

NOTICE OF PROPOSED WATER AND SEWER RATE CHANGES

Dear Customer:

The York Water Company filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your rates for water service, as well as wastewater service, as of August 1, 2018. A full investigation of this request could delay the change until March 2019. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

The Company has requested an overall base rate increase for water service of \$6.4 million per year. If the Company's entire request is approved, the typical water bill for:

Residential gravity customers using 4,600 gallons per month would increase from \$37.78 to \$41.84 per month, or by 10.7%. Residential repumped customers using 3,699 gallons per month would increase from \$44.72 to \$49.11 per month, or by 9.8%.

Commercial gravity customers using 28,428 gallons per month would increase from \$115.77 to \$126.29 per month, or by 9.1%. Commercial repumped customers using 39,541 gallons per month would increase from \$266.26 to \$288.46 per month, or by 8.3%.

Industrial gravity customers using 133,197 gallons per month would increase from \$431.96 to \$472.72 per month, or by 9.4%. Industrial repumped customers using 308,127 gallons per month would increase from \$1,764.56 to \$1,988.26 per month, or by 12.7%.

The Company has also requested an increase in wastewater rates. If the Company's request is approved, the typical wastewater bill for:

East Prospect Borough and Lower Windsor Area residential customers using 4,874 gallons per month would increase from \$51.75 to \$64.69, or by 25.0%.

East Prospect Borough and Lower Windsor Area commercial customers using 11,077 gallons per month would increase from \$64.15 to \$80.19, or by 25.0%.

The Company's filing with the PUC also requests to combine in part, the revenue requirement for the Company's wastewater operations with the Company's water operations as authorized by legislation enacted in 2012.

To find out your customer class or how the requested increase may affect your water or wastewater bill, contact The York Water Company at 1-800-750-5561. The rates requested by The York Water Company for water customers may be found in Supplement No. 130 to Tariff Water-Pa. P.U.C. No. 14, and the rates requested by The York Water Company for wastewater customers may be found in Supplement No. 6 to Tariff Wastewater-Pa. P.U.C. No. 1. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A Copy of this material is kept at The York Water Company's office. Upon request, the Company will send you the Statement of Reasons for Water Supplement No. 130 to Tariff Water-Pa. P.U.C. No. 14, and Wastewater Supplement No. 6 to Tariff Wastewater-Pa. P.U.C. No. 1, explaining why the rate increase has been requested.

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The Company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request, or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the Company as shown above.

There are three ways to challenge a Company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before August 1, 2018. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
2. You can send us a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes us aware of problems with the Company's service or management. This information can be helpful when we investigate the rate request.

Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the Company's rate increase request and if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and the Company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the Company.

The York Water Company