

ORIGINAL

COMMONWEALTH OF PENNSYLVANIA
PUBLIC UTILITY COMMISSION

CHARLES J. EDER : DOCKET #: C-~~2004150~~
: 20044150

- vs -

AQUA PENNSYLVANIA, INC. :

HEARING ROOM 2
STATE OFFICE BUILDING
1400 SPRING GARDEN STREET
PHILADELPHIA, PENNSYLVANIA

**DOCUMENT
FOLDER**

JUNE 2, 2005
COMMENCING AT 10:00 A.M.

BEFORE:

CYNTHIA WILLIAMS FORDHAM

APPEARANCES:

CHARLES J. EDER, JUNIOR
1864 GIBSON ROAD
SALEM MANOR BUILDING, F15
BENSALEM, PENNSYLVANIA 19020

FRANCES P. ORTH
AQUA PENNSYLVANIA, INC.
726 LANCASTER AVENUE
BRYN MAWR, PENNSYLVANIA 19010

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2 P R O C E E D I N G S

3 * * *

4 THE COURT: Good morning. I'm
5 Administrative Law Judge Cynthia Williams
6 Fordham. This is the time and place for a
7 hearing in the matter of Charles J. Eder
8 versus Aqua Pennsylvania, Inc., Docket
9 Number C-20044150. I'm in the
10 Philadelphia State Office Building, and
11 the parties are available by telephone.
12 There is a Court Reporter here with me who
13 is transcribing the hearing for today.

14 I would ask Mr. Eder to state his
15 name, address, and telephone number for
16 the record, please.

17 MR. EDER: Good morning. My
18 name is Charles John Eder, Junior. I
19 reside 1929 Lincoln Street in Croyden,
20 Pennsylvania 19021.

21 THE COURT: Thank you.

22 Ms. Orth, would you enter your
23 appearance and identify any witnesses you
24 have with you?

1 MS. ORTH: Yes, your Honor.

2 My name is Frances, F-R-A-N-C-E-S, P. as
3 in Peter, Orth, O-R-T-H. My attorney ID
4 number is 68824. My address is 762 West
5 Lancaster Avenue, Bryn Mawr, B-R-Y-N,
6 M-A-W-R, Pennsylvania 19010. And I'm
7 counsel for the respondent, Aqua
8 Pennsylvania, comma, Inc.

9 Present in the room with me as a
10 witness is Robert Griffin, G-R-I-F-F-I-N.

11 THE COURT: Thank you.

12 Let me explain the procedure for
13 today's hearing.

14 First, we will have Mr. Eder
15 testify regarding his Complaint. After
16 he's completed his direct testimony, then
17 Ms. Orth will have the opportunity for
18 cross-examination. After the
19 cross-examination is completed, if
20 Mr. Eder has anything further, he may
21 state it at that time. Then Ms. Orth will
22 put on her witness, Mr. Griffin. After
23 Mr. Griffin's direct testimony, the
24 complainant will have the opportunity to

1 cross examine Mr. Griffin. After that, if
2 there's any redirect examination, we can
3 have it at that time.

4 Any questions that I ask are
5 designed to make sure that the record in
6 this case is complete.

7 After today's hearing, I will
8 review any exhibits that are entered into
9 evidence and the transcript that is
10 generated and write a decision which will
11 be issued to the parties from the
12 Harrisburg office.

13 If either party has objections to
14 my decision, you can file exceptions, and
15 the full Commission will review it.

16 If there is no review of my
17 decision, it will become final by
18 operation of law, and you will be notified
19 of that also.

20 Are there any questions before we
21 begin?

22 MS. ORTH: No, your Honor.

23 MR. EDER: No.

24 THE COURT: Mr. Eder, I need

1 to swear you in.

2 Do you swear or affirm that the
3 testimony you are about to give is the
4 truth, the whole truth, and nothing but
5 the truth?

6 MR. EDER: Yes, that's
7 correct.

8 THE COURT: Now, in the
9 Complaint, you were complaining about your
10 bills.

11 And in the Answer, the respondent
12 indicated that they wanted to take out
13 your meter and perform tests, which you
14 were not questioning that. You are
15 questioning the rates; is that correct?

16 MR. EDER: That's correct.

17 THE COURT: You may go forward
18 at this time.

19 * * *

20 D I R E C T T E S T I M O N Y

21 * * *

22 MR. EDER: As I was stating, I
23 wasn't questioning the consumption of
24 water. I was questioning the rates in

1 which the water was being charged in
2 comparison to what the rates used to be.

3 And in regard to that, I have a
4 commercial property which is in a
5 different water company and has a
6 different supplier, and those rates are
7 more economical than what I'm being
8 charged for my residence for increased
9 consumption.

10 You know, they brought up the fact
11 that they are doing improvements and
12 buying out other companies. I said well,
13 why should I be penalized for a purchase
14 of another water company if my water
15 company was working fine, on top of the
16 fact that the other supplier that I have
17 for my commercial property is paralleled
18 in repairs and upgrades, maybe even
19 exceeded what Aqua Pennsylvania has --

20 MS. ORTH: Objection, your
21 Honor.

22 THE COURT: You may state your
23 objection.

24 MS. ORTH: Your Honor, on two

1 counts.

2 The first would be on relevance,
3 and the second is the basis for a
4 statement like that.

5 Does Mr. Eder have the expertise
6 and the education to be able to make a
7 statement like that?

8 THE COURT: Mr. Eder, do you
9 have a background in water?

10 MR. EDER: No, I don't. But
11 I'm going by what's being mailed to me in
12 newsletters from -- I'm sorry -- I'm going
13 by what's mailed to me in newsletters by,
14 you know, the Middletown Water Company
15 which, you know, just replaced mains up in
16 Doylestown and upgraded the facilities.

17 I don't understand why I'm being
18 brought in with other companies, you know.
19 They are grouping me in with other
20 companies that have -- or original water
21 suppliers that have all these dramatic
22 problems. Why should I be penalized and
23 paying for that?

24 MS. ORTH: My objection still

1 stands.

2 THE COURT: Mr. Eder, the
3 problem is, you've said that this other
4 water company has made improvements that
5 are comparable to what Aqua Pennsylvania
6 has, and we don't have anything to show
7 that that is actually true.

8 You've indicated that you've
9 received newsletters to that effect,
10 but...

11 MR. EDER: I didn't mail them
12 out. That would be correct.

13 THE COURT: I can't accept
14 that as --

15 MR. EDER: I understand that.

16 THE COURT: So the objection
17 is sustained.

18 Now, in terms of the difference in
19 your rates, you're referring to the rates
20 prior to the purchase by Aqua Pennsylvania
21 versus the current rates; is that correct?

