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May 12, 2021

By Electronic Filing

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

RE: Community Utilities of Pennsylvania Inc. Water Division;
Docket No. R-2021-3025206

Community Utilities of Pennsylvania Inc. Wastewater Division;
Docket No. R-2021-3025207

PREHEARING CONFERENCE MEMORANDUM

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is Community Utilities of Pennsylvania Inc. Water and Wastewater Divisions' Prehearing Conference Memorandum. Copies of the attached has been served on the parties listed on the Certificate of Service.

Thank you for your attention to this matter. If you have any questions, please feel free to call either me or undersigned counsel.

Very truly yours,

/s/ Whitney E. Snyder

Thomas J. Sniscak (Attorney ID No. 33891)
Whitney E. Snyder (Attorney ID No. 316625)
Bryce R. Beard (Attorney ID No. 325837)

*Counsel for
Community Utilities of Pennsylvania Inc.*

BRB/das
Enclosures

cc: Honorable Dennis J. Buckley (via email, debuckley@pa.gov)
Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3025206
	:	
Community Utilities of Pennsylvania Inc.	:	
– Water Division	:	
	:	
Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3025207
	:	
Community Utilities of Pennsylvania Inc.	:	
– Wastewater Division	:	

**PREHEARING CONFERENCE MEMORANDUM OF
COMMUNITY UTILITIES OF PENNSYLVANIA INC. –
WATER AND WASTEWATER DIVISION**

TO: THE HONORABLE DENNIS J. BUCKLEY:

Pursuant to 52 Pa. Code § 5.224 and Your Honor’s May 11, 2021 Prehearing Order, Community Utilities of Pennsylvania, Inc. (CUPA), by and through its attorneys in this matter, Hawke McKeon & Sniscak LLP, submits this Prehearing Conference Memorandum. CUPA is addressing both its Water Division and Wastewater Division Rate filings herein and requests consolidation of this proceedings for the scheduling of testimony and hearings.

A. PROCEDURAL HISTORY

On April 12, 2021,¹ CUPA filed Supplement No. 9 to Tariff Water - Pa. P.U.C. No. 1 to become effective June 12, 2021, containing proposed changes in rates calculated to produce \$757,517 in additional annual revenues, or an increase of 36.78%, from customers.

On April 12, 2021,² CUPA also filed Supplement No. 7 to Tariff Wastewater - Pa. P.U.C. No. 1 to become effective June 12, 2021, containing proposed changes in rates calculated to produce \$998,705 in additional annual revenues, or an increase of 37.48%, from customers.

On April 15, 2021, the Office of Small Business Advocate (OSBA) filed Formal Complaints to both the water and wastewater rate filings docketed at C-2021-3025263 and C-2021-3025260.

On April 26, 2021, the Commission's Bureau of Investigation and Enforcement (BI&E) filed a Notice of appearance at both the water and wastewater rate filing dockets.

On May 7, 2021, the Office of Consumer Advocate (OCA) filed Formal Complaints to both the water and wastewater rate filings docketed at C-2021-3025777 and C-2021-3025778.

By Orders entered May 6, 2021, the Commission suspended both filings by operation of law until January 12, 2022 and instituted an investigation to determine the lawfulness, justness and reasonableness of the proposed rates, rules, and regulations.

On or about May 7, 2021, an E-serve Notice was issued by the Commission setting a Prehearing Conference in the above-captioned proceedings for May 13, 2021 before the Honorable Dennis Buckley ("ALJ Buckley").

¹ CUPA Water filed an Errata to Supplement No. 9 on April 14, 2021.

² CUPA Wastewater filed an Errata to Supplement No. 7 on April 14, 2021.

B. MATTERS FOR DISCUSSION

1. A Proposed Plan and Schedule of Discovery

CUPA has responded and is responding to extensive discovery requests received from BI&E. CUPA will work with the parties to develop a final discovery schedule.

Due to statutory time constraints in this proceeding, the parties have agreed to the below proposed modifications to the Commission's normal discovery timelines as are commonly adopted in rate cases such as the CUPA Water and Wastewater Division's last rate case (Docket No. R-2019-3008947 and R-2019-3008948). CUPA also proposes the parties agree to accept service of all documents by email by 4:30 pm as satisfying in-hand delivery.

