



Regulation is a maze. We can show you the way!

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June 25, 2026

VIA ELECTRONIC FILING

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

Re: Fairview Sanitation Company – Base Rate Filing; Supplement No. 18 to Tariff –
Sewer Pa. P.U.C. No. 1; Short Form Filing Pursuant to 52 Pa. Code § 53.54;
Docket No. R-2026-_____

Dear Secretary Homsher:

On behalf of Fairview Sanitation Company ("Company" or "FSC"), please accept the following documents and data in connection with proposed Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1, requesting an increase in base rates for residential wastewater collection and treatment service furnished to customers in Fairview Township, Erie County, Pennsylvania.

Pursuant to 52 Pa. Code § 53.51 *et seq.*, the Company is eligible to use the short form filing procedure because its annual operating revenues of \$72,760 are less than \$250,000. The test year ending December 31, 2025 is timely filed within 180 days of the filing date of June 25, 2026, consistent with the applicable test year requirement for wastewater utilities under § 53.54.

Fairview Sanitation Company is submitting one (1) original of the following documents and information:

1. Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1, proposing a revised quarterly residential rate of \$169.02, an increase of \$63.72 per quarter (60.5%) over the current rate of \$105.30. The proposed effective date is August 25, 2026.

2. Short Form Schedules (Schedules A through G) and Additional Supporting Information in support of Supplement No. 18, including: (a) General Information; (b) Balance Sheets for the test year ended December 31, 2025 and the prior year ended December 31, 2024; (c) Statements of Revenues; (d) Statements of Income with annualization and proposed

adjustments; (e) Plant in Service — Changes Since Last Rate Case; (f) Capital Structure; (g) Rate of Return; and supporting narrative documents.

3. Notice to customers of the proposed rate increase dated June 25, 2026, and an affidavit verifying the first-class mailing of individual notices to all customers of record on June 25, 2026 — at least sixty-one (61) days prior to the proposed effective date of August 25, 2026.

4. A news release and affidavit verifying distribution to local news media on June 25, 2026, for publication.

5. An affidavit affirming the factual nature of all information presented in this filing.

The Company's current quarterly rate of \$105.30 was established in 2012 pursuant to Commission Order in Docket No. R-2011-2248937 and has not been adjusted since that time. The Company's test year revenues of \$72,760 are substantially insufficient to recover going-level operating expenses of \$118,342, resulting in a net operating loss. The proposed rate of \$169.02 per quarter is the minimum necessary to allow the Company to recover its cost of service and earn a fair rate of return of 8.49% on its future test year rate base of \$15,596, which is effectively at the Company's proposed weighted average cost of capital of 8.50%.

Copies of all of the foregoing materials are being served simultaneously upon the Office of Consumer Advocate, the Office of Small Business Advocate, and the Bureau of Investigation and Enforcement.

Respectfully submitted,



Whitney E. Snyder, Esquire
Kathryn C. Read-Fisher, Esquire
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Harrisburg, PA 17110
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Fax: 717-236-4841
wesnyder@hmslegal.com
kcr@hmslegal.com

Counsel for Fairview Sanitation Company

WES/jld

cc: Per Certificate of Service

Paul J. Szykman, Managing Member, Whiteout Energy LLC, P.O. Box 2, Harveys Lake, PA 18618

Julio Pazmino, President, Fairview Sanitation Company, P.O. Box 723, Fairview, PA 16415

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the Fairview Sanitation Company – Base Rate Filing upon the parties listed below in accordance with the requirements of § 1.54 (relating to service by a party). This document has been filed electronically on the Commission’s electronic filing system and served on the following:

VIA EMAIL

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Ra-oca@paoca.org

Commonwealth of Pennsylvania
Office of Small Business Advocate
555 Walnut Street
1st Floor, Forum Place
Harrisburg, PA 17101
Ra-sba@pa.gov

Allison Kaster, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
akaster@pa.gov

/s/ Whitney E. Snyder
Whitney E. Snyder

Dated: June 25, 2026

FAIRVIEW SANITATION COMPANY
SHORT FORM RATE FILING

Supplement No. 18 to Tariff — Wastewater Pa. P.U.C. No. 1

Filed: June 25, 2026 | Proposed Effective Date: August 25, 2026

Test Year: Twelve Months Ended December 31, 2025

FILING INDEX

00 — Filing_Index.docx

This document. Complete index of all materials included in this rate filing.

01 — Transmittal_Letter.docx

Transmittal letter to the Honorable Matthew L. Homsher, Secretary, Pennsylvania Public Utility Commission, filed pursuant to 52 Pa. Code § 53.54. Signed by Whitney E. Snyder, Esquire, HMS Legal, attorney for Fairview Sanitation Company. Lists all five required filing components, the § 53.54 eligibility basis, and summarizes the proposed rate increase.

02 — Supplement_18_Tariff.docx

Supplement No. 18 to Tariff — Wastewater Pa. P.U.C. No. 1, formatted in accordance with the presentation style of Supplement No. 14 (October 28, 2011). Contains: Cover/Title Page; Twelfth Revised Page No. 2 (List of Changes); Twelfth Revised Page No. 3 (Index); Twelfth Revised Page No. 4 (Schedule of Rates — \$169.02 per quarter, an increase from \$105.30). Pages 5 through 10 (Rules and Regulations) are unchanged and continue at their existing revision levels; they are not reissued by this Supplement. Issue Date: June 25, 2026. Effective Date: August 25, 2026.

03 — Customer_Notice.docx

Notice of Proposed Rate Changes mailed to all 177 customers of record on June 25, 2026 — sixty-one (61) days prior to the proposed effective date of August 25, 2026. Includes current and proposed monthly billing amounts, customer rights, and PUC complaint procedures, as required by 52 Pa. Code § 53.54 and Commission practice.

04 — Affidavit_Customer_Notice_Mailing.docx

Affidavit by Julio Pazmino, President, affirming that the customer notice was mailed (first class) to all customers on June 25, 2026.

05 — Affidavit_Verification_of_Facts.docx

Affidavit by Julio Pazmino, President, affirming the factual nature of all data submitted in this rate filing.

06 — Short_Form_Schedules_A_thru_G.xls

Short Form financial schedules as required by 52 Pa. Code § 53.54, comprising: Schedule A — General Information; Schedule B — Balance Sheets (test year 12/31/2025 and prior year 12/31/2024); Schedule C — Statements of Revenues (prior year, test year, annualization, and proposed); Schedule D — Statements of Income (prior year, test year, annualization, and proposed); Schedule E — Plant in Service, Changes Since Last Rate Case; Schedule F — Capital Structure (per books and pro forma hypothetical 50/50); Schedule G — Rate of Return (WACC 8.50%).

