

**ROBERT J. KOLLAR AND KELLIE A. KUHLEMAN**  
**1374 LANGPORT DRIVE**  
**PITTSBURGH, PA 15241**

October 29, 2018

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor—Filing Room  
Harrisburg, PA 17120

RECEIVED

OCT 29 2018

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

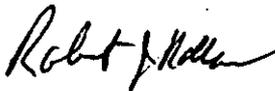
Re: Tanya J. McCloskey, Acting Consumer Advocate v. Hidden Valley Utility Services,  
L.P.—Water, Docket No. C-2014-2447138  
Tanya J. McCloskey, Acting Consumer Advocate v. Hidden Valley Utility Services,  
L.P.—Water, Docket No. C-2014-2447169

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is the Intervenor's Reply in Opposition to the Petition of Hidden Valley Utility Services For an Amendment of the Opinion and Order Entered May 3, 2018.

All parties to this proceeding are being served as shown on the Attached Certificate of Service.

Sincerely,



Robert J. Kollar

Enclosure

BEFORE THE  
COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

TANYA J. MCCLOSKEY, ACTING  
CONSUMER ADVOCATE,

Docket No. C-2014-2447138

vs.

HIDDEN VALLEY UTILITY SERVICES,  
L.P. (Water)

RECEIVED

OCT 29 2018

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

AND

TANYA J. MCCLOSKEY, ACTING  
CONSUMER ADVOCATE

Docket No. C-2014-2447169

vs.

HIDDEN VALLEY UTILITY SERVICES,  
L.P. (Wastewater)

**INTERVENORS', ROBERT J. KOLLAR AND KELLIE A. KUHLEMAN, REPLY IN  
OPPOSITION TO THE PETITION FOR AN AMENDMENT OF THE OPINION AND  
ORDER ENTERED MAY 3, 2018 FILED BY HIDDEN VALLEY UTILITY SERVICES,  
L.P. ON OCTOBER 18, 2018**

Intervenors, Robert J. Kollar and Kellie A. Kuhleman (hereinafter collectively referred to as "Intervenors"), hereby file their Reply in Opposition to the Petition Of Hidden Valley Utility Services, L.P. ("HVUS" or "the Company") for an Amendment of the Opinion and Order Entered May 3, 2018. Note that intervenors are not attorneys and are not represented by legal counsel.

**INTERVENORS' REPLY IN OPPOSITION TO HVUS' PETITION FOR AN  
AMENDMENT OF THE OPINION AND ORDER OF MAY 3, 2018:**

Request of the Company:

In summary, HVUS essentially requests in its Petition for Amendment of the May 2018 Order (Petition) an extension of time of four years, or the adoption of a series of deadlines, both of which will exceed the "within one year (1) from the date of the engineer's report" deadline included in the requirements of Ordering Paragraph No. 8.

A. Ordering paragraph No. 8

Ordering Paragraph No. 8 of the May 2018 Order reads as follows:

8. That, within one (1) year from the date of the engineer's report, Hidden Valley Utility Services, L.P., shall comply with all recommendations from the engineer in order (1) to correct any identified deficiencies including a remedy to eliminate the rust or brown-colored water provided to customers in order to ensure that customers shall receive adequate services from the improved water facilities, and (2) to reassess the need, size and cost of treatment plant to permanently solve the problems caused by iron and manganese.

Intervenor's Reply:

Intervenors firmly oppose HVUS's request for an amendment to the May 2018 Order of the PUC, specifically the proposed amendment to Ordering Paragraph No. 8.

We oppose this request for the following reasons:

1. Rust and brown-colored water are not new issues. The Company has had since the date of the 2005 Agreement (and possibly before) to correct the rust and brown-colored water provided to its customers and to assess the adequacy of its wastewater treatment plant. During the past fourteen years (2005 to 2018), HVUS has been fully aware of these problems, yet has taken no long-term steps

to address the chronic problems of rust or brown-colored water or to assess the long-term viability of its wastewater treatment plant until ordered to do so by the PUC in its May 2018 order.

2. During the same fourteen year period, HVUS made financial distributions to its partners equal to almost all of the available cash flow generated by the Company, rather than investing in maintaining and improving the existing water and wastewater equipment and facilities. During the period from 2005 to 2018, HVUS should have thoroughly investigated the causes of the rust and brown-colored water, developed plans for implementation of long-term solutions to this problem, investigated the financial requirements of these solutions and developed a funding plan. During this same time period, HVUS should have reduced the level of its distributions to partners in order to begin accumulating funds to finance a long-term solution. However, the Company took no such steps. HVUS's continued delay in addressing these long-standing problems have already cost both the Company and its customers more than if the issues had been properly addressed over a decade ago.
3. The Company asserts in its Petition that it is having difficulty obtaining financing as a result of opposition by the Office of Consumer Advocate and the Bureau of Investigation and Enforcement to a rate case filed by the Company that will not be completed by early 2019. Intervenors are both Certified Public Accountants, and in our professional opinion the reality is that it will be highly unlikely for HVUS to obtain financing because of its insolvent financial condition and its poor financial management practices. HVUS's current indebtedness is in excess of

\$1,000,000! This indebtedness will either have to be repaid or refinanced as part of any financing plan to address the water quality issues. Based on the Company's financial results and current financial condition, conventional financing will not be available to the Company. Additionally, during the period of 2005 through 2018, HVUS made no requests for even minor rate increases, a very typical and prudent management practice that would have strengthened the Company financially.

