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File #: 210634

June 12, 2026

VIA ELECTRONIC FILING

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

**Re: Petition for The York Water Company for an Order Authorizing the Amortization
of Acquisition Adjustments on the Company's Corporate Books
Docket No. P-2026-**

Dear Secretary Homsher:

Enclosed for filing is The York Water Company's Petition for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books.

Copies of this filing are being served as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DR/bfc
Enclosures

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this filing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL

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Dated: June 12, 2026



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of The York Water Company for :
an Order Authorizing the Amortization of :
Acquisition Adjustments on the : Docket No. P-2026-_____
Company’s Corporate Books :

PETITION FOR ACCOUNTING ORDER

The York Water Company (“York Water” or the “Company”) hereby requests that the Pennsylvania Public Utility Commission (“Commission”), pursuant to Section 331(f) of the Public Utility Code, 66 Pa. C.S. § 331(f), and 52 Pa. Code § 5.42, issue an order authorizing the amortization of utility plant acquisition adjustment amounts on York Water’s corporate books.

In support of the requested relief, York Water respectfully states as follows:

1. York Water is a public utility engaged in the business of supplying water and wastewater service in Pennsylvania subject to the regulatory jurisdiction of the Commission. York Water provides water service to approximately 74,000 customers throughout its certificated service territory, which includes the City of York and surrounding municipalities in portions of York, Adams, Franklin, and Lancaster Counties, Pennsylvania. York Water provides wastewater service to approximately 7,500 customers in portions of York, Adams, Franklin, and Lancaster Counties.

2. The name and address of York Water’s attorney are as follows:

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3. For a number of years, York Water has actively sought appropriate acquisitions of public water and wastewater systems in or adjacent to its service territory. Many of these acquisitions have been small, troubled water and wastewater systems.

4. The acquisitions have been the result of arm's length negotiations. In some instances, the purchase price has exceeded the depreciated original cost of the acquired assets, which results in recording a "positive acquisition adjustment" on the Company's books of account. In other instances, the depreciated original cost of the acquired assets has exceeded the purchase price for the assets, which results in recording a "negative acquisition adjustment" on the Company's books of account.

5. The Commission's regulations at 52 Pa. Code § 65.16(a) provide that a public water utility with annual operating revenue of \$750,000 or more (average of the last three consecutive years) must maintain its accounts in conformity with the Uniform System of Accounts for Class A Water Utilities ("Uniform System").

6. Under the Uniform System, acquisition adjustment amounts are required to be recorded under Account 114 entitled Utility Plant Acquisition Adjustments. Part C of the Instructions to Account No. 114 provides that the amortization or other disposition of amounts recorded to Account No. 114 shall be as approved or directed by the Commission.¹

7. In 2000, York Water requested and received Commission approval to amortize the net negative acquisition adjustments associated with the Company's acquisitions that occurred prior to 2000. *See Request of York Water Company Under Section 331(f) of the Public Utility Code for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books*, Docket No. P-00001821 (Order entered Aug. 31, 2000). In 2011,

¹ Under ASC 980 (formerly FAS 71) regulated companies are permitted to reflect ratemaking treatment for financial reporting purposes.

York Water requested and received Commission approval to amortize the net negative acquisition adjustments associated with the Company's acquisitions that occurred after 2000 and before April of 2011. *See Petition of The York Water Company for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books*, Docket No. P-2011-2234677 (Order entered July 18, 2011). In 2014, York Water requested and received Commission approval to amortize the net negative acquisition adjustments associated with the Company's acquisitions that occurred between April of 2011 and December of 2012. *See Petition of The York Water Company for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books*, Docket No. P-2014-2423309 (Order entered June 19, 2014). In 2019, York Water requested and received Commission approval to net negative acquisition adjustments associated with the Company's acquisitions that occurred between January of 2013 and December of 2017. *See Petition of The York Water Company for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books*, Docket No. P-2019-3009756 (Order entered August 29, 2019). In 2023, York Water requested and received Commission approval to net negative acquisition adjustments associated with the Company's acquisitions the occurred between January of 2018 and December of 2021. *See Petition of The York Water Company for an Order Authorizing the Amortization of Acquisition Adjustments on the Company's Corporate Books*, Docket No. P-2023-3041285 (Order entered August 3, 2023).