07 — Additional_Supporting_Information.docx

Additional supporting information as required by the Short Form Instructions, comprising: (1) Reasons for the proposed rate increase; (2) Billing analysis — unmetered residential service; (3) Annualization and normalization adjustments; (4) Construction work in progress (none); (5) Depreciation schedule and method; (6) Wages and salaries — independent contractor details including estimated hours and implied hourly rates; (7) Scope of operations including company history, service territory, collection system, and treatment facilities; (8) Income tax returns (to be provided upon request).

08 — Column_L_Proposed_Adjustments.docx

Detailed narrative explanation and dollar derivation for each line item in Column L (Proposed Increase) of Schedule D — Statements of Income. Covers nine adjustment items totaling \$22,886 net (\$22,972 in operating lines plus (\$86) interest removal), with supporting basis or BLS/EIA index citations and sources for all escalation factors.

09 — News_Release.docx

Press release for distribution to local Erie County news media announcing the rate increase filing with the Pennsylvania Public Utility Commission. Issued June 25, 2026. See also Item 09b — Affidavit of News Release Distribution, filed herewith.

09b — Affidavit_News_Release_Distribution.docx

Affidavit by Julio Pazmino, President, affirming that the news release announcing the rate increase filing was distributed to local Erie County news media on June 25, 2026.

Supplement No. 18
to
Tariff — Sewer Pa. P.U.C. No. 1

**FAIRVIEW SANITATION COMPANY
FAIRVIEW, PENNSYLVANIA**

**RATES AND RULES
GOVERNING THE
FURNISHING OF SANITARY SEWER SERVICE
IN A PORTION OF
FAIRVIEW TOWNSHIP
ERIE COUNTY, PENNSYLVANIA**

Issued: June 25, 2026

Effective: August 25, 2026

By: Julio Pazmino, President
Fairview Sanitation Company
P.O. Box 723
Fairview, Pennsylvania 16415

NOTICE

This Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1 amends Page Nos. 2, 3, and 4 of the tariff and increases existing rates.

FAIRVIEW SANITATION COMPANY
Fairview, Pennsylvania

Supplement No. 18
to
Tariff — Sewer Pa. P.U.C. No. 1
Twelfth Revised Page No. 2
Canceling
Eleventh Revised Page No. 2

LIST OF CHANGES MADE BY THIS TARIFF

INCREASE:

Rate per quarter is increased for a single family dwelling.

Issued: June 25, 2026

Effective: August 25, 2026

FAIRVIEW SANITATION COMPANY
Fairview, Pennsylvania

Supplement No. 18
to
Tariff — Sewer Pa. P.U.C. No. 1
Twelfth Revised Page No. 3
Canceling
Eleventh Revised Page No. 3

INDEX

List of Changes Made by this Tariff	2 - Twelfth Revised
Index	3 - Twelfth Revised
Schedule of Rates	4 - Twelfth Revised
Rules and Regulations	5 - Original
	6 – Second Revised
	7 - Original
	8 - Original
	9 – Forth Revised
	10 - Original

Pages 5 through 10 (Rules and Regulations) are unchanged by this Supplement and remain in effect at the revision levels shown above.

Issued: June 25, 2026

Effective: August 25, 2026

Supplement No. 18
to
Tariff — Sewer Pa. P.U.C. No. 1
Twelfth Revised Page No. 4
Canceling
Eleventh Revised Page No. 4

Single family dwelling \$169.02 per quarter (I)

Effective: August 25, 2026

Issued: June 25, 2026

FAIRVIEW SANITATION COMPANY

P.O. Box 723 | Fairview, Pennsylvania 16415 | (814) 572-0139 | fairviewsanitation@gmail.com

NOTICE OF PROPOSED RATE CHANGES

To Our Customers:

Fairview Sanitation Company ("Company") is filing a request with the Pennsylvania Public Utility Commission ("PUC") to increase your wastewater service rates, proposed to take effect August 25, 2026. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

The Company has requested an overall rate increase of \$45,114 per year. If the Company's entire request is approved, the total bill for a residential customer would increase from \$35.10 per month to \$56.34 per month, or by 60.5%. On an annual basis, the current charge of \$421.20 per year (\$105.30 per quarter) would increase to \$676.08 per year (\$169.02 per quarter). The Company's current quarterly rate of \$105.30 was established in 2012 pursuant to Commission Order in Docket No. R-2011-2248937 and has not been adjusted since that time.

Fairview Sanitation Company serves only residential wastewater customers. There are no commercial, industrial, or fire protection customers.

To find out how the requested increase may affect your wastewater bill, contact Fairview Sanitation Company at (814) 572-0139 or fairviewsanitation@gmail.com. The rates requested by the Company may be found in Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is available upon email request to fairviewsanitation@gmail.com or upon written request mailed to Fairview Sanitation at P.O. Box 723, Fairview, PA 16415.

The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The Company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the Company. As a result, the rate charged to you may be different than the rate requested by the Company and shown above.

There are three ways to challenge a company's request to change its rates:

- 1)** You can file a formal complaint. If you want a hearing before a PUC judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before August 25, 2026. If no formal complaints are filed, the Commission may grant all, some, or none of the request without holding a hearing before a PUC judge.
- 2)** You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the Company's service or management. This information can be helpful when the PUC investigates the rate request. Send your letter or formal complaint form to:

Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, Pennsylvania 17105-3265

- 3)** You can be a witness at a public input hearing. Public input hearings are held if the PUC opens an investigation of the Company's rate request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge and Company representatives. All testimony given under oath becomes part of the official rate case record. These hearings are held in the service area of the Company.

Fairview Sanitation Company
Date: June 25, 2026

AFFIDAVIT

Customer Notice — Mailing

COMMONWEALTH OF PENNSYLVANIA

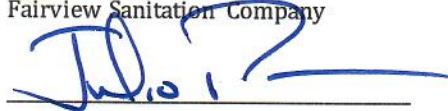
}ss:

Erie County

Julio Pazmino, being duly sworn (affirmed) according to law, deposes and says that he is the President of Fairview Sanitation Company; that he is authorized to and does make this affidavit for it; and that the notice of the proposed rate increase set forth in Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1 was mailed as follows:

1. Mailed on June 25, 2026 to all customers of record of Fairview Sanitation Company, by First Class U.S. Mail, postage prepaid, at the addresses appearing on the Company's billing records — a total of at least sixty-one (61) days prior to the proposed effective date of August 25, 2026.