22 MR. EDER: The rates prior to
23 the purchase?

24 THE COURT: Right.

1 MR. EDER: By Aqua
2 Pennsylvania, that's correct.

3 THE COURT: And did you
4 receive any notifications regarding the
5 changes in the rates?

6 MR. EDER: Not that I can
7 recall. They may have been, but as
8 previously stated, with all the
9 information that I get, I can't possibly
10 read every indication of what's going on.
11 I don't have that kind of time, so I
12 believe that they should be notifying
13 people with -- again, as I stated with a
14 previous hearing -- some kind of a red
15 flag where somebody can dispute these rate
16 increases unless -- instead of including
17 them in a letter or some other kind of
18 information that doesn't necessarily draw
19 your attention to it.

20 THE COURT: So, at this point,
21 what would you like the Commission to do?

22 MR. EDER: I would like to,
23 one, compare their rates versus others in
24 the area. That's how my business

1 functions. If I'm -- my rates are too
2 high, then I lose business, so I have to
3 stay competitive with another company.
4 That's what they did with the electric
5 companies, but I don't know if that's
6 working out. But with the water
7 companies, I don't see them doing that.

8 And with the rate increases that
9 people keep giving them, I don't think
10 it's very fair, and the statement that was
11 made to me from an official from the PUC
12 was --

13 MS. ORTH: Objection, your
14 Honor. Hearsay.

15 THE COURT: I'll allow him to
16 say what it was, and then I'll make the
17 decision regarding whether to admit it or
18 not.

19 MR. EDER: Thank you.

20 What was stated to me was that
21 they were trying to unify the billing in
22 Pennsylvania, to get, more or less, on one
23 bill to -- or standardization of water
24 consumption. They were lowering the

1 minimum consumption which we originally
2 had.

3 I understood what they said, but
4 as far as comparing those rates to what a
5 commercial rate is with a different water
6 company, I don't -- I don't think that I
7 should be on line with a commercial water
8 company, being residential, because of the
9 different type of wastes and demands that
10 are going to be there.

11 And in addition to that, the --
12 the -- I'm sorry about this. I didn't get
13 a lot of sleep last night.

14 In addition to that, they have --

15 MS. ORTH: Your Honor, is this
16 all part of what the PUC representative
17 said that I'm objecting to, or is this
18 additional information?

19 THE COURT: Mr. Eder,
20 specifically what did the PUC
21 representative say?

22 MR. EDER: That they are
23 trying to get the bills unified so that
24 people were paying the same rate across

1 the board.

2 THE COURT: I don't know who
3 said that; however, I know that the way
4 it's done, it's done on a case-by-case
5 basis, so each particular utility comes in
6 with a proposal for a rate increase, and
7 that's done just based on information from
8 that utility.

9 So if someone told you that we
10 were trying to have each utility company
11 have the same rates for each class, for
12 instance, residential class, throughout
13 the State, that was incorrect.

14 So I'll uphold your objection,
15 sustain your objection, Ms. Orth.

16 I believe Mr. Griffin might be
17 able to tell you a little about what
18 happened in terms of Aqua Pennsylvania and
19 how the rates changed from the previous
20 rates before the sale of the water company
21 to Aqua and what has happened after that.

22 MR. EDER: That's fine.

23 THE COURT: Okay. Ms. Orth?

24 MS. ORTH: Yes, your Honor?

1 THE COURT: Do you have any
2 cross examination?

3 MS. ORTH: Just one question.

4 * * *

5 C R O S S E X A M I N A T I O N .

6 * * *

7 BY MS. ORTH:

8 Q. Mr. Eder, is it your testimony that you
9 are not sure whether you received a notice of
10 proposed rate changes at either of the residential
11 properties you listed in your Complaint, and those
12 residential properties would be your residence at
13 1929 Lincoln Street and 601 Cedar Avenue in
14 Croyden, Pennsylvania?

15 A. That's correct.

16 MS. ORTH: That's all, your
17 Honor.

18 THE COURT: Thank you.

19 Ms. Orth, you may proceed with
20 your case.

21 MS. ORTH: Your Honor, I would
22 like to call Robert Griffin, please.

23 THE COURT: Mr. Griffin, I
24 need to swear you in.

1 Do you swear or affirm that the
2 testimony you are about to give is the
3 truth, the whole truth, and nothing but
4 the truth?

5 MR. GRIFFIN: I do.

6 THE COURT: State your name
7 and business address for the record,
8 please.

9 MR. GRIFFIN: Robert Griffin,
10 G-R-I-F-F-I-N; business address is 762
11 West Lancaster Avenue, Bryn Mawr, B-R-Y-N,
12 M-A-W-R, Pennsylvania 19010.

13 THE COURT: Thank you.
14 You may proceed.

15 * * *

16 D I R E C T E X A M I N A T I O N

17 * * *

18 BY MS. ORTH:

19 Q. Mr. Griffin, by whom are you employed
20 and in what capacity?

21 A. Aqua Pennsylvania, Inc., as manager of
22 regulatory accounting.

23 Q. Please describe your education and
24 business experience.

1 A. I have a Bachelor of Science Degree in
2 Accounting and a Master's of Business
3 Administration Degree in Managerial Accounting.

4 I worked for Aqua Pennsylvania and
5 its predecessors for 38-plus years in various
6 capacities, mostly in the accounting department,
7 and in regulatory -- the regulatory area.

8 I'm currently a member of the Rates
9 and Revenue Committee of the National Association
10 of Water Companies, Pennsylvania Chapter, and a
11 former member of the Accounting Committee of the
12 same group.

13 Q. Can you describe your current
14 responsibilities?

15 A. Yes. Among other things in the
16 accounting and regulatory area, I'm responsible
17 for filing and preparation of Pennsylvania
18 tariffs, and I'm also the primary company witness
19 in matters, formal complaints, and also rate cases
20 in Pennsylvania.

21 Q. As part of your duties and
22 responsibilities as manager of regulatory
23 accounting, are you familiar with Aqua
24 Pennsylvania's tariff rates?

1 A. Yes, I am.

2 Q. Are you specifically familiar with the
3 rates for the Bristol Division?

4 A. Yes, I am.

5 Q. Are you familiar with the claims that
6 Mr. Eder raised in his Complaint, and were you
7 present while he testified a few minutes ago?

8 A. Yes, I'm familiar with Mr. Eder's
9 Complaint. My understanding is that the Complaint
10 is about the rate increase in the Bristol Division
11 for two properties in Croyden which are within the
12 service territory of the Bristol Division and the
13 reduction of the minimum allowance over time since
14 closing and also the method through which Aqua
15 Pennsylvania provided notice to its customers.

16 And yes, I was present during
17 Mr. Eder's testimony.

18 Q. Do you understand that Mr. Eder is
19 complaining about two properties, one at 1929
20 Lincoln Street and the other at 601 Cedar Avenue,
21 both in Croyden, Pennsylvania?

