COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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June 8, 2022

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

Re: Pennsylvania Public Utility Commission

V.

The York Water Company
Docket Nos. R-2022-3031340 (Water)
R-2022-3032806 (Wastewater)

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Formal Complaint and Public Statement in the above-referenced proceedings.

Copies have been served per the attached Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby Christy M. Appleby Assistant Consumer Advocate PA Attorney I.D. # 85824 E-Mail: CAppleby@paoca.org

Enclosures:

cc:

Office of Administrative Law Judge (email only)

Bureau of Technical Utility Services (email only)

Office of Special Assistants (email only: ra-OSA@pa.gov)

Certificate of Service

*330016

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission

: Docket Nos. R-2022-3031340 (Water)

v. : R-2022-3032806 (Wastewater)

:

The York Water Company

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Formal Complaint and Public Statement, 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 June 2022.

SERVICE BY E-MAIL ONLY

Erika L. McLain, Esquire
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/s/ Christy M. Appleby Christy M. Appleby Assistant Consumer Advocate PA Attorney I.D. # 85824 E-Mail: CAppleby@paoca.org

Christine Maloni Hoover Deputy Consumer Advocate PA Attorney I.D. # 50026 E-Mail: CHoover@paoca.org Counsel for: Office of Consumer Advocate 555 Walnut Street 5th Floor, Forum Place

Harrisburg, PA 17101-1923 Phone: (717) 783-5048 Fax: (717) 783-7152 Dated: June 8, 2022

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PENNSYLVANIA PUBLIC UTILITY COMMISSION

Formal Complaint

1. CUSTOMER NAME (COMPLAINANT)

Patrick M. Cicero, Consumer Advocate 555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923

Phone: (717) 783-5048 Fax: (717) 783-7152

2. UTILITY NAME (RESPONDENT)

The York Water Company Docket No. R-2022-3031340 (water) Docket No. R-2022-3032806 (wastewater)

3. TYPE OF UTILITY

Water and Wastewater

4. COMPLAINT

- A. On May 27, 2022, The York Water Company (York Water or the Company) filed with the Pennsylvania Public Utility Commission (Commission) Supplement No. 143 to its Tariff Water Pa. P.U.C. No. 14 (Supplement No. 143) and Supplement No. 14 to its Tariff Wastewater Pa. P.U.C. No. 1 (Supplement No. 14) at Docket No. R-2022-3031340.
- B. Through Supplement No. 143, the Company proposes a general increase in annual water revenues of \$18,853,758. Through Supplement No. 6, the Company proposes a general increase in wastewater revenues of \$1,456,792 per year. York Water proposes that the water and wastewater rate increases become effective on August 1, 2022.
- C. York Water is engaged in the business of providing water service to more than 70,440 customers and wastewater service to 3,357 customers. The Company provides water service in parts of York and Adams Counties and wastewater service in parts of York, Franklin, and Adams Counties.
- D. Under the Company's proposal, the typical monthly water bill for residential gravity customers using 4,525 gallons per month would increase from \$40.54 to \$53.02 per month, or by 30.8%. The typical water bill for residential repumped

- customers using 3,784 gallons of water per month would increase from \$48.89 to \$62.27 per month, or by 27.4%.
- E. According to the customer notices included in York Water's filing, under the Company's proposal, the typical wastewater bill for residential customers would increase as follows:

Area	Usage	Present	Proposed	\$ Increase	% Increase
		Rate	Rate		
Asbury Pointe	3,586	\$62.50	\$80.55	\$18.05	28.9%
Subdivision,	gallons				
East Prospect	per month				
Borough, and					
Lower					
Windsor Area	D	φ π ο τ ο	Φ00.55	φ1.0 <i>5</i>	1.00/
Felton	Per month	\$79.50	\$80.55	\$1.05	1.3%
Borough	per				
	dwelling unit				
Jacobus	3,570	\$55.00	\$80.55	\$25.55	46.5%
Borough	gallons	\$33.00	\$60.55	\$23.33	40.370
Dolough	per month				
Letterkenny	Per month	\$45.00	\$80.55	\$35.55	79.0%
Township	per				
1	dwelling				
	unit				
Straban	3,465	\$62.50	\$80.55	\$18.05	28.9%
Township Area	gallons				
	per month				
West Manheim	3,333	\$61.67	\$75.87	\$14.20	23.0%
Township	gallons				
	per month				
West York	Per month	\$32.71	\$55.61	\$22.90	70.0%
Borough	per				
	dwelling				
	unit				

- F. York Water proposes to allocate a portion of the wastewater rate increase to the Company's water customers under Section 1311(c) of the Public Utility Code, 66 Pa. C.S. § 1311(c).
- G. In its base rate filing, the Company utilizes a fully projected future test year ending February 29, 2024.

