



Erin K. Fure

Counsel

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June 15, 2026

VIA ELECTRONIC FILING

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

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public
in an Additional Portion of Lancaster Township, Butler County,
Pennsylvania (Paige Place Development)**

Docket No. A-2026-

Dear Secretary Homsher:

On behalf of Pennsylvania-American Water Company, I am e-filing an original copy of the above-referenced Application, together with payment in the amount of \$350 for the Commission's filing fee. A Certificate of Service is also attached. Please note that **Exhibit A-1** is **CONFIDENTIAL** due to a detailed description of where the current facilities are and where the new facilities will be located. Due to this **CONFIDENTIAL** nature, these exhibits will be filed on the PAPUC's SharePoint site.

Should you have any questions, please feel free to contact me.

Sincerely,

Erin K. Fure

Enclosures

cc: All Parties on the attached Certificate of Service (*via electronic mail*)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water Company for Approval of the Right to Offer, Render, Furnish or Supply Water Service to the Public in an Additional Portion of Lancaster Township, Butler County, Pennsylvania (Paige Place Development)	: : : : : : : :
	Docket No. A-2026-

CERTIFICATE OF SERVICE

I hereby certify that I am on this day serving the above-referenced Pennsylvania-American Water Company's **Application** in the above-referenced matter upon the persons and in the manner indicated below, which service satisfies the requirements of 52 Pa. Code §1.54 (relating to service by a party).

SERVICE VIA ELECTRONIC MAIL ON JUNE 15, 2026

Darryl A. Lawrence, Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
ra-oca@paoca.org
(via electronic mail)

NazAarah Sabree, Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov
(via electronic mail)

Alison Kaster, Director
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
400 North Street
PO Box 3265
Harrisburg, PA 17105
akaster@pa.gov
(via electronic mail)

Respectfully submitted,



Dated: June 15, 2026

Erin K. Fure, Esquire (PA ID #312245)
Counsel for Pennsylvania-American Water
Company
852 Wesley Drive
Mechanicsburg, PA 17055
Phone: 717-550-1556

***Attorney for Pennsylvania-American Water
Company***

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Application of Pennsylvania-American Water Company for Approval of the Right to Offer, Render, Furnish or Supply Water Service to the Public in an Additional Portion of Lancaster Township, Butler County Pennsylvania (Paige Place Development)	: : : : :	Docket No. A-2026

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. INTRODUCTION

1. Pennsylvania-American Water Company (“PAWC”, “Company”, or “Applicant”) hereby respectfully requests that the Pennsylvania Public Utility Commission (“Commission”) issue a Certificate of Public Convenience evidencing its approval under Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(1)(i), of PAWC’s right to begin to offer, render, furnish and supply water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.

2. The name and address of Applicant is:

Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

3. The name and address of the Applicant’s attorney are as follows:

Erin K. Fure, Esquire (PA ID #312245)
Director, Corporate Counsel
Pennsylvania-American Water Company
852 Wesley Drive
Telephone: (717) 550-1556
E-mail: erin.fure@amwater.com

II. DESCRIPTION OF THE APPLICANT

4. PAWC is a public utility corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water and wastewater service in a certificated service territory encompassing portions of 38 counties and 436 municipalities across the Commonwealth. As of April 30, 2026, PAWC furnishes water service to 697,597 residential, commercial, industrial, municipal, resale and fire service customers in Pennsylvania. The total number of customers by class are as follows:

Residential	641,698
Commercial	48,525
Industrial	554
Municipal	2,287
Resale	19
Fire	4,525
Total	697,597

In addition, PAWC provides wastewater service to approximately 117,005 customers.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

5. As indicated in paragraph 1 above, the proposed additional service territory is located in a portion of Lancaster Township, Butler County, Pennsylvania.

6. Attached hereto at **Exhibit A-1** is a map showing the boundaries, elevations, and facilities of the area. Because this exhibit contains confidential facility information, **Exhibit A-1**¹ is **CONFIDENTIAL**. Also attached hereto is the Preliminary Development map is attached as **Exhibit**

¹ A **PUBLIC** Version of the map will be supplied with the public version of this application.

A-2. A copy of the metes and bounds description of the area to be served (the “Applied for Service Territory”) is attached as **Exhibit A-3.** The Applied for Service Territory will allow Pennsylvania-American to provide public water service to a new proposed development project in Lancaster Township, Butler County called Paige Place (the “Development” or “Paige Place”). The Development involves the subdivision of land and construction of 124 residential townhomes on approximately 27 acres in Lancaster Township, Butler County. The total site area of 27 acres is shown on **CONFIDENTIAL** **Exhibit A-1.**

7. Paige Place plans to be built in two phases. Currently, it’s unknown how many townhomes will be built in each phase. Service is expected to be in place in the later portion of 2026.

8. Paige Place is being developed by Wrigley 19, LLC (hereinafter “Developer”) and has the Engineering firm of Sheffler & Company, Inc. doing the surveying and engineering for this project. This project will consist of 124 townhomes which will be built in two phases. As previously mentioned, it is unknown how many townhomes will be constructed in each phase.

9. The Developer has requested to connect these premises to the Company’s public water system, and the request letter is attached hereto as **Exhibit B.**

10. A legal description of this parcel of land that is being built on was conveyed to Harold K. Wrigley in Deed Book Volume 1696, Page 233, (Butler County Tax Map Parcel ID No. 200-4F100-A17-0000) can be found at **Exhibit C.**

11. PAWC was previously certificated to provide service in Lancaster Township as follows:

Docket No.	Area/Project
A-2017-2627220	Scenic View (Phase 3)
A-2016-2551059	Scenic Ridge Development
A-2014-2433209	Whitestone and Kneiss Road
A-2014-2433205	Route 19 and Warner Lane
A-2014-2408033	Sprawling Acres (Vista Drive)
A-2013-2346371 and A-2013-2346451	Acquisition of Lancon Water Company
A-2012-2337446	Route 19 and Warner Lane
A-2012-2321379	Whitestone and Stone Church Road
A-2009-2110756	Arden Woods Development (Phase 1)
A-2018-3006332	Arden Woods Development (Phase 2-6)

The Orders and Applications associated with the above-mentioned projects are attached as **Exhibit D.**

12. The Applied for Service Territory is adjacent to the Company's current service territory which was previously mentioned. The Applied for Service Territory will be connected through a previous connection Route 19. A description of the project is attached in the Engineering Report regarding this project at **Exhibit E.**

13. The following materials are going to be installed by PAWC within the requested Applied for Service Territory consisting of the following:

ITEM	UNITS	QTY	UNIT PRICE	TOTAL
8" DIP (CLASS 52)	LF	2,400	\$72.50	\$174,000.00
FIRE HYDRANTS (COMPLETE-IN-PLACE)	EA	4	\$9,800.00	\$39,200.00
8" GATE VALVE & BOX	EA	6	\$3,225.00	\$19,350.00
8" TEES W/ CONCRETE BLOCKING	EA	1	\$1,200.00	\$1,200.00
8" FITTINGS w/ CONCRETE BLOCKING	EA	21	\$775.00	\$16,275.00
NOTE: FITTINGS INCLUDE DUCTILE IRON BENDS, CAPS, REDUCERS & SLEEVES. MEGALUG JOINT RESTRAINT IS INCLUDED FOR ALL MECHANICAL JOINT CONNECTIONS.				
8" FIELD LOCK GASKETS (QUANTITY ESTIMATE)	EA	4	\$210.00	\$840.00
SEGMENTAL TAP-IN INTO EXISTING 16" DIP LINE	EA	1	\$35,000.00	\$35,000.00
16 x 8" TEES W/ CONCRETE BLOCKING	EA	1	\$4,200.00	\$4,200.00
16" GATE VALVES w/ BOX	EA	2	\$18,500.00	\$37,000.00
16" SLEEVES INCLUDING 1 STICK OF 16" DIP CONNECTION PIPING	EA	2	\$8,500.00	\$17,000.00
1" WATER SERVICE INCLUDING CORPORATION, SOFT K COPPER, CURB STOP w/ VALVE BOX & S/S ROD	EA	124	\$2,050.00	\$254,200.00
SPECIAL BACKFILL (COMPACTED 2A LIMESTONE IN ROAD CROSSING AREAS)(WATER MAINS & SERVICES)	TN	1,087	\$37.75	\$41,034.25
HYDROSTATIC PRESSURE TESTING (PER OCCURANCE)	EA	1	\$2,000.00	\$2,000.00
WATERLINE TOTAL-				\$641,299.25

WATER TAP ASSUMES AFTER-HOURS TIMESLOT

A breakdown of estimated construction costs is attached as **Exhibit F**.

14. No additional capital will be required by the Applicant for this project. The Developer will pay for the wastewater line extension through a Water Facilities Line Extension Agreement with PAWC. An example of PAWC's standard Water Facilities Line Extension Agreement, which will be executed when this extension is approved, can be found at **Exhibit G**.

15. These facilities were designed and will be constructed in compliance with 52 Pa. Code §§ 65.17 and 65.18 as seen by the verification from Sheffler & Company, Inc. at **Exhibit H**.

16. Paige Place is requesting four (4) public fire hydrants for this project. A fire hydrant map is attached as **Exhibit I**.

17. The aforementioned fire hydrants will be public fire hydrants and be maintained by Lancaster Township. A fire hydrant agreement will be executed by Lancaster Township and is found at **Exhibit J**².

18. Operations for the Applied for Service Territory will occur through the Ellwood City Water Treatment Plant (“Ellwood City WTP”). The Developer is requesting 124 EDUs per day or approximately 49,600 gallons per day. The Ellwood City WTP usage is as follows:

Average Gallons Per Day	4 MGD ³
Allowable Gallons per day	8 MGD
Peak Usage	5 MGD

Ellwood City WTP is more than able to handle the proposed new influx of customers. Please find the Public Water Supply Operation Permit for Ellwood City WTP attached as **Exhibit**

K. Wastewater service will be provided by Western Butler County Authority.

19. Please see Water Operator License of Eric S. Blanchard, Supervisor, Ellwood City WTP, which can be seen as **Exhibit L**.

20. Construction is expected to be started when the Applied for Service Territory is approved.

21. The Company, Developer, and Engineer are not affiliated with one another.

² **Exhibit J** is a *pro forma* form and will be executed when the Applied for Service Territory is approved. This Agreement is a previous approved form which is in PAWC’s water tariff.

³ “MGD” – Million Gallons per day

III. PUBLIC INTEREST

22. It is in the public interest of PAWC to provide water service in the proposed Applied for Service Territory because it is financially and technically capable of providing service and providing service will have no adverse effect upon the service furnished or the rates charged to its existing customers. In addition, PAWC's future customers in the Applied for Services Territory will benefit from receiving water service from PAWC. PAWC will provide water service to the Applied for Service Territory under the Rules and Regulations of its Commission-approved tariff.

23. These new customers in this development will be Rate Zone 1 customers and will be charged the Residential rate. A breakdown of Revenues and Expenses can be found at **Exhibit M.**

24. Paige Place Preliminary Subdivision Plan has been approved by the Lancaster Township Planning Commission and Board of Supervisors. Please see letters from Lancaster Township Planning Committee dated March 19, 2026, and Lancaster Township Board of Supervisors dated May 18, 2026, attached as **Exhibit N.**

25. Butler County Planning Commission has reviewed and the approval as seen at the attached letter dated January 29, 2025, at **Exhibit O.**⁴

IV. RELIEF REQUESTED

26. Together with the Order approving this Application, PAWC requests that the Commission issue a Certificate of Public Convenience pursuant to Section

⁴ Butler County Planning Commission tentatively approved the plan on January 29, 2025. Paige Place Developers had to pay an additional fee, which was paid which satisfied the conditional approval. Minutes from the February 19, 2025, meeting are attached with **Exhibit O.**

1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing PAWC to furnish water service in the additional portion of Lancaster Township, Butler County depicted in **CONFIDENTIAL** Exhibit A-1, Exhibit A-2 and described in Exhibit A-3 hereto.

WHEREFORE, PAWC respectfully requests that the Commission approve this Application.

Respectfully Submitted,



Erin K. Fure, Esquire (PA ID #312245)
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055
Phone: (717) 550-1556
Email: erin.fure@amwater.com

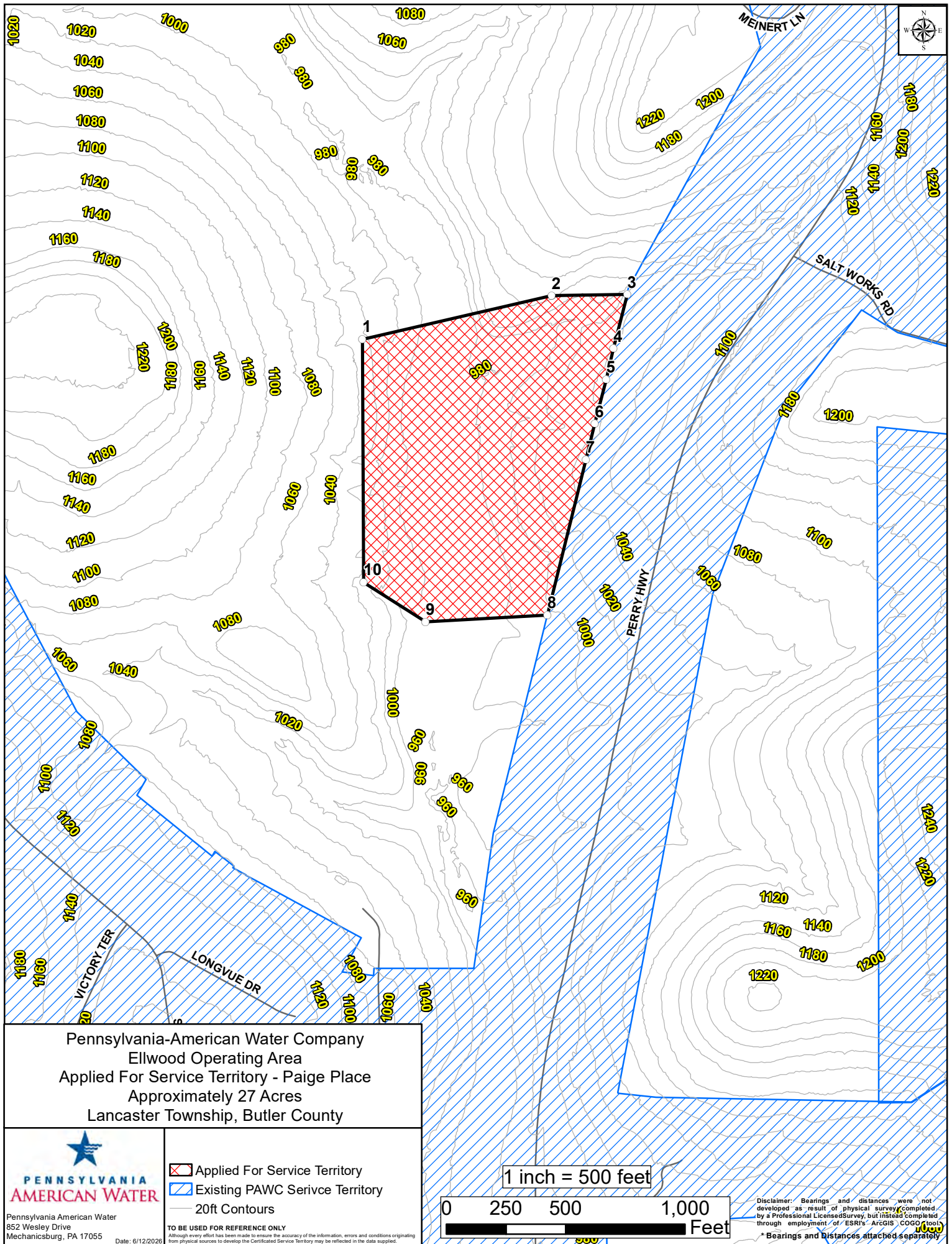
**Attorney for Pennsylvania-American Water
Company**

Dated: June 15, 2026

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit A-1

Map of Applied for Service Territory

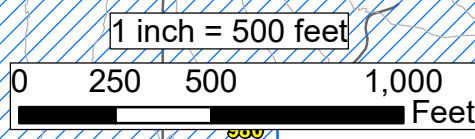


Pennsylvania-American Water Company
Ellwood Operating Area
Applied For Service Territory - Paige Place
Approximately 27 Acres
Lancaster Township, Butler County



Applied For Service Territory
Existing PAWC Service Territory
20ft Contours

TO BE USED FOR REFERENCE ONLY
Although every effort has been made to ensure the accuracy of the information, errors and conditions originating from physical sources to develop the Certified Service Territory may be reflected in the data supplied.

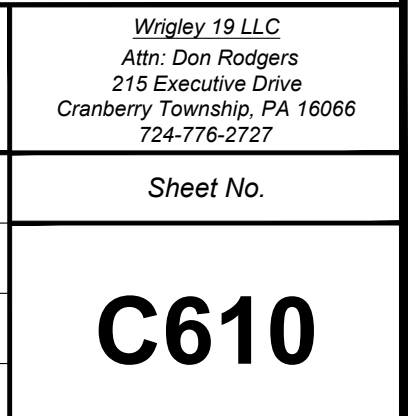
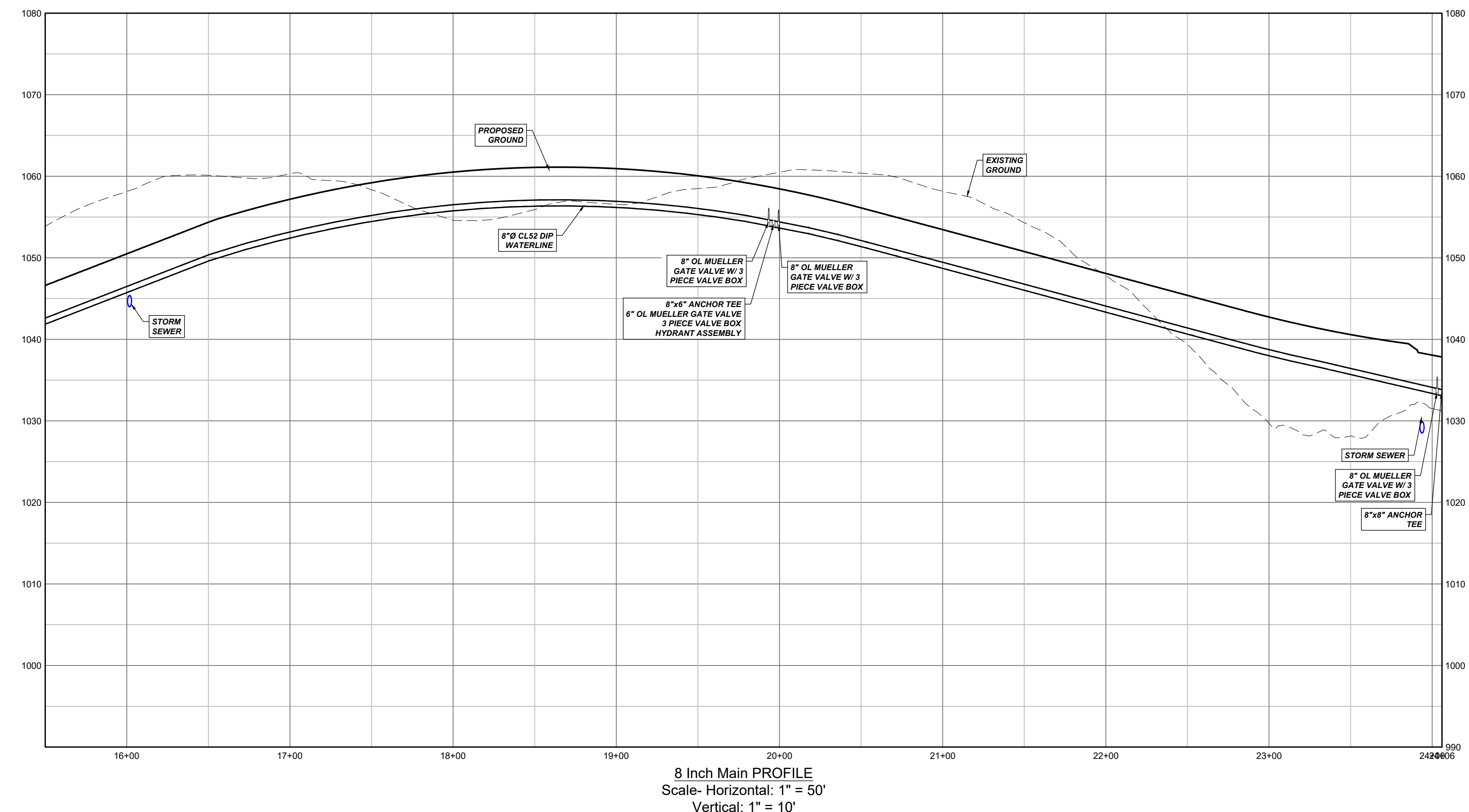


Disclaimer: Bearings and distances were not developed as result of physical survey, but instead completed by a Professional Licensed Surveyor, but instead completed through employment of ESRI's ArcGIS COGO tool.
* Bearings and Distances attached separately

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit A-2

Preliminary Development Plan for Paige Place



**In re: Application of Pennsylvania-American Water Company for Approval of
the Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit A-3

Metes and Bounds of Applied for Service Territory

Starting Point X: -80.127004 Y: 40.832751			
From	To	Bearing	Distance(ft)
1	2	N77°04'38"E	814.75
2	3	N89°01'05"E	316.03
3	4	S14°29'13"W	234.23
4	5	S13°14'26"W	132.65
5	6	S14°25'47"W	191.59
6	7	S13°44'42"W	155.27
7	8	S13°56'30"W	669.77
8	9	S86°48'55"W	511.53
9	10	N57°31'47"W	307.49
10	1	N0°16'45"W	1,018.04

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit B

Letter Requesting Service from Sheffler & Company, Inc. on behalf of
Wrigley 19, LLC

January 21, 2026

Jason A. Kessler
Senior Superintendent New Castle and Ellwood
Pennsylvania American Water
2736 Ellwood Rd.
New Castle, PA

**RE: Service Request Letter
Paige Place Residential Development
Lancaster Township, Butler County**

Dear Mr. Kessler:

The developer, Wrigley 19, LLC is formally requesting service for the Paige Place residential development. The plan will be located along State Route 19 in Lancaster Township, Butler County and will consist of one-hundred twenty-four (124) townhomes.

This request for service will also serve as a letter of intent to enter into and execute an Extension Deposit Agreement immediately upon receipt of approval, by the Pennsylvania Public Utility Commission, of the application for service territory in Lancaster Township, Butler County.

If you require any additional information, please contact our office.

Respectfully Submitted,
Sheffler & Company, Inc.



Edward M. Moore

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit C

Legal Description of Property for Paige Place Development

Exhibit "A"

Legal Description

Lands of Harold K. Wrigley

Butler Co. Tax Map Parcel No.: 200-4F100-A17-0000

Situate in the Township of Lancaster, County of Butler, Commonwealth of Pennsylvania, and being all of the parcel of land conveyed to Harold K. Wrigley in Deed Book Volume 1696, Page 233, (Butler County Tax Map Parcel ID No. 200-4F100-A17-0000), records of the Recorder of Deeds, Butler County, Pennsylvania, and being more particularly described as follows:

BEGINNING at a 3/4" iron rebar found in the westerly legal right-of-way line of Perry Highway (State Route 19), being 120-feet in width, at the common corner of said Wrigley parcel and the parcel of land conveyed to Keystone Kreider Properties, LLC, by deed of record in Instrument No. 201905160008857;

Thence the following three (3) courses and distances along the lines common to said Wrigley parcel and Keystone Kreider Properties, LLC:

1. Thence S 86° 56' 08" W, a distance of 892.74 feet, to 3/4" iron rebar found;
2. Thence N 52° 58' 57" W, a distance of 307.48 feet, to a 1-1/2" iron pipe found;
3. Thence N 07° 33' 56" E, a distance of 313.90 feet, to a 1-1/2" iron pipe found in concrete at the common corner of said Keystone Kreider Properties, LLC parcel and the parcel of land conveyed to Jamac, LLC by deed of record in Instrument No. 200610020025348;

Thence N 06° 27' 40" W, a distance of 711.91 feet, along the line common to said Wrigley parcel and Jamac, LLC parcel, to an iron pin set with cap stamped "Sheffler" at the common corner of said Jamac, LLC parcel, and the parcel of land conveyed to Donald R. Ridgley, Jr., et al, by deed of record in Instrument No. 201705040009308;

Thence the following two (2) courses and distances along the lines common to said Wrigley parcel and Donald R. Ridgley, Jr., et al, parcel:

1. Thence N 77° 50' 30" E, a distance of 888.53 feet, to an iron pin set with cap stamped "Sheffler";
2. Thence N 89° 00' 34" E, a distance of 394.95 feet, to a 3/4" iron rebar found at the common corner of said Wrigley and the parcel of land conveyed to Original Log Cabin Inn by deed of record in Instrument No. 200005150010702;

Thence the following two (2) courses and distances along the lines common to said Wrigley parcel and Original Log Cabin Inn parcel:

1. Thence S 01° 07' 07" E, a distance of 110.03 feet, to an iron pin found;
2. Thence N 89° 00' 11" E, a distance of 364.66 feet, to a point in the aforesaid westerly legal right-of-way line of Perry Highway;

Thence the following three (3) courses and distances along said westerly legal right-of-way line of Perry Highway:

1. Thence S 33° 57' 43" W, a distance of 101.38 feet, to the point of curvature of curve to the left;
2. Thence southwesterly along arc of said curve having a radius of 1,970.08 feet, a chord bearing S 23°14'49" W, a chord distance of 732.57 feet, for an arc length of 736.86 feet, to the point of tangency;
3. Thence S 12° 31' 55" W, a distance of 501.02 feet, to the POINT OF BEGINNING.

Containing 38.587 acres, more or less, and being subject to all easements, restrictions, and rights-of-way of record.

The bearings in the above description are based on Pennsylvania State Plane Coordinate System, South Zone, NAD83.

The above description was prepared by J. Todd Henwood, PLS, Reg. No. SU075612, and is based upon an actual field survey prepared by Sheffler and Company Inc., dated November 12, 2024, under the direction of, and sealed by, Gary A. Sheffler PLS Reg. No. SU-11786-E.

Sheffler and Company, Inc.

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit D

Orders and Applications for Certificated Service Territory in Lancaster Township, Butler County

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

**Application of Pennsylvania-American Water Company, for approval of the right to offer,
render, furnish or supply water service to the public in an additional portion of Lancaster**

Township, Butler County, Pennsylvania

Docket No. A-2017-2627220

Opinion and Order entered December 7, 2017

(Scenic Ridge Development – Phase 3)

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held December 7, 2017

Commissioners Present:

Gladys M. Brown, Chairman
Andrew G. Place, Vice Chairman
Norman J. Kennard
David W. Sweet
John F. Coleman, Jr.

Application of Pennsylvania-American Water
Company, for approval of the right to offer, render,
furnish or supply water service to the public in an
additional portion of Lancaster Township, Butler
County, Pennsylvania

A-2017-2627220

ORDER

BY THE COMMISSION:

By the application (Application) filed on September 29, 2017, Pennsylvania-American Water Company (PAWC), Utility Code 212285, 800 West Hersheypark Drive, Hershey, Pennsylvania 17033, seeks a certificate of public convenience pursuant to Section 1102(a)(1) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(1), evidencing Commission approval of PAWC's right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

I. BACKGROUND AND AFFECTED ENTITIES

PAWC submitted proofs of publication and service to the appropriate entities. Notice of the Application was published in the *Pennsylvania Bulletin*, 47 Pa.B. 6452, on Saturday, October 14, 2017. The protest period ended October 30, 2017. No protests were filed and no hearings were held.

PAWC is a regulated public utility company duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the Commonwealth, including portions of Lancaster Township, Butler County. As of June 30, 2017, PAWC provided water service to approximately 657,116 customers of the following classifications: 604,646 residential; 45,205 commercial; 522 industrial; 2,450 municipal, resale or other; and 4,293 fire protection. Additionally, PAWC provides wastewater service to approximately 54,449 customers as Pennsylvania-American Water Company-Wastewater Division, Utility Code 230073.

PAWC identified Weaver Master Builders, Inc. (WMB) as the entity requesting a water main extension to a proposed additional phase of the Scenic Ridge residential development that abuts PAWC's certificated service territory in Lancaster Township.¹ The requested territory includes the third phase of the development known as Scenic Ridge Phase 3 (Phase 3). Information already on file with the Commission reflects that Scenic Ridge Partners, LP (SRP) is the entity that constructed the Scenic Ridge development's first and second phases. According to PAWC, SRP is an affiliate of WMB.

The Application contained a letter from WMB's Vice President of Land Development dated July 6, 2017, requesting a main extension from PAWC's existing water system marked as Exhibit G. The subject letter also indicated WMB's intent to enter and execute an Extension Deposit Agreement with PAWC. A sample copy of PAWC's Water Facilities Line Extension Agreement was provided in the Application's

¹ PAWC was certificated to serve the territory containing the two initial phases of the Scenic Ridge residential development in 2016. See *Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania*, Order entered September 1, 2016, at Docket No. A-2016-2551059.

Exhibit K. Wastewater service for the homes within Phase 3 will be provided by the Western Butler County Authority.

II. LOCATION AND DESCRIPTION OF PROPOSED TERRITORY

The Application's Exhibit B-1 contained a map depicting the boundaries of the requested territory along with a general written description of the boundaries. PAWC filed a revised description of the requested territory's boundaries by bearing angles and distances in supplemental information. The requested territory is situated east of the intersection of State Route 19 and Salt Works Road (T-359) and portions of its western and northern borders abut PAWC's existing certificated territory.² The requested territory generally extends along Salt Works Road to Spring Lane and encompasses approximately 20 acres. The requested territory incorporates Phase 3 where 16 multi-family homes will be constructed, which equates to an additional 64 water customers. PAWC also noted that the requested territory includes 7 existing residential homes located outside of the development that may connect in the future. PAWC verified that no commercial customers exist within the requested territory.

III. FACILITIES FOR FURNISHING SERVICE

PAWC identified the facilities required to provide water service within the requested territory. The facilities include approximately 1,455 linear feet of 8-inch diameter ductile iron pipe, two public fire hydrants and other related appurtenances. PAWC will extend a water main from the southern terminus of Southview Drive and along the alignments of the proposed roadways within Phase 3. PAWC identified the three proposed roadways as Springfield Lane, Heatherfield Lane, and Laurel Court. Springfield Lane will extend south from Southview Drive to intersect with Salt Works Road. Heatherfield Lane will extend east from the approximate midpoint of Springfield Lane to connect to Spring Lane while Laurel Court will extend west, opposite of

² See Docket Nos. A-2014-2433205, and A-2016-2551059.

Heatherfield Lane, approximately 250 feet to form a cul-de-sac. In supplemental information filed with the Commission, PAWC provided a copy of a letter from the Lancaster Township Manager dated October 23, 2017, agreeing to the installation of two public hydrants within the requested territory. PAWC anticipated it will take one month to install the water main extension.

PAWC's existing Ellwood water facilities (Ellwood Facilities) will provide water service to the requested territory. The Ellwood Facilities have a treatment capacity of 5.2 million gallons per day (MGD). PAWC identified the average system delivery to be 3.3 MGD in 2017, indicating that there is ample capacity to fulfill the daily water demand of the customers within Phase 3.

IV. ADDITIONAL CAPITAL REQUIREMENTS

The Application's Exhibit G contained a proposal estimating the total installation cost of the water main extension to be \$82,500. A breakdown of the estimated cost was provided in supplemental information filed with the Commission. Under the terms of PAWC's Water Facilities Line Extension Agreement, WMB will fund the entire cost of the water main extension and deposit a non-refundable sum of \$18,948 to reimburse PAWC for the cost of permit and inspection fees. PAWC averred that no additional capital is required to finance the extension of water service to the requested territory. However, in supplemental information filed with the Commission, PAWC clarified it will incur a cost of approximately \$8,528 to install water meters for the customers within the requested territory.

V. PROPOSED RATES

PAWC will charge its existing Rate Zone 1 rates for water service within the requested territory as set forth in its effective water tariff. In PAWC's Rate Zone 1, a typical residential customer using 3,960 gallons per month with a 5/8-inch meter pays \$55.16 per month, or about \$662 annually, for water service. Lancaster Township will be

billed PAWC's Rate Zone 1 rates for the two requested public fire hydrants at \$15.10 per month, or \$181.20 annually, per fire hydrant.

PAWC estimated the total annual revenue from serving the 64 residential customers and two public fire hydrants within the requested territory to be approximately \$42,725, and the associated annual expenses to be approximately \$10,874. This revenue and expense estimate would result in a net annual operating income of approximately \$31,851.

VI. PERMITS REQUIRED

PAWC stated it will apply for and obtain a street opening permit from Lancaster Township for the proposed water main extension.

VII. LAND-USE PLANNING COMPLIANCE

PAWC sent land-use planning compliance verification request letters to Lancaster Township and the Butler County Planning Commission on August 31, 2017. PAWC also provided the Commission with a copy of a letter from Lancaster Township dated October 23, 2017, indicating Phase 3 is a development consistent with the existing use and requires access to public infrastructure, including public water systems. The Butler County Planning Commission confirmed the project is consistent with the county's comprehensive plan as evidenced by Exhibits I and J of the Application. PAWC provided the Commission a copy of the Lancaster Township Board of Supervisors meeting minutes from September 18, 2017, which evidenced contingent approval of Phase 3.

VIII. OTHER CONSIDERATIONS

PAWC stated that because of the expansion of its customer base, it believes the level of investment per customer will be mitigated by adding more customers to share in

future infrastructure costs as well as help maintain reasonable rates for all its customers in the future. PAWC is current with its annual and quarterly reports and the Commission's Security Planning and Readiness report filing requirements. Through correspondence with the Pennsylvania Department of Environmental Protection's Northwest Regional Office (DEP), it was determined that DEP does not have any pending actions or outstanding complaints against the PAWC water system associated with the Application's requested territory.

IX. CONCLUSION

Based upon the facts that PAWC will expand its service territory to new customers in compliance with Commission regulations and that PAWC is fit to provide service, the Commission finds that the granting of PAWC's Application for an extension of its service territory is in the public interest; **THEREFORE,**

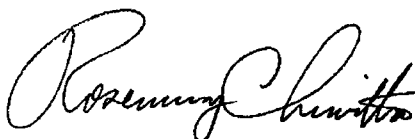
IT IS ORDERED:

1. That the Application of Pennsylvania-American Water Company at Docket No. A-2017-2627220, as amended, is hereby approved.
2. That a Certificate of Public Convenience shall be issued pursuant to 66 Pa. C.S. § 1102(a)(1) of the Public Utility Code, authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service to an additional portion of Lancaster Township, Butler County.
3. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.
4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Commission's Bureau of Investigation and Enforcement, the Office of

Consumer Advocate, the Office of Small Business Advocate, the Lancaster Township Board of Supervisors, the Lancaster Township Planning Commission, the Butler County Commissioners, the Butler County Planning Commission, the Western Butler County Authority, and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

5. That the proceeding at Docket No. A-2017-2627220 be closed.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta", written in a cursive style.

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: December 7, 2017

ORDER ENTERED: December 7, 2017

PENNSYLVANIA PUBLIC UTILITY COMMISSION

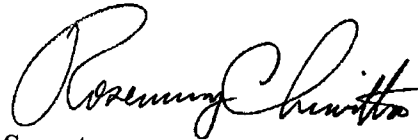
IN THE MATTER OF THE APPLICATION OF A-2017-2627220

Application of Pennsylvania-American Water Company for the right to begin to offer, render, furnish, or supply water service to an additional portion of Lancaster Township, Butler County.

EFFECTIVE DATE: December 7, 2017

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE evidencing the Commission's approval.**

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 7th day, of December, 2017.


Secretary

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania American Water", "Company" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.
2. This Application is being filed to extend water service to the public in the proposed service territory in an additional portion of Lancaster Township, Butler County, Pennsylvania.
3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania American Water")
800 West Hersheypark Drive
Hershey, PA 17033
4. The name and address of the Applicant's attorney is:

Susan Simms Marsh, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of June 30, 2017 Pennsylvania American Water provided water service to approximately 657,116 customers in the following classifications:

Residential:	604,646
Commercial:	45,205
Industrial:	522
Municipal, Resale and Other:	2,450
Fire Protection:	4,293

In addition, Pennsylvania American Water furnishes wastewater service to approximately 54,449 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania American Water.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied for territory will serve approximately 64 units in a residential development. Weaver Master Builders, the developer, is an affiliate of Scenic Ridge Partners, LP, has requested that Pennsylvania American Water provide water service to the residential development. Pennsylvania American Water is certificated to serve portions of Lancaster Township, Butler County under Docket No. A-2016-251059 which abuts

the applied for territory. This residential development is Phase 3 of the Scenic Ridge Development and will be annexed to the Scenic Ridge Development Phases 1 and 2 service territory requested in 2016 under Docket No. A-2016-251059.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this applied for territory to serve the residential properties will include approximately 1,455 feet of 8 inch ductile iron pipe and other related appurtenances. The applied for service territory abuts existing Pennsylvania American Water service territory and the Company shall extend its water distribution system from its present terminus at the southernmost portion of Southview Drive, Lancaster Township to serve the 64 residential units within the new development. Operations for this applied for service territory will continue through the Company's Ellwood facilities. There will be two (2) fire hydrants installed and maintained by Pennsylvania American Water. Lancaster Township will be responsible for payments to Pennsylvania American Water for the proposed fire hydrants. When Pennsylvania American Water receives approval for the applied for service territory, the Township and Pennsylvania American Water will enter into a Public Fire Hydrant Agreement. The applied for territory consists of approximately 20.16 acres. Wastewater treatment for these residential customers shall be provided by the Western Butler County Authority. There are no commercial customers in the applied for service territory. Lancaster Township does not have a mandatory water connection ordinance.

10. Pennsylvania American Water expects that it will take approximately one month to install the water main(s) upon Commission approval.

11. Pennsylvania American Water will apply for and obtain a Street Opening Permit from Lancaster Township for this project.

12. To the best of the Applicant's knowledge, no corporation, partnership, or individual is currently furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

13. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania American Water as of December 31, 2016.

14. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania American Water for the 12 months ended December 31, 2016.

15. Pennsylvania American Water will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania American Water's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

16. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

17. The estimated annual revenues and expenses of Pennsylvania American Water in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

18. It is in the public interest for Pennsylvania American Water to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the residential housing development located in Lancaster Township, Butler County.

19. Weaver Master Builders, the developer for the project, sent a formal letter requesting that Pennsylvania American Water provide water service to the residential

development in the additional portion of Lancaster Township, as evidenced in Exhibit G. A letter from Lancaster Township supporting this application is marked as Exhibit H. A letter from Butler County supporting this application is marked as Exhibit I. Letters addressed to the Lancaster Township Planning Commission and Butler County Planning Commission, marked Exhibit J, have been sent to verify that this plan complies with county/township comprehensive plans.

20. Under the terms of the Company's Water Line Facilities Agreement, the developer funds the entire cost of the development. The developer, Weaver Master Builders, will deposit a sum of Eighteen Thousand Nine Hundred Forty-eight (\$18, 948) Dollars which will represent reimbursement to Pennsylvania American Water for costs of obtaining permits and inspection fees. A copy of the Water Line Facilities Agreement which will be entered into with the developer is attached as Exhibit K. This agreement is part of a supplement to Section 23.1 (A) of Pennsylvania American Water's tariff effective on March 17, 2015.

21. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania American Water will provide water service to the applicants in the applied for area under the Rules and Regulations of Pennsylvania American Water's approved tariff.

V. RELIEF REQUESTED

22. Together with its Order approving this Application, Pennsylvania American Water requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania

American Water to furnish water service in a portion of Lancaster Township, Butler County depicted in Exhibit B-1 and described in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania American Water respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 22, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: Susan Simms Marsh

Susan Simms Marsh, Esquire

Attorney I.D. No. 44689

Counsel for

Pennsylvania-American Water Company

800 West Hersheypark Drive

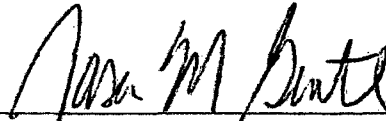
Hershey, PA 17033

717-533-5000

Dated: 9/29/2017

VERIFICATION

I, JASON M. GENTILE, hereby state that the facts set forth in the Application to extend water service to an additional portion of Lancaster Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Jason M. Gentile, Operations Superintendent
Pennsylvania-American Water Company

Date: _____

9/26/17

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Lackawanna County Water System at Montage (Lackawanna County, April 11, 1997); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh

Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippenville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013); Franklin Township Municipal Authority (Adams County, August 29, 2013); Berry Hollow Water Company (Northampton County, April 3, 2014); Scott Township (Lackawanna County, May 22, 2014); Paint-Elk Joint Sewer Authority (Clarion County, July 31, 2014); Hamiltonban Township Municipal Authority (Adams County, November 3, 2014); Abbey Woods Homeowners Association (Butler County, July 14, 2015); Shippenville Borough (Clarion County, August 4, 2015); Paint Township Municipal Water Authority (Clarion County, October 1, 2015); McEwensville Municipal Authority (Northumberland County, October 21, 2015); Fairview Township (York County, December 22, 2015); Borough of New Cumberland (Cumberland County, October 31, 2016) and Sewer Authority of the City of Scranton (Lackawanna County, December 29, 2016). On July 2, 1990, Brownsville Water Company (Fayette

Exhibit A

County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 654,770 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 28th, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mount Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence and Wyomissing and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono, the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud and the Village of Tobyhanna in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East

Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Mount Bethel, Lower Nazareth, Plainfield, Upper Mount Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of McEwensville, Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, East Pike Run, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane and Union in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 54,691 customers in the following municipalities:

Portions of, the Townships of Franklin, Hamiltonban and Highland in Adams County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Boroughs of Clarion and Shippenville and the Townships of Clarion, Elk, Monroe and Paint in Clarion County;

All, or portions of, the Borough of New Cumberland and the Township of Lower Allen in Cumberland County.

All of the City of Scranton and the Borough of Dunmore in Lackawanna County.

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

All of the Borough of McEwensville in Northumberland County;

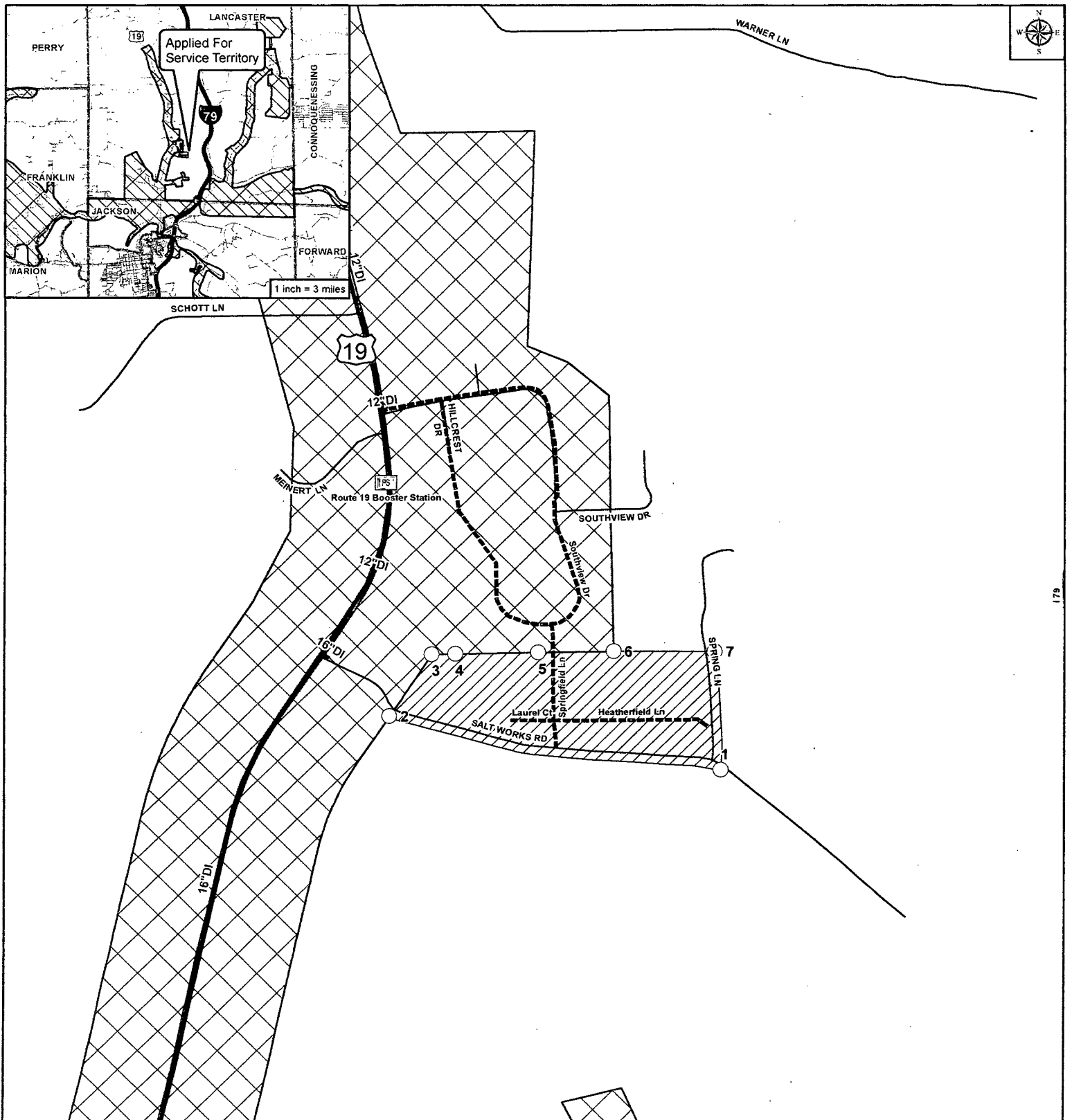
Portions of the Townships of Delaware and Lehman in Pike County;

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County; and

A portion of the Township of Fairview in York County.

[399 municipalities in 36 counties.]

12/31/2016



Pennsylvania-American Water Company
 Ellwood Operating Area
 Proposed Service Territory Extension - Scenic Ridge
 Approximately 20.16 Acres
 Lancaster Township, Butler County



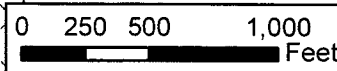
Pennsylvania American Water
 800 W Hersheypark Drive
 Hershey, PA 17033

Date: 8/29/2017

- Pump Station
- Existing Main
- Approximate Location of Scenic Ridge Phase 3 Roads
- Existing PAWC Service Territory
- Applied For Service Territory

TO BE USED FOR REFERENCE ONLY
 Although every effort has been made to ensure the accuracy of this map, it is not a substitute for a professional survey.

Exhibit B-1



Disclaimer: Bearings and distances were not developed as result of physical survey completed by a Professional Licensed Survey, but instead completed through employment of ESR's ArcGIS COGO tool.
 * Bearings and Distances attached separately

Starting Point: 50 ft east and 50 ft south of the intersection of Salt Works Rd and Spring Lane in Lancaster Township, Butler County.

<u>From</u>	<u>To</u>	<u>Bearing</u>	<u>Distance (Ft)</u>

From Point 1, follow parallel to the centerline of Salt Works Road in a westerly direction approximately 1,892 feet to Point 2.

From Point 2, follow the existing PAWC Service Territory in a northeasterly direction approximately 378 feet to Point 3.

3	4	N88°54'21"E	132.26
4	5	N88°55'53"E	462.84
5	6	N88°55'33"E	421.58
6	7	N88°58'37"E	516.8

From Point 7, follow parallel to the centerline of Spring Lane in a southerly direction approximately 683 feet to the starting point (Point 1).

**PROPOSED SERVICE TERRITORY
LANCASTER TOWNSHIP
BUTLER COUNTY**

Beginning at a point, said point being located 50 ft east and 50' south of the intersection of Salt Works Road (T-359) and Spring Lane in Lancaster Township, Butler County. From said point, west along a line that is parallel to and 50' south of the centerline of Salt Works Road a distance of 1,812 ft. to a point. Said point being common with existing Pennsylvania American Water PUC Franchise Territory authorized by order PUC A-2012-2337446. Thence, from said point in a northeasterly direction along the line of the existing Pennsylvania American Water PUC Service Territory a distance of 428 feet, more or less, to a point. Thence east along existing Pennsylvania American Water Franchise Territory authorized by PUC Order A-2016-2551059 a distance of 1,583 ft to a point 50 ft east of the centerline of Spring Hill Lane, thence south along a line 50 ft east of and parallel to the centerline of Spring Lane to Salt Works Road, the point of beginning.

Pennsylvania American Water
Balance Sheet @ 12/31/2016

<i>(Dollars in thousands)</i>	12/31/2016
Assets	
Cash and cash equivalents	\$2,767
Other current assets	102,193
Total Property Plant and Equipment	3,963,267
Total Regulatory & Other L/T Assets	309,163
Total Assets	\$4,377,390
Capitalization and liabilities	
Short Term Debt	395,936
Current Portion of Long-term Debt	39,261
Other Current Liabilities	137,594
Total Long-term debt	1,118,709
Regulatory & Other Long Term Liabilities	1,065,733
Stockholders' equity	1,434,696
Contributions in aid of construction	185,461
Total capitalization and liabilities	\$4,377,390

Pennsylvania American Water

Income Statement @ 12/31/2016

<i>(Dollars in thousands)</i>	12/31/2016
Operating revenues	\$638,540
Operating expenses	
Total operation and maintenance	200,233
Depreciation and Amortization	102,742
General taxes	12,242
Loss (gain) on sale of assets	(4,400)
Total operating expenses net	310,817
Operating income (loss)	327,723
Other income (deductions)	
Interest, net	(65,974)
AFUDC	594
Amortization of debt expense	(1,214)
Other Net	(364)
Total other income (expenses)	(66,958)
Income (loss) before income taxes	260,764
Provision for income taxes	107,647
Net income (loss)	\$153,117

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

The rates as set forth below will be in effect for service rendered beginning January 1, 2017.

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service.

<u>Size of Meter</u>	<u>Service Charge</u>	<u>Service Charge</u>
	<u>Per Month Except</u> <u>Other Water Utilities</u>	<u>Per Month</u> <u>Other Water Utilities</u> Group A & B
5/8 inch	\$ 15.00	\$ 21.80
3/4 inch	22.70	32.70
1 inch	37.80	54.60
1-1/2 inch	61.70	109.10
2 inch	98.70	174.60
3 inch	184.10	327.30
4 inch	231.20	545.50
6 inch	346.00	1,091.00
8 inch	669.90	1,746.00
10 inch	970.20	2,509.00
12 inch	1,517.50	3,928.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at 1.0141 (D)

Commercial

First 16,000 gallons .9876, All in excess of 16,000 gallons .7562 (D)

Municipal

First 16,000 gallons .9857, All in excess of 16,000 gallons .8099 (D)

Other Water Utilities

Group A All at .6730

Group B All at .8979

Issued: December 19, 2013

Effective: January 1, 2014

PENNSYLVANIA-AMERICAN WATER COMPANY

Canceling 18th and 17th Rev. Page 9A

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 21.80
3/4	inch	32.70
1	inch	54.60
1-1/2	inch	109.10
2	inch	174.60
3	inch	327.30
4	inch	545.50
6	inch	1,091.00
8	inch	1,746.00
10	inch	2,509.00
12	inch	3,930.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9898	First 16,000	.9898
Next 584,000	.7398	Next 584,000	.7398
All in Excess		Next 14,400,000	.5866
of 600,000	.5866	All In Excess	
		Of 15,000,000	.3962

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Issued: December 19, 2013

Effective: January 1, 2014

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

64	Residential customers @ \$661.92	\$42,362.88
2	Fire Hydrants @ \$181.20	\$ 362.40
	Total	\$42,725.28

Estimated Annual Expenses

64	Residential customers @ \$169.85	\$10,870.40
2	Fire Hydrants @\$2.00	\$ 4.00
	Total	\$10,874.40
	Net	\$31,850.88

Residential

Meter Size	5/8"
Average Monthly Usage (00)	39.6
Mo. Service Charge	\$15.00
39.6, x 1.0141	\$40.16
Monthly Total Revenue	\$55.16
Annual Total Revenue	\$661.92

EXHIBIT F

SCENIC RIDGE PARTNERS LP
PO BOX 449
MARS, PA. 16046

July 6, 2017

Mr. Mark A. Smith
Pennsylvania American Water Company
Sr. Operations Manager, Northwest PA
2736 Ellwood Road
New Castle, Pa. 16101

RE: Water Service Extension along Southview Drive to Serve Wack Property/ Scenic Ridge Development, Phase 3

Southview Drive and Saltworks Road, Lancaster Township, Pa.

Dear Mr. Smith:

Scenic Ridge Partners, LP is requesting to extend water services from the existing PAWC water system located along Southview Drive to serve a 64 units unit residential development known as Scenic Ridge Phase 3. Please see the attached plans and vicinity map.

In August of 2016, waterlines were initially extended by us from the existing waterline located on Route 19, this second request is to extend the waterline installed as part of the initial Scenic Ridge development.

This request for service will also serve as a letter of intent to enter into and execute an Extension Deposit Agreement immediately upon receipt of approval, by the Pennsylvania Public Utility Commission, of the application for service territory in Lancaster Township, Butler County.

Respectfully,


Brett J. Schultz
Weaver Master Builders, Inc.
Vice President of Land Development



PROPOSAL

PROPOSAL SUBMITTED TO Weaver Master Builders		PHONE	FAX	DATE 07/26/2017
STREET 231 CROWE AVENUE		JOB NAME WATER LINE INSTALLATION		
CITY, STATE AND ZIP CODE MARS, PA 16046		LOCATION SCENIC RIDGE DEVELOPMENT		
CELLULAR	ATTENTION Brett Schultz	E-mail bschultz@weavermasterbuilders.com	DATE OF PLANS	

We hereby submit specifications and estimates for

Install 8" main line @ Scenic Ridge south of 2016 installation

Including: approx. 1,500 LF of 8" DIP
2 Hydrants
Services (open cut & directional drilled) from main to curb stop

Total: \$82,500.00

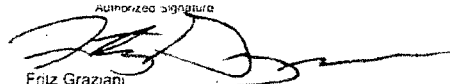
This Proposal is based on utilizing the AIA Document A401 of 1997 - Standard Form of Agreement between Contractor and Subcontractor without modification except as noted in this document. Proposal is deemed accepted either by signature or oral notice to proceed. Any of the above modes of acceptance shall be deemed to incorporate all of the items of this Proposal into the contract between the parties thereby formed.

We propose hereby to furnish material and labor - complete in accordance with above specifications for the sum of
Eighty Two Thousand Five Hundred Dollars and no cents (\$82,500.00)

Payment to be made as follows
Monthly Estimates, Net 30 Days, No Retainages 1% per month will be charged on any overdue balance.

Material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully insured. This proposal is subject to common law arbitration pursuant to the Construction Industry Rules of the American Arbitration Association.

Authorized signature



Fritz Graziani

Acceptance of Proposal
 The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance: _____

Signature _____
 Signature _____

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

LANCASTER TOWNSHIP

113 Kings Alley
Harmony, Pennsylvania 16037

Phone: (724) 452-7213 • Fax: (724) 453-0129

July 25, 2017

Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: Pennsylvania American Water Company Letter of Support to PUC for franchise territory extension in Lancaster Township, Butler County, Pennsylvania.

To Whom it May Concern:

Lancaster Township supports the expansion of Pennsylvania American Water's franchise territory for a water main for new residential development, Scenic Ridge, adjacent to Saltworks Road and Southview Drive. The extension would supply water to approximately 64 new customers.

Thank you for your cooperation in this matter.

Sincerely,



Benjamin Kramer
Lancaster Township Manager

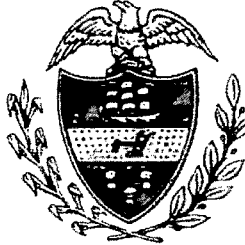


Butler County Board of Commissioners Planning Department

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5300 Fax 724.284.5315 TDD 724.284.5473

Commissioners

Leslie A. Osche, **Chairman**
Kimberly D. Geyer, **Vice Chairman**
Kevin E. Boozel, **Secretary**



Planning Department

Joel R. MacKay

COUNTY LAND USE LETTER

Date: 7/25/17

To: Lancaster Township, Butler County PA

From: The Butler County Planning Commission (BCPC)

Re: Application for PA American Water Company to provide water service to Scenic Ridge, Phase 3.

