

PENNSYLVANIA-AMERICAN WATER COMPANY
(hereinafter referred to as the "Company")

D/B/A

Pennsylvania American Water

RATES, RULES AND REGULATIONS

GOVERNING THE DISTRIBUTION AND SALE OF

WATER SERVICE

IN CERTAIN MUNICIPALITIES AND TERRITORIES LOCATED ADJACENT THERETO IN:

ADAMS, ALLEGHENY, ARMSTRONG, BEAVER, BERKS, BUCKS,
BUTLER, CENTRE, CHESTER, CLARION, CLEARFIELD, CLINTON, COLUMBIA,
CUMBERLAND, DAUPHIN, FAYETTE, INDIANA, JEFFERSON, LACKAWANNA,
LANCASTER, LAWRENCE, LEBANON, LUZERNE, MCKEAN, MONROE, MONTGOMERY,
NORTHAMPTON, NORTHUMBERLAND, PIKE, SCHUYLKILL, SUSQUEHANNA,
UNION, WARREN, WASHINGTON, WAYNE, WYOMING, AND YORK COUNTIES.

Issued: November 8, 2023

Effective: January 7, 2024

Issued by:
Justin Ladner, President
Pennsylvania American Water
852 Wesley Drive
Mechanicsburg, PA 17055

<https://www.amwater.com/paaw/>

NOTICE

**This tariff proposes increases in rates and changes in rules and regulations of service.
(Refer to pages 2, 3, 4, 5, 6, 7, 9, 11, 12, 16, 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7, 17, 20, 21,
23, 24, 29, 30, 31, 32, 40, 40.1, 40.2, 40.3, 40.4, 40.5, 45, 46, 47, 60, and 89.)**

LIST OF CHANGES

Increases/Decreases

This tariff provides for uniform rates by customer class for Rate Zone 1, Rate Zone 2 (Farmington), and Rate Zone 3 (Audubon), water sales customers, private fire service and public fire service.

This tariff provides for increases and decreases to base rates for low-income customers.

Resale, Electric Generation and Industrial Standby rates have been changed.

Public Fire – The rate for public fire hydrants have been changed such that the rate will remain at 25% the cost of service.

Private Fire – The rates for metered and unmetered private fire service have been increased. The Valley unmetered private fire service and Qualified Private Fire Hydrant rates have been consolidated to the statewide rates.

The Company is adding a Revenue Decoupling Mechanism which will be initially set to 0.00. Please refer to pages 40 and 40.1.

The Company is adding an Environmental Compliance Investment Charge which will be initially set to 0.00. Please refer to pages 40.2, 40.3, 40.4, and 40.5.

LIST OF CHANGES (cont'd)

Changes

Pages 9, 11, and 12 – Territories served is updated for the planned acquisitions of Farmington Township and Audubon Water Company's water systems, the service territory extension of Dimock Township, and for changes in Rate Zones.

Page 16.4 – Rate Zone 2 (Valley) has been rolled into Rate Zone 1 and repurposed as Rate Zone 2 (Farmington).

Page 16.5 – Rate Zone 3 (SLIBCO) has been rolled into Rate Zone 1 and repurposed as Rate Zone 3 (Audubon).

Page 16.6 – Rate Zone 4 (Turbotville) has been rolled into Rate Zone 1. Page 16.6 is being held for future use.

Page 16.7 – Rate Zone 5 (Steelton) has been rolled into Rate Zone 1. Page 16.7 is being held for future use.

Page 17 – Low income discounts have been modified to add an additional tier.

Pages 40 and 40.1 –Includes a description and formula for the calculation of the Revenue Decoupling Mechanism (RDM).

Pages 40.2 through 40.5 – Includes a description and formula for the calculation of the Environmental Compliance Investment Charge (ECIC).

Page 45 – The Company is modifying Rule 3.2, Application for Street Service Connection.

Page 46 - The Company is modifying Rule 4.1, Right to Reject.

Page 47 – The Company is modifying Rule 4.9, Customer Responsibility for Service Pipe.

Page 60 – The Company is modifying Rule 12.1, Termination by Company.

Page 89 – The Company is modifying Rule 27.1, General Provisions.

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

	<u>Page</u>	<u>Number</u>	
Title Page.....	1		Supplement No. 45 (C)
List of Changes	2		Thirty-seventh Revised Page (C)
List of Changes (cont'd).....	3		Fifth Revised Page (C)
Table of Contents	4		Thirty- seventh Revised Page (C)
Table of Contents (cont'd)	5		Thirty-first Revised Page (C)
Table of Contents (cont'd)	6		Sixth Revised Page (C)
Table of Contents (cont'd)	7		Sixth Revised Page (C)
Reserved Page for Future Use	8		First Revised Page
List of Territories Served	9		Seventh Revised Page (C)
List of Territories Served (cont'd).....	10		Fifth Revised Page
List of Territories Served (cont'd).....	11		Ninth Revised Page (C)
List of Territories Served (cont'd).....	12		Second Revised Page (C)
List of Territories Served (cont'd).....	13		Third Revised Page
List of Territories Served (cont'd).....	14		Third Revised Page
Reserved Page for Future Use	15		First Revised Page

Schedule of Rates

General Service

Rate Zone 1 – Metered – Residential	16	Fourth Revised Page	(C)(I)
Rate Zone 1 – Metered – Commercial, Municipal, Other Water Utilities	16.1	Sixth Revised Page	(I)
Rate Zone 1 – Metered – Industrial	16.2	Sixth Revised Page	(I)
Rate Zone 1 – Unmetered – Residential only	16.3	Sixth Revised Page	(I)
Rate Zone 2 – Metered and Unmetered (Farmington)	16.4	Sixth Revised Page	(C)(I)(D)
Rate Zone 3 – Metered (Audubon)	16.5	Sixth Revised Page	(I)
Reserved Page for Future Use	16.6	Fifth Revised Page	(C)
Reserved Page for Future Use	16.7	Fifth Revised Page	(C)
Reserved Page for Future Use	16.8	Fourth Revised Page	
Reserved Page for Future Use	16.9	Third Revised Page	
Low-Income Rider – Residential.....	17	Sixth Revised Page	(C)(D)

Curtailment, Standby and Demand Based Riders

Industrial Curtailment Rate	18	First Revised Page	
Industrial Curtailment Rate (cont'd)	19	First Revised Page	
Industrial Standby Rate	20	Sixth Revised Page	(C)(D)
Industrial Standby Rate (cont'd)	21	Sixth Revised Page	(I)
Industrial Standby Rate (cont'd)	22	First Revised Page	
Resale and Electric Generation Standby Rate.....	23	Sixth Revised Page	(I)
Resale and Electric Generation Standby Rate (cont'd).....	24	Sixth Revised Page	(I)
Rider DIS - Demand Based Industrial Service	25	First Revised Page	

