

CAPTION SHEET

CASE MANAGEMENT SYSTEM

- 1. REPORT DATE: 00/00/00
- 2. BUREAU: FUS
- 3. SECTION(S):
- 5. APPROVED BY:
 - DIRECTOR:
 - SUPERVISOR:
- 6. PERSON IN CHARGE:
- 8. DOCKET NO: R-00050415
- 4. PUBLIC MEETING DATE: 00/00/00
- 7. DATE FILED: 03/17/05
- 9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PA-AMERICAN WATER CO

COMP/APP COUNTY:

UTILITY CODE: 212285

ALLEGATION OR SUBJECT

PETITION OF PENNSYLVANIA AMERICAN WATER COMPANY FOR PERMISSION TO DEPART FROM THE REQUIREMENTS OF 52 PA CODE 53.52(B)(2) IN ORDER TO SUBMIT SUPPORTING DATA BASED UPON A TWELVE-MONTH PERIOD ENDED MORE THAN 120-DAYS PRIOR TO THE DATE OF FILING A TARIFF OR SUPPLEMENT PROPOSING AN INCREASE IN RATES FOR WASTEWATER SERVICE.

DOCUMENT
FOLDER

DOCKETED
MAR 22 2005

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1701 Market Street
Philadelphia, PA 19103-2921
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Morgan Lewis
C O U N S E L O R S A T L A W

Anthony C. DeCusatis
215.963.5034
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March 17, 2005

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

DOCKETED
MAR 22 2005

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2005 MAR 17 PM 4:01
SECRETARY'S BUREAU

**DOCUMENT
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Re: Petition Of Pennsylvania-American Water Company For Permission To Depart From The Requirements Of 52 Pa. Code §53.52(b)(2) In Order To Submit Supporting Data Based Upon A Twelve-Month Period Ended More Than 120-Days Prior To The Date Of Filing A Tariff Or Supplement Proposing An Increase In Rates For Water Service – Docket No. R-00050413

Petition Of Pennsylvania-American Water Company For Permission To Depart From The Requirements Of 52 Pa. Code §53.52(b)(2) In Order To Submit Supporting Data Based Upon A Twelve-Month Period Ended More Than 120-Days Prior To The Date Of Filing A Tariff Or Supplement Proposing An Increase In Rates For Wastewater Service – Docket No. R-00050415

Dear Secretary McNulty:

Enclosed for filing on behalf of Pennsylvania-American Water Company ("PAWC") are an original and three (3) copies of each of the above-referenced Petitions, which apply to PAWC's proposed rate filings for increases in water and wastewater rates, respectively. As evidenced by the Certificate of Service attached to each of the Petitions, copies thereof have been served upon the Pennsylvania Public Utility Commission's ("Commission") Bureau of Fixed Utility Services, the Office of Trial Staff, the Office of Consumer Advocate, and the Office of Small Business Advocate.

PAWC also requests that the Commission place these matters on its agenda for the Public Meeting scheduled for **April 7, 2005**. In each of the enclosed Petitions, PAWC requests an

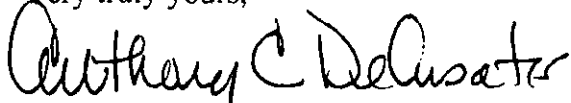
James J. McNulty, Secretary
March 17, 2005
Page 2

Morgan Lewis
COUNSELORS AT LAW

extension of the 120-day interval after the close of a proposed test year to file a general rate increase request, as set forth in 52 Pa. Code §53.5(b)(2). The 120-day period for PAWC's proposed historic test year ended December 31, 2004 expires on April 30, 2005. Hence, PAWC asks that the Commission issue appropriate Orders granting its Petitions prior to that date.

If there are any questions concerning this matter or if additional information is desired, please feel free to contact us.