Julio Pazmino, President
Fairview Sanitation Company



Signature of Affiant

Sworn and subscribed before me this

24	day of	June	, 20 26	
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My Commission Expires: 03/03/2028



Signature of Notary Public / Official Administering Oath

Commonwealth of Pennsylvania - Notary Seal Michael T. Buie, Notary Public Erie County My commission expires March 3, 2028 Commission number 1239824

AFFIDAVIT

Verification of Facts

COMMONWEALTH OF PENNSYLVANIA

}ss:

Erie County

Julio Pazmino, being duly sworn (affirmed) according to law, deposes and says that he is the President of Fairview Sanitation Company; that he is authorized to and does make this affidavit for it; and that the facts set forth in the attached rate filing submitted to the Pennsylvania Public Utility Commission in support of Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1, including the Short Form Schedules (Schedules A through G) and all Additional Supporting Information, are true and correct; or are true and correct to the best of his knowledge, information, and belief; and he expects Fairview Sanitation Company to be able to prove the same at any hearing thereof.

Julio Pazmino, President
Fairview Sanitation Company



Signature of Affiant

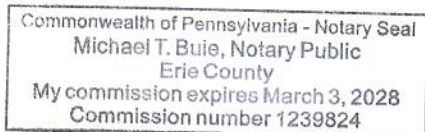
Sworn and subscribed before me this

24	day of	June	, 20 26	
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My Commission Expires: 03/03/2026



Signature of Notary Public / Official Administering Oath



Fairview Sanitation Company**BALANCE SHEETS**

<u>ASSETS</u>	End of Test Year 12/31/2025	End of Prior Year 12/31/2024
<u>UTILITY PLANT</u>		
101.0 Utility Plant in Service	\$ 80,261	\$ 80,261
105.0 Construction Work In Progress		
114.0 Utility Plant Acquisition Adjustment		
TOTAL UTILITY PLANT	\$ 80,261	\$ 80,261
108.1 Less: Accumulated Depreciation	\$ 79,259	\$ 78,057
NET UTILITY PLANT	\$ 1,002	\$ 2,204
<u>CURRENT ASSETS</u>		
131.1 Cash	\$ 7,631	\$ 6,740
141.0 Accounts Receivable	\$ 13,292	\$ 13,292
144.0 Notes Receivable		
151.0 Materials and Supplies		
162.0 Prepayments		
174.0 Other Current Assets		
TOTAL CURRENT ASSETS	\$ 20,923	\$ 20,032
<u>OTHER ASSETS and DEFERRED CHARGES</u>		
186.0 Deferred Debt Expense		
186.0 Deferred Charges/Debits		
186.0 Other		
TOTAL OTHER ASSETS and DEFERRED CHARGES	\$ -	\$ -
<u>TOTAL ASSETS</u>	\$ 21,925	\$ 22,236

Fairview Sanitation Company**BALANCE SHEETS**

<u>LIABILITIES & EQUITY</u>	End of Test Year 12/31/2025	End of Prior Year 12/31/2024
<u>STOCKHOLDERS' EQUITY</u>		
201.0 Common Stock	\$ 1,000	\$ 1,000
211.0 Capital in Excess of Par Value	\$ 999	\$ 999
215.0 Retained Earnings	\$ (8,590)	\$ 14,107
TOTAL STOCKHOLDERS' EQUITY	\$ (6,591)	\$ 16,106
<u>LONG-TERM DEBT</u>		
224.0 Long-term debt, excluding current portion	\$ -	\$ -
<u>CURRENT LIABILITIES</u>		

Current Portion of Long-term Debt		
231.0 Accounts Payable		
232.0 Notes Payable		
236.0 Accrued Taxes		
237.0 Accrued Interest		
241.0 Other Current Liabilities	\$ 28,514	\$ 6,130
TOTAL CURRENT LIABILITIES	\$ 28,514	\$ 6,130
<u>OTHER LIABILITIES and DEFERRED CREDITS</u>		
252.0 Advances for Construction		
253.0 Other Deferred Credits		
255.0 Deferred Investment Tax Credits		
271.0 Contributions in Aid of Construction		
282.0 Deferred Inc. Taxes - Lib. Depr.		
TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ -	\$ -
<u>TOTAL LIABILITIES & EQUITY</u>	\$ 21,923	\$ 22,236

Fairview Sanitation Company

Statements of Revenues

CUSTOMER CLASS	Number of Customers for the Test Year Ended mm/dd/yyyy		Actual Revenues for the Year Ended mm/dd		Annualization adjustments	Totals as Annualized (6=5+4)	Proposed Increase (7)	Totals after Increase (8=6+7)
	Beginning of year (1)	End of year (2)	Prior Year 2024 (3)	Test Year 2025 (4)				
Metered Sales:								
522.1 Residential						\$ -		\$ -
522.2 Commercial						\$ -		\$ -
522.3 Industrial						\$ -		\$ -
						\$ -		\$ -
SUB-TOTAL	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unmetered Sales:								
521.1 Residential	175	177	\$ 76,327	\$ 72,760	\$ 1,792	\$ 74,552	\$ 45,114	\$ 119,666
521.2 Commercial						\$ -		\$ -
521.3 Industrial						\$ -		\$ -
521.6 Other (Availability)						\$ -		\$ -
						\$ -		\$ -
						\$ -		\$ -
SUB-TOTAL	175	177	\$ 76,327	\$ 72,760	\$ 1,792	\$ 74,552	\$ 45,114	\$ 119,666
532.0 Penalties and Forfeitures						\$ -		\$ -
536.0 Other Revenue						\$ -		\$ -
TOTAL REVENUE			\$ 76,327	\$ 72,760	\$ 1,792	\$ 74,552	\$ 45,114	\$ 119,666

Fairview Sanitation Company

Statements of Income

	Actual for the Year Ended mm/dd		Annualization	Totals as	Proposed	Totals after
	Prior Year 2024	Test Year 2025	Adjustments	Annualized	Increase	Increase
	(1)	(2)	(3)	(4=2+3)	(5)	(6=4+5)
Total Revenue: 1	\$ 76,327	\$ 72,760	\$ 1,792	\$ 74,552	\$ 45,114	\$ 119,666
Operating Expenses:						
701.0 Operating Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
720.0 Operating Supplies	\$ 22,239	\$ 39,115	\$ -	\$ 39,115	\$ 1,207	\$ 40,322
701.0 Maintenance Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
720.0 Maintenance Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
710.0 Purchd. Wastewater Trtmt.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
715.0 Purchased Power	\$ 17,460	\$ 17,553	\$ -	\$ 17,553	\$ 878	\$ 18,431
735.0 Testing Expense	\$ 2,266	\$ 2,735	\$ -	\$ 2,735	\$ 55	\$ 2,790
718.0 Chemicals	\$ 2,809	\$ 2,409	\$ -	\$ 2,409	\$ 96	\$ 2,505
755.0 Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
701.0 General Office Salaries	\$ 19,200	\$ 19,200	\$ -	\$ 19,200	\$ 672	\$ 19,872
775.0 General Office Expenses	\$ 19,057	\$ 11,529	\$ -	\$ 11,529	\$ 264	\$ 11,793
765.0 Rate Case Expense	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000
403.0 Depreciation Expense	\$ 1,202	\$ 1,202	\$ -	\$ 1,202	\$ (200)	\$ 1,002
775.0 Other Misc. Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes:						
409.0 State Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
409.0 Federal Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
408.0 All Other Taxes	\$ -	\$ 1,627	\$ -	\$ 1,627	\$ -	\$ 1,627
Total Expenses	\$ 84,233	\$ 95,370	\$ -	\$ 95,370	\$ 22,972	\$ 118,342
Net Operating Income	\$ (7,906)	\$ (22,610)	\$ 1,792	\$ (20,818)	\$ 22,142	\$ 1,324
421.0 Non-Operating Income			\$ -	\$ -	\$ -	\$ -
Non-Operating Deductions:						
426.0 Other			\$ -	\$ -	\$ -	\$ -
427.0 Interest	\$ -	\$ 86	\$ -	\$ 86	\$ (86)	\$ -
Net Income	\$ (7,906)	\$ (22,696)	\$ 1,792	\$ (20,904)	\$ 22,228	\$ 1,324