(C) means Change, (I) means Increase, and (D) means Decrease

PENNSYLVANIA-AMERICAN WATER COMPANY**TABLE OF CONTENTS**

	<u>Page</u>		
	<u>Number</u>		
<u>Schedule of Rates (cont'd)</u>			
Rider DRS - Demand Based Resale Water Service	26	First Revised Page	
Rider DGS – Demand Based Governmental Water Service	27	First Revised Page	
Rider EGS – Electric Generation Service	28	First Revised Page	
<u>Fire Protection Service</u>			
Private Fire Service – Unmetered	29	Ninth Revised Page	(I)
Private Fire Service – Unmetered (cont'd).....	30	Eighth Revised Page	(C)
Private Fire Service – Metered	31	Sixth Revised Page	(I)(C)
Public Fire Service	32	Tenth Revised Page	(I)
<u>Surcharges and Fees</u>			
State Tax Adjustment Surcharge.....	33	First Revised Page	
PENNVEST Surcharge	34	First Revised Page	
Distribution System Improvement Charge (DSIC)	35	Twenty-fourth Revised Page	
Distribution System Improvement Charge (DSIC) (cont'd).....	36	First Revised Page	
Distribution System Improvement Charge (DSIC) (cont'd).....	37	Second Revised Page	
Distribution System Improvement Charge (DSIC) (cont'd).....	38	First Revised Page	
Miscellaneous Fees	39	First Revised Page	
Revenue Decoupling Mechanism (RDM)	40	Seventh Revised Page	(C)
RDM (cont'd)	40.1	Fourth Revised Page	(C)
Environmental Compliance Investment Charge (ECIC)	40.2	Original Page	(C)
ECIC (cont'd).....	40.3	Original Page	(C)
ECIC (cont'd).....	40.4	Original Page	(C)
ECIC (cont'd).....	40.5	Original Page	(C)
<u>Rules and Regulations</u>			
1. The Water Tariff	41	Second Revised Page	
2. Definitions	42	First Revised Page	
Definitions (cont'd)	43	Third Revised Page	
Definitions (cont'd)	44	First Revised Page	
3. Application for Service and Street Service Connection.....	45	Second Revised Page	(C)
4. Service Pipes	46	Fourth Revised Page	(C)
Service Pipes (cont'd)	47	Fourth Revised Page	(C)
Service Pipes (cont'd)	47.1	Second Revised Page	
Service Pipes (cont'd)	47.2	Second Revised Page	
5. Meters and Meter Installations	48	First Revised Page	
Meters and Meter Installations (cont'd).....	49	Third Revised Page	
6. Meter Tests	50	Third Revised Page	

(C) means Change and (I) means Increase

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

<u>Rules and Regulations (cont'd)</u>	<u>Page</u>	
	<u>Number</u>	
7. Credit	51	Third Revised Page
Credit (cont'd)	52	Third Revised Page
8. Public Fire Hydrants	53	Fourth Revised Page
Public Fire Hydrants (cont'd).....	54	Third Revised Page
Public Fire Hydrants (cont'd).....	55	First Revised Page
Public Fire Hydrants (cont'd).....	56	Fifth Revised Page
9. Sales for Resale	57	First Revised Page
10. Payment Terms	58	Fourth Revised Page
11. Turn-On Fee	59	First Revised Page
12. Termination and Discontinuance of Water Service	60	Second Revised Page (C)
Termination and Discontinuance (cont'd).....	61	Fourth Revised Page
13. Abatements and Refunds	62	First Revised Page
14. Service Continuity	63	First Revised Page
15. Liability of Company	64	First Revised Page
16. General	65	First Revised Page
17. Multiple Meters	66	First Revised Page
18. Separate Meter and Service Line	66	First Revised Page
19. Lawn Sprinkler System.....	67	First Revised Page
20. Termination of Free Service Under Certain Contracts and other Instruments	68	First Revised Page
21. Qualified Private Fire Hydrant	69	Third Revised Page
Qualified Private Fire Hydrant (cont'd).....	70	First Revised Page
Qualified Private Fire Hydrant (cont'd).....	71	First Revised Page
Qualified Private Fire Hydrant (cont'd).....	72	First Revised Page
Qualified Private Fire Hydrant (cont'd).....	73	Fifth Revised Page
Qualified Private Fire Hydrant (cont'd).....	74	First Revised Page
Qualified Private Fire Hydrant (cont'd).....	75	First Revised Page
22. Cross Connections	76	First Revised Page
23. Main Extensions for Non Bona Fide Service Applicants	77	First Revised Page
Main Extensions Non Bona Fide (cont'd).....	78	First Revised Page
Main Extensions Non Bona Fide (cont'd).....	79	First Revised Page
23.2 Offsite Development Marketing Contract.....	80	First Revised Page
24. Water Conservation Contingency Plan	81	First Revised Page
Water Conservation Contingency Plan (cont'd)	82	First Revised Page

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TABLE OF CONTENTS

	<u>Page</u>	
	<u>Number</u>	
<u>Rules and Regulations (cont'd)</u>		
25. Residential Structures Equipped with Automatic Fire Protection Systems	83	First Revised Page
26. Classification of Revenue (Classes of Service).....	84	Third Revised Page
Classification of Revenue (Classes of Service) (cont'd)	85	First Revised Page
27. Main Extensions for Bona Fide Service Applicants	86	First Revised Page
Main Extensions for Bona Fide (cont'd).....	87	First Revised Page
Main Extensions for Bona Fide (cont'd).....	88	First Revised Page
Main Extensions for Bona Fide (cont'd).....	89	Second Revised Page (C)
Main Extensions for Bona Fide (cont'd).....	90	First Revised Page
Main Extensions for Bona Fide (cont'd).....	91	First Revised Page
Main Extensions for Bona Fide (cont'd).....	92	First Revised Page
Main Extensions for Bona Fide (cont'd).....	93	First Revised Page
Main Extensions for Bona Fide (cont'd).....	94	First Revised Page
Main Extensions for Bona Fide (cont'd).....	95	First Revised Page
Main Extensions for Bona Fide (cont'd).....	96	First Revised Page
Main Extensions for Bona Fide (cont'd).....	97	First Revised Page
Main Extensions for Bona Fide (cont'd).....	98	First Revised Page
Main Extensions for Bona Fide (cont'd).....	99	First Revised Page
Main Extensions for Bona Fide (cont'd).....	100	First Revised Page
28. Flat Rate Service	101	Third Revised Page
29. Taxes on Deposits for Construction, Customer Advances and Contributions in Aid of Construction	101	Third Revised Page

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TERRITORIES SERVED

(By State Region and Company Water District)
(All territories are subject to Rate Zone 1 unless otherwise noted)

Central Pennsylvania

Berwick District

Columbia County

The Boroughs of Berwick and Briar Creek and the Township of Briar Creek

Luzerne County

The Borough of Nescopeck and the Township of Salem

Frackville District

Schuylkill County

The Borough of Frackville and adjacent territory in West Mahanoy, Butler, New Castle Townships and portions of Mahanoy and Walker Townships.

Hershey/Palmyra District

Dauphin County

Portions of the Townships of Conewago, Derry (which includes the area commonly referred to as "Hershey"), Londonderry, and West Hanover; adjacent territory in South Hanover,

Lebanon County

The Borough of Palmyra and the Townships of Annville, North Annville, North Londonderry, South Annville and South Londonderry

Lake Heritage District

Adams County

The Townships of Mount Joy, Mount Pleasant and Straban

Mechanicsburg District

Cumberland County

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 portions of Middlesex Township and Upper Allen Township

York County

Portions of Townships of Fairview and Newberry

Milton/White Deer District

Northumberland County

The Boroughs of McEwensville, Milton, Northumberland and Watsontown and portions of the Townships of Delaware, East Chillesquaque, Point, Turbot, Upper Augusta and West Chillesquaque

Union County

The Borough of Lewisburg and portions of the Townships of Buffalo, East Buffalo, Gregg, Kelly and White Deer

Steelton District

Dauphin County – [language deleted]

The Borough of Steelton and a portion of Swatara Township.