*The County of Butler states that it has adopted a County Comprehensive Plan in 2002.

*The above referenced project :

 X is consistent with the adopted county comprehensive plan.

 is not consistent with the adopted county comprehensive plan.

Additional Comments if applicable:

Submitted by:

Joel R. MacKay

Civil Engineering Technician
Butler County Planning Commission
124 West Diamond Street
Butler, PA 16001
724.284.5138
724.284.5315 FAX
jmackay@co.butler.pa.us



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

August 31, 2017

Via Certified Mail

Butler County Planning Commission
Butler County Courthouse
290 South Main Street
Butler, PA 16003-1208

Re: Pennsylvania -American Water Company application to serve a portion of Lancaster Township

Pennsylvania American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to approve the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

As part of the application process, the PUC requested Pennsylvania American Water seek the County's input for the purpose of determining if Pennsylvania American Water's application complies with the County's land use planning.

Specifically, the PUC requests that the County reviews the following questions:

1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? YES
2. Is there an adopted county comprehensive plan? YES
3. Is there an adopted multi-municipal or multi-county comprehensive plan?
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? YES
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? YES
6. If the answer is "yes" to any of the above questions, please sign below, or submit a letter, indicating that the application is consistent with the applicable comprehensive plans and zoning ordinances. If the application is not consistent with the applicable comprehensive plans and zoning ordinances, please provide an explanation.

If you have any questions, please call me at (724) 654-4180 or e-mail mark.smith@amwater.com

Sincerely,

Mark A. Smith
Operations Superintendent

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Butler County Signature [Signature]
Printed Name/Title JOER R. MALKAY CIVIL ENGINEER Date 9-8-17

Please fax/e-mail this form to: Bobbi Gaut:

vater.com or fax to 717-531-3399.

Exhibit J

PROJECT IS CONSISTENT.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Lancaster Township
Planning Commission
113 Kings Alley
Harmony, Pa 16037



9590 9402 2330 6225 3731 72

2. Article Number (Transfer from service label)

7017 1450 0000 2601 4033

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x CMM Smith

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Christina Smith

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

- ☐ Yes
☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Mail Restricted Delivery
(500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Butler County Planning Commission
Butler County Courthouse
290 S. Main St.
Butler, Pa 16003-1208



9590 9402 2330 6225 3731 65

2. Article Number (Transfer from service label)

7017 1450 0000 2601 4040

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x [Signature]

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Christina Smith

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

- ☐ Yes
☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Mail Restricted Delivery
(500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

August 31, 2017

Via Certified Mail

Lancaster Township
Planning Commission
113 Kings Alley
Harmony, PA 16037

Re: Pennsylvania -American Water Company application to serve a portion of Lancaster Township

Pennsylvania American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to approve the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

As part of the application process, the PUC requested Pennsylvania American Water seek the Township's input for the purpose of determining if Pennsylvania American Water's application complies with the Township's land use planning.

Specifically, the PUC requests that the Township reviews the following questions:

1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? _____
2. Is there an adopted county comprehensive plan? _____
3. Is there an adopted multi-municipal or multi-county comprehensive plan? _____
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? _____
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? _____
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If you have any questions, please call me at (724) 654-4180 or e-mail mark.smith@amwater.com

Sincerely,

Mark A. Smith
Operations Superintendent

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Lancaster Township Signature _____
Printed Name/Title _____ Date _____

Please send/e-mail this form to: Bobbi Gautsch at Roberta.gautsch@amwater.com or fax to 717-531-3399.

7017 1450 0000 2601 4033

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy)	\$
☐ Return Receipt (electronic)	\$
☐ Certified Mail Restricted Delivery	\$
☐ Adult Signature Required	\$
☐ Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$

Postmark
Here

Sent To
Lancaster Township Planning Commission
 Street and Apt. No., or PO Box No.
113 Kings Alley
 City, State, ZIP+4®
Harmony, Pa 16037

PS Form 3800, Apr. 1 2015 PSN 7530-02-000-9047 See Reverse for Instructions

PL ACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
 OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Lancaster Township Planning Commission
113 Kings Alley
Harmony, Pa 16037

9590 9402 2330 6225 3731 72

2. Article Number (Transfer from service label)
 7017 1450 0000 2601 4033

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature	☐ Priority Mail Express®
☐ Adult Signature Restricted Delivery	☐ Registered Mail™
☐ Certified Mail®	☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise
☐ Collect on Delivery	☐ Signature Confirmation™
☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery
☐ Insured Mail	
☐ Mail Restricted Delivery (500)	

WATER FACILITIES LINE EXTENSION AGREEMENT

("Agreement")

between

PENNSYLVANIA-AMERICAN WATER COMPANY

and _____

EXHIBITS

Exhibit A – Development Description

Exhibit B – Water Facilities Description

Exhibit C Estimated Construction Cost

Exhibit D – Water Facilities Plan Specifications

Exhibit E – Form: Rights-of-Way and Easements

Exhibit F – Release of Liens

Exhibit G – Sample: American Water Certificate of Insurance

Agreement No. _____

WATER FACILITIES LINE EXTENSION AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20__, by and between **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation with offices at _____ (hereinafter referred to as the "Company") and _____, with offices at _____, _____ (hereinafter referred to as "Applicant").

WITNESSETH:

WHEREAS, Applicant proposes to construct _____ (# of units) in _____ phases known as _____ (Development Name). This agreement is for Phase _____ and it shall consist of _____ (# of units). _____ (Development Name) will be constructed on a parcel located in _____ Township, _____ County, Pennsylvania, all as shown and described on Exhibit A, attached hereto and made a part hereof and hereinafter referred to as "**Development**"; and

WHEREAS, the Company is a public water utility having a Certificate of Public Convenience issued by the Pennsylvania Public Utility Commission ("PUC" or "Commission") for a service area that includes the Development and is following the terms of Section 23 of the Rules and Regulations in its approved water tariff; and

WHEREAS, Applicant desires that the Company furnish water service to the Development pursuant to the terms and conditions contained herein; and

WHEREAS, the Company is willing to furnish public utility water service to and within the Development through a direct connection to its existing water system; and

WHEREAS, to meet the public utility water service needs of the Development, certain water mains and associated appurtenances (hereinafter collectively referred to as the "Water Facilities"), as described on Exhibit B, attached hereto and made a part hereof, must be designed and constructed; and

WHEREAS, Applicant is willing to arrange and pay for the design, construction and installation of the Water Facilities.

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter contained and for other good and valuable consideration, the mutual receipt of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals or "Whereas" clauses are incorporated herein by reference.

2. Applicant shall design, construct, and install or cause to be designed, constructed, and installed, at no cost to the Company, the Water Facilities including, but not limited to costs of: engineering, materials, labor, legal matters, water used, transportation, equipment, necessary permits and approvals, testing, disinfection, corrections, preparation of as-built drawings, insurance, and bonds. Said Water Facilities shall consist of water transmission mains, distribution mains, valves, valve boxes, fittings, fire hydrants, street service connections to the property line on each lot shown on Exhibits B, and all other material and equipment. The meter pit shall be furnished by the Applicant and remain the property of the Applicant. The Company shall furnish a water meter per its tariff. If booster pumps and/or storage tanks are required, these facilities shall be administered under a separate agreement. The Applicant agrees that the installation and materials selected for the extension shall conform to the Company's specifications and shall be installed by the Company's pre-qualified contractor that is retained by the Applicant. The Applicant's cost for the design, construction, and installation of said Water Facilities shall be subject to refund pursuant to the provisions of paragraph 14 of this Agreement. Prior to beginning construction, the Applicant shall provide estimated construction costs for the Water Facilities in a manner provided for in Exhibit C. The Company must approve the Applicant's estimated construction costs.

If permits, zoning, or other approvals are required of the Company to complete the construction of the Water Facilities, then the Company, based on its sole determination that it is necessary for the Company to apply for said permit, zoning or other approval, shall sign for and/or apply for such permits, zoning and other approvals as required by the approving authority.

3. ENGINEERING AND INSPECTION FEES: Upon execution of this Agreement, the Applicant shall advance to the Company \$_____, the estimated cost of the administration, engineering, inspection, and preparation of as-built drawings including locating the Water Facilities by global position system (GPS) (hereinafter referred to as "E & I") of the Water Facilities. Upon completion of the installation of the extension, the Company will provide the actual costs of E & I to the Developer. If the advance provided is less than the actual costs, the Developer shall provide the difference between the actual and the advance to the Company within ten (10 days) of notice. In the event that the advance exceeded the actual charges, the Company will refund any excess amount deposited. The Company will not issue refunds where Applicant owes additional E & I Costs to the Company.

4. The Company, at its sole option and cost, reserves the right to "oversize" said Water Facilities. If the Company exercises the right to oversize, it shall pay for the difference in the price of the material necessary for the oversized pipe or appurtenances versus the material price of the pipe or appurtenances necessary to service the Development.

5. Applicant shall prepare all applications or other documentation necessary to obtain all requisite permits, zoning and other approvals for the construction of said Water Facilities. Applicant and its contractors shall comply with all conditions imposed in all permits. All plans, specifications, construction, and installation of said Water Facilities shall be in accordance with good utility practices, conform to the specifications contained in Exhibit D, attached hereto and made a part hereof, adhere to the rules, regulations, and requirements of

the Pennsylvania Department of Environmental Protection, and meet the requirements of all other governmental agencies having jurisdiction thereover. Any required approvals shall be in writing. Additionally, all of said plans and specifications shall have the written approval of the Company before construction is commenced. Approval by the Company will not be unreasonably withheld or delayed.

6. Applicant acknowledges that it is required to install an approved pressure reducing valve as per the Company specifications if the water pressure exceeds 100 psig. In addition, Applicant agrees that it and/or any successor builder will comply with the Pennsylvania "Plumbing System Lead Ban and Notification Act" and any regulation related to lead-free plumbing enacted by the Pennsylvania Department of Environmental Protection.

7. For Water Facilities constructed under this Agreement, Applicant agrees that no customer owned service line shall be installed and connected to the Water Facilities unless a signed application for water service is on file with the Company. Applicant acknowledges that an application for water service will not be approved by the Company until Applicant provides adequate security and protection for a water meter, or an approved meter vault has been installed and inspected and approved by the Company. Applicant further acknowledges that it and/or a subsequent builder, agent, subcontractor, or assignee who unlawfully connects and activates any water service line, and uses water without complying with the requirements contained in this paragraph 7, may be subject to criminal prosecution for theft of service, as provided for in the Pennsylvania Criminal Code.

8. Applicant shall comply with the inspection and testing requirements of the Company for said Water Facilities, which requirements shall be reasonable and shall not cause Applicant unwarranted delays in the ordinary course of construction. Applicant shall provide the Company with not less than 24-hour notice when the Water Facilities are ready for inspection and testing, and the Company shall inspect promptly after being so notified. Applicant shall be responsible for payment of all water used in the water main testing and construction. In addition,

Applicant shall be responsible for the payment of any disinfection that is necessary. The Company specifically reserves the right to withhold acceptance of said Water Facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to the Company upon inspection and testing. Upon request by the Company, Applicant agrees that it will promptly correct all defects and deficiencies in construction, materials, and workmanship made subsequent to its inspection and for two (2) years following the Company's written acceptance of said Water Facilities. Nothing herein shall relieve or limit Applicant's responsibility and liability for construction and installation of said Water Facilities in accordance with the terms of this Agreement.

9. In consideration of the Company's commitment to provide potable water service to the Development and in accordance with the Company's approved tariff, all materials installed, facilities constructed, and equipment provided, through the efforts of the Applicant, in connection with construction of the Water Facilities, under this Agreement, and placed in service shall become the sole property of the Company as installed, and full legal and equitable title thereto shall be then vested in the Company, free and clear of all liens, without the requirement of any written document of transfer to the Company. However, Applicant agrees to execute or cause to be executed promptly such documents as the Company may request to evidence good and merchantable title to said Water Facilities free and clear of all liens. All risk of loss shall be with Applicant until written acceptance of said Water Facilities, or any portions thereof, by the Company. Thereafter, risk of loss shall be with the Company. Applicant shall repair or cause to be repaired promptly, at no cost to the Company, all damage to the Water Facilities caused by construction operations within the Development until all Development construction for the Applicant has been completed. After the Company has placed in service and accepted in writing the Water Facilities, it will maintain, repair, and replace the Water Facilities as needed subject to the warranty provisions of the Agreement.

10. Applicant shall, at no cost to the Company, grant or cause to be granted to the Company perpetual rights-of-way and easements for said Water Facilities in the form contained in Exhibit E attached hereto and made a part hereof. These rights-of-way and easements shall be provided to the Company at time of execution of this Agreement. Upon execution of the rights-of-way or easements, the Company will return the document(s) to the Applicant. The Applicant shall record the document(s) with the County's Recorder of Deeds and return one copy of the recorded document to the Company.

It shall be the obligation of the Applicant to furnish an executed private or public fire hydrant agreement, when required, at the time of execution of this Agreement.

11. Applicant at the request of the Company, shall have its Water Facilities contractor execute a Stipulation Waiver of Right to File Liens as shown on Exhibit F. This stipulation, if required, shall be provided to the Company at time of execution of this Agreement.

12. Applicant shall, within sixty (60) days of acceptance of the Water Facilities by the Company, furnish the Company with the following:

Copies of all bills, invoices, and other statements of expenses incurred by Applicant (or others), covering all of the costs of materials, equipment, engineering, supplies, construction, and installation of the Water Facilities evidencing Applicant's amount of payments to all contractors, subcontractors, vendors for all materials, equipment, supplies, labor, and other costs of construction of the Water Facilities.

13. It is mutually understood and agreed that the charges for water service to the residents of the Development shall be at the applicable rates of the Company on file with the PUC, which rates are subject to change from time to time upon application of the Company and as approved by the PUC.

14. The cost of design, construction, and installation of the Water facilities, as evidenced by invoices furnished in paragraph 12, shall be advances in aid of construction

subject to refunds by the Company to Applicant. The Company hereby agrees to refund to the Applicant, during the period of ten years from the execution date of this Agreement, a per customer refund amount for each additional customer for whom a street service connection shall be directly connected to the Water Facilities. The per customer refund, for a residential customer, shall be determined as follows: for each street service connection made for a residential customer, the refund will be three times the average annual revenue of a residential customer. The average annual revenue for residential customers will be based upon the calculation set forth in the Company's last approved base rate case. The refund per residential customer will be \$_____. For non-residential customers, the refund shall be equal to the actual revenue the Company receives for the first twelve months of water sales to that specific customer.

In order to be entitled to refunds, Applicant must be in compliance with the terms and conditions of this Water Facilities Line Extension Agreement. The Company may refuse to provide earned refunds where Applicant owes additional dollars to the Company for the project in this Agreement or any other Water Facilities Extension Agreement. Notwithstanding the foregoing, however, the total amount refunded shall not exceed the final construction costs of the Water Facilities. The Applicant may request refunds per Paragraph 14, once in each calendar quarter, furnishing the Company, at such time, a listing of additional customers. However, the failure on the part of the Applicant to make such a request shall not constitute a waiver of any rights hereunder to relieve the Company of the obligation to make refunds with reasonable promptness.

15. Prior to the commencement of construction of the Water Facilities, Applicant's contractor, having responsibility for the installation of the Water Facilities, shall furnish the Company with appropriate Certificate of Insurance coverage effective during the period of construction in the following types and amounts:

(i) Workmen's compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the Commonwealth of Pennsylvania.

(ii) Comprehensive general liability insurance, including operations and protective liability coverage, with limits of not less than Ten Million Dollars (\$10,000,000) combined single limit for bodily injury (including death) and property damage. When the work to be performed requires blasting, Developer's insurance shall specifically cover the risk. PENNSYLVANIA-AMERICAN WATER COMPANY shall be named an additional insured under this policy.

(iii) Comprehensive automobile liability insurance covering all owned and non-owned automobiles or trucks used by or on behalf of Developer with a combined single limit of \$1,000,000, in connection with the work contemplated by this Agreement.

(iv) All other coverage and Waiver of Subrogation as set forth in the attached Exhibit G American Water Certificate of Insurance Sample.

16. Applicant agrees that it will not request water service to the Development and service will not be provided prior to acceptance of the Water Facilities by the Company.

17. The Company will endeavor to maintain satisfactory and continuous service, but does not guarantee a continuous supply of water service. The Company shall not be liable for damages occasioned by interruptions or failure to commence service or unsatisfactory service, or any claims arising under or out of this Agreement caused by Acts of God or the public enemy, inevitable accidents, fire, explosions, strikes, riots, war, delay in receiving shipments of required

material, order of any court or judge granted in any bona fide adverse legal proceedings or actions, or any order of any commission or tribunal having jurisdiction in the premises; or, without limitation by preceding enumeration, any other act or thing reasonably beyond its control or incident to interruptions necessary for repairs or changes in the Company's water production, storage, transmission, or distribution facilities.

18. Applicant hereby agrees to hold and save the Company harmless from and against any and all damages, or liability therefore, loss, costs, charges, reasonable attorneys' fees, and/or expenses of whatsoever kind or character which the Company shall or may, at any time suffer, sustain, or incur by reason of or in consequence of any negligent actions of the Applicant, or its agents, employees, or contractors, in connection with any of the provisions of this Agreement. Applicant hereby assumes responsibility and liability for the injury or death of any person, or loss of damage to any property contributed to or caused by the negligence of Applicant, or its agents, employees, or subcontractors, in the execution of any work in connection with this Agreement, not involving any negligence of the Company or its agents, employees, or contractors. In case any suit or other proceeding shall be brought on account of any matter covered by the indemnification specified in this paragraph 18, Applicant will assume the Company's defense at Applicant's expense and will pay all final judgments rendered thereon.

19. Applicant shall prepare and submit to the Company all necessary data, redlined drawings, and electronic drawings within ninety days after acceptance of Water Facilities. The record drawings files shall conform to the Company's AutoCAD standards, a coordinate correct AutoCAD format using PA State Plane coordinate system South, NAD83, U.S., ft. Field data information, sketches, working drawings, if applicable, provided by the Company are to be incorporated into the record drawings. The record drawings shall include all of the above and below grade changes from the original design drawings. Changes made to reflect the "as-installed" conditions shall be made in the same level of detail and to the same degree of drafting

quality as the original design drawings. The consultant shall submit three (3) hard copies of the record drawings. Record drawings will be in the PA State Plane coordinate system South, NAD 83, U.S., ft. X, Y, and Z coordinates are required in an Excel format. The locations, by reference to fixed objects which will not be obscured by storm or snow, and respective sizes of all Water Facilities must be shown. As-Built Drawings and AutoCAD files are to be provided indicating the location of the main and permanent site features, including field sketches of main line valves, fittings, service valves by lot number, hydrant valves, and appurtenances thereto and also, indicating the location of any easements. Water pipeline markers are to be installed in rights-of-way area along water main at each valve location. All measurements must be taken from permanent structures. The Company will verify the Applicant's as-builts using GPS.

20. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.

21. Communications hereunder shall be sent to Applicant, addressed as follows:

or to such other address as Applicant may advise the Company in writing, and to the Company at:

PENNSYLVANIA-AMERICAN WATER COMPANY

or to such other address as the Company may advise Applicant in writing.

22. It is agreed that the Company is not an agent of Applicant and shall not incur any

costs or expenses on behalf of Applicant, and that Applicant is not an agent of the Company and shall not incur any costs or expenses on behalf of the Company.

23. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

24. This Agreement represents the entire understanding between the parties with respect to the subject matter herein and those which are reasonably related. There are no oral or collateral agreements with respect thereto between the parties. All changes or amendments to this Agreement must be in writing and signed by the parties in order to be enforceable.

25. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. However, Applicant shall not assign its rights, obligations, and interests in this Agreement without prior written notice to and the written approval from the Company. Such approval shall not be unreasonably withheld. The provisions of this Agreement concerning refunds shall not require the Company to allocate the refund to more than one assignee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate as of the day and year first above written.

THE COMPANY:
PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____
Name: _____
Title: _____

APPLICANT:

By: _____
Name: _____
Title: _____

Exhibit A
Development Description

Exhibit B
Water Facilities Description

Exhibit C
Estimated Construction Cost

Exhibit D
Water Facilities Plan Specifications

Exhibit E
Form: Rights-of-Way and Easements

Exhibit F
Stipulation Waiver of Right to File Lien

Not Required

Exhibit G
Sample: American Water Certificate of Insurance

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

**Application of Pennsylvania-American Water Company, for approval of the right to offer,
render, furnish or supply water service to the public in an additional portion of Lancaster**

Township, Butler County, Pennsylvania

Docket No. A-2016-2551059

Opinion and Order entered September 1, 2016

(Scenic Ridge Development)

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held September 1, 2016

Commissioners Present:

Gladys M. Brown, Chairman
Andrew G. Place, Vice Chairman
John F. Coleman, Jr.
Robert F. Powelson
David W. Sweet

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish or supply water service to the
public in an additional portion of Lancaster
Township, Butler County, Pennsylvania

A-2016-2551059

ORDER

BY THE COMMISSION:

By the Application filed on June 14, 2016, the Pennsylvania-American Water Company (PAWC), utility code 212285, 800 West Hersheypark Drive, Hershey, PA 17033, seeks a certificate of public convenience pursuant to Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(1)(i), evidencing Commission approval of the PAWC's right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

I. BACKGROUND INFORMATION

PAWC submitted proofs of publication and service to the appropriate entities. In addition, notice of this Application was published in the *Pennsylvania Bulletin*, 46 Pa.B. 3398, on Saturday, June 25, 2016. The protest period ended July 11, 2016. No protests were filed and no hearings were held.

PAWC is a regulated public utility company, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly-owned division of the American Water Works Company, Inc. PAWC currently furnishes water service to portions of 36 counties across the Commonwealth including portions of Lancaster Township, Butler County. As of April 30, 2016, PAWC furnished water service to approximately 653,123 customers of the following classifications: 600,940 residential; 44,883 commercial; 520 industrial; 2,431 municipal, resale or other; and 4,349 fire protection. Additionally, PAWC provides wastewater service to approximately 21,306 customers as Pennsylvania-American Water Company-Wastewater Division, utility code 230073.

II. LOCATION AND DESCRIPTION OF PROPOSED TERRITORY

The Application contained a proposed water service territory map and boundary description marked as Exhibits B-1 and B-2, respectively. PAWC's requested additional territory is 45.9 acres and borders the eastern side of its existing water service territory situated along State Route 19. In supplemental information, PAWC provided a revised boundary description for the proposed water service territory that included bearing angles and distances. PAWC is certificated to serve the portion of Lancaster Township, Butler County which abuts the applied for territory under Docket Numbers A-2014-2433205.

The proposed territory will allow a water main extension to serve approximately 108 customers in the proposed Scenic Ridge residential subdivision. Specifically, the development will be comprised of 35 single family homes, 18 four-unit buildings, and one community clubhouse. Weaver Master Builders, Inc. (WMB) is the developer that initiated the subject development and has since assigned full interest to its affiliate, Scenic Ridge Partners, LP (SRP LP). According to PAWC, SRP LP is an entity formed solely to complete the development and requested water service in the applied for territory. A letter from SRP LP, dated April 26, 2016, requesting water service was included in the Application marked as Exhibit G.

In addition to the 108 customers within the Scenic Ridge Development, the water main extension will provide approximately 9 existing residential homes, situated within the proposed additional territory, the ability to be connected. However, the owners of these existing residential homes are not obligated to connect to the water main extension as Lancaster Township does not have a mandatory connection ordinance.

III. FACILITIES FOR FURNISHING SERVICE

According to PAWC, service to the proposed territory will be extended from PAWC's existing water main situated within State Route 19. Specifically, a water main will be extended from the intersection of State Route 19 and Southview Drive eastward along Southview Drive into the proposed Scenic Ridge Development. PAWC stated that the proposed water main extension within the requested territory will include approximately 4,850 feet of 8-inch ductile iron main and other related appurtenances. The proposed facilities will also include the installation of five public fire hydrants along the water main extension. Construction of the water main extension will be completed by a contractor, pre-approved by PAWC and retained by SRP LP. The construction of the water main extension is expected to be completed within one month following

Commission approval of PAWC's additional territory request. PAWC stated that the Scenic Ridge Development will be served by its Ellwood water treatment facilities.

PAWC noted that wastewater treatment for the proposed Scenic Ridge Development will be provided by the Western Butler County Authority (WMCA). In supplemental information, PAWC provided a copy of a sewage facilities planning approval letter from the Department of Environmental Protection (DEP) for the Scenic Ridge Development explaining that the extension of WMCA's wastewater system will also allow existing residents within the nearby Hillcrest Acres area, who are currently served by malfunctioning on-lot septic systems, to connect to the WBCA's wastewater treatment system.

IV. ADDITIONAL CAPITAL REQUIREMENTS

PAWC estimates the construction cost to extend water service to the Scenic Ridge Development will be approximately \$300,944. Under the terms of PAWC's Water Line Facilities Agreement, SRP LP will finance the construction of the proposed water facilities as well as the cost of all required engineering, inspection and permitting. SRP LP will deposit a sum of \$16,000 which will represent a reimbursement to PAWC for administrative costs, engineering and inspection fees, and costs for obtaining permits. The amount is calculated based on the overall cost of the project. Upon completion of the water main extension, PAWC will provide the actual costs of engineering and inspection to SRP LP. The portions of the overall costs may be refunded to the Developer, as per the Water Facilities Line Extension Agreement referenced in PAWC's approved water tariff if additional connections are added within a ten year period. No additional capital is required of PAWC for the purpose of financing water service to the Scenic Ridge Development.

V. PROPOSED RATES

PAWC will charge its existing Rate Zone 1 rates for service within the requested territory as set forth in its effective water tariff. Current Rate Zone 1 rates were attached to the Application marked as Exhibit E. In Rate Zone 1, a typical residential customer using 3,960 gallons per month with a 5/8-inch meter pays \$55.45 per month or \$665.40 annually for water service. In addition, municipalities pay \$15.10 per month or \$181.20 annually per public fire hydrant. The total estimated annual revenue from serving the 108 customers and 5 fire hydrants within the applied for territory will be approximately \$72,769. PAWC estimates its associated expenses will be approximately \$18,450. These revenues and expenses result in a net of approximately \$54,319 as demonstrated in Exhibit F of the Application.

VI. PERMITS REQUIRED

According to the Application, PAWC stated the proposed water main extension will require a Highway Occupancy Permit (HOP) from the Pennsylvania Department of Transportation (PennDOT), a street opening permit from Lancaster Township, and a General NPDES Permit for stormwater discharges associated with construction activities. In supplemental information, PAWC provided copies of the PennDOT HOP and the General NPDES Permit that were obtained for the Scenic Ridge Development and its proposed water main extension.

VII. LAND-USE PLANNING COMPLIANCE

PAWC provided letters supporting the extension of water service to the proposed development from the Lancaster Township's Zoning Officer and the Butler County Board of Commissioners. These letters were included in the Application marked as Exhibits H and I, respectively. According to both letters, the Lancaster Township Board

of Supervisors has already approved the subdivision and land development plan for the Scenic Ridge Development.

VIII. OTHER CONSIDERATIONS

PAWC stated that to the best of its knowledge, no corporation, partnership or individual is currently furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the applied for territory, and no competitive condition will be created. PAWC further declared that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

PAWC is current with its annual and quarterly reports, as well as the Security Planning and Readiness report filing requirements of the Commission. Through correspondence with DEP's Northwest Regional Office, it was determined that DEP has no outstanding compliance or operational issues with PAWC in that region.

IX. CONCLUSION

Based upon the facts that PAWC will expand its service territory to new customers in compliance with Commission regulations and that PAWC is fit to provide service, the Commission finds that the granting of PAWC's Application for an extension of service territory is in the public interest; **THEREFORE,**

IT IS ORDERED:

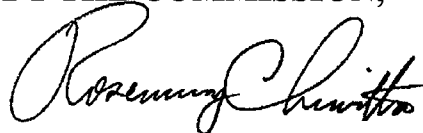
1. That the Application of Pennsylvania-American Water Company at Docket No. A-2016-2551059 is hereby approved.

2. That a Certificate of Public Convenience shall be issued pursuant to 66 Pa. C.S. § 1102(a)(1)(i) of the Public Utility Code, authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in an additional portion of Lancaster Township, Butler County consistent with this Order.

3. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, Lancaster Township Board of Supervisors, Butler County Commissioners, the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: September 1, 2016

ORDER ENTERED: September 1, 2016

PENNSYLVANIA PUBLIC UTILITY COMMISSION

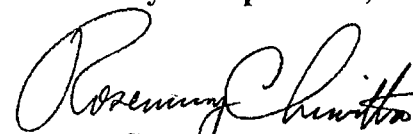
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2016-2551059

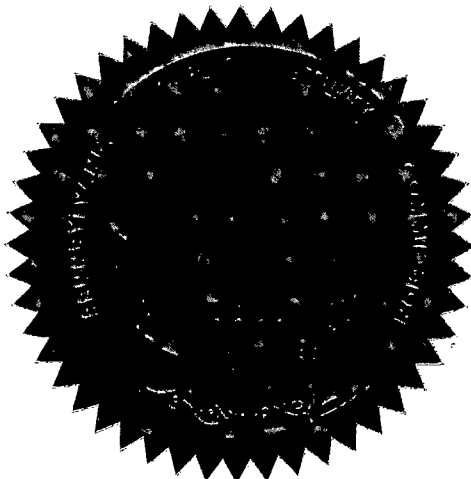
Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

Effective Date: September 1, 2016

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its secretary at its office in the city of Harrisburg this 1st day of September, 2016.


Secretary



BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania American Water", "Company" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania American Water")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Susan Simms Marsh, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of April 30, 2016 Pennsylvania American Water provided water service to approximately 653,126 customers in the following classifications:

Residential:	600,940
Commercial:	44,883
Industrial:	520
Municipal, Resale and Other:	2,431
Fire Protection:	4,349

In addition, Pennsylvania American Water furnishes wastewater service to approximately 21,306 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania American Water.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied for territory will serve approximately 107 units in a residential development and one community clubhouse. Weaver Master Builders, the developer, has requested that Pennsylvania American Water provide water service to the residential development. Pennsylvania American Water is certificated to serve portions of

Lancaster Township, Butler County under Docket No. A-2014-2433205 which abuts the applied for territory.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to serve the residential properties will include approximately 4,850 feet of 8 inch ductile iron pipe and other related appurtenances. The applied for service territory abuts existing Pennsylvania American Water service territory and the Company shall extend its water distribution system from its present terminus at the intersection of State Route 19 and Southview Drive, Lancaster Township to serve the 107 residential units within the new development. Operations for this applied for service territory will continue through the Company's Ellwood facilities. There will be 5 fire hydrants installed and maintained by Pennsylvania America Water. The applied for territory consists of approximately 49.5 acres. Wastewater treatment for these residential customers shall be provided by the Western Butler County Authority. There are no commercial customers in the applied for service territory.

10. Pennsylvania American Water expects that it will take approximately one month to install the water main(s) upon Commission approval.

11. Pennsylvania American Water will apply for and obtain a Street Opening Permit from Lancaster Township for this project.

12. To the best of the Applicant's knowledge, no corporation, partnership, or individual is currently furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

13. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania American Water as of December 31, 2015.

14. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania American Water for the 12 months ended December 31, 2015.

15. Pennsylvania American Water will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania American Water's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

16. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

17. The estimated annual revenues and expenses of Pennsylvania American Water in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

18. It is in the public interest for Pennsylvania American Water to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the residential housing development located in Lancaster Township, Butler County.

19. Weaver Master Builders, the developer for the project, sent a formal letter requesting that Pennsylvania American Water provide water service to the residential development in the additional portion of Lancaster Township, as evidenced in Exhibit G. A letter from Lancaster Township supporting this application is marked as Exhibit H. A letter from Butler County supporting this application is marked as Exhibit I. Letters addressed to the Lancaster Township Planning Commission and Butler County Planning Commission, marked

Exhibit J, have been sent to verify that this plan complies with county/township comprehensive plans.

20. Under the terms of the Company's Water Line Facilities Agreement, the developer funds the entire cost of the development. The developer, Weaver Master Builders, will deposit a sum of Sixteen Thousand (\$16,000) Dollars which will represent reimbursement to Pennsylvania American Water for costs of obtaining permits and inspection fees. A copy of the Water Line Facilities Agreement which will be entered into with the developer is attached as Exhibit K. This agreement is part of a supplement to Section 23.1 (A) of Pennsylvania American Water's tariff effective on March 17, 2015.

21. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania American Water will provide water service to the applicants in the applied for area under the Rules and Regulations of Pennsylvania American Water's approved tariff.

V. RELIEF REQUESTED

22. Together with its Order approving this Application, Pennsylvania American Water requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania American Water to furnish water service in a portion of Lancaster Township, Butler County depicted in Exhibit B-1 and described in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania American Water respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 22, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: 

Susan Simms Marsh, Esquire

Attorney I.D. No. 44689

Counsel for

Pennsylvania-American Water Company

800 West Hersheypark Drive

Hershey, PA 17033

717-533-5000

Dated: 6-14-2016

VERIFICATION

I, MARK A. SMITH, hereby state that the facts set forth in the Application to extend water service to an additional portion of Lancaster Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Mark A. Smith, Senior Manager of Operations
Pennsylvania-American Water Company

Date: 6-7-2016

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Lackawanna County Water System at Montage (Lackawanna County, April 11, 1997); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County,

August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippenville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013); Franklin Township Municipal Authority (Adams County, August 29, 2013); Berry Hollow Water Company (Northampton County, April 3, 2014); Scott Township (Lackawanna County, May 22, 2014); Paint-Elk Joint Sewer Authority (Clarion County, July 31, 2014); Hamiltonban Township Municipal Authority (Adams County, November 3, 2014); Abbey Woods Homeowners Association (Butler County, July 14, 2015); Shippenville Borough (Clarion County, August 4, 2015); Paint Township Municipal Water Authority (Clarion County, October 1, 2015); McEwensville Municipal Authority (Northumberland County, October 21, 2015) and Fairview Township (York County, December 22, 2015). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water

Exhibit A

system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 651,188 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippensburg, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

Exhibit A

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

Exhibit A

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Mount Bethel, Lower Nazareth, Palmer, Plainfield, Upper Mount Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of McEwensville, Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 21,216 customers in the following municipalities:

All, or portions of, the Townships of Franklin, Hamiltonban and Highland, Adams County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the

Exhibit A

Page 5 of 6

Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion, Elk, Monroe and Paint in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

All of the Borough of McEwensville in Northumberland County;

Portions of the Townships of Delaware and Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

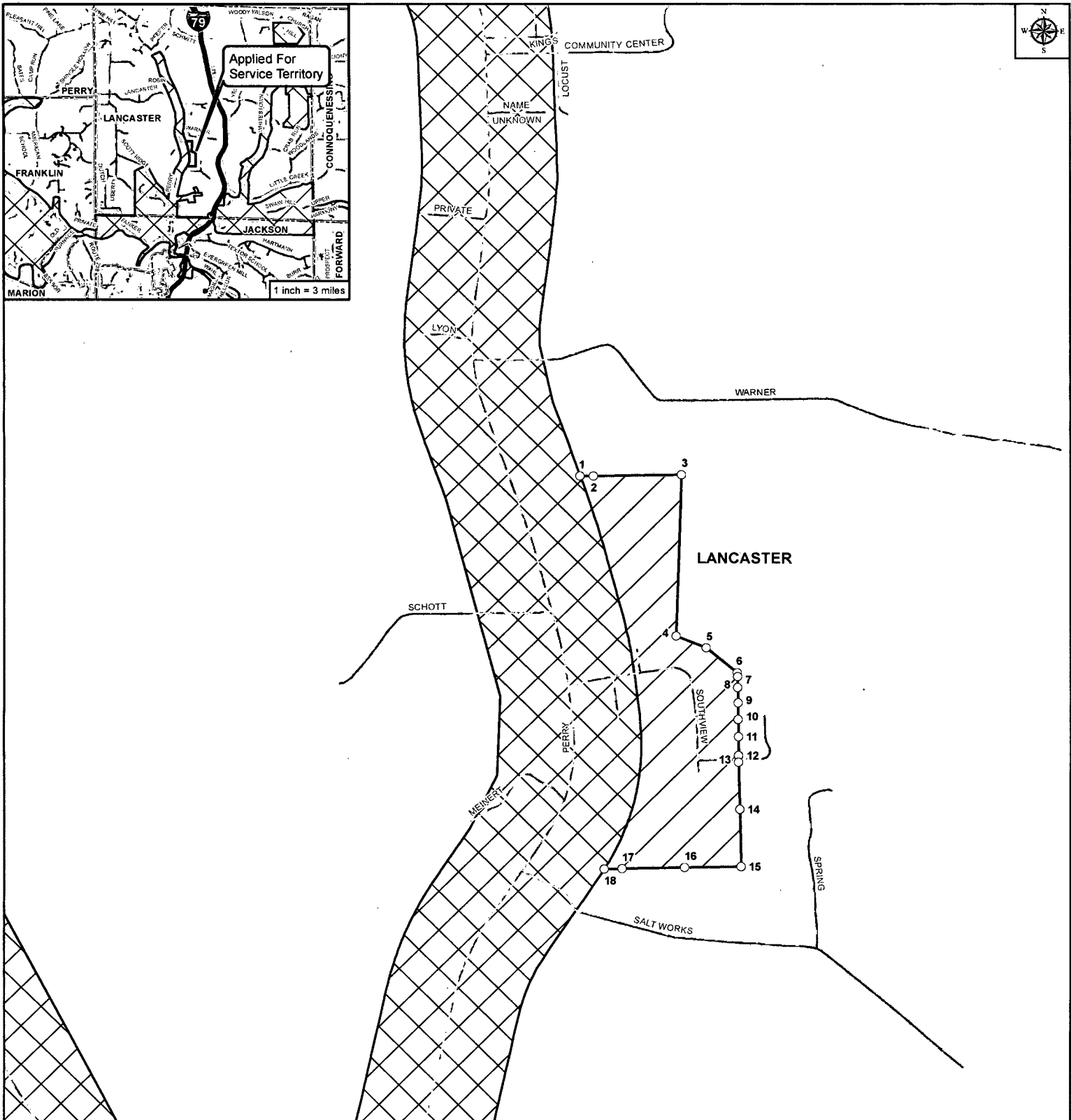
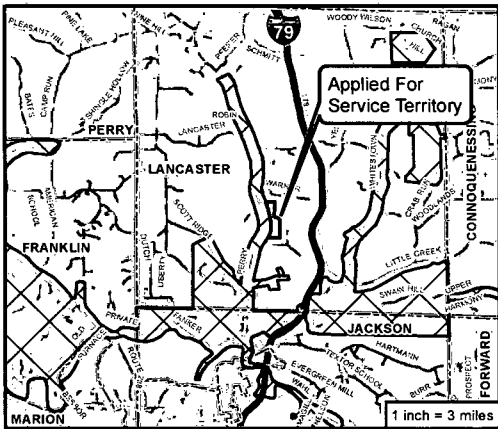
¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[405 municipalities in 36 counties.]

12/31/2015



Pennsylvania-American Water Company
Ellwood Operating Area
Proposed New Service Territory - Scenic Ridge
Approximately 45.9 Acres
Lancaster Township, Butler County

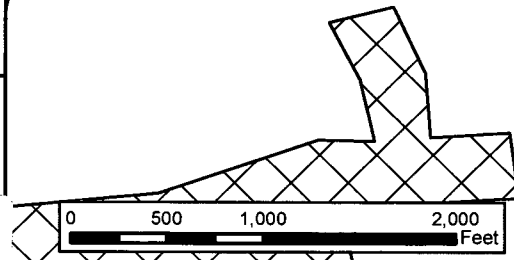
PENNSYLVANIA AMERICAN WATER

Pennsylvania American Water
 852 Wesley Drive
 Mechanicsburg, PA 17055
 Date: 6/6/2016

TO BE USED FOR
 Although every effort is
 made to ensure accuracy,
 this map is not a warranty.

Exhibit B-1

○ Bearings and Distance Points
 ▨ PAWC Service Territory
 ▤ Applied For Service Territory



Disclaimer: Bearings and distances were not developed as result of physical survey completed by a Professional Licensed Survey, but instead completed through employment of ESRI's ArcGIS COGO tool.

* Bearings and Distances attached separately

PENNSYLVANIA AMERICAN WATER COMPANY
SCENIC RIDGE DEVELOPMENT
SERVICE TERRITORY APPLICATION
PORTIONS OF LANCASTER TOWNSHIP
BUTLER COUNTY

EXHIBIT B-2

Starting at a point; said point being located 500 ft. east of the center line of S.R. 0019, and on the southern property line of Butler County Parcel 4F98-41AA-000. Thence in an easterly direction along said property line 750.5 ft. more or less, to a point where the property line intersects with the property line of Butler County Parcel 4F98-488. Thence; in a southerly direction, along the property line of Butler County Parcel 4F100-A6E a distance of 1,244.82 ft. to the point of intersection with the corner of Butler County Tax Parcel 200-A3-S20. Thence in a south-easterly direction along the property lines of Butler County Parcels 200-S3-A20 and 200-S3-A19 a distance of 329.6 ft more or less to a point of intersection with the western property line of Butler County Tax Parcel 4F100-A8A. Thence; in a southerly direction along the property line of Butler County Tax Parcels 4F100-A8A and 4F100-A8 a distance of 1,439 ft. more or less to the point of intersection with the property line of Butler County Parcel 4F100-A16H. Thence; in a westerly direction along the property line with Butler County Parcel 4F100-A16H a distance of 595.1 ft more or less to a point 500 ft east of the centerline of S.R. 0019. Thence; in a northerly and northwesterly direction along a line parallel to and 500 ft east of the center line of S.R.0019, which is the eastern boundary of the existing PAWC service territory, to the point of beginning.

Containing 45.9 acre

PA American Water
Balance Sheet
December 31, 2015
(Dollars in thousands)

	December 31, 2015 (Unaudited)
Assets	
Cash and cash equivalents	\$ (6,117)
Other current assets	\$ 89,427
Total property plant and equipment	\$ 3,568,250
Regulatory assets & other L/T Assets	\$ 242,477
Total Assets	\$ 3,894,037
Capitalization and liabilities	
Short Term Debt	\$ 66,393
Current Portion of Long-term Debt	\$ 18,669
Other current liabilities	\$ 136,015
Total Long-term Debt	\$ 1,148,567
Regulatory & other Long Term Liabilities	\$ 973,584
Stockholder's equity	\$ 1,392,787
Contributions in aid of construction	\$ 158,022
Total Capitalization and liabilities	\$ 3,894,037

PA American Water
Income Statement for the 12 Months Ended December 31, 2015
(Dollars in thousands)

	PA American Water
	12 Months Ended
	December 31, 2015
Operating revenues	\$ 613,698
Operating expenses	
Operation and maintenance	\$ 199,425
Depreciation and amortization	\$ 95,589
General taxes and other	\$ 11,447
Total Operating Expenses	\$ 306,461
Operating income	\$ 307,237
Other income/(expenses)	
Other income, net	\$ (197)
Interest expense, net	\$ (65,379)
Total Other Expenses	\$ (65,576)
Income before income taxes	\$ 241,661
Provision for income taxes	\$ 98,801
Net income	\$ 142,860

PENNSYLVANIA-AMERICAN WATER COMPANY Canceling 18th and 19th Rev. Page 9
SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

The rates as set forth below will be in effect for service rendered from January 1, 2014 through December 31, 2016.

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>	<u>Service Charge Per Month Other Water Utilities</u> Group A & B
5/8 inch	\$ 15.00	\$ 21.80
3/4 inch	22.70	32.70
1 inch	37.80	54.60
1-1/2 inch	61.70	109.10
2 inch	98.70	174.60
3 inch	184.10	327.30
4 inch	231.20	545.50
6 inch	346.00	1,091.00
8 inch	669.90	1,746.00
10 inch	970.20	2,509.00
12 inch	1,517.50	3,928.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at 1.0214 (I)

Commercial

First 16,000 gallons .9911, All in excess of 16,000 gallons .7597 (I)

Municipal

First 16,000 gallons .9911, All in excess of 16,000 gallons .8153 (I)

Other Water Utilities

Group A All at .6730 (I)

Group B All at .8979

Issued: December 19, 2013

Effective: January 1, 2014

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 21.80
3/4	inch	32.70
1	inch	54.60
1-1/2	inch	109.10
2	inch	174.60
3	inch	327.30
4	inch	545.50
6	inch	1,091.00
8	inch	1,746.00
10	inch	2,509.00
12	inch	3,930.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9898	First 16,000	.9898
Next 584,000	.7398	Next 584,000	.7398
All in Excess		Next 14,400,000	.5866
of 600,000	.5866	All In Excess	
		Of 15,000,000	.3962

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Issued: December 19, 2013

Effective: January 1, 2014

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

107	Residential customers @ \$665.40	\$71,197.80
1	Community Clubhouse @\$665.40	665.40
5	Fire Hydrants @ \$181.20	\$ 906.00
	Total	\$72,769.20

Estimated Annual Expenses

107	Residential customers @ \$170.74	\$18,269.18
1	Community Clubhouse @\$170.74	170.74
5	Fire Hydrants @\$2.00	\$ 10.00
	Total	\$18,449.92
	Net	\$54,319.28

Residential

Meter Size	5/8"
Average Monthly Usage (00)	39.6
Mo. Service Charge	\$15.00
39.6 x 1.0214	\$40.45
Monthly Total Revenue	\$55.45
Annual Total Revenue	\$665.40

EXHIBIT F

SCENIC RIDGE PARTNERS LP
PO BOX 449
MARS, PA. 16046

April 26, 2016

Mr. Mark A. Smith
Pennsylvania American Water Company
Sr. Operations Manager, Northwest PA
2736 Ellwood Road
New Castle, Pa. 16101

**RE: Water Service Extension along Southview Drive to Serve Scenic Ridge
Development**

Southview Drive, Lancaster Township, Pa.

Dear Mr. Smith:

Scenic Ridge Partners, LP is requesting to extend water services from the existing PAWC water system located along State Route 19 near the intersection of Southview Drive and Route 19 to serve a 107 unit residential development/ 1 community clubhouse known as Scenic Ridge. Through the required extension an additional +/- 14 existing homesites would be able to be served.

The extension will require approximately a 350' extension along existing Southview Drive, including a boring operation under Route 19, to access the site. Additionally, there shall be approximately 4,500' of water line installed to serve both the proposed units as well as the existing dwelling (at their discretion) within the plan area.

As you are aware, much of the required paperwork and documentation has been completed to date. Please let us know of any further needs as we intend begin construction in the near future.

Please review the information at your earliest convenience, and feel free to contact me if you need any additional information.

Respectfully,



Brett J. Schultz
Weaver Master Builders, Inc.
Project Manager for Scenic Hills

LANCASTER TOWNSHIP
113 Kings Alley
Harmony, Pennsylvania 16037

Phone: (724) 452-7213

Fax: (724) 453-0129

E-mail: zoningoffice@zoominternet.net

Wednesday, March 30, 2016

Pennsylvania Public Utility Commission
Bureau of Administration
P.O. Box 3265
Harrisburg, Pa 17105-3265

To Whom It May Concern:

Recently the Lancaster Township Board of Supervisors approved the Scenic Ridge Planned Unit Development (PUD), consisting of 35 single family homes and 18 quad units for a total of 107 dwelling units. Per the Developer and with full support of Lancaster Township this PUD is to be serviced by Pennsylvania American Water Company for its public water service. Lancaster Township is very excited to have this opportunity to provide current residents in addition to the new residents with access to this public infrastructure system administered by Pennsylvania American Water Company.

If you have any questions, please contact me at (724) 452-7213.

Sincerely,



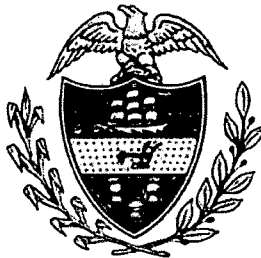
Benjamin Kramer | Zoning Officer
Lancaster Township
(office) 724.452.7213, ext 2 | (cell) 724.831.8456 | (fax) 724.453.0129

County of Butler Board of Commissioners

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5100 Fax 724.284.5400 TDD 724.284.5473

Commissioners

Leslie A. Osche, **Chairman**
Kimberly D. Geyer, **Vice Chairman**
Kevin E. Boozel, M.S., **Secretary**



Dir. of Adm. /Chief Clerk
Scott J. Andrejchak

Solicitor
Michael K. English

May 12, 2016

Pennsylvania Public Utility Commission
Bureau of Administration
P.O. Box 3262
Harrisburg, PA 17105-3265

To Whom It May Concern:

By way of this letter, we would like to extend our support for the Pennsylvania American Water Company to provide public water services to the Scenic Ridge Planned Unit Development (PUD), which was recently approved by the Lancaster Township Board of Supervisors. This PUD consists of 35 single family homes and 18 quad units for a total of 107 dwelling units.

We thank you for your consideration of this letter. If you need additional assistance, please do not hesitate to contact us.

Respectfully,

Butler County Board of Commissioners

Leslie A. Osche
Chairman

Kimberly D. Geyer
Vice Chairman

Kevin E. Boozel, M.S.
Secretary

BOC/mt



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

June 13, 2016

Lancaster Township
Planning Commission
113 Kings Alley
Harmony, Pennsylvania 16037

Re: Pennsylvania American Water application to serve a portion of Lancaster Township, Butler County

Pennsylvania American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to expand its water service territory to serve an additional portion of Lancaster Township. Specifically, this request was made for water service to be made available to a residential development known as Scenic Hills.

As part of the application process, the PUC requested Pennsylvania American Water seek the Township's input for the purpose of determining if Pennsylvania American Water's application complies with the Township's land use planning.

Specifically, the PUC requests that the Township reviews the following questions:

1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? _____
2. Is there an adopted county comprehensive plan? _____
3. Is there an adopted multi-municipal or multi-county comprehensive plan? _____
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? _____
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? _____
6. If the answer is "yes" to any of the above questions, please sign below, or submit a letter, indicating that the application is consistent with the applicable comprehensive plans and zoning ordinances. If the application is not consistent with the applicable comprehensive plans and zoning ordinances, please provide an explanation.

If you have any questions, please call me at (717) 790-3024 or e-mail Bernie.grundusky@amwater.com

Sincerely,

Bernie Grundusky
Director Business Development

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Lancaster Township Signature _____
Printed Name/Title _____ Date _____

Please send/e-mail this form to: Bobbi Gautsch at Roberta.gautsch@amwater.com or send to the address above.

Exhibit J



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

June 13, 2016

Butler County Planning Commission
Butler County Courthouse
290 South Main Street, P.O. Box 1208
Butler, PA 16003

Re: Pennsylvania -American Water Company application to serve a portion of Lancaster Township

Pennsylvania American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to approve the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

As part of the application process, the PUC requested Pennsylvania American Water seek the County's input for the purpose of determining if Pennsylvania American Water's application complies with the County's land use planning.

Specifically, the PUC requests that the County reviews the following questions:

1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? _____
2. Is there an adopted county comprehensive plan? _____
3. Is there an adopted multi-municipal or multi-county comprehensive plan? _____
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? _____
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? _____
6. If the answer is "yes" to any of the above questions, please sign below, or submit a letter, indicating that the application is consistent with the applicable comprehensive plans and zoning ordinances. If the application is not consistent with the applicable comprehensive plans and zoning ordinances, please provide an explanation.

If you have any questions, please call me at (717) 790-3024 or e-mail Bernie.grundusky@amwater.com

Sincerely,

Bernie Grundusky
Director Business Development

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Butler County Signature _____

Printed Name/Title _____ Date _____

Please fax/e-mail this form to: Bobbi Gautsch at Roberta.gautsch@amwater.com or fax to 717-531-3399.

WATER FACILITIES LINE EXTENSION AGREEMENT

("Agreement")

between

PENNSYLVANIA-AMERICAN WATER COMPANY

and _____

EXHIBITS

Exhibit A – Development Description

Exhibit B – Water Facilities Description

Exhibit C Estimated Construction Cost

Exhibit D – Water Facilities Plan Specifications

Exhibit E – Form: Rights-of-Way and Easements

Exhibit F – Release of Liens

Exhibit G – Sample: American Water Certificate of Insurance

Agreement No. _____

WATER FACILITIES LINE EXTENSION AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20____, by and between **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation with offices at _____ (hereinafter referred to as the "Company") and _____, with offices at _____, _____ (hereinafter referred to as "Applicant").

WITNESSETH:

WHEREAS, Applicant proposes to construct _____ (# of units) in _____ phases known as _____ (Development Name)_. This agreement is for Phase _____ and it shall consist of _____ (# of units). _____ (Development Name) will be constructed on a parcel located in _____ Township, _____ County, Pennsylvania, all as shown and described on Exhibit A, attached hereto and made a part hereof and hereinafter referred to as "**Development**"; and

WHEREAS, the Company is a public water utility having a Certificate of Public Convenience issued by the Pennsylvania Public Utility Commission ("PUC" or "Commission") for a service area that includes the Development and is following the terms of Section 23 of the Rules and Regulations in its approved water tariff; and

WHEREAS, Applicant desires that the Company furnish water service to the Development pursuant to the terms and conditions contained herein; and

WHEREAS, the Company is willing to furnish public utility water service to and within the Development through a direct connection to its existing water system; and

WHEREAS, to meet the public utility water service needs of the Development, certain water mains and associated appurtenances (hereinafter collectively referred to as the "Water Facilities"), as described on Exhibit B, attached hereto and made a part hereof, must be designed and constructed; and

WHEREAS, Applicant is willing to arrange and pay for the design, construction and installation of the Water Facilities.

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter contained and for other good and valuable consideration, the mutual receipt of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals or "Whereas" clauses are incorporated herein by reference.
2. Applicant shall design, construct, and install or cause to be designed, constructed, and installed, at no cost to the Company, the Water Facilities including, but not limited to costs of: engineering, materials, labor, legal matters, water used, transportation, equipment, necessary permits and approvals, testing, disinfection, corrections, preparation of as-built drawings, insurance, and bonds. Said Water Facilities shall consist of water transmission mains, distribution mains, valves, valve boxes, fittings, fire hydrants, street service connections to the property line on each lot shown on Exhibits B, and all other material and equipment. The meter pit shall be furnished by the Applicant and remain the property of the Applicant. The Company shall furnish a water meter per its tariff. If booster pumps and/or storage tanks are required, these facilities shall be administered under a separate agreement. The Applicant agrees that the installation and materials selected for the extension shall conform to the Company's specifications and shall be installed by the Company's pre-qualified contractor that is retained by the Applicant. The Applicant's cost for the design, construction, and installation of said Water Facilities shall be subject to refund pursuant to the provisions of paragraph 14 of this Agreement. Prior to beginning construction, the Applicant shall provide estimated construction costs for the Water Facilities in a manner provided for in Exhibit C. The Company must approve the Applicant's estimated construction costs.

If permits, zoning, or other approvals are required of the Company to complete the construction of the Water Facilities, then the Company, based on its sole determination that it is necessary for the Company to apply for said permit, zoning or other approval, shall sign for and/or apply for such permits, zoning and other approvals as required by the approving authority.

3. ENGINEERING AND INSPECTION FEES: Upon execution of this Agreement, the Applicant shall advance to the Company \$_____, the estimated cost of the administration, engineering, inspection, and preparation of as-built drawings including locating the Water Facilities by global position system (GPS) (hereinafter referred to as "E & I") of the Water Facilities. Upon completion of the installation of the extension, the Company will provide the actual costs of E & I to the Developer. If the advance provided is less than the actual costs, the Developer shall provide the difference between the actual and the advance to the Company within ten (10 days) of notice. In the event that the advance exceeded the actual charges, the Company will refund any excess amount deposited. The Company will not issue refunds where Applicant owes additional E & I Costs to the Company.

4. The Company, at its sole option and cost, reserves the right to "oversize" said Water Facilities. If the Company exercises the right to oversize, it shall pay for the difference in the price of the material necessary for the oversized pipe or appurtenances versus the material price of the pipe or appurtenances necessary to service the Development.

