**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : R-2019-3007103

Office of Consumer Advocate : C-2019-3007947

Office of Small Business Advocate : C-2019-3008081

:

v. :

:

Buck Hill Water Company :

**PREHEARING ORDER No. 2**

On January 11, 2019, Buck Hill Water Company (Buck Hill), filed Supplement No. 32 to Tariff Water – Pa. P.U.C. No. 3 to become effective April 1, 2019. The subject tariff supplement would increase Buck Hill’s total annual operating revenues for water service by approximately $106,458, or 34.57%.

On February 15, 2019, the Office of Consumer Advocate (OCA) filed a formal Complaint, Public Statement, Verification, and a Notice of Appearance on behalf of Christine Hoover, Esq. The Complaint was docketed at C-2019-3007947.

On February 26, 2019, the Office of Small Business Advocate (OSBA) filed a formal Complaint, Public Statement, Verification, and a Notice of Appearance on behalf of Steven C. Gray, Esq. The Complaint was docketed at C-2019-3008081.

By Order entered March 14, 2019, the Pennsylvania Public Utility Commission (Commission) instituted an investigation into the lawfulness, justness, and reasonableness of rates, rules, and regulations contained in Buck Hill’s proposed Supplement No. 32 to Tariff Water – Pa. P.U.C. No. 3. Pursuant to Section 1308(d) of the Public Utility Code, 66 Pa. C.S.A. § 1308(d), Supplement No. 32 to Tariff Water – Pa. P.U.C. No. 3 was suspended by operation of law until November 1, 2019, unless permitted by Commission Order to become effective at an earlier date. In addition, the Commission ordered that the investigation include consideration of the lawfulness, justness and reasonableness of the existing rates, rules, and regulations of Buck Hill. The matter was assigned to the Office of Administrative Law Judge for the prompt scheduling of hearings culminating in the issuance of a Recommended Decision.

In accordance with the Commission’s March 14, 2019 Order, the matter was assigned to Administrative Law Judge F. Joseph Brady.

On March 14, 2019, both a Prehearing Conference Order and Notice were issued, scheduling an initial prehearing conference for Friday, March 29, 2019 at 10:00 a.m.

On March 22, 2019, the OSBA submitted a letter to the Secretary’s Bureau requesting the Commission to withdraw the OSBA’s Complaint.[[1]](#footnote-1)

On March 27, 2019, Prehearing Memoranda were filed by Buck Hill and OCA.

A dual location Prehearing Conference was held on March 27, 2019. Counsel for Buck Hill and OCA participated. This Prehearing Order memorializes the matters decided and agreed upon by the parties attending the conference.

ORDER

THERERFORE,

IT IS ORDERED:

1. That the parties of record as of this date are Buck Hill and the OCA.
2. That the parties may arrange service amongst themselves as they agree.
3. That parties may serve documents electronically by 4:30 p.m. to meet any required due date, with hard copy to follow by regular first class mail, with the provision that large documents not able to be transmitted electronically may be hand-delivered to the parties located in Harrisburg on the due date and received the next business day by parties located outside Harrisburg.
4. That discovery shall be conducted according to the Commission’s rules and regulations at 52 Pa. Code § 5.321 *et seq*.
5. That the parties are required to attempt to resolve discovery disputes among themselves prior to seeking a resolution from the Administrative Law Judge.
6. That discovery disputes may be resolved via telephone conference with the Administrative Law Judge without the need for filing a motion to compel, although the propounding party may choose to file a formal motion to compel.
7. That the following schedule is adopted:

