

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
HARRISBURG, PA 17120**

Public Meeting held June 18, 2026

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Pennsylvania-American Water Company
Supplement No. 65 to Tariff Water-PA P.U.C.
No. 5

Docket No.
R-2026-3062398

ORDER

BY THE COMMISSION:

On May 8, 2026, Pennsylvania-American Water Company (PAWC), Utility Code 212285, filed Supplement No. 65 to Tariff Water-PA P.U.C. No. 5 (Supplement No. 65) with the Pennsylvania Public Utility Commission (Commission) to become effective on July 7, 2026. Supplement No. 65 implements PAWC's proposed rates, rules, regulations, and practices for customers in Dimock Township, Susquehanna County, Pennsylvania.

I. AFFECTED ENTITIES AND BACKGROUND

PAWC is a regulated public utility company, duly organized and existing under the laws of the Commonwealth with a mailing address of 852 Wesley Drive, Mechanicsburg, Pennsylvania 17055. In supplemental information filed with the Commission, PAWC specified that it provides water service to approximately 697,597 customers throughout Pennsylvania, including portions of Susquehanna County. PAWC also provides wastewater service throughout the Commonwealth as Pennsylvania-American Water Company – Wastewater Division, Utility Code 230073, and is a wholly owned subsidiary of American Water Works Company, Inc.

On October 13, 2023, PAWC filed an application (Application) with the Commission at Docket No. A-2023-3043501 seeking a certificate of public convenience pursuant to Section 1102(a)(1)(i) of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1102(a)(1)(i), evidencing Commission approval of: (1) PAWC's right to offer, render, furnish and supply water service to the public in a portion of Dimock Township, Susquehanna County; (2) as necessary, an Offsite Development Marketing Agreement (ODMA) by and between PAWC and the Office of the Attorney General (OAG); and (3) as necessary, limited waivers of PAWC's Tariff Water-PA P.U.C. No. 5 (Water Tariff).

In the Application, PAWC averred that there is a need to make water service available to 21 residents in Dimock Township whose water supplies have been adversely impacted by natural gas drilling operations (Impacted Customers). The Impacted Customers were identified on a map provided in the Application's Exhibit E (Dimock Territory Map) and depicted by areas that were shaded in blue, and in confidential Exhibit C of the *pro forma* ODMA included as the Application's Exhibit D.¹ In connection with the ODMA, PAWC requested a limited waiver of Water Tariff rules providing that customers are responsible for the installation of certain facilities.

PAWC explained in the Application that the Impacted Customers were determined by the Pennsylvania Department of Environmental Protection (DEP) to have adversely impacted well water, and therefore, will be eligible for connection to the new public groundwater system (Water System) at no cost and receive \$50,000 bill credits. The Dimock Territory Map also identified certain properties, labeled as Unimpacted Customers (Unimpacted Customers), by areas that were shaded in yellow. PAWC indicated in the Application that Unimpacted Customers are located along the main of the Water System and were not confirmed by DEP to have adversely impacted well water, and therefore, are not eligible for the \$50,000 bill credits. However, the Unimpacted

¹ In supplemental information filed with the Commission at the Application docket on January 3, 2024, PAWC provided a revised Dimock Territory Map and written description using bearing angles and distances as A-1_Attachment 1 and A-1_Attachment 2.

Customers would be permitted to connect to the Water System if those property owners expressed an interest in connecting, pursuant to the rules of PAWC's Water Tariff.²

By the Commission's Order entered January 18, 2024, at the Application Docket (January 2024 Order), the Commission conditionally approved PAWC's Application. The January 2024 Order also denied PAWC's request for limited waivers of PAWC's Water Tariff.³ Instead, by Ordering Paragraph 6 of the January 2024 Order, the Commission directed PAWC to file a tariff supplement with the Commission, consistent with the following:

“That within ten (10) days of the issuance of a Certificate of Public Convenience pursuant to Ordering Paragraph 5,⁴ Pennsylvania-American Water Company shall file a tariff supplement with the Secretary's Bureau at a new docket, to become effective on sixty (60) days notice, that would permit Pennsylvania-American Water Company to implement its proposed rates, rules, regulations, and practices identified in the Application for Impacted Customers, including facility ownership and maintenance responsibilities, property restoration, repair, and replacement services, bill credits, and related terms and conditions that apply to Impacted Customer rates and services. Pennsylvania-American Water Company shall provide notice of this tariff supplement to Impacted Customers, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate, and shall provide information required pursuant to 52 Pa. Code § 53.52.”