5. Applicant shall prepare all applications or other documentation necessary to obtain all requisite permits, zoning and other approvals for the construction of said Water Facilities. Applicant and its contractors shall comply with all conditions imposed in all permits. All plans, specifications, construction, and installation of said Water Facilities shall be in accordance with good utility practices, conform to the specifications contained in Exhibit D, attached hereto and made a part hereof, adhere to the rules, regulations, and requirements of the Pennsylvania Department of Environmental Protection, and meet the requirements of all other governmental agencies having jurisdiction thereover. Any required approvals shall be in writing. Additionally, all of said plans and specifications shall have the

written approval of the Company before construction is commenced. Approval by the Company will not be unreasonably withheld or delayed.

6. Applicant acknowledges that it is required to install an approved pressure reducing valve as per the Company specifications if the water pressure exceeds 100 psig. In addition, Applicant agrees that it and/or any successor builder will comply with the Pennsylvania "Plumbing System Lead Ban and Notification Act" and any regulation related to lead-free plumbing enacted by the Pennsylvania Department of Environmental Protection.

7. For Water Facilities constructed under this Agreement, Applicant agrees that no customer owned service line shall be installed and connected to the Water Facilities unless a signed application for water service is on file with the Company. Applicant acknowledges that an application for water service will not be approved by the Company until Applicant provides adequate security and protection for a water meter, or an approved meter vault has been installed and inspected and approved by the Company. Applicant further acknowledges that it and/or a subsequent builder, agent, subcontractor, or assignee who unlawfully connects and activates any water service line, and uses water without complying with the requirements contained in this paragraph 7, may be subject to criminal prosecution for theft of service, as provided for in the Pennsylvania Criminal Code.

8. Applicant shall comply with the inspection and testing requirements of the Company for said Water Facilities, which requirements shall be reasonable and shall not cause Applicant unwarranted delays in the ordinary course of construction. Applicant shall provide the Company with not less than 24-hour notice when the Water Facilities are ready for inspection and testing, and the Company shall inspect promptly after being so notified. Applicant shall be responsible for payment of all water used in the water main testing and construction. In addition, Applicant shall be responsible for the payment of any disinfection that is necessary. The Company specifically reserves the right to withhold acceptance of said Water Facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to the Company upon inspection and testing. Upon request by the Company, Applicant agrees that it will promptly correct all defects and deficiencies in construction,

materials, and workmanship made subsequent to its inspection and for two (2) years following the Company's written acceptance of said Water Facilities. Nothing herein shall relieve or limit Applicant's responsibility and liability for construction and installation of said Water Facilities in accordance with the terms of this Agreement.

9. In consideration of the Company's commitment to provide potable water service to the Development and in accordance with the Company's approved tariff, all materials installed, facilities constructed, and equipment provided, through the efforts of the Applicant, in connection with construction of the Water Facilities, under this Agreement, and placed in service shall become the sole property of the Company as installed, and full legal and equitable title thereto shall be then vested in the Company, free and clear of all liens, without the requirement of any written document of transfer to the Company. However, Applicant agrees to execute or cause to be executed promptly such documents as the Company may request to evidence good and merchantable title to said Water Facilities free and clear of all liens. All risk of loss shall be with Applicant until written acceptance of said Water Facilities, or any portions thereof, by the Company. Thereafter, risk of loss shall be with the Company. Applicant shall repair or cause to be repaired promptly, at no cost to the Company, all damage to the Water Facilities caused by construction operations within the Development until all Development construction for the Applicant has been completed. After the Company has placed in service and accepted in writing the Water Facilities, it will maintain, repair, and replace the Water Facilities as needed subject to the warranty provisions of the Agreement.

10. Applicant shall, at no cost to the Company, grant or cause to be granted to the Company perpetual rights-of-way and easements for said Water Facilities in the form contained in Exhibit E attached hereto and made a part hereof. These rights-of-way and easements shall be provided to the Company at time of execution of this Agreement. Upon execution of the rights-of-way or easements, the Company will return the document(s) to the Applicant. The Applicant shall record the document(s) with the County's Recorder of Deeds and return one copy of the recorded document to the Company.

It shall be the obligation of the Applicant to furnish an executed private or public fire hydrant agreement, when required, at the time of execution of this Agreement.

11. Applicant at the request of the Company, shall have its Water Facilities contractor execute a Stipulation Waiver of Right to File Liens as shown on Exhibit F. This Stipulation, if required, shall be provided to the Company at time of execution of this Agreement.

12. Applicant shall, within sixty (60) days of acceptance of the Water Facilities by the Company, furnish the Company with the following:

Copies of all bills, invoices, and other statements of expenses incurred by Applicant (or others), covering all of the costs of materials, equipment, engineering, supplies, construction, and installation of the Water Facilities evidencing Applicant's amount of payments to all contractors, subcontractors, vendors for all materials, equipment, supplies, labor, and other costs of construction of the Water Facilities.

13. It is mutually understood and agreed that the charges for water service to the residents of the Development shall be at the applicable rates of the Company on file with the PUC, which rates are subject to change from time to time upon application of the Company and as approved by the PUC.

14. The cost of design, construction, and installation of the Water facilities, as evidenced by invoices furnished in paragraph 12, shall be advances in aid of construction subject to refunds by the Company to Applicant. The Company hereby agrees to refund to the Applicant, during the period of ten years from the execution date of this Agreement, a per customer refund amount for each additional

customer for whom a street service connection shall be directly connected to the Water Facilities. The per customer refund, for a residential customer, shall be determined as follows: for each street service connection made for a residential customer, the refund will be three times the average annual revenue of a residential customer. The average annual revenue for residential customers will be based upon the calculation set forth in the Company's last approved base rate case. The refund per residential customer will be \$_____. For non-residential customers, the refund shall be equal to the actual revenue the Company receives for the first twelve months of water sales to that specific customer.

In order to be entitled to refunds, Applicant must be in compliance with the terms and conditions of this Water Facilities Line Extension Agreement. The Company may refuse to provide earned refunds where Applicant owes additional dollars to the Company for the project in this Agreement or any other Water Facilities Extension Agreement. Notwithstanding the foregoing, however, the total amount refunded shall not exceed the final construction costs of the Water Facilities. The Applicant may request refunds per Paragraph 14, once in each calendar quarter, furnishing the Company, at such time, a listing of additional customers. However, the failure on the part of the Applicant to make such a request shall not constitute a waiver of any rights hereunder to relieve the Company of the obligation to make refunds with reasonable promptness.

15. Prior to the commencement of construction of the Water Facilities, Applicant's contractor, having responsibility for the installation of the Water Facilities, shall furnish the Company with appropriate Certificate of Insurance coverage effective during the period of construction in the following types and amounts:

(i) Workmen's compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the Commonwealth of Pennsylvania.

(ii) Comprehensive general liability insurance, including operations and protective liability coverage, with limits of not less than Ten Million Dollars (\$10,000,000) combined single limit for bodily injury (including death) and property damage. When the work to be performed requires blasting, Developer's insurance shall specifically cover the risk. PENNSYLVANIA-AMERICAN WATER COMPANY shall be named an additional insured under this policy.

(iii) Comprehensive automobile liability insurance covering all owned and non-owned automobiles or trucks used by or on behalf of Developer with a combined single limit of \$1,000,000, in connection with the work contemplated by this Agreement.

(iv) All other coverage and Waiver of Subrogation as set forth in the attached Exhibit G American Water Certificate of Insurance Sample.

16. Applicant agrees that it will not request water service to the Development and service will not be provided prior to acceptance of the Water Facilities by the Company.

17. The Company will endeavor to maintain satisfactory and continuous service, but does not guarantee a continuous supply of water service. The Company shall not be liable for damages occasioned by interruptions or failure to commence service or unsatisfactory service, or any claims arising under or out of this Agreement caused by Acts of God or the public enemy, inevitable accidents, fire, explosions, strikes, riots, war, delay in receiving shipments of required material, order of any court or judge granted in any bona fide adverse legal proceedings or actions, or any order of any commission or tribunal having jurisdiction in the premises; or, without limitation by preceding enumeration, any other act

or thing reasonably beyond its control or incident to interruptions necessary for repairs or changes in the Company's water production, storage, transmission, or distribution facilities.

18. Applicant hereby agrees to hold and save the Company harmless from and against any and all damages, or liability therefore, loss, costs, charges, reasonable attorneys' fees, and/or expenses of whatsoever kind or character which the Company shall or may, at any time suffer, sustain, or incur by reason of or in consequence of any negligent actions of the Applicant, or its agents, employees, or contractors, in connection with any of the provisions of this Agreement. Applicant hereby assumes responsibility and liability for the injury or death of any person, or loss of damage to any property contributed to or caused by the negligence of Applicant, or its agents, employees, or subcontractors, in the execution of any work in connection with this Agreement, not involving any negligence of the Company or its agents, employees, or contractors. In case any suit or other proceeding shall be brought on account of any matter covered by the indemnification specified in this paragraph 18, Applicant will assume the Company's defense at Applicant's expense and will pay all final judgments rendered thereon.

19. Applicant shall prepare and submit to the Company all necessary data, redlined drawings, and electronic drawings within ninety days after acceptance of Water Facilities. The record drawings files shall conform to the Company's AutoCAD standards, a coordinate correct AutoCAD format using PA State Plane coordinate system South, NAD83, U.S., ft. Field data information, sketches, working drawings, if applicable, provided by the Company are to be incorporated into the record drawings. The record drawings shall include all of the above and below grade changes from the original design drawings. Changes made to reflect the "as-installed" conditions shall be made in the same level of detail and to the same degree of drafting quality as the original design drawings. The consultant shall submit three (3) hard copies of the record drawings. Record drawings will be in the PA State Plane coordinate system South, NAD 83, U.S., ft. X, Y, and Z coordinates are required in an Excel format. The locations, by reference to fixed objects which will not be obscured by storm or snow, and respective sizes of all Water Facilities must be shown. As-Built Drawings and AutoCAD files are to be

provided indicating the location of the main and permanent site features, including field sketches of main line valves, fittings, service valves by lot number, hydrant valves, and appurtenances thereto and also, indicating the location of any easements. Water pipeline markers are to be installed in rights-of-way area along water main at each valve location. All measurements must be taken from permanent structures. The Company will verify the Applicant's as-builts using GPS.

20. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.

21. Communications hereunder shall be sent to Applicant, addressed as follows:

or to such other address as Applicant may advise the Company in writing, and to the Company at:

PENNSYLVANIA-AMERICAN WATER COMPANY

or to such other address as the Company may advise Applicant in writing.

22. It is agreed that the Company is not an agent of Applicant and shall not incur any costs or expenses on behalf of Applicant, and that Applicant is not an agent of the Company and shall not incur any costs or expenses on behalf of the Company.

23. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

24. This Agreement represents the entire understanding between the parties with respect to the subject matter herein and those which are reasonably related. There are no oral or collateral agreements with respect thereto between the parties. All changes or amendments to this Agreement must be in writing and signed by the parties in order to be enforceable.

25. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. However, Applicant shall not assign its rights, obligations, and interests in this Agreement without prior written notice to and the written approval from the Company. Such approval shall not be unreasonably withheld. The provisions of this Agreement concerning refunds shall not require the Company to allocate the refund to more than one assignee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate as of the day and year first above written.

THE COMPANY:
PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____
Name: _____
Title: _____

APPLICANT:

By: _____
Name: _____
Title: _____

Exhibit A
Development Description

Exhibit B
Water Facilities Description

Exhibit C
Estimated Construction Cost

Exhibit D
Water Facilities Plan Specifications

Exhibit E
Form: Rights-of-Way and Easements

Exhibit F
Stipulation Waiver of Right to File Lien

Not Required

Exhibit G

Sample: American Water Certificate of Insurance

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

**Application of Pennsylvania-American Water Company, for approval of the right to offer,
render, furnish or supply water service to the public in an additional portion of Lancaster
Township, Butler County, Pennsylvania
Docket No. A-2014-2433209**

**Opinion and Order entered September 11, 2014
(Whitestone and Kneiss Road)**

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held September 11, 2014

Commissioners Present:

Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
James H. Cawley
Pamela A. Witmer, Statement
Gladys M. Brown

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish or supply water service to the
public in an additional portion of Lancaster
Township and Connoquenessing Township,
Butler County, Pennsylvania

A-2014-2433209

Off-Site Marketing Agreement Between
Pennsylvania American Water Company and
R.E. Gas Development, LLC, dated June 24,
2014

M-2014-2433452

ORDER

BY THE COMMISSION:

By the application filed on July 17, 2014, Pennsylvania-American Water Company (PAWC or the Applicant), utility code 212285, seeks a certificate of public convenience pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(1)(i), evidencing Commission approval of the Applicant's right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania.

Proofs of publication and service to appropriate entities were submitted by PAWC. No protests were filed and no hearings were held.

PAWC is a regulated public utility corporation, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the state. As of May 31, 2014, the Applicant provided water service to approximately 648,772 customers. PAWC also provided wastewater service to approximately 16,629 customers.

PAWC indicated that the proposed additional territory is located in a portion of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania as described in the application as Exhibit B-1 along with a map showing the description of the area in Exhibit B-2.

The requested territory will allow PAWC to provide public water service to the R.E. Gas Development LLC (REX Energy), a natural gas operation, at a connection on Whitestone Road at the intersection of Kniess Road in Lancaster Township along Lower Harmony Road in Connoquenessing Township. PAWC also indicated that there are twenty (20) potential residential customers along the proposed water extension but Lancaster Township and Connoquenessing Township do not plan to enact a mandatory water connection to those 20 residential customers.

PAWC is certified to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285F0113, A-2009-2110756, A-2012-2321379, A-2012-2337446 and A-2014-2408033. PAWC is also certificated to serve portions of Connoquenessing Township, Butler County under Docket Nos. A-00100959, A-212285F0043, A-212285F0103, A-212285F0111 and A-212285F0149. The requested territory consists of approximately 166 acres.

PAWC stated that the facilities to be installed within the requested territory to serve REX Energy will include approximately 7,200 feet of 12-inch ductile iron distribution main, pipes, valves, valve boxes, fittings and other related appurtenances. PAWC averred that REX Energy will be served from PAWC's Butler facilities. PAWC is responsible for installing and maintaining the 7 fire hydrants along the pipe line extension.

PAWC will acquire a Highway Occupancy Permit from Lancaster Township, Street Opening Permit from Connoquenessing Township and Pennsylvania Chapter 105 Water Obstruction and Encroachment Permits. PAWC indicated that this project is expected to be completed before December 2014.

The Offsite Marketing Agreement (the Agreement) between PAWC and REX Energy, dated June 24, 2014, and filed with the Commission on July 11, 2014, at Docket No. M-2014-2433452, specifies that PAWC will construct, own and operate the water facilities extension. Per paragraph 29 of the Agreement, Commission approval is required pursuant to PAWC's Tariff at section 23.5 and is effective within 30 days after filing, i.e., August 10, 2014, unless the Commission institutes an investigation. The Agreement further stipulates that PAWC will supply the REX Energy sites with an interruptible water supply and that PAWC will only supply REX Energy with available excess water after the local demands to the Ellwood and Butler areas are met and that at times of drought the allowable supply to the REX Energy sites could be zero. REX Energy will notify PAWC 48 hours prior to using PAWC water.

REX Energy agrees to purchase not less than eighteen million gallons of water during the first three years after the pipeline becomes operational. At the conclusion of the third year, PAWC will perform a calculation to determine whether the minimum purchase was met. If the minimum purchase was not met, REX Energy agrees

to pay an amount equal to the difference between the minimum and actual purchase amounts at the then current rate per 1,000 gallons within 30 days.

PAWC indicated that the estimated cost of the project is approximately \$609,000 and will be constructed by PAWC. REX Energy will provide a non-refundable \$500,000 contribution toward the cost of the installation of the facilities. PAWC will bear the remaining cost. No additional capital will be required by PAWC for the purpose of financing the project.

PAWC stated that to the best of its knowledge, no corporation, partnership or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the requested territory, and no competitive condition will be created. PAWC further indicated that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

PAWC will charge its then existing Rate Zone 1 rates for service in the requested territory as set forth in PAWC's Tariff. Current Rate Zone 1 rates are attached to the application as Exhibit E. Based on PAWC's current tariff, estimated annual revenue will be \$86,230 as demonstrated in Exhibit F to the application.

PAWC noted that wastewater treatment for REX Energy is not required and the potential residential and commercial customers currently have on-lot water and wastewater systems.

PAWC provided a letter from REX Energy requesting water service. Letters from Lancaster Township, Connoquenessing Township and the Butler County Board of Commissioners supporting the application were also provided by PAWC.

PAWC is current with its annual and quarterly reports, as well as the Security Planning and Readiness report filing requirements of the Commission. There are no Department of Environmental Protection outstanding compliance or operational issues with PAWC.

Based upon the facts that PAWC will expand its service territory to a new customer in compliance with Commission regulations and that PAWC will be meeting the needs of a new customer without any detriment to its existing customers, the Commission finds that the granting of PAWC's application for an extension of service territory is in the public interest; **THEREFORE,**

IT IS ORDERED:

1. That the application of Pennsylvania-American Water Company at Docket No. A-2014-2433209 is hereby approved.
2. That the Off-Site Marketing Agreement between Pennsylvania-American Water Company and R.E. Gas Development, LLC at Docket M-2014-2433452 is hereby approved.
3. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in an additional portion of Lancaster Township and Connoquenessing Township, Butler County as described in Exhibit B-2 and depicted on a map identified as Exhibit B-1, attached to the subject application.

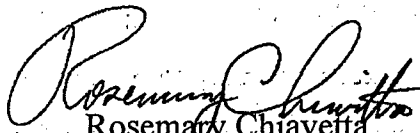
-2. That the Off-Site Marketing Agreement between Pennsylvania-American Water Company and XTO Energy, Inc., at Docket M-2014-2433457 is hereby approved.

3. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in an additional portion of Franklin Township and Connoquenessing Township, Butler County as described in Exhibit B-2 and depicted on a map identified as Exhibit B-1, attached to the subject application.

4. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

5. That a copy of this Order be served upon Pennsylvania-American Water Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,


Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: September 11, 2014

ORDER ENTERED: SEPTEMBER 11, 2014

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Harrisburg, PA 17120

Pennsylvania American Water Company

Public Meeting – Sept. 11, 2014

2433205 - TUS

Docket Nos. A-2014-2433205, M-2014-2433454

Pennsylvania American Water Company

Public Meeting – Sept. 11, 2014

2433207 - TUS

Docket Nos. A-2014-2433207, M-2014-2433457

Pennsylvania American Water Company

Public Meeting – Sept. 11, 2014

2433209 - TUS

Docket Nos. A-2014-2433209, M-2014-2433452

STATEMENT OF
COMMISSIONER PAMELA A. WITMER

Before the Pennsylvania Public Utility Commission (Commission) today are proposed orders approving three separate applications for water line extensions filed by Pennsylvania American Water Company (PAWC). Specifically, PAWC has applied to extend service to provide public water supply to two separate natural gas operations of R. E. Gas Development, LLC (REX Energy) in Connoquenessing and Lancaster townships in Butler County as well as XTO Energy, Inc., gas operations (XTO Energy) in Franklin and Connoquenessing townships in Butler County.

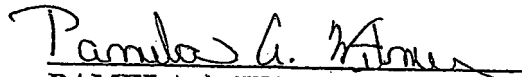
The three applications present compelling facts pointing to the economic and societal benefits of each water line extension. According to one application, REX Energy will pay \$600,000 toward the extension, which will afford 67 residential customers and 8 commercial customers the opportunity to connect to PAWC's system. In a second application, REX Energy will contribute \$500,000 toward the extension, which will provide 20 additional residential customers with potential access to PAWC's system. Finally, XTO Energy will pay an estimated \$2.6 million in support of the extension, which will afford 100 residential customers and 7 commercial customers the opportunity to connect to PAWC's system.

Collectively, these proposals will afford 187 residential customers and 15 commercial customers (in addition to REX Energy and XTO Energy) with the opportunity to economically tie into a safe, public water supply and provide fire protection through the installation of 31 fire hydrants where none currently exist. For its part, PAWC will begin receiving additional revenue from customers with the bulk of capital costs being borne by Companies with ties to Pennsylvania's burgeoning natural resources industry.

Approval of each of these applications will assist in providing additional construction jobs, a source of clean, reliable and potable water for customers, a reduction in truck traffic associated with

natural gas operations as water is delivered via the pipeline, enhanced fire protection and a positive financial impact for PAWC. These benefits should be highlighted by this Commission because they are exactly the types of win-win scenarios created by the Commonwealth's "All of the above and below" energy strategy.

DATE: September 11, 2014


PAMELA A. WITMER
COMMISSIONER

PENNSYLVANIA PUBLIC UTILITY COMMISSION

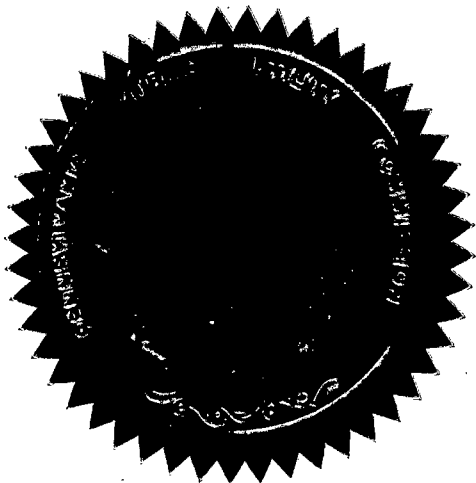
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2014-2433209

Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania.

Effective Date: September 11, 2014

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its secretary at its office in the city of Harrisburg this 11TH DAY OF SEPTEMBER 2014.



A handwritten signature in cursive script, reading "Rosemary Chivetta".

Secretary

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in additional portions of Lancaster Township, and Connoquenessing Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of May 31, 2014 Pennsylvania-American provided water service to approximately 648,772 customers in the following classifications:

Residential:	596,409
Commercial:	44,968
Industrial:	528
Municipal, Resale and Other:	2,473
Fire Protection:	4,390

In addition, Pennsylvania-American furnishes wastewater service to approximately 16,629 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service territory is located in a portion of Lancaster Township and Connoquenessing Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The service territory requested consists of approximately 151 acres and will be served through the

Company's Butler facilities. The applied-for-territory will allow Pennsylvania American to provide public water supply to serve the R.E. Gas Development, LLC (REX Energy), gas operations at a connection on Whitestone Road at the intersection of Kniess Road in Lancaster Township to Lower Harmony Road in Connoquenessing Township. There are also thirty (30) potential residential customers along the proposed water extension on Whitestone Road to Lower Harmony Road within the proposed additional service territory. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A- 212285F01103, A-2009-2110756, A-2012-2321379, A-2012-2337446 and A-2014-2408033. Pennsylvania American Water Company is certificated to serve portions of Connoquenessing Township, Butler County under Docket Nos. A00100959, A-212285F0043, A-212285F0103, A-212285F011 and A-212285F0149.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory for Rex Energy will include approximately 7,200 feet of twelve inch ductile iron distribution main, pipes, valves, valve boxes fittings and other related appurtenances. PAWC will install and maintain seven (7) fire hydrants along the pipe line. Wastewater treatment for Rex Energy is not required. Potential residential customers currently have on-lot water and wastewater systems. Anticipated completion date for this project is December, 2014.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of June 30, 2014.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended June 30, 2014.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the commercial development and the residential customers located in Lancaster Township and Connoquenessing Township, Butler County.

17. REX Energy made a formal request for water service to the requested area and is marked as Exhibit G. A letter from Butler County and Lancaster and Connoquenessing Townships supporting this application is marked as Exhibit H.

18. The cost of the project is estimated at Six Hundred Nine Thousand (\$609,000) Dollars and will be installed by Pennsylvania-American. Rex Energy will provide a

non-refundable Five Hundred Thousand (\$500,000) Dollars contribution toward the cost of the installation of the facilities. PAWC will bear the remaining costs.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide water service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

20. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township and Connoquenessing Township, Butler County depicted in Exhibit B-1 and described in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 20, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

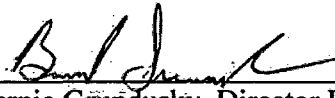
By: 

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: 7/17/2014

VERIFICATION

I, BERNIE GRUNDUSKY, hereby state that the facts set forth in the Application to extend water service to additional portions of Lancaster Township and Connoquenessing Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).


Bernie Grundusky, Director Business
Development
Pennsylvania-American Water Company

Date: 7/16/2014

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998);

Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999);

Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippensburg Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013) and Franklin Township Municipal Authority (Adams County, August 29, 2013). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 641,664 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden,

Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and

South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laffin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 18,064 customers in the following municipalities:

Portions of the Township of Franklin, Adams County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portions of the Townships of Delaware and Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

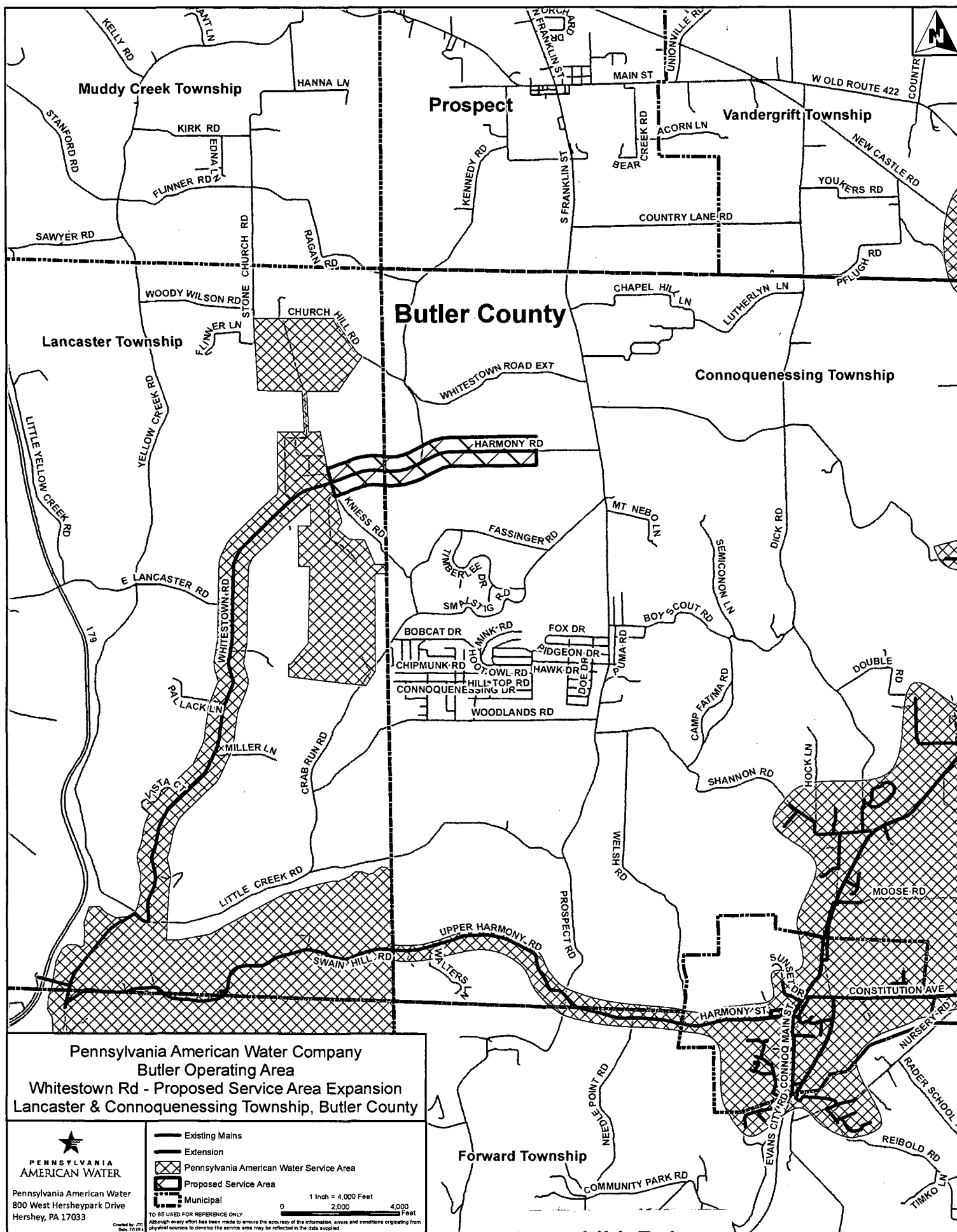
¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[399 municipalities in 36 counties.]

01/31/2014



PENNSYLVANIA AMERICAN WATER COMPANY
SERVICE TERRITORY APPLICATION
PORTIONS OF LANCASTER
AND
CONNOQUENESSING TOWNSHIPS
BUTLER COUNTY

AREA 1

Beginning at a point said point being coincident with existing PAWC service area, and located at the intersection of T-831(Whitestown Road) and T-340 (Kneiss Rd) in Lancaster Township, Butler Count. From said point, easterly, 500 feet on either side of the centerline of Whitestown Road in Lancaster Township, and continuing along Lower Harmony Road (T-831) in Connoquenessing Township a distance of 7,200 feet, more or less. Total Area: 151 acre.

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
June 30, 2014 (Unaudited)
(Dollars in thousands)

	June 30, 2014 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$3,114,295
Utility plant acquisition adjustments, net	\$14,468
Total Non-Utility Plant, net	\$219
Construction Work in Progress	\$73,904
Total property plant and equipment	\$3,202,886
Current assets	
Cash and cash equivalents	(\$1,861)
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$58,790
Unbilled	\$33,575
Other current assets	\$16,545
Total current assets	\$107,049
Long-term assets	
Regulatory assets	\$183,715
Goodwill	\$39,782
Other	\$500
Total long-term assets	\$223,996
Total assets	\$3,533,931
Capitalization and Liabilities	
	June 30, 2014 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$719,614
Retained earnings	\$445,861
Total stockholder's equity	\$1,186,982
Long-term debt	\$1,145,870
Preferred stock without mandatory redemption requirements	\$0
Preferred stock with mandatory redemption requirements	\$8,852
Total capitalization	\$2,341,704
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$91,446
Current portion of long-term debt	\$3,984
Other	\$105,841
Total current liabilities	\$201,271
Long-term liabilities	
Deferred income taxes	\$717,816
Other	\$140,723
Total long-term liabilities	\$858,539
Contributions in aid of construction	\$132,417
Total capitalization and liabilities	\$3,533,931

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For period ending June 30, 2014 (Unaudited)
(Dollars in thousands)

	Period Ending June 30, 2014
Operating revenues	<u>\$298,622</u>
Operating expenses	
Operation and maintenance	\$105,449
Depreciation and amortization	\$45,127
General taxes	\$5,118
Total Operating Expenses	<u>\$155,694</u>
Operating income	<u>\$142,928</u>
Other income (deductions)	
Other income, net	\$402
Interest expense, net	\$33,436
	<u>\$33,838</u>
Income before income taxes	<u>\$109,090</u>
Provision for income taxes	<u>\$44,888</u>
Net income	<u>\$64,202</u>
Dividends on preferred stock	<u>\$0</u>
Income to common stock	<u>\$64,202</u>

PENNSYLVANIA-AMERICAN WATER COMPANY Canceling 18th and 19th Rev. Page 9
SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

The rates as set forth below will be in effect for service rendered from January 1, 2014 through December 31, 2016.

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>	<u>Service Charge Per Month Other Water Utilities Group A & B</u>
5/8 inch	\$ 15.00	\$ 21.80
3/4 inch	22.70	32.70
1 inch	37.80	54.60
1-1/2 inch	61.70	109.10
2 inch	98.70	174.60
3 inch	184.10	327.30
4 inch	231.20	545.50
6 inch	346.00	1,091.00
8 inch	669.90	1,746.00
10 inch	970.20	2,509.00
12 inch	1,517.50	3,928.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at 1.0214 (I)

Commercial

First 16,000 gallons .9911, All in excess of 16,000 gallons .7597 (I)

Municipal

First 16,000 gallons .9911, All in excess of 16,000 gallons .8153 (I)

Other Water Utilities

Group A All at .6730 (I)

Group B All at .8979

Issued: December 19, 2013

Effective: January 1, 2014

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Per Month</u>
5/8 inch	\$ 21.80
3/4 inch	32.70
1 inch	54.60
1-1/2 inch	109.10
2 inch	174.60
3 inch	327.30
4 inch	545.50
6 inch	1,091.00
8 inch	1,746.00
10 inch	2,509.00
12 inch	3,930.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>	<u>Industrial Curtailment*</u>
First 16,000 .9898	First 16,000 .9898
Next 584,000 .7398	Next 584,000 .7398
All in Excess	Next 14,400,000 .5866
of 600,000 .5866	All In Excess
	Of 15,000,000 .3962

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Issued: December 19, 2013

Effective: January 1, 2014

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenues

1	Commercial Customer	\$	65,000.00
30	Residential Customers @ \$665.40		19,962.00
7	Fire Hydrants @ \$181.20		1,268.40
			86,230.40

Estimated Annual Expenses

1	Commercial Customer	16,679.00
30	Residential Customers @ \$170.44	5,122.25
7	Fire Hydrants @\$2	14.00
		21,815.25

Net	\$64,415.15

EXHIBIT F

VIA ELECTRONIC DELIVERY to: Deborah.Lippert @amwater.com

June 6, 2014

Deborah P Lippert
Senior Director Field Services
Pennsylvania-American Water Company
300 Galley Road
McMurray, PA 15317

RE: Water Service Extension on Whitestown Road Lancaster Township, Butler County

Dear Deborah:

Rex Energy Corporation is requesting water service to be extended from Pennsylvania-American Water Company's (PAWC) water system on Whitestown Road at the intersection with Kniess Lane in Lancaster Township, Butler County Pennsylvania. This line extension would be approximately 7,200 linear feet northeast of PAWC's existing main to Harmony Road in Connoquenessing Township, Butler County Pennsylvania to the proposed meter vault location at the point of taking. Rex Energy desires to have an instantaneous available flow rate of approximately 1.5 MGD (1040 gpm) at the end of the proposed service extension. Rex Energy desires to have this service extended as soon as possible. I am enclosing a map of the preliminary routing.

This request for service will also serve as a letter of intent to enter into and execute an Extension Deposit Agreement immediately upon receipt of approval, by the Pennsylvania Public Utility Commission, of the application for service territory in Lancaster and Connoquenessing Townships, Butler County.

Rex Energy understands that it will need to fund the cost of the capital improvements necessary for PAWC to provide this service. A firm cost estimate will be determined and the exact route will need to be agreed upon.

Please inform me of the necessary steps to be accomplished to make this request a reality.

Sincerely,



Michael Endler, P.E.

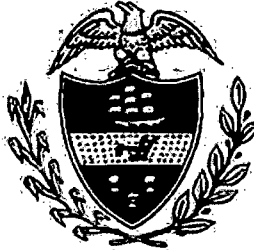
cc: Adam R. McDonough via Electronic Mail
Mark J. Saunders via Electronic Mail.

County of Butler Board of Commissioners

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5100 Fax 724.284.5400 TDD 724.284.5473

Commissioners

William L. McCarrier, *Chairman*
A. Dale Pinkerton, *Vice Chairman*
James Eckstein, *Secretary*



Dir. of Adm./Chief Clerk
Amy Wilson

Solicitor
Michael K. English, Esquire

June 16, 2014

Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, Pennsylvania 17105-3265

RE: Pennsylvania-American Water Company Additional Territory Application for Whitestown Road, Lancaster and Connoquenessing Township

To Whom It May Concern:

The Butler County Commissioners support the expansion of public service territory for Pennsylvania- American Water Company for the area encompassing the Whitestown Road, Lancaster and Connoquenessing Townships for the purposes of installing approximately 8500' of 12" DI to supply Rex Energy and 30 additional customers with portable water (1300' in Lancaster Township and 7200' in Connoquenessing Township).

This project will allow public water service to be brought to parts of these townships that do not currently have public drinking water.

Sincerely,

William L McCarrier
Chairman

A. Dale Pinkerton
Vice Chairman

James Eckstein
Secretary

Exhibit H

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

**Application of Pennsylvania-American Water Company, for approval of the right to offer,
render, furnish or supply water service to the public in an additional portion of Lancaster
Township, Butler County, Pennsylvania
Docket No. A-2014-2433209**

**Opinion and Order entered September 11, 2014
(Whitestone and Kneiss Road)**

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held September 11, 2014

Commissioners Present:

Robert F. Powelson, Chairman

John F. Coleman, Jr., Vice Chairman

James H. Cawley

Pamela A. Witmer, Statement

Gladys M. Brown

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish or supply water service to the
public in an additional portion of Lancaster
Township, Butler County, Pennsylvania.

A-2014-2433205

Off-Site Marketing Agreement Between
Pennsylvania American Water Company and
R.E. Gas Development, LLC, dated June 24,
2014.

M-2014-2433454

ORDER

BY THE COMMISSION:

By the application filed on July 15, 2014, Pennsylvania-American Water Company (PAWC or the Applicant), utility code 212285, seeks a certificate of public convenience pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), evidencing Commission approval of the Applicant's right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

Proofs of publication and service to appropriate entities were submitted by PAWC. No protests were filed and no hearings were held.

PAWC is a regulated public utility corporation, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the state. As of May 31, 2014, the Applicant provided water service to approximately 648,772 customers. PAWC also provided wastewater service to approximately 16,629 customers.

PAWC indicated that the proposed additional territory is located in a portion of Lancaster Township, Butler County, Pennsylvania as described in the application as Exhibit B-1 along with a map showing the description of the area in Exhibit B-2.

The requested territory will allow PAWC to provide public water service to the R.E. Gas Development, LLC (REX Energy), a natural gas operation, at a connection along State Route 19 from Warner Lane in Lancaster Township. PAWC also indicated that there are sixty-seven (67) potential residential customers and eight (8) commercial customers along the proposed water extension on State Route 19 within the proposed additional service territory. Lancaster Township does not plan to enact a mandatory water connection to the 67 residential customers.

PAWC is certified to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285F01103, A-2009-2110756, A-2012-2337446, A-2012-2321379 and A-2014-2408033. The requested territory consists of approximately 230 acres.

PAWC stated that the facilities to be installed within the requested territory to serve Rex Energy will include approximately 10,000 feet of 12-inch ductile iron distribution main, pipes, valves, valve boxes, fittings and other related appurtenances. PAWC averred that Rex Energy will be served from PAWC's Butler facilities. PAWC is responsible for installing and maintaining the 10 fire hydrants along the pipe line extension.

PAWC will acquire a Highway Occupancy Permit and PA DEP PAG-02 General NAPDES Permit for storm water discharges associated with construction activities from Pennsylvania Department of Transportation. PAWC indicated that this project is expected to be completed before December 2014.

The Offsite Marketing Agreement (the Agreement) between PAWC and REX Energy, dated June 24, 2014, and filed with the Commission on July 11, 2014, at Docket No. M-2014-2433454, specifies that PAWC will construct, own and operate the water facilities extension. Per paragraph 19 of the Agreement, Commission approval is required pursuant to PAWC's Tariff at section 23.5 and is effective within 30 days after filing, i.e., August 10, 2014, unless the Commission institutes an investigation. The Agreement further stipulates that PAWC will supply the REX Energy sites with an interruptible water supply and that PAWC will only supply REX Energy with available excess water after the local demands to the Ellwood and Butler areas are met and that at times of drought the allowable supply to the REX Energy sites could be zero. REX Energy will notify PAWC 48 hours prior to using PAWC water.

REX Energy agrees to purchase not less than seventy-two million gallons of water during the first three years after the pipeline becomes operational. At the conclusion of the third year, PAWC will perform a calculation to determine whether the minimum purchase was met. If the minimum purchase was not met, REX Energy agrees

to pay an amount equal to the difference between the minimum and actual purchase amounts at the then current rate per 1,000 gallons within 30 days.

PAWC indicated that the estimated cost of the project is approximately \$991,000 and will be installed by PAWC. REX Energy will provide a non-refundable \$600,000 contribution toward the cost of the installation of the facilities. PAWC will bear the remaining cost. No additional capital will be required by PAWC for the purpose of financing the project.

PAWC stated that to the best of its knowledge, no corporation or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the requested territory, and no competitive condition will be created. PAWC further indicated that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

PAWC will charge its then existing Rate Zone 1 rates for service in the requested territory as set forth in PAWC's Tariff. Current Rate Zone 1 rates are attached to the application as Exhibit E. Based on PAWC's current tariff, estimated annual revenue will be \$350,727 as demonstrated in Exhibit F to the application.

PAWC noted that wastewater treatment for REX Energy is not required and the potential residential and commercial customers currently have on-lot water and wastewater systems.

PAWC provided a letter from REX Energy requesting water service. Letters from Lancaster Township and the Butler County Board of Commissioners supporting the application were also provided by PAWC.

PAWC is current with its annual and quarterly reports, as well as the Security Planning and Readiness report filing requirements of the Commission. There are no Department of Environmental Protection outstanding compliance or operational issues with PAWC.

Based upon the facts that PAWC will expand its service territory to a new customer in compliance with Commission regulations and that PAWC will be meeting the needs of a new customer without any detriment to its existing customers, the Commission finds that the granting of PAWC's application for an extension of service territory is in the public interest; **THEREFORE,**

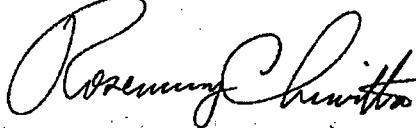
IT IS ORDERED:

1. That the application of Pennsylvania-American Water Company at Docket No. A-2014-2433205 is hereby approved.
2. That the Off-Site Marketing Agreement between Pennsylvania-American Water Company and R.E. Gas Development, LLC at Docket M-2014-2433454 is hereby approved.
3. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in an additional portion of Lancaster Township, Butler County as described in Exhibit B-2 and depicted on a map identified as Exhibit B-1, attached to the subject application.

4. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

5. That a copy of this Order be served upon Pennsylvania-American Water Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: September 11, 2014

ORDER ENTERED: September 11, 2014

PENNSYLVANIA PUBLIC UTILITY COMMISSION

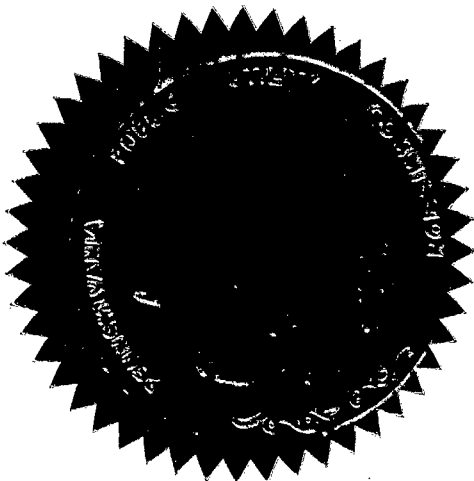
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2014-2433205

Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

Effective Date: SEPTEMBER 11, 2014

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its secretary at its office in the city of Harrisburg this 11TH DAY OF SEPTEMBER 2014.



Rosemary Chivetta
Secretary

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in additional portions of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of May 31, 2014 Pennsylvania-American provided water service to approximately 648,772 customers in the following classifications:

Residential:	596,409
Commercial:	44,968
Industrial:	528
Municipal, Resale and Other:	2,473
Fire Protection:	4,390

In addition, Pennsylvania-American furnishes wastewater service to approximately 16,629 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The service territory requested consists of approximately 215 acres and will be served through the Company's Butler facilities. The

applied-for-territory will allow Pennsylvania American to provide public water supply to serve the R.E. Gas Development, LLC (REX Energy), gas operations at a connection along State Route 19 from Warner Lane to Burgh Lane in Lancaster Township. There are also sixty-seven (67) potential residential customers along the proposed water extension on State Route 19 within the proposed additional service territory. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A- 212285F01103, A-2009-2110756, A-2012-2321379, A-2012-2337446 and A-2014-2408033.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to Rex Energy will include approximately 10,000 feet of twelve inch ductile iron distribution main, pipes, valves, valve boxes fittings and other related appurtenances. PAWC will install and maintain ten (10) fire hydrants along the pipe line. Wastewater treatment for Rex Energy is not required. Potential residential customers currently have on-lot water and wastewater systems. Anticipated completion date for this project is December, 2014.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2013.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2013.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the commercial development and the residential customers located in Lancaster Township, Butler County.

17. REX Energy made a formal request for water service to the requested area and is marked as Exhibit G. A letter from Butler County and Lancaster Township supporting this application is marked as Exhibit H.

18. The cost of the project is estimated at Nine Hundred Ninety-one Thousand (\$991,000) Dollars and will be installed by Pennsylvania-American. Rex Energy will provide a non-refundable Six Hundred Thousand (\$600,000) Dollars contribution toward the cost of the installation of the facilities. PAWC will bear the remaining costs.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide

water service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

20. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township, Butler County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 20, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: Seth A. Mendelsohn
Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: 7/15/2014

VERIFICATION

I, BERNIE GRUNDUSKY, hereby state that the facts set forth in the Application to extend water service to additional portions of Lancaster Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Bernie Grundusky, Director Business
Development
Pennsylvania-American Water Company

Date: 7/15/2014

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998);

Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999);

Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippensburg Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013) and Franklin Township Municipal Authority (Adams County, August 29, 2013). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 641,664 customers in the following municipalities:

Exhibit A

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applegold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden,

Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and

South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitemarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 18,064 customers in the following municipalities:

Portions of the Township of Franklin, Adams County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portions of the Townships of Delaware and Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

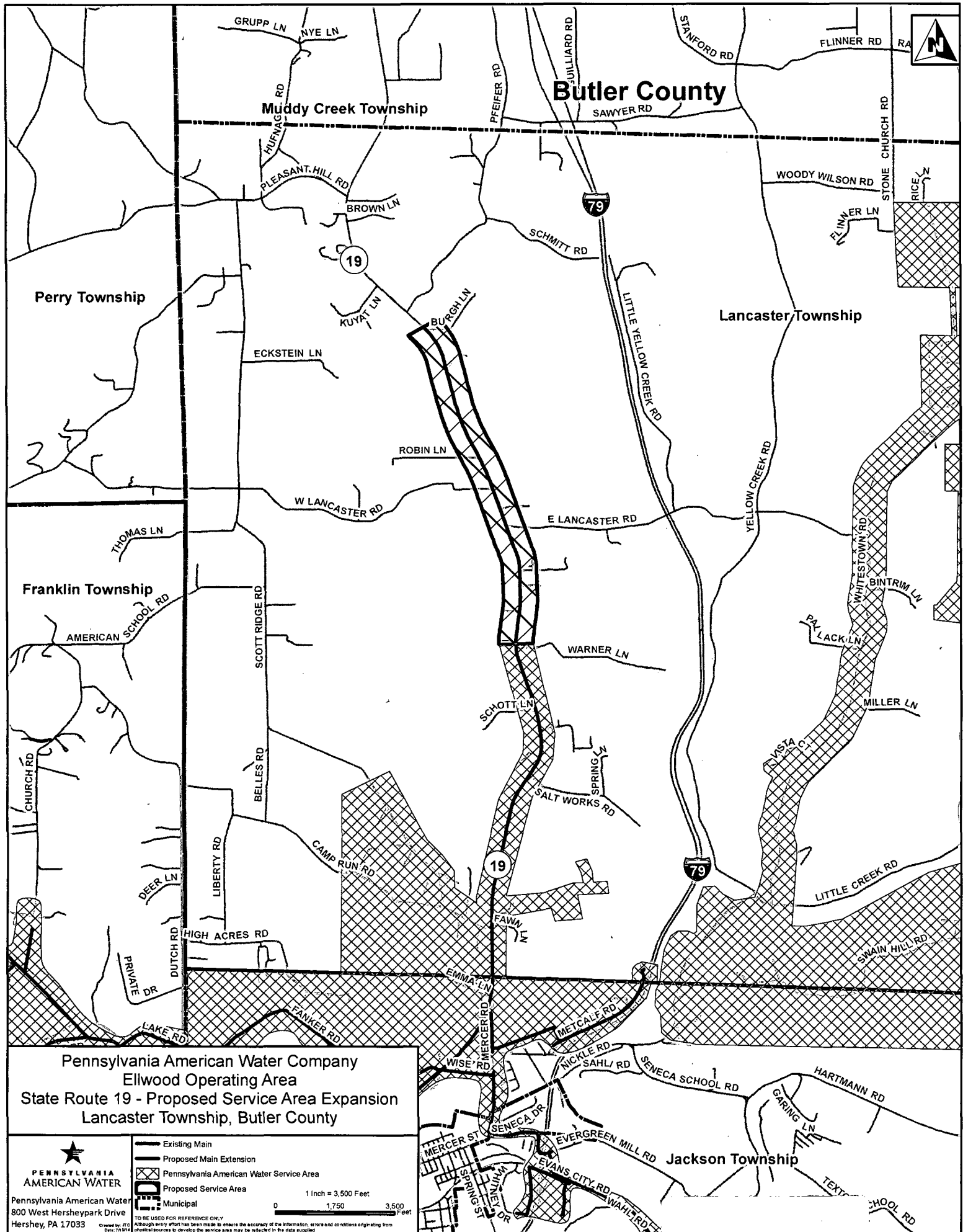
¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[399 municipalities in 36 counties.]

01/31/2014



PENNSYLVANIA AMERICAN WATER COMPANY
SERVICE TERRITORY APPLICATION
PORTION OF LANCASTER TOWNSHIP
BUTLER COUNTY

AREA 1

Beginning at a point said point being located along the centerline of SR0019, and 100 feet north of the intersection of SR0019 and Warner Lane in Lancaster Township, Butler County. Said point also being coincident with existing PAW service area. Thence, in a northwesterly direction, 500 feet on either side and parallel to the centerline of SR0019 a distance of 8,910 feet, more or less, to a point 100 feet north of the intersection of SR0019 and Burgh Lane. Total area:215 acre.

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2013 (Unaudited)
(Dollars in thousands)

	December 31, 2013 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$3,104,247
Utility plant acquisition adjustments, net	\$14,531
Total Non-Utility Plant, net	\$235
Construction Work in Progress	\$44,795
Total property plant and equipment	\$3,163,808
Current assets	
Cash and cash equivalents	(\$1,377)
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$42,701
Unbilled	\$36,111
Other current assets	\$10,366
Total current assets	\$87,801
Long-term assets	
Regulatory assets	\$182,074
Goodwill	\$39,782
Other	\$553
Total long-term assets	\$222,409
Total assets	\$3,474,018
Capitalization and Liabilities	
	December 31, 2013 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$719,496
Retained earnings	\$428,388
Total stockholder's equity	\$1,169,391
Long-term debt	\$1,147,870
Preferred stock without mandatory redemption requirements	\$0
Preferred stock with mandatory redemption requirements	\$10,051
Total capitalization	\$2,327,312
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$63,046
Current portion of long-term debt	\$3,917
Other	\$120,037
Total current liabilities	\$187,000
Long-term liabilities	
Deferred income taxes	\$694,084
Other	\$137,774
Total long-term liabilities	\$831,858
Contributions in aid of construction	\$127,848
Total capitalization and liabilities	\$3,474,018

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For period ending December 31, 2013 (Unaudited)
(Dollars in thousands)

	Period Ending December 31, 2013
Operating revenues	<u>\$556,222</u>
Operating expenses	
Operation and maintenance	\$211,619
Depreciation and amortization	\$78,163
General taxes	<u>\$13,285</u>
Total Operating Expenses	<u>\$303,067</u>
Operating income	<u>\$253,155</u>
Other income (deductions)	
Other income, net	(\$294)
Interest expense, net	<u>\$37,321</u>
	<u>\$37,027</u>
Income before income taxes	<u>\$216,128</u>
Provision for income taxes	<u>\$78,447</u>
Net income	<u>\$137,681</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$137,604</u>

PENNSYLVANIA-AMERICAN WATER COMPANY

Canceling 18th and 19th Rev. Page 9

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1

FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

The rates as set forth below will be in effect for service rendered from January 1, 2014 through December 31, 2016.

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges

For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>	<u>Service Charge Per Month Other Water Utilities Group A & B</u>
5/8 inch	\$ 15.00	\$ 21.80
3/4 inch	22.70	32.70
1 inch	37.80	54.60
1-1/2 inch	61.70	109.10
2 inch	98.70	174.60
3 inch	184.10	327.30
4 inch	231.20	545.50
6 inch	346.00	1,091.00
8 inch	669.90	1,746.00
10 inch	970.20	2,509.00
12 inch	1,517.50	3,928.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at 1.0214

(I)

Commercial

First 16,000 gallons .9911, All in excess of 16,000 gallons .7597 (I)

Municipal

First 16,000 gallons .9911, All in excess of 16,000 gallons .8153 (I)

Other Water Utilities

Group A All at .6730

(I)

Group B All at .8979

Issued: December 19, 2013

Effective: January 1, 2014

PENNSYLVANIA-AMERICAN WATER COMPANY

Canceling 18th and 17th Rev. Page 9A

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 21.80
3/4	inch	32.70
1	inch	54.60
1-1/2	inch	109.10
2	inch	174.60
3	inch	327.30
4	inch	545.50
6	inch	1,091.00
8	inch	1,746.00
10	inch	2,509.00
12	inch	3,930.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9898	First 16,000	.9898
Next 584,000	.7398	Next 584,000	.7398
All in Excess		Next 14,400,000	.5866
of 600,000	.5866	All In Excess	
		Of 15,000,000	.3962

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Issued: December 19, 2013

Effective: January 1, 2014

Estimated Annual Revenue and Expense

in Application Territory

Estimated Annual Revenues

1	Commercial Customer	\$	294,000.00
67	Residential Customers @ \$665.40		44,581.80
			338,581.80

Estimated Annual Expenses

1	Commercial Customer	\$	75,000.00
67	Residential Customers		11,439.69
			86,439.69
	Net	\$	252,142.11

EXHIBIT F

VIA ELECTONIC DELIVERY to: Deborah.Lippert @amwater.com

June 6, 2014

Deborah P Lippert
Senior Director Field Services
Pennsylvania-American Water Company
300 Galley Road
McMurray, PA 15317

RE: Water Service Extension on Route 19 Lancaster Township, Butler County

Dear Deborah:

Rex Energy Corporation is requesting water service to be extended from Pennsylvania-American Water Company's (PAWC) water system on Route 19 at the intersection with Warner Lane in Lancaster Township, Butler County Pennsylvania. This line extension would be approximately 10,000 linear feet northwest of PAWC's existing main to Burgh Lane in Lancaster Township, Butler County Pennsylvania to the proposed meter vault location at the point of taking. Rex Energy desires to have an instantaneous available flow rate of approximately 1.5 MGD (1040 gpm) at the end of the proposed service extension. Rex Energy desires to have this service extended as soon as possible. I am enclosing a map of the preliminary routing.

This request for service will also serve as a letter of intent to enter into and execute an Extension Deposit Agreement immediately upon receipt of approval, by the Pennsylvania Public Utility Commission, of the application for service territory in Lancaster Township, Butler County.

Rex Energy understands that it will need to fund the cost of the capital improvements necessary for PAWC to provide this service. A firm cost estimate will be determined and the exact route will need to be agreed upon.

Please inform me of the necessary steps to be accomplished to make this request a reality.

Sincerely,



Michael Endler, P.E.

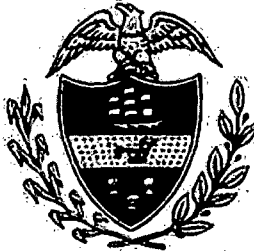
cc: Adam R. McDonough via Electronic Mail
Mark J. Saunders via Electronic Mail.

County of Butler Board of Commissioners

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5100 Fax 724.284.5400 TDD 724.284.5473

Commissioners

William L. McCarrier, *Chairman*
A. Dale Pinkerton, *Vice Chairman*
James Eckstein, *Secretary*



Dir. of Adm./Chief Clerk
Amy Wilson

Solicitor
Michael K. English, Esquire

June 16, 2014

Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, Pennsylvania 17105-3265

RE: Pennsylvania-American Water Company Additional Territory Application for Route 19,
Warner Alley to Burgh Lane, Lancaster Township

To Whom It May Concern:

The Butler County Commissioners support the expansion of public service territory for Pennsylvania- American Water Company for the area encompassing the Route 19, Warner Alley to Burgh Lane, Lancaster Township for the purposes of installing approximately 10,100' of 12" DI on Route 19 to supply Rex Energy and an additional 67 customers with portable drinking water.

Sincerely,

William L McCarrier
Chairman

A. Dale Pinkerton
Vice Chairman

James Eckstein
Secretary

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

**Application of Pennsylvania-American Water Company, for approval of the right to offer,
render, furnish or supply water service to the public in an additional portion of Lancaster
Township, Butler County, Pennsylvania
Docket No. A-2014-2408033**

**Opinion and Order entered April 23, 2014
(Sprawling Acres – Vista Drive)**

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held April 23, 2014

Commissioners Present:

Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
James H. Cawley
Pamela A. Witmer
Gladys M. Brown

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish or supply water service to the
public in a portion of Lancaster Township, Butler
County, Pennsylvania.

