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May 15, 2019

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA ELECTRONIC FILING

RE: Application and related filings of Pennsylvania-American Water Company under Sections 507, 1102(a), and 1329 of the Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 507, 1102(a), 1329, for approval of its acquisition of water system assets of the Steelton Borough Authority, related water service rights, fair market valuation ratemaking treatment, deferral of the post-acquisition improvement costs, and certain contracts with municipal corporations; Docket No. A-2019-3006880, *et al.*

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Prehearing Memorandum of the Steelton Borough Authority in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By 

Alessandra L. Hylander

Counsel to the Steelton Borough Authority

c: Administrative Law Judge Stephen K. Haas (via E-Mail and First-Class Mail)
Administrative Law Judge Benjamin J. Myers (via E-Mail and First-Class Mail)
Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

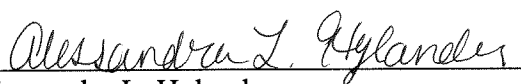
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Alessandra L. Hylander

Counsel to the Steelton Borough Authority

Dated this 15th day of May, 2019, in Harrisburg, Pennsylvania.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application and related filings of Pennsylvania-	:	
American Water Company under Sections 507,	:	Docket No. A-2019-3006880, <i>et al.</i>
1102(a), and 1329 of the Pennsylvania Public	:	
Utility Code, 66 Pa. C.S. §§ 507, 1102(a), 1329,	:	
for approval of its acquisition of water system	:	
assets of the Steelton Borough Authority, related	:	
water service rights, fair market valuation	:	
ratemaking treatment, deferral of the post-	:	
acquisition improvement costs, and certain	:	
contracts with municipal corporations.	:	

PREHEARING MEMORANDUM OF THE STEELTON BOROUGH AUTHORITY

Pursuant to the April 18, 2019, Prehearing Conference Order issued by Administrative Law Judges ("ALJs") Steven K. Haas and Benjamin J. Myers, the Steelton Borough Authority ("Steelton" or "Authority") hereby submits this Prehearing Memorandum in the above-captioned proceeding.

I. HISTORY OF THE PROCEEDING

On January 2, 2019, Pennsylvania-American Water Company ("PAWC" or "Company") filed the above-captioned Application with the Pennsylvania Public Utility Commission ("PUC" or "Commission"), pursuant to the requirements of Sections 507, 1102(a), and 1329 of the Public Utility Code. *See* 66 Pa. C.S. §§ 507, 1102(a), and 1329.

On January 22, 2019, Steelton filed a Petition to Intervene in this proceeding. A description of Steelton is set forth in Paragraphs 6 through 9 of its Petition to Intervene. Steelton's Petition to Intervene is pending and awaits disposition by the ALJs.

II. SERVICE LIST

For purposes of this proceeding, Steelton will be represented by the following counsel:

Kathy L. Pape (Pa. I.D. No. 28027)
Adeolu A. Bakare (Pa. I.D. No. 208541)
Alessandra L. Hylander (Pa. I.D. No. 320967)
McNees Wallace & Nurick LLC
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ahylander@mcneeslaw.com

Please direct all correspondence to the attention of Mr. Bakare; however, for purposes of electronic service lists, Steelton requests that Ms. Pape, Mr. Bakare, and Ms. Hylander be included on any correspondence.

III. ANTICIPATED ISSUES AND SUB-ISSUES

As the owner of the water system assets proposed for sale to PAWC, Steelton anticipates supporting PAWC’s Application to acquire its water system assets pursuant to Section 1329 of the Public Utility Code. Steelton reserves its right to address other matters during this proceeding that may be raised by other parties.

IV. PROPOSED WITNESSES

Steelton intends to participate in this proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions, and reply exceptions, as necessary.

Steelton expects to call the following witnesses without being limited thereto:

Witness	Topics
Dylan W. D'Ascendis Director, ScottMadden, Inc. 1900 West Park Drive Suite 250 Westborough, MA 01581 (609) 680-8695 ddascendis@scottmadden.com	Supporting Steelton's valuation of the system to be acquired by PAWC
Douglas Brown Secretary, Steelton Borough Authority & Borough Manager, Borough of Steelton 123 North Front St. Steelton, PA 17113 717-939-9842 ext. 5030 dbrown@steeltonpa.com	Steelton's support for Commission approval of the transfer of Steelton's water system assets to PAWC

V. PROPOSED SCHEDULE AND DISCOVERY RULES

The April 18, 2019, Prehearing Conference Order proposed a procedural schedule for this proceeding. Upon further discussion, the parties have agreed upon the following modifications to the ALJs' proposed procedural schedule:

Direct Testimony of other parties	May 22, 2019
Rebuttal Testimony	May 30, 2019
Surrebuttal Testimony	June 6, 2019
Rejoinder Outline	June 7, 2019
Evidentiary Hearing with Oral Rejoinder (in Harrisburg, PA)	June 10, 2019

It is Steelton's understanding that the remaining dates for the Prehearing Conference, Receipt of Transcript, Main Briefs, Reply Briefs, Recommended Decision, Exceptions, Reply Exceptions,

and Public Meeting remain unmodified from the dates proposed in the ALJs' April 18, 2019, Prehearing Conference Order. To the extent that further modifications to this schedule are raised after the filing of this Prehearing Memorandum, Steelton will cooperate with the ALJs and the parties at the Prehearing Conference to develop an appropriate procedural schedule in accordance with the Commission's regulations and any of the ALJs' directives. Similarly, to the extent that any modifications to the Commission's standard discovery rules are raised, Steelton will cooperate with the ALJs and the parties at the Prehearing Conference to develop discovery rules.

VI. POSSIBILITY OF SETTLEMENT

Steelton is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 
Kathy L. Pape (Pa. I.D. No. 28027)
Adeolu A. Bakare (Pa. I.D. No. 208541)
Alessandra L. Hylander (Pa. I.D. No. 320967)
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Counsel to the Steelton Borough Authority

Dated: May 15, 2019