



July 18, 2019

VIA E-FILE

Jonathan P. Nase

Direct Phone 717-773-4191

Direct Fax 215-372-2340

jnase@cozen.com

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

Re: Application of Pennsylvania-American Water Company under Sections 507, 1102 and 1329 of the Public Utility Code for Approval of its Acquisition of Wastewater System Assets of Exeter Township; Docket Nos. A-2018-3004933 et al.

REPLY BRIEF OF PENNSYLVANIA-AMERICAN WATER COMPANY

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission, please find Pennsylvania-American Water Company's Reply Brief in the above-referenced proceeding. A copy of this document has been served in accordance with the attached Certificate of Service.

If you have any questions regarding this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase

Counsel for *Pennsylvania-American Water Company*

JPN:kmg
Enclosure

cc: Honorable Andrew M. Calvelli
Certificate of Service
Susan Simms Marsh, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Pennsylvania-American Water :
Company under Sections 507, 1102 and 1329 of the : Docket No. A-2018-3004933 *et al.*
Public Utility Code for Approval of its Acquisition of :
wastewater system assets of Exeter Township :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of **Pennsylvania-American Water Company's Reply Brief**, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA E-MAIL AND FIRST CLASS MAIL

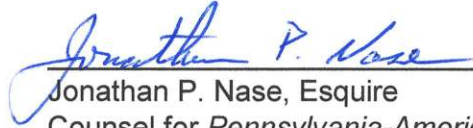
Samuel Cortes, Esq.
Fox Rothschild LLP
747 Constitution Drive
Suite 100
Exton, PA 19341
E-mail: scortes@foxrothschild.com
Counsel for *Exeter Township*

Barnett Satinsky, Esq.
Fox Rothschild LLP
2000 Market Street, 20th Floor
Philadelphia, PA 19103-3222
E-mail: bsatinsky@foxrothschild.com
Counsel for *Exeter Township*

Erika McLain, Esq.
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17120
E-mail: ermclain@pa.gov
Counsel for *Bureau of Investigation & Enforcement*

Christine Maloni Hoover, Esq.
Harrison W. Breitman, Esq.
Erin L. Gannon, Esq.
Ashley E. Everette, Consultant
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
E-mail: choover@paoca.org
E-mail: HBreitman@paoca.org
E-mail: EGannon@paoca.org
E-mail: AEverette@paoca.org
Counsel for *Office of Consumer Advocate*

Joan E. London, Esq.
Kozloff Stoudt
2640 Westview Drive
Wyomissing, PA 19610
E-mail: jlondon@kozloffstoudt.com
Counsel for *Borough of St. Lawrence, Berks
County, PA*


Jonathan P. Nase, Esquire
Counsel for *Pennsylvania-American Water Company*

Date: July 18, 2019

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Administrative Law Judge Andrew M. Calvelli

Application of Pennsylvania-American Water :
Company under Sections 507, 1102 and 1329 of the : Docket Nos. A-2018-3004933 *et al.*
Public Utility Code for Approval of its Acquisition :
Of Wastewater System Assets of Exeter Township :

**REPLY BRIEF OF
PENNSYLVANIA-AMERICAN WATER COMPANY**

David P. Zambito, Esq. (PA ID No. 80017)
Jonathan P. Nase, Esq. (PA ID No. 44003)
Cozen O'Connor
17 North Second Street, Suite 1401
Harrisburg, PA 17101

Susan Simms Marsh, Esq. (PA ID No. 44689)
Pennsylvania-American Water Company
852 Wesley Drive
Mechanicsburg, PA 17055

Counsel for *Pennsylvania-American
Water Company*

Dated: July 18, 2019

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I. INTRODUCTION

On July 10, 2019, Pennsylvania-American Water Company (“PAWC”) filed its Main Brief in this proceeding. In this Reply Brief, PAWC responds to the Main Briefs of the Borough of St. Lawrence (“St. Lawrence”) and the Township of Exeter (“Exeter”). To reduce redundancy, this Reply Brief incorporates by reference PAWC’s Main Brief.