Docket Number:
A-2014-2408033

ORDER

BY THE COMMISSION:

By the application filed on February 27, 2014, Pennsylvania-American Water Company (PAWC or the Applicant), 800 West Hersheypark Drive, Hershey, PA 17033, Utility Code 212285 seeks a certificate of public convenience pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), evidencing Commission approval of the Applicant's right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

Proofs of publication and service to appropriate entities were submitted by PAWC. No protests were filed and no hearings were held.

PAWC is a regulated public utility corporation, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the Commonwealth. As of December 31, 2013, the Applicant provided water service to approximately 648,843 customers. PAWC also provided wastewater service to approximately 18,064 customers.

PAWC has indicated that the proposed additional territory is located in a portion of Lancaster Township, Butler County, Pennsylvania as described in Exhibit-B2 and has included a map showing the description of the area in Exhibit-B1 of the application. PAWC's existing service territory covers parts of Lancaster Township in Butler County.

The requested territory will allow PAWC to provide public water service to approximately eight homes and one fire hydrant in a residential development known as Sprawling Acres located along Vista Drive. The homeowners in this residential subdivision are requesting the water service because they are currently dependent upon individual wells where the water quality is poor and the supply is inadequate. PAWC is certified to serve portions of Lancaster Township, Butler County under Docket Nos. A-2012-2321379 and A-2013-2346451. The requested territory consists of approximately 7.5 acres.

PAWC stated that the facilities to be installed within the requested territory to serve the residential properties will include approximately 1,400 feet of 12-inch ductile iron pipe and other related appurtenances. PAWC averred that the development will be

served from its existing 12-inch public water main along Whitestown Road. PAWC is responsible for installing and maintaining the fire hydrant. PAWC has indicated that Lancaster Township will be responsible for the monthly charge for the fire hydrant.

PAWC will acquire a road bore permit from Lancaster Township. PAWC indicated that this project is expected to be completed within two weeks from the start date. The start date will be determined after the Commission's approval of this project. The Applicant has stated that a main extension agreement is not required for this project because PAWC is extending this water main to serve this area at its own expense.

PAWC indicated that the estimated cost of the project will be approximately \$112,000 and will be borne by PAWC. No additional capital will be required by PAWC for the purpose of financing the project.

PAWC has stated that to the best of its knowledge no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the requested territory, and no competitive condition will be created. PAWC further indicated that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

PAWC will charge its then existing Rate Zone 1 rates for service in the requested territory as set forth in PAWC's Tariff. Current Rate Zone 1 rates are attached to the application as Exhibit-E. Based on PAWC's current tariff, a residential customer using an average of 4,200 gallons of water a month will be charged approximately \$55.85. PAWC will also charge \$15.10 for the one fire hydrant per month in the requested territory.

PAWC has indicated that wastewater treatment for the eight residential customers consists of on-lot septic systems.

PAWC has provided a letter from one of the residential customers that requested water service. PAWC has also indicated that the remaining seven customers have not formally applied for the water service, but each customer has verbally requested the service and has voiced their concern about the quality and supply of their current on-lot wells.

Letters from Lancaster Township and the Butler County Planning Commission supporting the application were provided by PAWC.

PAWC is current with its annual and quarterly reports as well as the Security Planning and Readiness report filing requirements of the Commission.

There are no Department of Environmental Protection (DEP) outstanding compliance or operational issues with PAWC.

Based upon the facts that PAWC will expand its service territory to new customers in compliance with Commission regulations, that the economies of scale of an expanded customer base have a beneficial effect on existing customers, and that PAWC will be meeting the needs of new customers without any detriment to its existing customers, the Commission finds that the granting of PAWC's application for an extension of service territory is in the public interest; **THEREFORE,**

IT IS ORDERED:

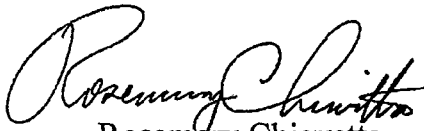
1. That the application of Pennsylvania-American Water Company at Docket No. A-2014-2408033 is hereby approved.

2. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in a portion of Lancaster Township, Butler County as described in Exhibit B-2 and depicted on a map identified as Exhibit B-1, which were attached to the subject application.

3. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,


Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: April 23, 2014

ORDER ENTERED: April 23, 2014

PENNSYLVANIA PUBLIC UTILITY COMMISSION

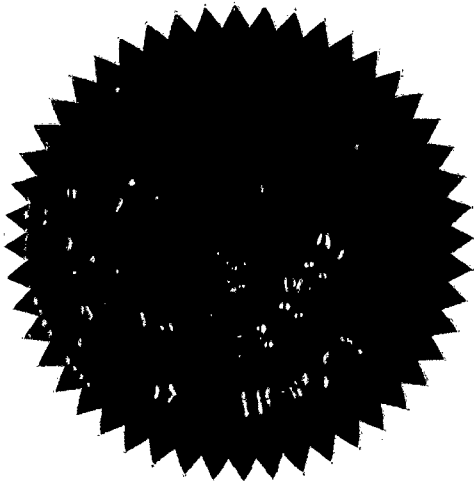
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2014-2408033

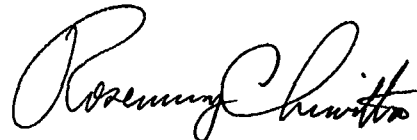
Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

Effective Date: APRIL 23, 2014

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its secretary at its office in the city of Harrisburg this 23RD DAY OF APRIL 2014.




Secretary

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in an additional portion of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of December 31, 2013 Pennsylvania-American provided water service to approximately 648,843 customers in the following classifications:

Residential:	596,793
Commercial:	44,840
Industrial:	528
Municipal, Resale and Other:	2,430
Fire Protection:	4,232

In addition, Pennsylvania-American furnishes wastewater service to approximately 18,064 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit

B-2 is a description of the area to be served. The applied-for-territory will serve approximately eight (8) homes in a residential development known as the Sprawling Acres located along Vista Drive. The homeowners in this residential subdivision is requesting service because they are currently dependent upon individual wells and the water quality is poor and the supply is inadequate. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A-2012-2321379 and A-2013-2346451.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to serve the residential properties will include approximately 1,400 feet of 12 inch ductile iron pipe other related appurtenances. The applied for service territory is adjacent to Pennsylvania American's existing 12" public water main along Whitestown Road. Wastewater treatment for these residential customers consists of on lot septic systems.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2013.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2013.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the residential housing development located in Lancaster Township, Butler County.

17. A property owner, whose residence is located on Vista Drive has made application for water service. The application is attached as Exhibit G. A letter from Lancaster Township supporting this application is marked as Exhibit H. A letter from Butler County supporting this application is marked as Exhibit I.

18. The cost of the project will be approximately One Hundred Twelve Thousand (\$112,000) Dollars and will be borne by Pennsylvania American.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide water service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

20. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township, Butler County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 20, above.

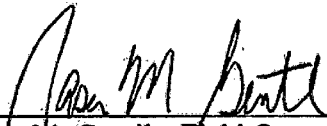
PENNSYLVANIA-AMERICAN WATER COMPANY

By: Seth A. Mendelsohn
Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: 2/27/2014

VERIFICATION

I, JASON M. GENTILE, hereby state that the facts set forth in the Application to extend water service to an additional portion of Lancaster Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Jason M. Gentile, Field Operations
Superintendent
Pennsylvania-American Water Company

Date: 2/27/14

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998);

Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999);

Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippensburg Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallaceton Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013) and Franklin Township Municipal Authority (Adams County, August 29, 2013). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 641,664 customers in the following municipalities:

Exhibit A

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden,

Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and

South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laffin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about ~~17,105~~ customers in the following municipalities:

Portions of the Township of Franklin, Adams County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portions of the Townships of Delaware and Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

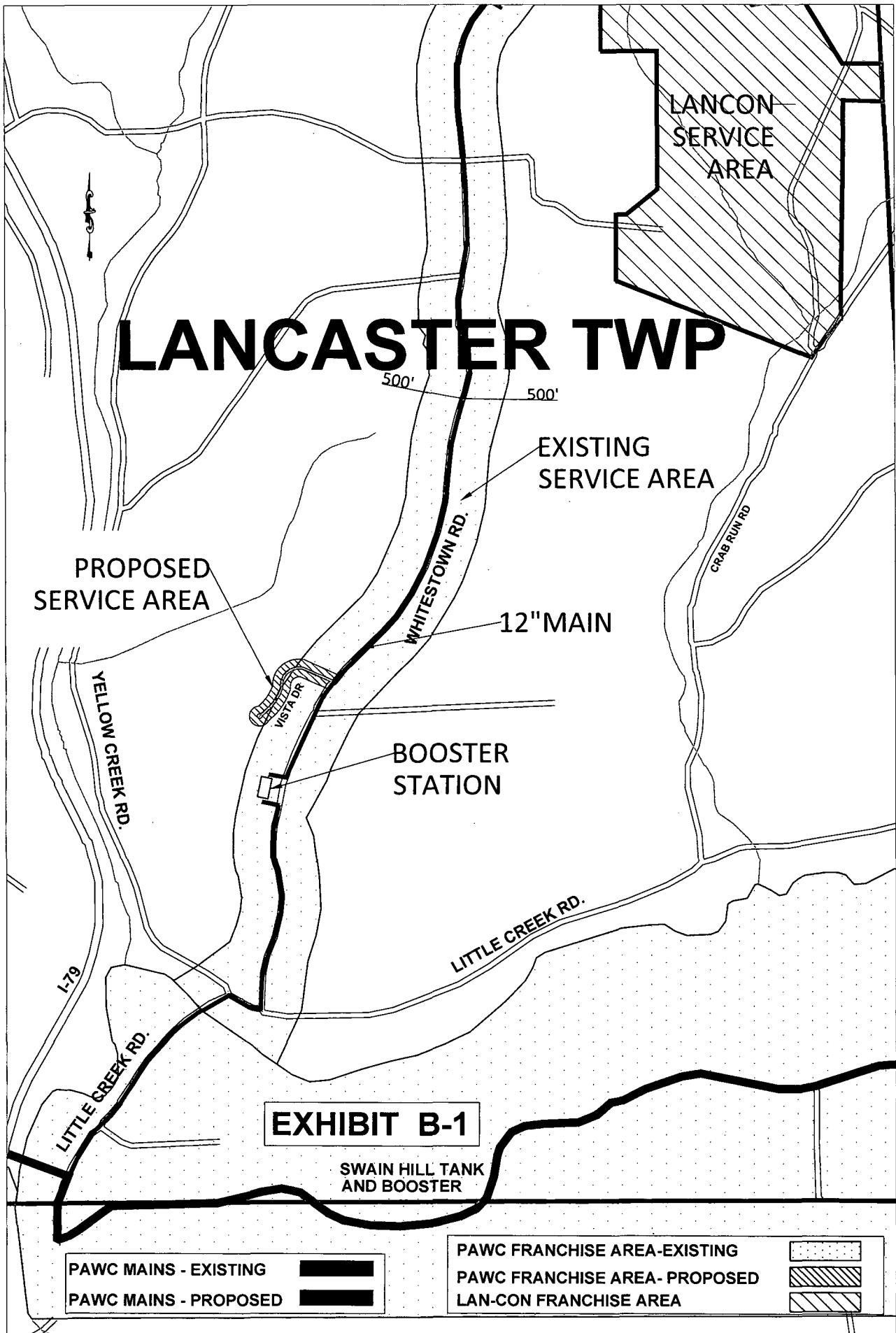
¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[399 municipalities in 36 counties.]

01/31/2014



PENNSYLVANIA AMERICAN WATER COMPANY
SERVICE TERRITORY APPLICATION
PORTIONS OF LANCASTER TOWNSHIP
BUTLER COUNTY

EXHIBIT B-2

VISTA DRIVE

Beginning at a point, said point being located at the intersection of Whitestown Road (T-831) and Vista Drive (a private road). Thence in a westerly and southerly direction, parallel to and 100 feet on either side of the centerline of Vista Drive to the Cul-de-sac. Containing 7.5 acre.

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2013 (Unaudited)
(Dollars in thousands)

	December 31, 2013 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$3,104,247
Utility plant acquisition adjustments, net	\$14,531
Total Non-Utility Plant, net	\$235
Construction Work in Progress	\$44,795
Total property plant and equipment	\$3,163,808
Current assets	
Cash and cash equivalents	(\$1,377)
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$42,701
Unbilled	\$36,111
Other current assets	\$10,366
Total current assets	\$87,801
Long-term assets	
Regulatory assets	\$182,074
Goodwill	\$39,782
Other	\$553
Total long-term assets	\$222,409
Total assets	\$3,474,018
Capitalization and Liabilities	
	December 31, 2013 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$719,496
Retained earnings	\$428,388
Total stockholder's equity	\$1,169,391
Long-term debt	\$1,147,870
Preferred stock without mandatory redemption requirements	\$0
Preferred stock with mandatory redemption requirements	\$10,051
Total capitalization	\$2,327,312
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$63,046
Current portion of long-term debt	\$3,917
Other	\$120,037
Total current liabilities	\$187,000
Long-term liabilities	
Deferred income taxes	\$694,084
Other	\$137,774
Total long-term liabilities	\$831,858
Contributions in aid of construction	\$127,848
Total capitalization and liabilities	\$3,474,018

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For period ending December 31, 2013 (Unaudited)
(Dollars in thousands)

	Period Ending December 31, 2013
Operating revenues	<u>\$556,222</u>
Operating expenses	
Operation and maintenance	\$211,619
Depreciation and amortization	\$78,163
General taxes	\$13,285
Total Operating Expenses	<u>\$303,067</u>
Operating income	<u>\$253,155</u>
Other income (deductions)	
Other income, net	(\$294)
Interest expense, net	\$37,321
	<u>\$37,027</u>
Income before income taxes	<u>\$216,128</u>
Provision for income taxes	<u>\$78,447</u>
Net income	<u>\$137,681</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$137,604</u>

PENNSYLVANIA-AMERICAN WATER COMPANY **Canceling 16th & 17th Rev. Page 9**
SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge</u>	<u>Service Charge</u>
	<u>Per Month Except</u> <u>Other Water Utilities</u>	<u>Per Month</u> <u>Other Water Utilities</u> <u>Group A & B</u>
5/8 inch	\$ 13.75	\$ 20.00
3/4 inch	20.80	30.00
1 inch	34.60	50.00
1-1/2 inch	56.50	100.00
2 inch	90.40	160.00
3 inch	168.60	300.00
4 inch	211.70	500.00
6 inch	316.80	1,000.00
8 inch	613.40	1,600.00
10 inch	888.40	2,300.00
12 inch	1,389.30	3,600.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at .9101 (I)

Commercial

First 16,000 gallons .8979, All in excess of 16,000 gallons .6883 (I)

Municipal

First 16,000 gallons .8979, All in excess of 16,000 gallons .7454 (I)

Other Water Utilities

Group A All at .6020 (I)

Group B All at .8979 (D)

Issued: November 10, 2011

Effective: November 11, 2011

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 20.00
3/4	inch	30.00
1	inch	50.00
1-1/2	inch	100.00
2	inch	160.00
3	inch	300.00
4	inch	500.00
6	inch	1,000.00
8	inch	1,600.00
10	inch	2,300.00
12	inch	3,600.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9056	First 16,000	.9056
Next 584,000	.6769	Next 584,000	.6769
All in Excess		Next 14,400,000	.5367
of 600,000	.5367	All In Excess	
		Of 15,000,000	.3625

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Issued: November 10, 2011

Effective: November 11, 2011

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

8	Residential customers @ \$618.23	\$4,945.84
1	Fire Hydrant @160.92	\$ 160.92

Estimated Annual Expenses

8	Residential customers @ \$180.89	\$1,447.12
1	Fire Hydrants @\$2.00	\$ 2.00

Net	\$3,657.64



Office Use Only Premise # _____
NSI Account # _____

WATER SERVICE APPLICATION

Please complete Property, Applicant and Signatures boxes below to apply for water service. Thank you for the opportunity to be YOUR water utility.

PROPERTY TO BE SERVED	HOUSE# 117	STREET PREFIX	STREET NAME & SUFFIX Vista Court		
	MUNICIPALITY Lancaster Twp	APT/LOT#	CITY Harmony	STATE PA	ZIP CODE 16037
	SEWAGE AUTHORITY Septic	TYPE OF SERVICE: ☒ Residential () Commercial () Industrial () Other _____			
	TYPE OF HEAT: () Hot Water ☒ Forced Air () Other _____				
APPLICANTS INFORMATION	NAME (First, Middle, Last) Amy Nicole Davis			PHONE# —	CELL# 4126120869
	NAME (First, Middle, Last) Brian Kenneth Davis			PHONE# —	CELL# 4126120873
	MAILING ADDRESS (if different than service address) 1021 Cleekenswell Lane Cranberry Twp PA 16006				

(I) (We), the Applicant(s) for water service from Pennsylvania-American Water have read and understood the above application. (I) (We) will be jointly and severally bound by this application to:

1. Pay a one-time fee of \$30.00 to cover the cost of setting up (MY) (OUR) account which will be added to your first bill. DO NOT SEND.

READ ABOVE STATEMENTS BEFORE SIGNING

SIGNATURES	APPLICANT FOR SERVICE * [Signature]	APPLICANT FOR SERVICE * [Signature]
	DATE 2-24-14	DATE 2-24-14

FOR OFFICE USE ONLY

PWSID: _____

USAGE DATA	WORK ZONE	AW AREA	DISTRICT CODE	CREW	WORK ORDER
SERVICE TAP DATE	TAP SIZE	SERVICE SIZE	SERVICE TYPE		
METER ROUTE	METER STOP	METER NUMBER	METER SIZE	# DIALS	
METER SET DATE	METER SET READING	METER LOCATION			
METER READ INSTRUCTIONS					
ADDITIONAL NOTES					
Rate Code _____		Sewage Code _____		Distribution Zone _____ Engineering Area _____	

Copy To: () Dispatch () Call Center () () () WO File () Other _____

revised 10/2008

LANCASTER TOWNSHIP
113 Kings Alley
Harmony, Pennsylvania 16037

Phone: (724) 452-7213
Fax: (724) 453-0129
E-mail: zoningoffice@zoominternet.net

Thursday, February 06, 2014

Tina Marshall
Pennsylvania-American Water
203 Oneida Valley Rd
Butler, PA 16001

RE: Proposed Public Water Service to Vista Court

Dear Ms. Marshall,

This letter is to confirm that the Lancaster Township Board of Supervisors is in favor the proposed waterline extension of the public water line along Whitestown Road into the Sprawling Acres subdivision located along Vista Court. The Board of Supervisors supports the Pennsylvania American Water Company cooperation to extend public water to ensure long term reliable supply of safe drinking water to Lancaster Township Residents.

Respectfully,



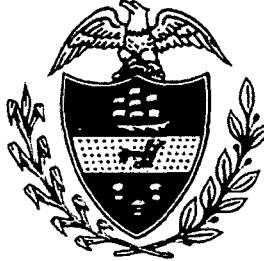
Dennis C. Kerr, Chairman
Board of Supervisors
Lancaster Township

County of Butler Board of Commissioners

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5100 Fax 724.284.5400 TDD 724.284.5473

Commissioners

William L. McCarrier, *Chairman*
A. Dale Pinkerton, *Vice Chairman*
James Eckstein, *Secretary*



Dir. of Adm./Chief Clerk
Amy Wilson

Solicitor
Michael K. English, Esquire

February 7, 2014

Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

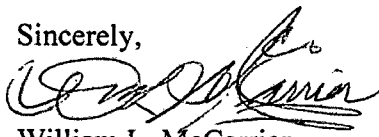
Re: Pennsylvania-American Water Company Letter of Support to PUC for franchise territory at Vista Ridge Housing Plan off of Whitestown Road, Lancaster Township, Butler County, Pennsylvania.

To Whom It May Concern:

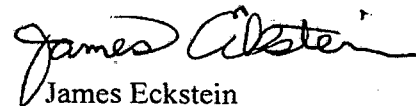
The Butler County Commissioners support the expansion of franchise territory for the area encompassing Vista Ridge Housing Plan situated in Lancaster Township, Butler County, Pennsylvania. This project will allow for a 1400' waterline to the current and future housing located at Vista Ridge.

Thank you for your cooperation with this matter.

Sincerely,


William L. McCarrier
Chairman


A. Dale Pinkerton
Vice Chairman


James Eckstein
Secretary

**Application of Pennsylvania-American Water Company, for approval of the right to
offer, render, furnish or supply water service to the public in an additional portion of
Lancaster Township, Butler County, Pennsylvania**

Docket Nos. A-2013-2346371 and A-2013-2346451

Opinion and Order entered April 4, 2014

(PAWC Acquisition of LANCON Water Company)

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held April 4, 2013

Commissioners Present:

Robert F. Powelson, Chairman
John F. Coleman, Jr., Vice Chairman
Wayne E. Gardner
James H. Cawley
Pamela A. Witmer

Joint Application of Pennsylvania-American Water Company (PAWC) and Lancon Water Company, Inc. (LANCON) for approval of: 1) the transfer of the certificate of public convenience issued to LANCON in a portion of Lancaster Township, Butler County to PAWC; 2) the right of PAWC to begin to offer water service to the public in portions of Lancaster Township, Butler County; and 3) the abandonment by LANCON of its certificated water service.

Docket Numbers:
A-2013-2346371

A-2013-2346451

ORDER

BY THE COMMISSION:

On February 5, 2013, pursuant to Section 1102(a)(1)(i), (2) and (3) of the Public Utility Code, 66 Pa. C.S. §1102(2)(1)(i), (2) and (3), Pennsylvania-American Water Company (PAWC), 800 West Hershey Park Drive, Hershey, PA 17033 and Lancon Water Company, Inc. (LANCON), 120 Brennan Lane, Evans City, PA 16033 filed a Joint Application for approval of: 1) the transfer of the certificate of public convenience issued to LANCON in a portion of Lancaster Township, Butler County to PAWC; 2) the right of PAWC to begin to offer water service to the public in portions of Lancaster Township,

Butler County; and 3) the abandonment by LANCON of its certificated water service area.

Proofs of service and publication were submitted by PAWC. In addition, this Joint Application was published in *The Pennsylvania Bulletin*, 43 Pa. B. 1063, Saturday, February 16, 2013. The protest period ended March 4, 2013. No protests were filed and no hearings were held.

The Joint Application referenced the location of the existing service territory of LANCON. The territory is further explained with a map, attached to this Application as Exhibit A-2, and a written description of LANCON, attached as Exhibit A-1. PAWC is also certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285F01103, A-2009-2110756 and A-2012-2321379.

PAWC is a public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania and is engaged in the business of supplying and distributing water, as well as furnishing wastewater service. Water service is furnished to the public in a service territory encompassing more than 370 communities across the Commonwealth with a combined population of over 2,000,000. As of November 30, 2012, PAWC furnished water service to 640,805 customers. The Joint Application provided a description of PAWC's certificated service territories, along with a detailed history that outlined all the mergers, acquisitions and consolidations which have created PAWC as it exists today.

LANCON holds a certificate of public convenience from the Commission to supply water to the public in portions of Lancaster Township, Butler County at Docket No. A-2009-2142867. LANCON is entirely owned by Kenneth C. Brennan through his ownership of the 1,000 shares of authorized and issued stock. Mr. Brennan is also the

President of Timberlee Valley Sanitation Company and the principal of Brennan Builders, Inc. (BRENNAN). Kenneth C. Brennan, Kenneth R. Brennan and Robert A. Brennan are the corporate President, Vice-President and Secretary/Treasurer, respectively of BRENNAN.

In an Order entered on July 20, 2010, at Docket No. A-2009-2142867, the Commission approved LANCON's Application (Application) to provide public water service to three developments known as Timber Ridge, Plantations at Stone Church I and Plantations at Stone Church II. The total land area is approximately 512.3 acres. According to the Application, metered water service will be provided to approximately 164 customers at full build-out. At the time of the application there were residents living in the Timber Ridge development, but there were none in the Plantations developments. The types of residential dwellings, as planned for the developments, were characterized as luxury, single family homes with three bedrooms or more and possibly having lawn irrigation systems. The existing homes were served by on-lot wells.

The proposed water supply system for LANCON in its Application consists of sources of supply, pumping, treatment, storage and distribution facilities. LANCON indicated that raw water will be obtained from three wells and treated by filtration through greensand iron removal filters, the addition of potassium permanganate and sodium hypochlorite solutions and by high capacity ion-exchange water softeners. The treated water will be stored in three 20,000 gallon precast concrete underground tanks, from which the high service booster pumps will feed and pressurize the 8" PVC water distribution system. According to the Application, an emergency power generator system will be included as well as a Supervisory Control and Data Acquisition system for the control of water levels in the storage facilities. The Application also stated that public fire hydrants will also be included in the system and LANCON indicated that it will require that the customer service lines be appropriately sized to meet the industry

standards necessary to provide residential fire sprinkler service. At completion, the system was projected to cost nearly \$2 million less contributions and grants of \$700,000.

In the Application, LANCON also provided a proposed tariff based on the Commission model tariff. The proposed metered rates were derived from the business plan and consist of a monthly customer charge and a volumetric charge. The proposed customer charge is a monthly rate of \$18.00 for a ¾" meter connection or \$30.10 for a 1" meter connection. The volumetric rates consist of two blocks. For water usage up to 7,500 gallons per month, the rate is \$8.00 per 1,000 gallons; for usage in excess of 7,500 gallons per month, the rate is \$16.00 per 1,000 gallons. At the anticipated average monthly usage level of 5,475 gallons (with a ¾" meter connection), the monthly bill would be \$61.80, for an annual cost of \$741.60.

In a letter to the Commission dated July 30, 2010, transmitting its tariff to the Commission and in a subsequent letter to the Commission dated May 13, 2011, LANCON indicated that with the difficult economic circumstances at the time, there were no homes completed or under construction in the Plantations I & II developments. LANCON mentioned in the May 13, 2011 letter that it was not anticipating initiating public water service until July 1, 2012, at the earliest, and that it put construction of the water system on hold.

The current Joint Application stated that LANCON has not initiated water service within the certificated territory. The Pennsylvania Department of Environmental Protection (DEP) reported that a construction permit was issued to LANCON on April 21, 2010 (Permit No. 1008502). However, there was no Operation Permit issued to LANCON and DEP is not aware of any facilities being constructed by LANCON.

PAWC has stated that no entity currently provides water service in LANCON's service territory and that there are no facilities to be acquired. Also, the parties are not making any payments to each other for the transfer of the service territory.

On August 28, 2012, PAWC filed an additional territory application with the Commission at Docket No. A-2012-2321379 to extend water service to REX Energy (REX) in Lancaster Township, Butler County. The application was approved and entered on November 8, 2012. According to PAWC, the certificated service territory and water facilities to be installed in this application abuts the LANCON service territory.

In the aforementioned application, PAWC provided an Offsite Marketing Agreement that it executed with REX on July 9, 2012, whereby REX would design, permit and install 17,500 feet of 12-inch ductile iron main along Whitestown Road and PAWC would design, permit and construct a new booster station to provide adequate pressure along the main.

PAWC has stated that REX has installed the waterline and will dedicate the line to PAWC upon completion of the Whitestown Road booster station, expected in the third quarter of 2013. PAWC expects to begin providing water service to customers along this line after the completion of the booster station and dedication of the waterline to PAWC by REX in the third quarter of 2013.

PAWC also stated that LANCON has no customers and that neither Timber Ridge nor Plantations I and II is built. Timber Ridge is approximately 73 percent built (24 existing homes out of 33 homes at build out). The existing homes are currently on private wells. There are currently no existing homes in either Plantations I or Plantations II developments. PAWC has stated that the development of Plantations I (37 homes) is

expected to move forward with construction of first homes by the end of this year. Plantations II (93 homes) is a future project.

PAWC avers that it will provide water service to serve Timber Ridge, and Plantations I through the installation of a 6,900 feet water line extension. This line will originate at the end of the 12-inch line on Whitestown Road described above, through the proposed Plantations I area and into and through the existing Timber Ridge development. Completion of the line will allow PAWC to directly serve the 24 existing residents of Timber Ridge and 18 homes in Phase 1 of the 37 homes in Plantations I development. PAWC has stated that this extension will also position PAWC and BRENNAN for a future line extension to serve Phase 2 of Plantations I and the 93 homes in Plantations II development located north of Plantations I.

PAWC has stated that the estimated cost of the facilities to be installed is \$354,000 and that BRENNAN and PAWC will be responsible for the cost of the water facilities.

PAWC provided an Offsite-Development Marketing Agreement (Agreement) between PAWC and BRENNAN executed on January 22, 2013. Based on the Agreement, the estimated cost is based, in part, on waterline being installed on BRENNAN-owned property. One of the terms of the Agreement is that should PAWC be required to install the waterlines on the public right-of-way rather than on BRENNAN's property, the estimated cost will be modified to include any change in the cost.

Also, according to the Agreement, contingent on the transfer of the LANCON's certificated service territory to PAWC; PAWC agrees to provide an up-front contribution of \$10,564 for each bonafide service applicant along the pipeline route. There are currently 24 bonafide service applicants along the pipeline route. Therefore,

PAWC's contribution shall be \$253,536 (\$10,564 x 24). BRENNAN has agreed to deposit with PAWC the sum of \$100,464, which is the difference between the estimated cost and PAWC's contribution. Upon receipt of the \$100,464 deposit, PAWC shall begin the engineering, design and permitting of the waterline extension.

PAWC stated that the Butler system will provide personnel and support for the operation of the LANCON system since it is the closest operation geographically and can provide the most timely response.

There is no purchase price for the system and the parties are not making any payments to each other for the transfer of the service territory. PAWC has stated that LANCON supports the transfer of the operating authority to PAWC. No additional capital will be required by the Applicants for the purpose of financing the matters and things involved in this Joint Application.

PAWC will charge its existing rates for service to the customers in LANCON's service territory. PAWC currently charges a residential customer using an average of 4,200 gallons of water a month approximately \$52. PAWC will file a tariff applicable to the LANCON customers after closing.

PAWC stated that no corporation, partnership or individual, other than LANCON, is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the territory covered by this Joint Application, and no competitive condition will be created. PAWC also stated that the proposed transaction will have no effect on its existing customers.

PAWC submits that the proposed transfer will have a beneficial effect on the customers of LANCON in that they will receive the experience in managing operating

water systems that result in efficiencies and improvements in the service to the customers. PAWC has the managerial, technical and financial capabilities to operate the system within the regulatory guidelines, make improvements as needed, and improve centralized management including customer and administrative services.

Wastewater service for the LANCON service territory will be provided by Timberlee Valley Sanitation Company, Inc., which has a certificate of public convenience to provide wastewater service in the area.

PAWC is current with its annual, quarterly earnings and the Security Planning and Readiness report filing requirements and there are no outstanding fines or assessments due to the Commission. LANCON has not filed the Security Planning and Readiness report requirement with the Commission since its original application was approved by the Commission. PAWC has stated that upon acquisition, the LANCON system will be integrated into PAWC's security system with oversight by the PAWC physical security department and will follow PAWC's security protocols.

LANCON has not filed an Annual Report with the Commission since it was issued a certificate of public convenience. The Commission will not pursue the matter of LANCON's delinquency with annual reports any further since LANCON currently has no physical assets or customers that it provides water service. There are no outstanding fines and assessments due to the Commission by PAWC. LANCON does not have any outstanding fines and assessments as well.

There are no DEP outstanding compliance or operational issues with either PAWC or LANCON. As stated earlier, DEP indicated that a construction permit was issued to LANCON but there was no operational permit issued.

Based upon the facts that PAWC will expand its service territory to customers in compliance with our regulations, that the economies of scale of an expanded customer base has a beneficial effect on existing customers, and that PAWC will be meeting the needs of new customers without any detriment to its existing customers, the Commission finds that granting PAWC's and LANCON's Joint Application for approval of the transfer and abandonment is necessary or proper for the service, accommodation, convenience, or safety of the public; **THEREFORE,**

IT IS ORDERED:

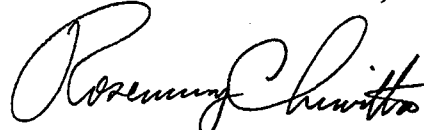
1. That the Joint Application of Pennsylvania-American Water Company and Lancon Water Service Company, Inc. at Docket Nos. A-2013-2346371 and A-2013-2346451, is hereby approved.
2. That upon receipt of notice of closing, a Certificate of Public Convenience be issued pursuant to Section 1102(a) (1) (i), (2) and (3) of the Public Utility Code, 66 Pa. C.S. §1102(a) (1)(i), (2) and (3) evidencing Commission approval of the transfer of the service territory as evidenced in the certificate of public convenience issued to Lancon Water Company, Inc. in Lancaster Township, Butler County, as described in the Joint Application.
3. That upon receipt of notice of closing, a Certificate of Public Convenience be issued pursuant to Section 1102(a)(1)(i), of the Public Utility Code, 66 Pa. C.S. §1102(a) (1)(i), evidencing Commission approval for Pennsylvania-American Water Company to begin to offer, render, furnish and supply water service to the public in Lancaster Township, Butler County.

4. That upon receipt of notice of closing, a Certificate of Public Convenience be issued pursuant to Section 1102(a)(2) of the Public Utility Code, 66 Pa. C.S. §1102(a)(2), evidencing Commission approval for the abandonment by Lancon Water Service Company, Inc. of all public water service.

5. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other local, state, and federal government agencies having jurisdiction.

6. That a copy of this Order be served upon Pennsylvania-American Water Company, Lancon Water Company, Inc., the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Department of Revenue, Bureau of Corporate Taxes, and the Department of Environmental Protection, Northwest Regional Office and Central Office-Bureau of Regulatory Counsel.

BY THE COMMISSION,

A handwritten signature in cursive script, appearing to read "Rosemary Chiavetta".

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: April 4, 2013

ORDER ENTERED: April 4, 2013

PENNSYLVANIA PUBLIC UTILITY COMMISSION

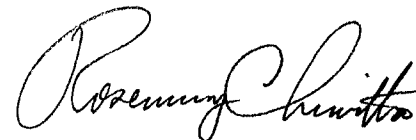
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2013-2346371

Joint application of Pennsylvania-American Water Company and Lancon Water Company, Inc. for approval of the transfer of the Certificate of Public Convenience issued to Lancon in a portion of Lancaster Township, Butler County to Pennsylvania-American Water Company; and the right of Pennsylvania-American Water Company to begin to offer water service to the public in portions of Lancaster Township, Butler County.

Effective Date: August 27, 2013

**The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this
CERTIFICATE OF PUBLIC CONVENIENCE evidencing the Commission's approval.**

**In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION
has caused these presents to be signed and sealed, and duly attested by its secretary
at its office in the city of Harrisburg this 27TH DAY OF AUGUST 2013.**

A handwritten signature in black ink, appearing to read "Rosemary Chivetta", written in a cursive style.

Secretary

Before the Pennsylvania Public Utility Commission

In re: Joint Application of Application Docket Nos.:

Pennsylvania-American Water Company
and Lancon Water Company, Inc. for:

(1) the transfer of the certificate of public convenience issued to Lancon Water Company, Inc. in a portion of Lancaster Township, Butler County to Pennsylvania-American Water Company; (2) the right of Pennsylvania-American Water Company to begin to offer water service to the public in portions of Lancaster Township, Butler County; and (3) the abandonment by Lancon Water Company, Inc. of its certificated water service area.

To Pennsylvania Public Utility Commission:

1. The names and addresses of the Joint Applicants are:

Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

Lancon Water Company, Inc.
120 Brennan Lane
Evans City, PA 16033

2. The names and addresses of the Joint Applicants' attorneys are:

For Pennsylvania American Water Company

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Corporate Counsel
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

For Lancon Water Company, Inc.

Thomas T. Niesen, Esquire
Thomas, Long, Niesen & Kennard
P.O. Box 9500
Suite 500
212 Locust Street
Harrisburg, PA 17108

3. The Lancon Water Company, Inc. (hereinafter referred to as "Lancon") holds a certificate of public convenience from the Pennsylvania Public Utility Commission ("PUC") to supply water to the public in portions of Lancaster Township, Butler County. *See* Docket No. A-2009-2142867. A legal description and map of the certificated territory is attached as Exhibit A-1 and A-2. Lancon has not initiated water service to any customers within

the certificated territory. The area described in Exhibit A is the only water service territory held by Lancon within the Commonwealth.

4. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of November 30, 2012 Pennsylvania-American provided water service to approximately 640,805 customers in the following classifications:

Residential:	590,508
Commercial:	44,378
Industrial:	520
Municipal, Resale and Other:	2,311
Fire Protection:	3,088

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,120 customers. Attached hereto as Exhibit B is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

5. This Application seeks approval of the transfer to Pennsylvania-American of the certificate of public convenience granted by the PUC to Lancon to serve water to customers in Lancaster Township, Butler County; the right of Pennsylvania-American to provide water service in an additional portion of Lancaster Township; and the abandonment of Lancon's certificated service area.

6. All the annual reports, tariffs, certificates of public convenience, applications, securities certificates and similar documents filed with your Honorable Commission by Pennsylvania-American and its predecessors are made a part hereof by reference.

7. The parties are not making any payments to each other for the transfer of the service territory.

8. Pennsylvania-American is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285f01103, A-2009-2110756 and A-2012-2321379. Pursuant to Docket No. A-2012-2321379, Pennsylvania-American plans to install facilities within the application territory at that docket which will include approximately 17,500 feet of twelve inch ductile iron pipe, a water booster station and other related appurtenances and will have certificated service territory and water facilities that will abut the Lancon service territory.

9. The proposed transfer will have no effect on the service provided to Pennsylvania-American's existing customers. Pennsylvania-American believes that the proposed transfer will have a beneficial effect on the potential customers of Lancon in that they will receive the benefit of Pennsylvania-American's experience in managing and operating water systems which will result in efficiencies in service:

a. Pennsylvania-American has the managerial, technical and financial capabilities to safely and adequately provide water service in the Lancon service territory in compliance with the Public Utility Code, the Safe Drinking Water Act, Clean Streams Law and other requisite regulatory requirements, and to make improvements as needed, on a short and long term basis.

b. Pennsylvania-American will provide the Lancon service territory with centralized management, customer service and administrative services.

c. Lancon supports the transfer of the operating authority to Pennsylvania-American.

10. No additional capital will be required by the Applicants for the purpose of financing the matters and things involved in this Application.

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of September 30, 2012.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended September 30, 2012.

13. Pennsylvania-American will charge its existing rates for service in the application territory as set forth in Pennsylvania-American's Tariff and shown on Exhibit E, and which may be changed from time to time.

14. Approval of the Application is necessary or proper as set forth above.

15. Pennsylvania-American and Lancon are not affiliated with each other.

16. Lancon has no special or general assessments outstanding under the Public Utility Code.

17. No corporation, partnership or individual other than Lancon is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Pennsylvania-American in the territory covered by this Application, and no competitive condition will be created.

WHEREFORE, Applicants pray your Honorable Commission to issue the necessary Certificates of Public Convenience under the Public Utility Code, as amended, 66 Pa. C.S. §1102(a), authorizing:

- (a) the transfer of the certificate of public convenience of Lancon to Pennsylvania-American;

- (b) the right of Pennsylvania-American to begin to offer or furnish water service to the public in portions of Lancaster Township, Butler County, presently certificated to Lancon; and
- (c) the abandonment by Lancon of its certificated service authority.

Respectfully submitted,

PENNSYLVANIA-AMERICAN WATER
COMPANY

By *Seth A. Mendelsohn*
Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Corporate Counsel
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

LANCON WATER COMPANY, INC.

By *Thomas T. Niesen*
Thomas T. Niesen, Esquire
Thomas, Long, Niesen & Kennard
P.O. Box 9500
Suite 500
212 Locust Street
Harrisburg, PA 17108

Dated: 1/31, 2013

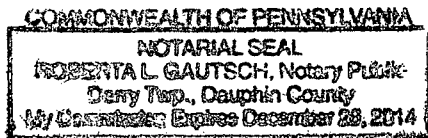
COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF DAUPHIN)

Personally appeared before me, a Notary Public in and for said Commonwealth and County, Kathy L. Pape, President of Pennsylvania-American Water Company who, being duly sworn according to law, deposes and says that the facts set forth in the foregoing Application are true and correct to the best of his knowledge, information and belief.


Kathy L. Pape, President

Sworn to and subscribed before me
this 13th day of February,
2013.

Raksha L. Gautsch
Notary Public



**Application of Pennsylvania-American Water Company, for approval of the right to
offer, render, furnish or supply water service to the public in an additional portion of
Lancaster Township, Butler County, Pennsylvania**

Docket Nos. A-2012-2337446

Opinion and Order entered February 14, 2013

(Route 19 and Warner Lane)

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held February 14, 2013

Commissioners Present:

- Robert F. Powelson, Chairman
- John F. Coleman, Jr., Vice Chairman
- Wayne E. Gardner
- James H. Cawley
- Pamela A. Witmer, Statement

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish, or supply water service to the
public in additional portions of Lancaster
Township, Butler County, Pennsylvania.

Docket Number:
A-2012-2337446

ORDER

BY THE COMMISSION:

By the application filed on December 4, 2012, Pennsylvania-American
Water Company (PAWC or the Applicant); 800 West Hersheypark Drive, Hershey, PA
17033, seeks a certificate of public convenience pursuant to section 1102(a)(1)(i) of the
Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), evidencing Commission approval of the
Applicant's right to offer, render, furnish, or supply water service to the public in
additional portions of Lancaster Township, Butler County, Pennsylvania.

Proofs of publication and service to appropriate entities were submitted by
PAWC. In addition, this Application was published in *The Pennsylvania Bulletin*, 42 Pa.

B. 7627, Saturday, December 15, 2012. The protest period ended December 31, 2012. No protests were filed and no hearings were held.

PAWC is a regulated public utility corporation, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the Commonwealth. As of December 31, 2011, the Applicant provided water service to approximately 638,171 customers. PAWC also provided wastewater service to approximately 17,113 customers.

PAWC has indicated that the proposed additional territory is located in a portion of Lancaster Township, Butler County, Pennsylvania as described in Exhibit B-2 and has included a map showing the description of the area in Exhibit B-1 of the application. The applied-for-territory will allow PAWC to provide water supply to serve the R.E. Gas Development, LLC (REX Energy), gas operations at a connection along State Route 19 to Warner Lane in Lancaster Township. PAWC has stated that there are thirty existing residential households along the proposed water extension on State Route 19 that could be served within the proposed additional service territory. PAWC is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285F0103, A-2009-2110756 and A-2012-2321379. The requested territory consists of approximately 657.5 acres.

PAWC avers that the facilities to be installed to serve REX Energy will include approximately 10,100 feet of 16" and 12" ductile iron pipe, a water booster pump station, water meter, meter vault and backflow preventer, and other related appurtenances.

PAWC stated that the pipeline route shall originate from its existing water main on State Route 19 and continue along State Route 19 to the intersection of State Route 19 and Warner Lanes as shown on Exhibit B-1 of the Application. PAWC also indicated that public fire hydrants will be installed in the requested territory pursuant to Lancaster Township's direction. PAWC will be responsible for maintaining the hydrants.

According to PAWC, the estimated cost of the project will be approximately \$1,500,000. REX Energy will provide a non-refundable \$650,000 contribution toward the cost of the line extension (estimated at \$915,000), as well as a parcel of property for the water booster station (estimated at \$50,000), a meter vault and service line connection (estimated at \$30,000). PAWC will pay for the cost of the water booster station (estimated at \$500,000), a portion of the cost of the water main (estimated at \$265,000) and a water meter (estimated at \$5,000). In essence, REX Energy is making a total of \$730,000 contribution towards the cost of the project while PAWC will be responsible for the remaining \$770,000.

PAWC has indicated that based on the hydraulic gradient of its system and the rising ground elevation along the pipeline route, a booster station is required to provide adequate pressure to REX Energy and the potential customers along the pipeline. Additionally, PAWC has determined that increasing a portion of the water main to 16-inch will allow PAWC to provide service to a larger area of the township. Furthermore, to provide adequate service to residents, PAWC determined that it is in the public interest to fund and install the booster station and to upsize a portion of the water main. The contributions made by REX Energy towards the cost of the project will be treated as contributions-in-aid-of construction. REX Energy will initially establish an 8-inch meter connection with PAWC's service territory in Jackson Township (a portion of PAWC's existing service territory adjacent to Lancaster Township) and take water from the water main, prior to the completion of the booster station.

As stated in an Off-Site Development Marketing Agreement (Agreement) executed on November 28, 2012 between PAWC and REX Energy, REX Energy has provided PAWC a contribution of \$650,000 to be used by PAWC solely in connection with the construction and installation of the water facilities extension. REX Energy shall also assign to PAWC a suitable parcel of property, either by deed or perpetual exclusive easement, for the location of the booster station, subject to PAWC's approval on the parcel location and cost of the property.

The Applicant stated that to the best of its knowledge no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the requested territory, and no competitive condition will be created. PAWC further indicated that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

The Applicant has indicated that it is in the public interest for PAWC to provide water service in the requested territory because it is financially and technically capable of providing service and because there is a need to make water service available to the commercial customer located in Lancaster Township, Butler County.

The Applicant stated that residents along the water line have private on-lot septic systems for wastewater. PAWC has indicated that REX Energy does not require wastewater facilities.

PAWC will charge its then existing Rate Zone 1 rates for service in the requested territory as set forth in PAWC's Tariff. PAWC estimates net annual average revenue of \$94,000 for customers in the requested territory.

PAWC provided a letter from Lancaster Township supporting this Application. PAWC did not provide a letter from Butler County in support of the project but did mention that copies of the Application were served upon the County Commissioners and Planning Commission and no protests or objections were filed. The protest period ended on December 31, 2012. PAWC stated that as of January 13, 2013, it is not aware of any protests or objections filed to the Application.

The Applicant is current with its annual and quarterly reports as well as the Security Planning and Readiness report filing requirements of the Commission.

There are no Department of Environmental Protection (DEP) outstanding compliance or operational issues with PAWC.

Based upon the facts that PAWC will expand its service territory to a new customer in compliance with Commission regulations, that the economies of scale of an expanded customer base have a beneficial effect on existing customers, and that PAWC will be meeting the needs of a new customer without any detriment to its existing customers, the Commission finds that the granting of PAWC's application for an extension of service territory is in the public interest; **THEREFORE,**

IT IS ORDERED:

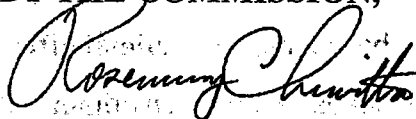
1. That the application of Pennsylvania-American Water Company at Docket No. A-2012-2337446 is hereby approved.
2. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in additional portions of Lancaster Township, Butler County as described in

Exhibit B-2 and depicted on a map identified as Exhibit B-1, which were attached to the subject application.

3. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: February 14, 2013

ORDER ENTERED: February 14, 2013

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

Pennsylvania American Water

**Public Meeting: February 14, 2013
2337446
Docket No. A-2012-2337446**

STATEMENT OF COMMISSIONER PAMELA A. WITMER

Before the Pennsylvania Public Utility Commission (Commission) today for consideration is a proposed order approving an application for a water line extension in portions of Lancaster Township, Butler County, by Pennsylvania American Water Company (PAWC). In this case, PAWC has applied to extend service to provide public water supply to R.E. Gas Development, LLC gas operations (REX Energy).

This application presents compelling facts pointing to the economic and societal benefits of a water line extension. REX Energy will pay in excess of \$600,000 in support of the extension, which will afford 30 residential customers the opportunity to economically tie into a safe, public water supply and provide fire protection through the installation of fire hydrants where none currently exist. For its part, PAWC will begin receiving additional revenue from customers with a major portion of capital costs being borne by a company with ties to Pennsylvania's burgeoning natural resources industry.

I have consistently applauded this type of proactive partnership that benefits multiple parties. Approval of this application will assist in providing additional construction jobs, a source of clean and potable water for customers, a reduction in truck traffic as water is delivered via the pipeline, enhanced fire protection and a positive financial impact for PAWC. These benefits should be highlighted by this Commission because they are exactly the types of win-win scenarios created by proper use of all of the Commonwealth's abundant natural resources.

DATE: February 14, 2013


PAMELA A. WITMER, COMMISSIONER

PENNSYLVANIA PUBLIC UTILITY COMMISSION

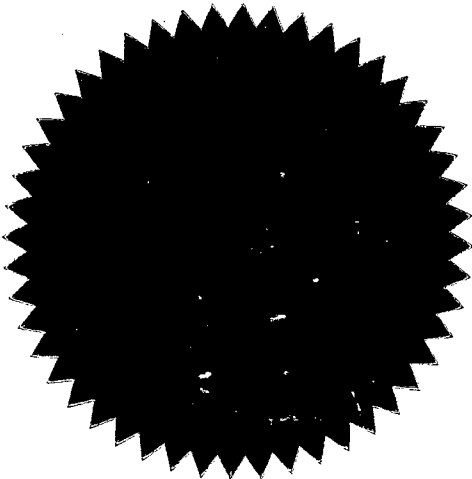
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2012-2337446

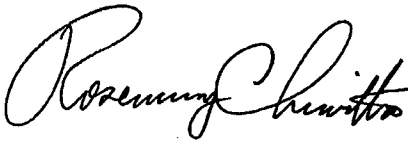
Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in additional portions of Lancaster Township, Butler County, Pennsylvania.

Effective Date: February 14, 2013

**The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this
CERTIFICATE OF PUBLIC CONVENIENCE evidencing the Commission's approval.**

**In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION
has caused these presents to be signed and sealed, and duly attested by its secretary
at its office in the city of Harrisburg this 14th day of February 2013.**




Secretary

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in additional portions of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in additional portions of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of December 31, 2011 Pennsylvania-American provided water service to approximately 638,171 customers in the following classifications:

Residential:	588,325
Commercial:	43,902
Industrial:	522
Municipal, Resale and Other:	2,310
Fire Protection:	3,112

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,113 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied-for-territory will allow Pennsylvania American to provide public water supply to serve the R.E. Gas Development, LLC (REX

Energy), gas operations at a connection along State Route 19 to Warner Lane in Lancaster Township. There are also existing thirty residential households along the proposed water extension on State Route 19 within the proposed additional service territory that could be served. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A- 212285f01103, A-2009-2110756 and A-2012-2321379.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to Rex Energy will include approximately 10,100 feet of sixteen and twelve inch ductile iron pipe, a water booster pump station, water meter, meter vault and back flow preventer and other related appurtenances. Wastewater treatment is not required.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2011.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2011.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the commercial development located in Lancaster Township, Butler County.

17. Pennsylvania-American and R.E. GAS DEVELOPMENT, LLC (REX Energy) executed an agreement on November 28, 2012 for the extension of service to the requested area. A letter from Lancaster Township supporting this application is marked as Exhibit G.

18. The cost of the project is estimated at One Million Five Hundred (\$1,500,000) Dollars and will be installed by Pennsylvania-American. Rex Energy will provide a non-refundable Six Hundred and Fifty Thousand (\$650,000) contribution toward the cost of the line extension, a parcel of property for the water booster station and a meter vault and service line connection. PAWC shall pay for the cost of the water booster station, a portion of the cost of the water main and a water meter. Rex Energy will initially establish an 8-inch meter connection within Pennsylvania-American's service territory in Jackson Township and take water from the water main, prior to the completion of the booster station.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide

water service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

20. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township, Butler County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 20, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

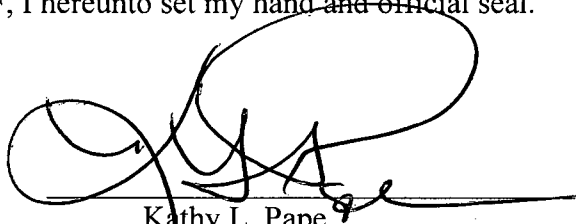
By: *Seth A. Mendelsohn*
Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: *12/4/2010*

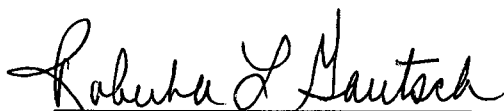
COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF DAUPHIN) SS:

On this, the day of , 2012, before me, a notary public,
the undersigned officer, personally appeared KATHY L. PAPE, who acknowledged
herself to be President of Pennsylvania-American Water Company, a Pennsylvania
Corporation and that she as such President being authorized to do so, executed the
foregoing instrument for the purposes therein contained by signing the name of the
corporation by herself as President.

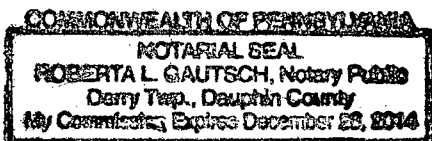
IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Kathy L. Pape
President

Sworn to and subscribed
before me this 4th day of
December, 2012.


Notary Public

My Commission Expires:



PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence

Exhibit A

County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shipperville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallaceton Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011) and Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 640,116 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsonstown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portion of the Township of Clinton in Wayne County; and
All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 17,105 customers in the following municipalities:

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portion of the Township of Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[393 municipalities in 36 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

8/27/2012

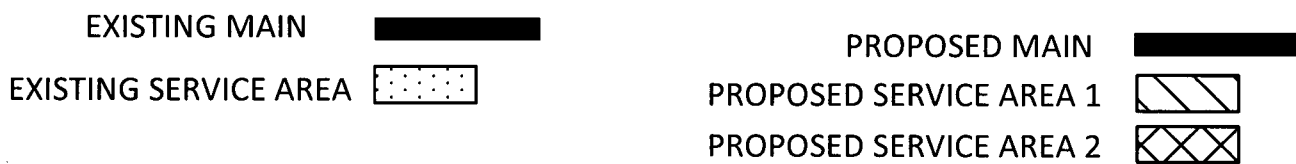
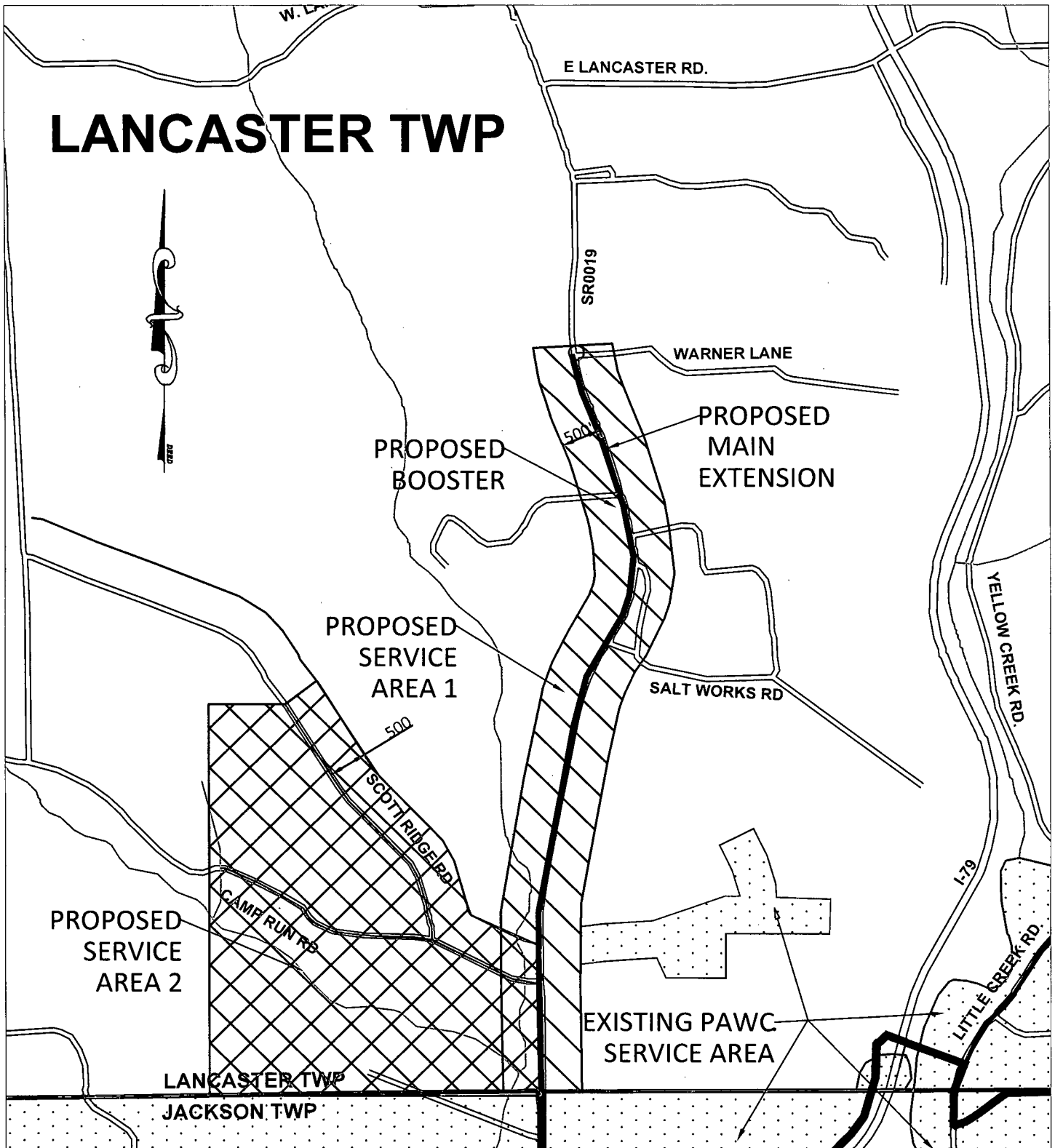


EXHIBIT B-1

PENNSYLVANIA AMERICAN WATER COMPANY
SERVICE TERRITORY APPLICATION
PORTION OF LANCASTER TOWNSHIP
BUTLER COUNTY

EXHIBIT B-2

AREA 1

Beginning at a point, said point being located at the intersection of SR0019, and the municipal boundary line between Jackson Township and Lancaster Township, Butler County. From said point, west along the municipal boundary between Jackson Township and Lancaster Township a distance of 500 feet to a point. Thence, in a northerly manner parallel to and 500 feet west of the center line of SR0019 a distance of 10,500 feet, more or less, to a point 500 feet west and 100 feet north of the intersection of SR0019 and Warner Lane. Thence easterly a distance of 1,000 feet to a point 500 feet east and 100 feet north of the intersection of SR0019 and Warner Rd. Thence in a southerly direction, 500 feet east of and parallel to the centerline of SR0019 to the municipal boundary between Jackson Township and Lancaster Township. Thence 500 feet west along the municipal boundary line to the point of origin.