On April 23, 2026, PAWC filed a copy of its public water supply construction

² PAWC noted in supplemental information filed with the Commission at the Application docket that there will be an estimated total of 48 residential customers connected to the Water System, including the initial 21 customers at the completion of construction (i.e., Impacted Customers) plus an additional 27 customers who could connect during the five years following construction.

³ See, January 2024 Order, Pages 7-8.

⁴ Ordering Paragraph 5 required PAWC to evidence compliance with the directives in Ordering Paragraphs 2-4, that related to obtaining certain permits and filing an executed copy of the ODMA with the Office of Attorney General.

permit for water facilities in Dimock Township, Susquehanna County, and fulfilled its requirements for Ordering Paragraph 5. On April 28, 2026, the Commission issued PAWC a Certificate of Public Convenience pursuant to Ordering Paragraph 5 of the January 2024 Order. Thus, PAWC filed Supplement No. 65 pursuant to Ordering Paragraph 6 of the January 2024 Order.

PAWC submitted proof of service of Supplement No. 65 on the Impacted Customers, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Commission's Bureau of Investigation and Enforcement. No complaints were filed, and no hearings were held.

II. SUPPLEMENT NO. 65

Supplement No. 65 proposed changes to Page Nos. 16 and 47 of PAWC's existing tariff. Page No. 16 added proposed Special Provisions for Rate Zone 1 – General Metered Service for Residential Rate Class for customers whose service addresses were “shown in blue” on Exhibit E of PAWC's Application filing on October 13, 2023, *i.e.*, the Dimock Territory Map. Page No. 47 proposed changes to Rules 4.7 and 4.9 for customers whose premises were shown on the Dimock Territory Map, but did not include the qualifier that the proposed changes would apply only to the service addresses shown in blue, consistent with Page No. 16. This clarification is important because the Dimock Territory Map includes Impacted Customers (those shown in blue) and Unimpacted Customers (those shown in yellow).

According to the Application, the service addresses of Impacted Customers will each receive a \$50,000 bill credit, and PAWC will charge Rate Zone 1 Water Tariff rates to the customers at the service addresses, which will be offset by credits. Credits will remain attached to the impacted property accounts, so if an Impacted Customer sells their property, the remaining credits will transfer to the account of the new property owner. Accordingly, the Special Provisions on Page No. 16 of Supplement No. 65 proposed to apply bill credits to Impacted Customers.

Rule 4.7 of PAWC's existing tariff specifies that when the static pressure is 100 pounds or more at the customer's premises, the customer shall be responsible for the installation and maintenance of a pressure regulator or valve, which shall be installed on the inlet side of the meter. PAWC proposed additional language for Rule 4.7 that specifies that for customers whose premises are shown on the Dimock Territory Map, where static pressure is 150 pounds or more at the customer's premises, PAWC may install and maintain a pressure regulator or valve on the inlet side of the meter.

Rule 4.9 of PAWC's existing tariff specifies that the customer shall have full responsibility for the installation, repair, replacement, and maintenance of all service pipes. PAWC proposed new language for Rule 4.9 that indicates that for customers whose premises are shown on the Dimock Territory Map, PAWC will install and maintain the service pipe at the time of initial installation of the service pipe and for one year thereafter. After that one-year period, Rule 4.9 will apply without modification to the customer's premises.

In supplemental information filed with the Commission, PAWC clarified that Supplement No. 65 does not increase or decrease tariff rates, and that there are no increases to customer bills or revenues. Rather, PAWC averred that Supplement No. 65 will implement the Commission's January 2024 Order and service provisions applicable to customers in a portion of Dimock Township, including bill credits for the Impacted Customers. The changes are also needed to enable PAWC to provide safe and adequate water service to customers in Dimock Township.

In supplemental information filed with the Commission, PAWC indicated that the changes to Rules 4.7 and 4.9 apply only to Impacted Customers identified in the Dimock Territory Map whose service addresses are shown in blue, and do not apply to Unimpacted Customers, consistent with the proposed language on Page No. 16. PAWC also filed a revised tariff Supplement No. 65 (Revised Tariff Supplement) at this docket on May 27, 2026, as TUS-R-19_Attachment, that included revisions to Rules 4.7 and 4.9

that clarified that the changes would apply only to the service addresses shown in blue on the Dimock Territory Map.⁵

Pursuant to 66 Pa.C.S. § 1308(a) (relating to voluntary changes in rates), unless the Commission otherwise orders, no public utility shall make any change in any existing and duly established rate, except after 60 days' notice to the Commission. Proposed changes shall be shown by filing new tariffs or supplements to existing tariffs. The Commission, for good cause shown, may allow changes in rates, without requiring 60 days' notice, under such conditions as it may prescribe. Also, pursuant to 52 Pa. Code § 53.101, no public utility shall file any tariff, revision, or supplement on less than notice of 60 days, unless it first receives special permission from the Commission to do so.