II. PROCEDURAL HISTORY

PAWC’s Main Brief, pages 1-3, summarizes the procedural history of this proceeding prior to July 10, 2019. On July 10, 2019, PAWC, St. Lawrence, and Exeter filed their Main Briefs.

On July 11, 2019, PAWC, Exeter, the Office of Consumer Advocate (“OCA”) and the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission” or “PUC”), filed a Joint Petition for Approval of Partial Settlement (“Settlement”), which resolved all issues in this proceeding other than St. Lawrence’s claim against Exeter concerning debt service payments that St. Lawrence made to Exeter relating to the Exeter wastewater treatment plant. PAWC incorporates by reference the Settlement and PAWC’s Statement in Support thereof.

On July 11, 2019, St. Lawrence filed a letter with the Commission indicating that St. Lawrence does not oppose the Settlement. St. Lawrence’s letter is consistent with its representation to the Administrative Law Judge (“ALJ”) and the other parties at hearing that St. Lawrence does not oppose the Settlement. Tr. 7.

On July 15, 2019, PAWC filed a *pro forma* version of the Second Amendment to the Asset Purchase Agreement, as required by Paragraph 30 of the Settlement. On July 16, 2019, Exeter filed its Reply Brief.

III. SUMMARY OF ARGUMENT

The Commission should approve the Settlement without modification. The adoption of St. Lawrence's requested condition on approval of the Settlement would effect a modification of the settlement, permitting any signatory to withdraw from the Settlement. The Settlement already satisfies all applicable legal standards; another condition is not required. St. Lawrence's proposed condition will not impact PAWC's ratepayers. Nevertheless, the Commission should not permit St. Lawrence to use this proceeding to extract a concession from Exeter on an issue that is not properly before the Commission.

The Commission should find that it lacks jurisdiction to adjudicate St. Lawrence's debt payment issue. The Commission does not have jurisdiction to interpret contracts, nor does the Commission have equity jurisdiction and powers. Moreover, the Commission lacks authority to award money damages.

If, however, the Commission finds that it does have jurisdiction to adjudicate St. Lawrence's debt payment issue, it should deny the relief requested by St. Lawrence. St. Lawrence never clearly indicated the amount that Exeter should be ordered to re-pay St. Lawrence. The Commission's order must be supported by substantial evidence, but the evidence in this case is too speculative to permit the Commission to issue an order "that Exeter shall pay \$X to St. Lawrence."

IV. ARGUMENT

PAWC's Main Brief addressed two questions:

- (1) Should the Commission approve the Settlement without modification?
- (2) Should the Commission find that it lacks jurisdiction to adjudicate St. Lawrence's debt payment issue?

PAWC will again address these questions in this Reply Brief.

In addition, PAWC's Reply Brief will address the following question, raised by Exeter's Main Brief at pages 10-13:

- (3) If the Commission finds that it has jurisdiction to adjudicate St. Lawrence's debt payment issue, should it deny the relief requested by St. Lawrence?

A. SHOULD THE COMMISSION APPROVE THE SETTLEMENT WITHOUT MODIFICATION?

PAWC, Exeter, the OCA, and I&E filed a Settlement resolving all issues in this proceeding other than St. Lawrence's claim pertaining to debt service payments that St. Lawrence made to Exeter relating to the Exeter wastewater treatment plant. Significantly, the Joint Petitioners requested that the Commission approve the Settlement without modification. Settlement, Introductory Paragraph; Request for Relief Paragraph (a). The Settlement included standard language permitting any of the Joint Petitioners to withdraw from the Settlement if the Commission disapproves the Settlement or approves it with modifications. Settlement ¶ 46.