(C)

Turbotville District

Northumberland County – [language deleted]

The Borough of Turbotville and portions of the Lewis Township.

(C)

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TERRITORIES SERVED

**(By State Region and Company Water District)
(All territories are subject to Rate Zone 1 unless otherwise noted)**

Northeastern Pennsylvania (cont'd)

Scranton District

Lackawanna County – [language deleted]

The Cities of Carbondale and Scranton, the Boroughs of Archbald, Blakely, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Old Forge, Olyphant, Taylor, Throop and Vandling and the Townships of Carbondale, North Abington, Scott, South Abington and a portion of the Township of Roaring Brook and Fell

(C)

Susquehanna County

The Borough of Forest City

Wayne County

The Village of Browndale (Clinton Township)

Susquehanna District

Susquehanna County

The Boroughs of Great Bend, Hallstead, Lanesboro, Montrose, Susquehanna and Thompson and the Townships of Bridgewater, Great Bend, Harmony and Oakland, **and a portion of the Township of Dimock.**

(C)

Wilkes-Barre District

Luzerne County

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, Plymouth, Pringle, Shickshinny, Sugar Notch, Swoyersville, Warrior Run, West Pittston, West Wyoming, Wyoming and Yatesville and the Townships of Fairview, Hanover, Hunlock, Jenkins, Kingston, Newport, Pittston, Plains, Plymouth, Rice, Wilkes-Barre, Wright, and portions of the Townships of Conyngham, Jackson and Union.

Southeastern Pennsylvania

Coatesville District

Chester County

The City of Coatesville, Parkesburg and South Coatesville and portions of the Townships of Atglen, Caln, East Fallowfield, Highland, Sadsbury, Valley **[language deleted]**, West Caln and West Sadsbury

(C)

Lancaster County

The Borough of Quarryville and the Townships of Bart, Colerain, Eden and Sadsbury, and portions of Providence Township.

Glen Alsace District

Berks County

The Borough of St. Lawrence and the Townships of Amity and Exeter and portions of Earl and Ruscombmanor

Norristown District

Montgomery County

The Boroughs of Bridgeport and Norristown and portions of the Townships of East Norriton, East Pikeland, Lower Providence, Perkiomen, Plymouth, Upper Merion, West Norriton, Whitmarsh, Whitpain and Worcester and portions of Skippack

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

TERRITORIES SERVED

(By State Region and Company Water District)
(All territories are subject to Rate Zone 1 unless otherwise noted)

Southeastern Pennsylvania (cont'd)

Penn Water District

Berks County

The Boroughs of Sinking Spring, West Lawn and Wyomissing Hills and the Townships of Cumru, Lower Heidelberg, South Heidelberg and Spring

Royersford District *Rate Zone 1 and Rate Zone 3*

(C)

Chester County

The Borough of Spring City and the Townships of East Pikeland, East Vincent, Schuylkill and West Vincent and portions of East Coventry

Montgomery County

The Borough of Royersford and the Townships of Limerick, Upper Providence and a portion of the Township of Lower Pottsgrove **and Lower Providence.**

(C)

Yardley District

Bucks County

The Borough of Yardley and the Townships of Falls and Lower Makefield

Western Pennsylvania

Brownsville

Fayette County

The Borough of Brownsville and portions of the Townships of Brownsville, Jefferson, Luzerne and Redstone

Washington County

The Boroughs of California, Coal Center and West Brownsville and the Township of East Pike Run

Butler District

Butler County

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

Clarion District

Clarion County* *Rate Zone 1 and Rate Zone 2

(C)

The Boroughs of Clarion, Shippenville, Sligo and Strattanville and the Township of Clarion and portions of the Townships of Elk, Farmington, Highland, Knox, Limestone, Monroe, Paint and Piney.

Connellsville District

Fayette County

The City of Connellsville, the Borough of South Connellsville and the Township of Connellsville and portions of the Township of Bullskin.

Ellwood District

Beaver County

The Boroughs of Ellwood City, Koppel and portions of the Borough of Big Beaver and the Townships of Franklin and portions of the Township of North Sewickley

Lawrence County

The Boroughs of Ellport and Ellwood City and portions of the Townships of Perry and Wayne

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

RATE ZONE 1 - GENERAL METERED SERVICE
FOR RESIDENTIAL 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 Residential 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 Residential 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	\$20.00 (I)
3/4 inch	\$20.00 (I)
1 inch	\$20.00 (I)
1-1/2 inch	\$20.00 (I)
2 inch	\$132.00 (I)
3 inch	\$246.00 (I)
4 inch	\$308.00 (I)
6 inch	\$461.00 (I)
8 inch	\$893.00 (I)

Consumption Charges For Residential Class:

The following rates shall apply per 100 gallons:

All Usage: \$2.1319 (I)

Special Provision for customers in Dimock Township, Susquehanna County, whose service addresses are shown in blue in Exhibit E of PAWC's Application filing on October 13, 2023, which was approved by the Public Utility Commission's Order entered on [x date], at Docket Number [A-2023-xxxxxx]: bill credits will apply as provided by that Application and Order. (C)

(I) means Increase and (C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

RATE ZONE 1 - GENERAL METERED SERVICE
FOR COMMERCIAL, MUNICIPAL AND OTHER WATER UTILITY RATE CLASSES

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 **Commercial, Municipal and Other Water Utility Classes**.

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 Commercial, Municipal and Other Water Utility Rate Classes

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	\$20.00	(I)	\$29.10
3/4 inch	\$30.00	(I)	\$44.00
1 inch	\$50.00	(I)	\$73.00
1-1/2 inch	\$82.00	(I)	\$145.00
2 inch	\$132.00	(I)	\$232.00
3 inch	\$246.00	(I)	\$436.00
4 inch	\$308.00	(I)	\$726.00
6 inch	\$461.00	(I)	\$1,452.00
8 inch	\$893.00	(I)	\$2,325.00
10 inch	\$1,294.00	(I)	\$3,340.00
12 inch	\$1,713.70		\$4,793.00
16 inch	\$1,755.00	(I)	
18 inch	\$2,861.00	(I)	
20 inch	\$4,210.00	(I)	

Consumption Charges For Commercial, Municipal and Other Water Utilities Rate Classes:

The following rates shall apply per 100 gallons:

Commercial

First 16,000 gallons	\$2.0346	(I)
All in excess of 16,000 gallons	\$1.5463	(I)

Municipal

First 16,000 gallons	\$1.9984	(I)
All in excess of 16,000 gallons	\$1.1091	(I)

Other Water Utilities

Group A All at	\$1.2100	(I)
Group B All at	\$1.7300	(I)

(I) means Increase

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	\$28.00
3/4 inch	\$42.00
1 inch	\$70.00
1-1/2 inch	\$140.00
2 inch	\$224.00
3 inch	\$420.00
4 inch	\$701.00
6 inch	\$1,401.00
8 inch	\$2,243.00
10 inch	\$3,223.00
12 inch	\$4,625.00

Consumption Charges For Industrial Rate Class

The following rates shall apply per 100 gallons per month:

Industrial

First 16,000	\$1.9128	(I)
Next 584,000	\$1.4824	(I)
All In Excess of 600,000	\$1.1477	(I)

Industrial Curtailment*

First 16,000	\$1.9128	(I)
Next 584,000	\$1.4824	(I)
Next 14,400,000	\$1.1477	(I)
All In Excess of 15,000,000	\$0.6852	(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

PENNSYLVANIA-AMERICAN WATER COMPANY**SCHEDULE OF RATES****RATE ZONE 1 – GENERAL UNMETERED SERVICE**
FOR THE RESIDENTIAL CLASS**APPLICABILITY**

The rate under this schedule applies 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

This rate is available to a customer in the Residential Class that is added to the Company's service territory through an acquisition and does not have a meter at the customer's service address on the date of closing of such acquisition.

