



COMMONWEALTH OF PENNSYLVANIA

March 10, 2020

**E-FILED**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Section 1329 Application of Pennsylvania-American Water Company – Wastewater Division for the Acquisition of Kane Borough Authority’s Wastewater System Assets / Docket No. A-2019-3014248**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding. I respectfully request that a copy of any documents filed in this case also be shared with our witness at the address below:

Mr. Brian Kalcic  
Excel Consulting  
225 S. Meramec Avenue, Suite 720  
St. Louis, MO 63105  
314-725-2511  
[excel.consulting@sbcglobal.net](mailto:excel.consulting@sbcglobal.net)

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Sharon E. Webb Attorney ID No. 73955  
Daniel G. Asmus Attorney ID No. 83789  
Assistant Small Business Advocates

*Enclosures*

cc: Brian Kalcic  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Section 1329 Application of Pennsylvania- : Docket No. A-2019-3014248**  
**American Water Company – Wastewater :  
Division for the Acquisition of Kane :  
Borough Authority’s Wastewater System :  
Assets :**

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**OFFICE OF SMALL BUSINESS ADVOCATE  
PREHEARING MEMORANDUM**

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**I. INTRODUCTION**

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter are Assistant Small Business Advocates Sharon E. Webb and Daniel G. Asmus. Please address all correspondence as follows:

Sharon E. Webb  
Daniel G. Asmus  
Assistant Small Business Advocates  
Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, Pennsylvania 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[swebb@pa.gov](mailto:swebb@pa.gov); [dasmus@pa.gov](mailto:dasmus@pa.gov)

## **II. FILING BACKGROUND**

On December 2, 2019, the Pennsylvania-American Water Company (“PAWC” or the “Company”) filed an Application for approval of the transfer, by sale, of substantially all of the Borough of Kane Authority’s assets, properties and rights related to its wastewater collection and treatment system to PAWC (“Application”).

On December 27, 2019, the OSBA filed a Notice of Intervention and Public Statement. On February 6, 2020, the Office of Consumer Advocate (“OCA”) filed a Protest and Public Statement. On February 18, 2020, the Borough of Kane filed a Petition to Intervene.

Deputy Chief Administrative Law Judge (“ALJ”) Joel H. Cheskis was assigned to this proceeding and issued a Prehearing Conference Order on February 7, 2020, informing the parties that the initial Prehearing Conference on this case will be held on March 11, 2020. The OSBA submits this prehearing memorandum in accordance with that order.

## **III. WITNESS**

Assisting in the development and presentation of OSBA’s position in this proceeding will be:

Brian Kalcic  
Excel Consulting  
Suite 720  
225 S. Meramec Ave.  
St. Louis, MO 63105  
(314) 725-2511  
[excel.consulting@sbcglobal.net](mailto:excel.consulting@sbcglobal.net)

The OSBA requests that all parties provide courtesy copies of all documents, including discovery, testimony and briefs, upon Mr. Kalcic, simultaneously with service upon the OSBA.

#### **IV. IDENTIFICATION OF ISSUES**

The OSBA is participating in this case to ensure that the interests of small business customers of PAWC and Kane Borough Authority are adequately represented and protected. As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of PAWC and other parties, primarily through discovery, cross-examination of witnesses appearing for those parties, filing of testimony, and briefing of the issues that arise in this proceeding.

The OSBA will particularly focus on any issue where the impact on the interests of the small business consumers would be unjustifiably different than or disproportionate to the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA will also focus on the rates applicable to acquired customers following the closing of the proposed acquisition, including how long such rates are proposed to remain in effect. The OSBA submits that further information is required to determine the impact on small business customers.

The OSBA reserves the right to pursue additional issues as they may arise throughout the course of the proceeding.

**IV. SERVICE OF DOCUMENTS**

The OSBA agrees to accept electronic mail delivery of documents on the due date as satisfying the in-hand requirement, *provided that such documents are followed by hard copy delivery to OSBA by first class mail.* Service by electronic mail *only* is not acceptable. The OSBA requests that such hard copies are also provided to its witness identified above.

In addition to hard copies of pleadings, briefs, and exceptions, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party. The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witness identified above.

**V. DISCOVERY**

The OSBA will work with the Presiding Officer and the other parties to develop any mutually acceptable discovery modifications.

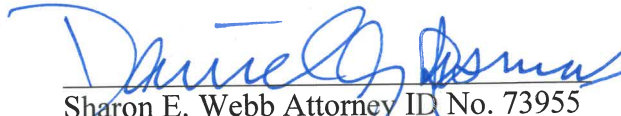
**VI. SETTLEMENT**

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

**VII. PROCEDURAL SCHEDULE**

The OSBA will work with the Presiding Officer and the other parties to develop a mutually acceptable procedural schedule.

Respectfully submitted,



Sharon E. Webb Attorney ID No. 73955  
Daniel G. Asmus Attorney ID No. 83789  
Assistant Small Business Advocates

For:

John R. Evans  
Small Business Advocate

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(717) 783-2525  
(717) 783-2831 (fax)

Dated: March 10, 2020

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Section 1329 Application of** : **Docket No. A-2019-3014248**  
**Pennsylvania-American Water** :  
**Company – Wastewater Division for** :  
**the Acquisition of Kane Borough** :  
**Authority’s Wastewater System Assets** :

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email and/or First-Class mail (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Joel H. Cheskis  
Deputy Chief Administrative Law Judge  
Pennsylvania Public Utility Commission  
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Commonwealth Keystone Building  
Harrisburg, PA 17120  
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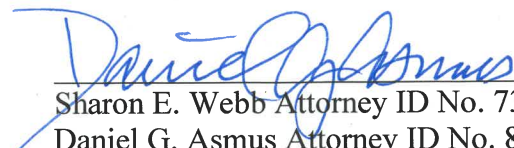
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DATE: March 10, 2020

  
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