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File #: 167578

January 11, 2017

VIA ELECTRONIC FILING


Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Petition of The York Water Company for an Expedited Order Authorizing Limited
Waivers of Certain Tariff Provisions and Granting Accounting Approval to Record
Cost of Certain Customer-Owned Service Line Replacements to the Company's
Services Account
Docket No. P-2016-2577404**

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Conference Memorandum of The York Water Company in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin T. Ryan

DTR/skr
Enclosure

cc: Honorable Elizabeth Barnes
Certificate of Service

CERTIFICATE OF SERVICE

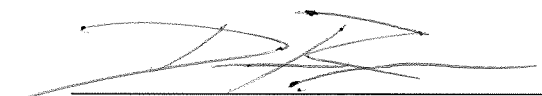
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

Phillip C. Kirchner, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street - 2 West
P.O. Box 3265
Harrisburg, PA 17105-3265

Christine M. Hoover, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place 5th Floor
Harrisburg, PA 17101-1923

Date: January 11, 2017


Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of The York Water Company for	:	
an Expedited Order Authorizing Limited	:	
Waivers of Certain Tariff Provisions and	:	
Granting Accounting Approval to Record	:	Docket No. P-2016-2577404
Cost of Certain Customer-Owned Service	:	
Line Replacements to the Company's	:	
Services Account	:	

**PREHEARING CONFERENCE MEMORANDUM
OF THE YORK WATER COMPANY**

TO ADMINISTRATIVE LAW JUDGE ELIZABETH H. BARNES:

Pursuant to 52 Pa. Code § 5.224(c) and the Prehearing Conference Order dated January 5, 2017, The York Water Company ("York Water" or the "Company") hereby submits this Prehearing Conference Memorandum in the above-captioned proceeding and states as follows:

I. PROCEDURAL HISTORY

On November 28, 2016, York Water filed a Petition requesting the Pennsylvania Public Utility Commission ("Commission") to issue an Order on an expedited basis¹ that: (1) grants limited waivers of certain tariff provisions to permit the Company to replace customer-owned service lines made of lead; and (2) grants accounting approval to record the cost of replacement of customer-owned services made of lead to the Company's Services Account – Account No. 333. The purpose of the Petition is to facilitate York Water's replacement of customer-owned lead service lines that the Company encounters while replacing its approximately 1,660 Company-owned lead service lines ("Phase 1"), as well as the replacement of any customer-

¹ As explained noted in the Petition, the Company sought an Order granting the requested waiver, following consideration by the entire Commission, at the Commission's public meeting on December 22, 2016.

owned lead service lines whenever they are discovered and regardless of the material used for the Company-owned service line (“Phase 2”).

On December 19, 2016, the Bureau of Investigation and Enforcement (“I&E”) filed an Answer to the Petition, requesting evidentiary hearings to determine if York Water’s Petition is in the public interest. Also on December 19, 2016, the Office of Consumer Advocate (“OCA”) filed an Answer to the Petition, generally supporting portions of York Water’s Petition but requesting additional information and making certain recommendations.

On January 5, 2017, a Notice was issued scheduling a Prehearing Conference before Administrative Law Judge Elizabeth H. Barnes (the “ALJ”) at 10:00 AM on Thursday, January 12, 2017, at Commonwealth Keystone Building, Hearing Room 2, 400 North Street, Harrisburg, Pennsylvania. Also on January 5, 2017, a Prehearing Conference Order was issued by the ALJ, directing the parties to file Prehearing Memoranda on or before January 11, 2016.

York Water herein files this Prehearing Memorandum pursuant to the Prehearing Conference Order.

II. SERVICE OF DOCUMENTS

York Water requests that Michael W. Hassell and Devin T. Ryan be listed on the service list on behalf of the Company. Their contact information is provided below:

Michael W. Hassell, I.D. No. 34851
Devin T. Ryan, I.D. No. 316602
Post & Schell, PC
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12th Floor
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E-mail: mhassell@postschell.com
E-mail: dryan@postschell.com

York Water agrees to receive service of documents electronically in this proceeding.

III. WITNESSES AND ISSUES

Below is a list of the witnesses that York Water intends to call in this proceeding and the subject areas of their testimony. Further definition of the issues will be developed by the parties during the course of this proceeding. York Water reserves the right to call additional witnesses, present testimony, or both on additional issues and subject matters that may arise during the course of this proceeding.

<u>Witness</u>	<u>General Subject Matter</u>
Joseph T. Hand Chief Operating Officer The York Water Company 130 East Market Street York, PA 17401	Details of Lead Testing and York Water's Distribution System; Need for Tariff Waiver; York Water's Plan for Replacing Company-owned and Customer- owned Lead Service Lines
Kathleen M. Miller Chief Financial Officer The York Water Company 130 East Market Street York, PA 17401	Accounting Treatment of Costs to Replace Customer-owned Lead Service Lines

IV. PROCEDURAL SCHEDULE

York Water will work with the other parties to develop an acceptable procedural schedule for this proceeding that will facilitate the issuance of an expedited order on the merits of the Company's Petition.

V. DISCOVERY

As explained in York Water's Petition, the Company has requested an expedited order so that it can address the customer-owned lead services in its service territory quickly. This is particularly important with respect to lead customer-owned services encountered with the replacement of lead Company-owned services, which York Water needs to begin replacing as

soon as possible. Accordingly, York Water proposes the following modifications to the Commission's Rules of Practice and Procedure governing discovery to help expedite this proceeding:

1. Answers to written interrogatories shall be served in-hand within seven calendar days of service.
2. Objections to interrogatories shall be communicated orally within three calendar days of service of the interrogatories. Any unresolved objections shall be served in writing within five calendar days of service of the interrogatories.
3. Responses to requests for production of documents, entry for inspection, or other purposes must be served in-hand within seven calendar days. Any objections to these discovery requests must be in writing and served within five calendar days of service of the requests.
4. Requests for admissions will be deemed admitted unless answered within seven calendar days or objected to (in writing) within five calendar days of service of the requests.

VI. EXCHANGE AND ACCEPTANCE OF EXHIBITS

York Water will work with the other parties to exchange and accept exhibits that are proposed to be introduced into evidence.

VII. OBTAINING OF ADMISSIONS OR STIPULATIONS

In an effort to shorten any evidentiary hearings that may be held in this matter, York Water will work with the other parties to obtain admissions or stipulations concerning facts not in dispute and the authenticity of documents.

VIII. TRANSCRIPT TURNAROUND

Due to the expedited nature of this proceeding, York Water requests that any hearing transcripts, with the exception of the prehearing conference transcript, be produced and circulated to the parties on an expedited basis.

IX. BRIEFING OUTLINE

York Water will work with the other parties to develop a common briefing outline.

X. SETTLEMENT DISCUSSIONS

York Water has been in contact with counsel for I&E and OCA about trying to resolve this matter through settlement. The Company will continue to work with the parties in an effort to resolve this proceeding through settlement.

Respectfully submitted,



Michael W. Hassell (ID # 34851)

Devin T. Ryan (ID # 316602)

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Date: January 11, 2017

Attorneys for The York Water Company