St. Lawrence does not oppose the Settlement. In its Main Brief, however, St. Lawrence contends that the Commission should impose a condition on its approval of the Settlement, pursuant to Section 1103(a) of the Pennsylvania Public Utility Code ("Code"). 66 Pa. C.S. § 1103(a). Specifically, St. Lawrence asks the Commission to impose a condition that would compensate St. Lawrence "for debt service payments and loss of the septage credit." St. Lawrence Main Brief p. 9.

PAWC respectfully submits that the Commission's adoption of the requested condition could constitute a modification of the Settlement, which in turn could allow a Joint Petitioner to withdraw from the Settlement. Other Joint Petitioners share this view, as does the ALJ. Tr. 22.

To the extent that St. Lawrence does not oppose the Settlement (which explicitly requested Commission approval without modification), yet requests that the Settlement be modified by the

imposition of an additional condition, St. Lawrence's position is internally inconsistent. St. Lawrence cannot have its cake and eat it too. It should not be permitted to use this proceeding (particularly with regard to a settlement to which it otherwise does not have an objection) as leverage to obtain a concession from Exeter on an issue that is not properly before the Commission. To allow St. Lawrence to do so would be a further waste of the Commission's, the ALJ's, and other parties' limited time and resources.

The Commission should approve the Settlement without further modification. As explained in PAWC's Statement in Support of the Settlement, in order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991). PAWC's Statement in Support of the Settlement explained in detail that the Settlement promotes the public interest.

In addition, as PAWC argued in its Main Brief, the Transaction, as modified by the Settlement, satisfies all applicable legal standards. One of those standards is that the Transaction "affirmatively promote[s] the service, accommodation, convenience, or safety of the public in some substantial way." *City of York v. Pa. Pub. Util. Comm'n*, 449 Pa. 136, 151, 295 A.2d 825, 828 (1972). PAWC's Statement in Support demonstrated that the Transaction, as modified by the Settlement, will affirmatively benefit the public in a substantial way.

St. Lawrence contends "the proposed sale will not provide public benefit to the residents of the Borough of St. Lawrence unless St. Lawrence is compensated for its debt service payments, and its loss of the septage credit." St. Lawrence Main Brief p. 6. That is not true.

PAWC has demonstrated that the Transaction, as modified by the Settlement, has several benefits for the public-at-large, including the residents of St. Lawrence. The Transaction benefits members of the public-at-large in that the Transaction promotes the Commission's policy favoring regionalization and consolidation of water and wastewater systems. 52 Pa. Code § 69.721(a); PAWC St. No. 1 REV-A p. 16. In addition, the Transaction benefits members of the public-at-large by promoting the public policy goals embodied in Section 1329, PAWC St. No. 1 REV-A p. 17.

The Transaction also benefits the public-at-large due to its environmental benefits. PAWC introduced evidence of several environmental violations at the System in recent years, one of which resulted in a Notice of Violation from the Pennsylvania Department of Environmental Protection ("DEP"). PAWC St. No. 3-R p. 5. PAWC, in contrast, has a good record of compliance with environmental laws and regulations. *Id.*

As long as these environmental deficiencies are present in the System, their impact will not be limited to the Exeter area. In this regard, Article I, Section 27 of the Pennsylvania Constitution states:

The people have a right to clean air, pure water, and to the preservation of the natural, scenic, historic and esthetic values of the environment. Pennsylvania's public natural resources are the common property of all the people, including generations yet to come. As trustee of these resources, the Commonwealth shall conserve and maintain them for the benefit of all the people.