4. The Commission should view the Petition of HVUS with extreme skepticism. The customers of HVUS have suffered for years with the poor quality service provided by HVUS. When the Company fails to meet the requirements of the May 2018 order as currently specified, the Commission will be able to quickly take the necessary steps to permanently improve the water quality in the Hidden Valley community.

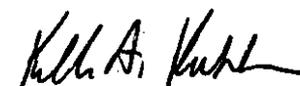
#### CONCLUSION

For all of the foregoing reasons, Intervenor, Robert J. Kollar and Kellie A. Kuhleman, respectfully request that the Commission deny all of the requests included in the Petition to Amend the Order of May 3, 2018 filed by the Respondent, Hidden Valley Utility Services, L.P., in their entirety.

Date: October 28, 2018

Respectfully submitted,

  
\_\_\_\_\_  
Robert J. Kollar, Intervenor

  
\_\_\_\_\_  
Kellie A. Kuhleman, Intervenor

**CERTIFICATE OF SERVICE**

I, Robert J. Kollar, hereby certify that on this 29<sup>th</sup> day of October, 2018, I served a true and correct copy of Intervenor's, Robert J. Kollar and Kellie A. Kuhleman, Reply in Opposition to the Petition for An Amendment of the Opinion and Order Entered on May 3, 2018 filed by Hidden Valley Utility Services, L.P. via overnight mail with the Secretary (Federal Express) and via email, upon the following:

The Honorable Jeffrey A. Watson  
Office of Administrative Law Judge  
PA Public Utility Commission  
301 Fifth Avenue, Suite 220  
Piatt Place  
Pittsburgh, PA 15222  
[jeffwatson@pa.gov](mailto:jeffwatson@pa.gov)

Secretary  
Pa. Public Utility Commission  
400 North Street  
Commonwealth Keystone Building, 2<sup>nd</sup>  
floor  
Harrisburg, PA 17120  
[ra-OSA@pa.org](mailto:ra-OSA@pa.org)

Christine Maloni Hoover  
Erin L. Gannon, Esquire  
Lauren Burge  
Office Of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor Forum Place  
Harrisburg Pa 17101-1923  
[Choover@paoca.org](mailto:Choover@paoca.org)  
[Choover@paoca.org](mailto:Choover@paoca.org)  
[Egannon@pacoa.org](mailto:Egannon@pacoa.org)  
[Lburge@paoca.org](mailto:Lburge@paoca.org)

Paige Macdonald-Matthes, Esquire  
Obermayer Rebmann  
Maxwell & Hippel LLP  
Suite 400, 200 Locust Street  
Harrisburg, PA 17101-1508  
[PMM@obermayer.com](mailto:PMM@obermayer.com)

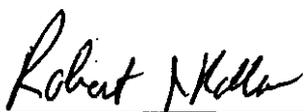
Jonathan P. Nase  
Cozen O'Connor  
17 North Second Street  
Suite 1410  
Harrisburg, PA 17101  
[inase@cozen.com](mailto:inase@cozen.com)

James Kettler, President  
Hidden Valley Utility Services, L.P.  
811 Russell Avenue, Suite F  
Gaithersburg, MD 20879  
[kettlerjmk@aol.com](mailto:kettlerjmk@aol.com)

RECEIVED

OCT 29 2018

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

  
\_\_\_\_\_  
Robert J. Kollar

ORIGIN ID:PITA (412) 221-8185  
KELLIE A. KUHLEMAN  
KUHLEMAN KOLLAR & ASSOCIATES  
300 OLD POND ROAD  
SUITE 206  
BRIDGEVILLE, PA 15017  
UNITED STATES US

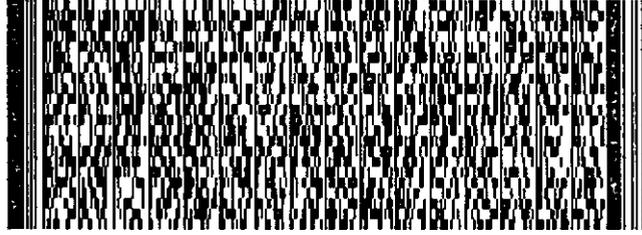
SHIP DATE: 29OCT18  
ACTWGT: 1.00 LB  
CAD: 3744347/NET4040

BILL SENDER

TO **ROSEMARY CHIAVETTA, SECRETARY**  
**PENNSYLVANIA PUBLIC UTILITY COMMISS**  
**400 NORTH STREET**  
**COMMONWEALTH KEYSTONE BLDG, 2ND FL**  
**HARRISBURG PA 17120**

552-1168E7/DCA5

(412) 221-8185 REF:  
INV. DEPT:  
PO.

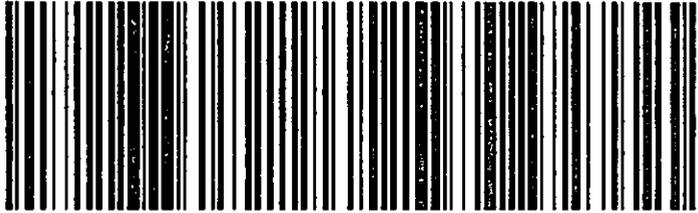


TUE - 30 OCT 10:30A  
PRIORITY OVERNIGHT

TRK# 7735 9151 1368  
0201

**XH MDTA**

17120  
PA-US MDT



**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on [fedex.com](http://fedex.com). FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.