

September 6, 2017

Via UPS Delivery
Rosemary Chiavetta, Esquire
Secretary
PA Public Utility Commission
Commonwealth Keystone Building, 2 North
400 North Street
Harrisburg, PA 17120

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SEP - 6 2017

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Docket No. C-2017-2616962; U-2017-2610587
**Red Lion Municipal Authority v. The York Water Company and Dallastown-
Yoe Water Authority**
Prehearing Conference Memo of Red Lion Municipal Authority

Dear Secretary Chiavetta:


Enclosed for filing are the original and one (1) copy of the Prehearing Conference Memorandum of Red Lion Municipal Authority (RLMA) in the above referenced proceeding. Kindly file the original of record and return the date stamped copy in the enclosed self-addressed, stamped envelope.

A copy of the Memorandum has been forwarded to the parties in the manner indicated on the attached Certificate of Service.

If there are any questions, please contact me.

Very truly yours,

Reger Rizzo & Darnall LLP



Margaret A. Morris

MAM/jmm
Attachment

cc: The Hon. Joel Cheskis, PA Public Utility Commission [w/enc.]
Keith Kahwajy, Red Lion Municipal Authority [w/enc.]
Andrew J. Miller, Esquire, MPL Law Firm, LL [w/enc.]

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BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

SEP - 6 2017

APPLICATION OF THE YORK WATER :
COMPANY FOR APPROVAL OF AN :
EMERGENCY INTERCONNECT :
AGREEMENT BETWEEN THE YORK :
WATER COMPANY AND DALLASTOWN- :
YOE WATER COMPANY :

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Docket No. U-2017-2610587

RED LION MUNICIPAL AUTHORITY :

v. :

Docket No. C-2017-2616962

THE YORK WATER COMPANY AND :
DALLASTOWN-YOE WATER AUTHORITY :

**PREHEARING CONFERENCE MEMORANDUM OF
RED LION MUNICIPAL AUTHORITY**

TO THE HONORABLE JOEL H. CHESKIS, ADMINISTRATIVE LAW JUDGE:

In accordance with 52 Pa. Code § 5.222 and the Prehearing Conference Order, dated August 23, 2017, Red Lion Municipal Authority (Red Lion Authority) respectfully files this Prehearing Conference Memorandum.

I. Introduction

On June 16, 2017, the York Water Company (York Water) filed a request that a proposed Emergency Interconnect Agreement between York Water and the Dallastown-Yoe Water Authority (Dallastown Authority) be certified by the Commission consistent with Section 507 of the Public Utility Code.¹ The matter was docketed at U-2017-2610587. By letter, dated July 5, 2017, Red Lion Authority notified the Commission of its opposition to the proposed

¹ 66 Pa.C.S. § 507.

Emergency Interconnect Agreement. Red Lion Authority filed its Petition to Intervene on August 15, 2017.

On July 17, 2017, Red Lion Authority filed a Formal Complaint against York Water and Dallastown Authority alleging that York Water violated Section 4.3 of its Commission-approved Tariff and that the Proposed Emergency Interconnect Agreement was in fact an ordinary water purchase agreement. The Formal Complaint was docketed at C-2017-2616962. On August 18, 2017, Red Lion Authority filed an Amended Complaint.

II. Matters Identified In The Prehearing Conference Order

a. Service for Red Lion Authority

Red Lion Authority requests that Margaret A. Morris, Esquire, be listed on the service list on behalf of Red Lion Authority. The contact information for Ms. Morris is provided below:

Margaret A. Morris, Esquire
Reger Rizzo & Darnall LLP
Cira Centre, 13th Floor
2929 Arch Street
Philadelphia, PA 19104
(215) 495-6524 tel.
(215) 495-6600 fax
mmorris@regerlaw.com

Red Lion Authority agrees to receive service of documents electronically in the consolidated proceedings.

b. Settlement

Red Lion Authority is always willing and open to pursue settlement discussions with York Water and Dallastown Authority to either fully resolve the matter through settlement, to reach a partial settlement, or to reduce the facts at issue in this case through stipulation.

c. Discovery

Red Lion Authority proposes that discovery be conducted consistent with the Commission's Rules as set forth in 52 Pa. Code § 5.342. Red Lion Authority requests, as a courtesy, that all electronic correspondence also copy Red Lion Authority's co-counsel, Andrew J. Miller (amiller@mpl-law.com).

d. Other proposed Orders with respect to discovery

Red Lion Authority anticipates that certain discovery requests may necessitate the issuance of a protective order.

e. Proposed litigation schedule

Red Lion Authority proposes the following litigation schedule.