Subject Date

Rate Filing January 11, 2019

Prehearing Conference March 29, 2019

Complainant Direct Testimony April 23, 2019

Rebuttal Testimony May 21, 2019

Surrebuttal Testimony June 5, 2019

Oral Rejoinder Outline June 13, 2019

Evidentiary Hearing June 18, 2019

Close of Record June 21, 2019

Main Briefs July 11, 2019

Reply Briefs July 22, 2019

1. That the June 18, 2019 hearing will be held in Harrisburg and commence at 10:00 a.m. Parties will complete the daily witness listing and cross-examination grid as directed.
2. That any motions with respect to, or objections to, written testimony must be presented in writing no later than three days prior to the day that the witness sponsoring that testimony is scheduled to testify. Answers to such motions or objections may be filed within three days or sooner if circumstances warrant. Oral motions, other than for good cause, shall not be accepted.
3. In accordance with the schedule set forth above, main briefs must be filed with the Secretary of the Commission and received in-hand by all parties no later than 4:30 p.m. on the date listed; reply briefs must be filed with the Secretary and received in-hand by all parties no later than 12:00 p.m. on the date listed.
4. That an original copy of all briefs must be filed with the Secretary, in accordance with 52 Pa. Code § 5.502(b), and one copy served on the presiding officer and the other parties no later than 4:30 p.m. on the dates listed. Service can be made electronically, with a hard-copy received in hand on the next business day.[[2]](#footnote-2) 52 Pa. Code § 5.501(e) requires that “[b]riefs shall be as concise as possible.”
5. That all briefs shall comply with the requirements of 52 Pa. Code §§ 5.501 and 5.502, and in addition to the mandatory contents set forth in 52 Pa. Code § 5.501(a), all main briefs, regardless of length, must contain:
6. A table of contents;
7. A history of the proceeding;
8. A discussion;
9. Proposed findings of fact (with record citations to transcript pages or exhibits where supporting evidence appears);
10. Proposed conclusions of law (with citations to supporting statutes, regulations or relevant case law); and
11. Proposed ordering paragraphs specifically identifying the relief sought.
12. That all briefs are to comply with the “Special Instructions for Briefs and Exceptions in Major General Rate Increase Proceedings” attached as Appendix A to this Order.
13. **That Rate Case Tables will be electronically provided to the parties. These Tables must be used by Buck Hill and the OCA.**
14. That the parties are to confer amongst themselves in an attempt to resolve all or some of the issues associated with this proceeding. The parties are reminded it is the Commission’s policy to encourage settlements. 52 Pa. Code §5.231(a). The parties are strongly urged to seriously explore this possibility. If a settlement is reached, a joint settlement petition executed by representatives of all parties to be bound thereby, together with statements in support of settlement by all signatory parties, must be filed with the Secretary for the Commission and served on the presiding officer.
15. That the parties shall comply with the procedural rules and regulations discussed herein.
16. That any of the provisions of this Prehearing Order may be modified upon motion and good cause shown by any party in interest.

Date: April 3, 2019 /s/

F. Joseph Brady

Administrative Law Judge

**Pa.P.U.C. v. Buck Hill Water Company**

**Docket Number R-2019-3007103**

**SERVICE LIST**

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*Representing Office of Consumer Advocate*

APPENDIX A

**APPENDIX A**

**INSTRUCTIONS FOR BRIEFS**

Each brief shall follow the general organization shown herein.

Adjustments contained in each brief shall:

1. Be based on a specific test year, to be selected before the close of record;
2. be complete and self-contained;
3. include accurate reference to the appropriate record sources;
4. be on a before-income-tax basis;
5. be detailed to demonstrate the step-by-step calculation of that adjustment together with appropriate accurate record references;
6. include concomitant rate base, revenue, expense, depreciation expense, and tax adjustments set forth, together with the details of their calculation;
7. include with the brief those calculations which are the basis for proposed adjustments but which are incomplete on the record.

Tables showing all proposed rate base and income adjustments shall be submitted with each brief which includes such adjustment.

STANDARD FORMAT

1. Introduction
2. Summary of Argument
3. Rate Base
4. Fair Value
5. Plant in Service
6. Depreciation Reserve
7. Additions to Rate Base
8. Conclusion
9. Revenues
10. Expenses
11. Taxes
12. Rate of Return
13. Miscellaneous Issue(s)
14. Rate Structure
15. Cost of Service
16. Revenue Allocation
17. Tariff Structure
18. Summary and Alternatives
19. Conclusion

1. Pursuant to 52 Pa. Code § 1.2, this letter will be treated as OSBA’s Petition for Leave to Withdraw Its Complaint. [↑](#footnote-ref-1)
2. Parties are directed to e-mail me a copy of their as-filed briefs in a WORD-formatted document in addition to ADOBE or other compatible PDF format. The format of the briefs served electronically on the parties may be as requested by the parties. [↑](#footnote-ref-2)