1. Carried over from Statements of Revenues

Fairview Sanitation Company**Capital Structure**

Year Ended 12/31/2025

	Per Books	Pro Forma	Pro Forma Ratio
232.0 Short-Term Debt	\$ -	\$ -	0.00%
224.0 Long-Term Debt	\$ -	\$ 7,737	50.00%
Common Equity:			
201.0 Common Stock	\$ 1,000	\$ 7,737	
204.0 Preferred Stock	\$ -	\$ -	
211.0 Misc. Paid-in-Capital	\$ 999	\$ -	
215.0 Retained Earnings	\$ (8,590)	\$ -	
216.0 Reacquired Stock	\$ -	\$ -	
	\$ -	\$ -	
Total Equity	\$ (6,591)	\$ 7,737	50.00%
Total Capital	\$ (6,591)	\$ 15,474	100.00%

Cost Rates

Type	Principal Amount	Cost Rates	Interest Expense
232.0 Short Term Debt:			
Loan A	\$ -	0.00%	\$ -
Loan B	\$ -	0.00%	\$ -
New Loan	\$ -	0.00%	\$ -
Total Short-Term Debt	\$ -	0.00%	\$ -
224.0 Long-Term Debt:			
Loan C	\$ -	0.00%	\$ -
Loan D	\$ -	0.00%	\$ -
New Loan	\$ 7,737	6.50%	\$ 503
Total Long-Term Debt	\$ 7,737	6.50%	\$ 503

Fairview Sanitation Company**Rate of Return**

Year Ended 12/31/2025

Type of Capital	Capital Structure (1)	Cost Rates (2)	Weighted Cost of Capital (3=1x2)
232.0 Short-Term Debt	0.00%	0.00%	0.00%
224.0 Long-Term Debt	50.00%	6.50%	3.25%
Common Equity	50.00%	10.50%	5.25%
Total	100.00%		8.50%

FAIRVIEW SANITATION COMPANY
ADDITIONAL SUPPORTING INFORMATION

Short Form Rate Filing — Supplement No. 18

1. REASONS FOR THE PROPOSED RATE INCREASE

Fairview Sanitation Company last received a rate increase in 2012, when the Commission established the current quarterly residential rate of \$105.30 (Docket No. R-2011-2248937, effective April 1, 2012). Since that time, the Company has experienced sustained and substantial increases in operating costs while revenues have remained relatively flat. The Company's test year (ended December 31, 2025) revenues of \$72,760 are wholly inadequate to meet going-level operating expenses of \$118,342, resulting in a net operating loss of \$22,610 before adjustment for rate case expenses and normalized cost levels.

The primary drivers of the proposed rate increase are:

- Substantial escalation in operating and maintenance costs over the 13 years since the last rate case, including increases in maintenance labor, purchased power, chemicals, and administrative costs.
- Recognition of ongoing management, administrative, or technical support services previously not separately identified in the Company's cost structure.
- Amortization of rate case expenses totaling \$60,000 (\$28,000 for consulting services by Whiteout Energy Associates LLC and \$32,000 for legal services by HMS Legal) amortized over three years at \$20,000 per year, consistent with Commission practice allowing amortization.
- Impending full depreciation of the Company's utility plant during the future test year (ending December 31, 2026), resulting in a rate base composed entirely of working capital.
- The need to earn a fair rate of return of 8.49% on the Company's future test year rate base of \$15,596, consistent with the Company's proposed weighted average cost of capital of 8.50%.

2. BILLING ANALYSIS — UNMETERED RESIDENTIAL SERVICE

Fairview Sanitation Company serves exclusively residential customers under a flat quarterly rate (unmetered service). There are no commercial, industrial, or fire protection customers. The following summarizes the billing analysis for the test year ended December 31, 2025 and the annualization to a going-forward level:

Item	Amount
Customers at beginning of test year (January 1, 2025)	175
Customers at end of test year (December 31, 2025)	177
Test year actual revenues (521.1 — Residential Flat Rate)	\$72,760
Current quarterly rate (present tariff)	\$105.30 / quarter
Current annual rate	\$421.20 / year
Annualized revenues at current rate ($177 \times \$105.30 \times 4$)	\$74,552
Annualization adjustment to revenues	\$1,792
Proposed quarterly rate	\$169.02 / quarter
Proposed annual revenues ($177 \times \$169.02 \times 4$)	\$119,666
Proposed revenue increase over annualized current	\$45,114
Monthly rate increase per customer ($\$169.02 \div 3$ months)	\$56.34 vs. \$35.10
Dollar increase per month per customer	\$21.24
Percentage increase	60.5%

The annualization adjustment of \$1,792 to revenues reflects the normalization of test year revenues to the going-forward level based on the 177 customers in service at December 31, 2025. The method used is the flat/fixed rate annualization method: end-of-year customers (177) $\times$ current quarterly rate (\$105.30) $\times$ 4 quarters = \$74,552 annualized going-forward revenues at current rates, less actual test year revenues of \$72,760 = \$1,792 annualization adjustment. This adjustment reflects the effect of the 2-customer increase during the test year (from 175 to 177) on annual revenue levels.

3. ANNUALIZATION AND NORMALIZATION ADJUSTMENTS TO EXPENSES

The following describes all annualization and normalization adjustments to test year operating expenses reflected in Column L (Proposed Increase) of the Statements of Income (Schedule D). Detailed derivations and index citations for each adjustment are provided in the companion document '08_Column_L_Proposed_Adjustments.docx' filed herewith.