PA. CONST. Art. I, § 27 ("Environmental Rights Amendment"). The record evidence in this proceeding unquestionably demonstrates that PAWC is better able to make the necessary improvements to the System to protect Pennsylvania's "pure water" and the "natural, scenic, historic and esthetic values of the environment." This is partly due to PAWC's having greater financial resources than Exeter. PAWC has a better credit rating than Exeter and has access to

equity markets that are unavailable to Exeter. PAWC St. No. 4 pp. 4-5. PAWC is also in a better technical position than Exeter to make the necessary improvements and operate the System going forward due to its greater expertise in wastewater operations. PAWC St. No. 3 pp. 8-9; PAWC St. No. 3-R pp. 4-5. There is an over-arching public interest (*i.e.*, “for the benefit of all the people”) in correcting the System’s environmental deficiencies as promptly and efficiently as possible. Approval of the Transaction would be consistent with the Commission’s obligation under the Environmental Rights Amendment.¹

The Settlement contains additional benefits for the public-at-large because it is part of a package that resolves several pieces of related litigation. After PAWC filed the September 25, 2018 Application, Commission staff advised PAWC and Exeter that the Application would not be accepted for filing until Exeter filed an application for a Certificate of Public Convenience to serve a small portion of Lower Alsace Township. Exeter subsequently filed the requested application. *In re: Application of Exeter Township for Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Lower Alsace Township, Berks County, Pennsylvania*, Docket No. A-2018-3006505. A settlement is currently pending in that matter (the “Exeter/Lower Alsace Settlement”), which would resolve both that application proceeding and a related complaint proceeding filed by I&E against Exeter. *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. Exeter Township*, Docket No. C-2019-3007920.

The instant Settlement is conditioned upon the Commission’s approval of the Exeter/Lower Alsace Settlement, because the latter proceeding would establish Exeter’s rates in the portion of

¹ “[T]he Commonwealth has a duty to prohibit the degradation, diminution, and depletion of our public natural resources, whether these harms might result from direct state action or from the actions of private parties.” *Pa. Environmental Defense Foundation v. Cmwlt. of Pa.*, No. 10 MAP 2015 (Pa., Slip Op. issued Jun. 20, 2017), p. 32 (citing *Robinson Twp. v. Cmwlt. of Pa.*, 83 A.3d 901, 957 (Pa. 2013)).

Lower Alsace currently served by Exeter. Section 1329 requires the public utility purchasing a municipal wastewater system to adopt the rates charged by the selling entity at the time of the acquisition. 66 Pa. C.S. § 1329(d)(1)(v). By resolving all three pieces of litigation, the instant Settlement and the Exeter/Lower Alsace Settlement are in the public interest because they conserve the resources of the Parties and the Commission and ensure a consistent resolution of related proceedings.

In short, PAWC has demonstrated that the Transaction, as modified by the Settlement, has substantial public benefits for the public-at-large, including St. Lawrence. St. Lawrence does not allege that the Transaction is a detriment to St. Lawrence. Instead, St. Lawrence merely argues (erroneously) that the Transaction does not benefit St. Lawrence in the absence of the requested condition. There is no need for the Commission to impose a further condition that creates an additional benefit for St. Lawrence. This is particularly true considering that the imposition of St. Lawrence's requested condition could enable any of the Joint Petitioners to withdraw from the Settlement, thereby jeopardizing a Settlement that is already in the public interest. The Commission therefore should decline St. Lawrence's invitation to impose an unnecessary condition on the Settlement.

B. SHOULD THE COMMISSION FIND THAT IT LACKS JURISDICTION TO ADJUDICATE ST. LAWRENCE'S DEBT PAYMENT ISSUE?

In its Main Brief, Exeter notes that St. Lawrence has never asserted any particular cause of action against Exeter. Exeter's Main Brief p. 12. In order to determine whether the Commission has jurisdiction to adjudicate St. Lawrence's claim, therefore, it is necessary to parse through St. Lawrence's testimony and Main Brief to determine the relief being requested by the Borough.