AREA 2

Beginning at a point, said point being the intersection of Scott Ridge Road (T-830) and SR0019. From said point, north along the centerline of SR0019 a distance of 500', thence in a north westerly manner 500' from and parallel to the centerline of Scott Ridge Rd a distance of 5,280 ft more or less to the intersection Abbey Lane, a private road. Thence, due west a distance of 1,000 ft, more or less to a point. Thence due south, crossing Camp Run Rd (T-333) at Scenic Lane and continuing south to the Lancaster Township Jackson Township municipal boundary. Thence east along the municipal boundary line to the centerline of SR0019, thence north along the centerline of SR0019 to the point of beginning

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2011 (Unaudited)
(Dollars in thousands)

	December 31, 2011 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$2,432,188
Utility plant acquisition adjustments, net	\$18,755
Total Non-Utility Plant, net	\$277
Construction Work in Progress	\$65,392
Total property plant and equipment	\$2,516,612
Current assets	
Cash and cash equivalents	\$1,192
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$29,836
Unbilled	\$28,070
Other current assets	\$29,551
Total current assets	\$88,649
Long-term assets	
Regulatory assets	\$174,172
Goodwill	\$40,223
Other	\$133
Total long-term assets	\$214,528
Total assets	\$2,819,789
Capitalization and Liabilities	
	December 31, 2011 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$608,407
Retained earnings	\$336,285
Total stockholder's equity	\$966,199
Long-term debt	\$984,819
Preferred stock without mandatory redemption requirements	\$1,720
Preferred stock with mandatory redemption requirements	\$12,452
Total capitalization	\$1,965,190
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$30,848
Current portion of long-term debt	\$6,441
Other	\$83,933
Total current liabilities	\$121,222
Long-term liabilities	
Deferred income taxes	\$508,404
Other	\$114,395
Total long-term liabilities	\$622,799
Contributions in aid of construction	\$110,578
Total capitalization and liabilities	\$2,819,789

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For the 12 months ended December 31, 2011 (Unaudited)
(Dollars in thousands)

	Twelve Months Ended December 31, 2011
Operating revenues	<u>\$515,529</u>
Operating expenses	
Operation and maintenance	\$222,205
Depreciation and amortization	\$68,172
General taxes	\$12,435
Total Operating Expenses	<u>\$302,812</u>
Operating income	<u>\$212,717</u>
Other income (deductions)	
Other income, net	(\$2,567)
Interest expense, net	\$59,255
	<u>\$56,688</u>
Income before income taxes	<u>\$156,030</u>
Provision for income taxes	<u>\$59,524</u>
Net income	<u>\$96,506</u>
Dividends on preferred stock	<u>\$77</u>
Income to common stock	<u>\$96,429</u>

PENNSYLVANIA-AMERICAN WATER COMPANY Canceling 16th & 17th Rev. Page 9

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

Size of Meter	Service Charge Per Month Except Other Water Utilities	Service Charge Per Month Other Water Utilities
		Group A & B
5/8 inch	\$ 13.75	\$ 20.00
3/4 inch	20.80	30.00
1 inch	34.60	50.00
1-1/2 inch	56.50	100.00
2 inch	90.40	160.00
3 inch	168.60	300.00
4 inch	211.70	500.00
6 inch	316.80	1,000.00
8 inch	613.40	1,600.00
10 inch	888.40	2,300.00
12 inch	1,389.30	3,600.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at .9101 (I)

Commercial

First 16,000 gallons .8979, All in excess of 16,000 gallons .6883 (I)

Municipal

First 16,000 gallons .8979, All in excess of 16,000 gallons .7454 (I)

Other Water Utilities

Group A All at .6020 (I)

Group B All at .8979 (D)

Issued: November 10, 2011

Effective: November 11, 2011

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 20.00
3/4	inch	30.00
1	inch	50.00
1-1/2	inch	100.00
2	inch	160.00
3	inch	300.00
4	inch	500.00
6	inch	1,000.00
8	inch	1,600.00
10	inch	2,300.00
12	inch	3,600.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9056	First 16,000	.9056
Next 584,000	.6769	Next 584,000	.6769
All in Excess		Next 14,400,000	.5367
of 600,000	.5367	All In Excess	
		Of 15,000,000	.3625

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

1	Commercial customer @ \$111,000
30	Residential customers @ \$ 20,000

Estimated Annual Expenses

1	Commercial customer @ \$ 31,000
57	Residential customers @ \$ 6,000

Net	<u>\$ 94,000</u>

**Application of Pennsylvania-American Water Company, for approval of the right to
offer, render, furnish or supply water service to the public in an additional portion of
Lancaster Township, Butler County, Pennsylvania**

Docket Nos. A-2012-2321379

Opinion and Order entered November 8, 2012

(Whitestown and Stone Church Road)

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held November 8, 2012

Commissioners Present:

Robert F. Powelson, Chairman, Joint Statement
John F. Coleman, Jr., Vice Chairman
Wayne E. Gardner
James H. Cawley
Pamela A. Witmer, Joint Statement

Application of Pennsylvania-American Water
Company for approval of the right to offer,
render, furnish, or supply water service to the
public in additional portions of Lancaster
Township, Butler County, Pennsylvania.

Docket Number:
A-2012-2321379

ORDER

BY THE COMMISSION:

By the application filed on August 28, 2012, Pennsylvania-American Water Company (PAWC or the Applicant), 800 West Hersheypark Drive, Hershey, PA 17033, seeks a certificate of public convenience pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), evidencing Commission approval of the Applicant's right to offer, render, furnish, or supply water service to the public in additional portions of Lancaster Township, Butler County, Pennsylvania.

Proofs of publication and service to appropriate entities were submitted by PAWC. No protests were filed and no hearings were held.

PAWC is a regulated public utility corporation, duly organized and existing under the laws of the Commonwealth of Pennsylvania, and is a wholly owned subsidiary of the American Water Works Company, Inc. PAWC furnishes water service in certificated service territories encompassing portions of 36 counties across the Commonwealth. As of December 31, 2011, the Applicant provided water service to approximately 638,171 customers. PAWC also provided wastewater service to approximately 17,113 customers.

PAWC has indicated that the proposed additional territory is located in a portion of Lancaster Township, Butler County, Pennsylvania as described in Exhibit B-2 and has included a map showing the description of the area in Exhibit B-1 of the application. The applied-for-territory will allow PAWC to provide water supply to serve the R.E. Gas Development, LLC (REX Energy), gas operations at a connection along Whitestown and Stone Church Road in Lancaster Township. PAWC has stated that there are also an existing fifty-seven residential households along the proposed water extension on Whitestown Road within the proposed additional service territory that could be served. PAWC is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A-212285F0103 and A-2009-2110756. The requested territory consists of approximately 441 acres.

PAWC stated that the facilities to be installed within this application territory to serve REX Energy will include approximately 17,500 feet of 12" ductile iron pipe, a water booster pump station, water meter, meter vault and backflow preventer, and other related appurtenances. PAWC has indicated that public fire hydrants have been installed along the pipeline pursuant to Lancaster Township's direction. PAWC will be responsible for maintaining the hydrants. According to PAWC, REX Energy has already installed the pipeline and PAWC estimates installation of the booster station in June 2013 and then it will obtain a DEP operating permit in July 2013.

PAWC stated that the pipeline route shall originate from its existing 12-inch water main within its existing service territory on Little Creek Road and Whitestown Road to the intersection of Whitestown Road and Stone Church Road. REX Energy will install a meter vault connection at this location and take water for its use until such time as PAWC completes the booster station project, takes ownership of the pipeline and obtains Commission approval for the service territory.

PAWC indicated that the estimated cost of the booster pump station will be approximately \$750,000 and will be borne by PAWC. PAWC has indicated that based on the hydraulic gradient of its system and the rising ground elevation along the pipeline route, a booster station is required to provide adequate pressure to REX Energy and the potential customers along the pipeline. PAWC avers that to provide adequate service to residents along the pipeline, PAWC determined it is in the public interest to fund and install the booster station. Additionally, PAWC has secured a \$100,000 contribution toward the cost of the booster from REX Energy, which will be treated as a contribution-in-aid-of construction.

As stated in an Off-Site Development Marketing Agreement (Agreement) executed on July 9, 2012 between PAWC and REX Energy, REX Energy, as part of its \$100,000 contribution commitment, may provide PAWC a suitable parcel of property, either in fee or as a perpetual easement, for the location of the booster station, subject to PAWC's approval on the parcel location and cost of the property. REX shall also provide PAWC the appraised cost of land.

According to the Agreement, REX Energy will be responsible for the cost of the 17,500 feet of new water main, a meter vault and a service line connection. REX Energy will establish an 8-inch meter connection. REX Energy has installed the water main and shall use the main as a service line until such time that PAWC completes the booster pump station and accepts ownership of the water main. The estimated cost of the

facilities to be installed by REX Energy in the requested territory is approximately \$1,500,000. PAWC has indicated that similar to the \$100,000 contribution by REX Energy towards the booster station project, the \$1.5 million cost for the pipeline will be treated as a contribution-in-aid-of-construction.

The Applicant stated that to the best of its knowledge no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by PAWC in the requested territory, and no competitive condition will be created. PAWC further indicated that furnishing service in the requested territory will have no adverse effect upon the service furnished or the rates charged to other customers.

The Applicant has indicated that it is in the public interest for PAWC to provide water service in the requested territory because it is financially and technically capable of providing service and because there is a need to make water service available to the commercial customer located in Lancaster Township, Butler County.

The Applicant stated that residents along the water line have private on-lot septic systems for wastewater. PAWC has indicated that REX Energy does not require wastewater facilities.

PAWC will charge its then existing Rate Zone 1 rates for service in the requested territory as set forth in PAWC's Tariff. PAWC estimates net annual average revenue of \$107,000 for customers in the requested territory.

PAWC provided a letter from Lancaster Township supporting this Application which was submitted as Exhibit G in the application. PAWC did not provide a letter from Butler County in support of the project but did mention that copies of the

Application were served upon the County Commissioners and Planning Commission and no protests or objections were filed. The protest period ended on October 1, 2012.

The Applicant is current with its annual and quarterly reports as well as the Security Planning and Readiness report filing requirements of the Commission. There are no Department of Environmental Protection (DEP) outstanding compliance or operational issues with PAWC.

Based upon the facts that PAWC will expand its service territory to a new customer in compliance with Commission regulations, that the economies of scale of an expanded customer base have a beneficial effect on existing customers, and that PAWC will be meeting the needs of a new customer without any detriment to its existing customers, the Commission finds that the granting of PAWC's application for an extension of service territory is in the public interest; **THEREFORE,**

IT IS ORDERED:

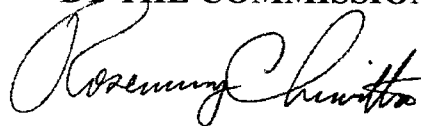
1. That the application of Pennsylvania-American Water Company at Docket No. A-2012-2321379 is hereby approved.

2. That a certificate of public convenience shall be issued pursuant to section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service in additional portions of Lancaster Township, Butler County as described in Exhibit B-2 and depicted on a map identified as Exhibit B-1, which were attached to the subject application.

3. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,

A handwritten signature in cursive script, appearing to read "Rosemary Chiavetta".

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: November 8, 2012

ORDER ENTERED: November 8, 2012

PENNSYLVANIA PUBLIC UTILITY COMMISSION

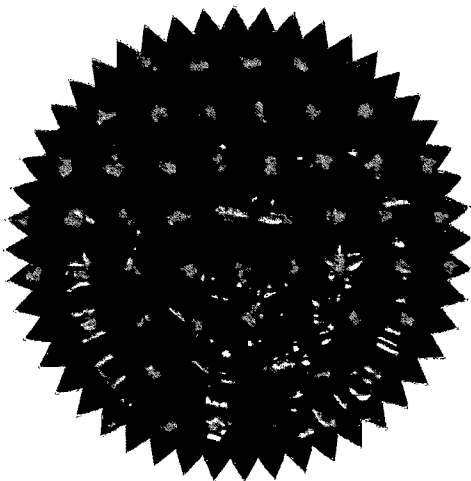
IN THE MATTER OF THE APPLICATION OF DOCKET NO: A-2012-2321379

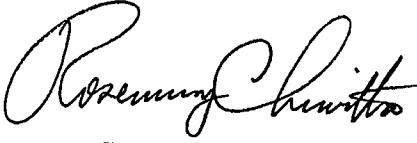
Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in additional portions of Lancaster Township, Butler County, Pennsylvania.

Effective Date: November 8, 2012

**The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this
CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

**In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION
has caused these presents to be signed and sealed, and duly attested by its secretary
at its office in the city of Harrisburg this 8th day of November 2012.**




Secretary



**PENNSYLVANIA
AMERICAN WATER**

**Seth A. Mendelsohn
Corporate Counsel**

800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-3362
F 717-531-3252
Seth.mendelsohn@amwater.com

August 28, 2012

Rosemary Chiavetta
Pennsylvania Public Utility
Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265

**Re: Application of Pennsylvania-American Water Company for
Approval of the right to offer, render, furnish or supply water service to
the public in additional portions of Lancaster Township, Butler County,
Pennsylvania**

Dear Ms. Chiavetta:

On behalf of Pennsylvania-American Water Company, I am e-filing an original copy of the above-referenced Application, together with payment in the amount of \$350 for the Commission's filing fee.

Sincerely,

Seth A. Mendelsohn

Enclosures

cc: Office of Consumer Advocate
Office of Small Business Advocate
Office of Trial Staff
Department of Environmental Protection

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in additional portions of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in additional portions of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of December 31, 2011 Pennsylvania-American provided water service to approximately 638,171 customers in the following classifications:

Residential:	588,325
Commercial:	43,902
Industrial:	522
Municipal, Resale and Other:	2,310
Fire Protection:	3,112

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,113 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied-for-territory will allow Pennsylvania American to provide public water supply to serve the R.E. Gas Development, LLC (REX Energy), gas operations at a connection along Whitestown and Stone Church Road in Lancaster Township. There are also an existing fifty seven residential households along the proposed water extension on Whitestown Road within the proposed additional service territory that could be served. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket Nos. A- 212285f01103 and A-2009-2110756.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to Rex Energy will include approximately 17,500 feet of twelve inch ductile iron pipe, a water booster pump station, water meter, meter vault and back flow preventer and other related appurtenances. Wastewater treatment is not required.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of December 31, 2011.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended December 31, 2011.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the commercial development located in Lancaster Township, Butler County.

17. Pennsylvania-American and R.E. GAS DEVELOPMENT, LLC (REX Energy) executed an agreement on July 9, 2012 for the extension of service to the requested area. A letter from Lancaster Township supporting this application is marked as Exhibit G.

18. The cost of the booster pump station is estimated at Seven hundred and Fifty Thousand (\$750,000) Dollars and will be borne by PAWC, less a \$100,000 contribution toward the cost by Rex Energy. Rex Energy will be responsible for the cost of 17,500 feet of new water main, a meter vault and a service line connection. Rex Energy will establish a 8-inch meter connection. Rex Energy is installing the water main prior to completion of the booster pump station and shall use the main as a service line until such time that PAW completes the booster pump station and accepts ownership and operation of the water main.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide water service to applicant in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

V. RELIEF REQUESTED

20. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township, Butler County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 20, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By: Seth A. Mendelsohn

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Counsel for
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

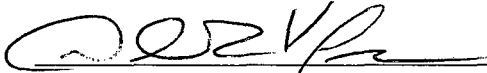
Dated: 8/28/2012

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF DAUPHIN)

SS:

On this, the 28th day of August, 2012, before me, a notary public, the undersigned officer, personally appeared DAVID R. KAUFMAN, who acknowledged herself to be Vice-President of Pennsylvania-American Water Company, a Pennsylvania Corporation and that she as such Vice-President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as President.

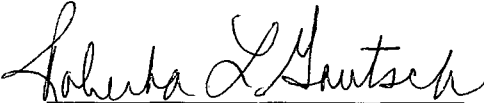
IN WITNESS WHEREOF, I hereunto set my hand and official seal.


David R. Kaufman
Vice- President

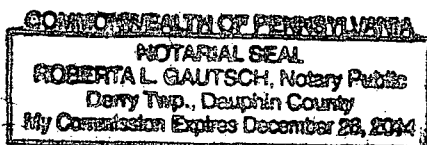
Sworn to and subscribed

before me this 28th day of

August, 2012.


Notary Public

My Commission Expires:



PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence

Exhibit A

Page 1 of 5

County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippensburg Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallaceton Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011) and Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 640,116 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn³ and Wyomissing² and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview¹ and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, Jefferson, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laffin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitemarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portion of the Township of Clinton in Wayne County; and
All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 17,105 customers in the following municipalities:

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portion of the Township of Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[393 municipalities in 36 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

8/27/2012

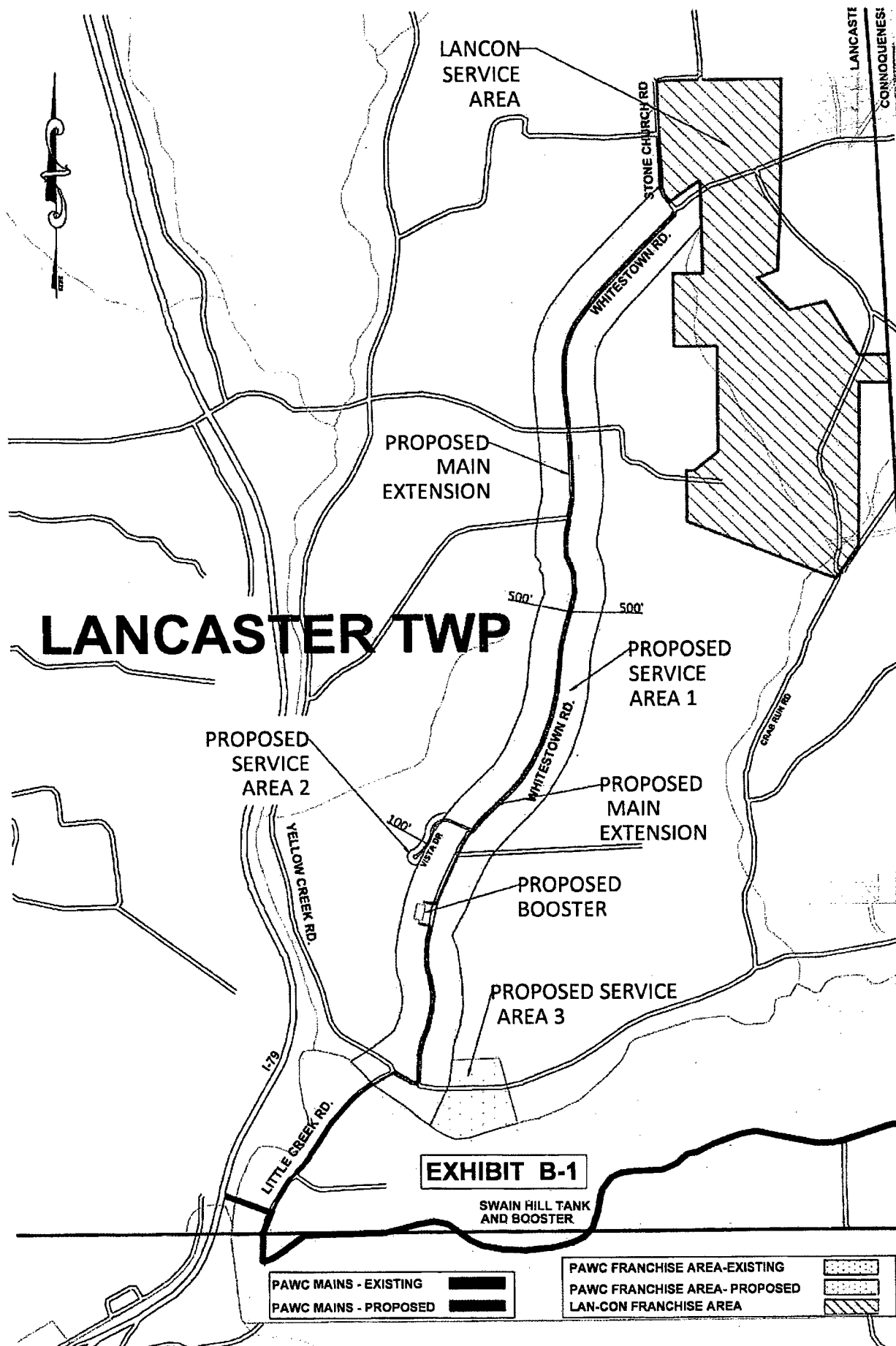


Exhibit B-1

PENNSYLVANIA AMERICAN WATER COMPANY
SERVICE TERRITORY APPLICATION
PORTIONS OF LANCASTER TOWNSHIP
BUTLER COUNTY

EXHIBIT B-2

AREA 1

Beginning at a point at the intersection of the centerline of Little Creek Road (SR3025) and the center line of the Little Connoquenessing Creek in Lancaster Township, Butler County. Said point also being on the boundaray of the existing PAW service territory south of the Little Connoquenessing Creek. Thence in a westerly direction 500', along the centerline of the Little Connoquenessing Creek, to a point. Thence in a northerly and north easterly direction, 500 feet west of and parallel to the centerline Whitestown Road (T-831), 17,500 lf, more or less, to the center line of Stone Church Rd (T-334). Thence in a southerly direction parallel and adjacent to the LanCon Service Area 1,000 ft to a point 500 ft south of the centerline of Whitestown Rd. Thence, in a southerly and southwesterly direction 500 ft east of, and parallel to the centerline of Whitestown Rd. approx 17,500 lf, more or less to the center line of the Little Connoquenessing Creek. Thence westerly along the centerline of the Little Connoquenessing Creek to the centerline of Little Creek Rd, the point of beginning and containing 406.7 acre.

AREA 2

Beginning at a point, said point being located 500 feet west of the intersection of Vista Dr. (a private road) and SR0528, thence along lines parallel to and 100 feet on either side of the centerline of Vista Dr. in a westerly and southwesterly direction to the end of Vista Dr. Containing an area of 2.9 acre.

AREA 3

Beginning at a point, said point to be located on the centerline of Little Creek Rd (SR3025) 500 feet east of the intersection of Little Creek Rd and Whitestown Rd (T-831). Said point also being on the line described in Area 1. Thence, in a northerly manner along the line of Area 1; 500 feet to a point. Thence, in an easterly direction, 500 feet north of and parallel to the centerline on Little Creek Rd a distance of 1,600 feet, more or less, to a point. Thence, in a southerly direction perpendicular to the centerline of Little Creek Rd, to the centerline of the Little Connoquenessing Creek. Thence, in a westerly manner, along the centerline of the Little Connoquenessing Creek to a point contiguous with the limits of Area 1. Thence in a northerly manner to the centerline of Little Creek Rd, the point of beginning. Containing 31.8 acre.

Pennsylvania-American Water Company, Inc.
Condensed Balance Sheet
December 31, 2011 (Unaudited)
(Dollars in thousands)

	December 31, 2011 (Unaudited)
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$2,432,188
Utility plant acquisition adjustments, net	\$18,755
Total Non-Utility Plant, net	\$277
Construction Work in Progress	\$65,392
Total property plant and equipment	\$2,516,612
Current assets	
Cash and cash equivalents	\$1,192
Accounts receivable:	
Billed, net of allowance for doubtful accounts	\$29,836
Unbilled	\$28,070
Other current assets	\$29,551
Total current assets	\$88,649
Long-term assets	
Regulatory assets	\$174,172
Goodwill	\$40,223
Other	\$133
Total long-term assets	\$214,528
Total assets	\$2,819,789
Capitalization and Liabilities	
	December 31, 2011 (Unaudited)
Capitalization	
Stockholder's equity:	
Common stock	\$21,507
Paid-in capital	\$608,407
Retained earnings	\$336,285
Total stockholder's equity	\$966,199
Long-term debt	\$984,819
Preferred stock without mandatory redemption requirements	\$1,720
Preferred stock with mandatory redemption requirements	\$12,452
Total capitalization	\$1,965,190
Current liabilities	
Notes payable - associated companies	
Short-term debt	\$30,848
Current portion of long-term debt	\$6,441
Other	\$83,933
Total current liabilities	\$121,222
Long-term liabilities	
Deferred income taxes	\$508,404
Other	\$114,395
Total long-term liabilities	\$622,799
Contributions in aid of construction	\$110,578
Total capitalization and liabilities	\$2,819,789

Pennsylvania-American Water Company, Inc.
Consolidated Condensed Statement of Income
For the 12 months ended December 31, 2011 (Unaudited)
(Dollars in thousands)

Twelve Months Ended
December 31, 2011

Operating revenues	<u>\$515,529</u>
Operating expenses	
Operation and maintenance	\$222,205
Depreciation and amortization	\$68,172
General taxes	<u>\$12,435</u>
Total Operating Expenses	<u>\$302,812</u>
Operating income	<u>\$212,717</u>

PENNSYLVANIA-AMERICAN WATER COMPANY Canceling 16th & 17th Rev. Page 9

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1

FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges

For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>	<u>Service Charge Per Month Other Water Utilities Group A & B</u>
5/8 inch	\$ 13.75	\$ 20.00
3/4 inch	20.80	30.00
1 inch	34.60	50.00
1-1/2 inch	56.50	100.00
2 inch	90.40	160.00
3 inch	168.60	300.00
4 inch	211.70	500.00
6 inch	316.80	1,000.00
8 inch	613.40	1,600.00
10 inch	888.40	2,300.00
12 inch	1,389.30	3,600.00

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

Residential

All at .9101 (I)

Commercial

First 16,000 gallons .8979, All in excess of 16,000 gallons .6883 (I)

Municipal

First 16,000 gallons .8979, All in excess of 16,000 gallons .7454 (I)

Other Water Utilities

Group A All at .6020 (I)

Group B All at .8979 (D)

Issued: November 10, 2011

Effective: November 11, 2011

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 20.00
3/4	inch	30.00
1	inch	50.00
1-1/2	inch	100.00
2	inch	160.00
3	inch	300.00
4	inch	500.00
6	inch	1,000.00
8	inch	1,600.00
10	inch	2,300.00
12	inch	3,600.00

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.9056	First 16,000	.9056
Next 584,000	.6769	Next 584,000	.6769
All in Excess		Next 14,400,000	.5367
of 600,000	.5367	All In Excess	
		Of 15,000,000	.3625

* Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

Estimated Annual Revenue and Expense
in Application Territory

Estimated Annual Revenue

1 Commercial customer @ \$111,000
57 Residential customers @ \$ 37,400

Estimated Annual Expenses

1 Commercial customer @ \$ 31,000
57 Residential customers @ \$ 10,500

Net \$ 107,000

LANCASTER TOWNSHIP
113 Kings Alley
Harmony, Pennsylvania 16037

Phone: (724) 452-7213
Fax: (724) 453-0129
E-mail: watcin@zoominternet.net
www.lancaster-township.com

August 1, 2012

Bernie Grundusky
Senior Manager Business Development
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055-4475

RE: Proposed public water service to Whitestown Road and Little Creek Road

Dear Mr. Grundusky,

This letter is to confirm Lancaster Township Board of Supervisors are in favor of the extension of the proposed public water lines on Whitestown Road and Little Creek Road. The Board supports Penn American Water Company cooperation to extend public water

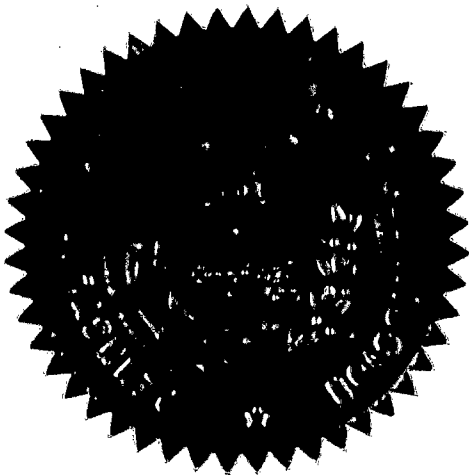
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN THE MATTER OF THE APPLICATION OF: A-2009-2110756

Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing, it has, by its report and order made and entered, found and determined that the granting of the application is necessary or proper for the service, accommodation, convenience and safety of the public and hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE** evidencing the Commission's approval.

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its secretary at its office in the city of Harrisburg this 27TH day of August 2009 .



A handwritten signature in dark ink, appearing to read "James J. McKeely". The signature is fluid and cursive, written over a light background.

Secretary



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

September 4, 2009

08 SEP 2009

A-2009-2110756

VELMA REDMOND ESQUIRE
PA AMERICAN WATER COMPANY
800 WEST HERSHEY PARK DRIVE
HERSHEY PA 17033

Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on August 27, 2009 adopted an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

James J. McNulty
Secretary

Encls.
Cert. mail
MH

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA. 17105-3265**

Public Meeting held August 27, 2009

Commissioners Present:

James H. Cawley, Chairman
Tyrone J. Christy, Vice Chairman
Kim Pizzingrilli
Wayne E. Gardner
Robert F. Powelson

Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public to the public in a portion of Lancaster Township, Butler County, Pennsylvania.

Docket Number:
A-2009-2110756

ORDER

BY THE COMMISSION:

By an application filed on May 28, 2009, Pennsylvania-American Water Company (Pennsylvania-American), 800 West Hersheypark Drive, Hershey, PA 17033, seeks a Certificate of Public Convenience pursuant to Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i), evidencing Commission approval of the right to begin to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pa.

Pennsylvania-American submitted proofs of service and publication. The application was served upon the appropriate municipal, township and county

officials, and their planning commissions. No motions or petitions were filed and no hearing was conducted.

Pennsylvania-American is a regulated public utility company, duly organized and existing under the laws of the Commonwealth of Pennsylvania and is engaged in the business of supplying and distributing water. It currently furnishes public water service to some 633,076 customers in 35 Pennsylvania counties. It is a wholly owned subsidiary of the American Water Works Company, Inc.

The nature and character of the service to be provided by Pennsylvania-American is the furnishing of public water service in an additional portion of Lancaster Township, Butler County. Pennsylvania-American is currently certificated to serve in Lancaster Township under Docket No. A-212285F0103. A map showing the boundaries of the area to be served, in addition to a written description of the area, are attached to the application as Exhibits B-1 and B-2, respectively. The total area involved is approximately 8.7 acres.

The need to make service available is evident by the fact water service has been requested by the developer of Arden Woods (Exhibit I). The Arden Woods project is a proposed multi-component residential development consisting of 104 single family lots, 56 townhouses, 320 apartments, 40 duplex units, and a clubhouse. The Lancaster Township Board of Supervisors (Exhibit G) found the subdivision plans acceptable. The Southwest Butler County Authority will provide wastewater treatment.

The physical assets necessary to service the Arden Woods project consist essentially of a water line of 1,950 linear feet of 16-inch and 6,367 linear feet

of 8-inch mains together with meters, valves, and related appurtenances. Upon approval of this application, Pennsylvania-American will enter into a main extension deposit agreement with the developer. The cost of the project is estimated to be approximately \$348,000 and will be borne by the developer. Pennsylvania-American contends that it is financially and technically capable of providing water service to the applied for area.

Pennsylvania-American will apply its rules and regulations contained in its tariff as amended from time to time. Pennsylvania-American contends the furnishing of water service will have no adverse effect upon the service currently furnished or the rates charged to other customers.

Pennsylvania-American is current with its Annual and Security Planning and Readiness report filing requirements and there are no outstanding fines or assessments.

To the best of Pennsylvania-American's knowledge, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Pennsylvania-America, and no competitive condition will be created.

Based upon the facts that Pennsylvania-American will expand its service territory to new customers in compliance with Commission regulations, that the economies of scale of an expanded customer base will have a beneficial effect on existing customers, and that Pennsylvania-American will be meeting the needs of new customers without any detriment to its existing customers, the Commission finds that the granting of Pennsylvania-American's application for the approval of the right to begin to offer, render, furnish or supply water service to

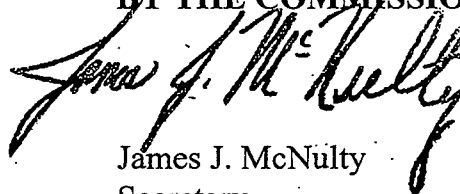
the public in an additional portion of Lancaster Township, Butler County, is in the public interest; **THEREFORE:**

IT IS ORDERED:

1. That the application of Pennsylvania-American Water Company at Docket No. A-2009-2110756 is hereby approved.
2. That a Certificate of Public Convenience be issued pursuant to Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. §1102(a)(1)(i) authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or provide water service to the public in Lancaster Township, Butler County, as shown on a map and described in detail in Exhibits B-1 and B-2 of the application.
3. That nothing herein shall be construed to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses and approvals from other state, federal and local government agencies necessary for the provision of expanded services as herein approved.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Office of Trial Staff, the Office of Consumer Advocate, and the Department of Environmental Protection's Northwest Regional Office and its Bureau of Regulatory Counsel.

BY THE COMMISSION,

A handwritten signature in dark ink, appearing to read "James J. McNulty", is written over the printed name and title.

James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: August 27, 2009

ORDER ENTERED: September 3, 2009



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-3362
F 717-531-3252
seth.mendelsohn@amwater.com

Seth A. Mendelsohn
Corporate Counsel

May 22, 2009

James J. McNulty, Secretary
Pennsylvania Public Utility
Commission
Commonwealth Keystone Building
400 North Street, PO Box 3265
Harrisburg, PA 17105-3265

Re: Application of Pennsylvania-American Water Company for approval of
the right to offer, render, furnish or supply water service to the public in a
portion of Lancaster Township, Butler County, Pennsylvania

Dear Mr. McNulty:

On behalf of Pennsylvania-American Water Company, enclosed for filing with
you is an original copy of the above-referenced Application, together with payment in the
amount of \$350 for the Commission's filing fee.

I will file the obligatory paper copy within three (3) days of this filing.

Sincerely,

Seth A. Mendelsohn

Enclosures

cc: Office of Consumer Advocate
Office of Small Business Advocate
Office of Trial Staff
Department of Environmental Protection

**Application of Pennsylvania-American Water Company, for approval of the right to
offer, render, furnish or supply water service to the public in an additional portion of
Lancaster Township, Butler County, Pennsylvania**

Docket Nos. A-2009-2110756

Opinion and Order entered September 4, 2009

(Arden Woods Development)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania-American" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in a portion of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in a portion of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania-American")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorneys are:

Velma A. Redmond, Esquire
Susan Simms Marsh, Esquire
Seth A. Mendelsohn, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania-American is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania-American furnishes water service in a certificated service territory encompassing portions of 35 counties across the Commonwealth. As of April 30, 2009 Pennsylvania-American provided water service to approximately 633,076 customers in the following classifications:

Residential:	583,819
Commercial:	42,826
Industrial:	788
Municipal, Resale and Other:	2,505
Fire Protection:	3,138

In addition, Pennsylvania-American furnishes wastewater service to approximately 17,354 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania-American.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied-for-territory will serve approximately one hundred seven (107) residential customers who have requested water service in the Arden Woods development. Pennsylvania American Water Company is certificated to serve portions of Lancaster Township, Butler County under Docket No. A-212285F0103.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory, known as Arden Woods residential development will include approximately 1,950 linear feet of 16" main and 6,367 linear feet of 8" main from Pennsylvania-American's existing service territory in Lancaster Township, Butler County, together with meters, valves and related appurtenances. Wastewater treatment for this subdivision will be provided by Southwest Butler County Authority. Approximately 8.7 acres are involved in this project.

10. To the best of the knowledge of the Applicant, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

11. There is attached hereto, as Exhibit C, a balance sheet of Pennsylvania-American as of March 31, 2009.

12. There is attached hereto, as Exhibit D, a statement of income and retained earnings of Pennsylvania-American for the 12 months ended March 31, 2009.

13. Pennsylvania-American will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania-American's Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

14. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

15. The estimated annual revenues and expenses of Pennsylvania-American in the additional territory are set forth in Exhibit F attached hereto.

IV. PUBLIC INTEREST

16. It is in the public interest for Pennsylvania-American to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for approximately one hundred seven (107) residential customers in a subdivision known as "Arden Woods".

17. Lancaster Township supports the filing of an application for the above mentioned project and has approved the developer's plans as evidenced in Exhibit G, attached hereto. A copy of the plans is attached as Exhibit H. In addition is a letter requesting water service for the proposed subdivision marked as Exhibit I.

18. Upon approval by the PaPUC of the application, the parties will enter into a main extension deposit agreement with developer, Arden Development Partners, Inc., 215 Executive Drive, Cranberry Township, PA 16066-6410. PAWC's standard main extension deposit agreement form is attached as Exhibit J and will not be executed fully until the said application is approved by the Pennsylvania Public Utility Commission. The cost of the project will be approximately \$348,000 and will be borne by the Developer.

19. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania-American will provide water service to applicants in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

water service to applicants in the applied for area under the Rules and Regulations of Pennsylvania-American's approved tariff.

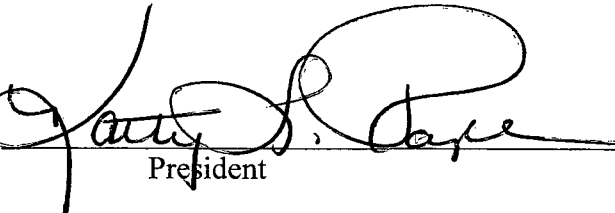
V. RELIEF REQUESTED

21. Together with its Order approving this Application, Pennsylvania-American requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania-American to furnish water service in a portion of Lancaster Township, Butler County described in Exhibit B-1 and depicted in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania-American respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 18, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By:



President

Dated:

5-22-09

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF DAUPHIN)

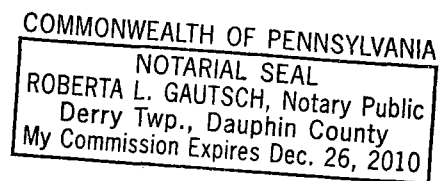
SS:

On this, the 23rd day of May, 2009, before me, a notary public, the undersigned officer, personally appeared KATHY L. PAPE, who acknowledged herself to be a President of Pennsylvania-American Water Company, a Pennsylvania Corporation and that she as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Roberta L. Gautsch

My Commission Expires:



PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County, August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence

Exhibit A

County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippensburg Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008) and Clarion Area Authority (Clarion County, October 30, 2008). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 631,649 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 23rd, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mt. Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and

Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence, West Lawn² and Wyomissing¹ and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing and East Butler and the Townships of Butler, Center, Connoquenessing, Forward, Franklin, Jackson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Township of Rush in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown, West Fairview and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Abington, Carbondale, Fell, Glenburn, North Abington, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono and the Townships of Coolbaugh, Hamilton, Middle Smithfield, Ross, Smithfield and Stroud in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitmarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Belfast, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Nazareth, Palmer, Plainfield, Upper Mt. Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of Milton, Northumberland and Watsontown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Mt. Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane, Union and West Pike Run in Washington County;

Portion of the Township of Clinton in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 17,309 customers in the following municipalities:

All, or portions of, the City of Coatesville, the Borough of Parkesburg and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Borough of Clarion and the Townships of Clarion and Monroe in Clarion County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

Portion of the Township of Lehman in Pike County; and

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County.

¹ West Fairview Borough was merged into East Pennsboro Township in 1998.

² Wyomissing Hills was merged into Wyomissing Borough in 2002.

³ West Lawn was merged into Spring Township in 2006.

[382 municipalities in 35 counties. Note: Ellwood City Borough is located in Beaver and Lawrence Counties; Hanover Township is located in Beaver and Washington Counties]

12/31/08

PROPOSED SERVICE AREA
PENNSYLVANIA AMERICAN WATER
LANCASTER TOWNSHIP
BUTLER COUNTY

LANCASTER TOWNSHIP, BUTLER COUNTY

Beginning at a point, said point being the intersection of US RTE. 19 (SR0019) and the municipal boundary line between Jackson Township and Lancaster Township, Butler County. Thence, in a westerly direction 300 ft to a point on the same municipal line. Thence north along SR0019 parallel to and 300 west of the centerline on SR0019 to a point 300 ft north and 300 feet west of the intersection of Arden Woods Drive and SR0019. Thence in an easterly and northeasterly direction, parallel to, and 300 ft north of Arden Woods Drive to a point 300 feet west of Oak Knoll Drive. Thence in a northerly direction parallel to and 300 feet west of Oak Knoll Drive to a point 300 feet north and 300 feet west of the end of Oak Knoll Drive. Thence in an eastlery direction 600 feet to a point 300 feet north and 300 feet east of Oak Knoll Drive. Thence in a southerly and southeasterly direction, parallel to and 300 ft east of Oak Knoll Drive, to a point 300 feet north of Arden Woods Drive. Thence in a easterly direction, parallel to and 300 feet north of Arden Wood Drive to a point 300 feet east and 300 feet north of the end of Forrest Green Drive. Thence south 600 feet to a point 300 feet east and 300 feet south of the end of Forrest Green Drive. Thence due west 1,368 feet to a point, thence due south 596 feet to a point, thence due west 786 feet to a point. Thence North 24 deg. West, 293 feet to a point 300 feet south of Arden Woods Drive. Thence in a westerly and southwesterly direction parallel to and 300 feet south of Arden Woods Drive to a point 300 feet east and 300 feet south of the intersection of Arden Woods Drive and SR0019. Thence south along a line parallel to and 300 feet east of SR0019 to a point on the municipal boundary between Jackson Township and Lancaster Township. Thence west 300 feet to the centerline of SR0019, the point of beginning.

PENNSYLVANIA - AMERICAN WATER COMPANY
BALANCE SHEET

	PAWC Mar, 2009 (Unaudited)
ASSETS	
Property, plant and equipment	
Utility plant - at original cost less accumulated depreciation	\$ 2,231,539,000
Utility plant acquisition adjustments, net	19,025,000
Non-utility plant - at original cost less accumulated depreciation	353,000
Total property, plant and equipment	<u>2,250,917,000</u>
Current Assets	
Cash and cash equivalents	601,000
Accounts Receivable:	0
Billed, net of allowance for doubtful accounts	29,225,000
Unbilled, net of allowance for doubtful accounts	23,488,000
Other current assets	10,715,000
Total current assets	<u>64,029,000</u>
Long-term assets	
Regulatory assets	169,001,000
Goodwill	39,973,000
Other	1,415,000
Total long-term assets	<u>210,389,000</u>
Total Assets	<u><u>\$ 2,525,335,000</u></u>
Capitalization and Liabilities	
Capitalization	
Stockholders equity:	
Common Stock	\$ 21,507,000
Paid-in capital	553,902,000
Retained Earnings	296,687,000
Preferred stock without mandatory redemption requirements	1,720,000
Total stockholders equity	<u>873,816,000</u>
Long-term debt, excluding current portion	859,807,000
Preferred stock with mandatory redemption requirements	12,452,000
Total capitalization	<u>872,259,000</u>
Current liabilities	
Notes Payable	153,124,000
Current portion of long-term debt	6,296,000
Other	57,109,000
Total current liabilities	<u>216,529,000</u>
Long-term liabilities	
Deferred income taxes	352,692,000
Other	107,757,000
	<u>460,449,000</u>
Contributions in aid of construction	<u>102,282,000</u>
Total capitalization and liabilities	<u><u>\$ 2,525,335,000</u></u>

PENNSYLVANIA-AMERICAN WATER COMPANY
Statement of Income
For the Twelve Months ended March 31, 2009

	PAW-2009
	Unaudited
Operating Revenues	\$ 452,077,000
Operating Expenses	
Operations and maintenance	202,610,000
Depreciation and amortization	54,891,000
Gain on disposition of property	-
General taxes	12,132,000
	<u>269,633,000</u>
Operating Income	182,444,000
Operating Income (deductions)	
Other income, net	805,000
Interest expense, net	(55,249,000)
	<u>(54,444,000)</u>
Income before income taxes	128,000,000
Provision for income taxes	51,172,000
Net Income	76,828,000
Dividends on preferred stock	73,000
Income to common stock	\$ 76,755,000

PENNSYLVANIA-AMERICAN WATER COMPANY Canceling 13th and 12th Rev. Page 9

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1

FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

METER RATES

All water supplied by the Company for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges

For All Rate Classes Except Industrial

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>	<u>Service Charge Per Month Other Water Utilities Group A & B</u>
5/8 inch	\$ 12.00	\$ 15.10
3/4 inch	18.10	23.00
1 inch	30.10	37.60
1-1/2 inch	49.30	76.20
2 inch	78.80	121.00
3 inch	147.10	227.50
4 inch	184.70	378.80
6 inch	276.50	756.50
8 inch	535.30	1,210.40
10 inch	775.30	1,740.50
12 inch	1,212.50	2,723.50

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons.

(I)

	<u>FIRST 16,000/MONTH</u>	<u>NEXT 584,000/MONTH</u>	<u>ALL IN EXCESS OF 600,000/MONTH</u>
Residential	.6809	.6809	.6809
Commercial	.6809	.5219	.5219
Municipal	.6809	.5571	.5571
Other Water Utilities Group A	.5027	.5027	.5027
Other Water Utilities Group B	1.5142	1.5142	1.5142

Issued: November 29, 2007

Effective: November 30, 2007

SCHEDULE OF RATES APPLICABLE TO RATE ZONE 1
FOR INDUSTRIAL RATE CLASS

METER RATES

All water supplied by the Company for Industrial purposes shall be metered as hereinafter set forth. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

Service Charges
For Industrial Rate Class

All metered customers shall be subject to a monthly service charge, based on the size of meter required to render adequate service. (I)

<u>Size of Meter</u>		<u>Per Month</u>
5/8	inch	\$ 18.70
3/4	inch	28.10
1	inch	46.70
1-1/2	inch	93.40
2	inch	149.40
3	inch	280.70
4	inch	467.50
6	inch	933.90
8	inch	1,494.30
10	inch	2,148.50
12	inch	3,362.10

Consumption Charges For Industrial Rate Class

(I)

The following rates shall apply per 100 gallons per month.

<u>Industrial</u>		<u>Industrial Curtailment*</u>	
First 16,000	.6809	First 16,000	.6809
Next 584,000	.5079	Next 584,000	.5079
All in Excess		Next 14,400,000	.4027
of 600,000	.4027	All In Excess	
		Of 15,000,000	.272

- Subject to the availability criteria and terms and conditions of the industrial curtailment rate (pages 9A1 and 9A2, hereof), the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

107	Residential customers	@ \$511.68	\$54,749.76
10	Fire Hydrants	@ \$133.20	<u>1,332.00</u>
			\$56,081.76

Estimated Annual Expenses

107	Residential customers	@ \$158.40	\$16,948.80
10	Fire Hydrants	@ 2.00	<u>20.00</u>
			\$16,968.80

Net	\$39,112.96

LANCASTER TOWNSHIP
113 Kings Alley
Harmony, Pennsylvania 16037

Phone: (724)452-7213
Fax: (724)453-0129
e-mail: watcin@zoominternet.net

June 17, 2008

Bill Lage
Pennsylvania American Water
2736 Ellwood Road
New Castle, Pa 16101

Re: Water Service to Arden Woods Development in Lancaster Twp

Dear Mr. Lage.

This letter serves to inform you that the Lancaster Township Board of Supervisors has reviewed the plans for water service to the Arden Woods Development in Lancaster Township. The Board finds these plans acceptable.

If you have any questions, please feel free to contact me.

Sincerely,

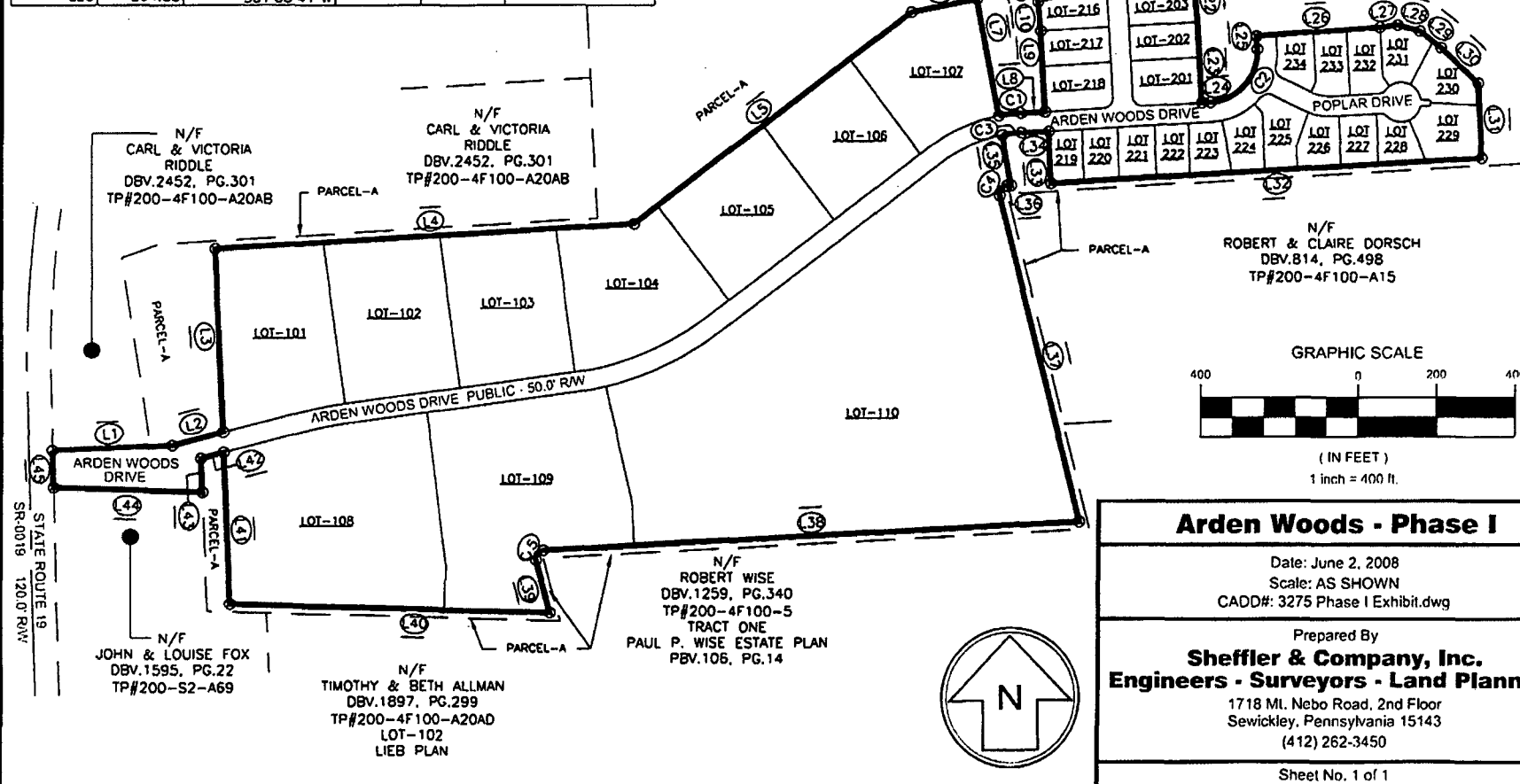


Beverly Kaiser
Zoning Officer/Office Assistant
Lancaster Township

Cc Pederson and Pederson

LINE TABLE					
LINE	LENGTH	BEARING	LINE	LENGTH	BEARING
L1	300.36	S88°02'04"E	L24	22.12	S88°51'19"E
L2	132.18	N79°49'32"E	L25	33.46	N00°25'42"E
L3	464.23	N01°56'41"E	L26	314.65	S89°34'19"E
L4	1069.46	S88°53'47"E	L27	45.94	N87°11'29"E
L5	883.08	N57°10'48"E	L28	58.36	S70°51'54"E
L6	169.48	N83°29'40"E	L29	68.65	S47°42'58"E
L7	300.00	S06°30'20"E	L30	130.57	S42°23'06"E
L8	63.25	S88°51'19"E	L31	190.09	S01°06'13"W
L9	205.00	N01°08'41"E	L32	1097.24	N88°53'47"W
L10	74.43	N00°38'37"W	L33	131.61	N01°08'41"E
L11	74.03	N13°04'35"W	L34	70.42	N88°51'19"W
L12	82.60	N24°22'01"W	L35	129.50	S06°30'20"E
L13	174.87	N42°51'09"W	L36	11.05	N88°53'47"W
L14	247.23	N01°23'55"W	L37	848.28	S09°43'29"E
L15	233.51	N62°14'02"E	L38	1372.68	N88°33'04"W
L16	243.84	S54°42'47"E	L39	137.81	S10°53'44"E
L17	90.00	S25°09'30"E	L40	814.93	N83°54'38"W
L18	85.00	S25°09'30"E	L41	381.52	N01°56'41"E
L19	100.79	S24°50'17"E	L42	59.35	S79°49'32"W
L20	113.51	S18°13'25"E	L43	84.87	S02°00'22"W
L21	107.21	S09°10'41"E	L44	373.95	N83°54'38"W
L22	110.00	S00°48'18"E	L45	93.82	N02°51'27"E
L23	204.53	S01°08'41"W			

CURVE TABLE				
CURVE	LENGTH	RADIUS	CHORD BEARING	CHORD DISTANCE
C1	56.75	425.00	S87°19'11"W	56.71'
C2	197.91	125.00	N45°47'11"E	177.88'
C3	50.07	375.00	S87°19'11"W	50.03'
C4	35.20	20.00	S40°41'22"W	30.83'
C5	35.72	20.00	S40°16'36"W	31.16'



Arden Woods - Phase I

Date: June 2, 2008
Scale: AS SHOWN
CADD#: 3275 Phase I Exhibit.dwg

Prepared By
Sheffler & Company, Inc.
Engineers - Surveyors - Land Planners

1718 Mt. Nebo Road, 2nd Floor
Sewickley, Pennsylvania 15143
(412) 262-3450

Sheet No. 1 of 1



CREATIVE REAL ESTATE DEVELOPMENT COMPANY

Pennsylvania American Water
New Castle - Ellwood District
2736 Ellwood Road
New Castle, PA 16101

Dear Mr. Smith,

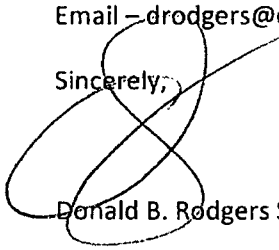
Pursuant to your request, Arden Development Partners and SR Development Associates, is sincerely requesting service to Arden Wood development. Arden Wood is a multi-component residential development, located off of Salt Works Road, in Lancaster Township, PA. Arden Wood consists of 104 single family lots, 56 townhouses, 320 apartments, 40 duplex units and a clubhouse. We previously submitted our subdivision plans to Lancaster Township for review and were approved, provided that we will be supplied water by PA American Water Company.