Discovery Modifications:

- A. Answers to interrogatories shall be served in-hand within best efforts for seven (7) calendar days and no later than ten (10) calendar days unless otherwise agreed to by the parties. Interrogatories served after 12:00 p.m. on a Friday or the day before a Commission holiday shall be deemed served on the next business day.
- B. Objections to interrogatories to be communicated orally within three (3) calendar days of service; unresolved objections shall be served on the propounding party in writing within five (5) calendar days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories shall be filed within three (3) calendar days of service of such motions.
- E. Rulings over such motions shall be issued, if possible within seven (7) calendar days of the filing of the motion.
- F. Responses to requests for document production, entry for inspection, or other purposes to be served in-hand within ten (10) calendar days.

- G. Requests for admission to be deemed admitted unless answered within seven (7) calendar days or objected to within five (five) calendar days of service.
- H. Answers to on-the-record data requests will be served in-hand within three (3) calendar days of the request.

2. Possibility of Settlement

CUPA will actively seek to participate in settlement discussions with the other parties. CUPA believes, at a minimum, that rate of return should be stipulated. CUPA will not be utilizing the Commission's mediation process.

3. Issues

The adjustments and reasons for the revenue, expense, rate base, and return are listed or appear in the Company's filings. CUPA intends to address issues involving: (1) the reasonableness of the revenue increases it is seeking in this proceeding; (2) the reasonableness of the proposed allocations of the requested increases among the various customer classes; (3) the reasonableness of the rates of return proposed by CUPA; and (4) general water and wastewater system operations.

CUPA reserves the right to present additional testimony and exhibits on any other issues that may arise during the course of this proceeding.

4. Amount of Hearing Time

CUPA believes that two days will be sufficient for hearing in this matter.

5. Witnesses

CUPA may present testimony from the following persons as witnesses in this proceeding:

J Bryce Mendenhall
500 W. Monroe Suite 3600
Chicago IL, 60661
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Perry Brown
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David Clark
500 W. Monroe Suite 3600
Chicago IL, 60661
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Andrew Dickson
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ScottMadden Consultant Management
1900 West Park Drive Suite 250
Westborough, MA 01581
ddascendis@scottmadden.com

Scott Miller, CPA
Baker Tilly Municipal Advisors, LLC
8365 Keystone Crossing, Suite 300, Indianapolis, IN, 46240-2687
Scott.Miller@bakertilly.com

6. Schedule for Submission of Testimony, Hearings and Briefs

The parties have agreed to a proposed litigation schedule as presented below for Your Honor’s consideration:

Rate Filing	April 12, 2021
Prehearing Conference	May 13, 2021
Company Direct Testimony	June 11, 2021
Other Parties Direct Testimony	July 14, 2021
Rebuttal Testimony	July 28, 2021
Surrebuttal Testimony	August 6, 2021
Evidentiary Hearings	August 9-10, 2021
Main Briefs	September 3, 2021
Reply Briefs	September 13, 2021
Commission Public Meeting	December 16, 2021
End of Suspension Period	January 12, 2022

7. Public Input Hearings

CUPA submits that public input hearings are not necessary in these proceedings because substantial public interest has not been shown. The Commission’s policy statement regarding public input hearings states:

If the Commission determines that substantial public interest in a rate proceeding has been shown, at least one public input hearing will be held in the utility’s service area.

52 Pa. Code § 69.321(b).

To date, CUPA is not aware of any customers that have filed any complaints, letters, or other opposition to CUPA’s rate increases in these proceedings.

To the extent any public input hearing is held, CUPA requests that it be held telephonically, consistent with other public input hearings over the past fourteen months.

8. Any Other Appropriate Matter

a. Service of Documents

CUPA proposes that all due dates for any documents in this proceeding are in-hand the day they are due. Service of documents by email by 4:30 p.m on the due date will be considered in-hand. Any pleading or discovery request served after noon on a Friday or day before a holiday shall be considered served the next business day.

Respectfully submitted,

/s/ Whitney E. Snyder

Thomas J. Sniscak (Attorney ID No. 33891)
Whitney E. Snyder (Attorney ID No. 316625)
Bryce R. Beard (Attorney ID No. 325837)
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*Counsel for
Community Utilities of Pennsylvania Inc.*

Dated: May 12, 2021

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

BY ELECTRONIC MAIL ONLY

Allison C. Kaster, Esquire
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
400 North Street, 2nd Floor
Harrisburg, PA 17120
akaster@pa.gov

Christine Maloni Hoover, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
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choover@paoca.org

Erin K. Fure, Esquire
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Harrisburg, PA 17101-1921
efure@pa.gov

/s/ Whitney E. Snyder

Thomas J. Sniscak
Whitney E. Snyder
Bryce R. Beard

Dated this 12th day of May, 2021.