22 A. Yes, I am.

23 Q. Are those properties both in the Bristol
24 Division of Aqua Pennsylvania?

1 A. Yes, they are.

2 Q. When did Aqua Pennsylvania acquire the
3 Bristol system and begin servicing those
4 properties?

5 A. Closing took place on December 31, 1996.

6 MS. ORTH: Now, your Honor, I
7 intend to use a few exhibits provided to
8 you and Mr. Eder.

9 Did you receive the exhibits?

10 THE COURT: Yes, I did.

11 MS. ORTH: Mr. Eder, did you
12 receive those exhibits?

13 MR. EDER: I'm not sure, to be
14 honest with you.

15 What were they?

16 MS. ORTH: They were sent
17 under cover of a letter, and one is the
18 schedule of rates, and the other was a
19 proposed rate increase change. They were
20 sent under cover of a letter May 26, 2005.

21 MR. EDER: I don't believe I
22 did receive them.

23 What was the title which they were
24 mailed out under?

1 MS. ORTH: My cover letter to
2 Judge Fordham.

3 MR. EDER: I'm talking about
4 what was the sending address, not the
5 address it was sent from.

6 MS. ORTH: My office, 762
7 Lancaster Avenue, and it would have been
8 sent to your address that you listed on
9 your Complaint, which is 1864 Gibson Road,
10 Salem Manor Building, Bensalem, PA 19020.

11 MR. EDER: I don't have that
12 information in front of me, but I guess
13 that's besides the point.

14 THE COURT: I did receive it
15 on the 27th by Federal Express.

16 MS. ORTH: How would you like
17 to proceed?

18 THE COURT: We need to go
19 forward with the hearing, and if he has
20 any questions, we can make sure that he
21 gets a copy and can look over those at
22 another time.

23 MR. EDER: That's fine.

24 MS. ORTH: Then I'll proceed

1 with the direct testimony of Mr. Griffin.

2 BY MS. ORTH:

3 Q. Mr. Griffin, I refer you to Exhibit-1.

4 Are you familiar with that Exhibit?

5 A. Yes, I am.

6 Q. Can you identify it, please?

7 A. Yes. Exhibit-1 is a portion of Aqua
8 Pennsylvania, Incorporated's tariff which shows
9 the rates charged the Bristol Division, and these
10 are the rates that Mr. Eder appears to be
11 disputing.

12 Q. Referring to Exhibit-1, when did the
13 rates under this tariff become effective?

14 A. These rates became effective August 5,
15 2004.

16 Q. The first page of Exhibit-1, which is
17 numbered page 11 at the bottom, does this page
18 show you as the manager of regulatory accounting?

19 A. The page sets forth the rates currently
20 in effect for customers of the Bristol Division.

21 Q. Starting with the top of the page,
22 Mr. Griffin, can you explain the information that
23 is set forth in the box entitled schedule of
24 rates, meter service?

1 A. Yes. The section directly underneath
2 meter service, it's a section that displays the
3 minimum charges and minimum allowances by meter
4 size.

5 So, for example, the meter sizes
6 are the first column to the left, and the next
7 three columns are the minimum charges depending on
8 whether the bill is monthly, bimonthly, or
9 quarterly. These minimum charges are the same.

10 For example, the monthly minimum
11 charge for a five-eighths inch meter of \$8.60 is
12 really the same as the quarterly minimum charge of
13 \$25.60, so those three columns are equivalent.

14 The three columns to the right of
15 that, of the minimum allowances, are also shown
16 monthly, bimonthly, and quarterly, by meter size.

17 Q. So, if Mr. Eder has a five-eighths inch
18 meter at his properties, what would his charges be
19 according to this schedule of rates?

20 A. My understanding is that Mr. Eder is
21 billed monthly for his properties, so you would go
22 to the monthly column under minimum charge.

23 And the minimum monthly charge is
24 \$8.60, and the minimum allowance monthly is 1,000

1 gallons.

2 Q. Now, is the chart in the middle of the
3 page below that meter service chart, does that
4 reflect different information the way you just
5 testified to?

6 A. Yes. The section below the minimum
7 charge, the minimum allowance, is called the
8 volumetric rates or rates for consumption.

9 And this is indicative of the fact
10 that the water bill -- there's two components of
11 the water bill. There is the minimum charge and
12 minimum allowance, and above the minimum allowance
13 there's also a volumetric rate, or consumption
14 charge.

15 And if you take a look at that
16 section now, you see that the consumption charge
17 is broken out by customer classification; for
18 example, residential customers is the first group,
19 and then commercial and public, and on the
20 following page, industrial and other utilities.

21 Focusing on the residential
22 section, which will apply to Mr. Eder's two
23 properties in Croyden, for water consumed in
24 excess of the minimum allowance, which in this

1 case I had identified as 1,000 gallons per month.
2 For the next thousand gallons per month, the rate
3 is \$4.20. For water consumed in excess of 2000
4 gallons, the charge is \$5.40 per thousand gallons.

5 So it's a separate part of the
6 water billing, and those two parts make up the
7 base rate on the bill.

8 Q. And this is the base rate that Mr. Eder
9 is currently being charged?

10 A. Yes, it is.

11 Q. Now, prior to these rates becoming
12 effective in Exhibit-1, were the customers of the
13 Bristol Division, including Mr. Eder, given any
14 notice of the proposed change?

15 A. Yes. Notice was sent out at the time of
16 the rate filing, which was November 2003, and a
17 mailing was sent to every customer of record in
18 the Bristol Division as well as all the other
19 divisions of Aqua Pennsylvania, including the
20 properties Mr. Eder has noted.

21 MR. EDER: Did that come with
22 the bill?

23 MR. GRIFFIN: No, sir. It was
24 a separate mailing, which is mailed to

1 every customer.

2 BY MS. ORTH:

3 Q. Mr. Griffin, I refer you to Exhibit-2.

4 Can you identify that
5 document, please?

6 A. Yes, I recognize this as a notice of
7 proposed rate change for Bristol customers from
8 Aqua Pennsylvania's last rate filing.

9 Q. Is this Exhibit-2 the notice that you
10 just referred to that would have been sent to the
11 customers including Mr. Eder prior to the rate
12 change shown in Exhibit-1 becoming effective?

13 A. Yes, that's correct.

14 Q. Referring you, then, to Exhibit-2, can
15 you generally go through the information provided
16 in that exhibit?

17 A. Yes. First of all, this notice is to
18 just Bristol customers. Most of the rate
19 divisions -- our rate divisions because -- the
20 rates are different, separate, and distinct from
21 one another, so there are separate rate notices
22 for every rate Division of Aqua Pennsylvania.

23 This particular notice is just for
24 Bristol customers.

1 The next paragraph indicates the
2 date upon which the company had filed its request
3 for rate increase as well as the proposed
4 effective date of those rates.

