

BUREAU OF TECHNICAL UTILITY SERVICES DATA REQUESTS

TO PENNSYLVANIA-AMERICAN WATER COMPANY

Docket No. A-2017-2606103

Data Request 1

Data Requests A-14 through A-15 refer to the pro forma tariff contained in the Application's Appendix 13 and MAMC's existing wastewater rates noted in Appendix 18-a.

A-14. The *pro forma* tariff in Appendix A-13 indicates that PAWC-WD will bill Port Vue Borough wastewater customers either on a monthly basis at a rate of \$19.35 with a monthly usage allowance of 0 - 1,400 gallons or on a quarterly basis at a rate of \$58.05 with a monthly usage allowance of 0 - 4,000 gallons. 66 Pa. C.S. § 1329(d)(1)(v) requires a tariff containing a rate equal to the existing rates of the selling utility at the time of acquisition. Please explain why PAWC-WD proposes a disproportionately greater usage allowance for customers billed on a monthly basis.

Response: Currently Port Vue Borough Customers are billed on a quarterly basis. The purpose of including a monthly rate in the *pro forma* tariff is to provide the Company with the option of converting all Port Vue Borough Customers to monthly billing in the future.

When converting Port Vue Borough wastewater customers from a quarterly billing cycle to a monthly cycle it is necessary to divide the quarterly allowance of 4,000 gallons by three to arrive at a monthly allowance of 1,333 gallons. However, Pennsylvania American Water bills its customers in hundred gallons and would need to implement either a 1,300 gallon or 1,400 gallon monthly allowance. In order to not bill customers more than they are currently paying, a monthly allowance of 1,400 gallons is necessary.

Responsible Witness: Rod Nevirauskas
Title: American Water Works Service Company
Senior Director, Rates and Regulatory

Date: July 14, 2017