

April 29, 2011

BY HAND DELIVERY

Rosemary Chiavetta Secretary Pennsylvania Public Utility Commission P.O. Box 3265 Harrisburg, PA 17105-3265

Re: General Base Rate Filing for Water Operations Docket No. R-2011-2232243

Dear Secretary Chiavetta:

Pennsylvania-American Water Company ("PAWC" or the "Company") is herewith filing for an increase in water rates based on a future test year ending December 31, 2011. In support of that request, PAWC submits the following documents:

- 1. Eight copies of Supplement No. 253 to Tariff Water Pa P.U.C. No. 4, bearing a proposed effective date of June 28, 2011.
- 2. Eight copies of a news release regarding this filing that will be published in newspapers of general circulation in each of the Company's service areas.
- 3. Eight copies of the supporting information required by the Commission's proposed regulations, including pre-filed direct testimony, supporting exhibits and filing requirements of the Pa. Code Section 53.52.

Notice of the afore-mentioned tariff filing was direct mailed to all customers on April 28, 2011. Copies of all such notices are attached hereto.

In accordance with the Commission's regulations, we are serving concurrently two copies of this rate filing on the Office of Consumer Advocate and two copies on the Office of Small Business Advocate. By prior agreement, we are also today furnishing 4 copies of this filing to the Commission's Office of Trial Staff and one copy each to counsel for A K Steel and the Pennsylvania-American Water Large Users Group

If you have any questions, please do not hesitate to call me.

Rod Nevirauskas

Sincerely

Director - Rates and Regulations



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically in your community, Pennsylvania American Water will have invested approximately \$16 million on system improvements, including upgrades to the Thorn Run Dam and Reservoir, which supply water for your area. The company is rebuilding and widening the dam's spillway and making additional upgrades in accordance with Pennsylvania Department of Environmental Protection requirements for dam safety. In addition, Pennsylvania American Water replaced aging and undersized water mains, upgraded valves and pumping stations, and installed new fire hydrants. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$48.45 to \$54.87 per month.
- Commercial customers using 23,000 gallons a month would increase from \$207.79 to \$242.14 per month.
- Industrial customers using 475,600 gallons a month would increase from \$3,162.67 to \$3,643.91 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No. 253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
 helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility
 Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

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Rate Zone 1 - Butler



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Please note: Since you are a customer located within the boundaries of the City of Pittsburgh, a portion of your water bill is paid by the City. Therefore, your bill may or may not be increased depending upon the difference between our rates and the City of Pittsburgh's water rates.

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Rate Zone 1 - City of Pittsburgh



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RATE REQUEST

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To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No. 253 Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

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There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
 helpful when the PUC investigates the rate-request. Send your letter to the Pennsylvania Public Utility
 Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

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Rate Zone 1 - Coatesville



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RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$48.45 to \$54.87 per month.
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Rate Zone 1 - General



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RATE REQUEST

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Rate Zone 1 - Hershey



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Rate Zone 1 - Fittsburgh-McMurray

APR 29 2011

PA PUBLIC UTILITY COMMISSION BEORETARY'S BUREAU



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RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically in your community, Pennsylvania American Water will have invested approximately \$78 million to replace aging and undersized water mains with new pipe, upgrade valves and pumping stations, install new fire hydrants, and repair and replace water treatment plant equipment to ensure that your water quality meets all regulatory standards. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$48.45 to \$54.87 per month.
- Commercial customers using 23,000 gallons a month would increase from \$207.79 to \$242.14 per month.
- Industrial customers using 475,600 gallons a month would increase from \$3,162.67 to \$3,643.91 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No. 253 Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- 1) Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

RECEIVED

Rate Zone 1 - Scranton/Wilkes-Barre



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$36.33 to \$54.87 per month.
- Commercial customers using 23,000 gallons a month would increase from \$121.13 to \$242.14 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
 helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility
 Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

RECEIVED

Rate Zone 36

APR 29 2011

PA PUBLIC UTILITY COMMISSION SEGRETARY'S BUREAU



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533.million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$43.70 to \$54.87 per month.
- Commercial customers using 23,000 gallons a month would increase from \$188.61 to \$242.14 per month
- Industrial customers using 475,600 gallons a month would increase from \$2,746.13 to \$3,643.91 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web-site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

RECEIVED

Rate Zone 30

Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$42.64 to \$54.87 per month.
- Commercial customers using 23,000 gallons a month would increase from \$185.96 to \$242.14 per month.
- Industrial customers using 475,600 gallons a month would increase from \$\$2,746.13 to \$3,643.91 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
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 Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