UNMETERED SERVICE

All water supplied by the Company under this rate schedule will be unmetered. However, the Company may install a meter of appropriate size at the customer's premise based on the Company's meter installation schedule as determined by the Company. Upon installation of a meter at the customer's service address by the Company, a customer will no longer be eligible for this rate schedule and will be charged a service charge based on the size of meter required to render adequate service along with a charge for consumption usage based upon the applicable Rate Zone's metered rates in effect for the residential class.

RATE

The following monthly rate for service shall apply: **\$90.00** per month. **(I)**

(I) means Increase

PENNSYLVANIA-AMERICAN WATER COMPANY**SCHEDULE OF RATES****RATE ZONE 2 – METERED AND UNMETERED****FOR ALL RATE CLASSES****APPLICABILITY**

The rates under this schedule apply in the Farmington service territory 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 all Customer Classes.

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 All Rate Classes:**

All metered customers shall be subject to **the following** monthly service charge: **(C)**

Residential, Commercial and Municipal: \$20.00 per month **(D)(C)**

Industrial: \$28.00 per month **(D)(C)**

Consumption Charges For All Customer Classes:

The following rates shall apply to **all usage** per 100 gallons **per month:** **(C)**

Residential

All Usage: \$2.1319 (I)

Commercial

All Usage: \$2.0346 (I)

Municipal

All Usage: \$1.9984 (I)

Industrial

All Usage: \$1.9128 (I)

(I) means Increase, (C) means Change and (D) means Decrease

PENNSYLVANIA-AMERICAN WATER COMPANY

Canceling Fifth Revised Page 16.5

SCHEDULE OF RATES

RATE ZONE 3 - GENERAL METERED SERVICE
FOR ALL RATE CLASSES

APPLICABILITY

The rates under this schedule apply in the service area formerly served by Audubon Water Company 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 all metered Customer Classes.

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 All Customer Classes

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	\$16.80
3/4 inch	\$16.80
1 inch	\$42.80
1-1/2 inch	\$72.90
2 inch	\$116.40
3 inch	\$218.60
4 inch	\$363.90
6 inch	\$727.80
8 inch	\$1,164.60
10 inch	\$1,410.60
12 inch	\$1,935.00

Consumption Charges

The following rates shall apply per 100 gallons per month:

Residential	
All Usage:	\$1.1410 (I)
All Other Rate Classes	
First 100,000 gallons	\$1.1410 (I)
All in excess of 100,000 gallons	\$1.4160 (I)

[language deleted] (C)

(I) means Increase and (C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

[Intentionally blank]

(C)

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

[Intentionally blank]

(C)

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

LOW-INCOME RIDER – ALL RATE ZONES
FOR QUALIFYING RESIDENTIAL CUSTOMERS

APPLICABILITY

This rider applies throughout the territories served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

This rider is available for a customer in the Residential Class that meets the low-income criteria of **200%** based on the Federal Poverty Level (“FPL”). (C)

RATE

The **discount off** the service charge or minimum bill under this tariff will be **as follows:** (C)

Tier 1 (0%-50% of FPL): 80% (C)

Tier 2 (51%-100% of FPL): 65% (C)

Tier 3 (101%-150% of FPL): 40% (C)

Tier 4 (151%-200% of FPL): 30% (C)(D)

The **discount off the water usage rate** shall be billed as follows: (C)

Tier 1 (0%-50% of FPL): 80% (C)

Tier 2 (51%-100% of FPL): 50% (C)

Tier 3 (101%-150% of FPL): 25% (C)

Tier 4 (151%-200% of FPL): 15% (C)(D)

(D) means Decrease and (C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

INDUSTRIAL STANDBY RATE

APPLICABILITY

This rate applies throughout the territories served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

This rate is available to a new industrial customer that has an alternative supply source or an existing industrial customer that purchases water from the Company and develops or obtains a new source of supply. In order to obtain service under this rate, the customer must execute a Service Agreement with the Company for a period of not less than two years.

An alternative source of supply for a new customer or a new source of supply for an existing customer, for purposes of this tariff, means any external or internal source of water supply other than the Company, including expansion of, or additions to, an existing source of water supply, that has capacity available to supply the customer with at least 100,000 gallons per day of water on average and, in the case of an existing customer, was added after the effective date of supplement 49 to Tariff Water Pa. P.U.C. No. 4 (August 28, 1998).

NOMINATION OF STANDBY SERVICE

The Service Agreement with the Company will identify the nature and amount of the customer's requirements for Standby Service. Standby Service will be available on a firm basis, an interruptible basis or combinations thereof. Customers electing to receive Standby Service on an interruptible basis will be subject to the same Terms and Conditions of curtailment as set forth in the Industrial Curtailment Rate.

The amounts of Standby Service to be nominated are the customer's requirements to meet Average Day Demand, Maximum Day Demand and Maximum Hour Demand. The sum of the customer's nominated firm and interruptible Maximum Day Demands shall be equal to the maximum day capacity of the new customer's alternative supply or the existing customer's new source of supply or such other reasonable amount agreed to by the Company and the customer.

RATE

Service Charge

The monthly Service Charges under this rate schedule will be the same as those set forth on the Schedule of Rates Applicable to Rate Zone 1 for the industrial rate classification.

Demand Charges

The monthly Demand Charges under this rate schedule will be applied to the customer's nominated firm and interruptible standby demands in hundred gallons as set forth in the Service Agreement and are as follows:

	<u>Firm Standby Service</u>	<u>Interruptible Standby Service</u>
Average Day Demand	\$27.7782 (I)	\$5.1640 (D)
Maximum Day Demand	\$3.5941 (I)	\$0.8662 (D)
Maximum Hour Demand	\$42.5147 (I)	\$4.7564 (D)

(I) means Increase and (D) means Decrease

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

INDUSTRIAL STANDBY RATE (CONT'D)

RATE (cont'd)

Consumption Charges

In addition to the Service Charges and the Demand Charges, Consumption Charges will be rendered for all water delivered during the standby event in accordance with the following schedule:

Up to Average Daily Deliveries by Company during the seven days preceding the beginning of the standby event multiplied by the days during the standby event	Zone 1 Industrial Rates	
Next gallons - Firm Average Day Demand Nomination multiplied by the days during the standby event	\$0.1056 per hundred gallons	(I)
Next gallons - Interruptible Average Day Demand Nomination multiplied by the days during the standby event	\$1.3073 per hundred gallons	(I)
All amounts above sum of previously described amounts	\$1.9128 per hundred gallons	(I)

TERMS AND CONDITIONS

Initial Notification of Company. Each customer that develops or obtains a new source of supply and retains a connection to the Company's system becomes a Standby Service customer and shall notify the Company within ten (10) days of so doing. The notification shall include the Maximum Day capacity of the source of supply and the customer's nominations of firm and interruptible standby demand requirements. The customer shall within thirty (30) days of developing or obtaining such new source of supply enter into a Service Agreement with the Company for Standby Service.