The Borough seems to be requesting that the Commission impose a condition ordering Exeter to re-pay St. Lawrence for the following:

- (a) Capital payments that St. Lawrence made to Exeter for the construction and improvement of the Exeter wastewater treatment plant since 1967; Direct Testimony of Robert J. May pp. 5-13, Surrebuttal Testimony of Robert J. May p. 2.
- (b) Interest expense that St. Lawrence incurred on debt so it could make the payments described in subparagraph (a); Direct Testimony of Robert J. May p. 11, Surrebuttal Testimony of Robert J. May pp. 2 and 9.
- (c) Expenses that St. Lawrence incurred to reduce inflow and infiltration (“I&I”) in its own wastewater collection system; Direct Testimony of Robert J. May p. 14, Surrebuttal Testimony of Robert J. May pp. 6-9.
- (d) Interest expense that St. Lawrence incurred on debt so it could pay the expenses described in subparagraph (c); Direct Testimony of Robert J. May p. 17, Surrebuttal Testimony of Robert J. May p. 8.

In addition to ordering these repayments, St. Lawrence asks the Commission to order Exeter to give St. Lawrence a septage credit based on revenues generated by a sludge dryer at the Exeter wastewater treatment plant. Direct Testimony of Robert J. May p. 13, Surrebuttal Testimony of Robert J. May pp. 4 and 14.

With this understanding of St. Lawrence’s request for relief, PAWC respectfully submits that the answers to the questions presented become abundantly clear. The Commission lacks jurisdiction to adjudicate the issue or grant the requested relief.

1. The Commission lacks jurisdiction to interpret contracts

The basis for St. Lawrence’s claimed repayments/credits is unclear. At least with regard to St. Lawrence’s claim regarding capital payments for Exeter’s wastewater treatment plant, St. Lawrence’s claim appears to be based on agreements stretching back as far as 1967. St.

Lawrence's Main Brief pp. 2-3. St. Lawrence, however, did not point to any specific contractual provision that requires it to be re-paid in the event that Exeter sells the wastewater treatment plant.²

In any event, as noted in PAWC's Main Brief, as a creation of the General Assembly, the Commission has only the powers and authority granted to it by the General Assembly. *Tod and Lisa Shedlosky v. Pa. Electric Co.*, Docket No. C-20066937 (Order entered May 28, 2008); *Feingold v. Bell Tel. Co. of Pa.*, 383 A.2d 791 (Pa. 1977). The Commission must act within, and cannot exceed, its jurisdiction. *City of Pittsburgh v. Pa. Pub. Util. Comm'n*, 43 A.2d 348 (Pa. Super. 1945).

The Code does not give the Commission jurisdiction to adjudicate private contractual disputes. *See Shafer v. Nat'l Util. Inc.*, 1996 Pa. PUC Lexis 57; *Consolidated Rail Corp. v. City of Harrisburg*, 577 Pa. 71, 842 A.2d 369 (2004). The Courts have held that the Commission lacks authority to interpret the terms and conditions of a utility's contract or to determine whether a breach of contract has occurred. *See generally Morrow v. The Bell Tel. Co. of Pa.*, 479 A.2d 548 (Pa. Super. 1984) (explaining that the courts retain jurisdiction of a suit for damages based on negligence or breach of contract wherein a utility's performance of its legally imposed and contractually adopted obligations are examined and applied to a given set of facts). To the extent that St. Lawrence's claim are based on a contract, the Commission lacks jurisdiction over the claim.

2. The Commission lacks equity jurisdiction and powers

In large part, St. Lawrence's claims sound in equity. St. Lawrence contends:

² At the hearing, counsel for St. Lawrence took the position that the parties to the pertinent agreements never contemplated the sale of the wastewater treatment plant. Tr. 16. The civil courts are better suited than this Commission to construe a contract that does not address the facts presented by the specific case.

