

108 W. Main Street P.O. Box 330 Annville, PA 17003

Phone: 717.685.7947 Fax: 717.685.7942 www.tucker-hull-law.com

J. Chadwick Schnee chadwick@tucker-hull-law.com

May 31, 2022

VIA E-File

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

RE: Pennsylvania Public Utility Commission v. Pennsylvania-American Water

Company

Docket Nos. R-2022-3031672 (water); R-2022-3031673 (wastewater)

Petition to Intervene and Answer of Exeter Township

Dear Secretary Chiavetta,

Please find the attached Petition to Intervene and Answer of Exeter Township in the above-referenced matter.

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

Sincerely,

J. Chadwick Schnee, Esq. Solicitor, Exeter Township

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :

:

v. : Docket Nos. R-2022-3031672

R-2022-3031673

Pennsylvania-American Water Company

# PETITION TO INTERVENE AND ANSWER OF EXETER TOWNSHIP

# LAW OFFICE OF TUCKER R. HULL, LLC

Tucker R. Hull, Esquire (PA 306426)
J. Chadwick Schnee, Esq. (PA 306907)
Law Office of Tucker R. Hull, LLC

108 W. Main Street

P.O. Box 330

Annville, PA 17003 (717) 685-7947 Fax: (717) 685-7942

tucker@tucker-hull-law.com chadwick@tucker-hull-law.com

Dated: May 31, 2022 For Exeter Township, Proposed Intervenor

In accordance with the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission ("PUC"), 52 Pa. Code §§ 5.61-.76, Exeter Township, by and through its undersigned legal counsel, hereby petitions the PUC to intervene and files its Answer in the above-captioned proceeding, averring as follows:

1. On April 29, 2022, Pennsylvania-American Water Company ("PAWC") submitted a rate filing, Supplement No. 35 to Tariff Water-PA P.U.C. No. 5 and Supplement No. 34 to Tariff Wastewater-PA P.U.C. No. 16, which proposes to increase rates by approximately \$173.2 million, or approximately 20.8%, based on a fully projected future test year ending in December 31, 2023. (Volume I, Statement of Specific Reasons). According to the Company, if the entire rate request is approved as filed, the total bill for a residential water customer who uses approximately 3,212 gallons per month would increase from \$60.49 to \$75.49 per month, or by 24.8%, while the total bill for a residential wastewater customer using approximately 3,212 gallons per month would increase from \$76.64 to \$95.69 per month, or by 24.9%. (Volume I, Notice of Proposed Water and Wastewater Rate Changes).

### PETITION TO INTERVENE

- 2. Eligibility to intervene in Commission proceedings is governed by 52 Pa. Code § 5.72, which provides in relevant part that "[a] petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought." 52 Pa. Code § 5.72(a).
- 3. Section 5.72 further provides that the right or interest may be one "which may be directly affected, and which is not adequately represented by existing participants, and as to

which the petitioner may be bound by the action of the Commission in the proceeding." 52 Pa. Code. § 5.72(a)(2).

- 4. Additionally, Section 5.72(a)(3) provides that the right or interest may be "of such nature that participation of the petition may be in the public interest." 52 Pa. Code. § 5.72(a)(3).
- 5. Exeter Township, a township of the second class located within Berks County, is a "person" as defined by 1 Pa.C.S. § 1991.
  - 6. Exeter Township has an address of 4986 DeMoss Road, Exeter, PA 19606.
- 7. Exeter Township is the home of over 25,000 residents, many of whom are residential customers of PAWC.
  - 8. Approximately 17.1% of Exeter Township's residents are at least 65 years of age.
  - 9. Additionally, Exeter Township is itself a customer of PAWC.
- 10. Exeter Township has a significant interest in the impact that PAWC's proposed rate increase will have on itself and its residents. These interests are not adequately represented by the other participants in this matter.
- 11. Exeter Township and its residents are located within PAWC's service territory and will be directly affected by the outcome of this proceeding. Particularly, this proceeding will impact the price that Exeter Township and its residents pay for water and wastewater, as well as the reliability and quality of those services.
- 12. Exeter Township has standing to intervene because itself and its residents have or will suffer a direct, immediate, and substantial injury to an interest as a result of this proceeding. *See Energy Conservation Council of Pennsylvania v. PUC*, 995 A.2d 465, 476 (Pa. Commw. Ct. 2010).
  - 13. Exeter Township is represented in this proceeding by:

Tucker R. Hull, Esquire

J. Chadwick Schnee, Esquire

The Law Office of Tucker R. Hull, LLC

108 W. Main Street

P.O. Box 330

Annville, PA 17003

Telephone: 717-685-7947

Facsimile: 717-794-7099

E-mail: tucker@tucker-hull-law.com & chadwick@tucker-hull-law.com

14. Counsel for Exeter Township consents to the service of documents by electronic mail to chadwick@tucker-hull-law.com, as provided in 52 Pa. Code § 1.54(b)(3).