Each customer that is taking service under a Standby Service Agreement and increases the capacity of its source of supply shall be subject to the same notification requirements with respect to the additional capacity.

Notification of Standby Event. When a customer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative designated in the Service Agreement as soon as practical. The customer shall advise the Company representative of the probable daily quantities and the expected duration of the standby event. The customer also shall provide the Company with a notarized affidavit within thirty (30) days of the beginning of the standby event that describes the cause of the interruption of the customer's alternative supply. When the customer no longer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative. The time between these two notifications shall constitute the duration of the standby event.

(I) means Increase

SCHEDULE OF RATES

RESALE AND ELECTRIC GENERATION STANDBY RATE

APPLICABILITY

This rate applies throughout the territories served under this tariff for service rendered on and after the Effective Date shown at the bottom of this page.

AVAILABILITY

This rate is available to a new customer that has an alternative supply or an existing customer that develops or obtains a new source of supply. To obtain service under this rate, the customer must purchase water from the Company for resale or electric generation purposes and execute a Service Agreement with the Company for a period of not less than ten years.

An alternative source of supply for a new customer or a new source of supply for an existing customer, for purposes of this tariff, means any external or internal source of water supply other than the Company, including expansion of, or additions to, an existing source of water supply, that has capacity available to supply the customer with at least 100,000 gallons per day of water on average and, in the case of an existing customer, was added after the effective date of supplement 49 to Tariff Water Pa. P.U.C. No. 4 (August 28, 1998).

NOMINATION OF STANDBY SERVICE

The Service Agreement with the Company will identify the nature and amount of the customer's requirements for Standby Service. Standby Service will be available on a firm basis.

The amounts of Standby Service to be nominated are the customer's requirements to meet Average Day Demand, Maximum Day Demand and Maximum Hour Demand. The customer's nominated firm Maximum Day Demand shall be equal to the maximum day capacity of the new customer's alternative supply or the existing customer's new source of supply or such other reasonable amount agreed to by the Company and the customer.

RATE

Service Charge

The monthly Service Charges under this rate schedule will be the same as those set forth on the Schedule of Rates Applicable to Rate Zone 1 for the customer's rate classification.

Demand Charges

The monthly Demand Charges under this rate schedule will be applied to the customer's nominated firm standby demands in hundred gallons as set forth in the Service Agreement and are as follows:

	<u>Firm Standby Service</u>	
Average Day Demand	\$27.7782	(I)
Maximum Day Demand	\$3.5941	(I)
Maximum Hour Demand	\$42.5147	(I)

(I) means Increase

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

RESALE AND ELECTRIC GENERATION STANDBY RATE (CONT'D)

RATE (cont'd)

Consumption Charges

In addition to the Service Charge and the Demand Charges, Consumption Charges will be rendered for all water delivered during the standby event in accordance with the following schedule:

Up to Average Daily Deliveries by Company during the seven days preceding the beginning of the standby event multiplied by the days during the standby event	Applicable Zone 1 Industrial Rates	
Next gallons - Firm Average Day Demand Nomination multiplied by the days during the standby event	\$0.1056 per hundred gallons	(I)
All amounts above sum of previously described amounts	\$1.9128 per hundred gallons	(I)

TERMS AND CONDITIONS

Initial Notification of Company. Each customer that develops or obtains a new source of supply and retains a connection to the Company's system becomes a Standby Service customer and shall notify the Company within ten (10) days of so doing. The notification shall include the Maximum Day capacity of the source of supply and the customer's nomination of firm standby demand requirements. The customer shall within thirty (30) days of developing or obtaining such new source of supply enter into a Service Agreement with the Company for Standby Service. Each customer that is taking service under a Standby Service Agreement and increases the capacity of its source of supply shall be subject to the same notification requirements with respect to the additional capacity.

Notification of Standby Event. When a customer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative designated in the Service Agreement as soon as practical. The customer shall advise the Company representative of the probable daily quantities and the expected duration of the standby event. The customer also shall provide the Company with a notarized affidavit within thirty (30) days of the beginning of the standby event that describes the cause of the interruption of the customer's alternative supply. When the customer no longer requires deliveries of water pursuant to this rate schedule, the customer shall notify the Company representative. The time between these two notifications shall constitute the duration of the standby event.

Use in Excess of Contractual Demands. If and when the actual amounts of Standby Service Demands exceed the nominated amounts set forth in the Service Agreement, the actual demands shall become the nominated demands for the remainder of the term of the Service Agreement. Further, the customer will be billed an additional charge equal to the difference between the actual demand and previously nominated demand multiplied by the applicable demand charge and the number of months since the beginning of the term of the Service Agreement.

Metering Equipment. The customer shall pay the Company the cost, including installation, of all metering equipment, including meter interface units, that the Company, in its sole judgment, determines is necessary to properly implement Standby Service and to monitor the customer's compliance with its terms and conditions.

(I) means Increase

SCHEDULE OF RATES

PRIVATE FIRE SERVICE –UNMETERED (CONT'D)

TERMS AND CONDITIONS

Billing. Bills for unmetered private fire service and Qualified Private Fire Hydrants will be rendered monthly in arrears.

Inspection. The customer shall permit Company personnel and the Company's authorized agents, representatives, consultants and experts access to the customer's facilities during regular business hours and upon not less than 24 hours' notice and shall permit inspection thereof to determine, to the Company's satisfaction, whether the customer is in compliance with the availability criteria and terms and conditions hereof. The Company shall have the right to install a consumption detection device on the service line or use other investigative measures to determine whether the service line is being utilized for purposes other than fire protection.

Maintenance. Qualified Private Fire Hydrants shall be owned, maintained, and repaired by the customer, at customer's expense, unless otherwise agreed to by the Company. At the Company's discretion, the Company also has the right to maintain and repair Qualified Private Fire Hydrants.

Metering Equipment. Whenever, inspection of consumption detection devices on the service line or other investigative measures, indicate the service connection is being utilized for purposes other than fire protection, the Company will require the installation of a meter of appropriate size, and shall charge for service at the rates set forth under the Company's metered private fire service.

[paragraph deleted]

(C)

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

PRIVATE FIRE SERVICE – METERED

APPLICABILITY

The rates under this schedule apply throughout the territories 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 a customer that has existing private fire services that were previously unmetered and subsequently became metered in accordance with the terms and conditions of the rate schedule “Private Fire Service – Unmetered”.