8. Since 2022, York Water has acquired nine water systems and six wastewater systems resulting in a net negative utility plant acquisition adjustment on York Water's corporate

books.² The net negative utility plant acquisition adjustment for these fifteen systems is \$6,416,398.

9. York Water seeks Commission approval to amortize its net negative acquisition adjustment for financial reporting purposes. As described later in this Petition, amortization of the net negative acquisition adjustment on its books will have no effect on future rates.

10. York Water also desires to remain consistent with the previously-approved accounting treatment for utility plant acquisition adjustments on its corporate books and for financial reporting purposes. Accordingly, York Water requests that the Commission approve the amortization of the net negative utility plant acquisition adjustment on York Water’s corporate books that have been created since 2022 and that have also been presented in a base rate case.

11. Through this Petition, York Water seeks Commission approval to amortize the utility plant acquisition adjustments related to the acquisition of nine water systems and six wastewater systems by York Water. A list of these systems, along with the year the system was acquired, is provided below:

<u>System</u>	<u>Year Acquired</u>	<u>Type</u>	<u>Amount</u>
Country View Manor (water)	2022	Negative	(533)
Country View Manor (wastewater)	2022	Negative	(12,640)
Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (water)	2022	Negative	(2,975,610)
Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (wastewater)	2022	Negative	(2,638,017)

² As explained later in this Petition, some of the acquisitions have produced positive acquisition adjustments, while others have produced negative acquisition adjustments.

Scott Water Company (water)	2022	Positive	22,659
Albright Trailer Park (water)	2022	Negative	(4,656)
SYC WWTP, L.P. (wastewater)	2022	Negative	(202,341)
Conewago Industrial Park (water)	2023	Negative	(60,684)
Conewago Industrial Park (wastewater)	2023	Negative	(11,059)
MESCO, Inc. (wastewater)	2024	Negative	(109,834)
Longstown Mobile Estates (water)	2024	Negative	(2,458)
Houston Run Community Water System (water)	2024	Negative	(367,612)
York Haven Sewer Authority (wastewater)	2024	Positive	127,481
Brookhaven Mobile Home Park (water)	2024	Negative	(24,225)
Pine Run Retirement Community (water)	2024	Negative	(156,869)

12. York Water will amortize the utility plant acquisition adjustments, for book and financial reporting purposes, over the remaining life of the assets that gave rise to the acquisition adjustments, except for Country View Manor (water), Albright Trailer Park (water), and Longstown Mobile Estates (water). Amortization will be performed in accordance with the Uniform System.

13. Because the negative acquisition adjustments for Country View Manor (water), Albright Trailer Park (water), and Longstown Mobile Estates (water) are \$533, \$4,656, and \$2,458, respectively, York Water will immediately write off these negative acquisition adjustments, rather than amortize them over the remaining life of the assets that gave rise to the acquisition adjustment due to the immaterial amounts.

14. Amortization of the acquisition adjustments on York Water's corporate books will have no effect for ratemaking purposes in any future proceeding. This is because the

Commission has already ruled on the proper ratemaking treatment of all fifteen of the acquisitions undertaken since 2022.

15. The ratemaking treatment with respect to the acquisition adjustments related to the fifteen systems was addressed in the settlement of the Company's 2025 base rate case at Docket Nos. R-2025-3053442, *et al.*, which was approved by the Commission's Order entered February 26, 2026. Paragraph 37 of the 2025 base rate case settlement provided for specific approval of a 10-year amortization of the Scott Water Company (water) positive acquisition adjustment. Paragraph 39 of the 2025 base rate case settlement provided the positive acquisition adjustment for York Haven Sewer Authority (wastewater) will not be amortized for ratemaking purposes. Paragraph 40 of the 2025 base rate case settlement provided for specific approval of a 10-year amortization of a portion of the Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (wastewater) negative acquisition adjustment.

