery shall be tested for accuracy by Aqua, at Aqua's expense, at least once every two (2) years with the method for testing the water meter to be determined by Aqua in its sole discretion. In addition, the meter may be tested and calibrated at any other reasonable time at the request of either party to this Agreement, provided that the party making the request shall notify the other party in writing at least two (2) weeks in advance and shall allow the other party to witness the calibration test or calibration. If the additional test or calibration is requested by the Authority, the expenses for such additional test or calibration shall be borne by the Authority if the meter is found to be within 5% of the AWWA accuracy standard for the meter and by Aqua if the meter is found

not to be within that range of accuracy. Upon request, Aqua shall provide to Authority copies of all calibration test reports within thirty (30) days of its receipt of the reports of the testing required by this Paragraph 10.c. The Authority will cooperate with Aqua to ensure Aqua's access to the meter pit.

- d. Both parties agree that, should a test determine the water meter at the Point of Delivery is inaccurate beyond the parameters stated in paragraph (c) above, the water meter at the Point of Delivery will be assumed to have been accurate since the time of the last master meter inspection or a period of three months, whichever time should be less, and that the following month's billing will be adjusted to show a credit or additional charge to the Authority, based upon the method of estimation below.
- e. If the water meter at the Point of Delivery is determined to be inaccurate beyond the parameters stated in paragraph (c) above, and an undercharge resulted, the Authority will ultimately be responsible to pay Aqua the difference between the underpayment and a daily amount equal to the average consumption of the last comparable ninety (90) day period prior to the date the water meter at the Point of Delivery was tested multiplied by the rate in effect. If the water meter at the Point of Delivery is determined to be inaccurate beyond the parameters stated in paragraph (c) above, and an overcharge resulted, Aqua will ultimately be responsible to refund the Authority the difference between the overpayment and a daily amount equal to the average consumption of the last comparable ninety (90) day period prior to the date the water meter at the Point of Delivery was tested multiplied by the rate in effect.

11. Authority Representations and Warranties.

The Authority hereby makes the following representations and warranties to Aqua:

- a. As of the Effective Date, the Authority has the authority to enter into this Agreement.
- b. The Authority shall perform its obligations under this Agreement in compliance with all Regulatory Requirements and other applicable laws.
- c. The Authority has complied with all laws, regulations and other applicable requirements of the Commonwealth of Pennsylvania and the Authority's regulatory and procedural guidelines in entering into this Agreement.
- d. To the best of the Authority's knowledge and belief, no information, documents, representations, warranties, covenants or materials, regardless of form or how presented, which it provides to Aqua relating to the transactions contemplated by this Agreement contains any untrue statement of a material fact or fails to state a material fact.

12. Aqua's Representations and Warranties.

In connection with the transactions contemplated by this Agreement, Aqua hereby makes the following representations and warranties, as of the date of this Agreement and continuously thereafter (except for representations and warranties expressly and specifically relating to a specific time, which shall be made as of such specific time):

- a. Aqua has the authority to enter into this Agreement.
- b. Aqua will be able to deliver the capacities of water pursuant to the terms and conditions of this Agreement.

13. Limitation of Warranties.

The Parties make no implied warranties.

14. Limitation of Liability.

NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS AND LOST SAVINGS) ARISING OUT OF OR RELATING TO THIS AGREEMENT.

15. Indemnification.

Aqua agrees to defend, indemnify and hold the Authority harmless from and against any and all damages, losses or claims, including but not limited to legal fees and expenses, to the extent that such damages, losses or claims are attributable to actions, omissions or negligence of Aqua, its employees, or subcontractors providing services under this Agreement. The Authority agrees, to the greatest extent permitted by law, to defend, indemnify and hold Aqua harmless from and against any and all damages, losses or claims, including but not limited to legal fees and expenses, to the extent that such damages, losses or claims are attributable to actions, omissions or negligence of the Authority its employees, or subcontractors providing services under this Agreement.

The Authority agrees to release, hold harmless, indemnify and defend Aqua and its affiliated companies, shareholders, officers, directors, partners, members, managers, employees and agents, from and against any and all damages, claims, losses, expenses, costs, obligations, fines, civil penalties and liabilities (including, without limitation, reasonable attorneys' fees), suffered directly or indirectly by reason of, or arising out of the design, construction or operation of the Authority's Water System and the delivery of water supplied hereunder. The preceding indemnification obligations are contingent upon Aqua giving written notice to the Authority of any such claim or claims; the Authority having the right to participate with Aqua in the defense of any such claim or claims at its own expense. The provisions of this Section shall survive the expiration or termination of this Agreement, and shall apply regardless of the existence or applicability of any insurance or deductible thereto.