Please feel free to contact me regarding any issues.

Office (724) 776-2727 x25

Email - drodgers@credcopa.com

Sincerely,



Donald B. Rodgers Sr.

President Creative Real Estate Development Co.

Exhibit I

EXTENSION DEPOSIT AGREEMENT

THIS AGREEMENT entered into this _____ day of _____, 200_____,
by and between PENNSYLVANIA-AMERICAN WATER COMPANY, hereinafter called the
"COMPANY", and _____, hereinafter called the
"DEPOSITOR".

WHEREAS, the DEPOSITOR desires extension of the water mains of the COMPANY,
as hereinafter described;

NOW, THEREFORE, this Agreement WITNESSETH:

FIRST: The COMPANY contracts and agrees to lay the water main(s) (and other
facilities, if any) as shown in red on the diagram hereto attached and made a part hereof
described and located as follows:

12" DI

The installation of a 12" DI pipeline in _____ located in _____ to
supply the _____ for the distance of _____ feet.

8" DI

The installation of an 8" DI pipeline in the _____ located in _____
for the distance of _____ feet.

SECOND: It is expressly understood and agreed that if the COMPANY shall be delayed
or prevented fro installing the water main(s) (and other facilities, if any) hereinabove described
because of its failure to secure pipe or other construction materials, or for any other causes
beyond its control, such failure or delay in performance shall extend for a period of more than
one (1) year from the date thereof, the DEPOSITOR shall have the right to cancel and terminate
this Agreement on thirty (30) days written notice to the COMPANY, and thereafter both parties
shall be relieved of all duties and obligations arising hereunder. But this right to cancel and
terminate by the DEPOSITOR shall not be invoked if the COMPANY has received the
construction material and the DEPOSITOR has made the deposit as hereinafter required, in
which event, the COMPANY shall have the obligation to prosecute the work diligently to its
completion.

THIRD: The DEPOSITOR hereby agrees to deposit with the COMPANY, upon notice
from the COMPANY that is prepared and able to go forward with the work provided in
Paragraph First hereof, an amount in cash equal to (1) the Estimated Cost less (2) the Applicable
Credit, where items (1) and (2) are to be determined as follows:

- (1) The Estimated Cost shall be the estimated cost of the extension, including the estimated cost of said main(s) and the estimated cost of any other facilities which the COMPANY shall have decided are required to render adequate service.
- (2) The Applicable Credit shall be a credit equal to the amount produced by multiplying (a) the average Estimated Cost per foot of the extension by (b) thirty five (35) feet, and by multiplying the product thereof by (c) the number of bona fide prospective customers who will be directly served by said extension.

Upon such written notice, a Preliminary Memorandum in the form attached shall be prepared and signed by both parties showing the deposit required in accordance with foregoing provisions. Upon completion of the installation of the extension, a Final Memorandum in the form attached shall be prepared and signed by both parties showing the deposit required based on the same calculation as set forth above but by using the actual cost of the extension, including the actual installation cost of the mains and other facilities, for the Estimated Cost and in calculating the Applicable Credit. If the deposit shown to be due on the Final Memorandum differs from that shown on the Preliminary Memorandum, the DEPOSITOR will deposit any additional amount shown to be due or the COMPANY will refund to the DEPOSITOR any excess amount shown to have been deposited, it being the intent of this agreement that the deposit required shall be based on actual installation cost. If the actual installation costs exceeds the deposit required as shown on the Preliminary Memorandum, the additional amount of required deposit must be made by the DEPOSITOR to the COMPANY before the granting of refunds to the DEPOSITOR.

FOURTH: The COMPANY hereby agrees to refund to the DEPOSITOR during the period of ten (10) years from the actual date of deposit as shown on the Preliminary Memorandum, a Per-Customer Refund Amount for each additional bona fide prospective customer for whom a street service connections shall be directly attached to such main extension, as distinguished from extensions or branches thereof; provided, however, that the total amount refunded shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded shall not exceed the original deposit, without interest, and that all or any part of the deposit not refunded within said 10-year period shall become the property of the COMPANY. The Per-Customer Refund Amount shall be an amount equal to the average actual completed cost per thirty-five (35) feet of the said extension.

FIFTH: The DEPOSITOR may request refunds under Paragraph FOURTH, once in each Calendar quarter, furnishing the COMPANY, at such time, a listing of additional bona fide prospective customer's however, failure on the part of the DEPOSITOR to make such request shall not constitute a waiver of any rights hereunder or relieve the COMPANY of the obligation to make refunds with reasonable promptness.

SIXTH: The ownership of the water main(s) installed hereunder shall at all times be in the COMPANY, its successors and assigns.

SEVENTH: This Agreement shall be valid and bind on the COMPANY only when executed by its authorized representative.

EIGHTH: This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties.

NINTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to the COMPANY at _____, Pennsylvania and to the DEPOSITOR at _____, Pennsylvania.

TENTH: This Agreement is entered into pursuant to the legally established Rules and Regulations of the COMPANY, and the words, phrases, and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations, which are hereby incorporated herein by reference.

Executed in triplicate by the parties hereto on the date first above written.

WITNESS:

PENNSYLVANIA-AMERICAN WATER
COMPANY

BY _____

WITNESS:

DEPOSITOR:

BY _____

PRELIMINARY MEMORANDUM

This Preliminary Memorandum is executed by the parties hereto under and pursuant to the provision of Paragraph THIRD of a certain agreement in writing between the parties entered into on the _____ day of _____, 20____, for the installation by the COMPANY of a certain water main(s) therein described. It is, therefore, agreed and stipulated:

- (a) Estimated Cost Main(s)
- (b) Estimated cost of other facilities
- (c) Total
- (d) Credit Allowance:
 - (i) (a) + (b) Above divided by _____ feet of main(s)
 - (ii) 35 times (i)
 - (iii) Number of bona fide prospective Customers to be directly served by extension
 - (iv) Product of (i), (ii) and (iv)
- (e) Amount of deposit: (c) minus (d)

This Preliminary Memorandum shall be attached to the original agreement in accordance with the provisions of Paragraph THIRD thereof.

Dated: _____
Date of Deposit

WITNESS:

PENNSYLVANIA-AMERICAN WATER
COMPANY

BY _____

WITNESS;

DEPOSITOR

BY _____

Application of Pennsylvania-American Water Company, for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Docket Nos. A-2018-3006332

Opinion and Order entered March 28, 2019

(Arden Woods Development – Phases 2-6)



Elizabeth Rose Triscari

Director, Corporate Counsel

Pennsylvania-American Water Company

800 West Hersheypark Drive, Hershey, PA 17033

P: 717.520.4606 F: 717.531.3399 C: 717.585.1934

elizabeth.triscari@amwater.com

December 3, 2018

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

**In Re: Application of Pennsylvania-American Water Company for approval
of the right to offer, render, furnish or supply water service in an
additional portion of Lancaster Township, Butler County,
Pennsylvania.**

Dear Secretary Chiavetta:

On behalf of Pennsylvania-American Water Company, I am e-filing an original copy of the above-referenced Application, together with payment in the amount of \$350 for the Commission's filing fee. A Certificate of Service is also attached.

Respectfully,

Elizabeth Rose Triscari

Enclosures

cc: Office of Consumer Advocate
Office of Small Business Advocate
Department of Environmental Protection
Bureau of Investigation and Enforcement

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the above-referenced Application to Extend Service Territory upon the persons and in the manner indicated below, which service satisfies the requirements of 52 Pa. Code §1.54 (relating to service by a party).

Service by first class mail addressed as follows on December 3, 2018:

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor, F West
Harrisburg, PA 17120

Department of Environmental
Protection
230 Chestnut Street
Meadville, PA 16335-3181



Elizabeth Rose Triscari
Attorney ID No. 306921
General Counsel for Pennsylvania-American
Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-520-4606

Date: 12/3/2018

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania

Application No. _____

To Pennsylvania Public Utility Commission:

I. INTRODUCTION

1. Pennsylvania-American Water Company ("Pennsylvania American Water", "Company" or "Applicant") hereby requests that the Pennsylvania Public Utility Commission ("Commission") issue a certificate of public convenience evidencing its approval under Section 1102(a) of the Public Utility Code, 66 Pa.C.S. § 1102(a), of the Applicant's offering, rendering, furnishing or supplying of water service in an additional portion of Lancaster Township, Butler County, Pennsylvania.

2. This Application is being filed to extend water service to the public in the proposed service territory in additional portions of Lancaster Township, Butler County, Pennsylvania.

3. The name and address of Applicant is:

Pennsylvania-American Water Company
("Pennsylvania American Water")
800 West Hersheypark Drive
Hershey, PA 17033

4. The names and address of the Applicant's attorney is:

Elizabeth Rose Triscari, Esquire
Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033

II. DESCRIPTION OF THE APPLICANT

5. Pennsylvania American Water is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania and is a wholly owned subsidiary of the American Water Works Company, Inc. ("AWW"). Pennsylvania American Water furnishes water service in a certificated service territory encompassing portions of 36 counties across the Commonwealth. As of October 31, 2018, Pennsylvania American Water provided water service to approximately 659,963 customers in the following classifications:

Residential:	607,602
Commercial:	45,182
Industrial:	523
Municipal, Resale and Other:	2,363
Fire Protection:	4,293

In addition, Pennsylvania American Water furnishes wastewater service to approximately 65,146 customers.

6. Attached hereto as Exhibit A is pertinent information with respect to the corporate history, authority, and service territory of Pennsylvania American Water.

III. THE PROPOSED ADDITIONAL SERVICE TERRITORY

7. As indicated at paragraph 2 above, the proposed additional service Territory is located in a portion of Lancaster Township, Butler County, Pennsylvania. Attached hereto as Exhibit B-1 is a map showing the boundaries of the area and attached hereto as Exhibit B-2 is a description of the area to be served. The applied for territory will serve a residential development known as Arden Woods Phase 2-6 which will consist of 218 single dwellings. Arden Development Partners has requested that Pennsylvania American Water provide water service to the residential development. Pennsylvania American Water is certificated to serve portions of Lancaster Township, Butler County under Docket No. A-2009-2110756, which abuts the applied for territory and contains the Arden Woods Development, Phase 1.

8. No additional capital will be required by the Applicant for the purpose of financing the matters and things involved in this Application.

9. The facilities to be installed within this application territory to serve the residential properties will include approximately 2,235 feet of 8 inch ductile iron pipe, 3,991 feet of 6 inch ductile iron pipe, an 8 inch check valve to be installed on Arden Drive by Coughton Cross Drive and other related appurtenances. The applied for service territory will connect the existing Pennsylvania American Water service territory and the Company shall extend its existing 12 inch Phase 1 approximately 150 feet east on Arden Drive from Touchstone Court and continue North through Phases 2-6 approximately 6,226 feet.

10. Operations for this applied for service territory will continue through the Company's Ellwood facilities. The Ellwood treatment plant has an allocation permit of 5.5 mgd per day average and the plant has a permitted capacity of 5.2 mgd and average system delivery in 2017 was 3.3mgd. There will be a total of six (6) fire hydrants installed and maintained by Pennsylvania America Water. A copy of the Fire Hydrant Applications are attached as Exhibit C. The applied for territory consists of approximately 130 acres. Wastewater treatment for these residential customers shall be provided by the Western Butler County Authority. There are no commercial customers in the applied for service territory.

11. Upon Commission approval, Pennsylvania American Water expects water service to begin in 2019.

12. Pennsylvania American Water will apply for and obtain a Street Opening Permit from Lancaster Township for this project.

13. No easements will be required to provide water service to the requested service territory.

14. To the best of the Applicant's knowledge, no corporation, partnership, or individual is currently furnishing or has corporate or franchise rights to furnish service similar to that to be rendered by Applicant in the Application Territory, and no competitive condition will be created.

IV. FINANCIAL AND OTHER RELEVANT INFORMATION

15. There is attached hereto, as Exhibit D, a balance sheet of Pennsylvania American Water as of December 31, 2017.

16. There is attached hereto, as Exhibit E, a statement of income and retained earnings of Pennsylvania American Water for the 12 months ended December 31, 2017.

17. Pennsylvania American Water will charge its then existing Rate Zone 1 rates for service in the Application Territory as set forth in Pennsylvania American Water Tariff. Current Rate Zone 1 rates are shown on Exhibit E, and may be changed from time to time.

18. Furnishing of service in the proposed additional service territory will have no adverse effect upon the service furnished or the rates charged to other customers.

19. The estimated annual revenues and expenses of Pennsylvania American Water in the additional territory are set forth in Exhibit G attached hereto.

IV. PUBLIC INTEREST

20. It is in the public interest for Pennsylvania American Water to provide water service in the proposed service territory because it is financially and technically capable of providing service and because there is a need to make water service available for the residential housing development located in Lancaster Township, Butler County.

21. Pennsylvania American Water believes that this transaction will mitigate the level of investment per customer by adding more customers to share in future infrastructure

costs as well as expand its customer base over which existing costs are recovered and thereby stabilize per-customer costs.

22. Arden Development sent a formal letter requesting that Pennsylvania American Water provide water service to the residential development in the additional portion of Lancaster Township, as evidenced in Exhibit H. Attached as Exhibit I is breakdown of the cost estimates for the project. A letter from Lancaster Township supporting this application and indicating approval of the residential development is marked as Exhibit J. A letter from Butler County supporting this application is marked as Exhibit K. Letters addressed to the Lancaster Township Planning Commission and Butler County Planning Commission, marked Exhibit L, have been sent to verify that this plan complies with county/township comprehensive plans.

23. Under the terms of the Company's Water Line Facilities Agreement, the developer funds the entire cost of the development. The developer, Arden Development, will deposit a sum of approximately Forty-five Thousand (\$45,000.00) Dollars which will represent reimbursement to Pennsylvania American Water for costs of obtaining permits and inspection fees. A copy of the Water Line Facilities Agreement which will be entered into with the developer is attached as Exhibit M. This agreement is part of a supplement to Section 23.1 (A) of Pennsylvania American Water's tariff effective on March 17, 2015.

24. Pennsylvania American Water will incur a cost of approximately \$133.26 per each installation of the residential meter. This cost breakdown is \$84.77 per meter and labor with overhead of \$48.49.

25. Upon approval of the Application, receipt of a certificate of public convenience, and installation of the proposed facilities, Pennsylvania American Water will

provide water service to the applicants in the applied for area under the Rules and Regulations of Pennsylvania American Water's approved tariff.

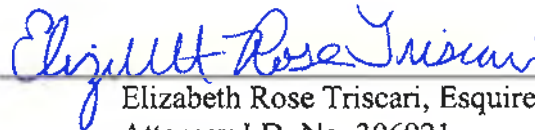
V. RELIEF REQUESTED

26. Together with its Order approving this Application, Pennsylvania American Water requests that the Commission issue a Certificate of Public Convenience pursuant to Section 1102(a) of the Public Utility Code, 66 Pa.C.S. §1102(a), authorizing Pennsylvania American Water to furnish water service in a portion of Lancaster Township, Butler County depicted in Exhibit B-1 and described in Exhibit B-2 hereto.

WHEREFORE, Pennsylvania American Water respectfully requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested in Paragraph 25, above.

PENNSYLVANIA-AMERICAN WATER COMPANY

By:



Elizabeth Rose Triscari, Esquire
Attorney I.D. No. 306921

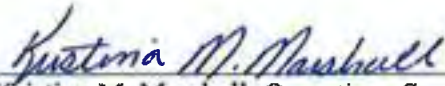
Counsel for

Pennsylvania-American Water Company
800 West Hersheypark Drive
Hershey, PA 17033
717-533-5000

Dated: 12/3/2018

VERIFICATION

I, KRISTINA M. MARSHALL, hereby state that the facts set forth in the Application to extend water service to an additional portion of Lancaster Township, Butler County, are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).


Kristina M. Marshall, Operations Superintendent
Pennsylvania-American Water Company

Date: 11-29-18

Exhibit A

PENNSYLVANIA-AMERICAN WATER COMPANY

Pennsylvania-American Water Company, an investor-owned water company, with corporate offices at 800 West Hershey Park Drive, Hershey, is a subsidiary of American Water Works Company, Inc. On February 1, 1989, the then-existing Pennsylvania-American Water Company (the result of the January 1, 1987 merger of Riverton Consolidated Water Company with and into Keystone Water Company) was merged with and into Western Pennsylvania Water Company, and the name of the surviving corporation was changed to Pennsylvania-American Water Company. A brief summary of each of the three predecessor companies follows.

Riverton Consolidated Water Company was formed by the merger and consolidation of six operating water companies in 1904. It subsequently acquired seven additional systems, and at the time of its merger with Keystone, supplied water to 12 municipalities on the Harrisburg west shore, Cumberland County, and Fairview Township in York County.

Keystone Water Company resulted from the 1973 merger of 14 companies with and into White Deer Mountain Water Company. The Company later acquired four systems. It provided water service in 14 eastern Pennsylvania counties through the following distribution systems: Abington, Bangor, Berwick, Frackville, Hallstead, Hershey/Palmyra, Montrose, Moshannon Valley, Norristown, Northumberland, Susquehanna, Thompson, White Deer (Milton), and Yardley.

Western Pennsylvania Water Company was the product of the merger of 16 water companies with and into South Pittsburgh Water Company at various times from 1970 to 1973. WPW added seven water distribution systems, extending its service territory into portions of 12 western Pennsylvania counties. The company operated through the following district offices: Butler, Clarion, Connellsville, Ellwood, Indiana, Kane, Kittanning, McDonald, Mon Valley, New Castle, Pittsburgh, Punxsutawney, Uniontown, Warren, and Washington.

After the merger of Riverton and Keystone in 1987, the former Pennsylvania-American Water Company purchased five systems: Red Land Water Company in York County, Campbelltown Water Company in Lebanon County, and three systems in the Moshannon Valley area, Clearfield County - Woodland-Bigler Area Authority, Allport Water Authority, and Graham Water Association.

Since the merger of the former Pennsylvania-American Water Company (Riverton and Keystone) into Western Pennsylvania Water Company on February 1, 1989, the Company has acquired the following water and wastewater systems: Smith Township Municipal Authority system (Washington County, February 27, 1989); Abington Township system (Lackawanna County, August 5, 1989); Summit Township Municipal Authority system (Butler County, August 31, 1993); Skyline Water Company (Dauphin County, December 2, 1993); Gregg Township Municipal Authority system (Union County, April 25, 1994); P-F Area Water Association system (Washington County, October 1, 1994); Country Place Water Company, Inc. and Country Place Waste Treatment Company, Inc. (Monroe County, June 30, 1995); Hickory Water Company, Pocono Farms East Water Company, Inc., and Silver Water Company (Monroe and Pike Counties, December 21, 1995); the water utility assets of Pennsylvania Gas and Water Company (Lackawanna, Luzerne, Susquehanna and Wayne Counties, February 16, 1996); the Municipal Authority of the Township of Morris system (Clearfield County, April 24, 1996); Westford Water Company (Dauphin County, August 2, 1996); Lackawanna County Water System at Montage (Lackawanna County, April 11, 1997); Clarion Township General Authority (Clarion County, January 28, 1998); Fairview Water Company, National Utilities, Inc.-Pocono Division, and Pocono Mountains Industrial Park Authority (Monroe County, May 7, 1998); Coolbaugh Township-Fire System (Monroe County, July 28, 1998); Greene Valley Water Company (Lackawanna County,

Exhibit A

August 28, 1998); Franklin Manor Utilities, Ltd. (Washington County, September 22, 1998); Taylor Township (Lawrence County, December 21, 1998); Evansburg Water Company (Montgomery County, December 30, 1998); Applewold Borough (Armstrong County, March 26, 1999); Cedar Grove Water Association (Washington County, July 8, 1999); Independence Township Municipal Authority (Washington County, July 8, 1999); Koppel Borough (Beaver County, November 5, 1999); Center Township (Butler County, December 30, 1999); Strattanville Borough (Clarion County, April 6, 2000); Franklin Township Municipal Authority (Beaver County, August 30, 2000); Elk Forest Estates (Wayne County, November 18, 2000); T.O.W. Associates (Butler County, February 13, 2001); City of Coatesville Authority (Chester and Lancaster Counties, March 22, 2001); Fox Knoll Water Company (Chester County, April 26, 2001); Butler Township Area Water and Sewer Authority (Butler County, April 27, 2001); Citizens Utilities Water Company of Pennsylvania (Adams, Berks, Chester, Monroe, Montgomery and Northampton Counties, January 15, 2002); LP Water & Sewer Company (Monroe and Pike Counties, April 3, 2002); Mid-Monroe Water Company (Monroe County, August 23, 2002); West Decatur Authority (Clearfield County, March 31, 2003); Rustic Acres Water Association (Pike County, September 30, 2003); Sandy Ridge Water Authority (Center County, October 14, 2003); Connoquenessing Borough Authority (Butler County, October 23, 2003); Skytop Water Company (Luzerne County, December 3, 2003); Sligo Borough Authority (Clarion County, August 31, 2004); Snowshoe at Mt. Pocono Condominiums, Inc. (Monroe County, February 24, 2005); Shippenville Municipal Authority (Clarion County, March 31, 2005); Blue Mountain Lake Associates, L.P. (Monroe County, October 31, 2005); East Fallowfield Township (Chester County, December 22, 2005); Stillwater Lakes Water Corporation (Monroe County, January 17, 2006); Winona Lakes Utilities, Inc. (Monroe and Pike Counties, January 26, 2006); Saville Rustin Water Company, Inc./Pine Ridge Community Association, Inc. (Pike County, March 29, 2006); Lexington Woods Corporation (Monroe County, July 24, 2006); Community Association of Pocono Farms, Incorporated (Monroe County, July 31, 2006); Redstone Water Company (Fayette and Washington Counties, March 20, 2007); Mountain Top Estates Property Owners Association (Monroe County, May 30, 2008); Claysville-Donnegal Joint Municipal Authority (Washington County, July 31, 2008); Three Lane Utilities, Inc. (Pike County, September 10, 2008); Clarion Area Authority (Clarion County, October 30, 2008); Boggs Township (Centre County, September 10, 2009); Amwell Township Water Authority (Washington County, September 23, 2009); Wallacetown Municipal Authority (Clearfield County, October 1, 2009); Saxonburg Area Authority (Butler County, October 28, 2009); Nittany Water Company (Centre and Clinton Counties, February 3, 2010); Sutton Hills Homeowners Association (Luzerne County, May 5, 2010); Birch Acres Water Works, Inc. (Monroe County, December 7, 2010); Helen Norella and Louis & Isabelle Norella (Lackawanna County, October 5, 2011); Wildcat Park Corporation (Schuylkill County, November 17, 2011); Estate of George Spangenberg d/b/a Lake Spangenberg Water Company (Lackawanna County, May 3, 2012); North Fayette County Municipal Authority-Balsinger Public Water System and Springfield Pike Public Water System (Fayette County, October 4, 2012); All Seasons Water Company (Pike County, December 20, 2012); Ha Ra Corporation-Fernwood Community Water System (Monroe County, December 31, 2012); Olwen Heights Water Service Company, Inc. (Lackawanna County, February 4, 2013); Indian Rocks Water Association (Wayne County, March 13, 2013); Koppel Borough (Beaver County, May 31, 2013); Pocono Mountain Lake Forest Community Association (Pike County, July 22, 2013); Clean Treatment Sewage Company (Pike County, August 21, 2013); Franklin Township Municipal Authority (Adams County, August 29, 2013); Berry Hollow Water Company (Northampton County, April 3, 2014); Scott Township (Lackawanna County, May 22, 2014); Paint-Elk Joint Sewer Authority (Clarion County, July 31, 2014); Hamiltonban Township Municipal Authority (Adams County, November 3, 2014); Abbey Woods Homeowners Association (Butler County, July 14, 2015); Shippenville Borough (Clarion County, August 4, 2015); Paint Township Municipal Water Authority (Clarion County, October 15, 2015); McEwensville Municipal Authority (Northumberland County, October 21, 2015); Fairview Township (York County, December 22, 2015); Borough of New Cumberland (Cumberland County, October 31, 2016); Sewer Authority of the City of Scranton (Lackawanna County, December 29, 2016) and The Municipal Authority of the City of McKeesport

(Allegheny County, December 18, 2017). On July 2, 1990, Brownsville Water Company (Fayette County) and California Water Company (Washington County) were acquired and merged into the Company. On June 16, 1992, the former Forge Road Acres water system (Cumberland County) was sold to South Middleton Township. On March 24, 2003, Salisbury Water Supply Company (State of Massachusetts) was acquired and merged into the Company.

As a result of the various mergers and acquisitions, the Company furnishes water service to about 659,466 customers in the following municipalities:

All, or portions of, the Townships of Mount Joy, Mount Pleasant and Straban in Adams County;

All, or portions of, the Cities of Clairton and Pittsburgh (16th, 18th, 19th, 20th, 28th, 29th, 30th, 31st and 32nd Wards), the Boroughs of Baldwin, Bethel Park, Brentwood, Bridgeville, Carnegie, Castle Shannon, Crafton, Dormont, Dravosburg, Elizabeth, Glassport, Greentree, Heidelberg, Homestead, Ingram, Jefferson, Liberty, Lincoln, Mount Oliver, Munhall, Pleasant Hills, Rosslyn Farms, Thornburg, West Elizabeth, West Homestead, West Mifflin, Whitaker and Whitehall and the Townships of Baldwin, Collier, Elizabeth, Forward, Mt. Lebanon, North Fayette, Robinson, Scott, South Fayette, South Park and Upper St. Clair in Allegheny County;

All, or portions of, the Boroughs of Applewold and Kittanning and the Townships of Manor and Rayburn in Armstrong County;

All, or portions of, the Boroughs of Big Beaver, Ellwood City, Frankfort Springs and Koppel and the Townships of Franklin, Hanover and North Sewickly in Beaver County;

All, or portions of, the Boroughs of Sinking Spring, St. Lawrence and Wyomissing and the Townships of Amity, Cumru, Earl, Exeter, Lower Heidelberg, Ruscombmanor, South Heidelberg and Spring in Berks County;

All, or portions of, the Borough of Yardley and the Townships of Falls and Lower Makefield in Bucks County;

All, or portions of, the City of Butler, the Boroughs of Connoquenessing, East Butler and Saxonburg and the Townships of Butler, Center, Clinton, Connoquenessing, Donegal, Forward, Franklin, Jackson, Jefferson, Lancaster, Oakland, Penn and Summit in Butler County;

All, or portions of, the Boroughs of Philipsburg and South Philipsburg and the Townships of Boggs, Rush and Walker in Centre County;

All, or portions of, the City of Coatesville, the Boroughs of Atglen, Parkesburg, South Coatesville and Spring City and the Townships of Caln, East Coventry, East Fallowfield, East Pikeland, East Vincent, Highland, Sadsbury, Schuylkill, Valley, West Caln, West Sadsbury and West Vincent in Chester County;

All, or portions of, the Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Townships of Clarion, Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney in Clarion County;

All, or portions of, the Boroughs of Chester Hill, Osceola Mills and Wallacetown and the Townships of

Boggs, Bradford, Decatur, Graham and Morris in Clearfield County;

All, or portions of, the Township of Porter in Clinton County;

All, or portions of, the Boroughs of Berwick and Briar Creek and the Township of Briar Creek in Columbia County;

All, or portions of, the Boroughs of Camp Hill, Lemoyne, New Cumberland, Shiremanstown and Wormleysburg and the Townships of East Pennsboro, Hampden, Lower Allen, Silver Spring and Upper Allen in Cumberland County;

All, or portions of, the Townships of Conewago, Derry, Londonderry, South Hanover and West Hanover in Dauphin County;

All, or portions of, the Cities of Connellsville and Uniontown, the Boroughs of Brownsville and South Connellsville and the Townships of Brownsville, Bullskin, Connellsville, Dunbar, German, Jefferson, Luzerne, Menallen, North Union, Redstone and South Union in Fayette County;

All, or portions of, the Borough of Indiana and the Township of White in Indiana County;

All, or portions of, the Boroughs of Big Run and Punxsutawney and the Townships of Bell, Gaskill, Henderson, McCalmont and Young in Jefferson County;

All, or portions of, the Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Carbondale, Fell, Glenburn, Jefferson, North Abington, Roaring Brook, Scott and South Abington in Lackawanna County;

All, or portions of, the Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury in Lancaster County;

All, or portions of, the City of New Castle; the Boroughs of Ellport, Ellwood City, New Beaver and South New Castle and the Townships of Hickory, Mahoning, Neshannock, North Beaver, Perry, Shenango, Taylor, Union and Wayne in Lawrence County;

All, or portions of, the Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry in Lebanon County;

All, or portions of, the Cities of Nanticoke, Pittston and Wilkes-Barre, the Boroughs of Ashley, Avoca, Courtdale, Dallas, Dupont, Duryea, Edwardsville, Exeter, Forty Fort, Hughestown, Kingston, Laflin, Larksville, Laurel Run, Luzerne, Nescopeck, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Conyngham, Fairview, Hanover, Hunlock, Jackson, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Salem, Union, Wilkes-Barre and Wright in Luzerne County;

All, or portions of, the Borough of Kane and the Township of Wetmore in McKean County;

All, or portions of, the Borough of Mount Pocono, the Townships of Coolbaugh, Hamilton, Middle

Smithfield, Ross, Smithfield and Stroud and the Village of Tobyhanna in Monroe County;

All, or portions of, the Boroughs of Bridgeport, Norristown and Royersford and the Townships of East Norriton, Limerick, Lower Pottsgrove, Lower Providence, Perkiomen, Plymouth, Skippack, Upper Merion, Upper Providence, West Norriton, Whitemarsh, Whitpain and Worcester in Montgomery County;

All, or portions of, the Boroughs of Bangor, Nazareth, Pen Argyl, Roseto, Stockertown, Tatamy and Wind Gap and the Townships of Bushkill, Forks, Lower Mount Bethel, Lower Nazareth, Palmer, Plainfield, Upper Mount Bethel, Upper Nazareth and Washington in Northampton County;

All, or portions of, the Boroughs of McEwensville, Milton, Northumberland and Watsonstown and the Townships of Delaware, East Chillisquaque, Point, Turbot, Upper Augusta and West Chillisquaque in Northumberland County;

Portions of the Townships of Delaware, Lehman and Westfall in Pike County;

All, or portions of, the Borough of Frackville and the Townships of Butler, Mahanoy, New Castle, Walker and West Mahanoy in Schuylkill County;

All, or portions of, the Boroughs of Forest City, Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland in Susquehanna County;

All, or portions of, the Borough of Lewisburg and the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer in Union County;

All, or portions of, the City of Warren and the Townships of Conewango, Glade, Meade, and Pleasant in Warren County;

All, or portions of, the Cities of Monongahela and Washington and the Boroughs of Burgettstown, California, Canonsburg, Claysville, Coal Center, East Washington, Finleyville, Houston, McDonald, Midway, New Eagle, West Brownsville and West Middletown and the Townships of Amwell, Buffalo, Canton, Carroll, Cecil, Chartiers, Cross Creek, Donegal, East Finley, East Pike Run, Fallowfield, Hanover, Hopewell, Independence, Jefferson, Morris, Mount Pleasant, North Franklin, North Strabane, Nottingham, Peters, Robinson, Smith, Somerset, South Franklin, South Strabane and Union in Washington County;

Portions of the Townships of Clinton and Salem in Wayne County; and

All, or portions of, the Townships of Fairview and Newberry in York County.

As a result of acquisitions, the Company furnishes wastewater service to about 65,048 customers in the following municipalities:

Portions of, the Townships of Franklin, Hamiltonban and Highland in Adams County;

All, or portions of, the Cities of Duquesne and McKeesport and the Boroughs of Dravosburg, Port Vue and West Mifflin in Allegheny County;

All of the Borough of Koppel in Beaver County;

All, or portions of, the City of Coatesville, the Boroughs of Parkesburg and South Coatesville and the Townships of Caln, East Fallowfield, Highland, Sadsbury, Valley, West Caln and West Sadsbury in Chester County;

All, or portions of, the Boroughs of Clarion and Shippensburg and the Townships of Clarion, Elk, Monroe and Paint in Clarion County;

All, or portions of, the Borough of New Cumberland and the Township of Lower Allen in Cumberland County;

All of the City of Scranton and the Borough of Dunmore in Lackawanna County;

Portions of the Townships of Coolbaugh, Middle Smithfield, Smithfield and Stroud in Monroe County;

All of the Borough of McEwensville in Northumberland County;

Portions of the Townships of Delaware and Lehman in Pike County;

All, or portions of, the Borough of Claysville and the Township of Donegal in Washington County;
and

A portion of the Township of Fairview in York County.

[404 municipalities in 36 counties.]

07/01/2018

Exhibit B-1

Exhibit B-2

Starting Point: Approximately 1,933 feet down the centerline in an easterly direction from the intersection of Route 19 and Salt Works Road, Lancaster Township, PA, then approximately 17 feet in a southerly direction.

From	To	Bearing	Distance(Ft)
1	2	S4°40'54"W	323.70
2	3	S38°33'53"E	584.73
3	4	S4°39'42"W	281.74
4	5	S63°57'00"E	311.31
5	6	S85°29'29"E	481.86
6	7	S13°31'19"E	396.36
7	8	N89°49'11"E	102.13
8	9	S1°22'27"E	1321.25
9	10	S89°10'19"W	618.66
10	11	N1°30'30"W	310.69
11	12	N87°11'30"W	45.94
12	13	N89°34'19"W	314.65
13	14	N89°45'54"W	140.77
14	15	N2°23'26"W	156.98
15	16	N20°04'05"W	493.48
16	17	N54°42'47"W	243.84
17	18	S62°14'02"W	233.51
18	19	S19°04'05"E	444.27
19	20	S19°04'05"E	63.22
20	21	S82°04'57"W	148.55
21	22	S83°29'40"W	169.48
22	23	S57°10'48"W	881.02
23	24	N89°22'26"W	137.89
24	25	N0°09'03"W	511.02
25	26	N0°08'59"W	477.58
26	27	N0°09'31"W	645.15
27	28	N0°08'51"W	483.83
28	29	N0°09'04"W	710.65
29	30	S84°10'29"E	118.23
30	31	S84°11'08"E	145.12
31	32	S84°11'42"E	144.11
32	33	S84°10'44"E	141.85
33	34	S84°11'19"E	161.32
34	35	N9°11'01"E	282.10
35	36	S83°45'30"E	264.56
36	37	S84°46'23"E	146.91
37	38	S86°49'31"E	108.37
38	1	S86°55'29"E	174.13

Exhibit C

WBS Element: _____

SAP WO#: _____

APPLICATION FOR PUBLIC FIRE HYDRANT

This Application made in triplicate this 4TH day of SEPTEMBER, 2019, by Lancaster Township, (Applicant) (a Municipal corporation of the Commonwealth of Pennsylvania), hereinafter called the "Applicant," to the **Pennsylvania-American Water Company** (a corporation of the Commonwealth of Pennsylvania), doing business in the township of Lancaster, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for the installation of (a) public fire hydrant(s) to be located at:

1 Hydrant for phase 2 at lot 210 for Arden Woods Development

In consideration for which the Applicant agrees to be bound by all the terms and conditions of this application, and the Water Company's tariff as amended from time to time, and to pay the Water Company for service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters, or for any other use unless specifically permitted by the Water Company for the particular time and occasion. If the Water Company grants permission to use the fire hydrant for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Applicant.

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of the installation, operation, performance, or existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement. (C)

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

Christina M. Selt

APPLICANT

By [Signature]

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this 17th day of Sept, 18.

WITNESS

[Signature]

PENNSYLVANIA-AMERICAN WATER COMPANY

By [Signature]

(Vice) President

WBS Element: _____

SAP WO#: _____

APPLICATION FOR PUBLIC FIRE HYDRANT

This Application made in triplicate this 4th day of SEPTEMBER, 2019, by Lancaster Township, (Applicant) (a Municipal corporation of the Commonwealth of Pennsylvania), hereinafter called the "Applicant," to the **Pennsylvania-American Water Company** (a corporation of the Commonwealth of Pennsylvania), doing business in the township of Lancaster, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for the installation of (a) public fire hydrant(s) to be located at:

1 Hydrant for phase 3 at lot 304 for Arden Woods Development

In consideration for which the Applicant agrees to be bound by all the terms and conditions of this application, and the Water Company's tariff as amended from time to time, and to pay the Water Company for service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters, or for any other use unless specifically permitted by the Water Company for the particular time and occasion. If the Water Company grants permission to use the fire hydrant for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Applicant.

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of the installation, operation, performance, or existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement. (C)

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

Christina M. Sipe

APPLICANT

By

[Signature]

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this 17th day of SEPT, 18

WITNESS

[Signature]

PENNSYLVANIA-AMERICAN WATER COMPANY

By

[Signature]
(Vice) President

WBS Element: _____

SAP WO#: _____

APPLICATION FOR PUBLIC FIRE HYDRANT

This Application made in triplicate this 4th day of SEPTEMBER,

2019, by Lancaster Township, (Applicant) (a Municipal corporation of the Commonwealth of Pennsylvania), hereinafter called the "Applicant," to the

Pennsylvania-American Water Company (a corporation of the Commonwealth of Pennsylvania), doing business in the township of Lancaster, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for the installation of (a) public fire hydrant(s) to be located at:

1 Hydrant for phase 4 at lot 401 for Arden Woods Development

In consideration for which the Applicant agrees to be bound by all the terms and conditions of this application, and the Water Company's tariff as amended from time to time, and to pay the Water Company for service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters, or for any other use unless specifically permitted by the Water Company for the particular time and occasion. If the Water Company grants permission to use the fire hydrant for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Applicant.

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of the installation, operation, performance, or existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement. (C)

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

Christina M. Saff

APPLICANT

By

[Signature]

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this 17th day of Sept, 18

WITNESS

Joe Cilavacchia

PENNSYLVANIA-AMERICAN WATER COMPANY

By

[Signature]
(Vice) President

WBS Element: _____

SAP WO#: _____

APPLICATION FOR PUBLIC FIRE HYDRANT

This Application made in triplicate this 4th day of SEPTEMBER,

2019, by Lancaster Township, (Applicant) (a Municipal corporation of the Commonwealth of Pennsylvania), hereinafter called the "Applicant," to the

Pennsylvania-American Water Company (a corporation of the Commonwealth of Pennsylvania), doing business in the township of Lancaster, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for the installation of (a) public fire hydrant(s) to be located at:

2 Hydrants for phase 5 at lot 533 and lot 508 for Arden Woods Development

In consideration for which the Applicant agrees to be bound by all the terms and conditions of this application, and the Water Company's tariff as amended from time to time, and to pay the Water Company for service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters, or for any other use unless specifically permitted by the Water Company for the particular time and occasion. If the Water Company grants permission to use the fire hydrant for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Applicant.

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of the installation, operation, performance, or existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement. (C)

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

Christina M. Supt

APPLICANT

By

[Signature]

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this 17th day of Sept. 18

WITNESS

McClaveccia

PENNSYLVANIA-AMERICAN WATER COMPANY

By

[Signature]
(Vice) President

WBS Element: _____

SAP WO#: _____

APPLICATION FOR PUBLIC FIRE HYDRANT

This Application made in triplicate this 4th day of SEPTEMBER, 2019, by Lancaster Township, (Applicant) (a Municipal corporation of the Commonwealth of Pennsylvania), hereinafter called the "Applicant," to the **Pennsylvania-American Water Company** (a corporation of the Commonwealth of Pennsylvania), doing business in the township of Lancaster, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the Water Company for the installation of (a) public fire hydrant(s) to be located at:

1 Hydrant for phase 6 at lot 605 for Arden Woods Development

In consideration for which the Applicant agrees to be bound by all the terms and conditions of this application, and the Water Company's tariff as amended from time to time, and to pay the Water Company for service at the schedule of rates in effect from time to time during the rendition of such service.

The further terms and conditions upon which this application may be accepted by the Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or gutters, or for any other use unless specifically permitted by the Water Company for the particular time and occasion. If the Water Company grants permission to use the fire hydrant for purposes other than the extinguishment of fires, such use will be applied only if an approved backflow prevention device is attached to the hydrant. Said device shall be furnished by the Applicant.

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of the installation, operation, performance, or existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement. (C)

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

Christina M. Senft

APPLICANT

By

[Signature]

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this 17th day of Sept, 18.

WITNESS

PENNSYLVANIA-AMERICAN WATER COMPANY

Michaela Vecchia

By

[Signature]

(Vice) President

Exhibit D

PA American Water
Balance Sheet
December 31, 2017
(Dollars in thousands)

	PA American Water 12 Months Ended December 31, 2017 (Audited)
Assets	
Cash and cash equivalents	\$ 3,583
Other current assets	\$ 103,700
Total property plant and equipment	\$ 4,332,012
Regulatory assets & other L/T Assets	\$ 188,472
Total Assets	<u>\$ 4,617,767</u>
Capitalization and liabilities	
Short Term Debt	\$ 321,689
Current Portion of Long-term Debt	\$ 117,443
Other current liabilities	\$ 152,835
Total Long-term Debt	\$ 1,256,993
Regulatory & other Long Term Liabilities	\$ 970,813
Stockholder's equity	\$ 1,604,607
Contributions in aid of construction	\$ 193,387
Total Capitalization and liabilities	<u>\$ 4,617,767</u>

Exhibit D

Exhibit E

PA American Water
Income Statement for the 12 Months Ended December 31, 2017
(Dollars in thousands)

	PA American Water 12 Months Ended December 31, 2017 (Audited)
Operating revenues	\$ 661,088
Operating expenses	
Operation and maintenance	\$ 195,123
Depreciation and amortization	\$ 114,843
General taxes and other	\$ 5,093
Total Operating Expenses	\$ 315,059
Operating income	\$ 346,029
Other income/(expenses)	
Other income, net	\$ (630)
Interest expense, net	\$ (71,254)
Total Other Expenses	\$ (71,884)
Income before income taxes	\$ 274,145
Provision for income taxes	\$ 113,441
Net income	\$ 160,704

Exhibit F

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

RATE ZONE 1 - GENERAL METERED SERVICE
FOR ALL RATE CLASSES EXCEPT INDUSTRIAL

APPLICABILITY

The rates under this schedule apply throughout the territories, unless otherwise noted on the territories served page, served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

The rates under this schedule are available to customers in the Residential, Commercial, Municipal and Other Water Utility Classes.

METERED SERVICE

All water supplied by the Company under this rate schedule for any and all purposes, except Industrial, Qualified Private Fire Hydrants and Public Fire Hydrants, shall be metered. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

RATE

Service Charge For All Rate Classes Except Industrial

The following monthly service charge shall apply based on the size of meter required to render adequate service, as determined by the Company:

<u>Size of Meter</u>	<u>Service Charge Per Month Except Other Water Utilities</u>		<u>Service Charge Per Month Other Water Utilities Group A & B</u>	
5/8 inch	\$ 16.50	(I)	\$ 24.00	(I)
3/4 inch	25.00	(I)	36.00	(I)
1 inch	41.60	(I)	60.10	(I)
1-1/2 inch	67.90	(I)	120.00	(I)
2 inch	108.60	(I)	192.10	(I)
3 inch	202.60	(I)	360.00	(I)
4 inch	254.30	(I)	600.10	(I)
6 inch	380.60	(I)	1,200.00	(I)
8 inch	736.90	(I)	1,921.00	(I)
10 inch	1,067.20	(I)	2,760.00	(I)
12 inch	1,528.50	(I)	3,960.00	(I)

Consumption Charges For all Rate Classes Except Industrial

The following rates shall apply per 100 gallons:

Residential

All at \$1.2217 (I)

Commercial

First 16,000 gallons \$1.2205, All in excess of 16,000 gallons \$0.9153 (I)

Municipal

First 16,000 gallons \$1.4742, All in excess of 16,000 gallons \$0.8705 (I)

Other Water Utilities

Group A All at \$0.7219 (I)

Group B All at \$0.9805 (I)

(I) means Increase

Issued: December 7, 2017

Effective Date: January 1, 2018

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

**RATE ZONE 1- GENERAL METERED SERVICE
 FOR INDUSTRIAL RATE CLASS**

APPLICABILITY

The rates under this schedule apply throughout the territories, unless otherwise noted on the territories served page, served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

The rates under this schedule are available to customers in the Industrial Class.

METERED SERVICE

All water supplied by the Company under this rate schedule for any and all purposes shall be metered. All meters shall be read monthly or bimonthly and the water used shall be paid for in accordance with the following schedule of rates.

RATE

Service Charge For Industrial Rate Class

The following monthly service charge shall apply based on the size of meter required to render adequate service, as determined by the Company:

<u>Size of Meter</u>	<u>Service Charge Per Month</u>	
5/8 inch	\$ 24.50	(I)
3/4 inch	36.75	(I)
1 inch	61.40	(I)
1-1/2 inch	122.70	(I)
2 inch	196.35	(I)
3 inch	368.10	(I)
4 inch	613.50	(I)
6 inch	1,227.00	(I)
8 inch	1,963.65	(I)
10 inch	2,821.80	(I)
12 inch	4,050.00	(I)

Consumption Charges For Industrial Rate Class

The following rates shall apply per 100 gallons per month:

<u>Industrial</u>			<u>Industrial Curtailment</u>		
First 16,000	\$1.1843	(I)	First 16,000	\$1.1843	(I)
Next 584,000	\$0.9010	(I)	Next 584,000	\$0.9010	(I)
All in Excess of 600,000	\$0.7088	(I)	Next 14,400,000	\$0.7088	(I)
			All in Excess of 15,000,000	\$0.4328	(I)

* Subject to the availability criteria and terms and conditions of the Industrial Curtailment Rate of this tariff, the foregoing rates shall apply per 100 gallons per month for service provided under the Industrial Curtailment Rate.

(I) means Increase

Exhibit G

**Estimated Annual Revenue and Expense
in Application Territory**

Estimated Annual Revenue

218	Residential customers @ \$680.64	\$148,379.52
6	Fire Hydrants @ \$181.20	<u>\$ 1,087.20</u>
	Total	\$149,466.72

Estimated Annual Expenses

218	Residential customers @ \$149.20	\$ 32,525.60
6	Fire Hydrants @\$2.00	<u>\$ 12.00</u>
	Total	\$ 32,537.60

Net \$116,929.12

Residential

Meter Size	5/8"
Average Monthly Usage (00)	36.3
Mo. Service Charge	\$16.50
36.3 x 1.2217	\$44.35
Negative TCJA Surcharge -6.79%	(\$4.13)
Monthly Total Revenue	\$56.72
Annual Total Revenue	\$680.64

EXHIBIT G

Exhibit H

ARDEN DEVELOPMENT PARTNERS

EXTENSION OF WATER SERVICE

LANCASTER TOWNSHIP

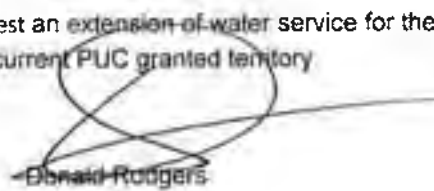
BUTLER COUNTY, PA

3-16-16

Steve D. George
Operations Supervisor
Pennsylvania American Water - Western Operations
2736 Ellwood Road
New Castle, PA 16101
(724) 657-8532

Dear Steve,

Arden Development Partners would like to formally request an extension of water service for the Arden Woods project to the other phases not covered by PAW's current PUC granted territory.



Donald Rodgers

215 executive Dr

Suite 300

Cranberry Township, Pa. 16066

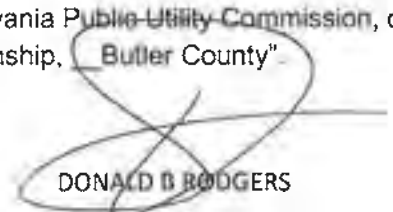
drodders@credcopa.com

724-776-2727(25)

ARDEN WOOD DEVELOPMENT PARTNERS

Kristina M Marshall ,

Arden Wood Development Partners requests water service for it's residential subdivision located in Lancaster Township, Butler County, Pennsylvania. "This request for service will also serve as a letter of intent to enter into and execute an Extension Deposit Agreement immediately upon receipt of approval, by the Pennsylvania ~~Public Utility Commission~~, of the application for service territory in _Lancaster Township, Butler County".



DONALD B RODGERS

Exhibit I

From: Graham Ferry <gferry@shefflerco.com>
Sent: Tuesday, September 04, 2018 3:23 PM
To: Jason M Gentile <Jason.Gentile@amwater.com>
Cc: Don Rodgers <drodgers@credcopa.com>; Bud Sheffler <bsheffler@shefflerco.com>
Subject: RE: Reminder Ardenwood

EXTERNAL EMAIL - "Think before you click!"

Jake,

Using the quantities I sent you last week, here are what the totals come out as. The unit costs are all encompassing of fittings, valves, etc. So that's why there's no individual breakdown.

Single-Family Phase 2: \$93,830

Single-Family Phase 3: \$101,365

Single-Family Phase 4: \$77,116

Single-Family Phase 5: \$104,237

Single-Family Phase 6: \$76,177

Thanks,

Graham L. Ferry, PE, PMP, LEED AP BD+C, ENV SP, CPESC, CPSWQ, CESSWI
Project Manager/Senior Engineer



1712 MOUNT NEBO RD
SEWICKLEY, PA 15143-8526
P: 412-219-4509 F: 412-528-1974
P: 412-376-3121 C: 412-443-8635
email - gferry@shefflerco.com

----- Forwarded message -----

From: Jason M Gentile <Jason.Gentile@amwater.com>

Exhibit I

Exhibit J



LANCASTER TOWNSHIP

-113 KINGS ALLEY-
-HARMONY, PA 16037-
WWW.LANCASTER-TOWNSHIP.COM

September 4, 2018

Pennsylvania American Water Company
2736 Ellwood Road
New Castle, PA 16101

To whom it may concern:

At their July 16, 2018 meeting, the Lancaster Township Board of Supervisors granted tentative approval of Phases 1 – 6 of the Arden Woods development to be situated adjacent to Route 19 and Saltworks Road and granted final approval for Phase 2. Each subsequent phase will be approved as submitted. Lancaster Township supports the required infrastructure to provide access to public water, sewerage, and any other public infrastructure needs in furtherance of the development.

Respectfully,

Benjamin M. Kramer

Benjamin Kramer | Township Manager
Office: 724-452-7213, ext. 2 | Cell: 724-831-8456

Exhibit J

Exhibit K

County of Butler

Board of Commissioners

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724-284-5100 Fax 724-284-5400 TDD 724-284-5473

Commissioners

Leslie A. Osche, *Chairman*
Kimberly D. Geyer, *Vice Chairman*
Kevin E. Boozel, M.S., *Secretary*



Dir. of Adm./Chief Clerk
Scott J. Andrejchak

Solicitor
Michael K. English

September 11, 2018

Commonwealth of Pennsylvania
Pennsylvania Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

IN RE: PENNSYLVANIA AMERICAN WATER COMPANY, ARDEN WOODS DEVELOPMENT

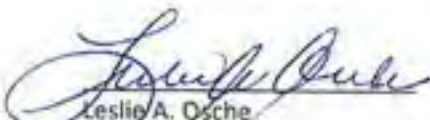
To Whom It May Concern:

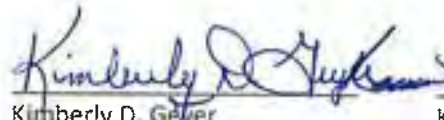
The Butler County Commissioners support the development going in Lancaster Township (Arden Woods Development – Phases 2 - 6). The plan is going to have 218 single family homes. The total project will consist of 3991' of 6" ductile iron and 2235' of 8" ductile iron.

Please let us know if you need anything further.

Sincerely,

BUTLER COUNTY BOARD OF COMMISSIONERS


Leslie A. Osche
Chairman


Kimberly D. Geyer
Vice Chairman


Kevin E. Boozel, M.S.
Secretary

BOC/mt

Exhibit K

Exhibit L



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

November 8, 2018

Via Certified Mail

Lancaster Township
Planning Commission
113 Kings Alley
Harmony, PA 16037

Re: Pennsylvania -American Water Company application to serve an additional portion of Lancaster Township, (Arden Woods Development), Butler County, Pennsylvania.

Pennsylvania American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to approve the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

As part of the application process, the PUC requested Pennsylvania American Water seek the Township's input for the purpose of determining if Pennsylvania American Water's application complies with the Township's land use planning.

Specifically, the PUC requests that the Township review the following questions:

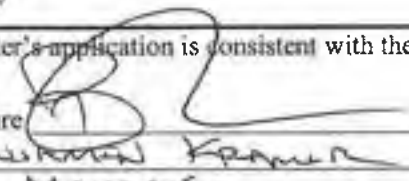
1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? ✓
2. Is there an adopted county comprehensive plan? N/A
3. Is there an adopted multi-municipal or multi-county comprehensive plan? ✓
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? ✓
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? ✓
6. If the answer is "yes" to any of the above questions, please sign below, or submit a letter, indicating that the application is consistent with the applicable comprehensive plans and zoning ordinances. If the application is not consistent with the applicable comprehensive plans and zoning ordinances, please provide an explanation.

If you have any questions, please call me at (724) 654-4180 or e-mail Kristina.Marshall@amwater.com

Sincerely,


Kristina Marshall
Operations Superintendent

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Lancaster Township Signature 

Printed Name/Title Roberta Gautsch

Date 13 NOV-2018

Please send/e-mail this form to: Bobbi Gautsch at Roberta.gautsch@amwater.com.

Exhibit L



800 West Hersheypark Drive
Hershey, PA 17033
P 717-531-5000
F 717-531-3399

November 8, 2018

Via Certified Mail

Butler County Planning Commission
Butler County Courthouse
124 West Diamond Street
Butler, PA 16003-1208

Re: Pennsylvania -American Water Company application to provide water service an additional portion of Lancaster Township (Arden Woods Development), Butler County, Pennsylvania.

Pennsylvania-American Water Company (Pennsylvania American Water) is submitting an application with the Pennsylvania Public Utility Commission (PUC) to approve the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County, Pennsylvania.

As part of the application process, the PUC requested Pennsylvania American Water seek the County's input for the purpose of determining if Pennsylvania American Water's application complies with the County's land use planning.

Specifically, the PUC requests that the County reviews the following questions:

1. Are there adopted municipal comprehensive plans for the townships/boroughs involved? Y
2. Is there an adopted county comprehensive plan? Y
3. Is there an adopted multi-municipal or multi-county comprehensive plan? N
4. Is there an adopted county or municipal zoning ordinance or joint municipal zoning ordinance? Y
5. Is the proposed project consistent with these comprehensive plans and/or zoning ordinances? Y
6. If the answer is "yes" to any of the above questions, please sign below, or submit a letter, indicating that the application is consistent with the applicable comprehensive plans and zoning ordinances. If the application is not consistent with the applicable comprehensive plans and zoning ordinances, please provide an explanation.

If you have any questions, please call me at (724) 654-4180 or e-mail Kristina.Marshall@amwater.com.

Sincerely,

Kristina Marshall
Operations Superintendent

Pennsylvania American Water's application is consistent with the applicable comprehensive plans and zoning ordinances.

Butler County Signature

Printed Name/Title


PLANNER

Date

11-16-18

Please e-mail this form to: Bobbi Gautsch at Roberta.gautsch@amwater.com.

Exhibit M

WATER FACILITIES LINE EXTENSION AGREEMENT

("Agreement")

between

PENNSYLVANIA-AMERICAN WATER COMPANY

and _____

EXHIBITS

Exhibit A – Development Description

Exhibit B – Water Facilities Description

Exhibit C Estimated Construction Cost – See Addendum

Exhibit D – Water Facilities Plan Specifications

Exhibit E – Form: Rights-of-Way and Easements

Exhibit F – Release of Liens

Exhibit G – Sample: American Water Certificate of Insurance

Agreement No. _____

WATER FACILITIES LINE EXTENSION AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20____, by and between **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation with offices at _____ (hereinafter referred to as the "Company") and _____ with offices at _____ (hereinafter referred to as "Applicant").