RATE

<u>Size of Connection with Main</u>	<u>Minimum per Month (excl. Audubon)</u>		<u>Audubon</u>	<u>(C)</u>
1 inch	\$54.25	(I)	\$38.18	(I)
1-1/4 inch	\$54.25	(I)	\$38.18	(I)
1-1/2 inch	\$77.46	(I)	\$38.18	(I)
2 inch	\$123.97	(I)	\$48.80	
3 inch	\$232.43	(I)	\$56.50	
4 inch	\$290.54	(I)	\$86.04	(I)
6 inch	\$435.80	(I)	\$127.38	(I)
8 inch	\$668.24	(I)	\$207.03	(I)
10 inch	\$939.42	(I)	\$283.40	(I)
12 inch	\$1,137.06	(I)		

SPRINKLERED RISK – Minimum charge Including 200 Heads	\$80.85	(I)
SPRINKLERED RISK – Over 200 Heads Per Head	\$0.21	(I)
STANDPIPE SERVICE	\$62.87	(I)

TERMS AND CONDITIONS

Amount of Use. If the service is utilized as a general water service line as indicated by a continuing use of water in excess of 10,000 gallons per month for a period of three or more consecutive months, the customer shall be transferred to the Company's general service rate schedule and the minimum rate by size of meter will apply to this service in addition to the consumption charge.

(I) means Increase and (C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

PUBLIC FIRE SERVICE

APPLICABILITY

The rates under this schedule apply throughout the territories 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 with applications accepted by the Company under Section 8.5 of this tariff. Service under this classification is subject to regulations set forth in Section No. 8 "Public Fire Hydrants".

RATE

The annual charge for each public fire hydrant **will be billed at 25% of the cost of service** (C)(I)
which is \$303.60 per annum or **\$25.30** per month except as noted below:

<u>Municipalities</u>	<u>Monthly Charge for Each Public Fire Hydrant</u>	
Moshannon Valley Area Bradford Township for hydrants contracted prior to February 18, 1988	\$6.25	
Audubon Water Company	\$25.70 per month or \$308.40 annually	(C)

[language deleted]

(C)

(C) means Change and (I) means Increase

PENNSYLVANIA-AMERICAN WATER COMPANY

REVENUE DECOUPLING MECHANISM (“RDM”)

(C)

Applicable to all residential customers and all Non-Residential customers, exclusive of customers receiving service pursuant to a contract agreement.

Section A – Definitions

For purposes of the RDM only, the terms below are defined to mean:

Effective Period shall mean the period for which the adjustments in Section B are to be billed to customers and shall be the nine-month period April 1 through December 31 after the Filing Month.

Filing Month shall mean the month in which an adjustment is determined by the Company and submitted to the Commission, which shall be on or before January 31 each year.

Fiscal Year shall mean the 12-month period that ended as of the most recent December 31.

Non-Residential Customers shall mean all commercial, industrial, municipal, and Sales for Resale customers not taking service under special contract rates. Excludes fire service customers.

Previous Amortization Period shall mean the nine-month reconciliation amortization period that ended as of the most recent Fiscal Year.

Upcoming Amortization Period shall mean the nine-month reconciliation amortization period commencing on April 1 following the Fiscal Year.

Section B - Determination of Adjustment

The Residential Adjustment is calculated as follows:

$$\frac{\text{RESREV} - (\text{VC} * \text{RESUSE}) - (\text{RC} * \text{RESCUST})}{\text{RESFC}}$$

Where:

RESREV represents the actual dollar amount of revenues billed to residential customers for the identified service classifications, excluding revenues arising from adjustments under this tariff and any other tariff, which were billed for the applicable month.

RESUSE represents the number of 100-gallon units delivered to residential customers by the Company, including the number of 100-gallon units for the applicable month.

RESCUST represents the average number of residential customers for the applicable month

VC represents the Volumetric Charge (\$0.1033 per hundred gallons proposed)

RC represents the Residential Fixed Charge (\$83.18 per month proposed)

RESFC represents the number of 100-gallon units expected to be delivered to residential customers by the Company, including the number of 100-gallon units for the applicable Effective Period.

(C) means Change

REVENUE DECOUPLING MECHANISM (CONT'D)

(C)

The Non-Residential Adjustment is calculated as follows:

$$\frac{\text{NONREV} - (\text{VC} * \text{NONUSE}) - (\text{NC} * \text{NONCUST})}{\text{NONFC}}$$

Where:

- NONREV represents the actual dollar amount of revenues billed to Non-Residential customers for the identified service classifications, excluding revenues arising from adjustments under this tariff and any other tariff, which were billed for the applicable month.
- NONUSE represents the number of 100-gallon units delivered to Non-Residential customers by the Company, including the number of 100-gallon units for the applicable month.
- NONCUST represents the average number of Non-Residential customers for the applicable month
- VC represents the Volumetric Charge (\$0.1033 per hundred gallons proposed)
- NC represents the Non-Residential Fixed Charge (\$515.94 per month proposed)
- NONFC represents the number of 100-gallon units expected to be delivered to Non-Residential customers by the Company, including the number of 100-gallon units for the applicable Effective Period.

The adjustment components above shall be summed together for billing purposes. If either component of the adjustments computes to \$0.0001 per 100 gallons or more, any fraction of \$0.0001 in the computed per 100 Gallons adjustment amount shall be dropped if less than \$0.00005 or, if \$0.00005 or more, shall be rounded up to the next full \$0.0001.

Section C - Reports and Reconciliations

The Company shall submit to the Commission Staff on or before January 30 of each year, the RDM calculation and support for any annual adjustments to be effective under this tariff. The Commission Staff will have 60 days to review. The reconciliation amount will be surcharged from April 1 through December 31 of each calendar year. Any credit will be issued as soon as administratively possible.

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

ENVIRONMENTAL COMPLIANCE INVESTMENT CHARGE

EXCEPT PUBLIC FIRE PROTECTION

In addition to the net charges provided for in this Tariff, a charge of 0.00% will apply to all bills rendered with an ending read date on and after the Effective Date shown on the bottom of this page.

This charge applies to all Rate Zones.

The above charge will be recomputed quarterly using the elements prescribed by the Commission as shown on pages 40.3, 40.4, and 40.5 of this tariff.

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

ENVIRONMENTAL COMPLIANCE INVESTMENT CHARGE (CONT'D)

1. General Description

Purpose: To recover the fixed costs (depreciation and pre-tax return) and incremental operation and maintenance costs ("O&M") of certain non-revenue producing, non-DSIC Eligible Projects, as defined below, undertaken between base rate cases to comply with significant new or changed regulatory requirements under applicable Environmental Laws.

Eligible Projects: The ECIC-eligible projects will consist of the following:

Investments made and related incremental O&M incurred to comply with significant new or changed legal or regulatory requirements imposed or reasonably anticipated to be imposed under applicable Environmental Laws, provided that such investments are consistent with the utility's approved Environmental Plan.

Environmental Laws: Any statutes, regulations, orders, and other legal mandates relating to protection of the environment, public health and safety, or natural resources.

Environmental Plan: A plan prepared by the Company and submitted to the Commission describing the projects and actions to be taken to address and comply with significant new or changed legal or regulatory requirements under applicable Environmental Laws. The Commission shall rule on the Environmental Plan no later than 120 days of the date the Environmental Plan was filed at the Commission. The Commission review process for Environmental Plans was approved by Order at Docket Nos. R-2023-3043189 and R-2023-3043190.

Effective Date: The ECIC will become effective for bills rendered on and after July 1, 2025.

