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|  | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE**  **REFER TO OUR FILE**  **C-2016-2547755**  **P-2017-2594688**  **M-2018-2645983** |

May 23, 2018

Re: Pennsylvania Public Utility Commission, Bureau of Investigation and

Enforcement v. North Heidelberg Sewer Company

Docket Number: C-2016-2547755 (Motion for Default Judgment)

Pennsylvania Public Utility Commission, Bureau of Investigation and

Enforcement v. Metropolitan Edison Company and North Heidelberg Sewer Company

Docket Number: P-2017-2594688

Pennsylvania Public Utility Commission, Bureau of Investigation and

Enforcement v. Metropolitan Edison Company and North Heidelberg Sewer Company

Docket Number: M-2018-2645983

To All Parties of Record:

On May 27, 2016, the Bureau of Investigation & Enforcement (I&E) filed a Complaint, at Docket No. C-2016-2547755, in which it alleged that North Heidelberg Sewer Company (North Heidelberg or Respondent) violated Section 510 of the Public Utility Code (Code), 66 Pa. C.S. § 510, by failing to pay the Pennsylvania Public Utility Commission’s (Commission) assessment for the 2015-2016 fiscal year. In the Complaint, I&E claimed that the Respondent owes $800 in unpaid assessments and sought a civil penalty of $200 against the Respondent for this violation. I&E requested that the Respondent pay $1,000 for the outstanding assessment balance and civil penalty within twenty days or I&E would request cancellation of the Respondent’s Certificate of Public Convenience (Certificate).

Because the Respondent did not reply within the twenty-day response period, I&E filed a Motion for Default Judgment (Motion) on August 25, 2016. In the Motion, I&E is requesting that the Commission issue an order that directs the Respondent to pay its outstanding assessment of $800 and the requested civil penalty of $200 within thirty days. If North Heidelberg does not pay the civil penalty within thirty days, I&E further requests that the Respondent’s Certificate be cancelled, and the matter be referred to the Pennsylvania Office of Attorney General for collection of the outstanding assessment and civil penalty. The Motion for Default Judgment is currently pending before the Commission.

In the proceeding at Docket No. P-2017-2594688, on March 21, 2017, I&E filed a Petition for the issuance of an *Ex Parte* Emergency Order to enjoin Metropolitan Edison Company (Met-Ed) from terminating electric service to the Respondent and to direct the Respondent to cease withholding current and past due electric service payments to Met-Ed

(Petition). On March 22, 2017, the Commission issued an *Ex Parte* Emergency Order that granted the Petition, as modified, to ensure continued wastewater service from the Respondent to its customers. The *Ex Parte* Emergency Order was ratified on April 6, 2017.

By Order entered October 5, 2017, at Docket No. P-2017-2594688, the Commission, *inter alia,* directed the Respondent to pay a lump-sum amount of $61,337 in arrearage owed to Met-Ed within sixty days of the entry date of the Order. On December 11, 2017, Met-Ed notified the Commission that the Respondent failed to make a timely payment to Met-Ed.

Accordingly, by Order entered February 9, 2018, at Docket No. M-2018-2645983, the Commission initiated a proceeding involving the Respondent pursuant to 66 Pa. C.S. § 529, including the appointment of a receiver for North Heidelberg under Section 529(g). In that Order, the Commission stated that a number of issues called into question North Heidelberg’s ability to operate its wastewater system, including its failure to pay its Commission assessments.

The proceedings at Docket No. C-2016-2547755 and M-2018-2645983 involve common questions of law and fact regarding the Respondent’s compliance with its assessment payments. Under the circumstances, we find it appropriate to consolidate the proceeding at Docket No. C-2016-2547755 with the proceeding at Docket No. M-2018-2645983, pursuant to 52 Pa. Code § 5.81(a), for the purpose of addressing the assessment issues.

Should you have any questions, you may contact the Office of Special Assistants, Bert Marinko, Acting Director. Please direct your inquiry to Cindi Muriceak, at (717) 783-5155 or cmuriceak@pa.gov.

 Very truly yours,

Rosemary Chiavetta

Secretary