Very truly yours,



Anthony C. DeCusatis
Counsel for Pennsylvania-American Water Company

ACD
Enclosure

c: Per Certificates of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PETITION OF PENNSYLVANIA-
AMERICAN WATER COMPANY
FOR PERMISSION TO DEPART
FROM THE REQUIREMENTS OF 52
PA. CODE §53.52(B)(2) IN ORDER TO
SUBMIT SUPPORTING DATA
BASED UPON A TWELVE-MONTH
PERIOD ENDED MORE THAN 120-
DAYS PRIOR TO THE DATE OF
FILING A TARIFF OR
SUPPLEMENT PROPOSING AN
INCREASE IN RATES FOR
WASTEWATER SERVICE**

**DOCKET NO. R-
(Wastewater Service)**

2005 MAR 17 PM 4: 03
SECRETARY'S BUREAU

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TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pennsylvania-American Water Company (PAWC or the Company) hereby petitions the Pennsylvania Public Utility Commission (PUC or the Commission) for permission to depart from the requirements of 52 Pa. Code §53.52(b)(2) in order to submit supporting data based upon a twelve-month period ended not more than 180 days prior to the date of filing of a tariff or tariff supplement setting forth proposed increases in rates for water service.¹

PAWC also requests that the Commission set this matter for consideration at its Public Meeting to be held April 7, 2005, inasmuch as the 120-day interval for a filing that reflects PAWC's proposed historic test year ended December 31, 2004 will terminate on April 30, 2005.

¹ PAWC is contemporaneously filing a similar Petition with respect to a proposed increase in rates for water service.

In support of its request, PAWC states as follows:

1. PAWC is a public utility that provides water and wastewater service to the public in all or parts of 363 municipalities in 35 counties of Pennsylvania. PAWC is subject to the regulatory jurisdiction of the Commission.

2. PAWC has determined that its annual operating revenues for providing wastewater service will be substantially less than its revenue requirement. Therefore, PAWC has begun to prepare to submit to the Commission a proposed general increase in rates under Section 1308(d) of the Public Utility Code (66 Pa.C.S. §1308(d)). The proposed increase in rates will be based upon, *inter alia*, data from an historic test year ended December 31, 2004, and a future test year ending December 31, 2005. The rate filing may request an increase in rates in excess of \$1 million and, if that is the case, the filing of information pursuant to 52 Pa. Code §53.53 would be necessary.

3. Section 53.52(b)(2) of the Commission's regulations (52 Pa. Code §53.52(b)(2)) requires, in pertinent part, an "operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing."

4. PAWC requests permission to depart from the requirements of 52 Pa. Code §53.52(b)(2) in order to submit supporting data based upon a twelve-month period ended not more than 180 days prior to the date of filing a tariff or tariff supplement setting forth its proposed increase in rates.

5. PAWC has determined that it may need more than 120 days after the end of an historic test year ended December 31, 2004 to prepare supporting data for a general increase in rates for wastewater service. In the event that PAWC's proposed increase were to exceed \$1 million, the additional time for preparation would be needed because of the volume and complexity of the supporting data to be prepared and because this would be the first base rate case to be submitted by PAWC under the filing requirements newly-adopted by the Commission in the final regulations approved by the Commission's order entered February 3, 2005 at Docket No. L-00940096.² Additionally, even if PAWC's proposed increase in rates for wastewater service – which has not yet been determined – were less than \$1 million, the expansion of the 120-day period is necessary so that PAWC's wastewater rate filing can be kept on the same schedule as its filing to increase rates for water service. As explained previously, PAWC is contemporaneously filing a Petition similar to this one with respect to a proposed water rate filing that will exceed \$1 million. There is substantial merit in keeping PAWC's water and wastewater filings on the same time schedule, which will avoid certain needless duplication and promote administrative economy and efficiency.

6. The 120-day interval set forth in Section 53.52(b)(2) would require that a rate filing be made by April 30, 2005, based on an historic test year ended December 31, 2004. The use of a calendar year as the test year provides substantial advantages for all parties involved and for the Commission because it conforms the rate case presentation to the period used by the Company for financial reporting. It also conforms the rate case

² The expanded filing requirements set forth at 52 Pa. Code §53.53 apply to general rate increase filings in excess of \$1 million.

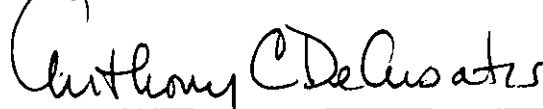
presentation to the period covered by the Company's Annual Report to the Commission, which must be filed by April 30, 2005. In addition, because the Company's books must be closed as of December 31, the use of a calendar year as a test year does not require an interim closing.