A summary of all Column L adjustments follows:

Account / Item	Test Year (Col. J)	Proposed Increase (Col. L)	Going-Level (Col. N)
Operating Supplies (720.0) — 3.5% ECI escalation on maint.	\$39,115	\$1,207	\$40,322
Purchased Power (715.0) — 5.0% EIA escalation	\$17,553	\$878	\$18,431
Testing Expense (735.0) — 2.0% BLS PPI escalation	\$2,735	\$55	\$2,790
Chemicals (718.0) — 4.0% BLS PPI escalation	\$2,409	\$96	\$2,505
Gen. Office Salaries (701.0) — 3.5% ECI on mgmt. fees	\$19,200	\$672	\$19,872
Gen. Office Expenses (775.0) — blended 2.29% CPI	\$11,529	\$264	\$11,793
Rate Case Expense (765.0) — \$60,000 ÷ 3 years	\$0	\$20,000	\$20,000
Depreciation (403.0) — FTY capped at NBV \$1,002	\$1,202	(\$200)	\$1,002
All Other Taxes (408.0) — no change	\$1,627	\$0	\$1,627
Operating Subtotal (L11–L28)	\$95,370	\$22,972	\$118,342
Interest (427.0) — removed (no going-forward debt)	\$86	(\$86)	\$0
TOTAL EXPENSES	\$95,456	\$22,886	\$118,342

Operating Subtotal reflects Column L line items only (L11–L28, the operating expense lines). Total Expenses adds the non-operating interest adjustment (L37) to reach the fully reconciled test year, proposed increase, and going-level figures.

All adjustments represent supportable changes from the test year. Index-based escalation factors are supported by published BLS Employment Cost Index, EIA Electric Power Monthly, and BLS Producer Price Index data as cited in the Column L support document. Rate case expense is amortized. No abnormal or non-recurring items requiring separate amortization were identified in the test year beyond those already addressed above.

4. CONSTRUCTION WORK IN PROGRESS

The Company has no construction work in progress. No major capital projects are planned or underway during the current or future test year.

5. DEPRECIATION SCHEDULE AND METHOD

The Company depreciates its utility plant using the straight-line method over service lives established in accordance with the NARUC Uniform System of Accounts for Class C utilities.

The following summarizes the Company's utility plant and accumulated depreciation:

Item	Amount
Gross Utility Plant in Service — Account 101 (original cost)	\$80,261
Accumulated Depreciation at December 31, 2024 — Account 108.1	\$78,057
Test year depreciation expense (2025) — Account 403	\$1,202

Accumulated Depreciation at December 31, 2025 — Account 108.1	\$79,259
Net Utility Plant at December 31, 2025 (Rate Base — Plant Component)	\$1,002
Future test year depreciation (2026) — capped at remaining NBV	\$1,002
Accumulated Depreciation at December 31, 2026 (estimated)	\$80,261
Net Utility Plant at December 31, 2026 (fully depreciated)	\$0

The plant consists primarily of station structures and improvements (\$49,915), other plant and miscellaneous equipment (\$23,003 and \$4,000 in two categories), structures and improvements for treatment facilities (\$2,343), and land and right-of-ways (\$1,000, non-depreciable). The composite depreciation rate is approximately 1.50% per year based on the annual charge of \$1,202 on original cost of \$80,261 (excluding non-depreciable land).

Note: The Company does not have a separate IRS accelerated depreciation schedule for rate making purposes. Depreciation for rate making is computed on a straight-line basis at the composite rate described above. IRS Form 4562 (Depreciation and Amortization) for the most recent tax year will be provided upon request by Commission staff.

Future Test Year Rate Base — Supporting Calculation

The Company's future test year (FTY, ending December 31, 2026) rate base of \$15,596 is the sum of the net utility plant shown above, Materials and Supplies, and Cash Working Capital, as set forth below:

Net Utility Plant at December 31, 2026 (from utility plant table above)	\$0
Materials & Supplies — Account 151.0 (1% of gross utility plant of \$80,261, the Commission's standard working capital allowance)	\$803
Cash Working Capital (going-level operating expenses of \$118,342 ÷ 8)	\$14,793
TOTAL FUTURE TEST YEAR RATE BASE	\$15,596

Note: The Company's actual test-year-end Materials and Supplies balance (Account 151.0) was de minimis. Consistent with Commission practice, Materials and Supplies is estimated using the standard allowance of 1% of gross utility plant in service rather than the test-year-end book balance. Cash Working Capital is computed using the Commission's standard one-eighth (1/8) of going-level annual operating expenses.

6. WAGES AND SALARIES — CONTRACTOR SERVICES

Fairview Sanitation Company has no employees. All operational, management, and administrative functions are performed by independent contractors under fixed-fee arrangements rather than hourly timesheets. The following identifies each contractor, describes the work performed, and provides compensation detail, including the approximate monthly equivalent and estimated hours worked, for Commission reference.

a. Julio Pazmino — Operations Manager / Operator of Record Charge

Item	Detail
Status	Independent Contractor (fixed monthly fee)
Annual Compensation (test year)	\$12,000
Approximate Monthly Equivalent	\$1,000 / month
Estimated Hours Worked	Approximately 25-40 hours per month (variable, on-call basis)
Approximate Implied Hourly Rate	\$25-\$40 / hour
Account	734 — Management Fees

Mr. Pazmino serves as the Company's principal operations manager and operator of record. His responsibilities include: oversight and coordination of all utility system operations; inspection of pump

stations and collection system components; coordination and supervision of third-party maintenance and repair contractors; regulatory compliance oversight including DEP permit monitoring and reporting; coordination with testing laboratories for NPDES effluent sampling; response to customer service requests; and general utility management. Because Mr. Pazmino is paid a fixed monthly fee rather than an hourly wage, hours worked vary from month to month depending on operational needs; the figures above are good-faith estimates of typical monthly time commitment.

Certified Operator: Julio D Pazmino, Operator of Record Charge, Class A,E 1,2,3,4,5, Certificate No. T4046, Expiration Date June 30, 2027

b. Tammy Pazmino — Administrative Services / Backup Operator

Item	Detail
Status	Independent Contractor (fixed monthly fee)
Annual Compensation (test year)	\$7,200
Approximate Monthly Equivalent	\$600 / month
Estimated Hours Worked	Approximately 15–25 hours per month
Approximate Implied Hourly Rate	\$24–\$40 / hour
Account	734 — Management Fees

Ms. Pazmino is a backup operator and provides administrative support services including: customer billing preparation and mailing; customer payment processing and records maintenance; preparation and submission of the PUC Annual Report; maintenance of financial records and accounts; handling customer correspondence and inquiries; and coordination with the Company's accountant and regulatory counsel. As with Mr. Pazmino, compensation is a fixed monthly fee rather than an hourly wage; the hours and implied rate shown above are estimates of typical monthly time commitment.