16. In addition, Paragraph 41 of the settlement provided as follows with respect to the Country View Manor (water), Country View Manor (wastewater), Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (water), Albright Trailer Park (water), SYC WWTP, L.P. (wastewater), Conewago Industrial Park (water), Conewago Industrial Park (wastewater), MESCO, Inc. (wastewater), Longstown Mobile Estates (water), Houston Run (water), Pine Run Retirement Community (water), and Brookhaven Mobile Home Park (water) systems:

The Joint Petitioners agree that they will not propose, in this or any future proceeding, to amortize or otherwise pass through to ratepayers the difference between depreciated original cost and acquisition cost ("negative acquisition adjustment") with respect to the following water and wastewater system acquisitions:

Country View Manor water system
Country View Manor wastewater system

Letterkenny Industrial Development Authority and Franklin County
General Authority (LIDA/FCGA) water system
Albright Trailer Park water system
SYC WWTP, L.P. wastewater system
Conewago Industrial Park (CIP) water system
Conewago Industrial Park (CIP) wastewater system
MESCO, Inc. wastewater system
Longstown Mobile Estates water system
Houston Run water system
Pine Run Retirement Community water system
Brookhaven Mobile Home Park water system

The Joint Petitioners agree, and the Company requests the Commission to find, pursuant to Section 1327(e) of the Public Utility Code, 66 Pa. C.S. §1327(e), that matters of “substantial public interest” exist with respect to such acquisition, which justifies this ratemaking treatment.

17. In accordance with the foregoing, any amortization or write-off of the Country View Manor (water), Country View Manor (wastewater), Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (water), Albright Trailer Park (water), SYC WWTP, L.P. (wastewater), Conewago Industrial Park (water), Conewago Industrial Park (wastewater), MESCO, Inc. (wastewater), Longstown Mobile Estates (water), Houston Run (water), Pine Run Retirement Community (water), and Brookhaven Mobile Home Park (water) negative utility plant acquisition adjustments and any amortization of the York Haven Sewer Authority (wastewater) positive utility plant acquisition adjustments on York Water’s corporate books will not be included in any future ratemaking proceeding. The amortization of the positive acquisition adjustment related to Scott Water Company (water) and the amortization of the negative acquisition adjustment related to Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (wastewater) on its corporate books will have no effect upon the amortization previously established for ratemaking purposes.

18. Thus, for reasons explained above, the approval requested in this Petition is for accounting purposes only, and any earnings shown on York Water's corporate books occurring as a result of amortization or write-off of the net negative utility plant acquisition adjustments will not be factored into any future ratemaking proceeding.

WHEREFORE, for all the foregoing reasons, The York Water Company respectfully requests the Pennsylvania Public Utility Commission grant the following:

- (1) York Water's request to amortize, for corporate book purposes, its net negative utility plant acquisition adjustments over the remaining life of the assets that gave rise to the acquisition adjustments is approved.
- (2) York Water's request to immediately write off, for corporate book purposes, its negative utility plant acquisition adjustments for Country View Manor (water), Albright Trailer Park (water), and Longstown Mobile Estates (water) is approved.
- (3) Any increased earnings shown on York Water's corporate books resulting from the amortization of its Country View Manor (water), Country View Manor (wastewater), Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (water), Albright Trailer Park (water), SYC WWTP, L.P. (wastewater), Conewago Industrial Park (water), Conewago Industrial Park (wastewater), MESCO, Inc. (wastewater), Longstown Mobile Estates (water), Houston Run (water), Pine Run Retirement Community (water), and Brookhaven Mobile Home Park (water) negative utility plant acquisition adjustments will not be factored into any future ratemaking proceeding, in accordance with the Commission's Order entered February 26, 2026, at Docket Nos. R-2025-3053442, *et al.*
- (4) Any decreased earnings shown on York Water's corporate books resulting from the amortization of its York Haven Sewer Authority (wastewater) positive utility plant acquisition adjustment will not be factored into any future ratemaking

proceeding, in accordance with the Commission's Order entered February 26, 2026, at Docket Nos. R-2025-3053442, *et al.*

- (5) York Water will continue to amortize for ratemaking purposes the positive acquisition adjustment associated with York Water's acquisition of the Scott Water Company (water) system and the negative acquisition adjustment associated with York Water's acquisition of Letterkenny Industrial Development Authority and Franklin County General Authority (LIDA/FCGA) (wastewater) system, in accordance with the Commission's Order entered February 26, 2026, at Docket Nos. R-2025-3053442, *et al.*

Respectfully submitted,



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Of Counsel:

Post & Schell, P.C.


Date: June 12, 2026

Attorney for The York Water Company

VERIFICATION

I, Matthew E. Poff, Chief Financial Officer of The York Water Company, hereby state that the facts above set forth 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).

Date: June 12, 2026

Signed by:


BEFORE ME, I, the undersigned authority, on this day personally appeared Matthew E. Poff, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.