16. Default.

The provisions set forth in this Agreement shall govern the rights and responsibilities of the Authority and Aqua upon the termination of this Agreement or in the event of any material default by Aqua that is not cured as stated herein. In the event that Aqua is in material breach of this Agreement, and Aqua fails to commence to cure such material breach within thirty (30) days of receiving written notice thereof from the Authority, then the Authority shall have the right to terminate this Agreement, after which Aqua shall be paid for all water provided through the date termination becomes effective.

17. Insurance.

Aqua shall place and maintain with responsible insurance carriers qualified to do business in Pennsylvania the following insurance and shall deliver to the Authority certificates naming the Authority as an additional insured and evidencing such insurance which shall provide thirty days' notice to be given to the Authority in the event of cancellation:

- a. Comprehensive General Liability Insurance, all applicable to Personal Injury, Bodily Injury and Property Damage to a combined single limit of \$1,000,000.00 each occurrence.
- b. Comprehensive Automobile Liability Insurance including owned, hired and non-owned automobiles, Bodily Injury and Property Damage to a combined single limit of \$250,000.00 each occurrence.
- c. Excess Liability Insurance in following form to the above policies with a combined single limit of \$10,000,000.00 each occurrence.
- d. Additional Insured. The Authority shall be named an additional insured on the insurance referred to above.

Authority acknowledges that the amounts of coverage listed above are sufficient to provide coverage to Authority for tort liability and for the continuation and completion of Aqua's obligations under this Agreement.

Such policies shall be delivered to the Authority no later than fifteen (15) days following the Effective Date and shall be deemed satisfactory unless Authority provides written objection within ten (10) days of delivery by Aqua.

18. General Terms and Conditions.

- a. Initial Term. This Agreement shall be effective upon the Effective Date and shall continue in full force and effect for a period of eighteen (18) years from the Effective Date ("Initial Term") unless terminated earlier in accordance with the provisions set forth herein.

- b. Renewals. Unless (i) the Parties execute a new Agreement prior to the end of the Initial Term, or (ii) either Party provides written notice to the other of its intent not to renew the Agreement at least twenty four (24) months prior to the expiration of the Initial Term, this Agreement shall automatically renew for a single additional ten (10) year term. Upon termination or expiration of the Agreement Aqua will continue to be the owner of Aqua's Water System and the entire water main, and the Authority's right to use the water main will cease immediately.
- c. Condition Precedent. As a condition precedent to Aqua's obligations under this Agreement, Aqua shall first obtain the approval (or deemed approval) of this Agreement under Section 507 of the Pennsylvania Public Utility Code. The Parties agree that this Agreement is intended to be valid and the effective date of this Agreement, for all relevant purposes under Section 507, shall be 31 days following its filing with the Pennsylvania Public Utility Commission ("PUC"). However, the parties agree that upon approval, or deemed approval of this Agreement by the PUC, the effective Rate shall be retroactive to January 1, 2016.
- d. Aqua Right of Negotiation.
1. Prior to entering into an agreement with a third party for the sale or conveyance of any or all of (i) the Authority's Water System, (ii) the sewer system assets owned by the Authority ("Authority's Sewer System"), or (iii) any combination of the Authority's Water System and the Authority's Sewer System (such assets intended to be sold or conveyed, collectively the "Assets"), the Authority shall give Aqua written notice ("RON Notice") of its interest in commencing negotiations with such third party ("Aqua's Right of Negotiation"). The RON Notice shall contain all material terms of the proposed sale or conveyance of the Assets, including but not limited to the price, closing date and the description of the assets that would be subject to the agreement.
 2. Following delivery of the RON Notice to Aqua, the parties shall in good faith negotiate an agreement for the purchase of the Assets by Aqua from the Authority. Notwithstanding delivery of the RON Notice to Aqua, however, the Authority shall have the right to consider other offers to purchase the Assets and Aqua's Right of Negotiation shall be non-exclusive.
 3. Notwithstanding anything to the contrary contained herein, Aqua shall only have the right of negotiation with respect to the Assets if no event of default by Aqua has occurred and is continuing on the date of Aqua's notice of its intention to purchase the Assets or on the date of delivery of the Assets to Aqua.
 4. Aqua shall have the right to record a memorandum ("Memorandum") in the Office of Recorder of Deeds of Montgomery County Pennsylvania with respect to Aqua's Right of Negotiation. Such Memorandum may be recorded

against any and all property that contains the Authority's Water System and any and all property that contains the Authority's Sewer System.