Certified Operator: Tammy A Pazmino, Backup Operator, Class B 1,2,3, Certificate No. S20123, Expiration Date Sept. 30, 2028

c. Other Contract Labor

Item	Detail
Status	Third-party contract labor (various, as-needed)
Annual Compensation (test year)	\$1,860
Approximate Monthly Equivalent	\$155 / month (irregular)
Estimated Hours Worked	Approximately 40–50 hours per year, on an as-needed basis
Approximate Implied Hourly Rate	\$37–\$46 / hour
Account	736 — Other Maintenance

Miscellaneous contract labor engaged on an as-needed basis for field maintenance tasks such as vegetation management, site cleanup, and minor repair assistance. No individual contractor in this category worked more than a minimal number of hours during the test year; engagements are sporadic and billed on a per-task basis rather than on a fixed schedule.

Note: No employee benefits, pension contributions, health insurance, or other fringe benefits were paid during the test year, as there are no employees. All compensation is paid to independent contractors at arms-length contractual rates.

7. SCOPE OF OPERATIONS

a. Company History

Fairview Sanitation Company was incorporated under the laws of the Commonwealth of Pennsylvania on September 12, 1966. The Company was organized to provide wastewater collection and treatment service to residential customers in Fairview Township, Erie County, Pennsylvania. The Company is classified as a Class C public utility by the Pennsylvania Public Utility Commission.

Julio Pazmino and Tammy Pazmino are the sole shareholders of the Company. The Company has operated continuously since incorporation, serving the same geographic area in Fairview Township. The Company received its most recent rate increase in 2012 (Docket No. R-2011-2248937, effective April 1, 2012), when the quarterly rate was set at \$105.30.

b. Service Territory

The Company furnishes wastewater collection and treatment service exclusively to residential customers in Fairview Township, Erie County, Pennsylvania. As of December 31, 2025, the Company serves 177 residential customers. Service is provided on a flat quarterly rate basis.

c. Collection System

The Company's wastewater collection system consists of a network of gravity and pressure collection piping serving the residential properties in the service area, connected to the treatment plant. The collection system conveys wastewater from customers' service connections to the Company's wastewater treatment facilities.

No significant changes to the collection system have been made since the last rate case in 2012. The collection system is maintained through routine inspection and the annual maintenance program reflected in the test year operating expenses. Brick walls have been coated, a new front end box was fabricated and installed, and a new discharge line from the plant to the receiving stream has been complete as part of maintenance activities.

d. Treatment and Disposal Facilities

The Company's wastewater treatment facilities are located within Fairview Township. The facilities are operated pursuant to an NPDES permit issued by the Pennsylvania Department of Environmental Protection (DEP). The treatment process produces an effluent meeting all applicable DEP permit standards for discharge.

The utility plant in service (gross original cost \$80,261) consists of the following principal assets:

- Land and right-of-ways: \$1,000
- Station structures and improvements: \$49,915
- Other plant and miscellaneous equipment (collection): \$23,003
- Treatment and disposal structures and improvements: \$2,343
- Other plant and miscellaneous equipment (treatment): \$4,000

All plant was placed in service prior to the last rate case. The plant is substantially fully depreciated (accumulated depreciation of \$79,259 against gross plant of \$80,261 as of December 31, 2025) and will be fully depreciated during the future test year (2026). No major capital projects have been undertaken since the last rate case.

e. Major Projects Since Last Rate Case (2012–2026)

No major plant additions, improvements, or replacements have been undertaken since the last rate case proceeding in 2012. Routine maintenance has been performed as reflected in the annual operating expenses, including station maintenance, system inspections, sludge removal, and chemical treatment.

8. INCOME TAX RETURNS

Copies of the Company's most recent Federal income tax return and Pennsylvania Corporate Net Income Tax return are not included in this filing. These documents will be made available to Commission staff upon request. The Company's tax returns reflect consistent net operating losses in recent years due to the insufficiency of current rates to cover the Company's cost of service.

FAIRVIEW SANITATION COMPANY
SHORT FORM RATE FILING — PROPOSED EXPENSE ADJUSTMENTS

Supporting Narrative for Column L — Statements of Income

I. INTRODUCTION AND PURPOSE

This document provides a detailed explanation and dollar derivation for each line item appearing in Column L ("Proposed Increase") of the Statements of Income schedule included in the Company's short form rate filing submitted pursuant to 52 Pa. Code § 53.51 *et seq.*

Column L reflects the net change between (a) the annualized test year expenses shown in Column J ("Totals as Annualized") for the twelve months ended December 31, 2025, and (b) the proposed going-level expenses expected to be incurred during the period rates are in effect. Going-level expenses represent the best estimate of recurring annual costs normalized for known and measurable changes, including application of recognized cost indices, addition of the rate case expense amortization, and removal of non-recurring items.

The net total proposed expense increase in Column L (operating lines L11–L28) is \$22,972, consisting of \$23,172 in upward adjustments and \$200 in downward adjustments. An additional non-operating adjustment of (\$86) reflects removal of incidental interest expense (L37). The resulting going-level total expenses of \$118,342 (Column N) compared to proposed annual revenues of \$119,666 (177 customers × \$169.02/quarter × 4 quarters) produce a net operating income of \$1,324 and a rate of return of 8.49% on the future test year rate base of \$15,596, effectively at the Company's proposed WACC of 8.50%.

II. DESCRIPTION AND DERIVATION OF PROPOSED ADJUSTMENTS

A. Operating Supplies (Account 720.0) — Column L Amount: \$1,207

The test year operating supplies balance of \$39,115 consists of two components: (1) other maintenance labor and materials of \$34,495 (Account 736 — Other Maintenance, per PUC Annual Report Schedule 407), and (2) sludge hauling and removal of \$4,620 (Account 711 — Sludge Removal). A 3.5% escalation is applied to the other maintenance component only; sludge hauling is held flat reflecting a stable contractual rate.

Index Source:

U.S. Bureau of Labor Statistics, Employment Cost Index (ECI) — Private Industry Workers, Service Occupations. Series ID: CIS10200000000001. Published quarterly. Available at: <https://www.bls.gov/eci/> (BLS ECI Tables, Table 3: Private Industry by Industry and Occupation). The 3.5% rate reflects the trailing four-quarter average ECI for service occupations used as a proxy for contract maintenance labor.

Component	Test Year	Escalation	Adjustment
Other Maintenance (Acct. 736)	\$34,495	3.5%	\$1,207
Sludge Removal (Acct. 711)	\$4,620	0.0% (stable contract)	\$0
Total	\$39,115	—	\$1,207

B. Purchased Power (Account 715.0) — Column L Amount: \$878

Purchased power of \$17,553 reflects electricity costs for the pump stations and treatment facilities. A 5.0% escalation factor is applied based on EIA projections for retail electricity prices in Pennsylvania.