5 Q. Now, if I can interrupt you for a
6 moment, I see the name of Pennsylvania Suburban
7 Water Company.

8 Can you identify that company?

9 A. Yes, Pennsylvania Suburban Water Company
10 is the predecessor company to Aqua Pennsylvania,
11 Inc.

12 Q. So, today you are testifying on behalf
13 of Aqua Pennsylvania?

14 A. Yes, that's correct.

15 Q. Can you continue, please?

16 A. Sure. The next paragraph that's labeled
17 rate request shows the overall increase for the
18 entire company, not just for the Bristol Division,
19 but all of the Pennsylvania customers as well as
20 the reasons for the rate increase.

21 The next paragraph is specific to
22 Bristol. It lays out the multi-year rate
23 equalization plan which the company and the
24 Bristol Authority had come to terms over at the

1 time of closing.

2 Q. Now, who is the Bristol Authority?

3 A. That is the former water purveyor of the
4 Bristol area, what we call the Bristol Division.

5 Q. Did they sell their system to Aqua
6 Pennsylvania?

7 A. Yes, they sold their system to Aqua
8 Pennsylvania's predecessor, Pennsylvania Suburban
9 Water Company.

10 Q. Okay.

11 A. In 1996.

12 Q. Now, stepping back for a moment, in that
13 first paragraph under rate request, it states some
14 reasons for the requested increase.

15 Are there any reasons within that
16 paragraph specific to Bristol?

17 A. No. These are overall increases for all
18 of the Pennsylvania customers.

19 Q. And within this paragraph, is there
20 anything in particular that -- any particular work
21 that was done in Bristol?

22 A. Yes. There is mention of capital
23 improvements in Bristol that were replacement --
24 improvements for replacement rehab of water mains,

1 hydrants, service lines, and valves.

2 Q. Is that kind of capital improvement
3 consistent with what our company is doing
4 throughout the State?

5 A. Yes, it is.

6 Q. Can you continue, please? You were
7 describing the typical -- I guess your next point
8 would be the typical customer's bill?

9 A. That's right. The next paragraph shows
10 the typical customer's bill, current and proposed,
11 for a variety of customer classifications,
12 followed by a reference of where the tariff can be
13 found on the company's website.

14 The next paragraph is the PUC's
15 role in the rate process, followed by all of the
16 actions that customers can take, whether they want
17 to be a formal complainant in the case or an
18 informal complainant. Phone numbers and addresses
19 are given there to help the customers become
20 participants in the rate process.

21 That concludes the notice.

22 Q. Behind the notice are pages 2 and 3.

23 Can you describe generally what
24 those numbers on those pages represent?

1 A. Yes. This is a document that shows the
2 present rates at the time of the rate filing and
3 the proposed rates that the company had sought in
4 the Bristol area, both minimum and consumption as
5 well as fire protection rates.

6 And the final page of Exhibit-2,
7 it's a sensitivity analysis of -- showing for
8 Bristol Division residential customers at various
9 consumption levels per month, how much the rate
10 increase would mean to them.

11 Q. Now, do you know, in response to this
12 notice, did Mr. Eder become involved in the rate
13 case?

14 A. Not to my knowledge. I checked this
15 morning on the formal complainants, and I did not
16 find his name.

17 Q. Was the rate increase ultimately granted
18 to Aqua Pennsylvania as a result of the rate
19 filing which is reflected in this notice,
20 Exhibit-2?

21 A. Yes.

22 Q. Did the rate increase that was
23 ultimately granted the same rate increase that is
24 reflected in the schedule of rates known as

1 Exhibit-1?

2 A. Yes, that's correct.

3 Q. Now, Mr. Griffin, ALJ Fordham had
4 requested that you provide some information on the
5 background of the rate progression since Aqua
6 Pennsylvania purchased the system.

7 Are you able to do that?

8 A. Yes.

9 Q. Can you give us some background
10 information as to the rates at the time of the
11 purchase of the system from Bristol?

12 A. Yes. Closing, as I had mentioned
13 previously, was December 31, 1996. The company
14 took the Bristol Authority rates that were
15 presently in effect at that time and made them the
16 Bristol Division rates.

17 So, in other words, at the time of
18 closing, there was no rate increase. For
19 five-eighths inch meter customers, at the time of
20 closing, the minimum charge was \$24.10 a quarter.

21 Now, I mention that on a quarterly
22 basis because at that time that's how the Bristol
23 customers were billed, and also the minimum
24 allowance was 10,000 gallons per quarter for a

1 five-eighths inch meter. The volumetric rates at
2 that time was \$1.61 per thousand gallons up to the
3 first 50,000 gallons per quarter.

4 There were rates lower than that,
5 but I don't think that they come into play with
6 Mr. Eder's accounts, from what I've seen.

7 Then I calculated the average bill,
8 the bill for the average customer at closing. And
9 the average customer at that time in Pennsylvania,
10 for Aqua Pennsylvania, used 14,600 gallons per
11 quarter. That's the benchmark we used for an
12 average customer at the time of closing. And an
13 average customer in Bristol would have paid \$31.51
14 a quarter in 1997 following closing.

15 At the same time, the Main Division
16 customers of Aqua Pennsylvania's predecessor were
17 paying \$70.70 per quarter for the same consumption
18 used.

19 So, in other words, the Main
20 Division, at the time of closing, the rates were
21 124 percent higher than the rates of Bristol.

22 Following closing, I filed a number
23 of rate increases for all Pennsylvania customers,
24 and the minimum allowance for the Bristol

1 customers has come down on a rate equalization
2 path. In the Commission's order, the acquisition
3 order, it is mentioned that there is a ten-year
4 rate equalization plan in effect for the Bristol
5 Division.

6 So, in other words, despite the
7 fact that the Bristol customers were paying a lot
8 less money than the Main Division customers in
9 1997, within ten years, those rates would be
10 equalized with the Main Division.

11 So on October 24, 1997, the
12 Commission approved a decrease in the minimum
13 allowance in Bristol from 10,000 a quarter to
14 7,800 a quarter.

15 And again, focusing on the
16 allowance at the present time, on April 24, 2000,
17 the Commission approved a decrease in the minimum
18 allowance for Bristol of 78,000 to -- I'm sorry --
19 7,800 gallons to 5,700 gallons.

20 Then again, on August 1st, 2002,
21 the allowance was decreased from 5,700 gallons to
22 4,800 gallons.

23 And then again, on August 5th,
24 2004, the allowance was decreased from 4,800 to

1 3,000.

2 Those are all quarterly statistics
3 because we started out with a quarterly statistic.

4 MR. EDER: Excuse me. Can I
5 ask a question?

6 THE WITNESS: Yes.

7 THE COURT: Wait a minute.
8 Let him do the direct, and then you can
9 ask on cross-examination.

10 MR. EDER: Thank you.

11 MR. GRIFFIN: Now, just for
12 understanding, so that everybody
13 understands, I believe there are two more
14 rate cases to the Bristol Division rate
15 equalization plan.