#### **ANSWER**

- 15. In its preliminary review, Exeter Township objects to the PAWC's requested rate increase on the grounds that it will result in unjust and unreasonable rates that would impose economic hardship on itself and its residents. In light of rampant inflation in nearly every sector of the economy in the last two years and anticipated future inflation, the proposed rate increase will undoubtedly overburden an already financially-fatigued population within Exeter Township.
- 16. Terms, conditions, and rates for water and wastewater service are not just and reasonable if they are not appropriately designed and implemented to ensure that all consumers are able to access safe and affordable water and wastewater services, consistent with the laws and policies of the Commonwealth.
- 17. PAWC's rate proposal would substantially increase residential rates for residential customers. PAWC's proposals would increase a residential water bill for a typical customer using approximately 3,212 gallons per month from \$60.49 to \$75.49 per month, or by 24.8%, while the total bill for a residential wastewater customer using approximately 3,212 gallons per month would increase from \$76.64 to \$95.69 per month, or by 24.9%. (Volume I, Notice of Proposed Water and Wastewater Rate Changes). A steep increase in rates such as the

increase proposed by PAWC will have a disproportionate harmful impact on the Township's elderly residents on fixed incomes.

- 18. By information and belief, PAWC's proposal would increase the per 100 gallon water charge for residential customers in Exeter Township from \$1.31 to \$1.7276, an increase of 31.9%. *Compare* Supplement No. 35 to Tariff Water-PA P.U.C. No. 5, Second Revised Page 16 (setting forth a residential usage charge per 100 gallons of \$1.7276 in Rate Zone 1), *with* Supplement No. 27 to Tariff Water-PA P.U.C. No. 5, First Revised Page 16 (setting forth a residential consumption charge of \$1.31 per 100 gallons).
- 19. By information and belief, PAWC's proposal would increase the per 100 gallon wastewater charge for residential customers within Exeter Township from \$1.9107 to \$2.534, an increase of 32.6%. *Compare* Supplement No. 34 to Tariff Wastewater PA P.U.C. No. 16, Sixth Revised Page 11.1 (setting forth a residential charge per 100 gallons of \$2.534 in Rate Zone 1), with Supplement No. 24 to Tariff Waterwaster PA P.U.C. No. 16, Second Revised Page 11.11 (setting forth a residential usage charges of \$1.9107 per 100 gallons).
- 20. By information and belief, PAWC's proposal would increase the per 100 gallon water charge for municipal customers (including Exeter Township) from \$1.4742 (for the first 16,000 gallons) to \$1.61, an increase of over 9%. *Compare* Supplement No. 35 to Tariff Water-PA P.U.C. No. 5, Fourth Revised Page 16.1 (setting forth a municipal consumption charge per 100 gallons of \$1.61), *with* Supplement No. 27 to Tariff Water-PA P.U.C. No. 5, First Revised Page 16.1 (setting forth a municipal consumption charge of \$1.4742 per 100 gallons for the first 16,000 gallons).
- 21. By information and belief, PAWC's proposal would increase the per 100 gallon wastewater charge for municipal customers (including Exeter Township) from \$1.4361 to

- \$1.869, an increase of over 30%. *Compare* Supplement No. 34 to Tariff Wastewater PA P.U.C. No. 16, Sixth Revised Page 11.1 (setting forth a municipal usage charge per 100 gallons of \$1.8690 in Rate Zone 1), *with* Supplement No. 24 to Tariff Waterwaster PA P.U.C. No. 16, Second Revised Page 11.11 (setting forth a municipal consumption charge of \$1.4361 per 100 gallons).
- 22. With respect to Exeter Township residents, an increase the Township's municipal water rate serves as a "double-whammy" for its residents, many of whom are elderly, as the Township derives tax revenue from residents and may have to increase its mileage in order to accommodate PAWC's proposed increase.
- 23. Continued delivery of safe, affordable water and wastewater service is of critical importance to the safety, welfare, and economic stability of all Pennsylvanians particularly the elderly population with limited financial means. PAWC's general rate increase could will have a disparate impact on households with limited economic means.
- 24. Exeter Township asserts that these matters, and any future modifications presented by intervening parties, must be thoroughly reviewed and investigated to ensure that all customers are able to access safe, affordable water and wastewater services within the PAWC's service territory in Exeter Township.