- Its payments to Exeter are above and beyond the value of services rendered; St. Lawrence’s Main Brief p. 1.
- Its payments have benefitted Exeter; Direct Testimony of Robert J. May p. 17, Surrebuttal Testimony of Robert J. May p. 9, St. Lawrence’s Main Brief pp. 1, 3 and 5.
- It has a “reasonable expectation” that it will receive septage credits in the future; Surrebuttal Testimony of Robert J. May p. 4.
- It incurred debt “at the behest of Exeter Township”; Surrebuttal Testimony of Robert J. May p. 9.
- “The I&I problem was not the fault of St. Lawrence in the manner that Exeter Township represented it to be, and [St. Lawrence’s] program of I&I correction and upgrades has been of benefit to Exeter Township by reducing flows into its plant.”; Surrebuttal Testimony of Robert J. May p. 5.
- If the Commission does not impose the requested condition, Exeter will sustain a windfall from the sale of the System; Surrebuttal Testimony of Robert J. May p. 15, St. Lawrence’s Main Brief pp. 1 and 8.
- If the Commission does not impose the requested condition, St. Lawrence faces an “unjust loss of investment” from the sale of the System; Surrebuttal Testimony of Robert J. May p. 15.

The Commission, however, lacks equity jurisdiction and powers. *Louis Pettinato, Sr. and Louis Pettinato, Jr. v. UGI Penn Natural Gas, Inc.*, Docket No. C-2009-2102117 (Initial Decision issued March 10, 2010, Final Order entered April 13, 2010). To the extent that St. Lawrence’s claim is based on equity, or requests equitable relief, the Commission lacks jurisdiction and does not have the power to grant the requested relief.

3. The Commission lacks authority to order monetary relief

Regardless of the basis of St. Lawrence’s claim, the Commission lacks authority to grant the requested relief. Numerous cases have held that the Commission lacks authority to order a public utility to pay monetary damages. *See Byer v. Peoples Natural Gas Co.*, 380 A.2d 383 (Pa. Super. 1977) (holding that the Commission does not have the authority to award damages); *Feingold v. Bell of Pennsylvania*, 477 Pa. 1, 383 A.2d 791 (1977) (holding that the Commission does not have the authority to award damages); *DeFrancesco v. Western Pennsylvania Water*

Company, 499 Pa. 374, 453 A.2d 595 (1982); *Elkin v. Bell of Pa.*, 491 Pa. 123, 420 A.2d 371 (1980).

In this regard, PAWC's Main Brief p. 11 noted that Exeter is not a regulated public utility with respect to its dealings with St. Lawrence. If the Commission lacks authority to order a public utility to pay damages, it certainly lacks authority to order a non-regulated entity to pay damages.

As also noted in PAWC's Main Brief p. 11, St. Lawrence would not be put "out of court" if the Commission finds that it does not have jurisdiction over St. Lawrence's claim. St. Lawrence could simply pursue its claim in the civil courts. PAWC respectfully submits that this would be the correct result because the civil courts are a more appropriate forum for St. Lawrence to pursue its claims.

4. St. Lawrence's claims will have no impact on PAWC's ratepayers

Finally and importantly, the Commission should note that none of St. Lawrence's claims will have any impact on PAWC's ratepayers. Under the Asset Purchase Agreement, PAWC Exhibit BJK-1, Appendix A-24-a (**CONFIDENTIAL**), PAWC assumed none of Exeter's potential liabilities with respect to Exeter's dealings with St. Lawrence. In fact, PAWC and St. Lawrence have amicably negotiated a new bulk treatment agreement governing the relationship on a going-forward basis. PAWC Exhibit BJK-1, Appendix B-3 (REV-1). St. Lawrence's claims reflect a historic dispute with Exeter that will not have any prospective impact on PAWC's ratepayers. The dispute is not properly before the Commission; it belongs with the civil courts.

C. IF THE COMMISSION FINDS THAT IT HAS JURISDICTION TO ADJUDICATE ST. LAWRENCE'S DEBT PAYMENT ISSUE, SHOULD THE PUC DENY THE RELIEF REQUESTED BY ST. LAWRENCE?

In its Main Brief, PAWC argued that the Commission should find that the PUC lacks jurisdiction to adjudicate St. Lawrence's debt payment issue. PAWC Main Brief pp. 9-11. PAWC

did not address the question of how the Commission should resolve St. Lawrence's claim in the event that the Commission determines that it does have jurisdiction (which the Commission should not do).

