


COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 12, 2022

Via Electronic Mail Only

The Honorable Katrina L. Dunderdale
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place
301 5th Avenue, Suite 220
Pittsburgh, PA 15222

Re: Pennsylvania Public Utility Commission
v.
The York Water Company
Docket Nos. R-2022-3031340 (Water)
R-2022-3032806 (Wastewater)

Dear Judge Dunderdale:

Enclosed please find the Office of Consumer Advocate's Errata to the Direct Testimony of Mark E. Garrett and Errata Exhibits, OCA Statement No. 1, in the above-referenced proceedings, as follows:

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby
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Enclosures:

cc: PUC Secretary Rosemary Chiavetta, (Letter and Certificate of Service only)
Certificate of Service

*335264

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
v. : Docket Nos. R-2022-3031340 (Water)
: R-2022-3032806 (Wastewater)
: :
The York Water Company :

I hereby certify that I have this day served a true copy of the following documents, the Office of Consumer Advocate's Errata to the Direct Testimony of Mark E. Garrett and Errata Exhibits, OCA Statement No. 1, 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 12th day of September 2022.

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Dated: September 12, 2022
*335271

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2022-3031340 (Water)
	:	R-2022-3032806 (Wastewater)
The York Water Company	:	

OFFICE OF CONSUMER ADVOCATE'S
ERRATA TO THE DIRECT TESTIMONY
OF MARK E. GARRETT AND ERRATA EXHIBITS

The Office of Consumer Advocate (OCA) respectfully submits the following errata to the Direct Testimony of Mark E. Garrett OCA Statement No. 1, and OCA Errata Exhibits MEG-1, MEG-2, MEG-3, MEG-10, and MEG-12 in the above captioned proceeding.

1. On page 7, the original Table 1: Summary of OCA Adjustments read:

Table 1: Summary of OCA Adjustments		
	Water	Wastewater
York's Requested Increase in Base Rates	\$18,853,737	\$1,456,793
OCA Adjustments		
Cash Working Capital	\$(27,488)	
Acquisition Adjustments	(6,341)	\$(96,980)
ROE 25 Basis Point Reduction ¹	(683,661)	(62,871)
Capital Structure at 52% Equity	(1,136,823)	(104,544)
Return on Equity Adjustment	(7,944,800)	(730,617)
Payroll Expense Adjustments	(382,591)	(17,296)
Short Term Incentive Compensation	(123,754)	(5,595)
Long Term Incentive Compensation	(238,146)	(17,296)
Board of Directors' Compensation	(213,825)	N/A
Payroll Taxes	(37,287)	(1,686)
Inflation Adjustment	(1,023,307)	(298,363)
Acquisition Adjustment Amortization	(6,789)	(130,492)
Indirect Impact ⁸ (Bad Debts, Late Charges, Other Taxes)	(27,402)	(3,183)
Net OCA Adjustments	\$(11,852,215)	\$(1,468,922)
Recommended Change to Base Rates	\$7,001,522	\$(12,129)

⁸ A 25-basis point increase to ROE would increase revenue requirement by \$683,661 for Water and \$62,871 for Wastewater as shown on OCA Exhibit MEG-3, and as discussed in the testimony of OCA witness Dr. Habr.

On page 7, the revised Table 1: Summary of OCA Adjustments now reads:

Table 1: Summary of OCA Adjustments		
	Water	Wastewater
York's Requested Increase in Base Rates	\$18,853,737	\$1,456,793
OCA Adjustments		
Cash Working Capital	\$(27,488)	
Acquisition Adjustments	(6,341)	\$(46,634)
ROE 25 Basis Point Reduction ²	(683,661)	(63,800)
Capital Structure at 52% Equity	(1,136,823)	(106,089)
Return on Equity Adjustment	(7,944,800)	(741,415)
Payroll Expense Adjustments	(382,591)	(17,296)
Short Term Incentive Compensation	(123,754)	(5,595)
Long Term Incentive Compensation	(238,146)	(10,766)
Board of Directors' Compensation	(213,825)	N/A
Payroll Taxes	(37,287)	(1,686)
Inflation Adjustment	(1,023,307)	(298,363)
Acquisition Adjustment Amortization	(6,789)	(57,718)
Indirect Impacts (Bad Debts, Late Charges, Other Taxes)	(27,402)	(2,646)
Net OCA Adjustments	\$(11,852,215)	\$(1,352,007)
Recommended Change to Base Rates	\$7,001,522	\$104,786

2. On page 42, line 12, the following edit has been made:

Reference	Reads:	Should Read:
Page 42, Line 12	water utility of \$477,284 and the wastewater utility of \$130,572. These	water utility of \$477,284 and the wastewater utility of \$105,061. These

⁸ A 25-basis point increase to ROE would increase revenue requirement by \$683,661 for Water and \$62,871 for Wastewater as shown on OCA Errata Exhibit MEG-3, and as discussed in the testimony of OCA witness Dr. Habr.

3. On page 2, Table of Contents

Reference	Reads:	Should Read:
Page 2, Table of Contents	Summary Comparison of Revenue Requirement OCA Exhibit MEG-1 Revenue Requirement with OCA's Recommended AdjustmentsOCA Exhibit MEG-2 Summary of OCA's RecommendationsOCA Exhibit MEG-3	Summary Comparison of Revenue Requirement..... OCA Errata Exhibit MEG-1 Revenue Requirement with OCA's Recommended Adjustments OCA Errata Exhibit MEG-2 Summary of OCA's RecommendationsOCA Errata Exhibit MEG-3

4. For Exhibits MEG-1, MEG-2, MEG-3, MEG-10, and MEG-12, an OCA Impact of Errata column has been added to each of the schedules marked respectively as OCA Errata Exhibits MEG-1, MEG-2, MEG-3, MEG-10, and MEG-12.

5. As reflected above, the footnote 8 to Table 1 on page 7 has been updated as follows:

Reference	Reads:	Should Read:
Page 7, footnote 8	A 25-basis point increase to ROE would increase revenue requirement by \$683,661 for Water and \$62,871 for Wastewater as shown on OCA Exhibit MEG-3, and as discussed in the testimony of OCA witness Dr. Habr.	A 25-basis point increase to ROE would increase revenue requirement by \$683,661 for Water and \$62,871 for Wastewater as shown on OCA Errata Exhibit MEG-3, and as discussed in the testimony of OCA witness Dr. Habr.

6. The reference to OCA Exhibit MEG-12 in the direct testimony has been updated as follows:

Reference	Reads:	Should Read:
Page 42, line 13	found on Exhibit MEG-12.	found on OCA Errata Exhibit MEG-12.

The OCA has attached the Revised Direct Testimony of Mark E. Garrett and OCA Errata Exhibits MEG-1, MEG-2, MEG-3, MEG-10, and MEG-12 with these corrections, which will be substituted for the original direct testimony submitted for the record.

WHEREFORE, the Office of Consumer Advocate respectfully requests that the Commission, the Presiding Officer and the parties to this proceeding note the above errata to the Direct Testimony of Mark E. Garrett, OCA Statement No. 1 and OCA Errata Exhibits MEG-1, MEG-2, MEG-3, MEG-10, and MEG-12.

Respectfully Submitted,

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DATE: September 12, 2022