

**BUREAU OF TECHNICAL UTILITY SERVICES DATA REQUESTS**

**TO PENNSYLVANIA-AMERICAN WATER COMPANY**

**Docket No. A-2017-2606103**

Data Request 1

*Data Requests A-2 through A-13 refer to information provided in the Application's Appendix A-5.*

A-2. The Market Approach Summary of AUS Consultants, Inc.'s (AUS') valuation utilizes \$85,320,322 as the value for the Municipal Authority of the City of McKeesport's (MACM's) assets as of September 2016. Please provide a justification as to how this amount was calculated and explain why this amount was utilized in lieu of the \$80,085,602 calculated as the original cost less depreciation in the same report.

**Response:** The \$85,320,322 represents total assets as follows:

Asset	Asset Balance (12-31-2015)
Current Assets	4,539,280
Restricted Assets	6,967,248
Net Plant	73,813,794
Construction in Progress	-
Total Assets	85,320,322

The measures used in the Market Approach utilized total assets as a comparison to the total purchase price in order to calculate the market ratio so the \$85,320,322 was utilized.

Responsible Witness: Jerome C. Weinert, P.E.

Title: Principal and Director  
AUS Consultants, Inc.

Date: July 14, 2017