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December 6, 2021

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

**RE: Section 529 Investigation of North Heidelberg Sewer Company  
Docket No. I-2018-3001161**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Conference Memorandum of Pennsylvania-American Water Company in the above-captioned matter. A copy has been served in accordance with the enclosed Certificate of Service.

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

Respectfully submitted,

STEVENS & LEE



Michael A. Gruin

Enclosure

cc: Administrative Law Judge Steven K. Haas (via Email)  
Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SECTION 529 INVESTIGATION OF :  
NORTH HEIDELBERG SEWER COMPANY : I-2018-3001161  
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**CERTIFICATE OF SERVICE**

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I hereby certify that on this 6th day of December, 2021, copies of the foregoing Prehearing Conference Memorandum have been served upon the persons listed below via electronic mail in accordance with the requirements of 52 Pa. Code Sections 1.54 and 1.55.

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PO BOX 560  
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DATE: December 6, 2021

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Michael Gruin

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SECTION 529 INVESTIGATION OF :  
NORTH HEIDELBERG SEWER COMPANY : Docket No. I-2018-3001161  
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**PREHEARING CONFERENCE MEMORANDUM OF  
PENNSYLVANIA-AMERICAN WATER COMPANY**

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Pursuant to 52 Pa. Code §5.22, and the Prehearing Conference Order issued by Administrative Law Judge Steven Haas on November 23, 2021, Pennsylvania-American Water Company (“PAWC”), by and through the undersigned counsel, hereby submits its Prehearing Conference Memorandum in the above-captioned matter.

**I. BACKGROUND**

On February 9, 2018, the Pennsylvania Public Utility Commission (“Commission”) entered an Order to investigate, pursuant to 66 Pa. C.S. §529, whether the Commission should order a capable public utility to acquire the wastewater system of North Heidelberg Sewer Company (“NHSC”). By that same Order, (hereinafter referred to as the *Receivership Order*), the Commission appointed Aqua Pennsylvania Wastewater, Inc. (“Aqua”) as receiver for NHSC. On March 5, 2018 Aqua began its role as receiver for NHSC and has continued to fulfil that role.

PAWC was notified on or about June 1, 2018 that the Bureau of Investigation and Enforcement (“I&E”) had identified PAWC, Aqua, and Suez Water Pennsylvania as proximate public utilities providing the same type of service as NHSC.

PAWC filed a Petition to Intervene in this proceeding on June 21, 2018.

On February 1, 2019, the presiding ALJ suspended the litigation schedule in this matter given the status of the administration of the estate of Joseph M. Aicholz, Jr., the deceased owner and CEO of NHSC.

On September 14, 2021, Aqua filed a Petition to Affirm or Clarify the *Receivership Order*, to request approval for Aqua to identify and undertake investments to remediate storm damage to NHSC's wastewater system and to record and defer the costs of any identified investments necessary to remediate the NHSC system. By Order issued on October 7, 2021, the Commission granted Aqua's Petition. In that same Order, the Commission also directed the Office of Administrative Law Judge to conduct proceedings and issue a Recommended Decision in this proceeding no later than June 30, 2022, in order to alleviate the complications that may be associated with a long-term receivership and to provide all parties to this proceeding and NHSC customers with a sense of finality moving forward.

On January November 23, 2021, the presiding Administrative Law Judges issued the Prehearing Conference Order for this proceeding.

## **II. SERVICE LIST**

PAWC requests that its attorneys set forth below be included on the official service list:

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PAWC's attorneys are authorized to accept service on behalf of PAWC in this proceeding. PAWE agrees to receive service of documents electronically in this proceeding and requests that all listed counsel for PAWC receive electronic service.

### **III. ISSUES**

PAWC's position remains as stated in its Prehearing Conference Memorandum submitted on July 12, 2018 in this matter. Should the Commission determine that acquisition of NHSC is appropriate under Section 529 of the Public Utility Code, PAWC respectfully submits that the public utility company that has served as the receiver for NHSC is in the best position to continue serving the interests of NHSC's customers.

PAWC may identify other issues of concern which may arise as the proceeding develops, and reserves the right to address such issues as they arise. At this time, PAWC has not determined whether it intends to submit the testimony of any witnesses, but the reserves the right to do so.

### **IV. PROPOSED PROCEDURAL SCHEDULE**

PAWC will work with the other parties to the proceeding to develop a mutually agreeable procedural schedule.

### **V. DISCOVERY**

PAWC will confer with the other parties on proposed modifications to the Commission's procedural rules regarding discovery.

Respectfully submitted,



December 6, 2021

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