2. Computation of the ECIC

Calculation: The initial non-zero ECIC, effective November 1, 2025, shall be calculated to recover the fixed costs of Eligible Projects that will have been placed in service between July 1, 2025, and September 30, 2025 and have not previously been reflected in the Company's rate base. Thereafter, the ECIC will be updated on a quarterly basis to reflect eligible plant additions placed in service the three-month periods ending one month prior to the effective date of each ECIC update. Thus, changes in the ECIC rate will occur as follows:

<u>Effective Date of Change</u>	<u>Date to which ECIC-Eligible Plant Additions Reflected</u>
May 1	March 31
August 1	June 30
November 1	September 30
February 1	December 31

The fixed costs of Eligible Projects will consist of depreciation and pre-tax return, calculated as follows:

Depreciation: The depreciation expense will be calculated by applying to the original cost of Eligible Projects the annual accrual rates employed in the Company's last base rate case for the plant accounts in which each retirement unit of Eligible Projects is recorded.

Incremental O&M: Incremental O&M incurred to comply with Environmental Laws, to the extent that such expense is not recoverable under another Commission-approved regulatory mechanism.

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

ENVIRONMENTAL COMPLIANCE INVESTMENT CHARGE (CONT'D)

2. Computation of the ECIC (cont'd)

Pre-tax return: The pre-tax return will be calculated using the state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the ECIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the ECIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the ECIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission Staff in the latest Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

Application of ECIC: The ECIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for service under the Company's otherwise applicable rates and charges, excluding amounts billed for public fire protection service, the State Tax Adjustment Surcharge (STAS) and the Distribution System Improvement Charge (DSIC). To calculate the ECIC, one-fourth of the annual fixed costs associated with all Eligible Projects will be divided by the Company's projected revenue for sales of water (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of revenues from public fire protection service, the DSIC and the STAS.

Formula: The formula for calculation of the ECIC surcharge is as follows:

$$\text{ECIC} = \frac{(\text{ECI} * \text{PTRR} + \text{Dep} + \text{O\&M} + e)}{\text{PQR}}$$

Where:

ECI = Original cost of eligible projects net of accrued depreciation

PTRR = Pre-tax return rate applicable to Eligible Projects.

Dep = Depreciation expense related to Eligible Projects.

O&M = Incremental O&M

e = Amount calculated (+/-) under the annual reconciliation feature or Commission Audit as described below.

PQR = Projected quarterly revenues for service will be based on the applicable three-month period (including all applicable clauses and riders) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, Commission's Bureau of Audits, the Office of Consumer Advocate and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

PENNSYLVANIA-AMERICAN WATER COMPANY

SCHEDULE OF RATES

ENVIRONMENTAL COMPLIANCE INVESTMENT CHARGE (CONT'D)

3. Safeguards

Audit/Reconciliation: The ECIC will be subject to audit at intervals determined by the Commission. It will also be subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the ECIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the ECIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or credited, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on May 1 of each year, or in the next quarter if permitted by the Commission. If ECIC revenues exceed ECIC-eligible costs, such over-collections will be credited to customers with interest and if ECIC revenues are less than ECIC-eligible costs, such under-collections will accrue interest. Interest on the over- and under-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. § 101, et seq.) and will be credited or collected in the same manner as an over- or under-collection.

New Base Rates: The ECIC charge will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had theretofore been recovered under the ECIC. Thereafter, only the fixed costs of new Eligible Projects, that have not previously been reflected in the Company's rate base, would be reflected in the quarterly updates of the ECIC.

All Customer Classes: The ECIC shall be applied equally to all customer classes.

Earning Reports: The charge will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings reports show that the Company will earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the ECIC as described in the Pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearning on one-days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the Utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed cost.

Customer Notice: Customers shall be notified of changes in the ECIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the ECIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the ECIC rate is reset to zero. The utility shall credit any over collection to customers and is entitled to recover any under collections as set forth in Section 3 – Audit Reconciliation. Once the utility determines the specific amount of the residual over or under collection amount after the ECIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, The Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

Public Fire Protection: The ECIC of a water utility will not apply to public fire protection customers.

RULES AND REGULATIONS

3. Application for Service and Street Service Connection

3.1 Application for Service

Any Applicant who wishes to receive water service from the Company under this Tariff must contact the Company and complete an application for service. Applications for service may be made by completing a written application, by telephoning the Company, or through application via the Company's website on the Internet.

Prior to providing utility service, the Company may require the Applicant to provide: (1) information that positively identifies him/her self; (2) the name of any adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested; (3) the names of each adult occupant residing at the location, and proof of their identity; or (4) a cash deposit, as may be required in accordance with Section 7 of this Tariff.

In the case of Residential Applicants, the Company may ask for the combined gross income of all adult occupants at the time the application for service is made; however, the Residential Applicant is not required to provide the information as a condition of receiving water service, unless such applicant is seeking to enroll in the Company's *Help to Others Program*.

3.2 Application for Street Service Connection

Any applicant who wishes to receive street service connection from the company must complete, in writing, an application for service on a form provided by the company. Upon receipt of the proper application, the Company will install a street service connection and will maintain the same at its expense, provided that the property to be served abuts a public highway in which a main pipe of the distribution system of the Company is located at a point at least halfway across the portion of the property abutting said highway. Each applicant shall be entitled to receive one street service connection free of charge. Application for street service connection at a property shall be made in writing. **After the initial street service connection is installed, (C) costs for the installation of additional connections, including if one property is converted into multiple premises, and costs for replacement connections and for the removal of existing facilities will be the responsibility of the applicant or customer.**

3.3 Application for Temporary Service

A Temporary Service will be made after the applicant has paid the entire estimated cost of the installation and abandonment of said Temporary Service. If the actual cost, when determined, differs from the estimate, the Applicant will pay to the Company any excess amount due, or the Company will refund to the Applicant any excess amount paid.

3.4 Activation of Service Connection Whenever an Applicant requests activation of a service connection, the Applicant shall pay a charge as shown on the Miscellaneous Fees rate schedule. The Company may require that the Applicant, or a responsible designee, be present at the time service is activated. For non-regularly-scheduled working hours, the fee is equivalent to the cost incurred by the Company.

3.5 Right to Reject

The Company may limit the amount or character of service it will supply, or may reject applications for service for the following reasons: requested service is not available under a standard rate; requested service may affect service to other customers; for a Non-Residential Applicant's or Non-Residential Customer's failure to establish Creditworthiness; for failure to address prior Company debts; for the Applicant's failure to provide identifying documentation of the Applicant and each adult occupant residing at the location; when identifying documentation cannot be verified; for the reasons set forth in Section 4.1, or for other good and sufficient reasons.

(C) means Change

PENNSYLVANIA-AMERICAN WATER COMPANY

RULES AND REGULATIONS

4. Service Pipes

3.6 Owner or Landlord Responsibility for Service

If a building is master metered, the Company may, at its discretion, require the building owner or landlord to establish a single account for the building at the master meter in the name of the building owner or landlord even where there are existing meters for individual tenants behind the master meter.

3.7 Acquired Customers

Upon acquisition of a water system where the Company is already the wastewater service provider, the Customer of record for water service shall be the same as the Customer of record for wastewater service.

