

3.13.24

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Docket#- M-2016-2543193

Subject- Comments

Act 12 must be amended or repealed.

Below are all results of Act 12. and how this is effecting me personally.

I just have few points to cover.

1st as a rate comparison from approx. time frame American Water purchased Exeter Water & Waste water System in Oct 2019.

- My Jan 2021 water & sewer bill – usage 8400 gallons cost was 208.44
- My July 2023 water & sewer bill- usage 4200 gallons cost was 220.20
 - **We used half the amount of water in 2023** and paid \$10.00 more - My bill has doubled within this period.
- As stated by others billing cycle runs from 28-35 days. Some months we receive 2 bills in one month that can total \$350-\$400 for the month. There doesn't seem to be a consistent pattern to this billing practice. Don't understand why billing cycle fluctuates. This practice creates monthly budgeting challenge.
- In the current Pennsylvania American Water rate increase request, there are 3 additional “**element**” request that **technically** are referred to as “**Alternate Rate Making**” one of these is called:
 - “Revenue Decoupling Mechanism”- In the simplest example for me to explain and understand... a business or household understands their total revenue income and bases their budget on that income. They see that there going to go over budget for some reason so they must make smart, logical decisions and sometimes use creative methods to stay under budget and save money. Businesses may cut back on operating and maintenance expenses or employee expenses like overtime. In regard to us the Exeter twp. customers of Pa American Water we're trying to deal with these high-water bills. So we start finding ways to cut water usage to stay within our budget. We stop watering are lawns, washing our cars, start looking at water saving appliances, shower heads and other devices to conserve water usage. We go to extremes... we joint fitness clubs because the membership is more cost effective than the cost to take shower in our own home or we may use our work facilities showers and we may only flush our toilet when absolutely necessary. Then we sit back and wait for that next bill to arrive to see how well our cost saving measures worked. We did it honey, we got our bill down, you feel so good that you figured out how to deal with the high-water rates and your also more aware of this precious resource... only to find that you're going to get kicked in the stomach again... This Revenue Decoupling request basically states, **Hold on there one minute Exeter resident**, your monthly water usage fell below what we budgeted as your usage so were going to assign a sur- charge to your bill to make up for the revenue loss. Basically, how I'm understanding this you'll never win or find a way to save on your water bill. This request makes me sick... how can this ever be thought of as fair or having the resident's best interest in mind.
 - The other two request are referred to as an Environmental Surcharge and Waste Water Winter Averaging. I will not go into detail on either of these because of my inability to give a coherent explanation of what they mean but to me they are as convoluted as the Revenue Decoupling Mechanism and if approved it would be just as hard for a resident to dispute or probably get a common-sense understandable explanation for the charge from an PA AW customer service representative. My hope is that the PUC will look at all of these requests seriously and with their team of experts determine....
 - If requested rate increases are legitimate requests backed with outlined, factual expense allocation information... what is the plan and where are the additional money's going to be used.
 - Is the requested rate increase fair and reasonable for both PA AW and the residents as well as sustainable for the residents of Exeter twp.
 - Remember once this increase and attached request are approved like Act 12 its hard to go back and amend, repeal or make changes to these laws.
- Also consider how this will affect the economy of the twp's involved. Will families or businesses want to move into these areas knowing how high the water bills are?

- How do these abnormally high-water rates affect me directly...
 - If these rates continue to increase how I will we pay this utility bill.
 - If rates continue to increase, we may have to consider selling our home and moving out of the Exeter twp.
 - What effect will these high rates have on the value of my property.
 - My summer weekends spent relaxing and washing my cars are gone, it is now time spent thinking if I should wash my cars and the cost of the water being used.
 - The stress that this situation has caused continuously worrying about rate increases, high monthly water bills along with trying to do my part as a resident and consumer keeping up with information, attending twp. meetings an trying to participate by testifying at hearings.
 - Lost work time to take off and address this issue.

I can only assume that when act 12 was created and put into law with the intent to help struggling municipalities who could no longer afford or provide quality service to its customers that the option to sell off the water and sewer utilities to private corporations would be a viable solution to this problem.

It's sad that this law was instead used by these private companies to make extreme profits at the expense of its new customers.

My comments are to convey to the PUC my struggles with these high-water rates charged by PA AW in hopes it will recognize these continuous rate increase requests are not sustainable to the residents of Exeter Township or the other customers of Pennsylvania AM water or like companies.

Thank you for your Time.

- **My understating** is each year there is an evaluation of Pa American Water based on company evaluation. 10% of evaluation is charged back to all customers. This evaluation is done every year along with the 10% charge to customer...this never ends.
- **My understanding** is that with each Public Water Treatment System American Water purchases a percentage of that cost is charged back to American Water Customers. If the Butler Pa purchase goes through Exeter residents are expected to see a 7% increase in their monthly water bill.
 - If purchase of Butler Water System is completed the residents of Butler can expect to see similar yearly increases to their water bills.