York Water Direct Testimony	October 30, 2017
Dallastown Authority Direct Testimony	October 30, 2017
Red Lion Authority Direct Testimony	December 4, 2017
York Water Rebuttal Testimony	January 12, 2018
Evidentiary Hearing	January 22, 2018
Main Briefs	March 26, 2018
Reply Briefs	April 5, 2018

f. Witnesses:

Red Lion Authority intends to present the direct, rebuttal and surrebuttal testimony, as may be necessary, of the persons listed below. Red Lion Authority reserves the right to call additional witnesses, as necessary. Once Red Lion Authority determines whether an additional witness or witnesses will be necessary for any portion of its case, Red Lion Authority will notify Judge Cheskis and all parties of record.

1. Keith Kahwajy, Superintendent
Red Lion Municipal Authority
11 E. Broadway
Red Lion, PA 17356
Phone: (717) 244-3475 ext. 235

Mr. Kahwajy will present testimony addressing Red Lion Authority's water system, the Water Sales Agreement between Red Lion Authority and Dallastown Authority, Red Lion Authority's ability to perform under that Agreement and the effect of the proposed interconnect on the various systems.

2. Jason Reichard, PA Professional Engineer
Red Lion Municipal Authority
50 West Middle Street
Gettysburg, PA 17325
Phone: (717) 337 3021

Scope of testimony: Mr. Reichard will offer expert testimony regarding Red Lion Authority's system and the mechanical/hydraulic impact of the proposed interconnect on all three systems.

3. Expert witness²

Scope of testimony: The expert to be retained will offer testimony addressing the potential impact on the Dallastown Authority's system resulting from mixing York Water's chloramine treated water with Red Lion Authority's chlorine treated water.

g. Issues

Based upon a preliminary analysis of York Water's Application, Red Lion Authority has compiled a list of issues that it anticipates addressing in the consolidated proceedings. Red Lion Authority may pursue other issues that may arise as discovery proceeds. Red Lion Authority has initially identified the following issues that may require further review:

1. The Proposed Emergency Interconnect Agreement violates York Water's Tariff since York Water solicited Dallastown Authority seeking an interconnect agreement.

² Red Lion Authority is in the process of retaining an expert and will immediately notify Judge Cheskis and all parties of record once the expert is confirmed and provide the contact information for the witness.

2. The Proposed Emergency Interconnect Agreement is an ordinary bulk water purchase agreement.

3. The Proposed Emergency Interconnect Agreement intentionally and improperly interferes with Dallastown Authority's performance under the Water Sales Agreement by requiring Dallastown Authority to purchase water in excess of what is actually necessary to maintain the emergency interconnect.

4. The introduction of York Water's chloramine treated water into Dallastown Authority's water supply will negatively affect the water chemistry and the stability of the water systems of the Dallastown Authority.

5. Red Lion Authority and York Water will each have separate connection points that may dramatically affect the hydraulics of all three systems.

6. The Proposed Emergency Interconnect Agreement is silent regarding how a joint supervisory control and data acquisition system (SCADA) will be established and operated by York Water and Red Lion Authority to assure safe and consistent water supply and pressure of the three systems.

h. Evidence

Red Lion Authority intends to submit written direct testimony of the witnesses outlines in Section f, *supra*, and will present other evidence as necessary to substantiate its

claims and arguments.

Respectfully Submitted,

Date: September 6, 2017



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Counsel for Red Lion Municipal Authority

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Red Lion Municipal Authority v. The York Water Company and Dallastown-
Yoe Water Authority
Prehearing Conference Memo of Red Lion Municipal Authority**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the person(s) listed below, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Via Electronic and First Class Mail

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Harrisburg, PA 17101-1921
tmccloskey@paoca.org

Richard A Kanaskie, Esquire
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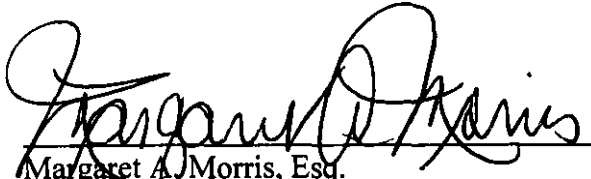
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Dated: September 6, 2017

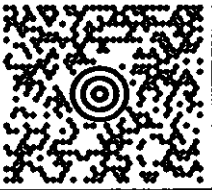

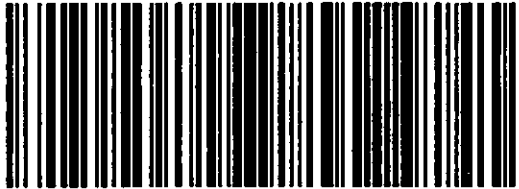

Margaret A. Morris, Esq.

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PUBLIC UTILITY COMMISSION
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HARRISBURG PA 17120-1007

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JOAN MOTZ 2154956518 REGER RIZZO & DARNALL 2929 ARCH ST PHILADELPHIA PA 19104	1 LBS	1 OF 1
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