



VIA eFiling

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September 30, 2026

Matthew L. Homsher, Secretary
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

Re: Petition of Pennsylvania-American Water Company for Extension of Time to Implement
Certain Information Technology Changes Related to its Arrearage Management Plan

Docket Nos. R-2025-3057983 and R-2025-3058051

Dear Secretary Homsher:

On July 16, 2026, the Commission entered an Order in Pennsylvania-American Water Company's consolidated water and wastewater base rate proceedings at the above-captioned dockets. The Order established November 11, 2026, as the deadline for implementation of specified modifications to Pennsylvania-American Water Company's Bill Discount Program, Arrearage Management Plan, and screening, outreach, and enrollment procedures, together with an associated report to the Commission's Bureau of Consumer Services.

Enclosed for filing is Pennsylvania-American Water Company's Petition for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Plan. The Company is requesting the deadline be extended through June 30, 2027 for implementing certain Arrearage Management Plan-related items.

Copies to be served in accordance with the enclosed Certificate of Service.

Should you have any questions concerning this filing, please contact me.

Sincerely,

Teresa K. Harrold

Enclosures

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission v.	:	
Pennsylvania-American Water Company	:	Docket Nos. R-2025-3057983
	:	and R-2025-3058051
	:	

**PETITION OF PENNSYLVANIA-AMERICAN WATER COMPANY
FOR EXTENSION OF TIME TO IMPLEMENT CERTAIN
INFORMATION TECHNOLOGY CHANGES RELATED TO ITS
ARREARAGE MANAGEMENT PROGRAM**

Pennsylvania-American Water Company (“PAWC” or the “Company”), by its undersigned counsel, respectfully petitions the Pennsylvania Public Utility Commission (“Commission”) for an extension, until June 30, 2027, of the November 11, 2026 deadline established in the Commission’s Opinion and Order entered July 16, 2026 (“Order”) for implementation of certain changes to PAWC’s arrearage management program (“AMP”). In support of this Petition, PAWC states as follows:

I. BACKGROUND

1. On July 16, 2026, the Commission entered an Order in PAWC’s consolidated water and wastewater base rate proceedings at the above-captioned dockets. The Order established November 11, 2026, as the deadline for implementation of specified modifications to PAWC’s Bill Discount Program (“BDP”), AMP, and screening, outreach, and enrollment procedures, together with an associated report to the Commission’s Bureau of Consumer Services (“BCS”).
2. The Order expressly recognized that implementation of the AMP modifications would require information technology changes and stated that, if PAWC determined that

implementation within the 90-day period was not feasible, PAWC could request an extension from the Commission.

3. PAWC is preparing for imminent, enterprise-wide upgrades to SAP S/4HANA. These upgrades materially limit the Company's ability to design, develop, test, and deploy certain AMP changes before November 11, 2026 without creating implementation risk, duplicative programming, additional costs, and potential disruption to customer-facing systems.

II. CHANGES SUBJECT TO THE 90-DAY DEADLINE

4. The Order directed PAWC to adopt the following changes by November 11, 2026:

Bill Discount Program Design and Administration

- Initiate an internal screening process at customer enrollment to identify low-income customers.
- Direct identified low-income customers to the Company's customer assistance programs before they enter into a deferred payment arrangement or are disconnected for nonpayment.
- Develop, in collaboration with the Company's low-income advisory group, a procedure to offer identified low-income customers the opportunity to apply for the BDP and AMP.
- Enhance screening, enrollment, and outreach policies to identify customers eligible for universal-service programs and enroll those customers where appropriate.
- Consolidate the existing fixed-charge and volumetric-charge discounts into a single total-bill discount by income tier, including water discounts of 82%, 67%, 44%, and 22% for the four existing income tiers.

Arrearage Management Program

- Allow a participant to earn a monthly arrearage-forgiveness credit for each complete payment, regardless of timeliness.
- Apply retroactive credits once the participant pays the in-program balance in full.
- Increase the monthly arrearage-forgiveness credit from \$25 to \$40 for a timely payment or a cured missed or late payment.
- Provide complete arrearage forgiveness over a 24-month period.
- Update AMP policies, procedures, customer education materials, enrollment processes, and related system calculations to reflect the modifications.

