



March 14, 2016

Melanie J. El Atieh
Director, Corporate Counsel

800 Hershey Park Drive
Hershey PA 17033

Phone: (717) 531-3362
Facsimile: (717) 531-3399

melanie.elatieh@amwater.com

VIA E-FILING


Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: First Amendment to Bulk Water Purchase Agreement between the Municipal Authority of Westmoreland County and Pennsylvania- American Water Company
Docket No. U-2015-2473347

Dear Ms. Chiavetta:

On behalf of Pennsylvania-American Water Company, I am electronically filing, according to Section 507 of the Public Utility Code, the First Amendment to the Bulk Water Purchase Agreement between Municipal Authority of Westmoreland County and Pennsylvania-American Water Company under Docket No. U-2015-2473347. This docket number was assigned to the original Bulk Water Purchase Agreement between Municipal Authority of Westmoreland County and Pennsylvania-American Water Company dated March 11, 2015.

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

Sincerely,

Melanie J. El Atieh

Enclosure

**FIRST AMENDMENT TO
BULK WATER PURCHASE AGREEMENT**

THIS FIRST AMENDMENT ("AMENDMENT") TO THE BULK WATER PURCHASE AGREEMENT DATED MARCH 11, 2015, is made this 2nd day of March, 2016, by and between MUNICIPAL AUTHORITY OF WESTMORELAND COUNTY, a municipal authority organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to as "Seller"), and PENNSYLVANIA-AMERICAN WATER COMPANY, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to as "Buyer"). Buyer and Seller shall be referred to hereunder individually as a "Party" and jointly as the "Parties".

WHEREAS, the Parties previously entered into a written agreement, dated March 11, 2015, for the purchase and sale of bulk water ("Bulk Water Purchase Agreement"); and

WHEREAS, under Section 5 of the Bulk Water Purchase Agreement, the Parties agreed that "the [C]ommencement [D]ate of the [Bulk Water Purchase] Agreement will be considered to be May 2, 2016, unless a different date is subsequently agreed to mutually by both parties" and

WHEREAS, the Parties mutually agree to establish a Commencement Date that is different from the date set forth in the Bulk Water Purchase Agreement in accordance with the provisions herein.

NOW THEREFORE, in consideration of mutual promises contained herein and intending to be legally bound hereby, the Parties covenant and agree as follows:

1. All capitalized terms used herein but not defined shall have the same meaning as in the Bulk Water Purchase Agreement.
2. The Parties hereby mutually agree to extend the Commencement Date of the Bulk Water Purchase Agreement through and until the earlier of (i) the new Commencement Date specified in Buyer's Commencement Notice (as defined below); or (ii) one hundred eighty (180) days from the date a Final Order (as defined below) is entered with regard to the PUC Petition or the Land Use Appeals.
3. Buyer may provide Seller written notice ("Commencement Notice") setting a new Commencement Date that is no later than one hundred eighty (180) days from the date of the Commencement Notice.
4. The term "Final Order" means an order that disposes of all claims and all parties in the PUC Petition or Land Use Appeals, and with respect to which all appeals or requests for reconsideration have been exhausted or finally resolved, or the applicable period of time for

reconsideration have been exhausted or finally resolved, or the applicable period of time for taking such action has lapsed. The “PUC Petition” shall mean that certain proceeding before the Pennsylvania Public Utility Commission (“PUC”), at Docket No. P-2015-2513587, regarding the *Petition of Pennsylvania-American Water Company for a Finding on an Expedited Basis that Two Buildings to Shelter Booster Pump Stations to be Constructed in Dunbar Township, Fayette County, Pennsylvania are Reasonably Necessary for the Convenience or Welfare of the Public*. The term “Land Use Appeals” shall mean those certain Notices of Land Use Appeal filed with the Court of Common Pleas of Fayette County, Pennsylvania, in the matters styled *Pennsylvania-American Water Company v. Zoning Hearing Board of Fayette County* at Docket Nos. 2417 of 2015; 2418 of 2015; 2575 of 2015; and 2576 of 2015.

5. Except as expressly amended herein, all terms and conditions of the Bulk Water Purchase Agreement shall remain in full force and effect during the extension period and shall be incorporated herein.

6. The consummation of this transaction is conditioned upon the PUC’s approval of this Amendment. Buyer shall file this Amendment and faithfully defend, if necessary, the Amendment in any proceedings (and Seller agrees to cooperate in such proceedings) in order to obtain the approval of the PUC.

7. Each Party hereby represents and warrants that the execution, delivery and performance of this Amendment are within the respective Party’s authority and have been duly authorized.

8. This Amendment represents the entire agreement between the Parties regarding the extension of the Commencement Date of the Bulk Water Purchase Agreement and each Party warrants that no representation, promise or inducement has been made by either Party that is not embodied in this Amendment.

9. This Amendment may be executed in counter-parts and may be executed by facsimile or electronic PDF. Each Party agrees that such signatures and execution will be valid and constitute the whole agreement.

[Signatures to Appear on Following Page]

IN WITNESS WHEREOF, the Parties, with full authorization and intending to be legally bound hereby, have hereunto set their respective hands and seal as of the day and year first above written.

ATTEST:

**MUNICIPAL AUTHORITY OF
WESTMORELAND COUNTY**



Secretary

By: 


Chairman

ATTEST:

**PENNSYLVANIA-AMERICAN WATER
COMPANY**



(Seal)

By: 

James Sheridan, Vice President Operations