



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

June 2, 2022

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17020

Re: Pennsylvania Public Utility Commission v.
Borough of Ambler – Water Department
Docket No.: R-2022-3031704
I&E Prehearing Memorandum

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the **Prehearing Memorandum of Bureau of Investigation and Enforcement (I&E)** in the above-captioned proceeding.

Copies are being served on parties of record per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Allison C. Kaster'.

Allison C. Kaster
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 93176
(717) 783-7998
akaster@pa.gov

ACK/ac
Enclosures

cc: Administrative Law Judge Steven K. Haas (*via email*)
Administrative Law Judge John M. Coogan (*via email*)
Per Certificate of Service

operation of law until December 30, 2022, unless permitted by Commission Order to become effective at an earlier date.

On April 14, 2022, the Office of Small Business Advocate filed a formal complaint. I&E filed a Notice of Appearance on April 22, 2022. The Office of Consumer Advocate intervened on May 19, 2022.

The matter was assigned to the Office of Administrative Law Judge for the prompt scheduling of hearings culminating in the issuance of a Recommended Decision. On May 18, 2022, Administrative Law Judges Steven Haas and John Coogan issued a Prehearing Conference Order requiring parties to file a prehearing memorandum on June 2, 2022 and scheduling a prehearing conference on June 6, 2022 at 10:00 a.m.

II. Service

Allison Kaster is the assigned I&E Prosecutor in this proceeding. Contact information is as follows:

By mail: Allison C. Kaster
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

By e-mail: akaster@pa.gov

By telephone: (717) 783-7998

By fax: (717) 772-2677

III. Discovery

The parties have begun engaging in formal discovery. At this time, I&E does not propose any modifications to the Commission's discovery regulations.

IV. Issues

The following list represents I&E's preliminary determination of potential issues in this proceeding. The listing is as complete as can be made at this time; however, I&E reserves the right to address other issues if any such relevant issues arise:

Rate of Return

Overall Rate of Return
Capital Structure
Cost of Debt
Cost of Common Equity

O&M Expenses

Salaries/Wages
Pension/Benefits
Rate Case Expense
Mattison Avenue Expense
Contracted Services Chemicals

Rate Structure/Rate Design/Rate Base

Plant in Service
Customer Charges
Cost of Service Allocation
Accrued Depreciation
Annual Depreciation Expense
Plant Additions
Contributions In Aid Of Construction

V. Witnesses

It is currently expected that I&E may call the following expert witnesses, without being limited thereto:

- Christine Wilson, Fixed Utility Financial Analyst Supervisor: O&M Expenses
- Christopher Keller, Fixed Utility Financial Analyst: Rate of Return
- Joseph Kubas, Fixed Utility Valuation Engineer Supervisor: Rate Structure/Rate Design/Rate Base

The I&E witnesses may be contacted through the contact information listed above for Allison Kaster. The witness list is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the names of witnesses listed above.

VI. Schedule

I&E is currently working with the other parties to develop a mutually agreeable schedule in this matter.

VII. Conclusion

I&E is willing to make good faith efforts to successfully resolve this matter. In the event that settlement discussions do not result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully Submitted,



Allison C. Kaster
Deputy Chief Prosecutor
PA Attorney ID 93176

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Dated: June 2, 2022

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :
 :
 v. : Docket No.: R-2022-3031704
 :
 Borough of Ambler – Water Department :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated June 2, 2022, in the manner and upon the persons listed below.

Served via Electronic Mail Only

ALJ Steven K. Haas
ALJ John M. Coogan
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Counsel for the Borough of Ambler

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