In addition, PAWC is required to submit a report to the BCS by November 11, 2026, confirming its implementation of the foregoing items.

5. After extensive internal discussions, PAWC confirmed that three AMP-related changes are not feasible before November 11, 2026. The following chart identifies the changes that PAWC can implement prior to November 11, 2026, as well as the changes for which it is seeking an extension until June 30, 2027 to implement:

Order Requirement	November 11, 2026	June 30, 2027
Bill Discount Program Design and Administration		
Initiate an internal screening process at customer enrollment to identify low-income customers.	X	
Direct identified low-income customers to the Company's customer assistance programs before they enter into a deferred payment arrangement or are disconnected for nonpayment.	X	
Develop, in collaboration with the Company's low-income advisory group, a procedure to offer identified low-income customers the opportunity to apply for the BDP and AMP.	X	

Enhance screening, enrollment, and outreach policies to identify customers eligible for universal-service programs and enroll those customers where appropriate.	X	
Consolidate the existing fixed-charge and volumetric-charge discounts into a single total-bill discount by income tier, including water discounts of 82%, 67%, 44%, and 22% for the four existing income tiers.	X	
Arrearage Management Program		
Allow a participant to earn a monthly arrearage-forgiveness credit for each complete payment, regardless of timeliness.		X
Apply retroactive credits once the participant pays the in-program balance in full.		X
Increase the monthly arrearage-forgiveness credit from \$25 to \$40 for a timely payment or a cured missed or late payment.	X	
Provide complete arrearage forgiveness over a 24-month period.		X

III. **BASIS FOR REQUESTED EXTENSION**

6. Several of the required changes depend on coordinated modifications to PAWC's information technology functionality. In particular, the revised AMP credit application, retroactive credit functionality, and 24-month forgiveness structure require system design, coding, interfaces, controls, testing, and deployment activities.
7. Those activities cannot be completed responsibly before November 11, 2026, because they overlap with the Company's imminent SAP S/4HANA upgrades, which are scheduled to occur in the first quarter of 2027. The Company's migration to SAP S/4HANA is necessary to maintain SAP support and ensure the continued reliability and security of the Company's enterprise systems. Attempting to implement the ordered changes in the legacy environment immediately before these upgrades would require duplicative development and testing and could increase the risk of calculation errors, data-conversion issues, customer confusion, and disruption to customer assistance program administration.

8. PAWC therefore requests a limited extension through June 30, 2027, for the three changes identified in the Paragraph 5 chart above. This revised implementation date will permit the Company to complete the enterprise upgrades, incorporate the ordered changes into the upgraded environment, conduct appropriate end-to-end testing, train affected personnel, and revise customer communications before deployment.
9. The requested extension is made in good faith and is limited to the time reasonably necessary to implement the changes ordered in a controlled and reliable manner. The extension will promote accurate implementation while avoiding temporary or duplicative programming that could create additional costs and customer risk.
10. PAWC intends file a report with the BCS on or before November 11, 2026, regarding the remaining items in the Paragraph 5 chart that it anticipates will be fully implemented by November 11, 2026.

IV. REQUEST FOR RELIEF

WHEREFORE, Pennsylvania-American Water Company respectfully requests that the Commission enter an order: (1) extending, through June 30, 2027, the November 11, 2026 deadline for implementation of certain AMP-related items identified in Paragraph 5 above; and (2) granting such other relief as may be necessary and appropriate.

Dated: September 30, 2026

Respectfully submitted,



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission v.
Pennsylvania-American Water Company

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Docket Nos. R-2025-3057983
and R-2025-3058051

VERIFICATION

I, Matthew W. Prine, hereby state that the facts set forth in the Petition of Pennsylvania-American Water Company for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Program, 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).

Date: September 30, 2026



Matthew W. Prine
Vice President, Chief Customer Officer
American Water

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Pennsylvania-American Water Company for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Plan : **Docket Nos. R-2025-3057983 and R-2025-3058051**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Pennsylvania-American Water Company's **Petition for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Plan** upon the persons and in the manner indicated below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service in the manner listed below addressed as follows:

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Dated: September 30, 2026



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