7. PAWC respectfully requests that the Commission set this matter for consideration at its Public Meeting to be held April 7, 2005, inasmuch as the 120-day interval for a filing that reflects a test year ended December 31, 2004 will end April 30, 2005.

8. The foregoing request for permission relates only to the filing for an increase in base rates for wastewater service by PAWC on or before June 29, 2005.

WHEREFORE, for all of the foregoing reasons, Pennsylvania-American Water Company respectfully requests permission to depart from the requirements of 52 Pa. Code §53.52(b)(2) in order to submit supporting data based upon a twelve-month period ended not more than 180 days prior to the date of filing of a tariff or tariff supplement setting forth proposed increases in rates. Additionally, the Company requests that the Commission place this matter on the agenda for its Public Meeting to be held April 7, 2005, so that a Commission decision will be available before April 30, 2005.

Respectfully submitted,



Thomas P. Gadsden
Anthony C. DeCusatis
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

Attorneys for Pennsylvania-American Water
Company

Dated: March 17, 2005

AFFIDAVIT

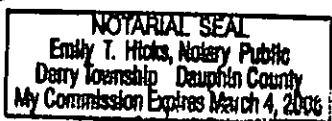
COMMONWEALTH OF PENNSYLVANIA :
:
: SS.
:
COUNTY OF DAUPHIN :

Christopher C. Buls, being duly sworn according to law,
deposes and says that he is the Treasurer and Comptroller of Pennsylvania-
American Water Company; that he is authorized to and does make this Affidavit for it;
and that the facts set forth in the foregoing Petition are true and correct to the best of his
knowledge, information and belief and that he expects the said Pennsylvania-American
Water Company to be able to prove the same at any hearing thereof.

Christopher Bul
(name)

Sworn to and subscribed before me
This 17th day of March, 2005

Emily T. Hicks
Notary Public



Expires 3-4-2006

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition 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 HAND DELIVERY

Robert A. Rosenthal, Director
Bureau of Fixed Utility Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265

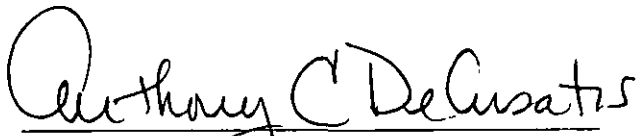
John Simms, Director
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Pennsylvania Public Utility Commission
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Judith K. Carlson, Manager-Water/Wastewater
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Dianne E. Dusman, Esq.
Senior Assistant Consumer Advocate
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Carol F. Pennington, Esq.
Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101


Anthony C. DeCusatis
Attorney for Pennsylvania-American Water
Company

Date: March 17, 2005

SECRETARY'S BUREAU
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DATE: March 22, 2005

SUBJECT: R-00050413,R-00050415

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary KB

Petition of Pennsylvania American Water Company

Attached is a copy of a Petition to Depart from the Requirements of 52 PA Code, filed by Pennsylvania American Water Company, in connection with the above docketed proceedings.

This matter is assigned to your Bureau for appropriate action.

Attachment

cc: LAW
OTS

ksb

RECEIVED
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PA.P.U.C.
SECRETARY'S BUREAU



September 23, 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

ORIGINAL

Dear Mr. McNulty,

Pennsylvania American Water hereby withdraws its request for a wastewater rate case filing at ~~R0050415~~.

Sincerely, *R-00050415*

A handwritten signature in cursive script, appearing to read "Paul T. Diskin".

Paul T. Diskin
Manager of Rates and Regulation

DOCUMENT
FOLDER

PTD\jal

Pc: Office of Consumer Advocate
Office of Trial Staff
Office of Small Business Advocate
Kerry Klinefelter
Audit Bureau (DSIC Filings Only)
Judy Carlson (FUS – Acquisitions Only)

DOCKETED
APR 13 2006

Pennsylvania American Water
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T 717-531-3253
F 717-531-3235
Email: pdiskin@pawc.com



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