



WE KEEP LIFE FLOWING®

FOSTER TOWNSHIP WASTEWATER

Pennsylvania American Water's \$1.5M investment in Foster Township's wastewater system is helping Luzerne County grow while protecting Pennsylvania's rivers and streams

Pennsylvania American Water, a subsidiary of American Water (NYSE: AWK), is the largest regulated water utility in the state, providing high-quality and reliable water and wastewater services to approximately 2.3 million people in 417 communities.

The Pennsylvania Utility Commission (PUC) approved new rates for our wastewater customers in Foster Township. They will take effect on January 1, 2025 (see reverse).

We're sharing information about how these rates reflect needed infrastructure investments in Foster Township to:

- Replace aging and failing pumps
- Keep the system reliable and resilient in the face of floods and other weather-related risks
- Install state of the art telemetry and communications for real time data acquisition and improved automation and control of the collection system
- Improve system reliability and resiliency

INFRASTRUCTURE CHALLENGES

According to the American Society of Civil Engineers, Pennsylvania will need to invest nearly \$20 billion over the next 10 years to maintain and modernize the state's water and wastewater infrastructure. Local government-run systems will have to finance those necessary improvements to comply with more stringent regulatory requirements, while maintaining affordability for residents.

IMPROVING INFRASTRUCTURE

In October 2022, Foster Township decided to sell its wastewater system to Pennsylvania American Water and used the proceeds to improve its finances and invest in other infrastructure, like road maintenance.

Since then, we've already invested \$290,000 and plan to invest an additional \$1.2 million over the next five years. The combined \$1.5 million investment will upgrade Foster Township's wastewater infrastructure by:

- Replacing aging and failing pumps
- Improving reliability
- Reducing infiltration of stormwater into the sewer system
- Improving system capacity and supporting community growth
- Helping to achieve environmental compliance



INVESTMENT SPOTLIGHTS



Pump Station Projects

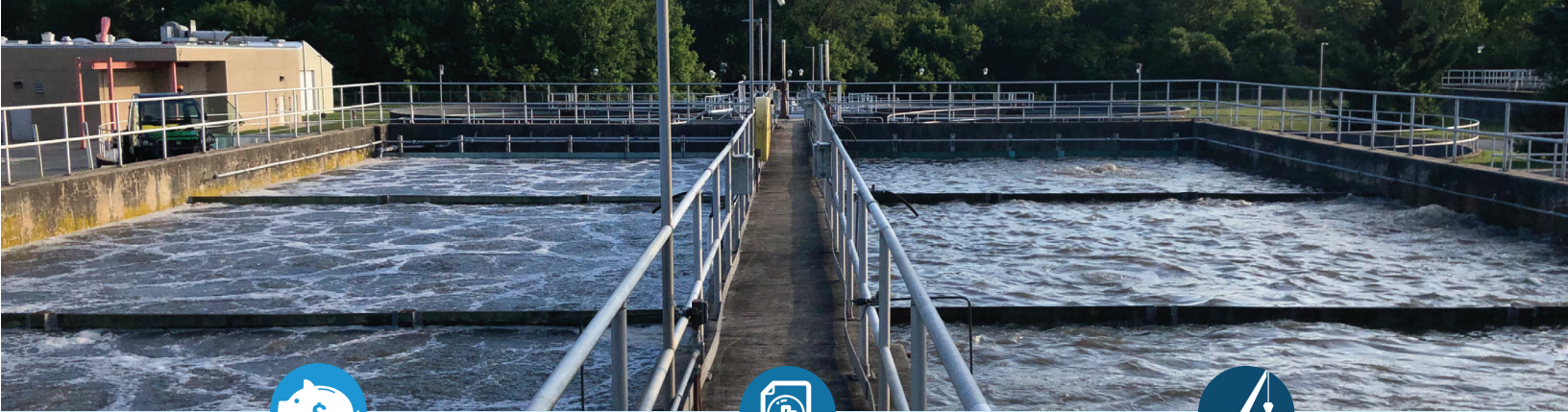
Pump stations, or lift stations, are an essential part of a wastewater collection system to transport wastewater. Pump stations can also help to prevent sewer backups in residential and commercial basements. Since 2022, we improved system resiliency at the Youngstown, Highland, and Upper Lehigh pump stations by:

- Replacing failing pumps and purchasing spare pumps
- Installing a backup generator at the Youngstown Pump Station
- Improving communication of system status to operators, including alarm statuses



Cleaning, Inspection and Assessment Projects

In 2024, we began surveying the entire Foster Township system, evaluating manholes, inspecting sewer mains and identifying collection system deficiencies. Results will be used to prioritize sewer main/manhole repair and replacement projects for the next five years, as well as to identify potential sources of infiltration and inflow.



THE CHALLENGE

Aging Infrastructure & Risk of Power Outages

Like many local governments across Pennsylvania, Foster Township faced budgetary challenges and delayed upgrading their wastewater infrastructure. For example, there was no reliable backup generator and existing instrumentation and alarm communication systems required updates to provide reliable service during emergencies.



THE RESULT

Leaking Pipes & Untreated Sewage Released into Waterways

During heavy rains, stormwater entered the Freeland Municipal Authority's wastewater system through outdated, leaking pipes and manholes, and indirectly increased the amount of untreated sewage being released into local waterways.



THE SOLUTION

Improving Infrastructure

Foster Township sold its wastewater system to Pennsylvania American Water in 2022 and used the proceeds to improve its finances and invest in other infrastructure, like road maintenance. The company has already begun making crucial investments in the system and plans to invest \$1.5 million in upgrades over the next five years.

ABOUT YOUR RATES

Effective January 1, 2025, Foster Township wastewater rates will increase. See below for estimated bill impact. For more information about your rates, visit pennsylvaniaamwater.com/rates.

	Monthly Bill at Prior Rates ¹	New Rates ¹ Effective 1/1/2025	Increase per Month
Residential Flat Rate (Unmetered) per EDU	\$85.53	\$110.00	\$24.47
Non-Residential Flat Rate (Unmetered) per EDU	\$85.53	\$150.00	\$64.47

¹ Based on residential customer with a 5/8-inch meter.

WHERE YOUR DOLLARS FLOW

Below is how each dollar of your wastewater bill is allocated.

System Improvements (\$0.60)

Costs associated with upgrades to meet regulatory standards and provide continued reliable service. Associated costs also include the interest and dividend payments we make to the lenders and investors who provide us with the funding to make these important investments.

60%

Operating Costs (\$0.30)

Operations, maintenance and administrative costs associated with running a utility, including labor and benefits.

30%

Taxes (\$0.10)

Like all businesses, we pay federal, state and local taxes, including income, payroll and property taxes.

10%



LENDING A HELPING HAND

For more than 30 years, Pennsylvania American Water has been assisting customers who qualify through its H2O Help to Others Program™.

Water Service Assistance

- Grants of up to \$500 per year
- A 30% to 90% discount on the monthly service fee and a 20% to 80% discount on the monthly volumetric charges
- Water-saving devices and education.

Wastewater Service Assistance

- Grants of up to \$500 per year
- A 37% to 85% discount on the total wastewater charges

Scan the QR code or visit pennsylvaniaamwater.com. Under Customer Service & Billing, select Customer Assistance Programs.

