

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 8, 2021

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

Re: Implementation of Chapter 32 of the Public Utility
Code Regarding Pittsburgh Water and Sewer
Authority – Stage 2
Docket Nos. M-2018-2640802
M-2018-2640803

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceedings.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Erin L. Gannon

Erin L. Gannon
Senior Assistant Consumer Advocate
PA Attorney I.D. # 83487
E-Mail: EGannon@paoca.org

Enclosures:

cc: The Honorable Eranda Vero (email only)
The Honorable Gail M. Chiodo (email only)
Certificate of Service

*317090

CERTIFICATE OF SERVICE

Re: Implementation of Chapter 32 of the : Docket Nos. M-2018-2640802
Public Utility Code Regarding Pittsburgh : M-2018-2640803
Water and Sewer Authority – Stage 2 :

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Prehearing Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 8th day of September 2021.

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Dated: September 8, 2021
*317093

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Implementation of Chapter 32 of the : Docket Nos. M-2018-2640802 (water)
Public Utility Code Regarding Pittsburgh : M-2018-2640803 (wastewater)
Water and Sewer Authority – Stage 2 :

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the Prehearing Conference Order issued on August 26, 2021 in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION

On April 9, 2021, PWSA filed its Stage 2 Compliance Plan addressing Chapter 14 of the Code, Chapter 56 of the Public Utility Commission’s (PUC or Commission) regulations, the Discontinuance of Service to Leased Premises Act (DSLPA), 66 Pa. C.S. §§ 1521 – 1533, collections, and issues deferred from Stage 1, but excluding stormwater issues. For a complete discussion of the extensive background and procedural history of this matter, the OCA references the Secretarial Letter and the attached PUC Report and Directed Questions - Stage 2 (Stage 2 Report and Directed Questions) issued on August 5, 2021. In that Secretarial Letter, the proceeding was assigned to the Office of Administrative Law Judge, which was directed to incorporate the Stage 2 Report and Directed Questions into its Prehearing Order, conduct evidentiary hearings to address matters raised therein and, consistent with earlier Orders in this proceeding, issue a recommended decision no later than May 25, 2022.

Simultaneously, PWSA currently has pending water, wastewater and stormwater base rate proceedings.¹ On September 6, 2021, the parties to the base rate proceedings filed a Joint Petition for Settlement (Settlement), which includes detailed settlement terms as well as specific items and timeframes for addressing a variety of outstanding issues as part of this Compliance Plan proceeding. The Settlement is currently under review by the presiding Administrative Law Judge.

Further, on April 9, 2021, PWSA filed a Compliance Plan regarding its stormwater operations and tariff. The PUC granted its unopposed request to hold that filing in abeyance pending resolution of PWSA's base rate case. The Commission agreed with PWSA that it would be most efficient to address stormwater in the rate case and, after entry of the Commission's Order in that proceeding, reopen the Stormwater Compliance Plan proceeding to address any remaining stormwater issues.²

II. ISSUES

The OCA will examine PWSA's Compliance Plan filing to determine whether the Authority's operations and practices comply with the Public Utility Code and the Commission's regulations. The following list sets forth a general identification of the issues that the OCA anticipates that it will investigate in this proceeding. The OCA reserves the right to address additional issues that may arise in the course of the parties' discussions, testimony and discovery.

¹ Pa. P.U.C. v. Pittsburgh Water and Sewer Authority, Docket Nos. R-2021-3024773 (water), R-2021-3024774 (wastewater) and R-2021-3024779 (stormwater).

² For example, as identified in the OCA's April 28, 2021 Letter in Support of PWSA's Motion to Hold in Abeyance the Stage 2 Stormwater Compliance Plan, the issue of a separate assessment for stormwater service will need to be addressed. If PWSA establishes a separate stormwater tariff and rate as proposed in the Settlement of the base rate cases, then there should be a separate stormwater assessment by the Commission, the OCA, and the Office of Small Business Advocate so that each agency's costs are properly allocated to PWSA's stormwater customers.

A. Customer Service

The OCA will review PWSA's compliance with Chapter 56 – requirements for tariff definitions, customer notices, billing and payment standards, credit and deposit policy, interruption and discontinuance of service, termination of service – including personal contact immediately prior to termination.

