



COMMONWEALTH OF PENNSYLVANIA

August 27, 2021

**E-FILED**

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

**Re: Pennsylvania Public Utility Commission v. The Borough of Hanover – Municipal Waterworks / Docket No. R-2021-3026116**

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.

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,

/s/ Steven C. Gray

Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney I.D. No. 77538

*Enclosures*

cc: Parties of Record  
Robert D. Knecht

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY  
COMMISSION**

v.

**THE BOROUGH OF HANOVER --  
MUNICIPAL WATERWORKS**

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**DOCKET NO. R-2021-3026116**

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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 is Assistant Small Business Advocate Steven C. Gray.

Please address all correspondence as follows:

Steven C. Gray, Esquire  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place, 1<sup>st</sup> Floor  
Harrisburg, Pennsylvania 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[sgray@state.pa.us](mailto:sgray@state.pa.us)

## **II. FILING BACKGROUND**

On June 29, 2021, The Borough of Hanover – Municipal Waterworks (“Hanover Water” or the “Company”) filed Supplement No. 32 to Tariff Water-Pa. P.U.C. No. 3 (“Supplement No. 32”). Supplement No. 32, if approved by the Commission, would provide the Company with an increase in outside-Borough water service revenue of \$1,563,100 per year.

The OSBA filed a Complaint in this matter on July 19, 2021.

## **III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES**

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

Mr. Brian Kalcic  
Excel Consulting  
Suite 720  
225 South Meramac Avenue  
St. Louis, MO 63105  
(314) 725-2511  
excel.consulting@sbcglobal.net

The OSBA will participate in the case to assure that the interests of small business customers of Hanover Water are adequately represented and protected.

After an initial review of the materials submitted by the Company, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1. Whether the Company’s cost of service study methodology is appropriate, just, and reasonable.
2. Whether the Company’s proposed class revenue allocation is appropriate, just, and reasonable.

3. Whether the Company's proposed rate design for its outside-Borough water service customers is just and reasonable.

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

#### **IV. SERVICE OF DOCUMENTS**

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date<sup>a</sup> as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

#### **V. SETTLEMENT**

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

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<sup>a</sup> In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

**VI. HEARING AND BRIEFING SCHEDULE**

At the time of this writing, the OSBA understands that the Company will be setting forth a proposed procedural schedule in its prehearing memorandum. The OSBA does not object to that schedule.

Respectfully submitted,

/s/ Steven C. Gray

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Steven C. Gray  
Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538

Office of Small Business Advocate  
555 Walnut Street  
Forum Place, 1<sup>st</sup> Floor  
Harrisburg, PA 17101

Dated: August 27, 2021

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY  
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v.

**THE BOROUGH OF HANOVER –  
MUNICIPAL WATERWORKS**

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**DOCKET NO. R-2021-3026116**

**CERTIFICATE OF SERVICE**

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

Laura J. Antinucci, Esquire  
Erin L. Gannon, Esquire  
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The Honorable F. Joseph Brady  
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DATE: August 27, 2021

/s/ Steven C. Gray

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Senior Supervising  
Assistant Small Business Advocate  
Attorney ID No. 77538