



THOMAS, NIESEN & THOMAS, LLC

Attorneys and Counsellors at Law

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October 21, 2015

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265

Re: R-2015-2479955, C-2015-2502642, C-2015-2506329
Pennsylvania Public Utility Commission, *et al.* v. Allied Utility Services, Inc.,

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Allied Utility Services, Inc. is its Initial Prehearing Conference/Mediation Session Memorandum in the above matter. Copies of the Memorandum are being served upon the persons and in the manner set forth on the certificate of service attached to it.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By


Charles E. Thomas, Jr.

cc: Certificate of Service
H. James Wilson

Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge Stephen K. Haas, Presiding
Tiffany Hunt, Mediator

Pennsylvania Public Utility Commission, <i>et al.</i>	:	
v.	:	Docket Nos. R-2015-2479955
	:	C-2015-2502642
Allied Utility Services, Inc.	:	C-2015-2506329
	:	

**INITIAL PREHEARING CONFERENCE / MEDIATION SESSION
MEMORANDUM OF ALLIED UTILITY SERVICES, INC.**

AND NOW, comes Allied Utility Services, Inc. (“Allied” or “Company”), by its attorneys, and pursuant to the Commission’s Notice of September 17, 2015 and Mediation Attorney Tiffany Hunt’s email of September 28, 2015, submits the following:

History of Proceeding

On June 29, 2015, Allied Utility Services Inc. (“Allied” or “Company”), utility code 230072, filed Supplement No. 12 to its Tariff Wastewater-Pa. P.U.C. No. 1 to become effective October 5, 2015, containing proposed changes in rates, rules, and regulations calculated to produce \$154,334, a 61% increase in additional annual revenues from customers based on an historic test year ended December 31, 2014. Previously by Secretarial Letter dated May 26, 2015, the Commission had granted Allied an extension of time to file the proposed rate increase request until July 1, 2015. Pursuant to 66 Pa. C.S. §1308(d), the filing was suspended by operation of law on October 5, 2015, until May 5, 2016, unless permitted by Commission Order to become effective at an earlier date.

By Order entered September 17, 2015, an investigation on Commission motion was instituted to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in suspended Supplement No. 12 to Tariff Wastewater - Pa. P.U.C. No. 1, as well as consideration of the lawfulness, justness and reasonableness of the Company's existing rates, rules and regulations.

The Order further provided that within ten days following entry of the Order, a tariff supplement was to be filed with the Commission pursuant to 52 Pa. Code §53.71 and posted at the office of the Company to announce that Supplement No. 12 was suspended until May 5, 2016. In compliance with the Order, the Company submitted for electronic filing Supplement No. 13 to its Tariff Wastewater Pa.P.U.C. No. 1 suspending the application of rates proposed in Supplement No. 12 until May 5, 2016.

The matter was assigned to the Office of Administrative Law Judge for Alternative Dispute Resolution, if possible, with Administrative Law Judge Stephen Haas, presiding, and Tiffany Hunt, Esquire, serving as Mediator.

On or about September 9, 2015, the Office of Consumer Advocate ("OCA") filed a formal complaint against the proposed increase which was docketed at C-2015-2502642 and on or about October 1, 2015, the Office of Small Business Advocate ("OSBA") filed a similar Complaint which was docketed at C-2015-2506329. Answers to the OCA Complaint and the OSBA Complaint were filed by Allied on September 29, 2015 and October 14, 2015, respectively. In its Answers, Allied indicated that the Company was not opposed to the consolidation of timely-filed complaints and by agreement of the parties, the matter would be scheduled for mediation to commence at the conclusion of the Prehearing Conference. The

Company is not aware of any other complaints having been filed against the proposed increase. The Bureau of Investigation and Enforcement (“I&E”) is also participating in the proceeding.

**Names, Addresses and Telephone Numbers of
Counsel for Allied Utility Services, Inc.**

The names, postal and email addresses and telephone and fax numbers of counsel for Allied for this matter are set forth below:

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The Issues Allied Intends to Raise and Pursue

The fundamental issue in this proceeding is whether the rates proposed by Allied in its Supplement No. 12 are fair, just, reasonable, non-discriminatory and lawful. Allied is unable to determine at this time all of the issues and sub-issues which will be raised by other participants to the proceedings, but is prepared to participate in the resolution of this proceeding through mediation.

Testimony, Discovery and the Mediation Process

As the mediation process is being utilized for this proceeding, there is no need to identify witnesses and areas of testimony at this time. In this connection, the Company is willing to file a Mediation Supplement extending for up to 60 days or until July 4, 2016, the application of the rates proposed in Supplement No. 12 and suspended by operation of law. However, the

Company does not believe the additional 60 days will be required. Extensive discovery has been underway for the past 90 days with Allied already having responded to four sets of interrogatories from the OCA, multiple sets of interrogatories and data requests from I&E, grouped by subject matter, and one set of interrogatories from the OSBA. Allied believes it has responded to all discovery propounded to date and nothing remains outstanding. This should permit the parties to make maximum use of the mediation session. If additional mediation sessions are needed, the Company is prepared to have them scheduled as quickly as possible with the goal of having the matter concluded by Thanksgiving.

Respectfully submitted,

By: 
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*Attorneys for Respondent
Allied Utility Services, Inc.*

DATED: October 21, 2015

Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
<i>et al.</i>	:	
v.	:	Docket Nos. R-2015-2479955
	:	C-2015-2502642
Allied Utility Services, Inc.	:	C-2015-2506329
	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 21st day of October, 2015, served a true and correct copy of the foregoing Initial Prehearing Conference/Mediation Session Memorandum on behalf of Allied Utility Services, Inc., upon the persons and in the manner set forth below:

By Email and First Class Mail, Postage Prepaid


Steven K. Haas,
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