B. Lead Service Line Replacements

The OCA will review options to prevent termination where a landlord or purported property owner refuses or neglects to respond to lead service line replacement communications from PWSA and proposed tariff language that provides PWSA with step-in rights to prevent termination of service.

C. Collections

The OCA will review the issues related to PWSA's use of liens, particularly with regard to PWSA's disclosures and customer information about its lien authority and how it relates to the PUC-regulated collection practices.

As stated above, this identification of issues is preliminary and the OCA specifically reserves the right to address other issues not identified herein.

III. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimony, as may be necessary, of the following witness in this proceeding. This witness will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the presentation of the OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that parties e-mail copies of all interrogatory answers and testimony directly to the expert witness.

Tariffs/Customer Service:

Barbara R. Alexander
83 Wedgewood Drive
Winthrop, ME 04364
barbalexand@gmail.com

The OCA specifically reserves the right to call additional witnesses, as necessary. All parties of record will be notified as soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case.

IV. EVIDENCE

The OCA will rely on the direct, rebuttal, and surrebuttal testimony of its expert witnesses as well as the testimony of other parties to the proceeding. The OCA will also present relevant exhibits to support its own testimony, including but not limited to, materials obtained from the Authority through discovery and cross-examination.

V. SERVICE ON THE OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate Erin L. Gannon and Assistant Consumer Advocate Lauren E. Guerra.

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Lauren E. Guerra, Assistant Consumer Advocate
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The OCA respectfully requests that the Presiding Officers permit electronic service without the requirement of a follow-up hard copy. Only to the extent that materials are not available

electronically, the OCA requests that one hard copy be served upon Erin L. Gannon at the above mailing address.

VI. PUBLIC INPUT HEARINGS

At present, it does not appear that a public input hearing in this proceeding is necessary. However, if consumer interest arises, the OCA will promptly notify the Administrative Law Judges and the parties to request public input hearings.

VII. PROPOSED SCHEDULE

The OCA has worked with the parties to develop a litigation schedule that adheres to the deadlines established by the Presiding Officers and is acceptable to the parties. The OCA believes that most parties have agreed to the proposed litigation schedule attached hereto as Appendix A. Under the proposed schedule, all dates are in-hand delivery, and electronic mail for receipt and distribution will satisfy in-hand service dates.

VIII. DISCOVERY

The OCA proposes the following modifications to the Commission's discovery regulations. The OCA notes, however, that it anticipates using informal discovery in this case and will work with PWSA to ensure that discovery is completed efficiently and effectively.

- A. Answers to written interrogatories to be served in-hand within fifteen (15) calendar days of service of the interrogatories. However, PWSA will make best efforts to provide responses within ten (10) calendar days of service.
- B. Requests for admission be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) days of service.
- C. Answers to on-the-record data requests to be served in-hand within seven (7) calendar days of the request.
- D. Any discovery served after 12:00 noon on a Friday or the day before a

holiday will be deemed to have been served on the following business day for purposes of tracking due dates.

IX. SETTLEMENT

The OCA is willing to participate in settlement discussions.

Respectfully Submitted,

/s/ Erin L. Gannon
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Counsel for:
Christine Maloni Hoover
Interim Acting Consumer Advocate

DATE: September 8, 2021

THE OFFICE OF CONSUMER ADVOCATE'S
PROPOSED PROCEDURAL SCHEDULE
FOR PWSA COMPLIANCE PLAN – STAGE 2

Prehearing*	September 9, 2021
Direct Testimony - PWSA	November 30, 2021
Direct Testimony - Other Parties	January 18, 2022
Rebuttal Testimony	February 17, 2022
Surrebuttal Testimony	March 3, 2022
PWSA Rejoinder Testimony or Outline	March 7, 2022
Evidentiary Hearings	March 10-11, 2022
Main Briefs	April 8, 2022
Reply Briefs	April 22, 2022
<i>Recommended Decision</i>	<i>May 25, 2022</i>

Under the proposed schedule, all dates are in-hand delivery, and electronic mail for receipt and distribution will satisfy in-hand service dates.

* For purposes of the prehearing conference on September 9, 2021, Erin Gannon will be the primary speaker.