Index Source:

U.S. Energy Information Administration (EIA), Electric Power Monthly, Table 5.6.B: Average Retail Price of Electricity — Commercial Sector, Pennsylvania. Published monthly. Available at: <https://www.eia.gov/electricity/monthly/> (select Table 5.6.B from the data tables menu). The 5.0% factor reflects recent year-over-year retail price increases in the PJM interconnection region, consistent with EIA's Annual Energy Outlook near-term price projections. See also: EIA Annual Energy Outlook 2025, available at <https://www.eia.gov/aeo/>.

Account	Test Year	Escalation	Adjustment
715.0 Purchased Power	\$17,553	5.0%	\$878
Going-Level Amount	—	—	\$18,431

C. Testing Expense (Account 735.0) — Column L Amount: \$55

Testing expense of \$2,735 covers required laboratory and effluent sampling by third-party contractors under the Company's NPDES permit. A 2.0% escalation factor is applied.

Index Source:

U.S. Bureau of Labor Statistics, Producer Price Index (PPI) — Testing Laboratories (NAICS 541380). Series ID: PCU541380541380. Published monthly. Available at: <https://www.bls.gov/ppi/> (navigate to PPI Industry Data, NAICS 541380 "Testing Laboratories"). The 2.0% factor reflects the trailing twelve-month average PPI change for this sector.

Account	Test Year	Escalation	Adjustment
735.0 Testing Expense	\$2,735	2.0%	\$55
Going-Level Amount	—	—	\$2,790

D. Chemicals (Account 718.0) — Column L Amount: \$96

Chemical expense of \$2,409 reflects treatment chemicals used in the wastewater process. A 4.0% escalation factor is applied based on the BLS PPI for industrial chemicals.

Index Source:

U.S. Bureau of Labor Statistics, Producer Price Index (PPI) — Chemicals and Allied Products. Series ID: WPU061. Published monthly. Available at: <https://www.bls.gov/ppi/> (navigate to PPI Commodity Data, code WPU061 "Chemicals and Allied Products"). The 4.0% factor reflects the trailing twelve-month average PPI change for this commodity group, which includes disinfection and pH-adjustment chemicals used in wastewater treatment.

Account	Test Year	Escalation	Adjustment
718.0 Chemicals	\$2,409	4.0%	\$96
Going-Level Amount	—	—	\$2,505

E. General Office Salaries (Account 701.0) — Column L Amount: \$672

The Column L adjustment of \$672 represents escalation on the existing management fee of \$19,200 per year paid to the Company's principals (Julio Pazmino and Tammy Pazmino) for operational management and oversight services (Account 734 — Management Fees, per PUC Annual Report Schedule 407). A 3.5% escalation rate is applied consistent with the BLS Employment Cost Index for management and supervisory personnel.

Note: Whiteout Energy Associates LLC services and HMS Legal services relating to this rate case are reflected exclusively in the Rate Case Expense line (Section G below) as part of the \$60,000 total rate case cost being amortized. They are not separately included as ongoing general office expenses.

Index Source:

U.S. Bureau of Labor Statistics, Employment Cost Index (ECI) — Private Industry Workers, Management, Professional, and Related Occupations. Series ID: CIS1010000000001. Published quarterly. Available at: <https://www.bls.gov/eci/> (BLS ECI Tables, Table 3). The 3.5% factor reflects the trailing four-quarter average ECI for management occupations.

Item	Test Year	Escalation	Adjustment
Management Fees (Acct. 734)	\$19,200	3.5%	\$672
Going-Level Amount	—	—	\$19,872

F. General Office Expenses (Account 775.0) — Column L Amount: \$264

The Column L adjustment of \$264 represents a blended 2.29% escalation on the existing general office and administrative expense balance of \$11,529. This balance comprises four sub-categories from PUC Annual Report Schedule 407: accounting services (Account 732) of \$775, rental of building/real property (Account 741) of \$1,056, transportation expense (Account 750) of \$3,674, communications (Account 775.3) of \$1,680, and general office/utilities (Account 775.6) of \$4,344.

Index Sources:

Transportation expense (Account 750): U.S. Bureau of Labor Statistics, Consumer Price Index — Motor Vehicle Maintenance and Repair. Series ID: CUUR0000SETD. Available at: <https://www.bls.gov/cpi/> Applied rate: 3.5%.

Communications expense (Account 775.3): U.S. Bureau of Labor Statistics, Consumer Price Index — Telephone Services. Series ID: CUUR0000SEED. Available at: <https://www.bls.gov/cpi/> Applied rate: 3.5%.

Office expenses/utilities (Account 775.6): U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U) — All Items. Series ID: CUUR0000SA0. Published monthly. Available at: <https://www.bls.gov/cpi/> Applied rate: 1.76% (twelve-month CPI-U change).

Accounting services (Account 732) and rental (Account 741): Held flat; assumed fixed-rate contract arrangements not subject to index-based escalation.

Account	Test Year	Rate	Adjustment
732 Accounting Services	\$775	0% (fixed)	\$0
741 Rental of Building	\$1,056	0% (fixed)	\$0
750 Transportation	\$3,674	3.5% (CPI Motor Vehicle)	\$129
775.3 Communications	\$1,680	3.5% (CPI Telephone)	\$59
775.6 Office/Utilities	\$4,344	1.76% (CPI-U All Items)	\$76
Total — Blended 2.29%	\$11,529	2.29%	\$264

G. Rate Case Expense (Account 765.0) — Column L Amount: \$20,000

Pennsylvania Public Utility Commission practice permits regulated utilities to recover rate case expenses through amortization over a reasonable period.

The Company's total rate case expenses for this proceeding are \$60,000, consisting of:

Item	Amount
Whiteout Energy Associates LLC — rate case consulting	\$28,000
HMS Legal (Hawke McKeon & Sniscak LLP) — rate case legal fees	\$32,000
Total rate case expenses	\$60,000

Amortization period	3 years
Annual amortization (Account 765.0)	\$20,000

These costs represent the one-time expenses directly incurred in connection with the preparation, filing, and prosecution of this rate case. They are being amortized over three years at \$20,000 per year.

These costs are included only in the Rate Case Expense line and are NOT separately reflected as ongoing annual expenses in the General Office Salaries or General Office Expenses lines.

H. Depreciation Expense (Account 403.0) — Column L Amount: (\$200)

The Column L depreciation adjustment of negative \$200 reflects a downward change from the historical test year (HTY) depreciation of \$1,202 to the future test year (FTY) depreciation of \$1,002. As of December 31, 2025, accumulated depreciation stands at \$79,259 against gross plant of \$80,261, leaving a net book value of \$1,002. Under the straight-line method, the remaining \$1,002 will be fully depreciated during the FTY; accordingly, depreciation expense is capped at \$1,002 rather than the full-year rate of \$1,202. No capital expenditures are projected during the FTY.