16 In other words, it won't be for a
17 number of years yet that the Bristol
18 Division customers pay a rate as high as
19 the Main Division. I anticipate that
20 whenever the company files another rate
21 increase, that we will decrease the
22 minimum allowance for five-eighths inch
23 Bristol customers from 3,000 gallons per
24 quarter and half it to 1,500 gallons per

1 quarter. And in the subsequent rate
2 increase, the rates will be equalized, and
3 Bristol customers with no allowance,
4 similar to what the Main Division
5 customers have right now.

6 That's the history of the minimum
7 allowance.

8 The minimum charge, I have a
9 history of that as well, and the same
10 thing with the consumption charge.

11 But the bottom line is that
12 because the rates for Bristol Division
13 were so low at closing, each time the
14 company filed a rate increase, the
15 percentage increase for Bristol Division
16 customers was much higher than the Main
17 Division customers. At the same time, the
18 relative water bill that they pay is still
19 much less than the Main Division.

20 BY MS. ORTH:

21 Q. Mr. Griffin, with respect to the
22 Complaint filed by Mr. Eder, what would Aqua
23 Pennsylvania like the Commission to do?

24 A. I believe Mr. Eder has been correctly

1 billed in accordance with the tariff that's on
2 file and has been approved by the Commission;
3 therefore, the Commission should dismiss the
4 Complaint.

5 MS. ORTH: Your Honor, that
6 concludes my direct testimony.

7 Mr. Griffin is available for
8 cross-examination, and I would like to
9 offer my Exhibit-1 and Exhibit-2 into
10 evidence at this time.

11 THE COURT: Are you going to
12 use Exhibit-3 at all, Ms. Orth?

13 MS. ORTH: No, your Honor.

14 THE COURT: Okay.

15 Mr. Eder, you may cross-examine at
16 this time.

17 * * *

18 C R O S S E X A M I N A T I O N

19 * * *

20 BY MR. EDER:

21 Q. Mr. Griffin, I would like to question
22 you what the increase was from when they purchased
23 the Bristol water plant --

24 MS. ORTH: Mr. Eder, can you

1 repeat that, please?

2 BY MR. EDER:

3 Q. I would like to know what the increase
4 was when they purchased the Bristol plant to the
5 current billing now, the percentage of increase?

6 A. I can answer that. I have figures based
7 on the average customer, because when you decrease
8 minimum allowances, the rate increase varies
9 depending on the consumption.

10 What I've done is, I've calculated
11 what the rate increase is for Bristol customers
12 over a period of time for the average customer
13 which uses 14,600 gallons per quarter.

14 Following closing on December
15 31st, 1996, the first rate increase was of
16 October 24th, 1997, and that was 15.1 percent for
17 the average Bristol customer.

18 The next increase was April
19 24, 2000, and that was the 29.8 percent increase
20 for the average Bristol customer.

21 Following that, there was an
22 increase on August 1st, 2002, and that was a
23 24.2 percent increase for the average Bristol
24 customer.

1 And finally, on August 5, 2004, a
2 19.2 percent increase for the average Bristol
3 customer.

4 Q. Now, is that consecutive? You're saying
5 that's like an 87 percent increase, or is that
6 each --

7 A. No, that's calculated each time.

8 Q. So, in other words, the 29 percent
9 increase is a 29 percent increase over the already
10 15 percent?

11 A. That's correct.

12 Q. I'm not sure how to figure that
13 out, but...

14 I'm not sure how to figure that
15 out.

16 So, can you tell me what the total
17 increase was in the bill?

18 A. No, I have not calculated that.

19 Q. Would you say it's over a hundred
20 percent?

21 A. I don't know.

22 Q. Just adding them up, even if they
23 weren't consecutive, I'm coming up with
24 87 percent, which you're saying it would be way

1 over that.

2 So my validity stands as far as
3 the -- you would agree that my validity -- the
4 validity of my Complaint stands about the
5 excessive -- the increases in the actual billing,
6 not necessarily the consumption?

7 MS. ORTH: Objection, your
8 Honor.

9 First of all, I'm not sure what
10 Mr. Eder is asking.

11 And secondly, if he's trying to
12 ask Mr. Griffin to draw a conclusion of
13 law based on his Complaint, I would object
14 to that.

15 THE COURT: Mr. Eder, are you
16 saying that you want Mr. Griffin to
17 indicate that your Complaint is correct?

18 MR. EDER: As far as -- yeah,
19 the increase is substantial over what the
20 original bills were since they purchased
21 the company.

22 THE COURT: Well, he isn't
23 allowed to make a conclusion of law.

24 MR. EDER: All right. Okay.

1 Well, I guess I would have to
2 rephrase it then.

3 BY MR. EDER:

4 Q. Would you agree with me that the bill
5 has increased in the area of a hundred percent
6 over the average customer since they have
7 purchased the company?

8 A. Yes.

9 I'm not sure whether you can add
10 these percentages up and get a number, but I think
11 it's in the range of 80 to 100 percent is correct.

12 Q. Just adding them all up, I came up to
13 87 percent, but it would not be actually that
14 correct because the increases basically are
15 compounded over the previous increases, correct?

16 A. I believe you are correct.

17 Q. So, the other thing is, that was the
18 basic increase, but that does not take into
19 account the decrease in minimum consumption,
20 correct?

21 A. That is not correct. That includes the
22 entire change, the rate change.

23 Q. Okay. I see what you are saying.

24 So, in other words, with the

1 reduced minimum consumption as well as the actual
2 increase?

3 A. That's correct.

4 Q. Right. Understood.

5 So, then, basically -- well, where
6 I stand, in my mind, is that, you know, the rates
7 have gone up substantially?

8 MS. ORTH: Your Honor, is that
9 a question or is that testimony?

10 MR. EDER: Well, I don't know.
11 I don't know. I guess you would say it's
12 testimony.

13 BY MR. EDER:

14 Q. The other thing that I would question
15 is -- I just broke my train of thought here.

16 What guarantee was there that
17 people received the letters of increases, you're
18 saying, or even acknowledge that they got them?

19 You said that I was sent a letter
20 out with this information in it. I don't remember
21 getting that information regarding the rate
22 increases.

23 Are they in a separate letter or in
24 with the billing?

1 A. The -- I'm sorry. The notice was a
2 separate letter, not with the billing.

3 Q. Why would they not send that in with the
4 billing?

5 A. My understanding is that the statute
6 that the company must follow gives the company the
7 alternative to either include the notice within
8 the billing or send a standalone notice to the
9 customer, as long as the language is the same.

