

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

555 Walnut Street, 5th Floor, Forum Place  
Harrisburg, Pennsylvania 17101-1923  
(717) 783-5048  
800-684-6560 (in PA only)

IRWINA. POPOWSKY  
Consumer Advocate

FAX (717) 783-7152  
consumer@paoca.org

DOCKETED  
DEC 08 2006

December 7, 2006

ORIGINAL

James J. McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg.  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission  
v.  
Borough of Phoenixville Sewer Fund  
Docket No. R-00061625 C0001

Dear Secretary McNulty:

Enclosed for filing please find an original and three copies of the Formal Complaint and Public Statement of the Office of Consumer Advocate in the above-referenced proceeding.

Sincerely yours,

Jennedy E. Santolla  
Assistant Consumer Advocate  
PA Attorney I.D. # 203098

Enclosure

cc: Edmund J. Berger, Esq.  
Office of Trial Staff  
Office of Small Business Advocate  
Office of Special Assistants  
Bureau of Fixed Utilities Services

DOCUMENT  
FOLDER

SECRETARY'S BUREAU  
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PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

Formal Complaint Form

R-00061625 C0001

1. CUSTOMER NAME (COMPLAINANT)

Irwin A. Popowsky, Consumer Advocate  
555 Walnut Street 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Dauphin County  
(717) 783-5048  
(717) 783-7152 (fax)

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SECRETARY'S BUREAU

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2. UTILITY NAME (RESPONDENT)

Borough of Phoenixville Sewer Fund

3. TYPE OF UTILITY (check one)

Wastewater

DOCUMENT  
FOLDER

4. COMPLAINT (check one)

A. On October 27, 2006, Borough of Phoenixville (Phoenixville or Borough) filed Supplement No. 13 to Tariff Sewage - Pa. P.U.C. No. 1, to become effective January 1, 2007. The Borough, by filing this tariff supplement, seeks Commission approval of rates and rate changes that would increase the level of rates that it charges for providing service to its ratepayers.

B. If the proposed tariff supplement becomes effective, Phoenixville will benefit from an opportunity to recover an estimated annual increase in its base rate revenues of \$72,575. This represents an approximate 98.9% increase in the Borough's annual revenues at present rates. Under the Borough's proposal, for customers outside the Borough of Phoenixville, the proposed rates would increase from \$34.30 to \$68.25 per quarter, or by 98.95%, for a metered residential customer using 13,400 gallons of

water per quarter and from \$46.49 to \$92.49, or by 98.95% for a flat-rate residential customer.

- C. The Borough serves approximately 66 residential and commercial customers in East Pikeland and Schuylkill Townships, Chester County who reside outside the Borough of Phoenixville.
- D. The Consumer Advocate is empowered to represent the interest of Pennsylvania consumers before the Pennsylvania Public Utility Commission, pursuant to Act 1876-161 of the General Assembly, as amended, 71 Pa. Stat. Ann §§ 309-1 et seq.
- E. A preliminary examination of the Borough's rate increase request indicates that the Borough's present rates and proposed charges, increases and changes in rates, rules and regulations contained within the request are or may be unjust, unreasonable, and in violation of law; will or may allow the Borough an opportunity to recover an excessive rate of return in its utility property investment, in violation of the Public Utility Code; will or may discriminate against certain customers; will or may compensate the Borough for providing inadequate service to some or all of its customers; and otherwise may be contrary to sound ratemaking principles and public policy.

**5. RELIEF**

The Consumer Advocate respectfully requests that Your Honorable Commission take the following actions:

- A. Suspend and investigate the operation of the proposed Supplement No. 13, pursuant to Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d);
- B. Consolidate all complaints filed against the proposed increase;
- C. Hold full evidentiary hearings examining the reasonableness of the Borough's current rates and its proposed increases in rates;
- D. After providing the public with adequate notice, hold public input hearings in the Borough's service territory, in order to provide its customers with an opportunity to be heard on the record;
- E. Deny any changes contained in the proposal which cannot be fully justified by the Borough, or which otherwise are contrary to the Public Utility Code, sound ratemaking principles, and public policy;
- F. Grant such other relief, which the Commission may deem to be necessary and proper.