Item	Amount
Gross Utility Plant (Acct. 101)	\$80,261
Accumulated Depreciation at 12/31/2025 (Acct. 108.1)	(\$79,259)
Net Book Value — HTY 12/31/2025	\$1,002
HTY Depreciation (full-year accrual)	\$1,202
FTY Depreciation (capped at remaining NBV)	\$1,002
Column L Adjustment	(\$200)

I. Interest Expense (Account 427.0) — Column L Amount: (\$86)

The test year interest expense of \$86 (Account 427.5 — Interest-Other, per the 2025 Profit & Loss Statement) is removed as a going-level adjustment. The Company has no outstanding long-term or short-term debt obligations and this charge is non-recurring. The hypothetical capital structure used in the Rate of Return schedule reflects a regulatory construct for establishing the WACC; the associated debt service cost is embedded in the required return on rate base, not recognized as a separate interest expense line item.

Item	Amount
Test year interest (Acct. 427.5)	\$86
Going-level interest (no outstanding debt)	\$0
Column L Adjustment	(\$86)

III. SUMMARY OF PROPOSED ADJUSTMENTS

The table below summarizes all Column L proposed adjustments and reconciles annualized test year expenses (Column J) to proposed going-level expenses (Column N).

Line Item	Account	Test Year (Col. J)	Col. L Increase	Going-Level (Col. N)
Operating Supplies	720.0	\$39,115	\$1,207	\$40,322
— Other Maintenance (3.5% ECI)			\$1,207	
— Sludge Removal (held flat)			\$0	
Purchased Power	715.0	\$17,553	\$878	\$18,431

— 5.0% EIA Electric Price Index			\$878	
Testing Expense	735.0	\$2,735	\$55	\$2,790
— 2.0% BLS PPI Lab Testing			\$55	
Chemicals	718.0	\$2,409	\$96	\$2,505
— 4.0% BLS PPI Industrial Chemicals			\$96	
Gen. Office Salaries	701.0	\$19,200	\$672	\$19,872
— Mgmt. Fee Escalation (3.5% ECI)			\$672	
Gen. Office Expenses	775.0	\$11,529	\$264	\$11,793
— Blended 2.29% (CPI/CPI-U)			\$264	
Rate Case Expense	765.0	\$0	\$20,000	\$20,000
— Whiteout Energy LLC (\$28,000)				
— HMS Legal (\$32,000) ÷ 3 years				
Depreciation Expense	403.0	\$1,202	(\$200)	\$1,002
All Other Taxes	408.0	\$1,627	\$0	\$1,627
Operating Subtotal (L29)		\$95,370	\$22,972	\$118,342
Interest Expense (L37 — non-operating)	427.0	\$86	(\$86)	\$0
TOTAL EXPENSES		\$95,456	\$22,886	\$118,342

Proposed going-level expenses of \$118,342 compared to proposed revenues of \$119,666 (177 customers × \$169.02/quarter × 4 quarters) produce a net operating income of \$1,324 and a rate of return of 8.49% on the future test year rate base of \$15,596 — consistent with the proposed WACC of 8.50%.

FOR IMMEDIATE RELEASE

Date: June 25, 2026

Contact: Julio Pazmino, President — (814) 572-0139 or fairviewsanitation@gmail.com

**FAIRVIEW SANITATION COMPANY FILES FOR RATE INCREASE WITH
PENNSYLVANIA PUC**

FAIRVIEW TOWNSHIP, ERIE COUNTY, Pa. — Fairview Sanitation Company today filed an application with the Pennsylvania Public Utility Commission (PUC) requesting an increase in its base rates for residential wastewater service in Fairview Township, Erie County.

The Company is requesting a quarterly rate of \$169.02, an increase of \$63.72 per quarter (60.5%) over the current rate of \$105.30 per quarter, which has been in place since 2012. If approved, the new rate would take effect on August 25, 2026. The monthly cost of wastewater service would increase from approximately \$35.10 per month to \$56.34 per month.

According to Julio Pazmino, President of Fairview Sanitation Company, the rate increase is necessary to address significant increases in operating costs that have accumulated over the past 14 years since the Company's last rate adjustment.

"Our operating costs have risen substantially since 2012, while our rates have remained unchanged," said Pazmino. "The proposed increase is the minimum necessary to allow us to continue providing safe, reliable wastewater service to our customers in Fairview Township."

The Company serves approximately 177 residential customers in Fairview Township. The PUC will review the Company's filing and may hold public hearings before making a decision. Customers have the right to file formal complaints with the PUC, submit written comments, or testify at any public hearings that may be scheduled.

Customers wishing to comment on the proposed rate increase may contact the PUC at P.O. Box 3265, Harrisburg, PA 17105-3265, or by calling the PUC's Bureau of Consumer Services at 1-800-692-7380. For information about the filing, customers may contact Fairview Sanitation Company directly at (814) 572-0139.

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About Fairview Sanitation Company

Fairview Sanitation Company is a Class C public utility incorporated in Pennsylvania in 1966, providing wastewater collection and treatment service to residential customers in Fairview Township, Erie County, Pennsylvania.

AFFIDAVIT

News Release Distribution

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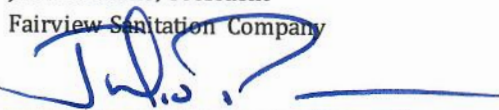
Erie County

Julio Pazmino, being duly sworn (affirmed) according to law, deposes and says that he is the President of Fairview Sanitation Company; that he is authorized to and does make this affidavit for it; and that the news release announcing the Company's proposed rate increase, filed with the Pennsylvania Public Utility Commission as Supplement No. 18 to Tariff — Sewer Pa. P.U.C. No. 1, was distributed to local news media on:

June 25, 2026

by electronic mail and/or hand delivery to the news media outlets serving Fairview Township and Erie County, Pennsylvania, including newspapers and broadcast outlets of general circulation in the Company's service territory, for publication.

Julio Pazmino, President
Fairview Sanitation Company

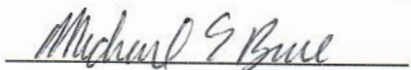


Signature of Affiant

Sworn and subscribed before me this

<u>24</u>	day of	<u>June</u>	, 20 <u>26</u>	
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My Commission Expires: 03/03/2028



Signature of Notary Public / Official Administering Oath

Commonwealth of Pennsylvania - Notary Seal Michael T. Buie, Notary Public Erie County My commission expires March 3, 2028 Commission number 1239824