10 To answer your question, the reason
11 the company did not include the notice in with the
12 billing is that at the time of the rate filing,
13 not all of Aqua Pennsylvania customers were billed
14 on a monthly basis; so, therefore --

15 Q. I understand.

16 A. -- to ensure all the customers would
17 receive the notice in a timely manner, the only
18 way I could ensure that is by sending a separate
19 letter.

20 Q. Would there be any indication externally
21 on that letter to indicate that it was a priority
22 for someone to open that? You know, a lot of
23 times people send out -- we get newsletters that
24 people, like in my case, I rifle through it, and

1 if it's something of any major importance, I'll
2 read it more in-depthly and if not, then I
3 basically toss it, especially if it doesn't have a
4 letterhead pertaining to somebody that I'm dealing
5 with.

6 A. I don't know the letterhead which the
7 letter went out under. I don't know that for a
8 fact.

9 I know that the notice itself at
10 the top of the page and in a bolder type than the
11 rest of the letter says notice of proposed rate
12 changes. That's the only thing that I could see
13 that would be in bold that would tell customers
14 what it is.

15 Q. Do you believe that if the letter was of
16 a different color or had something that was --
17 made people more aware, that you might get a
18 better response or some kind of participation if
19 that letter was brought more to somebody's
20 attention?

21 A. I don't really know. I know the company
22 tries to adhere to the Commission's policy.

23 Q. I understand that.

24 And one of the things I'm trying to

1 do is change a little bit of the policies.

2 MS. ORTH: Objection, your
3 Honor.

4 THE COURT: Would you state
5 your objection?

6 MS. ORTH: Yes, your Honor.
7 It's testimony. It's not a question being
8 posed on cross-examination to the witness.

9 THE COURT: Mr. Eder, I will
10 let you give further testimony or your
11 statements after you finish the
12 cross-examination.

13 MR. EDER: Okay.

14 THE COURT: Please, just
15 cross-examination at this time.

16 MR. EDER: I'm basically
17 finished with the questions regarding
18 Mr. Griffin.

19 THE COURT: I just have one
20 question for Mr. Griffin, and it relates
21 to the question about the notice.

22 Mr. Griffin, are you aware of any
23 other customers that responded to this
24 notice in terms of whether they filed a

1 letter, they came to public input
2 hearings, or filed complaints with the
3 Commission?

4 THE WITNESS: Yes, your Honor.
5 I'm aware that customers, after receiving
6 the letter, had taken action, and quite a
7 number of customers in last rate case
8 became formal complainants.

9 In addition to that, there were
10 four public hearings, input hearings, that
11 I'm aware of, and I don't know the exact
12 number of customers who testified at those
13 hearings, but I know it was over 20.

14 THE COURT: Thank you.

15 MR. EDER: Thank you, your
16 Honor. I appreciate that question.

17 THE COURT: Ms. Orth, do you
18 have any redirect-examination?

19 MS. ORTH: Yes, one question.

20 * * *

21 R E D I R E C T E X A M I N A T I O N

22 * * *

23 BY MS. ORTH:

24 Q. Mr. Griffin, you've referred to a

1 Commission code that you feel your notice and your
2 methods of noticing the customer has complied
3 with.

4 Can you reference that code
5 section, please?

6 A. Yes, Pennsylvania Code, Title 52, Public
7 Utilities, Part One, Section 53.45.

8 Q. Within that section, does that set forth
9 the requirements for the notice, as far as the
10 content of the notice and the information that
11 needs to be supplied to the customers of record as
12 of the date of mailing?

13 A. Yes, it does.

14 MS. ORTH: That's all, your
15 Honor. Thank you.

16 THE COURT: Thank you.

17 Mr. Eder, let me ask you this: Do
18 you have a fax machine that you can
19 receive the Exhibits on?

20 MR. EDER: Sure.

21 THE COURT: Would you give
22 Ms. Orth that information, and she can fax
23 the Exhibits to you so that we know that
24 you get them in a timely manner?

1 MR. EDER: Excellent, thank
2 you.

3 (215) 752-2156.

4 MS. ORTH: Okay, your Honor.

5 THE COURT: Okay. And,
6 Mr. Eder, I will give you ten days to look
7 over the Exhibits. If you have any
8 questions regarding them -- Ms. Orth,
9 would you be amenable to having a
10 telephone conference with him?

11 MS. ORTH: Yes, your Honor.

12 THE COURT: So, you could have
13 a conference call to address these; we are
14 not continuing the hearing.

15 MR. EDER: Right. I
16 understand.

17 THE COURT: But because
18 Mr. Griffin has testified to these
19 documents -- but since you have not had a
20 chance to look over them, if there are
21 other questions that you have after that,
22 we can address those questions.

23 MR. EDER: I understand.
24 Thank you.

1 THE COURT: So, in terms of --
2 at this time, there is a Motion to Admit
3 Exhibit-1 and -2. I'll hold off on ruling
4 on that Motion until Mr. Eder has a chance
5 to object, and the Exhibit-3 has not been
6 marked and entered into evidence.

7 Mr. Eder, do you have anything
8 further at this time?

9 MR. EDER: No, I don't.

10 MS. ORTH: May I ask one
11 question on clarification?

12 THE COURT: Yes.

13 MS. ORTH: I will fax these
14 documents over to Mr. Eder when we
15 terminate this call. He has ten days to
16 get in touch with me, ask questions,
17 et cetera.

18 I assume within those ten days, he
19 must notify us both of his objections, and
20 assuming he does not notify us of an
21 objection, these Exhibits will be moved
22 into evidence?

23 THE COURT: Correct.

24 MS. ORTH: Okay.

1 THE COURT: If there are
2 objections, I will rule on the objections.

3 MS. ORTH: Thank you.

4 THE COURT: Thank you.

5 I would like to thank the parties
6 for their participation, and specifically
7 Mr. Griffin for being very clear and
8 giving an explanation of what has happened
9 so far so that Mr. Eder could realize what
10 the process is.

11 As I indicated previously, I will
12 review Exhibits that have been entered
13 into evidence and the transcript and write
14 a decision, and that would be issued to
15 the parties from the Harrisburg office.

16 If either party objects to my
17 decision, you can file exceptions, and the
18 full Commission will review it.

19 If there is no review of my
20 decision, it will become final by
21 operation of law.

22 Thank you very much.

23 MR. EDER: Thank you.

24 * * *

1 (Aqua Pennsylvania Schedule
2 of Rates, consisting of six pages, marked
3 for identification Exhibit-1.)

4 * * *

5 (Notice of Proposed Rate
6 Changes, consisting of three pages,
7 marked for identification Exhibit-2.)