WITNESSETH:

WHEREAS, Applicant proposes to construct _____ (# of units) in _____ phases known as _____ (Development Name). This agreement is for Phase _____ and it shall consist of _____ (# of units). _____ (Development Name) will be constructed on a parcel located in _____ Township, _____ County, Pennsylvania, all as shown and described on Exhibit A, attached hereto and made a part hereof and hereinafter referred to as "**Development**"; and

WHEREAS, the Company is a public water utility having a Certificate of Public Convenience issued by the Pennsylvania Public Utility Commission ("PUC" or "Commission") for a service area that includes the Development and is following the terms of Section 23 of the Rules and Regulations in its approved water tariff; and

WHEREAS, Applicant desires that the Company furnish water service to the Development pursuant to the terms and conditions contained herein; and

WHEREAS, the Company is willing to furnish public utility water service to and within the Development through a direct connection to its existing water system; and

WHEREAS, to meet the public utility water service needs of the Development, certain water mains and associated appurtenances (hereinafter collectively referred to as the "Water Facilities"), as described on Exhibit B, attached hereto and made a part hereof, must be designed and constructed; and

WHEREAS, Applicant is willing to arrange and pay for the design, construction and installation of the Water Facilities.

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter contained and for other good and valuable consideration, the mutual receipt of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals or "Whereas" clauses are incorporated herein by reference.

~~2. "See Addendum" — Applicant shall design, construct, and install or cause to be designed, constructed, and installed, at no cost to the Company, the Water Facilities including, but not limited to costs of: engineering, materials, labor, legal matters, water used, transportation, equipment, necessary permits and approvals, testing, disinfection, corrections, preparation of as-built drawings, insurance, and bonds. Said Water Facilities shall consist of water transmission mains, distribution mains, valves, valve boxes, fittings, fire hydrants, street service connections to the property line on each lot shown on Exhibits B, and all other material and equipment. The meter pit shall be furnished by the Applicant and remain the property of the Applicant. The Company shall furnish a water meter per its tariff. If booster pumps and/or storage tanks are required, these facilities shall be administered under a separate agreement. The Applicant agrees that the installation and materials selected for the extension shall conform to the Company's specifications and shall be installed by the Company's pre-qualified contractor that is retained by the Applicant. The Applicant's cost for the design, construction, and installation of said Water Facilities shall be subject to refund pursuant to the provisions of paragraph 14 of this Agreement. Prior to beginning construction, the Applicant shall provide estimated construction costs for the Water Facilities in a manner provided for in Exhibit C. The Company must approve the Applicant's estimated construction costs.~~

~~If permits, zoning, or other approvals are required of the Company to complete the construction of the Water Facilities, then the Company, based on its sole determination that it is necessary for the Company to apply for said permit, zoning or other approval, shall sign for and/or apply for such permits, zoning and other approvals as required by the approving authority.~~

3. ENGINEERING AND INSPECTION FEES: Upon execution of this Agreement, the Applicant shall advance to the Company \$_____, the estimated cost of the administration, engineering, inspection, and preparation of as-built drawings including locating the Water Facilities by global position system (GPS) (hereinafter referred to as "E & I") of the Water Facilities. Upon completion of the installation of the extension, the Company will provide the actual costs of E & I to the Developer. If the advance provided is less than the actual costs, the Developer shall provide the difference between the actual and the advance to the Company within ten (10 days) of notice. In the event that the advance exceeded the actual charges, the Company will refund any excess amount deposited. The Company will not issue refunds where Applicant owes additional E & I Costs to the Company.

4. The Company, at its sole option and cost, reserves the right to "oversize" said Water Facilities. If the Company exercises the right to oversize, it shall pay for the difference in the price of the material necessary for the oversized pipe or appurtenances versus the material price of the pipe or appurtenances necessary to service the Development.

5. Applicant shall prepare all applications or other documentation necessary to obtain all requisite permits, zoning and other approvals for the construction of said Water Facilities. Applicant and its contractors shall comply with all conditions imposed in all permits. All plans, specifications, construction, and installation of said Water Facilities shall be in accordance with good utility practices, conform to the specifications contained in Exhibit D, attached hereto and made a part hereof, adhere to the rules, regulations, and requirements of the Pennsylvania Department of Environmental Protection, and meet the requirements of all other governmental

agencies having jurisdiction thereover. Any required approvals shall be in writing. Additionally, all of said plans and specifications shall have the written approval of the Company before construction is commenced. Approval by the Company will not be unreasonably withheld or delayed.

6. Applicant acknowledges that it is required to install an approved pressure reducing valve as per the Company specifications if the water pressure exceeds 100 psig. In addition, Applicant agrees that it and/or any successor builder will comply with the Pennsylvania "Plumbing System Lead Ban and Notification Act" and any regulation related to lead-free plumbing enacted by the Pennsylvania Department of Environmental Protection.

7. For Water Facilities constructed under this Agreement, Applicant agrees that no customer owned service line shall be installed and connected to the Water Facilities unless a signed application for water service is on file with the Company. Applicant acknowledges that an application for water service will not be approved by the Company until Applicant provides adequate security and protection for a water meter, or an approved meter vault has been installed and inspected and approved by the Company. Applicant further acknowledges that it and/or a subsequent builder, agent, subcontractor, or assignee who unlawfully connects and activates any water service line, and uses water without complying with the requirements contained in this paragraph 7, may be subject to criminal prosecution for theft of service, as provided for in the Pennsylvania Criminal Code.

8. Applicant shall comply with the inspection and testing requirements of the Company for said Water Facilities, which requirements shall be reasonable and shall not cause Applicant unwarranted delays in the ordinary course of construction. Applicant shall provide the Company with not less than 24-hour notice when the Water Facilities are ready for inspection and testing, and the Company shall inspect promptly after being so notified. Applicant shall be responsible for payment of all water used in the water main testing and construction. In addition, Applicant shall be responsible for the payment of any disinfection that is necessary. The Company specifically

reserves the right to withhold acceptance of said Water Facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to the Company upon inspection and testing. Upon request by the Company, Applicant agrees that it will promptly correct all defects and deficiencies in construction, materials, and workmanship made subsequent to its inspection and for two (2) years following the Company's written acceptance of said Water Facilities. Nothing herein shall relieve or limit Applicant's responsibility and liability for construction and installation of said Water Facilities in accordance with the terms of this Agreement.

9. In consideration of the Company's commitment to provide potable water service to the Development and in accordance with the Company's approved tariff, all materials installed, facilities constructed, and equipment provided, through the efforts of the Applicant, in connection with construction of the Water Facilities, under this Agreement, and placed in service shall become the sole property of the Company as installed, and full legal and equitable title thereto shall be then vested in the Company, free and clear of all liens, without the requirement of any written document of transfer to the Company. However, Applicant agrees to execute or cause to be executed promptly such documents as the Company may request to evidence good and merchantable title to said Water Facilities free and clear of all liens. All risk of loss shall be with Applicant until written acceptance of said Water Facilities, or any portions thereof, by the Company. Thereafter, risk of loss shall be with the Company. Applicant shall repair or cause to be repaired promptly, at no cost to the Company, all damage to the Water Facilities caused by construction operations within the Development until all Development construction for the Applicant has been completed. After the Company has placed in service and accepted in writing the Water Facilities, it will maintain, repair, and replace the Water Facilities as needed subject to the warranty provisions of the Agreement.

10. Applicant shall, at no cost to the Company, grant or cause to be granted to the Company perpetual rights-of-way and easements for said Water Facilities in the form contained in

Exhibit E attached hereto and made a part hereof. These rights-of-way and easements shall be provided to the Company at time of execution of this Agreement. Upon execution of the rights-of-way or easements, the Company will return the document(s) to the Applicant. The Applicant shall record the document(s) with the County's Recorder of Deeds and return one copy of the recorded document to the Company.

It shall be the obligation of the Applicant to furnish an executed private or public fire hydrant agreement, when required, at the time of execution of this Agreement.

11. Applicant at the request of the Company, shall have its Water Facilities contractor execute a Stipulation Waiver of Right to File Liens as shown on Exhibit F. This Stipulation, if required, shall be provided to the Company at time of execution of this Agreement.

12. Applicant shall, within sixty (60) days of acceptance of the Water Facilities by the Company, furnish the Company with the following:

Copies of all bills, invoices, and other statements of expenses incurred by Applicant (or others), covering all of the costs of materials, equipment, engineering, supplies, construction, and installation of the Water Facilities evidencing Applicant's amount of payments to all contractors, subcontractors, vendors for all materials, equipment, supplies, labor, and other costs of construction of the Water Facilities.

13. It is mutually understood and agreed that the charges for water service to the residents of the Development shall be at the applicable rates of the Company on file with the PUC, which rates are subject to change from time to time upon application of the Company and as approved by the PUC.

14. **"See Addendum"** ~~The cost of design, construction, and installation of the Water facilities, as evidenced by invoices furnished in paragraph 12, shall be advances in aid of construction subject to refunds by the Company to Applicant. The Company hereby agrees to refund to the Applicant, during the period of ten years from the execution date of this Agreement, a per customer refund amount for each additional customer for whom a street service connection~~

~~shall be directly connected to the Water Facilities. The per customer refund, for a residential customer, shall be determined as follows: for each street service connection made for a residential customer, the refund will be three times the average annual revenue of a residential customer. The average annual revenue for residential customers will be based upon the calculation set forth in the Company's last approved base rate case. The refund per residential customer will be \$_____. For non-residential customers, the refund shall be equal to the actual revenue the Company receives for the first twelve months of water sales to that specific customer.~~

~~In order to be entitled to refunds, Applicant must be in compliance with the terms and conditions of this Water Facilities Line Extension Agreement. The Company may refuse to provide earned refunds where Applicant owes additional dollars to the Company for the project in this Agreement or any other Water Facilities Extension Agreement. Notwithstanding the foregoing, however, the total amount refunded shall not exceed the final construction costs of the Water Facilities. The Applicant may request refunds per Paragraph 14, once in each calendar quarter, furnishing the Company, at such time, a listing of additional customers. However, the failure on the part of the Applicant to make such a request shall not constitute a waiver of any rights hereunder to relieve the Company of the obligation to make refunds with reasonable promptness.~~

15. Prior to the commencement of construction of the Water Facilities, Applicant's contractor, having responsibility for the installation of the Water Facilities, shall furnish the Company with appropriate Certificate of Insurance coverage effective during the period of construction in the following types and amounts:

(i) Workmen's compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the Commonwealth of Pennsylvania.

(ii) Comprehensive general liability insurance, including

operations and protective liability coverage, with limits of not less than Ten Million Dollars (\$10,000,000) combined single limit for bodily injury (including death) and property damage. When the work to be performed requires blasting, Developer's insurance shall specifically cover the risk. PENNSYLVANIA-AMERICAN WATER COMPANY shall be named an additional insured under this policy.

(iii) Comprehensive automobile liability insurance covering all owned and non-owned automobiles or trucks used by or on behalf of Developer with a combined single limit of \$1,000,000, in connection with the work contemplated by this Agreement. (iv) All other coverage and Waiver of Subrogation as set forth in the attached Exhibit G American Water Certificate of Insurance Sample.

16. Applicant agrees that it will not request water service to the Development and service will not be provided prior to acceptance of the Water Facilities by the Company.

17. The Company will endeavor to maintain satisfactory and continuous service, but does not guarantee a continuous supply of water service. The Company shall not be liable for damages occasioned by interruptions or failure to commence service or unsatisfactory service, or any claims arising under or out of this Agreement caused by Acts of God or the public enemy, inevitable accidents, fire, explosions, strikes, riots, war, delay in receiving shipments of required material, order of any court or judge granted in any bona fide adverse legal proceedings or actions, or any order of any commission or tribunal having jurisdiction in the premises; or, without limitation by preceding enumeration, any other act or thing reasonably beyond its control or incident to interruptions necessary for repairs or changes in the Company's water production, storage, transmission, or distribution facilities.

18. Applicant hereby agrees to hold and save the Company harmless from and against

any and all damages, or liability therefore, loss, costs, charges, reasonable attorneys' fees, and/or expenses of whatsoever kind or character which the Company shall or may, at any time suffer, sustain, or incur by reason of or in consequence of any negligent actions of the Applicant, or its agents, employees, or contractors, in connection with any of the provisions of this Agreement. Applicant hereby assumes responsibility and liability for the injury or death of any person, or loss of damage to any property contributed to or caused by the negligence of Applicant, or its agents, employees, or subcontractors, in the execution of any work in connection with this Agreement, not involving any negligence of the Company or its agents, employees, or contractors. In case any suit or other proceeding shall be brought on account of any matter covered by the indemnification specified in this paragraph 18, Applicant will assume the Company's defense at Applicant's expense and will pay all final judgments rendered thereon.

19. Applicant shall prepare and submit to the Company all necessary data, redlined drawings, and electronic drawings within ninety days after acceptance of Water Facilities. The record drawings files shall conform to the Company's AutoCAD standards, a coordinate correct AutoCAD format using PA State Plane coordinate system South, NAD83, U.S., ft. Field data information, sketches, working drawings, if applicable, provided by the Company are to be incorporated into the record drawings. The record drawings shall include all of the above and below grade changes from the original design drawings. Changes made to reflect the "as-installed" conditions shall be made in the same level of detail and to the same degree of drafting quality as the original design drawings. The consultant shall submit three (3) hard copies of the record drawings. Record drawings will be in the PA State Plane coordinate system South, NAD 83, U.S., ft. X, Y, and Z coordinates are required in an Excel format. The locations, by reference to fixed objects which will not be obscured by storm or snow, and respective sizes of all Water Facilities must be shown. As-Built Drawings and AutoCAD files are to be provided indicating the location of the main and permanent site features, including field sketches of main line valves, fittings, service valves by lot number, hydrant valves, and appurtenances thereto and also,

indicating the location of any easements. Water pipeline markers are to be installed in rights-of-way area along water main at each valve location. All measurements must be taken from permanent structures. The Company will verify the Applicant's as-builts using GPS.

20. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.

21. Communications hereunder shall be sent to Applicant, addressed as follows:

or to such other address as Applicant may advise the Company in writing, and to the Company at:

PENNSYLVANIA-AMERICAN WATER COMPANY

or to such other address as the Company may advise Applicant in writing.

22. It is agreed that the Company is not an agent of Applicant and shall not incur any costs or expenses on behalf of Applicant, and that Applicant is not an agent of the Company and shall not incur any costs or expenses on behalf of the Company.

23. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

24. This Agreement represents the entire understanding between the parties with respect to the subject matter herein and those which are reasonably related. There are no oral or collateral agreements with respect thereto between the parties. All changes or amendments to

this Agreement must be in writing and signed by the parties in order to be enforceable.

25. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. However, Applicant shall not assign its rights, obligations, and interests in this Agreement without prior written notice to and the written approval from the Company. Such approval shall not be unreasonably withheld. The provisions of this Agreement concerning refunds shall not require the Company to allocate the refund to more than one assignee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate as of the day and year first above written.

THE COMPANY:

PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____
Name: _____
Title: _____

APPLICANT:

By: _____
Name: _____
Title: _____

Exhibit A
Development Description

Exhibit B
Water Facilities Description

~~Exhibit C~~
~~Estimated Construction Cost~~

“See Addendum”

Exhibit D
Water Facilities Plan Specifications

Exhibit E
Form: Rights-of-Way and Easements

Exhibit F
Stipulation Waiver of Right to File Lien

Not Required

Exhibit G

Sample: American Water Certificate of Insurance

Addendum to the Water Facilities Line Extension Agreement

Replace Sections 2 and 14 of the Agreement with the following:

2. Applicant shall design, construct, and install or cause to be designed, constructed, and installed, at no cost to the Company, the Water Facilities including, but not limited to costs of engineering, materials, labor, legal matters, water used, transportation, equipment, necessary permits and approvals, testing, disinfection, corrections, preparation of as-built drawings, insurance, bonds, and applicable tax liabilities, including federal and state income tax liabilities, as more fully defined in Paragraph 14, below. Said Water Facilities shall consist of water transmission mains, distribution mains, valves, valve boxes, fittings, fire hydrants, street service connections to the property line on each lot shown on Exhibit B, and all other material and equipment. The meter pit shall be furnished by the Applicant and remain the property of the Applicant. The Company shall furnish and install a water meter per its tariff. If booster pumps and/or storage tanks are required, these facilities shall be addressed under a separate agreement. The Applicant agrees that the installation and materials selected for the extension shall conform to the Company's specifications and shall be installed by the Company's pre-qualified contractor that is retained by the Applicant. The Applicant's cost for the design, construction, and installation of said Water Facilities together with the gross-up amount for federal income and applicable state income taxes shall be subject to refund pursuant to the provisions of paragraph 14 of this Agreement. Prior to beginning construction, the Applicant shall provide estimated construction costs for the Water Facilities in a manner provided for in Exhibit C. The Company must approve the Applicant's estimated construction costs, and the Company must have received advanced funds for Engineering and Inspection (E&I) costs and all tax liabilities.

If permits, zoning, or other approvals are required of the Company to complete the construction of the Water Facilities, then the Company, based on its sole determination that it is necessary for the

Company to apply for said permit, zoning or other approval, shall sign for and/or apply for such permits, zoning and other approvals as required by the approving authority.

14. The cost of design, construction, and installation of the Water facilities, as evidenced by invoices furnished in paragraph 12, shall be advances in aid of construction that are subject to refunds by the Company to the Applicant. The advances by the Applicant shall be grossed-up to reflect the Company's federal and state tax liability created when the Applicant's improvements are conveyed to the Company. The current gross-up factor for the federal income and applicable state income tax rates is 1.406314. This tax gross-up is being imposed as a result of the 2017 Tax Cuts and Jobs Act (TCJA) enacted on December 23, 2017, which requires that Contributions in Aid of Construction (CIAC) and Customer Advances for Construction (CAC) received on and after December 22, 2017 must be included in the taxable income of water utilities.

The Company has requested that the Pennsylvania Public Utility Commission ("Commission") approve proposed accounting and ratemaking procedures, as more fully defined hereafter, to assure that the Company will fully recognize its federal and state income tax liability on CIAC and CAC for ratemaking purposes without the need to gross up the CIAC and CAC it receives from applicants. The Company's request with the Commission is pending, but has been opposed by the Commission's Bureau of Investigation and Enforcement, and the Office of Consumer Advocate has filed a Notice of Intervention. However, until it is determined whether the Commission will grant the Company's request and the Commission's decision becomes final and non-appealable, the terms set forth hereinafter shall apply.

The Applicant shall be required to fully fund the tax gross-up amount prior to the commencement of construction with either a cash deposit, letter of credit, withholding by the Company of refund credits currently due the Applicant associated with prior development agreements, or a

combination of the above three options. Once a final and non-appealable Commission decision is rendered approving the accounting and ratemaking approvals requested by the Company and, thereby, relieving the Company of the obligation to apply a tax gross-up factor to CIAC and CAC, the Applicant's unrefunded portion of the tax gross-up amount will be refunded to the Applicant in the manner described hereafter. Otherwise, such funds will be retained by the Company in recognition of the requirement that CIAC and CAC are taxable income to the Company when received.

Prior to the commencement of construction, the Applicant shall deliver to the Company either a cashier's check or a 12 month irrevocable letter of credit drawn upon a bank and in such form as shall be approved by counsel for the Company, in the amount of \$ _____, which is a sum equal to 40.6314% of the estimated design, construction, and E&I costs of the Water Facilities minus applicable refund credits, in accordance with Exhibit C. The Company may present the letter of credit for payment 30 days after the Water Facilities have been accepted and placed in service and upon a certification to that effect by the Company. The purpose of this cash payment or letter of credit is to reimburse the Company for federal and state income taxes that the Company will incur for the tax year during which the Water Facilities, or payments under this paragraph are received as a result of (i) the receipt of the Water Facilities and (ii) the payment to the Company required under this paragraph. Upon completion of the Water Facilities, the amount for federal and state income taxes shall be adjusted based upon actual design and construction costs. Amounts required to be paid by the Applicant to the Company pursuant to this paragraph, are subject to change and may be increased or decreased retroactively, from time to time, in the event of (1) a change in federal or state corporate income tax rates or other changes in the law that would increase or decrease the Company's federal or state income tax liability for the tax year

during which the Water Facilities or payments under this paragraph are received; (2) the Commission orders that the Company recover from Applicants an allowance for income taxes that are computed in a different manner; or (3) if the Commission issues an order granting the Company its proposed accounting and ratemaking treatment, pursuant to which the Company would be responsible for bearing the tax liability on taxable CIAC and CAC without imposing a gross-up factor on CIAC and CAC; would record the amount paid of such tax liability in a deferred account approved for inclusion in the Company's rate base on which it earns a return and would recover the deferred amount in customers' rates by amortization over the tax life of the property funded by such CIAC or CAC. The use of refund credits currently due and not previously paid to the Applicant for eligible connected lots based on prior development agreements, to offset the amount needed for either a cashier's check or letter of credit, will be at sole discretion of the Company.

The Company hereby agrees to refund to the Applicant, during the period of ten years from the execution date of this Agreement, a per customer refund amount for each additional customer for whom a street service connection shall be directly connected to the Water Facilities, unless said refunds have been used for refund credits for other development agreements of the Applicant. The per customer refund, for a residential customer, shall be determined as follows: for each street service connection made for a residential customer, the refund will be three times the average annual revenue of a residential customer. The average annual revenue for residential customers will be based upon the calculation set forth in the Company's last approved base rate case. The refund per residential customer will be \$2,871.58 which is three times the average annual revenue for a residential customer (\$2,041.92) plus the gross-up factor for federal and applicable state income taxes (\$829.66) on taxable CIAC and CAC. However, if the Commission approves the Company's proposed accounting and ratemaking treatment for taxable CIAC and CAC, as

previously explained, and, therefore, the CAC paid by the Applicant was not grossed-up for federal and applicable state income taxes, then the refund per residential customer will be calculated without the application of a gross-up factor. For non-residential customers, the refund shall be equal to the actual revenue the Company receives for the first twelve months of water sales to that specific customer's premises grossed-up by the gross-up factor for federal and applicable state income taxes on taxable CIAC and CAC. However, if the Commission approves the Company's proposed accounting and ratemaking treatment for taxable CIAC and CAC, as previously explained, and, therefore, the CAC paid by the Applicant was not grossed-up for federal and applicable state income taxes, then the refund per non-residential customer will be calculated without the application of a gross-up factor. The calculation of the average annual residential customer revenue set forth in the Company's last approved base rate case was based on the rates in effect at that time and is subject to modification to reflect changes in those rates that may be directed by the Commission in response to the tax changes associated with the TCJA. For non-residential customers, the actual revenue the Company receives for the first twelve months of water sales to that specific customer's premises shall be subject to recalculation if the Commission determines that the Company is required to refund any amounts to customers for service rendered during that period.

In order to be entitled to refunds, Applicant must be in compliance with the terms and conditions of this Water Facilities Line Extension Agreement. The Company may refuse to provide earned refunds where Applicant owes additional dollars to the Company for the costs of the Water Facilities in this Agreement or any other Water Facilities Extension Agreement or the Applicant is not in compliance with the terms of this Agreement, including submission of all as-builts and acceptance in writing by the Company of the Water Facilities. Notwithstanding the

foregoing, however, the total amount refunded shall not exceed the final construction costs of the Water Facilities plus the gross-up for federal and applicable state income taxes. The Applicant may request refunds per Paragraph 14, once in each calendar quarter, furnishing the Company, at such time, a listing of additional customers. However, the failure on the part of the Applicant to make such a request shall not constitute a waiver of any rights hereunder to relieve the Company of the obligation to make refunds with reasonable promptness.

Company

Applicant

Date

Date

Exhibit C
Estimated Construction Cost
And
Tax Liability Payment to Company by Applicant

(Date)

Development Name
Address
City, State, Zip
Contact Person
Reference Number

(a) Estimated cost of main(s)	\$ _____
(b) Estimated cost of other facilities	\$ _____
(c) Estimated cost of engineering & inspection (E&I)	\$ _____
(d) Subtotal (a + b + c)	\$ _____
(e) Tax factor – <u>40.6314%</u>	
(f) Tax liability (e x d)	\$ _____
(g) Total estimated cost (d + f)	\$ _____
(h) Amount advanced for E&I costs (payable by cash or check at the time this agreement is executed)	\$ _____
(i) Applicable Refund Credits currently due Applicant	\$ _____
(j) Tax Liability Amount payable by Cashier's Check or Letter of Credit (f – i) prior to start of construction	\$ _____

Company

Applicant

Date

Date

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
HARRISBURG, PA 17120**

Public Meeting held March 28, 2019

Commissioners Present:

Gladys M. Brown, Chairman
David W. Sweet, Vice Chairman
Norman J. Kennard
Andrew G. Place
John F. Coleman, Jr.

Application of Pennsylvania-American Water
Company for approval of the right to offer, render,
furnish or supply water service to the public in an
additional portion of Lancaster Township, Butler
County, Pennsylvania

A-2018-3006332

ORDER

BY THE COMMISSION:

By the application (Application) filed on December 3, 2018, Pennsylvania-American Water Company (PAWC), Utility Code 212285, 800 West Hersheypark Drive, Hershey, Pennsylvania 17033, seeks a certificate of public convenience pursuant to Section 1102(a)(1)(i) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(1)(i), evidencing Commission approval of PAWC's right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County.

I. BACKGROUND AND AFFECTED ENTITIES

PAWC submitted proof of publication and service to the appropriate entities. Notice of the Application was published in the *Pennsylvania Bulletin*, 48 Pa.B. 7731, on Saturday, December 15, 2018. The protest period ended December 31, 2018. No protests were filed, and no hearings were held.

PAWC is a regulated public utility company, duly organized and existing under the laws of the Commonwealth, that provides water service for approximately 659,963 customers throughout Pennsylvania, including portions of Lancaster Township, Butler County. Additionally, PAWC provides wastewater service for approximately 65,146 customers throughout Pennsylvania as Pennsylvania-American Water Company - Wastewater Division, Utility Code 230073.

PAWC contends there is a need to make safe and reliable water service available to the requested territory referred to as Phases 2-6 of the Arden Woods residential development (the Development). To support its claim, the Application's Exhibit H included a copy of a letter from the developer, Arden Development Partners (the Developer), requesting that PAWC provide water service to the Development. Additionally, the Application's Exhibit C included copies of applications completed by Lancaster Township for six public fire hydrants. PAWC indicated the requested territory receives wastewater service from the Western Butler County Authority.

II. LOCATION AND DESCRIPTION OF PROPOSED TERRITORY

A map of the requested water service territory and a written description of the requested territory by bearing angles and distances were included in the Application marked as Exhibits B-1 and B-2, respectively. The requested territory encompasses the remaining portion of Tax Parcel No. 200-4F100-A16GD not previously certificated to PAWC. The requested territory includes an area of approximately 130 acres and is located between PAWC's certificated service territories along Salt Works Road to the north¹ and Phase 1 of the Development to the south.² PAWC indicated the Development will contain 218 residential customers and six public hydrants.

¹ See *Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in an additional portion of Lancaster Township, Butler County*, at Docket No. A-2017-2627220.

² See *Application of Pennsylvania-American Water Company for approval of the right to offer, render, furnish or supply water service to the public in a portion of Lancaster Township, Butler County*, at Docket No. A-2009-2110756.

In supplemental information filed with the Commission, PAWC provided an estimate of the Development's anticipated construction timeline. This estimate reflects that each Development phase will take approximately 16 months to complete, spanning from November of 2020 to November of 2026. PAWC also indicated that, after construction, each phase would have the following number of residential customers: Phase 2 - 50; Phase 3 - 53; Phase 4 - 30, Phase 5 - 56; and Phase 6 - 29.

III. FACILITIES FOR FURNISHING SERVICE

PAWC specified it will construct a main extension, from a 12-inch diameter ductile iron water main, approximately 150 feet east on Arden Drive from Touchstone Court and continue north along the alignments of the Development's proposed roadways. PAWC averred in supplemental information filed with the Commission that the water main extension for the Development's Phases 2-6 includes approximately 2,864 linear feet of 6-inch diameter ductile iron pipe, 4,338 linear feet of 8-inch diameter ductile iron pipe, six fire hydrants and other related appurtenances.

PAWC's existing Ellwood water treatment plant (Ellwood WTP) will provide water service in the requested territory. PAWC noted the Ellwood WTP has a permitted treatment capacity of 5.2 million gallons per day (MGD) and the average system delivery in 2017 was 3.3 MGD. In supplemental information filed with the Commission, PAWC indicated it has adequate facilities to provide service to existing customers and customers within the requested territory.

IV. ADDITIONAL CAPITAL REQUIREMENTS

The Application's Exhibit H indicated the Developer intends to enter into and execute an Extension Deposit Agreement (Agreement) with PAWC upon Application approval. A sample copy of this Agreement was provided in the Application's Exhibit M. The Agreement requires the Developer to fund the entire cost of the development and pay approximately \$45,000 to reimburse PAWC for estimated permit

and inspection fee costs. In supplemental information filed with the Commission on February 26, 2019, PAWC provided an itemized cost estimate that indicated the total cost of the water main extension is approximately \$574,077. PAWC indicated it will incur a cost of approximately \$29,051 to install water meters for the customers within the requested territory.

V. PROPOSED RATES

PAWC stated it will charge its existing Rate Zone 1 rates for water service as set forth in its effective water tariff. In supplemental information filed with the Commission, PAWC revised its estimate of the additional annual revenue and expenses from providing service for the requested territory. PAWC estimated, at full build out, additional annual revenue of approximately \$149,528, annual expenses of approximately \$32,538 and an annual net income of approximately \$116,990.

VI. REQUIRED EASEMENTS, RIGHTS-OF-WAY AND PERMITS

PAWC stated it will apply for and obtain a street opening permit from Lancaster Township for the water main extension and that no easements are required. PAWC also noted in supplemental information filed with the Commission that the Developer is responsible for obtaining any additional required permits or approvals.

VII. LAND-USE PLANNING COMPLIANCE

PAWC provided a copy of a letter dated September 4, 2018, from Lancaster Township's manager in the Application's Exhibit J that indicated the Township supports the main extension. The Butler County Board of Commissioners also confirmed its support for the Development, evidenced by its letter dated September 11, 2018, in the Application's Exhibit K. PAWC sent land-use planning compliance verification request letters to Lancaster Township and the Butler County Planning Commission. The Application's Exhibit L contained replies from both entities indicating the project is consistent with comprehensive plans and zoning ordinances.

VIII. OTHER CONSIDERATIONS

PAWC averred service to the requested territory will have no adverse effect on existing customers and will benefit existing customers by providing an expanded customer base over which to spread common costs. PAWC also averred that no corporation or entity is currently furnishing water service in the requested territory and no competitive condition will be created. PAWC is current with Commission financial reporting requirements, and through Commission correspondence with the Pennsylvania Department of Environmental Protection's (DEP's) Northwest Regional Office, it was determined that DEP does not have any pending actions or outstanding complaints against PAWC's Ellwood water system.

IX. CONCLUSION

Based upon the facts that there is a need to make public water service available within the requested territory; that PAWC will expand its service territory to new customers in compliance with Commission regulations; that PAWC will be meeting the needs of new customers without any detriment to its existing customers; that the economies of scale of an expanded customer base have a beneficial effect on existing customers and that PAWC is fit to provide service, the Commission finds that granting approval of PAWC's Application is necessary or proper for the service, accommodation, convenience or safety of the public and in the public interest; **THEREFORE,**

IT IS ORDERED:

1. That the Application of Pennsylvania-American Water Company at Docket No. A-2018-3006332, is hereby approved.
2. That a Certificate of Public Convenience shall be issued pursuant to 66 Pa. C.S. § 1102(a)(1)(i) of the Public Utility Code, authorizing Pennsylvania-American Water Company to begin to offer, render, furnish, or supply water service to

the public in an additional portion of Lancaster Township, Butler County, consistent with the Application's Exhibits B-1 and B-2.

3. That nothing herein shall be construed as an approval or determination of costs or expenses for the purposes of just or reasonable rates or to exempt Pennsylvania-American Water Company from obtaining all necessary permits, licenses, and approvals from other federal, state, and local government agencies having jurisdiction.

4. That a copy of this Order be served upon Pennsylvania-American Water Company, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, the Lancaster Township Board of Supervisors, the Lancaster Township Planning Commission, the Butler County Commissioners, the Butler County Planning Commission, the Western Butler County Authority and the Department of Environmental Protection – Northwest Regional Office and its Bureau of Regulatory Counsel.

5. That the proceeding at Docket No. A-2018-3006332 be closed upon the Commission's issuance of a Certificate of Public Convenience in accordance with Ordering Paragraph 2.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta", written in a cursive style.

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: March 28, 2019

ORDER ENTERED: March 28, 2019

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit E

Engineering Report on Project from Sheffler & Company, Inc on Paige Place

June 4, 2026

Mr. Jason Kessler
PA American Water
Manager of Operations, New Castle and Ellwood City, PA
2736 Ellwood Rd.
New Castle, PA 16101

**RE: Paige Place Residential Development
Lancaster Township, Butler County, PA**

Dear Mr. Kessler:

Wrigley 19, LLC is proposing a 124-unit townhome development along State Route 19 in Lancaster Township, Butler County, Pennsylvania. We anticipate this to generate approximately 124 EDUs or 49,600 gallons per day of demand of the authority's system.

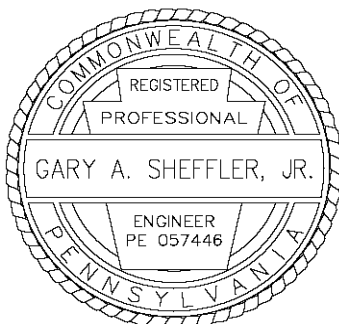
The waterline extension will consist of the following: One (1) 24" Anchor Tee, two (2) 24" Gate Valves, One (1) 8"X8" MJ Tee, Twelve (12) 8" Gate Valves, Four (4) 8"X6" MJ tees, Four (4) 6" Gate Valves, Four (4) Fire Hydrants, 16 lineal feet of 6" Diameter Class 52 Ductile Iron waterline with polyethylene encasement, 2,395 lineal feet of 8" diameter Class 52 Ductile Iron waterline with polyethylene encasement.

Should you have any questions of require additional information please feel free to contact me at (412)219-4509, or via e-mail at emoore@shefflerco.com

Respectfully Submitted,
Sheffler & Company, Inc.



Edward M. Moore



**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit F

Estimate Construction Cost Breakdown of the Project

KOZIK BROS., INC.

213 Executive Drive, Suite 300
Cranberry Township, Pa. 16066
Phone: 724.443.2230



Professional Sitework Contractors ~ Project Managers ~ Consultants

COST ESTIMATE

PROJECT: PAIGE PLACE

SUBMITTED TO: WRIGLEY 19, LLC

DATE: JANUARY 20, 2026

PAGE 5 OF 6

WATERLINE

	ITEM	UNITS	QTY	UNIT PRICE	TOTAL
W-1	8" DIP (CLASS 52)	LF	2,400	\$72.50	\$174,000.00
W-2	FIRE HYDRANTS (COMPLETE-IN-PLACE)	EA	4	\$9,800.00	\$39,200.00
W-3	8" GATE VALVE & BOX	EA	6	\$3,225.00	\$19,350.00
W-4	8" TEES W/ CONCRETE BLOCKING	EA	1	\$1,200.00	\$1,200.00
W-5	8" FITTINGS w/ CONCRETE BLOCKING	EA	21	\$775.00	\$16,275.00
NOTE: FITTINGS INCLUDE DUCTILE IRON BENDS, CAPS, REDUCERS & SLEEVES. MEGALUG JOINT RESTRAINT IS INCLUDED FOR ALL MECHANICAL JOINT CONNECTIONS.					
W-6	8" FIELD LOCK GASKETS (QUANTITY ESTIMATE)	EA	4	\$210.00	\$840.00
W-7A	SEGMENTAL TAP-IN INTO EXISTING 16" DIP LINE	EA	1	\$35,000.00	\$35,000.00
W-7B	16 x 8" TEES W/ CONCRETE BLOCKING	EA	1	\$4,200.00	\$4,200.00
W-7C	16" GATE VALVES w/ BOX	EA	2	\$18,500.00	\$37,000.00
W-7D	16" SLEEVES INCLUDING 1 STICK OF 16" DIP CONNECTION PIPING	EA	2	\$8,500.00	\$17,000.00
W-8	1" WATER SERVICE INCLUDING CORPORATION, SOFT K COPPER, CURB STOP w/ VALVE BOX & S/S ROD	EA	124	\$2,050.00	\$254,200.00
W-9	SPECIAL BACKFILL (COMPACTED 2A LIMESTONE IN ROAD CROSSING AREAS)(WATER MAINS & SERVICES)	TN	1,087	\$37.75	\$41,034.25
W-10	HYDROSTATIC PRESSURE TESTING (PER OCCURANCE)	EA	1	\$2,000.00	\$2,000.00
WATERLINE TOTAL-					\$641,299.25

NOTE: WATER TAP ASSUMES AFTER-HOURS TIMESLOT

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit G

Water Facilities Line Extension Agreement

WATER FACILITIES LINE EXTENSION AGREEMENT

("Agreement")

between

PENNSYLVANIA-AMERICAN WATER COMPANY

and _____

EXHIBITS

Exhibit A – Development Description

Exhibit B – Water Facilities Description

Exhibit C Estimated Construction Cost

Exhibit D – Water Facilities Plan Specifications

Exhibit E – Form: Rights-of-Way and Easements

Exhibit F – Release of Liens

Exhibit G – Sample: American Water Certificate of Insurance

Agreement No. _____

WATER FACILITIES LINE EXTENSION AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20__, by and between **PENNSYLVANIA-AMERICAN WATER COMPANY**, a Pennsylvania corporation with offices at 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055 (hereinafter referred to as the "Company") and _____, with offices at _____, _____ (hereinafter referred to as "Applicant").

WITNESSETH:

WHEREAS, Applicant proposes to construct _____ (# of units) in _____ phases known as _____ (Development Name)_. This agreement is for Phase _____ and it shall consist of _____ (# of units). _____ (Development Name) will be constructed on a parcel located in _____ Township, _____ County, Pennsylvania, all as shown and described on Exhibit A, attached hereto and made a part hereof and hereinafter referred to as "**Development**"; and

WHEREAS, the Company is a public water utility having a Certificate of Public Convenience issued by the Pennsylvania Public Utility Commission ("PUC" or "Commission") for a service area that includes the Development and is following the terms of Section 23 of the Rules and Regulations in its approved water tariff; and

WHEREAS, Applicant desires that the Company furnish water service to the Development pursuant to the terms and conditions contained herein; and

WHEREAS, the Company is willing to furnish public utility water service to and within the Development through a direct connection to its existing water system; and

WHEREAS, to meet the public utility water service needs of the Development, certain water mains and associated appurtenances (hereinafter collectively referred to as the "Water Facilities"), as described on Exhibit B, attached hereto and made a part hereof, must be designed and constructed; and

WHEREAS, Applicant is willing to arrange and pay for the design, construction and installation of the Water Facilities.

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter contained and for other good and valuable consideration, the mutual receipt of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals or "Whereas" clauses are incorporated herein by reference.

2. Applicant shall design, construct, and install or cause to be designed, constructed, and installed, at no cost to the Company, the Water Facilities including, but not limited to costs of: engineering, materials, labor, legal matters, water used, transportation, equipment, necessary permits and approvals, testing, disinfection, corrections, preparation of as-built drawings, insurance, and bonds. Said Water Facilities shall consist of water transmission mains, distribution mains, valves, valve boxes, fittings, fire hydrants, street service connections to the property line on each lot shown on Exhibits B, and all other material and equipment. The meter pit shall be furnished by the Applicant and remain the property of the Applicant. The Company shall furnish a water meter per its tariff. If booster pumps and/or storage tanks are required, these facilities shall be administered under a separate agreement. The Applicant agrees that the installation and materials selected for the extension shall conform to the Company's specifications and shall be installed by the Company's pre-qualified contractor that is retained by the Applicant. The Applicant's cost for the design, construction, and installation of said Water Facilities shall be subject to refund pursuant to the provisions of paragraph 14 of this Agreement. Prior to beginning construction, the Applicant shall provide estimated construction costs for the Water Facilities in a manner provided for in Exhibit C. The Company must approve the Applicant's estimated construction costs.

If permits, zoning, or other approvals are required of the Company to complete the construction of the Water Facilities, then the Company, based on its sole determination that it is necessary for the Company to apply for said permit, zoning or other approval, shall sign for and/or apply for such permits, zoning and other approvals as required by the approving authority.

3. ENGINEERING AND INSPECTION FEES: Upon execution of this Agreement, the Applicant shall advance to the Company \$_____, the estimated cost of the administration, engineering, inspection, and preparation of as-built drawings including locating the Water Facilities by global position system (GPS) (hereinafter referred to as "E & I") of the Water Facilities. Upon completion of the installation of the extension, the Company will provide the actual costs of E & I to the Developer. If the advance provided is less than the actual costs, the Developer shall provide the difference between the actual and the advance to the Company within ten (10 days) of notice. In the event that the advance exceeded the actual charges, the Company will refund any excess amount deposited. The Company will not issue refunds where Applicant owes additional E & I Costs to the Company.

4. The Company, at its sole option and cost, reserves the right to "oversize" said Water Facilities. If the Company exercises the right to oversize, it shall pay for the difference in the price of the material necessary for the oversized pipe or appurtenances versus the material price of the pipe or appurtenances necessary to service the Development.

5. Applicant shall prepare all applications or other documentation necessary to obtain all requisite permits, zoning and other approvals for the construction of said Water Facilities. Applicant and its contractors shall comply with all conditions imposed in all permits. All plans, specifications, construction, and installation of said Water Facilities shall be in accordance with good utility practices, conform to the specifications contained in Exhibit D, attached hereto and made a part hereof, adhere to the rules, regulations, and requirements of

the Pennsylvania Department of Environmental Protection, and meet the requirements of all other governmental agencies having jurisdiction thereover. Any required approvals shall be in writing. Additionally, all of said plans and specifications shall have the written approval of the Company before construction is commenced. Approval by the Company will not be unreasonably withheld or delayed.

6. Applicant acknowledges that it is required to install an approved pressure reducing valve as per the Company specifications if the water pressure exceeds 100 psig. In addition, Applicant agrees that it and/or any successor builder will comply with the Pennsylvania "Plumbing System Lead Ban and Notification Act" and any regulation related to lead-free plumbing enacted by the Pennsylvania Department of Environmental Protection.

7. For Water Facilities constructed under this Agreement, Applicant agrees that no customer owned service line shall be installed and connected to the Water Facilities unless a signed application for water service is on file with the Company. Applicant acknowledges that an application for water service will not be approved by the Company until Applicant provides adequate security and protection for a water meter, or an approved meter vault has been installed and inspected and approved by the Company. Applicant further acknowledges that it and/or a subsequent builder, agent, subcontractor, or assignee who unlawfully connects and activates any water service line, and uses water without complying with the requirements contained in this paragraph 7, may be subject to criminal prosecution for theft of service, as provided for in the Pennsylvania Criminal Code.

8. Applicant shall comply with the inspection and testing requirements of the Company for said Water Facilities, which requirements shall be reasonable and shall not cause Applicant unwarranted delays in the ordinary course of construction. Applicant shall provide the Company with not less than 24-hour notice when the Water Facilities are ready for inspection and testing, and the Company shall inspect promptly after being so notified. Applicant shall be responsible for payment of all water used in the water main testing and construction. In addition,

Applicant shall be responsible for the payment of any disinfection that is necessary. The Company specifically reserves the right to withhold acceptance of said Water Facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to the Company upon inspection and testing. Upon request by the Company, Applicant agrees that it will promptly correct all defects and deficiencies in construction, materials, and workmanship made subsequent to its inspection and for two (2) years following the Company's written acceptance of said Water Facilities. Nothing herein shall relieve or limit Applicant's responsibility and liability for construction and installation of said Water Facilities in accordance with the terms of this Agreement.

9. In consideration of the Company's commitment to provide potable water service to the Development and in accordance with the Company's approved tariff, all materials installed, facilities constructed, and equipment provided, through the efforts of the Applicant, in connection with construction of the Water Facilities, under this Agreement, and placed in service shall become the sole property of the Company as installed, and full legal and equitable title thereto shall be then vested in the Company, free and clear of all liens, without the requirement of any written document of transfer to the Company. However, Applicant agrees to execute or cause to be executed promptly such documents as the Company may request to evidence good and merchantable title to said Water Facilities free and clear of all liens. All risk of loss shall be with Applicant until written acceptance of said Water Facilities, or any portions thereof, by the Company. Thereafter, risk of loss shall be with the Company. Applicant shall repair or cause to be repaired promptly, at no cost to the Company, all damage to the Water Facilities caused by construction operations within the Development until all Development construction for the Applicant has been completed. After the Company has placed in service and accepted in writing the Water Facilities, it will maintain, repair, and replace the Water Facilities as needed subject to the warranty provisions of the Agreement.

10. Applicant shall, at no cost to the Company, grant or cause to be granted to the Company perpetual rights-of-way and easements for said Water Facilities in the form contained in Exhibit E attached hereto and made a part hereof. These rights-of-way and easements shall be provided to the Company at time of execution of this Agreement. Upon execution of the rights-of-way or easements, the Company will return the document(s) to the Applicant. The Applicant shall record the document(s) with the County's Recorder of Deeds and return one copy of the recorded document to the Company.

It shall be the obligation of the Applicant to furnish an executed private or public fire hydrant agreement, when required, at the time of execution of this Agreement.

11. Applicant at the request of the Company, shall have its Water Facilities contractor execute a Stipulation Waiver of Right to File Liens as shown on Exhibit E. This stipulation, if required, shall be provided to the Company at time of execution of this Agreement.

12. Applicant shall, within sixty (60) days of acceptance of the Water Facilities by the Company, furnish the Company with the following:

Copies of all bills, invoices, and other statements of expenses incurred by Applicant (or others), covering all of the costs of materials, equipment, engineering, supplies, construction, and installation of the Water Facilities evidencing Applicant's amount of payments to all contractors, subcontractors, vendors for all materials, equipment, supplies, labor, and other costs of construction of the Water Facilities.

13. It is mutually understood and agreed that the charges for water service to the residents of the Development shall be at the applicable rates of the Company on file with the PUC, which rates are subject to change from time to time upon application of the Company and as approved by the PUC.

14. The cost of design, construction, and installation of the Water facilities, as evidenced by invoices furnished in paragraph 12, shall be advances in aid of construction

subject to refunds by the Company to Applicant. The Company hereby agrees to refund to the Applicant, during the period of ten years from the execution date of this Agreement, a per customer refund amount for each additional customer for whom a street service connection shall be directly connected to the Water Facilities. The per customer refund, for a residential customer, shall be determined as follows: for each street service connection made for a residential customer, the refund will be three times the average annual revenue of a residential customer. The average annual revenue for residential customers will be based upon the calculation set forth in the Company's last approved base rate case. The refund per residential customer will be \$_____. For non-residential customers, the refund shall be equal to the actual revenue the Company receives for the first twelve months of water sales to that specific customer.

In order to be entitled to refunds, Applicant must be in compliance with the terms and conditions of this Water Facilities Line Extension Agreement. The Company may refuse to provide earned refunds where Applicant owes additional dollars to the Company for the project in this Agreement or any other Water Facilities Extension Agreement. Notwithstanding the foregoing, however, the total amount refunded shall not exceed the final construction costs of the Water Facilities. The Applicant may request refunds per Paragraph 14, once in each calendar quarter, furnishing the Company, at such time, a listing of additional customers. However, the failure on the part of the Applicant to make such a request shall not constitute a waiver of any rights hereunder to relieve the Company of the obligation to make refunds with reasonable promptness.

15. Prior to the commencement of construction of the Water Facilities, Applicant's contractor, having responsibility for the installation of the Water Facilities, shall furnish the Company with appropriate Certificate of Insurance coverage effective during the period of construction in the following types and amounts:

(i) Workmen's compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the Commonwealth of Pennsylvania.

(ii) Comprehensive general liability insurance, including operations and protective liability coverage, with limits of not less than Ten Million Dollars (\$10,000,000) combined single limit for bodily injury (including death) and property damage. When the work to be performed requires blasting, Developer's insurance shall specifically cover the risk. PENNSYLVANIA-AMERICAN WATER COMPANY shall be named an additional insured under this policy.

(iii) Comprehensive automobile liability insurance covering all owned and non-owned automobiles or trucks used by or on behalf of Developer with a combined single limit of \$1,000,000, in connection with the work contemplated by this Agreement.

(iv) All other coverage and Waiver of Subrogation as set forth in the attached Exhibit G American Water Certificate of Insurance Sample.

16. Applicant agrees that it will not request water service to the Development and service will not be provided prior to acceptance of the Water Facilities by the Company.

17. The Company will endeavor to maintain satisfactory and continuous service, but does not guarantee a continuous supply of water service. The Company shall not be liable for damages occasioned by interruptions or failure to commence service or unsatisfactory service, or any claims arising under or out of this Agreement caused by Acts of God or the public enemy, inevitable accidents, fire, explosions, strikes, riots, war, delay in receiving shipments of required

material, order of any court or judge granted in any bona fide adverse legal proceedings or actions, or any order of any commission or tribunal having jurisdiction in the premises; or, without limitation by preceding enumeration, any other act or thing reasonably beyond its control or incident to interruptions necessary for repairs or changes in the Company's water production, storage, transmission, or distribution facilities.

18. Applicant hereby agrees to hold and save the Company harmless from and against any and all damages, or liability therefore, loss, costs, charges, reasonable attorneys' fees, and/or expenses of whatsoever kind or character which the Company shall or may, at any time suffer, sustain, or incur by reason of or in consequence of any negligent actions of the Applicant, or its agents, employees, or contractors, in connection with any of the provisions of this Agreement. Applicant hereby assumes responsibility and liability for the injury or death of any person, or loss of damage to any property contributed to or caused by the negligence of Applicant, or its agents, employees, or subcontractors, in the execution of any work in connection with this Agreement, not involving any negligence of the Company or its agents, employees, or contractors. In case any suit or other proceeding shall be brought on account of any matter covered by the indemnification specified in this paragraph 18, Applicant will assume the Company's defense at Applicant's expense and will pay all final judgments rendered thereon.

19. Applicant shall prepare and submit to the Company all necessary data, redlined drawings, and electronic drawings within ninety days after acceptance of Water Facilities. The record drawings files shall conform to the Company's AutoCAD standards, a coordinate correct AutoCAD format using PA State Plane coordinate system South, NAD83, U.S., ft. Field data information, sketches, working drawings, if applicable, provided by the Company are to be incorporated into the record drawings. The record drawings shall include all of the above and below grade changes from the original design drawings. Changes made to reflect the "as-installed" conditions shall be made in the same level of detail and to the same degree of drafting

quality as the original design drawings. The consultant shall submit three (3) hard copies of the record drawings. Record drawings will be in the PA State Plane coordinate system South, NAD 83, U.S., ft. X, Y, and Z coordinates are required in an Excel format. The locations, by reference to fixed objects which will not be obscured by storm or snow, and respective sizes of all Water Facilities must be shown. As-Built Drawings and AutoCAD files are to be provided indicating the location of the main and permanent site features, including field sketches of main line valves, fittings, service valves by lot number, hydrant valves, and appurtenances thereto and also, indicating the location of any easements. Water pipeline markers are to be installed in rights-of-way area along water main at each valve location. All measurements must be taken from permanent structures. The Company will verify the Applicant's as-builts using GPS.

20. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.

21. Communications hereunder shall be sent to Applicant, addressed as follows:

or to such other address as Applicant may advise the Company in writing, and to the Company at:

PENNSYLVANIA-AMERICAN WATER COMPANY

or to such other address as the Company may advise Applicant in writing.

22. It is agreed that the Company is not an agent of Applicant and shall not incur any

costs or expenses on behalf of Applicant, and that Applicant is not an agent of the Company and shall not incur any costs or expenses on behalf of the Company.

23. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

24. This Agreement represents the entire understanding between the parties with respect to the subject matter herein and those which are reasonably related. There are no oral or collateral agreements with respect thereto between the parties. All changes or amendments to this Agreement must be in writing and signed by the parties in order to be enforceable.

25. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. However, Applicant shall not assign its rights, obligations, and interests in this Agreement without prior written notice to and the written approval from the Company. Such approval shall not be unreasonably withheld. The provisions of this Agreement concerning refunds shall not require the Company to allocate the refund to more than one assignee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate as of the day and year first above written.

THE COMPANY:
PENNSYLVANIA-AMERICAN WATER COMPANY

By: _____
Name: _____
Title: _____

APPLICANT:

By: _____
Name: _____
Title: _____

Exhibit A
Development Description

Exhibit B
Water Facilities Description

Exhibit C
Estimated Construction Cost

Exhibit D
Water Facilities Plan Specifications

Exhibit E
Form: Rights-of-Way and Easements

Exhibit F
Stipulation Waiver of Right to File Lien

Not Required

Exhibit G
Sample: American Water Certificate of Insurance

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit H

Verification from Shleffer and Company – Facilities will be building in Compliance with 52
Pa. Code §§ 65.17 and 65.18

May 27, 2026

Mr. Jason Kessler
PA American Water
Manager of Operations, New Castle and Ellwood City, PA
2736 Ellwood Rd.
New Castle, PA 16101

**RE: Paige Place Residential Development
Lancaster Township, Butler County, PA**

Dear Mr. Kessler:

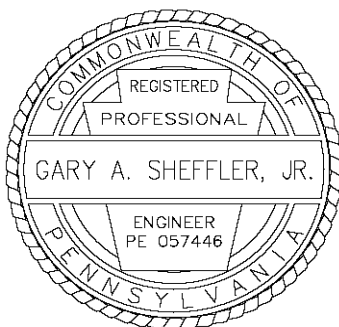
Wrigley 19, LLC is proposing a 124-unit townhome development along State Route 19 in Lancaster Township, Butler County, Pennsylvania. We anticipate this to generate approximately 124 EDUs or 49,600 gallons per day of demand of the authority's system. We do hereby certify to the best of our knowledge, information and belief, that the application, plans, specifications and reports, for the Paige Place waterline extension have been prepared in accordance with accepted practice of engineering, are true and correct, and are in accordance with the Rules and Regulations as outline in 52 Pa. Code §§ 65.17 and 65.18.. We further certify that it is within our professional expertise to verify the correctness of the information.

Should you have any questions of require additional information please feel free to contact me at (412)219-4509, or via e-mail at emoore@shefflerco.com

Respectfully Submitted,
Sheffler & Company, Inc.



