



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

February 24, 2020

Via Electronic Filing

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17105

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. – Wastewater
Docket No. C-2014-2447169
I&E Prehearing Memorandum

Dear Secretary Chiavetta:

Enclosed please find the Bureau of Investigation and Enforcement's (I&E)
Prehearing Memorandum in the above-captioned proceeding.

Copies are being served on parties of record as evidenced in the attached Certificate
of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Allison C. Kaster
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 93176
(717) 783-7998
akaster@pa.gov

ACK/ac
Enclosure

cc: Hon. Katrina L. Dunderdale (ALJ, PUC Pittsburgh)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING MEMORANDUM
OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO ADMINISTRATIVE LAW JUDGE KATRINA L. DUNDERDALE:

Pursuant to the Prehearing Conference Order dated February 7, 2020, 2019, the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

I. Introduction

On October 9, 2014, the Office of Consume Advocate filed a Formal Complaint against Hidden Valley Utility Services, L.P. (“HVUS” or “Company”) regarding its failure to provide adequate, safe and reasonable water and wastewater service. By Order issued January 18, 2018, the Commission imposed a corrective plan with detailed

timeframes to implement improvements to the water and wastewater systems operated by HVUS. Specifically, the January 18 Order required that HVUS obtain an engineer report concerning the adequacy of its water and wastewater systems and that it must comply with all recommendations in the engineer's report to correct the deficiencies within one year from the date of the report.

HVUS filed a Petition for Clarification on February 2, 2018 requesting clarification regarding whether the one-year deadline in the Order was limited to treatment plant reassessment or whether full compliance with the engineer's recommendations was required within the one-year period. The Commission entered an Order on May 3, 2018 clarifying that the Company must comply in full with the engineer's recommendations within one year of the report.

On October 18, 2018, HVUS filed a Petition for Amendment requesting that the May 3, 2018 Order be amended to extend the one-year deadline to complete the recommendations contained in the engineer's report. The Commission denied this request by Order issued January 17, 2019. Thereafter, HVUS appealed the January 17 order to Commonwealth Court on February 19, 2019. On May 15, 2019, the Company's Petition for Review was quashed and the record was remanded to the Commission directing "a hearing will be held forthwith before the Commission regarding the sufficiency of both the engineer's report and the previously ordered one-year compliance deadline."

In accordance with that directive, the matter was assigned to the Office of Administrative Law Judge. Administrative Law Judge Katrina L. Dunderdale ("ALJ")

scheduled a telephonic Prehearing Conference on February 25, 2020 and directed parties to submit prehearing memorandum by noon on February 24, 2020.

II. Service

Allison Kaster is the assigned I&E Prosecutor in this proceeding. Contact information is as follows:

By mail: Allison C. Kaster
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

By e-mail: akaster@pa.gov

By telephone: (717) 783-7998

By fax: (717) 772-2677

III. Discovery

At this time, I&E does not propose any modifications to the Commission's discovery regulations.

IV. Issues

I&E was not an active party in the underlying complaint proceeding and has not, to date, taken a position regarding the corrective plan and the deadlines imposed by the Commission's January 18, 2018 and May 3, 2018 Orders. However, the Commission's January 18, 2018 and May 3, 2018 Orders directed that a separate proceeding pursuant to 66 Pa. C.S. § 529 shall be initiated if the Company fails to comply with the timelines contained in the ordering paragraphs. I&E will participate in the separate § 529 proceeding; therefore, I&E currently intends to monitor this proceeding to the extent that

any common legal or factual issues arise. If issues arise that must be addressed, I&E will promptly notify the presiding officer and parties.

V. Witnesses

I&E has not yet identified expert witnesses in this matter but will promptly notify the presiding officer and the parties if the need to identify witnesses arises.

VI. Schedule

I&E will work with the other parties to develop a mutually agreeable schedule in this matter.

VII. Conclusion

I&E is willing to make good faith efforts to successfully resolve this matter. In the event that settlement discussions do not result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully Submitted,



Allison C. Kaster
Prosecutor
PA Attorney ID 93176

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Dated: February 24, 2020

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated February 24, 2020, in the manner and upon the persons listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party):

Served via First Class and Electronic Mail

Honorable Katrina L Dunderdale
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
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A handwritten signature in black ink, appearing to read "Allison C. Kaster", written over a horizontal line.

Allison C. Kaster
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 93176