- e. The Parties hereby declare their mutual belief that this Agreement is in their best interests and in the interests of the public. To the extent that another water supply company, or other person or entity, attempts to interfere with the consummation of this Agreement, either through the filing of protests or petitions for intervention before any regulatory agency or otherwise, the Parties agree that Aqua shall defend, at its own cost, the merits of this Agreement on behalf of Aqua and the Authority. Aqua shall also be authorized to seek redress against such action, including, but not limited to, the filing of a claim for tortious interference with a contract.
- f. Assignment/No Third Party Beneficiaries. The Authority may not assign this Agreement without the prior written consent of Aqua, which consent shall not be unreasonably withheld or delayed. Aqua may not assign this Agreement without the prior written consent of the Authority, which consent shall not be unreasonably withheld or delayed, provided, however, Aqua may assign this Agreement to an affiliated corporation without obtaining such consent. This Agreement shall bind and benefit the Parties hereto and their permitted successors and assigns. This Agreement shall be for the sole and exclusive benefit of the Parties hereto and their legal successors and assigns and shall not be construed to confer any rights upon any third party.
- g. Choice of Law. This Agreement shall be governed by and interpreted in accordance with laws of the Commonwealth of Pennsylvania, without giving effect to any conflict of laws provisions.
- h. Notices. All notices and other communications required or permitted hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been given when hand delivered, sent by facsimile with evidence of receipt, sent by reputable overnight courier with signature of recipient required or mailed by registered or certified mail, as follows (provided that notice of change of address shall be deemed given only when received):

If to Aqua to:

President
Aqua Pennsylvania, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

If to the Authority to:

Chairman
Schwenksville Borough Authority
P.O. Box 458
Schwenksville, PA 19473

With a copy to:

Manager
Schwenksville Borough Authority
P.O. Box 458
Schwenksville, PA 19473

or to such other names or addresses as Aqua or the Authority, as the case may be, shall designate by notice to each other person entitled to receive notices in the manner specified above.

- i. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, but all of which together shall constitute but one and the same instrument.
- j. Severability. If any provision of this Agreement is held to be illegal, invalid or otherwise unenforceable, then (i) the same shall not affect other terms or provisions of this Agreement and (ii) such term or provision shall be deemed modified to the extent necessary to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest extent the intent and agreements of the Parties set forth herein.
- k. No Waiver. No delay or failure by either Party to exercise any right, remedy or power herein shall impair such Party's right to exercise such right, remedy or power or be construed to be a waiver of any default or an acquiescence therein; and any single or partial exercise of any such right, remedy or power shall not preclude any other or further exercise thereof or the exercise of any other right, remedy or power. No waiver hereunder shall be valid unless set forth in writing executed by the waiving Party and then only to the extent expressly set forth in such writing.
- l. Force Majeure. If a Party is rendered unable, wholly or in part, to carry out any of its obligations (other than a financial obligation) under this Agreement because of a force majeure event (the "Affected Party"), then the obligations of the Affected Party shall be suspended to the extent affected by, and for the duration of, such force majeure event. The Affected Party shall give notice to the other Party of the force majeure event as soon as practicable, and shall use all reasonable efforts to remedy the effects of such force majeure event. A "force majeure event" means natural disasters, strikes or other labor disturbances, riots, fires, wars, embargoes, delays of carriers, failure of power or of regular sources of supply, acts, injunctions or restraints of government, acts of the public enemy, insurrections, riots, epidemics, landslides, hurricanes, tornadoes, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply resulting in an inability to provide water necessary for operation of the water system, or any other cause preventing such performance, beyond the Affected Party's reasonable control. It is understood and agreed that the

settlement of strikes and lockouts shall be entirely within the discretion of the Affected Party, and that the above requirement that any force majeure event shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to any demands relating thereto when such settlement is unfavorable to it in the judgment of the Affected Party.