Exeter's Main Brief, in contrast, argued that, in the event the Commission determines that the PUC has jurisdiction over St. Lawrence's debt payment issue, the Commission should deny the claim. Exeter's Main Brief pp. 10-13. PAWC concurs with this conclusion.

The Commission's decision must be supported by substantial evidence in the record. *Norfolk & Western Ry. Co. v. Pa. Pub. Util. Comm'n*, 489 Pa. 109, 413 A.2d 1037 (1980). The record in this case, however, does not permit the Commission to issue an order "that Exeter shall pay \$X to St. Lawrence." The record in this case is too speculative to determine the amount that Exeter should pay to St. Lawrence. In this respect, St. Lawrence has failed to carry its burden of proof.³

St. Lawrence never clearly stated the total amount that it is requesting from Exeter. Although St. Lawrence presented testimony regarding its payments over the years, St. Lawrence did not present a comprehensive listing of the payments for which it should be re-paid. *See, e.g.*, Surrebuttal Testimony of Robert J. May p. 10 (testifying about a "representative sampling" of payments that St. Lawrence made to Exeter since 1993).

Additionally, St. Lawrence's witness May testified that Exeter will pay St. Lawrence's debt, but St. Lawrence never provided figures as to the amount of this payment from Exeter. Surrebuttal Testimony of Robert J. May p. 15. Clearly, Exeter should receive a credit for any payments it makes to St. Lawrence for the expenses St. Lawrence claims in this litigation.

³ PAWC's Main Brief pp. 4-6 explained that, as the party seeking affirmative relief from the Commission on its claim, St. Lawrence had the burden of proof pursuant to Section 332(a) of the Code. In this case, St. Lawrence failed to establish a *prima facie* case regarding the amount that Exeter should be ordered to pay to St. Lawrence.

For the Commission to impose the condition requested by St. Lawrence, at a minimum,⁴ the Commission should have a comprehensive statement of pertinent debits and credits – all amounts that St. Lawrence claims it should be re-paid, together with all amounts that Exeter claims it has already paid. St. Lawrence failed to provide the Commission with such a statement of debits and credits. In the absence of such evidence in the record, the Commission should not grant the relief requested by St. Lawrence – even if the Commission has the jurisdiction to do so (which it does not).

VI. CONCLUSION

WHEREFORE, for all of the reasons stated above, as well as the reasons set forth in its Main Brief, the Settlement, and PAWC's Statement in Support of the Settlement, PAWC respectfully requests that Administrative Law Judge Andrew M. Calvelli and the Commission:

- (a) Approve the Settlement, without modification; and

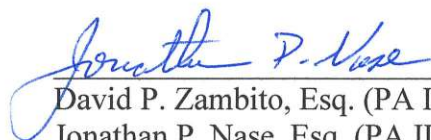
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⁴ In addition, PAWC respectfully submits, the Commission should know the date of the claimed debit/credit. PAWC fails to understand why Exeter should be ordered to repay, in full, amounts paid by St. Lawrence many years ago.

(b) (1) Find that the Commission lacks jurisdiction to adjudicate St. Lawrence's debt payment issue; or

(2) Find that St. Lawrence has failed to carry its burden of proof regarding its debt payment issue.

Respectfully submitted,



David P. Zambito, Esq. (PA ID No. 80017)

Jonathan P. Nase, Esq. (PA ID No. 44003)

Cozen O'Connor

17 North Second Street, Suite 1401

Harrisburg, PA 17101

Telephone: 717-703-5892

Facsimile: 215-989-4216

E-mail: dzambito@cozen.com

E-mail: jnase@cozen.com

Susan Simms Marsh, Esq. (PA ID No. 44689)

Pennsylvania-American Water Company

852 Wesley Drive

Mechanicsburg, PA 17055

Telephone: 717-550-1570

E-mail: Susan.Marsh@amwater.com

Counsel for *Pennsylvania-American
Water Company*

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