- H. York's proposed rate increase for water and wastewater, if approved, would produce an overall rate of return of 7.93% that includes a common equity cost rate of 11.25% and a cost of debt rate of 3.91%.
- I. York proposes to increase the 5/8-inch water customer charge (for gravity and repumped customers) from \$16.25 to \$20.71 per month, which is an increase of 27.4%.
- J. The Consumer Advocate is empowered to represent the interests of Pennsylvania consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of the General Assembly, as amended, 71 P.S. §§ 309-1, et seq.
- K. A preliminary examination of the Company's base rate filing, indicates that the proposed increases in rates may be unjust, unreasonable, in violation of law, and will or may produce an excessive return on investment in violation of the Public Utility Code, 66 Pa. C.S. § 1301, et seq.
- L. The Consumer Advocate avers that the proposed tariff changes and proposed rate design may be unjust, unreasonable, and unlawfully discriminatory in violation of the Public Utility Code, 66 Pa. C.S. §§ 1301 and 1304, *et seq.*, and may otherwise be contrary to sound ratemaking principles and public policy.
- M. The Consumer Advocate also avers that the Company's existing rates, rules, and regulations are or may not be just and reasonable or otherwise proper under the Public Utility Code, 66 Pa. C.S. § 1301, *et seq.*, and applicable ratemaking principles.
- N. The Consumer Advocate files this Formal Complaint to ensure that the Commission will fully and fairly adjudicate issues pertaining to whether the Company's existing and proposed rates and all rate policy changes are unjust, unreasonable, unduly discriminatory, or otherwise unlawful.

5. RELIEF

The Consumer Advocate respectfully requests that the Commission take the following actions:

- A. Suspend and investigate the operation of the Company's proposed Supplement No. 143 and Supplement No. 14, pursuant to Section 1308(d) of the Public Utility Code, 66 Pa. C.S. § 1308(d);
- B. Consolidate all complaints filed against the proposed increases;
- C. Hold full evidentiary hearings examining the reasonableness of the York Water's current rates and its proposed increases in rates;

- D. After providing the public with adequate notice, hold telephonic public input hearings, in order to provide its customers with an opportunity to be heard on the record, and hold those hearings as early in the case as feasible;
- E. Deny any charges or changes contained in the proposal which cannot be fully justified by the Company, or which otherwise are contrary to the Public Utility Code, sound ratemaking principles, and public policy; and
- F. Grant such other relief that the Commission may deem to be necessary and proper.

6. VERIFICATION AND SIGNATURE

Verification:

I, Patrick M. Cicero, Consumer Advocate, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature

06/08/22

Date

7. LEGAL REPRESENTATION

Christine Maloni Hoover, Deputy Consumer Advocate, PA Attorney I.D. # 50026 Christy M. Appleby, Assistant Consumer Advocate, PA Attorney I.D. #85824

555 Walnut Street 5th Floor, Forum Place Harrisburg, PA 17101-1923 Dauphin County

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PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE PURSUANT TO 71 P.S. SECTION 309-4(e)

Act 161 of the Pennsylvania General Assembly, 71 P.S. § 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the Commission involving the proposed water and wastewater rate increases requested by The York Water Company (York Water or the Company).

The objective of the Consumer Advocate in filing a Formal Complaint in this matter is to protect the interests of York Water's customers. The Consumer Advocate will seek to ensure that York Water is permitted to implement only a level of rates that is fully justified and in accordance with sound ratemaking principles. The Consumer Advocate will strive to prevent York Water from collecting from ratepayers all alleged costs that cannot be justified, or are unreasonable or unduly discriminatory, or otherwise in violation of the Public Utility Code. The Consumer Advocate submits that York Water's current rates and the rates sought by York Water may be unjustifiable and unlawful based upon information filed by York Water in support of its claim.

The Consumer Advocate has filed this Formal Complaint and will, in the course of the proceeding, investigate York water's proposed annual water revenue increase of \$18,853,758 and proposed annual wastewater revenue increase of \$1,456.792 and request that the PUC deny all proposed increases or changes that are not proven to be justified, reasonable, and in accordance with sound ratemaking principles. Under the proposed water rate increase, residential gravity customers using 4,525 gallons per month would increase from \$40.54 to \$53.02 per month, or by 30.8%. Residential repumped customers using 3,784 gallons per month would

experience a bill increase from \$48.89 to \$62.27 per month, or by 27.4%. The proposed increase for a typical residential wastewater customer will vary by rate zone, ranging from an approximate 1.3% increase to an approximate 79.0% increase. In addition, York Water proposes to allocate a portion of the wastewater rate increase to the Company's water customers under Section 1311(c) of the Public Utility Code, 66 Pa. C.S. § 1311(c).

York Water provides water service to more than 70,440 customers and wastewater service to 3,357 customers. York Water provides water service in parts of York and Adams Counties and wastewater service in parts of York, Franklin and Adams Counties.