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I N D E X

WITNESS	INTERROGATION BY	PAGE
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Charles J. Eder		
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	Direct Testimony:	5
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	Cross Examination:	13
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Robert Griffin		
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	Direct Examination:	14
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	Cross Examination:	33
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	Redirect Examination:	42
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* * *

E X H I B I T S

EXHIBIT NUMBER	DESCRIPTION	PAGE
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✓Exhibit-1	Schedule of Rates	47
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✓Exhibit-2	Notice of Proposed	47
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	Rate Changes	
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C E R T I F I C A T I O N

I hereby certify that the proceedings and evidence are contained fully and accurately in the stenographic notes taken by me upon the foregoing matter on June 2, 2005, and that this is a correct transcript of the same.

Tracy Allen
Court Reporter-Notary Public

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control and/or supervision of the certifying reporter.)

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PA P.U.C.
SECRETARY'S BUREAU
SCHEDULE OF RATES
Meter Service

Size of Meter	Minimum Charge			Allowance			(I)(C)
	Quarterly	Bi-Monthly	Monthly	Quarterly	Bi-Monthly	Monthly	
5/8 inch	25.80	17.20	8.60	3,000	2,000	1,000	
3/4 inch	42.30	28.20	14.10	3,000	2,000	1,000	
1 inch	68.25	45.50	22.75	5,100	3,400	1,700	
1-1/2 inch	136.50	91.00	45.50	9,900	6,600	3,300	
2 inch	198.45	132.30	66.15	18,000	12,000	6,000	
3 inch	386.25	257.50	128.75	39,900	26,600	13,300	
4 inch	618.00	412.00	206.00	69,900	46,600	23,300	
6 inch	1,264.50	843.00	421.50	192,000	128,000	64,000	
8 inch	2,164.20	1,442.80	721.40	285,900	190,600	95,300	
10 inch	3,137.40	2,091.60	1,045.80	419,100	273,400	136,700	

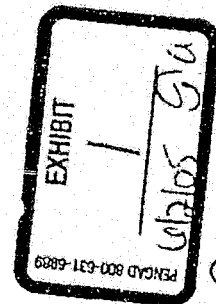
Consumption Charges - Residential Water consumed will be charged for at the following rates: For all water consumed in excess of the minimum allowance, up to 2,000 gallons per month	\$4.200	per thousand gallons	(I)
For water consumed in excess of 2,000 gallons per month	\$5.400	per thousand gallons	
Consumption Charges - Commercial & Public Water consumed will be charged for at the following rates: For water consumed in excess of the minimum allowance, Up to 10,000 gallons per month	\$5.400	per thousand gallons	(I)
For water consumed in excess of 10,000 gallons per month, up to 33,300 gallons per month.	\$4.360	per thousand gallons	
For water consumed in excess of 33,300 gallons per month, up to 333,300 gallons per month	\$3.250	per thousand gallons	
For water consumed in excess of 333,300 gallons per month	\$2.600	per thousand gallons	

(I) Indicates Increase
(C) Indicates Change

DOCUMENT DOCKETED
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JUL 05 2005

Exhibit - 1



pg 1

Aqua Pennsylvania, Inc.
Bristol DivisionSCHEDULE OF RATESMeter Service

<u>Consumption Charges - Industrial</u>		(I)(C)
Water consumed will be charged for at the following rates:		
For water consumed in excess of the minimum allowance, up to 10,000 gallons per month	\$5.400	per thousand gallons
For water consumed in excess of 10,000 gallons per month, up to 33,300 gallons per month	\$4.360	per thousand gallons
For water consumed in excess of 33,300 gallons per month, up to 333,300 gallons per month	\$3.250	per thousand gallons
For water consumed in excess of 333,300 gallons per month, up to 3,333,300 gallons per month	\$2.600	per thousand gallons
For water consumed in excess of 3,333,300 gallons per month, up to 10,000,000 gallons per month	\$2.300	per thousand gallons
For water consumed in excess of 10,000,000 gallons per month	\$2.300	per thousand gallons

<u>Consumption Charges - Other Utilities</u>		(I)(C)
Water consumed will be charged for at the following rates:		
For water consumed in excess of the minimum allowance	\$2.300	per thousand gallons

- (I) Indicates Increase
(C) Indicates Change

pg 2

SCHEDULE OF RATES					
Fire Service					
				Rate Per	
				Month	
<u>Fire Hydrants</u>					
For each public fire hydrant (outside borough)				7.00	(I)
For each public fire hydrant (inside borough)				25.25	
For each private fire hydrant				52.00	
<u>Metered and Unmetered Fire Service</u>					
For 1" connection				4.57	
For 1-1/2" connection				10.64	
For 2" connection				26.27	
For 3" connection				42.58	
For 4" connection				72.31	
For 6" connection				145.00	(I)
For 8" connection				235.00	(I)
For 10" connection				422.58	
<u>Water Allowance</u>				0	
Rate per thousand gallons (metered service only)				\$5.400	(I)
<u>Residential Multiple Meter Service</u>					
Domestic Meter	Fire Meter		Minimum Charge Monthly	Allowance Monthly	(I)(C)
5/8"	3/4"		12.21	0	
5/8"	1"		12.56	0	
5/8"	1-1/2"		15.89	0	
5/8"	2"		18.00	0	
3/4"	1"		18.36	0	
3/4"	1-1/2"		21.69	0	
3/4"	2"		23.80	0	
1"	1"		29.46	0	
1"	1-1/2"		32.69	0	
1"	2"		34.90	0	
1 1/4"	1"		57.46	0	
1 1/4"	1 1/2"		60.79	0	
1 1/4"	2"		62.90	0	
2"	1-1/2"		83.89	0	
2"	2"		86.00	0	

Water usage will be the consumption registered on both meters and will be billed at the residential metered water consumption rates.

- (I) Indicates Increase
(C) Indicates Change

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PA PUC SECRETARY'S BUREAU

NOTICE OF PROPOSED RATE CHANGES

To Our Bristol Customers

On November 14, 2000, Pennsylvania Suburban Water Company ("PSW" or "Company") is filing a request with the Pennsylvania Public Utility Commission ("PUC") to increase your water rates as of January 14, 2004. A full consideration of this request could delay the change until August 14, 2004. This notice describes our request, the PUC's role and what actions you can take.

RATE REQUEST

PSW is requesting an overall rate increase of \$7.3 million per year. This rate increase is the result of the Company's investment of \$192 million to improve water quality, service, and reliability for more than 383,000 customers throughout Pennsylvania since the last rate request. This amounts to an average capital investment of \$500 per customer—more than what most residential customers pay for a full year's worth of water. Our capital improvements in Bristol include the replacement or rehabilitation of water mains, hydrants, service lines and valves. PSW's capital program is consistent with the type of capital improvement the federal government says is required of the country's aging drinking water systems. According to the Environmental Protection Agency, over the next 20 years, the nation's water systems need about \$159 billion in repairs to pipes, tanks, valves and treatment plants.

Your proposed increase is consistent with PSW's multi-year plan to equalize rates with those of the Company's other customers, while also improving your level of service. The increase complies with the rate plan agreed upon when PSW acquired your water facilities. Until complete, your rates will remain below the average PSW rates.