**6. VERIFICATION AND SIGNATURE**

**Verification:**

***I Irwin A. Popowsky, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).***

  
**(Signature)**

December 6, 2006  
**(Date)**

**7. LEGAL REPRESENTATION (IF ANY)**

If you are represented by a lawyer in this matter you must provide your lawyer's name, address and telephone number.

Lawyer's Name Christine Maloni Hoover, Attorney I.D. 50026 and Jennedy E. Santolla, Attorney I.D. 203098

Street 555 Walnut Street, 5<sup>th</sup> Floor

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City Harrisburg

State PA

Zip 17101-1923

Area Code/Phone Number (VOICE) 717-783-5048 (FAX) 717-783-7152  
(E-Mail) choover@paoca.org; jsantolla@paoca.org

PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE  
PURSUANT TO 71 P.S. SECTION 309-4(e)

Act 161 of the Pennsylvania General Assembly, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (PUC). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the PUC involving the proposed rate increase requested by Borough of Phoenixville Sewer Fund (Phoenixville or Borough).

The objective of the Consumer Advocate in filing a Formal Complaint in this matter is to protect the interests of the Borough's customers. The Consumer Advocate will seek to ensure that Phoenixville is permitted to implement only a level of rates that is fully justified and in accordance with sound ratemaking principles. The Consumer Advocate will strive to prevent the Borough from collecting from ratepayers all alleged costs that cannot be justified, or are unreasonable or unduly discriminatory, or otherwise violative of the Public Utility Code. The Consumer Advocate submits that the Borough's current rates and the rates sought by the Borough may be unjustifiable and unlawful based upon information filed by Phoenixville in support of its claim.

The Consumer Advocate has filed this Formal Complaint and will, in the course of the proceedings, investigate the Borough's proposed rate increase and request that the PUC deny all proposed increases or changes which are not proven to be justified, reasonable and in accordance with sound ratemaking principles.

Under the Borough's proposal, a metered residential customer (using 13,400 gallons per quarter) would see an increase from \$34.30 to \$68.25 per quarter, or 98.95%. A flat-rate residential customer would see an increase from \$46.49 to \$92.49,

or by 98.95%. Phoenixville serves approximately 66 customers in East Pikeland and Schuylkill Townships, Chester County.

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P O BOX 3265, HARRISBURG PA 17105-3265

DECEMBER 8, 2006

EDMUND J. BERGER  
BERGER LAW FIRM, P.C.  
2104 MARKET STREET  
CAMP HILL PA 17011

DOCKETED  
DEC 08 2006

RE: PA PUC vs. BOROUGH OF PHOENIXVILLE SEWER FUND  
Docket Number R-00061625C0001

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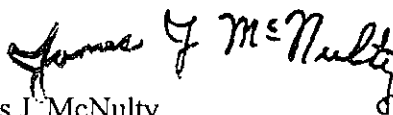
Dear Sir/Madam:

A Complaint has been filed against you in the above-captioned matter before the Pennsylvania Public Utility Commission by OFFICE OF CONSUMER ADVOCATE.

This complaint, of which the attached is a true and correct copy, has been presented and filed of record with the Pennsylvania Public Utility Commission. The Pennsylvania Public Utility Code, 66 Pa. C.S., requires the Commission to serve on each party named in a complaint a copy of the complaint.

Within twenty (20) days from the date on which this complaint is served, you may either satisfy this complaint or comply with the provisions of 52 Pa. Code, Section 5.61 et seq., as amended.

Very truly yours,

  
James J. McNulty  
Secretary

(SEAL)

Certified Mail  
Return Receipt Requested

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FOLDER