# WHEREFORE, Exeter Township respectfully asks the PUC to enter an order granting

Exeter Township status as an intervenor in this proceeding.

Respectfully submitted,

LAW OFFICE OF TUCKER R. HULL, LLC

Date: May 31, 2022 By: /s/ J. Chadwick Schnee, Esq.

Tucker R. Hull, Esquire (PA 306426)
J. Chadwick Schnee, Esq. (PA 306907)
Law Office of Tucker R. Hull, LLC

108 W. Main Street P.O. Box 330 Annville, PA 17003 (717) 685-7947 Fax: (717) 685-7942

tucker@tucker-hull-law.com chadwick@tucker-hull-law.com

For Exeter Township, Proposed Intervenor

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

Docket Nos. R-2022-3031672 v.

R-2022-3031673

Pennsylvania-American Water Company

### CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email upon the following persons this 31st day of May, 2022:

Kurt J. Boehm, Esq. Jody Kyler Cohn, Esq.

**BOEHM, KURTZ & LOWRY** 

36 East Seventh Street, Suite 1510

Cincinnati, Ohio 45202

kboehm@BKLlawfirm.com jkylercohn@BKLlawfirm.com

Amee L. Mazzarese, Esq.

Dickie, McCamey & Chilcote, P.C.

Two PPG Place, Suite 400

Pittsburgh, PA 15222-5402 amazzarese@dmclaw.com

Counsel for Cleveland-Cliffs Steel

The Honorable Charles E. Rainey Jr.

Chief Administrative Law Judge

Pennsylvania Public Utility Commission 400 North Street Commonwealth Keystone

Building

Harrisburg, PA 17120

crainey@pa.gov

Christine Maloni Hoover, Esq.

Erin Gannon, Esq.

Laura J. Antinucci Lauren E. Guerra

Mackenzie C. Battle

Office of Consumer Advocate

555 Walnut Street

5th Floor, Forum Place

Harrisburg, PA 17101

choover@paoca.org

egannon@paoca.org

LAntinucci@paoca.org

LGuerra@paoca.org

MBattle@paoca.org

Counsel for OCA

Kenneth M. Kulak, Esq.

Brooke E. McGlinn, Esq.

Catherine Vasudevan, Esq.

Mark A. Lazaroff, Esq.

Morgan Lewis & Bockius LLP

1701 Market Street

Philadelphia, PA 19103-2921

ken.kulak@morganlewis.com

brooke.mcglinn@morganlewis.com

catherine.vasudevan@morganlewis.com

mark.lazaroff@morganlewis.com

Gina L. Miller, Esq.	Susan Simms Marsh, Esq.
Bureau of Investigation & Enforcement	Deputy General Counsel
400 North Street	Pennsylvania American Water Company
Commonwealth Keystone Building	852 Wesley Drive
Harrisburg, PA 17120	Mechanicsburg, PA 170755
ginmiller@pa.gov	Susan.marsh@amwater.com
Counsel for BIE	
Joseph L. Vullo, Esq.	Erin K. Fure, Esq.
Burke Vullo Reilly Roberts	Steven C. Gray, Esq.
1460 Wyoming Avenue	Office of Small Business Advocate
Forty Fort, PA 18704	555 Walnut Street, 1st Floor
jlvullo@bvrrlaw.com	Harrisburg, Pennsylvania 17101
Counsel for Commission of Economic	efure@pa.gov
Opportunity	sgray@pa.gov
	Counsel for SBA
Ria M. Pereira, Esq.	
Lauren N. Berman, Esq.	
John W. Sweet, Esq.	
Elizabeth R. Marx, Esq.	
Pennsylvania Utility Law Project	
118 Locust Street	
Harrisburg, PA 17101	
pulp@pautilitylawproject.org	
Counsel for CAUSE-PA	

# LAW OFFICE OF TUCKER R. HULL, LLC

Date: May 31, 2022 By: /s/J. Chadwick Schnee, Esq.

Tucker R. Hull, Esquire (PA 306426) J. Chadwick Schnee, Esq. (PA 306907) Law Office of Tucker R. Hull, LLC

108 W. Main Street P.O. Box 330

Annville, PA 17003 (717) 685-7947

Fax: (717) 685-7942

<u>tucker@tucker-hull-law.com</u> <u>chadwick@tucker-hull-law.com</u>

For Exeter Township, Proposed Intervenor