Below are some examples of the changes for a typical customer's bill. To find out how the request may change your water bill, or to address any other questions you may have, contact PSW at 1-800-711-4779.

<u>Customer Type</u>	<u>Current Monthly Bill</u>	<u>Proposed Monthly Bill</u>
Residential	\$22.07	\$26.30
Commercial	\$14.57	\$18.32
Industrial	\$38.37	\$47.59

DOCUMENT FOLDER

You can find the rates we asked for in Supplement No. 20 to Water - PA PUC No. 1, filed with the PUC or on our Web site at www.suburbanwater.com. You may review the material we filed with the PUC at our office in Bryn Mawr, Pennsylvania. You can also ask us to send you a copy of our Statement of Reasons, which is a plain language summary of why we need to raise our rates.

PUC ROLE

The state agency that approves rates for public utilities is the PUC. The PUC will review and investigate the requested rate increase. The Company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates. As a result, the final effect on your bill may be different than the Company's request.

ACTIONS YOU CAN TAKE

You may challenge the Company's request by:

1. Sending a letter to the PUC. You can tell the PUC why you object to the requested rate increase in your letter. You can also tell the PUC about any other concerns you have about the Company. This information can be helpful when it investigates the rate request. Send your letter to the Pennsylvania Public Utility Commission, Post Office Box, 3265, Harrisburg, PA 17105-3265.
2. Attending or presenting testimony at PUC Public Input Hearings. You can attend or be a witness at a PUC public hearing. The PUC holds public input hearings if it opens an investigation of the Company's rate increase request and if there is enough interest in the case. At these hearings you may present your views in person to the PUC judge and to company representatives. Testimony under oath becomes part of the rate case record. The PUC holds these hearings in the service area of the Company.

For more information, call the PUC at 1-800-782-1110.

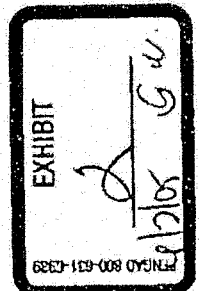
3. Becoming a party by filing a formal complaint. If you want to be a party to the case, you must file a formal complaint. You then have an opportunity to take part in all hearings about the rate increase request. You can receive copies of all materials distributed by the other parties. Formal complaints should be filed with the PUC before January 14, 2004. If no one files a formal complaint, the Commission may grant all, some or none of the request without holding a hearing before a PUC judge. You can request a formal complaint form by writing to the Pennsylvania Public Utility Commission, Post Office Box, 3254, Harrisburg, PA 17105-3265, or by going to its Web site: www.puc.paonline.com.

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BRISTOL

Exhibit 2



Chula

pg 1

C-20044150

Pennsylvania Suburban Water Company
2003 Rate Filing
Comparative Schedule of Present and Proposed Rates
Bristol Service Area

Minimum Charges

Size	Present Rates Per Month		Proposed Rates Per Month	
	Amount	Allowance Gallons	Amount	Allowance Gallons
5/8	8 00	1,400	8 60	1,000
3/4	13 40	1,400	14 10	1,000
1	21 00	2,600	22 75	1,700
1 1/2	41 40	5,000	45 50	3,300
2	61 30	9,000	66 15	6,000
3	118 30	20,000	128 75	13,300
4	184 40	35,000	200 00	23,300
6	375 40	95,000	421 50	64,000
8	633 40	143,000	721 40	95,300
10	920 60	205,000	1,045 00	136,700

Consumption Charges

Gallons of Water per Month	Present Rates Per Month				
	Residential	Commercial	Industrial	Public	Other Utilities
From Min. Allow. Up To 10,000 Gallons	4 200	4 200	4 200	4 200	1 850
Next 23,300 Gallons	4 200	3 520	3 520	3 520	1 850
Next 300,000 Gallons	3 680	2 620	2 620	2 620	1 850
Next 3,000,000 Gallons	3 680	2 100	2 100	2 100	1 850
Over 3,333,300 Gallons	3 680	2 100	1 850	2 100	1 850

Gallons of Water per Month	Proposed Rates Per Month				
	Residential	Commercial	Industrial	Public	Other Utilities
From Min. Allow. Up To 2,000 Gallons	4 200	5 400	5 400	5 400	2 300
Next 8,000 Gallons	5 400	5 400	5 400	5 400	2 300
Next 23,300 Gallons	5 400	4 360	4 360	4 360	2 300
Next 300,000 Gallons	5 400	3 250	3 250	3 250	2 300
Next 3,000,000 Gallons	5 400	2 600	2 600	2 600	2 300
Next 6,666,700 Gallons	5 400	2 600	2 300	2 600	2 300
Over 10,000,000 Gallons	5 400	2 600	2 300	2 600	2 300

Fire Protection	Present Monthly Rates	Proposed Monthly Rates
	Public Fire Hydrants (outside bore)	5 00
" " (inside bore)	25 25	25 25
Private Fire Hydrants	52 00	52 00
Metered Fire		
1"	4 57	4 57
1 1/2"	10 64	10 64
2"	26 27	26 27
3"	42 58	42 58
4"	72 31	72 31
6"	94 43	126 94
8"	133 72	205 51
10"	422 58	422 58
Rate per thousand gallons	4 200	5 400

pg 2

PENNSYLVANIA SUBURBAN WATER COMPANY
 BRISTOL DIVISION
 2003 RATE FILING
 COMPARISON OF RESIDENTIAL CUSTOMER BILLS
 PRESENT AND PROPOSED RATES
 5/8" METER

CONSUMPTION IN GALLONS MONTHLY	PRESENT RATES	PROPOSED RATES	PERCENT INCREASE	APPROXIMATE \$ INCREASE PER:	
				DAY	MONTH
0	8.40	8.60	2.4%	0.01	0.20
1,000	8.40	8.60	2.4%	0.01	0.20
2,000	11.05	12.80	15.9%	0.06	1.75
3,000	15.46	18.20	17.8%	0.09	2.74
4,000	19.87	23.60	18.8%	0.12	3.73
4,500	22.07	26.30	19.2%	0.14	4.23
6,000	28.69	34.40	19.9%	0.19	5.71
7,000	33.10	39.80	20.3%	0.22	6.70
8,000	37.51	45.20	20.5%	0.26	7.69
9,000	41.92	50.60	20.7%	0.29	8.68
10,000	46.33	56.00	20.9%	0.32	9.67
11,000	50.74	61.40	21.0%	0.36	10.66
12,000	55.15	66.80	21.1%	0.39	11.65

* AVERAGE RESIDENTIAL MONTHLY CONSUMPTION

Commercial 5/8"	2,800	14.57	18.32	25.7%	0.12	3.75
Industrial 1"	6,300	38.37	47.59	24.0%	0.31	9.22