Considering the unique circumstances involved in the Application and the need for PAWC to implement rates that would enable PAWC to provide water service to the Impacted Customers, we believe that neither Supplement No. 65 nor the Revised Tariff Supplement appear to be unlawful, unjust, unreasonable, or contrary to the public interest. In addition, we believe that good cause has been shown to permit PAWC to file a tariff supplement that contains proposed changes in rates that are consistent with the Revised Tariff Supplement. At the same time, since PAWC has filed two tariff supplements labeled as Supplement No. 65 that include different language, we wish to ensure clarity and transparency regarding PAWC's effective rates that are permitted by this Order. The most efficient means of resolving the two tariff supplements labeled as Supplement No. 65 is to have PAWC file a new tariff supplement that supersedes and cancels Supplement No. 65, as noted below. Without the new tariff supplement, we must reject the revised version of Supplement No. 65 and permit the original version of Supplement No. 65 filed with the Commission on May 8, 2026, to become effective.

Through this Order, we will permit PAWC to file a tariff supplement that cancels

⁵ The Revised Tariff Supplement was also labeled as Supplement No. 65 and included the same issued date of May 8, 2026, and effective date of July 7, 2026.

and supersedes Supplement No. 65 (with the same effective date of July 7, 2026) and that contains proposed changes in rates that are consistent with the Revised Tariff Supplement.⁶ However, if PAWC does not file a tariff supplement that cancels and supersedes Supplement No. 65 and that contains proposed changes in rates that are consistent with the Revised Tariff Supplement, on or before ten (10) days of entry of this Order, then Supplement No. 65, filed at this docket on May 8, 2026, will be permitted to take effect, and we will reject the Revised Tariff Supplement, filed at this docket on May 27, 2026, pursuant to 52 Pa. Code §§ 1.38 and 53.101.⁷

III. CONCLUSION

Investigation and analysis of this proposed tariff supplement and the supporting data indicates that the proposed tariff supplement does not appear to be unlawful, unjust, unreasonable, or contrary to the public interest. As such, the proposed tariff supplement should be permitted to become effective on the proposed July 7, 2026, effective date. However, this does not constitute a determination that this tariff supplement is lawful, just, and reasonable; rather, this is a determination that suspension or further investigation does not appear to be warranted at this time; **THEREFORE,**

IT IS ORDERED:

1. That if, on or before ten (10) days of entry of this Order, Pennsylvania-American Water Company files a tariff supplement, effective upon July 7, 2026, that cancels and supersedes Supplement No. 65 to Tariff Water-PA P.U.C. No. 5 filed at this docket on May 8, 2026, and that contains proposed changes in rates that are consistent with the schedule of rates shown in supplemental information filed at this docket on May 27, 2026, as TUS-R-19_Attachment, the tariff supplement proposing the changes shall be permitted to become effective July 7, 2026.

⁶ See, Ordering Paragraph 1.

⁷ See, Ordering Paragraphs 2.a. and 2.b.

2. That if Pennsylvania-American Water Company does not file a tariff supplement that cancels and supersedes Supplement No. 65 to Tariff Water-PA P.U.C. No. 5 filed at this docket on May 8, 2026, as described in Ordering Paragraph 1 of this Order, on or before ten (10) days of entry of this Order, or if the Commission has not granted Pennsylvania-American Water Company additional time to file, the following shall apply:

a. That Pennsylvania-American Water Company's proposed Supplement No. 65 to Tariff Water-PA P.U.C. No. 5 filed at this docket on May 27, 2026, as TUS-R-19_Attachment, be rejected; and

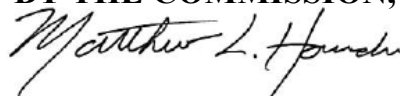
b. That Pennsylvania-American Water Company's proposed Supplement No. 65 to Tariff Water-PA P.U.C. No. 5 filed at this docket on May 8, 2026, be permitted to become effective July 7, 2026.

3. That this Order is without prejudice to any formal complaints timely filed against the proposed tariff supplement.

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, and any persons who have filed formal complaints against the proposed tariff supplement.

5. That the proceeding at Docket No. R-2026-3062398 be closed.

BY THE COMMISSION,



Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: June 18, 2026

ORDER ENTERED: June 18, 2026