

# Valley Township

## BOARD OF SUPERVISORS

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Karen Chandler, Sec./Tres.

May 17, 2010

RESIDENTS OF VALLEY TOWNSHIP

RE: **Pennsylvania American Sewer Rate Increase PUC filing**  
**Valley Township EIT collector**

Dear Resident:

### **LET'S FIGHT THE RATE INCREASE!!!!**

The Valley Township Board of Supervisors would like to make you aware of the wastewater rate increase that Pennsylvania American Water Company (PAWC) has filed with the PUC. The proposed rate increase is driven by the \$57.7 million dollars capital investment for the upgrade and expansion of the Coatesville wastewater system. Under the proposed new rates, the typical residential customer's wastewater bill would increase from \$27.43 per month to \$90.26. The company requested that the new rates become effective June 22, 2010, however the PUC typically suspends such requests for up to six-to-nine months to permit a complete investigation and analysis.

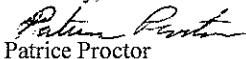
Valley Township is one of four municipalities who is a "bulk" user. This means that the Township owns their lines and several pump stations that convey the Township sewer to the PAWC plant. The Township pays PAWC for their sewer treatment costs. The Township rates charged to residents that are serviced by Valley township will increase based on PAWC's increase to its bulk users. They are proposing a 178% increase.

The PUC last granted a rate increase to PAWC in November 2008 and because of the four bulk user municipalities banning together to fight the proposed 100% increase in 2008 the increase resulted in a 75% increase for the bulk users. Valley Township Supervisors have once again decided to hire an attorney, in conjunction with the other bulk municipal users, to oppose PAWC's rate increase. We will be filing a joint complaint to the PUC in June.

**WHAT YOU CAN DO.....**The Board strongly urges our residents to help in this process by submitting a rate increase complaint form to the PUC and by participating in a public hearing the PUC will be scheduling at a later date. The address to send the attached completed complaint form by mail is **Secretary, Pennsylvania Public Utility Commission, P.O. Box 3265, Harrisburg, PA 17105-3265** or overnight delivery service to **Secretary, Pennsylvania Public Utility Commission, 400 North Street, Commonwealth Keystone Building, 2<sup>nd</sup> Floor, Harrisburg, PA 17120**. If you have questions about filling out the form, please contact the Secretary's Bureau at 717-772-7777 or e-mail the PUC at [ra-pcwebmaster@state.pa.us](mailto:ra-pcwebmaster@state.pa.us). It is inevitable that PAWC will be granted a rate increase but how much of an increase is the end result that we must affect. Valley Township's website ([www.valleytownship.org](http://www.valleytownship.org)) will post the dates of the hearings once they are scheduled. We implore you to forward a complaint form as stated above and attend the hearings to voice your concerns!

On another note, the collector for Valley Township's EIT(earned income tax) tax and LST tax is CENTAX. Our EIT is .5%. The other .5% is for the Coatesville Area School District (their tax collector is Berkheimer) for a total 1% that should be deducted from your pay check. Please review your check stub and make for certain that there is only 1% being deducted from your check for EIT. We have had some complaints about Valley Township residents paying more than 1% because they have been mistakenly considered City of Coatesville residents where there is a higher tax rate.

Sincerely,

  
Patrice Proctor

Chairwoman, Valley Township Board of Supervisors