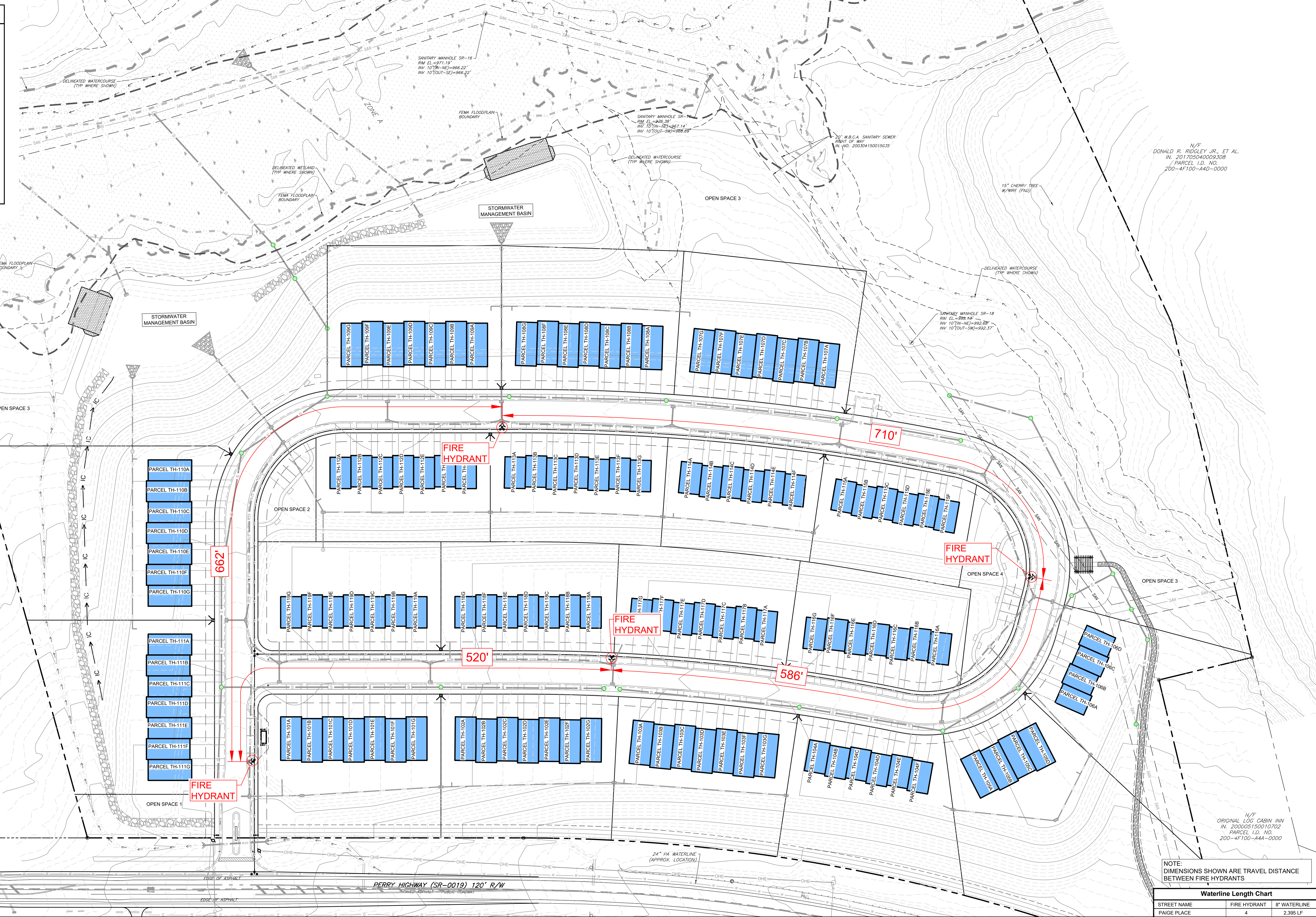
Edward M. Moore



**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit I

Fire Hydrant Map



FIRE HYDRANT EXHIBIT		Attn: Don Rodgers 215 Executive Drive Cranberry Township, PA 16066 724-776-2727
<i>DRAWING SCALE:</i> 1" = 50'	<i>DESIGNED BY:</i> RLS	Sheet No. EX600
<i>DATE ISSUED:</i> 10/14/2025	<i>REVIEWED BY:</i> GAS	
<i>PROJECT JOB#:</i> 3659	<i>FIELD BOOK #:</i> ---	
<i>CADD#:</i> 3659 - EX600 - FIRE HYDRANT EXHIBIT.DWG		

The diagram shows a horizontal scale and a north arrow. The scale is a horizontal bar with alternating black and white segments. It has markings for 50, 0, 50, and 100. Below the scale, the text "(Feet)" and "1 inch = 50 ft." is written. To the left of the scale is a north arrow, which is a circle with a cross inside, and the word "NORTH" is written next to it.

[illegible]

<i>Paige Place</i> <i>Residential Development</i>
<i>Prepared For:</i> <i>Wrigley 19 LLC</i>
<i>Situate In:</i> <i>Lancaster Township, Butler County, Pennsylvania</i>

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit J

Public Fire Hydrant Agreement

(Draft Form – to be completed when Applied For Territory is Approved)

RULES AND REGULATIONS

8. Public Fire Hydrants (cont'd)

8.5 Application for Public Fire Hydrant Service

WBS Element No. _____ **(C)**

Project Description _____ **(C)**

This Application made in triplicate this _____ day of _____, 20____,
by _____ (Applicant) (a Municipal corporation of the Commonwealth of
Pennsylvania), hereinafter called the "Applicant", to the **Pennsylvania-American Water
Company** (a corporation of the Commonwealth of Pennsylvania), doing business in the
of _____, hereinafter called the "Water Company."

The Applicant, upon the terms and conditions hereinafter set forth, hereby applies to the
Water Company for the installation of (a) public fire hydrant(s) to be located at:

In consideration for which the Applicant agrees to be bound by all the terms and conditions
of this application, and the Water Company's tariff as amended from time to time, and to pay the
Water Company for service at the schedule of rates in effect from time to time during the rendition
of such service.

The further terms and conditions upon which this application may be accepted by the
Water Company are as follows:

First: The public fire hydrant shall be furnished, installed, inspected, and maintained by
the Water Company.

Second: The use of the public fire hydrant will be restricted to the taking of water for the
extinguishing of above-ground fires. Water shall not be taken from any fire hydrant for
construction purposes, extinguishing underground fires, sprinkling streets, flushing sewers or
gutters, or for any other use unless specifically permitted by the Water Company for the
particular time and occasion. If the Water Company grants permission to use the fire hydrant
for purposes other than the extinguishment of fires, such use will be applied only if an approved
backflow prevention device is attached to the hydrant. Said device shall be furnished by the
Applicant.

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

8. Public Fire Hydrants (cont'd)

8.5 Application for Public Fire Hydrant Service (cont'd)

Third: Whenever a change in location of a fire hydrant is ordered by the Applicant, such change will be made at the expense of the Applicant.

Fourth: The Water Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions and fluctuations in service, but it cannot and does not guarantee that such will not occur. The extent of the rights of the Applicant under this application is to receive, but only at times of fire, such supply of water as shall then be available and no other or greater. The Applicant agrees that the Water Company shall not be considered in any manner an insurer of property or persons, or to have undertaken to extinguish fires or to protect any persons or property against loss or damage by fire, or otherwise. The extent of the Company's liability for any and all claims for damages on account of any injury to property or persons by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, shall be subject to the limitations set forth in Section 15.1 of its Tariff.

Fifth: The Applicant will indemnify, save harmless, and defend the Water Company from all claims, loss, costs, or damage on account of injury to persons or property occurring as a result of its use or operation, or the existence of said public fire hydrant(s) including but not limited to injury or damage to persons or property by reason of fire, water, failure to supply water or pressure, or for any other cause whatsoever, to the extent that the injury to persons or property is the result of the intentional acts or negligence of the Applicant, its employees or agents, and only to the extent that the Applicant could be held directly liable under the Pennsylvania Political Subdivision Tort Claims Act set forth in 42 Pa.C.S. § 8541 et seq. Nothing in this paragraph shall be deemed a waiver, contractual or otherwise, of the protections afforded the Applicant at 42 Pa. C.S. § 8541 et seq.

Sixth: The Applicant will notify the Water Company of each occasion on which a public fire hydrant is used so that the Company may be able to make a follow-up inspection.

Seventh: The rights and obligations of the Applicant hereunder shall be further subject at all times to the rates, rules and regulations of the Water Company that now exist or which may hereafter be adopted.

RULES AND REGULATIONS

8. Public Fire Hydrants (cont'd)

8.5 Application for Public Fire Hydrant Service (cont'd)

Eighth: The Applicant agrees to provide any permits required by the Applicant relative to this application for public fire hydrant(s) contracted for or its future replacement.

IN WITNESS WHEREOF the Applicant through a duly authorized official has hereunto signed this Application the day and year first above written.

WITNESS

APPLICANT

By _____

Print Name

(C)

Title

(C)

IN WITNESS WHEREOF the Water Company hereby accepts the foregoing Application this day of

_____, 20__.

WITNESS

PENNSYLVANIA-AMERICAN WATER COMPANY

By _____
Authorized Representative

[End of Application]

(C) means Change

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit K

DEP Permit for Ellwood City Water Treatment Plant



October 18, 2019

Mr. David Kaufman
Vice President - Engineering
Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055

Re: Public Water Supply Operation Permit No. 3716502
PA American Water Ellwood
APS ID No. 917424
Authorization ID No. 1286566
PWSID No. 6370011
New Beaver Borough & Wayne Township, Lawrence County

Dear Mr. Kaufman:

We are pleased to enclose Water Supply Permit No. 3716502 for the operation of the new Ellwood City Surface Water Filtration Treatment Plant. This permit is issued in response to a pre-operation inspection conducted by Department of Environmental Protection ("Department") personnel on September 12th, 2019, receipt of the Certificate of Construction/Modification Completion form, and receipt of documentation verifying the calculations performed in the Plant's SCADA system for the UV system as needed for Bin 2 treatment.

A comprehensive file review conducted by the Department identified the following sixteen (16) Public Water Supply permits associated with the old water treatment plant (Slippery Rock Creek source): 1574, 1681, 2279, 7118, 364W4, 365W10, 3788508, 364W4-T1, 365W10-T1, 3788508-T1, 3784502-T1-MA1, 3784501-T1-MA2, 3790501-MA1, 3701501, 3709504, and 3712504. Please review your records to confirm that the above listed permits are no longer necessary and can be cancelled. The Department requests that you notify our office within 30 days if you concur with the above listed permits and to formally request cancellation of the identified permits. The original permits should be returned to this office with your written concurrence/cancellation request.

Any person aggrieved by this action may appeal the action to the Environmental Hearing Board (Board), pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa.C.S. Chapter 5A. The Board's address is:

Environmental Hearing Board
Rachel Carson State Office Building, Second Floor
400 Market Street
P.O. Box 8457
Harrisburg, PA 17105-8457

TDD users may contact the Environmental Hearing Board through the Pennsylvania Relay Service, 800.654.5984.

Appeals must be filed with the Board within 30 days of receipt of notice of this action unless the appropriate statute provides a different time. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

A Notice of Appeal form and the Board's rules of practice and procedure may be obtained online at <http://ehb.courtapps.com> or by contacting the Secretary to the Board at 717.787.3483. The Notice of Appeal form and the Board's rules are also available in braille and on audiotape from the Secretary to the Board.

IMPORTANT LEGAL RIGHTS ARE AT STAKE. YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD AT 717.787.3483 FOR MORE INFORMATION. YOU DO NOT NEED A LAWYER TO FILE A NOTICE OF APPEAL WITH THE BOARD.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST BE FILED WITH AND RECEIVED BY THE BOARD WITHIN 30 DAYS OF RECEIPT OF NOTICE OF THIS ACTION.

This permit contains sixteen (16) special conditions. If you have any questions concerning this matter, please contact William Gaspari, P.E. at 814.332.6305 or via email at wigaspari@pa.gov.

Sincerely,



Brad E. Vanderhoof, P.E.
Regional Manager
Safe Drinking Water Program

Enclosures

cc: Timothy J. Glessner, P.E. – Gannett Fleming, Inc.
Daniel A. Cargnel, P.E. – Buchart Horn, Inc.
M. Postlewaite (pdf only)
J. Blake through K. Smith (pdf only)
W. Gaspari (pdf only)
SDW-Hrsbg-Facilities Permitting
File

BEV:BCS:WAG:mw



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF SAFE DRINKING WATER

PUBLIC WATER SUPPLY PERMIT

NO. 3716502

A. PERMITTEE: (Name and Address)

Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

B. PROJECT/PLANT LOCATION

Address 352 Industrial Park Drive
Municipality New Beaver Borough & Wayne Township
County Lawrence

C. THIS PERMIT APPROVES FOR: 1. ☐ CONSTRUCTION 2. ☒ OPERATION OF FACILITIES

AS INDICATED BELOW:

Approved Under Construction Permit No. 3716502Source

- ☐ Well(s)
☐ Spring(s)
☒ Surface Water*
☐ Finished Water

* Connoquenessing
Creek & Beaver River

Facilities

- ☐ Impoundment
☒ Settling
☒ Filtration
☐ Iron and Manganese Treatment
☐ Softening
☐ Fluoridation
☒ Distribution Facility

- ☒ General Corrosion Control
☐ Corrosion Control for lead/copper
☒ Disinfection
☒ Pump Station(s)
☒ Transmission Lines
☒ Finished Water Storage
☒ Other See Attached Page 2

BVRB

- ☐ Bottled Water System
☐ Bulk Water Hauling
☐ Vended Water System
☐ Retail Water Facility

KNOWN AS PA American Water – Ellwood City Water Treatment Plant (Continued on Pages 2 and 3)

LIMIT OF AUTHORIZATION

YOU ARE HEREBY AUTHORIZED TO CONSTRUCT OR OPERATE, AS INDICATED ABOVE, PROVIDED THAT FAILURE TO COMPLY WITH CHAPTER 109, OF THE RULES AND REGULATIONS OF THE DEPARTMENT OF ENVIRONMENTAL PROTECTION OR THE TERMS OR CONDITIONS OF THIS PERMIT SHALL VOID THE AUTHORITY GIVEN TO THE PERMITTEE BY THE ISSUANCE OF THE PERMIT.

THE PLANS, SPECIFICATIONS, REPORTS AND SUPPORTING DOCUMENTS SUBMITTED AS PART OF THE PERMIT APPLICATION BECOME PART OF THE PERMIT.

NO DEVIATIONS FROM APPROVED PLANS OR SPECIFICATIONS AFFECTING THE TREATMENT PROCESS OR QUALITY OF WATERS SHALL BE MADE WITHOUT WRITTEN APPROVAL FROM THE DEPARTMENT.

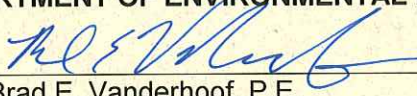
THIS PERMIT IS ISSUED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION UNDER THE AUTHORITY OF THE PENNSYLVANIA SAFE DRINKING WATER ACT, THE ACT OF MAY 1, 1984 (P.L. 206, NO. 43). OPERATION SHALL COMPLY WITH THE PROVISIONS OF CHAPTER 109 ADOPTED UNDER THE AUTHORITY IN SECTIONS 4 AND 6(e) OF THE PENNSYLVANIA SAFE DRINKING WATER ACT.

THIS PERMIT IS SUBJECT TO THE ATTACHED SPECIAL CONDITIONS 1 – 16

PERMIT ISSUED

Date October 18, 2019

DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: 
Brad E. Vanderhoof, P.E.
Regional Manager
Title Safe Drinking Water Program

PUBLIC WATER SUPPLY PERMIT

Date: October 18, 2019NO. 3716502

A. PERMITTEE: (Name and Address)

Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

B. PROJECT/PLANT LOCATION

Address 352 Industrial Park Drive
Municipality New Beaver Borough & Wayne Township
County Lawrence

Section C. - Continued**Source**☒ Surface Water

- One (1) Beaver River concrete intake with two (2) wedge wire, 33-in. diameter full barrel copper nickel alloy, 2.0mm screens.
- One (1) Connoquenessing River concrete intake with four (4) wedge wire, 36-in. diameter half barrel copper nickel alloy, 2.0mm screens.
- One (1) Beaver River concrete transition chamber (12-ft. L x 12-ft. W x 22.75-ft. H).
- One (1) Connoquenessing River concrete transition chamber (12-ft. L x 14-ft. W x 30.5 H).
- Two (2) skid-mounted intake air backwash systems with 15 HP reciprocating compressors.

Facilities☒ Settling

- Three (3) 1,384 gal. concrete rapid mix tanks (5'-4" L x 5'-4" W x 6'-6" SWD).
 - Three (3) vertical turbine, VFD-equipped, 20 HP rapid mixers (one (1) per tank) composed of 316SS.
- Two (2) concrete contact basins – Concrete Basin No. 1 (63,906 gal., 8'-6" L x 64'-10" W x 16' SWD) & Contact Basin No. 2 (57,181 gal., 8'-6" L x 55'-4" W x 16' SWD). (T10/T of 0.3)
 - Six (6) vertical turbine, 1 HP mixers (three (3) per basin) composed of 316SS.
- Three (3) 83,433 gal. concrete flocculation basins with three (3) 27,811 gal. stages per basin (13' L x 22' W x 13' H). (T10/T of 0.3)
 - Nine (9) horizontal paddle wheel flocculators (three (3) per basin) with 3, 1.5, and 0.75 HP VFD-equipped motors for Stages 1, 2, and 3, respectively.
- Three (3) 100,502 gal. sedimentation basins with stainless steel inclined plate settlers. (T10/T of 0.3)
 - Three hundred and thirty-nine (339) plates per basin with an effective plate surface area of 20.67 ft² per plate.
 - Three (3) submerged, cable-driven, vacuum-type sludge collection systems (one (1) per basin) each equipped with 0.25 HP cable motor.

☒ Filtration

- Four (4) dual-cell, dual-media rapid gravity filters (20' L x 12' W x 18' H, each cell)
 - Media depths: 48-in. of granular activated carbon, 12-in. of silica sand, and 12-in. of support gravel.
 - Lateral underdrains.
 - Two (2) VFD-equipped, 125 HP, horizontal, split-case centrifugal wash water pumps rated for 9.36 MGD at 50 feet of total dynamic head.
 - Air scour system with a blower system consisting of two (2) rotary positive displacement blowers each rated for 960 scfm at 6 psi.

☒ Softening

- Two (2) chemical chase water softening systems each rated for a design flow of 25 gpm.

☒ General Corrosion Control

- Liquid lime feed system consisting of one (1) 16,000-gallon lime slurry tank and three (3) hydraulic diaphragm chemical feed pumps each rated for a maximum feed rate of 20.18 gph at 100 psi.
- Phosphoric acid feed system consisting of one (1) 2,000-gallon bulk storage tank, one (1) 100-gallon day tank, two (2) centrifugal transfer pumps each rated for 50 gpm at 45 feet of total dynamic head, and two (2) solenoid diaphragm feed pumps each rated for a maximum feed rate of 4.8 gph at 145 psi for feeding 75% phosphoric acid.

☒ Disinfection

- Two (2) ultraviolet (UV)-oxidation disinfection medium pressure reactors composed of 316L SS.
 - Sixteen (16) 12.5 kW lamps per reactor
 - Two (2) peristaltic feed pumps each rated for a maximum feed rate of 15.85 gph at 100 psi of 50% hydrogen peroxide.
- Liquid sodium hypochlorite feed system consisting of three (3) 8,330-gallon bulk storage tanks, one (1) 2,000-gallon day tank, two (2) centrifugal transfer pumps rated for 50 gpm at 45 feet of total dynamic head, three (3) peristaltic feed pumps each rated for a maximum feed rate of 33.3 gph at 30 psi, and one (1) peristaltic feed pump rate for 158.5 psi at 30 psi for feeding 12.5-15% liquid sodium hypochlorite.

A. PERMITTEE: (Name and Address)

Pennsylvania American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

B. PROJECT/PLANT LOCATION

Address	352 Industrial Park Drive
Municipality	New Beaver Borough & Wayne Township
County	Lawrence

Section C. - Continued☒ **Pump Stations**

- One (1) dry concrete caisson raw water pump station with three (3) VFD-equipped, three-stage vertical turbine pumps each rated for 5.34 MGD at 209 feet of total dynamic head.
- Three (3) horizontal, split-case, VFD-equipped, centrifugal finished water pumps each rated for 5.0 MGD at 340 feet of total dynamic head.

☒ **Transmission Lines**

- One (1) 24-in. diameter ductile iron finished water line from the water treatment plant to the existing distribution system.
- One (1) 16-in. diameter ductile iron finished water line from the water treatment plant to the existing distribution system on the West side of the Beaver River (approximately 4,330 feet).

☒ **Finished Water Storage**

- Two (2) concrete, serpentine clearwells with each clearwell having a volume of 687,446 gallons (61' L x 115' W x 13.91' SWD). (T10/T of 0.7)

☒ **Other: Chemical Feed Systems**

- Sodium permanganate feed system consisting of one (1) 3,000-gallon bulk storage tank, one (1) 110-gallon day tank, two (2) centrifugal transfer pumps each rated for 50 gpm at 45 feet of total dynamic head, and three (3) solenoid diaphragm feed pumps each rated for a maximum feed rate of 7.71 gph at 102 psi for feeding 20% sodium permanganate.
- Aluminum sulfate feed system consisting of two (2) 8,000-gallon bulk storage tanks, one (1) 1,250-gallon day tank, two (2) centrifugal transfer pumps each rated for 50 gpm at 45 feet of total dynamic head, and four (4) motor diaphragm feed pumps each rated for a maximum feed rate of 96.4 gph at 145 psi for feeding 48% aluminum sulfate or 15-45% aluminum chloride hydroxide sulfate such as DelPAC 2020.
- Coagulant aid polymer feed system consisting of one (1) 275-gallon spare tote, one (1) 220-gallon storage tote, one (1) polymer blending system, two (2) 400-gallon stainless steel mixing tanks and two (2) positive displacement, progressive cavity-type polymer feed pumps each rated for a maximum feed rate of 11 gpm at 35 psi.
- Filter aid polymer feed system consisting of one (1) 275-gallon spare tote, one (1) 220-gallon storage tote, one (1) polymer blending system, two (2) 400-gallon stainless steel mixing tanks and two (2) positive displacement, progressive cavity-type polymer feed pumps each rated for a maximum feed rate of 11 gpm at 35 psi.
- Caustic soda feed system consisting of two (2) 6,000-gallon bulk storage tanks, one (1) 1,000-gallon day tank, two (2) centrifugal transfer pumps each rated for 50 gpm at 45 feet of total dynamic head, and three (3) peristaltic feed pumps each rated for a maximum feed rate of 123 gph at 30 psi for feeding 25% sodium hydroxide.
- Aqueous ammonia feed system consisting of one (1) 3,000-gallon bulk storage tank, one (1) 100-gallon day tank, two (2) centrifugal transfer pumps each rated for 50 gpm at 45 feet of total dynamic head, and two (2) diaphragm chemical feed pumps each rated for 7.71 gph at 102 psi for feeding 19% ammonium hydroxide.
- Two (2) powdered activated carbon feed systems each consisting of a bulk bag unloading system, feeder hopper, volumetric auger-type feeder, and wetting cone.

☒ **Other: Monitoring Equipment**

- One (1) Streaming Current Analyzer and one (1) pH Analyzer located at the influent flocculation/sedimentation flume.
- Eleven (11) Turbidimeters with one (1) located at the plate settler effluent, eight (8) located at each filter cell effluent, one (1) located at the combined filter effluent, and one (1) located at the finished water line.
- Ten (10) Flowmeters with two (2) located on the discharge lines of the Raw Water Pump Station, four (4) located on the effluent line of each filter, two (2) located on the influent of each UV system, and two (2) located on the finished water lines.
- Three (3) Chlorine Analyzers and three (3) pH Analyzers with one (1) of each analyzer located at the UV system discharge line, one (1) of each analyzer located at Clearwell No. 2 effluent line, and one (1) of each analyzer located at the finished water line.
- One (1) Chlorine Analyzer located at Clearwell No. 1 effluent line.
- Two (2) Ammonia/Chloramine Analyzers with one (1) located on the Clearwell No. 1 influent line, and one (1) located on the finished water line.
- One (1) Phosphate Analyzer located at the finished water line.
- Beaver River Water Quality Monitoring Panel located on the Beaver River intake line for monitoring raw water pH, ORP, conductivity, dissolved oxygen, oil in water, and turbidity.
- Connoquenessing Creek Water Quality Monitoring Panel located on the Connoquenessing Creek intake line for monitoring raw water pH, ORP, conductivity, dissolved oxygen, oil in water, and turbidity.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
SAFE DRINKING WATER PROGRAM

Date: October 18, 2019

Permit No.: 3716502

SPECIAL CONDITIONS

**Pennsylvania American Water Company
Ellwood District**

1. The raw water pump station shall contain three (3) 3,708 gpm, vertical turbine pumps with VFD-equipped motors. The design TDH is 209 feet of head. The design capacity of the raw water pump station is 10.7 MGD based on one (1) 3,708 gpm pump out of service.
2. The high service pump station shall consist of three (3) 3,470 gpm, horizontal split case, centrifugal pumps with VFD-equipped motors. The design TDH is 340 feet of head. The design capacity of the high service pump station is 9.99 MGD based on one (1) 3,470 gpm pump out of service.
3. The chemical used as a coagulant aid (such as Nalco Nalcolyte 8100 or Nalclear 8181) shall be an ANSI/NSF Standard 60-certified cationic polymer or a nonionic emulsion flocculant. Should the permittee want to change the coagulant aid chemical from what was specified in the permit application, equivalency shall be demonstrated to the Department prior to the switchover.
4. The chemical used as a filter aid (such as Nalco Cat-Floc 8102 Plus) shall be an ANSI/NSF Standard 60-certified cationic polymer. Should the permittee want to change the filter aid chemical from what was specified in the permit application, equivalency shall be demonstrated to the Department prior to the switchover.
5. The chemical used for general corrosion control (such as Sal Chemical SmartPhos 20z) shall be an ANSI/NSF Standard-60 certified phosphoric acid solution consisting of approximately 65-80% phosphoric acid. Should the permittee want to change the general corrosion control chemical from what was specified in the permit application, equivalency shall be demonstrated to the Department prior to the switchover.
6. The filtration system shall consist of four (4) dual-media GAC filter boxes, whereas each filter box contains a pair of filters (eight filters total) which share common influent, effluent, waste, and filter-to-waste valves. Each filter is 240 square feet and is limited to filtration rate of 4.0 gpm/ft², consistent with the treatment plant design flow rate of 5,556 gpm. The plant design capacity is 8.0 MGD based on one filter box (two filters) out of service.

7. The permittee shall maintain a set of chlorine contact time (CT) tables for operators' use. The set of tables shall identify the minimum Entry Point chlorine residual needed to achieve 1 and 3-log pre- and post-filtration *Giardia* inactivation. Those tables shall assume a T10/T of 0.3 in the flocculation and sedimentation basins and 0.7 in the clearwell. These tables shall also consider the various possible water levels in the clearwell and various flow rates. The tables shall be provided for the range of pH and temperatures that can reasonably be expected in the settled and finished water. The permittee may conduct a tracer of study of the flocculation, sedimentation, and clearwell in accordance with EPA guidelines after the issuance of the operation permit to determine the actual baffling factors and/or to confirm the theoretical assigned baffling factors. If a tracer study is conducted, the tracer study report shall be submitted to the Department upon completion.
8. The Beaver River at the Pennsylvania American Water Company – Ellwood Water Treatment Plant (“PAWC – Ellwood”) intake is designated as a Bin 2 source as a result of testing required by the Long Term 2 Enhanced Surface Water Treatment Rule (“LT2”). The PAWC – Ellwood treatment facilities are recognized as “conventional filtration treatment” under Chapter 109 regulations and credited with 3.0 log (99.9%) *Cryptosporidium* removal, provided they are operated in compliance with the Safe Drinking Water Act and Regulations. The permittee shall provide an additional 1.0 log (90%) *Cryptosporidium* inactivation or removal, resulting in a total of 4.0 log (99.99%) *Cryptosporidium* treatment in any month the Beaver River source is used. The additional 1.0 log (90%) *Cryptosporidium* treatment shall be provided in accordance with one or more of the combined filter and individual filter performance and ultraviolet light options outlined in Special Condition Nos. 9 - 15.

Combined Filter and Individual Filter Performance Options

9. To receive an additional 0.5 log *Cryptosporidium* treatment credit, the permittee shall meet the requirements outlined in 25 Pa. Code § 109.1204(g), the Combined Filter Effluent (“CFE”) Performance Toolbox Option. The CFE turbidity must remain less than or equal to 0.15 NTU in at least 95 percent of the continuous CFE measurements, collected for the month.
10. To receive an additional 0.5 log *Cryptosporidium* treatment credit, the permittee shall meet the requirements outlined in 25 Pa. Code § 109.1204(h), the Individual Filter Effluent (IFE) Performance Toolbox Option. The IFE turbidity must remain less than or equal to 0.15 NTU in at least 95 percent of the continuous IFE measurements from each filter, each month. In addition, the turbidity from any filter must never be greater than 0.3 NTU in two consecutive measurements collected 15 minutes apart.
11. The permittee shall calculate and record, no less frequently than once per calendar day, the cumulative monthly percentile calculations necessary to determine compliance with the 95th percentiles specified in Special Conditions Number 9 and Number 10, above.

Ultraviolet Light (UV) Option

12. To receive an additional 1.0 log *Cryptosporidium* treatment credit, the permittee shall meet the requirements outlined in 25 Pa. Code § 109.1204(q), the Ultraviolet (UV) Light Performance Toolbox Option and the requirements outlined in Special Condition Number 13, below. At least 95% of the water produced in any month that the Beaver River source is utilized and in which the UV will be utilized to provide the additional 1.0 log *Cryptosporidium* inactivation, must be treated while the UV reactor is operating within the validated conditions, such that the validated dose (D_{val}) is greater than or equal to 2.5 mJ/cm².

The permittee shall determine the volume and duration of the flow of the water through the UV reactor during off-specification operation and determine the percentage of monthly flow that is off-specification on a volume basis. Events where off-specification water is produced for more than four (4) hours shall be documented in the operational record and the permittee shall notify the Department within one (1) hour of the event. A report shall be prepared and submitted monthly to the Department and must include the percentage of off-specification water produced through the UV reactor.

13. To receive 1.0 log *Cryptosporidium* treatment credit for the UV reactor the permittee shall comply with the following:
- a) The Department reviewed the Public Water Supply (PWS) Permit Application specifically for a Trojan UV Swift Model 16L30-6L reactor. This UV reactor has been third-party certified in accordance with the EPA Ultraviolet Disinfection Guidance Manual (UVDGM). The permittee may not install any other UV reactor without the prior written approval of the Department.
 - b) The permittee shall always maintain at least two (2) properly calibrated reference UV intensity sensors. The reference UV intensity sensors shall be stored in accordance with the manufacture's recommendations.
 - c) The reference UV intensity sensors shall be calibrated at least once every 365 days by the manufacturer.
 - d) All the duty UV intensity sensors shall be verified with the reference UV intensity sensors at least once every 30 days in accordance with Section 6.4.1.1 of the UVDGM UV sensor calibration evaluation procedure. All associated verification results shall be recorded, and records maintained on site for Department review upon request.
 - e) The UV Transmittance Sensor shall be evaluated at least once per week in accordance with Section 6.4.1.2 of the UVDGM, by comparing the UV transmittance measurements to benchtop spectrophotometer measurements. The benchtop UV spectrophotometer shall be maintained and calibrated at the frequency required by the manufacturer. All associated calibration results shall be recorded and maintained on site for Department review upon request.

- f) The Trojan UV Swift Model 16L30-6L reactors shall operate within the following validated parameters:

- 1) Instantaneous maximum flow through the UV reactor ≤ 41 MGD equivalent to 59,040 gpm
- 2) UV transmittance maintained greater than or equal to 78% (maximum UVT used in the dose-monitoring equation shall be 98%)
- 3) Lamp power setting maintained between 30 and 100%
- 4) A validated dose (D_{val}) greater than or equal to 2.5 mJ/cm²

- g) The flow rate through the UV reactor, the UV intensity, the UV transmittance, and lamp status shall be continuously monitored and recorded at least once every 15 minutes. The total run time, total volume produced, minimum UV intensity, minimum UV transmittance, maximum flow rate, minimum validated dose (D_{val}), time off-specification, and total volume off-specification shall be recorded daily.

- h) The Trojan UV Swift Model 16L30-6L reactor shall calculate the validated dose by the method provided in the April 2008 HDR/Hydroqual Validation Report.

14. The permittee shall complete the LT2ESWTR Toolbox Monthly Operational Report Form (3900-FM-BSDW0517) for each month in which the PAWC - Ellwood treatment plant claims *Cryptosporidium* treatment credit via the UV reactor; this form shall be submitted no later than ten (10) days after the end of the month to the Department's Safe Drinking Water Program at:

Department of Environmental Protection
Safe Drinking Water Program
Technical Services Section
230 Chestnut Street
Meadville, PA 16335

15. The permittee shall complete the following UV monitoring reports, or their equivalent, for the UV reactor and submit them to the Department's Safe Drinking Water Program no later than ten (10) days after the end of each month, for any month in which UV reactor credit is claimed to meet the LT2 Bin 2 treatment requirements:

Department of Environmental Protection
Safe Drinking Water Program
Technical Services Section
230 Chestnut Street
Meadville, PA 16335

- a) Monthly Calibration Check UV Intensity Sensors (3900-FM-BSDW0483).
- b) Monthly Calibration Check UV Transmittance Analyzers (3900-FM-BSDW0484).
- c) Summary Monthly UV Report – Installation with Calculated Dose Monitoring (3900-FM-BSDW0485).
- d) Operating Log – Units with Calculated Dose Monitoring Approach (3900-FM-BSDW0488).

e) Off-Specification Volume Calculation Worksheet (3900-FM-BSDW0487).

Equivalent reporting may be submitted if it includes at least all of the information required within the documents identified in Special Condition Nos. 15.a through 15.e, above. The permittee may create equivalent reports by editing and compiling any of the reports. The permittee shall comply with any change in reporting as required by the Department, including the method of transmittal to the Department.

Performance Calculations and 1-Hour Reporting

16. The permittee shall notify the Department within one (1) hour of becoming aware that the additional 1.0 log *Cryptosporidium* treatment requirement will not be met for the month through any combination of Special Conditions Number 9 and Number 10 or Special Conditions Number 12 and Number 13 above (e.g., the CFE or IFE calculations will not meet the 95th percentile requirement or any IFE exceeds 0.3 NTU in two consecutive 15-minute readings and greater than 5% of water produced through the UV reactor is off-specification).

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit L

Operator License of Eric S. Blanchard of Ellwood City Water Treatment Plant

Commonwealth of Pennsylvania

Department of Environmental Protection

*In accordance with the
State Board for Certification of Water and Wastewater Systems Operators
and the Regulations of the
Department of Environmental Protection*

ERIC S BLANCHARD

Is Hereby Authorized to Operate
WATER SYSTEM

Class: A,E, Water

Subclass: 1,2,3,4,5,6,7,8,9,10,11,12,13,14

Client ID: 201423

**ERIC S BLANCHARD
120 ROTHEN AVE
BUTLER PA 16001-3129**

Issue Date Oct 1, 2023
Expiration Date Sep 30, 2026

Mary Roland

Board Chairperson

Certificate No. W8899

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit M

Revenues and Expenses for Applied for Service Territory

**Estimated Annual Revenue and Expense
in Application Territory
Water**

Line No.		124 Residential Customers	4 Public Fire Hydrants	Total
1	Annual Revenue			
2	Meter Size	5/8"		
3	Average Monthly Usage (100 Gallons)	32.01		
4	Monthly Service Charge	\$18.80	\$22.86	
5	Usage Charge per 100 Gallons	\$1.8772		
6	Usage Charge	\$60.09		
7	Monthly Total Revenue	<u>\$78.89</u>	<u>\$22.86</u>	<u>\$101.75</u>
8	Annual Revenue per Customer (Ln. 7 x 12 months)	\$946.68	\$274.32	\$1,221.00
9				
10	Estimated Annual Residential Revenue	\$117,388.32		\$117,388.32
11	Estimated Annual Public Fire Hydrants Revenue		\$1,097.28	\$1,097.28
12				
13	Total Estimated Annual Revenues			\$118,485.60
14				
15	Estimated Annual Expenses			
16				
17	Estimated Annual Expense (124 Residential Customers)	\$23,665.49		\$23,665.49
18	Estimated Annual Expense (4 Public Fire Hydrants)		\$221.21	\$221.21
19				
20	Total Estimated Expenses Per Year			\$23,886.70
21				
22	Net Income (Ln. 13 - Ln. 20)			\$94,598.90

Exhibit M

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit N

Approval Letters/Minutes from Lancaster Township, Butler County for Paige Place Development



LANCASTER TOWNSHIP

BUTLER COUNTY, PA

Lancaster Township

May 18, 2026

Board of Supervisor's Meeting Agenda

6:00 PM

Call to Order Time: _____

I. Pledge of Allegiance

II. Visitors & Public Comment

III. Administrative Business

1. Motion to approve the minutes of April 20, 2026, meeting of the Board of Supervisors.
2. Motion to approve the bills to be paid for April 2026, totaling \$84,932.28.
3. Motion to approve \$7,000 donation to Zelenople Library (in 2026 budget).
4. Motion to accept Peggy Suhr-Barkley's resignation from the Park Committee
5. Motion to accept Debbie Scott's resignation from the Planning Commission.
6. Motion to approve First Energy-Lancaster Township Street Light Agreement.

IV. Old Business

1. Pre-approval, conditional, upon Solicitor's final approval for set-aside agreement for Paige Place.
2. Pre-approval, conditional, upon Solicitor's final approval for developer's agreement for Paige Place.

V. New Business

1. Appointment of Dennis Hamilton as the Emergency Management Coordinator for Lancaster Township.
2. Appointment of Owen Pella as the Floodplain Administrator for Lancaster Township.

VI. Other Business-None



LANCASTER TOWNSHIP

BUTLER COUNTY, PA

VII. Planning, Land Use, and Zoning

1. Motion to approve Graf Custom Construction LLC, Heavy Equipment Storage Building Land Development final plans at 217 E. Lancaster Rd. Harmony, PA Parcel#200-4F98-36B-0000.
2. Motion to approve Pine Valley Estates Subdivision (and water treatment plant addition per PADEP) 107 Matthew Dr. Harmony, PA, PA Parcel# 200-4F127-A12D-0000 & Parcel# 180-4F127-4-0000
3. Motion to approve Paige Place Residential Development Final Subdivision Plan, 400 Perry Hwy, Harmony, PA 200-4F100-A17-0000
4. Discuss Patriot Auto's request to start construction prior to approval of the land development plan.

Building Permits

1. Permits issued in April 2026: 2
YTD: 16

Reports

1. Attorney
2. Supervisors
3. Manager
4. Treasurer
5. Administrative
6. Engineer
7. Police
8. Road
9. Zoning
10. Planning Commission

Time of Break (if needed): _____; Return: _____

VIII. Executive Session (if needed) Time: _____; Return: _____

IX. Adjourn Time: _____



LANCASTER TOWNSHIP

BUTLER COUNTY, PA

Meeting Procedures

The following rules of conduct apply for Lancaster Township Public Meetings as per Resolution 2026-06:

1. There will be at least one (1) public comment period designated for public comment at each Board of Supervisors meeting, subject to the rules set forth below.
2. Any residents or taxpayers of the Township who wish to speak during public comment should sign-in prior to the start of the meeting with their name, address, and topic they wish to discuss.
3. The Chairman of the Board of Supervisors will call the resident and/or taxpayer to come to the podium and speak in regard to Township business or interests only.
4. While the resident or taxpayer will record their address on the sign-in sheet, when they are called to the podium, they will state their name and confirm that they are a resident or taxpayer of Lancaster Township. There is no need to recite their address during the public meeting.
5. In the event a resident or taxpayer wishes to speak and had not signed-in prior to the meeting, they can ask to speak at the end of public comment by signing-in pursuant to the procedures and protocols set forth above.
6. All public comments are limited to five (5) minutes and shall be limited to discussing Township business or interests.
7. All attendees shall silence electronic devices or place on vibrate to prevent disrupting the meeting.
8. All attendees shall refrain from disrupting the meeting by speaking on phones or talking to others during the meeting.
9. All attendees shall remain courteous and refrain from public displays, such as clapping, cheering, or comments when another person is speaking.
10. There shall be no disruptive behavior such as clapping and/or stomping. Audience members and/or speakers will not be removed unless there is an actual and serious disruption.
11. A "Three Strikes" rule will be applied for meeting disruptions. The Board recognizes the public's right to comment and also the Board's authority to maintain order. A speaker or member of the audience who is determined by the Chair to be disrupting the meeting will receive a warning. Upon a third consecutive warning, the speaker or audience member will be directed to yield the floor and may be removed from the meeting to allow the Board to continue its business in an orderly manner.
12. The Board of Supervisors may limit repetitious comments.
13. These rules shall be applied neutrally to all speakers.
14. Speech shall not be limited to a particular viewpoint, opinion, or identity of the speaker.
15. There is a time set forth for public comment and members of the public shall refrain from calling out during the meeting as any issues should be raised during the public comment section.



LANCASTER TOWNSHIP

BUTLER COUNTY, PA

March 19, 2026

Paige Rodgers
Creative Real Estate Development Company
215 Executive Drive, Suite 300
Cranberry Twp., PA 16066

Lancaster Township Board of Supervisors approved the Paige Place Residential Development Preliminary Subdivision Plan contingent upon the recommendations on GFT's letter dated February 10, 2026. Those being but not limited to those listed below.

1. Snow chute to be included 20 x 20 feet is recommended.
2. Safety fence to be included around the storm water facilities.
3. To consider a boulevard style road entrance from the entrance of Paige Place to the first intersection.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bonnie Forsythe".

Bonnie Forsythe
Township Manager



February 10, 2026

Mr. Greg Kessler, Chairman
Lancaster Township
113 Kings Alley
Harmony, PA 16037

Subject: Paige Place Residential Development
Preliminary Subdivision Plan
Parcel # 200-4F100-A17

Dear Mr. Kessler:

We have reviewed the revised Paige Place Residential Development plans dated February 5, 2026 prepared by Sheffler & Company, Inc. and offer the following comments:

LOCATION

Property fronts on Route 19 – 400 Perry Highway

ZONING

Mixed Use (MU) and Access Overlay

DESCRIPTION

The creation of 124 townhome units

ZONING ORDINANCE COMMENTS

1. Ingress and egress. All ingress and egress shall be approved by the Township prior to construction. They have provided a Highway Occupancy permit application that indicates that it is returned for comments but PennDOT did not have any comments. Please provide a copy of the approved permit. The partial boulevard street at the entrance of the plan has been removed. (§300-20.E.5)



Ingenuity That Shapes Lives™

SUBDIVISION AND LAND DEVELOPMENT ORDINANCE COMMENTS

2. The snow chute has been removed from the drawings. The Township Roa Foreman would prefer to keep the snow chute and have it at least 2- feet wide. (§243-28.Y)
3. The street name shall be approved by the Township and provided to Butler County for approval once the plan is approved by the Township. (§243-29.B&C)

STORMWATER MANAGEMENT ORDINANCE COMMENTS

4. A safety fence may be required, at the discretion of the municipality, for any stormwater management facility. The fence shall be a minimum of four feet high, and of a material acceptable to the municipality. A gate with a minimum opening of 10 feet shall be provided for maintenance access. No fence is proposed. (§229-22.B.15)
5. The ten-foot-wide access road to the Basin 2 travels through Basin 1. The infiltration area has been modified to exclude the access drive in Basin 1. (§229-22.B.18.C)
6. Prior to final approval of the SWM site plan and report, the applicant shall sign the operation and maintenance (O&M) agreement covering all stormwater control facilities that are to be privately owned. The operation and maintenance (O&M) agreement shall be recorded with the SWM site plan and made a part hereto.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

GFT INFRASTRUCTURE, INC.

Thomas L. Thompson, P.E.
Senior Project Manager

E: tthompson@gftinc.com

C: 724.272.0520 | O: 724.269.5168

gftinc.com

cc: Ed Moore, Sheffler & Company, Inc.
Paige Rodgers, Wrigley 19, LLC

**In re: Application of Pennsylvania-American Water Company for Approval of the
Right to Offer, Render, Furnish or Supply Water Service to the Public in an
Additional Portion of Lancaster Township, Butler County, Pennsylvania**

Exhibit O

Approval Letters/Minutes from Butler County Planning Commission

Butler County Board of Commissioners Planning Commission

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5300 Fax 724.284.5315 TDD 724.284.5473

Commissioners

Leslie A. Osche, **Chairman**
Kimberly D. Geyer, **Vice Chairman**
Kevin E. Boozel, **Secretary**



Planning Department

Mark S. Gordon

January 29, 2025

Lancaster Township
113 Kings Alley
Harmony, PA 16037

The Butler County Planning Commission Staff reviewed the following plan in your municipality in accordance with Section 502(a) of the Pennsylvania Municipalities Planning Code:

Paige Place Subdivision #25009

The Butler County Planning Commission did not have any comments on this plan; however, they note that the Applicant was only charged for the 26-lot Subdivision, not the planned 124 Residential Units. The remaining \$1,400.00 must be paid before the plan can be signed by the County.

Please be aware that The Pennsylvania Municipalities Planning Code requires county recording within 90 days of approval signatures by the governing body. If a plan is conditionally approved, the plan approval date will be when the conditions for approval are complete. PaMPC Article V, section 513(a)

A revised property deed also needs to be recorded when a parcel is altered so that the change can be properly accounted for in the Butler County Mapping and Assessment offices.

Mark Gordon
Chief of Economic Development and Planning
County of Butler
724-284-5300
mgordon@co.butler.pa.us

Butler County Board of Commissioners

Planning Department

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5300 Fax 724.284.5315 TDD 724.284.5473

Commissioners

Leslie A. Osche, *Chairman*
Kimberly D. Geyer, *Vice Chairman*
Kevin E. Boozel, *Secretary*



Planning Department

Mark S. Gordon

BUTLER COUNTY PLANNING COMMISSION

AGENDA

FEBRUARY 19, 2025

UL Conference Room

Call to Order

Approval of Minutes – January 15, 2025

Public Comments

Officer Reports

- Chairman Report
- Secretary Report

Planning Department Report

- January Receipts - \$5,280.00
- 2025 Year to Date Receipts - \$5,280.00

Old Business

- Paige Place #25009 PRD

Additional review fee collected to meet Planning Commission requirements for signing.

New Business

Introduce Nathan Werner

Reauthorization of In-House Reviews under current County SALDO.

Declaration of Abstentions

Subdivision Review

- Butler County SALDO Plans
 - o Cherry Valley Borough
 - Tanker Carrier Services #25035 Parking Lot Expansion
Commercial Expansion
 - o Washington Township
 - Hagg #25029 Subdivision
One Lot and Remnant
Check sight distance on Bruin Road for new driveway.
No water supply indicated for new lot.
- Major Plans
 - o Jackson Township
 - AutoZone #25014 Development
Commercial Building
 - Creekside Manor Phase 3 #25026 Development
5 Apartment Buildings (244 Units) with Community Center
Noted that additional impervious surface being added to flood plain area.
 - Swampoodle #25027 Subdivision
4 Lots and Remnant
Recommend verifying water and sewer capacity for new lots.
 - o Penn Township
 - Hicks Road #25032 Development
Commercial Building
 - Thomasmeyer/Carr #25025 Subdivision
4 Lots and Remnant
 - o Winfield Township
 - Jones/Shaw/Benzinger #25028 Subdivision
4-Lot and 2-Lot Subdivision of Adjoining Parcels, Right of Way, and Lot
Line Revision

- Minor Plans

- o Buffalo Township

- Gasienski #25037 Subdivision
1 Lot and Remnant

- o Center Township

- McGarrah #25036 Subdivision
1 Lot and Remnant
 - Shanor #25016 Subdivision
1 Lot and Remnant
Plan does not show sewage information. (Possibly public?)

- o Clearfield Township

- Bergbigler #25022 Subdivision
1 Lot and Remnant
Plan does not show existing septic on Remnant Lot.
Existing driveway from Remnant lot could block access to Lot 1.
Current access to Lot 1 crosses Parcel 090-1F102-B19-0000
If new driveway access to Game Reserve Road is planned a Highway
Occupancy Permit will be required.

- o Clinton Township

- Merbach/Snyder #25031 Lot Line Revision
Conveying 9.021 acres to neighboring lot.
 - Roenigk #25017 Lot Line Revision
Conveying 2.087 acres to neighboring lot

- o Cranberry Township

- Crescent Plan Phase 1A-R3 #25020 Lot Line Revision
Adjusting existing Lot Line.

- o Donegal Township

- Cress #25019 Lot Line Revision
Conveying existing Right of Way to neighboring lot.
Right of Way agreement does not address future owners or maintenance.
Plan does not show sewage information.

- o Forward Township
 - Wright/English/Schmidt/Drushel #25030 Lot Line Revision
Central lot conveying acreage to surrounding lots.
- o Middlesex Township
 - Randolph #25034 Lot Line Revision
14.21 acres conveyed to Lot 1; 2.31 acres conveyed to Parcel B.
Plan does not show septic information.
 - Tisdale Plan No. 4 #25033 Subdivision
1 Lot and Remnant
Plan does not display a Right of Way agreement for Lot 1-BR and Lot 401 crossing each other's property on private lane.
Recommend a Right of Way agreement detailing all parties with access to and/or responsibility for Ferguson Lane.
- o Slippery Rock Township
 - Mehlenbacher/Rassman #25018 Lot Line Revision
Dividing a vacant lot between two neighboring lots.
Plan does not show sewage information. (Possibly public?)
- o Winfield Township
 - Graff Plan No. 5 #25021 Subdivision
1 Lot and Remnant.
- o Zelienople Borough
 - Glade Run Phase 3 #25023 Lot Line Revision
Party Walls
 - Glade Run Phase 4 #24024 Lot Line Revision
Party Walls

Adjournment

Next Meeting: March 19, 2025 in the UL Conference Room

Butler County Board of Commissioners Planning Department

124 W. Diamond Street, PO Box 1208, Butler, PA 16003-1208
Phone 724.284.5300 Fax 724.284.5315 TDD 724.284.5473

Commissioners

Leslie A. Osche, *Chairman*
Kimberly D. Geyer, *Vice Chairman*
Kevin E. Boozel, *Secretary*



Planning Department

Mark S. Gordon

BUTLER COUNTY PLANNING COMMISSION

MINUTES

FEBRUARY 19, 2025

UL Conference Room

Call to Order

Chairman Jesse Hines called the meeting to order at 4:29pm.

Members In Attendance: Joe Gray PE, Ron Henshaw, Jesse Hines, Cheryl Hughes,
Tom Kamerer, Larry Kurpakus, Charles McCall, Barb Sutton

Members Not In Attendance: Brent Thomas

Staff Present: Michele Gebhart, Mark Gordon, Sherry Sholes, Nathan Werner

Guests Present: Ed Moore – Sheffler, Dan Robinson – Hudson, Kelly Coey – Hudson,
Josiah Hoefler – Gateway Engineers, Steve Ferris – Butler Eagle, Nick Nelson

Approval of Minutes – January 15, 2025

Cheryl made a motion to accept the minutes for the January 15, 2025 meeting. Tom Kamerer seconded the motion. The motion passed.

Public Comments

None

Officer Reports

- Chairman Report – nothing to report

- Secretary Report – nothing to report

Planning Department Report

- January Receipts - \$5,280.00
- 2025 Year to Date Receipts - \$5,280.00
- Introduced Nathan Werner – Project Manager and Assistant Director of Planning, will have oversight responsibilities once the Planner position is filled.
- Discussed the Recorder of Deeds's requirements for a plan – reiterated that their responsibilities are to verify dates, seals, and signature blocks, not to review a plan's contents. All information involving the requirements for a plan to be recorded are in the County SALDO.

Old Business

Reported that the additional review fee was collected for the Paige Place #25009 PRD, satisfying last month's conditional approval.

New Business

Discussed reinstituting in-house reviews. The Commission agreed to allow in-house reviews for minor plans under municipal jurisdiction and revisions to major plans rectifying clerical errors or omissions. It was suggested that review fees should not be collected for revisions involving clerical errors. Larry Kurpakus made a motion to authorize in-house reviews as discussed. Cheryl Hughes seconded the motion. The motion passed.

Cheryl Hughes reported that Land Surveyors, Inc has been sold to LSSE.

Declaration of Abstentions – noted below with plans.

Subdivision Review

- Butler County SALDO Plans
 - Cherry Valley Borough
 - Tanker Carrier Services #25035 Parking Lot Expansion
Commercial Expansion
Josiah Hoefler from Gateway Engineers clarified that second entrance onto Oneida Valley Road is graded and accounted for in stormwater

planning in case speed limit changes in the future allow for a Highway Occupancy Permit, but does not meet sight distance requirements under current conditions.

The Butler County Planning Commission has no comments on and approves this plan.

- Washington Township

- Hagg #25029 Subdivision

One Lot and Remnant

The Butler County Planning Commission approves this plan but notes that if a new driveway is proposed, sight distance on Bruin Road should be verified.

Cheryl Hughes abstained from voting on this plan.

- Barb Sutton made a motion to approve the plans under the County SALDO. Larry Kurpakus seconded the motion. The motion passed.

- Major Plans

- Jackson Township

- AutoZone #25014 Development

Commercial Building

The Butler County Planning Commission has no comment on this plan.

- Creekside Manor Phase 3 #25026 Development

5 Apartment Buildings (244 Units) with Community Center

The Butler County Planning Commission raised concerns over existing floodplain, but Kelly Coey from Hudson reported that the finished grade has been raised above floodplain levels.

- Swampoodle #25027 Subdivision

4 Lots and Remnant

The Butler County Planning Commission recommends verifying water and sewer capacity for new lots.

- Penn Township
 - Hicks Road #25032 Development
Commercial Building
The Butler County Planning Commission has no comment on this plan.
 - Thomasmeyer/Carr #25025 Subdivision
4 Lots and Remnant
The Butler County Planning Commission has no comment on this plan.
- Winfield Township
 - Jones/Shaw/Benzinger #25028 Subdivision
4-Lot and 2-Lot Subdivision of Adjoining Parcels, Right of Way, and Lot
Line Revision
The Butler County Planning Commission has no comment on this plan.
- Minor Plans
 - Buffalo Township
 - Gasienski #25037 Subdivision
1 Lot and Remnant
The Butler County Planning Commission has no comment on this plan.
 - Center Township
 - McGarrah #25036 Subdivision
1 Lot and Remnant
The Butler County Planning Commission has no comment on this plan.
 - Shanor #25016 Subdivision
1 Lot and Remnant
The Butler County Planning Commission notes the plan does not show
sewage information.
 - Clearfield Township
 - Bergbigler #25022 Subdivision
1 Lot and Remnant
The Butler County Planning Commission notes that existing septic is not
shown on Remnant Lot. Also, existing driveway from Remnant Lot could
block access to Lot 1, and current access to Lot 1 crosses Parcel 090-

1F102-B19-0000. If new driveway access to Game Reserve Road is planned, a Highway Occupancy Permit will be required.

- Clinton Township
 - Merbach/Snyder #25031 Lot Line Revision
Conveying 9.021 acres to neighboring lot
The Butler County Planning Commission has no comment on this plan.
 - Roenigk #25017 Lot Line Revision
Conveying 2.087 acres to neighboring lot
The Butler County Planning Commission has no comment on this plan.
- Cranberry Township
 - Crescent Plan Phase 1A-R3 #25020 Lot Line Revision
Adjusting existing Lot Line
The Butler County Planning Commission has no comment on this plan.
- Donegal Township
 - Cress #25019 Lot Line Revision
Conveying existing Right of Way to neighboring lot
The Butler County Planning Commission notes the Right of Way agreement does not address future owners or maintenance and that the plan does not show sewage information.
- Forward Township
 - Wright/English/Schmidt/Drushel #25030 Lot Line Revision
Central lot conveying acreage to surrounding lots
The Butler County Planning Commission has no comment on this plan.
- Middlesex Township
 - Randolph #25034 Lot Line Revision
14.21 acres conveyed to Lot 1; 2.31 acres conveyed to Parcel B
The Butler County Planning Commission notes the plan does not show septic information.

- Tisdale Plan No. 4 #25033 Subdivision
1 Lot and Remnant
The Butler County Planning Commission notes the plan does not display a Right of Way agreement for Lot 1-BR and Lot 401 crossing each other's property on private lane. The Commission recommends a Right of Way agreement detailing all parties with access to and/or responsibility for Ferguson Lane.
- Slippery Rock Township
 - Mehlenbacher/Rassman #25018 Lot Line Revision
Dividing a vacant lot between two neighboring lots
The Butler County Planning Commission notes the plan does not show sewage information.
- Winfield Township
 - Graff Plan No. 5 #25021 Subdivision
1 Lot and Remnant
The Butler County Planning Commission has no comment on this plan.
- Zelienople Borough
 - Glade Run Phase 3 #25023 Lot Line Revision
Party Walls
The Butler County Planning Commission has no comment on this plan.
 - Glade Run Phase 4 #24024 Lot Line Revision
Party Walls
The Butler County Planning Commission has no comment on this plan.
- Larry Kurpakus made a motion to approve the comments for municipal review on plans under the jurisdiction of a Municipal SALDO. Barb Sutton seconded the motion. The motion passed.

Adjournment

Charles McCall made a motion to adjourn the meeting at 5:09 pm. Barb Sutton seconded the motion. The motion passed.

Next Meeting: March 19, 2025 at 4:30pm in the UL Conference Room

Respectfully submitted,

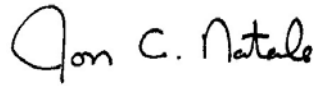
on behalf of Ron Henshaw, Secretary

by Michele Gebhart

**Application Of Pennsylvania-American Water Company Approval to Offer,
Render, Furnish or Supply Water Service to The Public in an Additional
Portion of Lancaster Township, Butler County, Pennsylvania**

VERIFICATION

I, Jon Natale, hereby state that the facts above set forth in the attached Application 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 made herein are made subject to the penalties of 18 Pa. Cons. Stat. §4904 relating to unsworn falsification to authorities.



Jon Natale, Senior Manager of Operations
Pennsylvania-American Water Company

Dated: __6/15/2026__