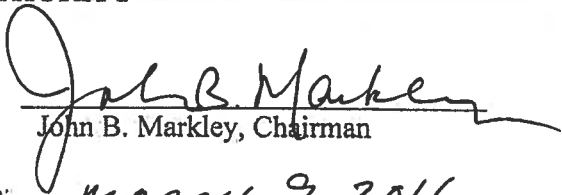
- m. Incorporation; Entire Agreement. This Agreement, including the main body of this Agreement and any and all addenda, exhibits or attachments, which have been agreed to and executed by an authorized representative of each Party, represents the entire agreement between the Parties with respect to the subject matter set forth herein, and supersedes all prior agreements with respect thereto. This Agreement may not be modified or supplemented except by a writing executed by both Parties.
- n. Other Agreements. Aqua retains the right to enter into similar agreements or any other agreements with any person or entity for similar projects or for any other legitimate purpose.
- o. Survival. All provisions of this Agreement that by their nature survive termination or expiration of this Agreement, shall so survive.
- p. Construction of Language. Both parties to this Agreement have been represented by counsel during the negotiating and drafting of this Agreement. Accordingly, the rule of construction of contract language against the drafting party is hereby waived by both parties.
- q. Disputes. In the event of any dispute between Aqua and Authority arising from this Agreement the Parties shall use their best efforts to informally resolve such dispute. To this effect, they shall consult and negotiate with one another in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such a solution within a period of sixty (60) days, then upon notice by either Party to the other, all disputes, claims, questions or differences regarding payments for bulk water shall be determined by the Court of Common Pleas of Montgomery County, Pennsylvania.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have duly executed this Agreement as of the date first above written.

AQUA PENNSYLVANIA, INC.

**SCHWENKSVILLE BOROUGH
AUTHORITY**

By: 
Marc Lucca, Vice President Network

By: 
John B. Markley, Chairman

Date: MARCH 9, 2016

Date: MARCH 9, 2016

Exhibit A

Supplement No. 121

To

Water-P.A.P.U.C. No. 1

Tenth Revised Page No. 4

Canceling Ninth Revised Page No. 4

Aqua Pennsylvania, Inc.
Main Division

SCHEDULE OF RATES

Meter Service

Customer Charge (I)	
Size of Meter	Monthly (\$)
5/8 inch	16.00
¾ inch	27.50
1 inch	46.70
1-1/2 inch	89.90
2 inch	127.90
3 inch	257.00
4 inch	418.00
6 inch	862.00
8 inch	1,508.00
10 inch	2,229.00

Consumption Charges – Residential Water consumed will be charged for at the following rates: For water consumed up to 2,000 gallons per month	\$9.071	(I) per thousand gallons
For water consumed in excess of 2,000 gallons per month	\$10.352	per thousand gallons (I)
Consumption Charges – Commercial & Public Water consumed will be charged for at the following rates: For water consumed up to 10,000 gallons per month	\$10.000	(I) per thousand gallons
For water consumed in excess of 10,000 gallons per month, up to 33,300 gallons per month	\$8.785	per thousand gallons (I)
For water consumed in excess of 33,300 gallons per month, up to 333,300 gallons per month	\$7.288	per thousand gallons (I)
For water consumed in excess of 333,300 gallons per month	\$6.668	per thousand gallons
(I) Indicates Increase (C) Indicates Change		
Flat Rate Service - Unmetered	\$54.85 (C)	per month

AQUA PENNSYLVANIA, INC.

DOCKET NO. U-2026-3061926

BUREAU OF TECHNICAL UTILITY SERVICES

SET I DATA REQUESTS

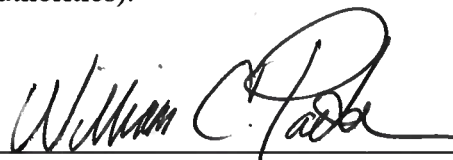
U-2 Please provide evidence that the 2016 Agreement was filed with the Commission pursuant to 66 Pa.C.S. § 507 and 52 Pa. Code § 3.101.

RESPONSE

The 2016 Agreement has been on file and reviewed by the Commission, most recently in Aqua's 2024 Base Rate Case, Docket No. R-2024-3047822. The 2016 Agreement was also reviewed and validated in Aqua's 2021 Base Rate Case, Docket No. R-2021-3027385 (see Opinion and Order of May 16, 2022, p. 67). The 2016 Agreement was also reviewed in Aqua's 2018 Base Rate Case, Docket No. R-2018-3003558 (see Opinion and Order of May 9, 2019, p. 16).

VERIFICATION

I, Willaim C. Packer, Vice President, Rates, Regulatory, and Regional Controller of Aqua Pennsylvania, Inc., hereby state that the facts set forth in Aqua Pennsylvania, Inc.'s responses to the Bureau of Technical Utility Services TUS Data Request 1 are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

A handwritten signature in black ink, appearing to read "William C. Packer", written over a horizontal line.

William C. Packer
Vice President, Rates, Regulatory and
Regional Controller
Aqua Pennsylvania, Inc.

Dated: May 7, 2026