4.1 Right to Reject

The Company may refuse to connect with any piping system or furnish water through one already connected if such system is not properly installed and maintained. The Company may also refuse to connect, **furnish water, etc., if service lines beyond the Company's curb stop include a service line made of lead, or where a galvanized service line that was or is downstream of any lead service line or service line is made of an unknown material.** It shall be the Customer's responsibility to provide the Company with a certification **regarding the foregoing materials. The Company may also refuse to connect, furnish water, etc., if, in the course of executing the Company's Lead Service Pipe replacement plan set forth in Section 4.9.1, a Customer refuses or fails to respond to the Company's request to replace a customer-owned lead service pipe.**

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4.2 Stop and Waste Valve

The Customer shall install a stop and waste valve on the service pipe immediately inside of the foundation wall of the building supplied and also on the outlet side of the meter. A double check valve shall also be installed on the outlet side of the meter. Such valves should be so located as to be easily accessible to the occupants and to provide proper drainage for the pipes in the building.

4.3 Service Pipe Limitation

No fixture shall be attached to or any branch made in the service pipe between the meter and the street main. No extension of service shall be made by the Customer to provide water service to another premise.

4.4 Trench Restriction

No service pipe shall be laid in the same trench with gas pipe, sewer pipe, electric cable, telephone cable or any other facility of a public service company, nor within three (3) feet of any open excavation or vault.

4.5 Service Pipe Specifications

The Company may specify the size, kind, quality and depth of the materials which shall be laid between the curb valve and the structure on the premise to be supplied. The Company may also disapprove any plumbing materials used within the premise to be supplied.

(C) means Change

RULES AND REGULATIONS

4. Service Pipes (cont'd)

4.6 Check Valve, Backflow Prevention Device and Service Pipe Strainers

A minimum of an approved American Society of Sanitary Engineering 1024 (ASSE 1024) dual check valve shall be installed on all service pipes for residential service. Residential accounts having a lawn irrigation system or fire sprinkler system will be required to install a reduced pressure zone backflow prevention device on the line which services this part of the customer's system. Reduced pressure zone devices are to be tested and/or repaired annually. On service pipes for commercial or industrial service, a backflow prevention device of a type approved by the Company shall be installed. The location of the double check valve or backflow prevention device shall be approved by the Company. Service pipes used for fire protection must in addition have an approved fire service pipe strainer. The double check valve and backflow prevention device shall be owned and maintained by the Customer. Non-residential Customers shall certify annually, in writing to the Company, that these devices have been maintained and are in working order. This is to include a test and /or repairs performed by an inspector who is a certified backflow prevention device tester. They are also subject to Company inspection at reasonable times. A backflow prevention device tester must be certified by an entity that performs training to test and repair Check valves and backflow prevention devices which meet or exceed American Society of Sanitary Engineering (ASSE), American Backflow Prevention Association (ABPA) or equivalent standards and provides certification that such training has been completed in accordance with these requirements.

4.7 Pressure Regulators

When the static pressure is 100 lbs. or more at the Customer's premise, 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.

4.8 Water use Standards for Plumbing Fixtures

The Company may refuse to connect with any piping system or furnish water through one already connected in any new construction or renovation which does not comply with the Company's water use standards for plumbing fixtures.

4.9 Customer Responsibility for Service Pipe

The Customer shall have full responsibility for the installation, repair, replacement, and maintenance of all Service Pipes, including full responsibility for metered water usage attributable to a leak in the Service Pipe; The failure of a Customer to properly install and maintain a Service Pipe, including replacement, shall constitute grounds for the Company to initiate action to terminate service to the Customer and seek recovery for any damage to the Company's facilities caused by an improperly functioning Service Pipe. Where an undetected, non-surfacing, underground leak is found in a Customer's Service Pipe, the Company shall credit the Customer with a one-time bill adjustment equal to forty percent (40%) of that portion of one month's consumption that exceeds the average monthly usage, based on the prior twelve month period, upon proper verification that the leak has been repaired. The Company **may** require documentation to establish, to the Company's satisfaction, the existence of such repaired leak at the Customer's premises. Such bill adjustment will be provided only to the extent the Customer has not received a bill adjustment for an undetected, non-surfacing, underground leak at the same premises in the past five (5) years.

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(C) means Change

RULES AND REGULATIONS

12. Termination and Discontinuance of Water Service

12.1 Termination by Company

The Company may terminate service upon prior notice for any of the following reasons:

- (A) For willful or indifferent waste of water due to any cause;
- (B) For failure to protect from injury or damage the meter and connections or for failure to protect and properly maintain the service pipe or fixtures on the property of the Customer;
- (C) For molesting or tampering by the Customer, or others with the knowledge of the Customer, with any meter, connections, service pipe, curb valve, seal or any other property of the Company controlling or regulating the Customer's water supply;
- (D) Failure to permit access to meters, service connection or other property of the Company for the purpose of replacements, maintenance, operation or repair after proper notice.
- (E) For non-payment of water service when due;
- (F) For termination of wastewater service by Company in accordance with the Company's wastewater tariff on file with the Commission;
- (G) For violation of any rule of the Company except as covered in Section 12.2 below.
- (H) **In accordance with the terms of any agreement with a non-Company wastewater provider (C) for non-payment of wastewater service when due.**

12.2 Grounds for Immediate Termination by Company

The Company may terminate service immediately and without prior notice for any of the following reasons:

- (A) Unauthorized Use of Service delivered on or about the affected dwelling;
- (B) Fraud or material misrepresentation of the Customer's identity for the purpose of obtaining service;
- (C) Tampering with meters or other Company equipment;
- (D) Violating tariff provisions on file with the Commission so as to endanger the safety of a person or the integrity of the Company's delivery system;
- (E) For existence of a cross connection in violation of Rule 22;
- (F) For Customer's tendering payment for reconnection of service that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice; or
- (G) After receiving a written termination notice from the Company, for Customer's tendering payment which is subsequently dishonored under 13 Pa. C.S. § 3502, or, in the case of an electronic payment, that is subsequently dishonored, revoked, canceled or otherwise not authorized and which has not been cured or otherwise made in full payment within three business days of the Company's notice.

(C) means Change

RULES AND REGULATIONS

27. MAIN EXTENSIONS FOR BONA FIDE SERVICE APPLICANTS (cont'd)

27.1 General Provisions (cont'd)

(2) A service applicant(s) may obtain a recorded easement or right-of-way that runs with the land, of at least fifteen (15) feet in width connecting the property to be served to the street wherein the Company's main is located. Such easement or right-of-way shall not cross multiple properties. The service applicant(s) shall present the Company with a certified copy of a duly recorded instrument which (a) describes the easement or right-of-way by metes and bounds, (b) gives the easement in perpetuity to the heirs, successors and assigns of said service applicant(s), (c) grants access to the service pipe for purposes of repair and replacement, and (d) is recorded in the County Office of the Recorder of Deeds. (C)

(F) Where substantial public need exists and the public health and safety may be compromised by the absence of a public water supply in a portion of the Company's authorized service territory, the Company, subject to the Commission's prior approval, may install main extensions and Special Utility Service facilities without the payment of the Customer Contribution that would otherwise be required under subparagraphs (A)(3) and (D)(2), respectively of the Rule 27.1.

PENNSYLVANIA-AMERICAN WATER COMPANY

Calculation of Company Funded Portion of Main Extensions
(For Illustrative Purposes Only)

Average Annual Revenue	\$340
minus	
Operation and Maintenance Expenses	\$102
<u>Subtotal</u>	<u>\$238</u>
Divided by	
Depreciation Rate (Mains Only) and Weighted Debt Costs	6.08%
<u>Total</u>	<u>\$3,914</u>

(C) means Change