RECEIVED

Rate Zone 39



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REOUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

- Residential customers using 4,150 gallons a month would increase from \$16.90 to \$35.65 per month.
- Commercial customers using 23,000 gallons a month would increase from \$68.60-to \$156.57 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
 helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility
 Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

RECEIVED

Rate Zone 40



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

Residential customers using 4,150 gallons a month would increase from \$31.78 to \$54.87 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

PUC ROLE

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- 1) Send a letter to the PUC. You can telf the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the company. This information can be helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.
- 2) Attend or present testimony at a PUC public input hearing. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of Pennsylvania American Water's rate request and if there is enough interest in the case. At these hearings, you can present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the company. For more information, call the PUC at 1-800-692-7380.
- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

Rate Zone 41

RECEIVED

APR 29 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU



Dear Customer:

On April 29, 2011, Pennsylvania American Water filed a request with the Pennsylvania Public Utility Commission (PUC) to decrease your water rates as of June 28, 2011. A full investigation of this request could delay the change until January 2012. This notice describes our request, the PUC's role, and what actions you can take.

RATE REQUEST

Pennsylvania American Water is requesting an overall rate increase of \$71 million per year. Since the last rate request, Pennsylvania American Water will have invested approximately \$533 million to improve water quality, service and reliability for more than 637,000 customers throughout Pennsylvania. Specifically, the company's capital investments include necessary upgrades to water treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. Pennsylvania American Water also replaced approximately 177 miles of aging water main, as well as valves, service lines and other parts of its nearly 9,900-mile distribution system. The company also needs rate relief to keep pace with increasing operational costs, which are necessary to provide reliable water service to your community.

Pennsylvania American Water's capital spending program is aligned with the national focus on the importance of significant, ongoing investment to repair the country's aging water infrastructure. We are committed to properly maintaining and upgrading our water systems to help protect customers from the infrastructure concerns facing many U.S. communities.

If the company's entire request is approved, the typical customer's water bill for:

• Residential customers using 4,150 gallons a month would decrease from \$57.19 to \$54.87 per month.

To find out how the request might affect your water bill, or to address any other questions you might have, please contact Pennsylvania American Water's customer service center at 1-800-565-7292. You can also find the rates requested by Pennsylvania American Water in Supplement No.253 to Water Tariff PA P.U.C. No. 4 on our Web site at www.pennsylvaniaamwater.com. Under the Customer Service menu, select "Rates Information." You can also review the material filed with the PUC at our office at 800 West Hersheypark Drive, Hershey, PA 17033. In addition, you can request that we mail you a copy of Pennsylvania American Water's Statement of Reasons, which is a plain language summary of why we are requesting the rate change.

<u>PUC ROLE</u>

The state agency that approves rates for regulated public utilities is the PUC. The PUC will review and investigate the requested rate increase. Pennsylvania American Water must prove that the requested rates are reasonable. After examining the evidence, the PUC might grant all, some or none of the request, or it might reduce existing rates. As a result, the final effect on your bill might be different than the company's request.

ACTIONS YOU CAN TAKE

There are three ways you can challenge Pennsylvania American Water's request:

- Send a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter.
 You can also tell the PUC about any other concerns you have about the company. This information can be
 helpful when the PUC investigates the rate request. Send your letter to the Pennsylvania Public Utility
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- 3) File a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all the hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before June 28, 2011. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265, or by going to its Web site at www.puc.state.pa.us.

Rate Zone 42

RECEIVED

APR 29 2011

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

RECEIVED

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania American Water Company: Docket No. R-2011-2232243

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing documents upon the following persons, in the manner indicated below:

VIA HAND DELIVERY

William R. Lloyd, Jr., Esquire Office of Small Business Advocate Suite 1102 - Commerce Building 300 North Second Street Harrisburg, PA 17101

Johnnie E. Simms, Esquire Office of Trial Staff Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17105-3265

VIA US MAIL
David F. Boehm Esquire
Boehm Kurtz & Lowry
2110 CBLD Center
36 East Seventh Street
Cincinnati, OH 45202

Dianne E. Dusman Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place Fifth Floor
Harrisburg, PA 17101-1923

James Dougherty, Esquire McNees, Wallace & Nurick P. O. Box 1166 100 Pine Street Harrisburg, PA 17108 SECRETARY'S

2011 APR 29 AH 11: 08

Rod Nevirauskas

Director – Rates and Regulations Pennsylvania-American Water Company

800 West Hershey Park Drive

Hershey, PA 17033 (717) 531-3340

Dated: April 29, 2011