



COMMONWEALTH OF PENNSYLVANIA

July 7, 2023

E-FILED

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

Re: Application of Pennsylvania-American Water Company under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. § § 1102(a) and 1329, approval of (1) the transfer, by sale, to Pennsylvania American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned by the Butler Area Sewer Authority, (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the City of Butler, and portions of the Borough of East Butler, and portions of the Townships of Butler, Center, Connoquenessing, Oakland, and Summit, in Butler County, Pennsylvania / Docket No. A-2022-3037047

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

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

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

Sincerely,

/s/ Steven C. Gray

Steven C. Gray
Senior Supervising
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Kevin Higgins
Parties of Record

Steven C. Gray, Esquire
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II. FILING BACKGROUND

On February 14, 2023, Pennsylvania-American Water Company (“PAWC”) filed an Application under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. §§ 1102(a) and 1329, for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned by the Butler Area Sewer Authority, (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the City of Butler, and portions of the Borough of East Butler, and portions of the Townships of Butler, Center, Connoquenessing, Oakland, and Summit, in Butler County, Pennsylvania (“Application”) with the Pennsylvania Public Utility Commission (“Commission”).

The OSBA filed a Notice of Intervention on February 17, 2023.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Kevin C. Higgins
Energy Strategies LLC
111 East Broadway, Suite 1200
Salt Lake City, Utah 84111
(801) 355-4365
(801) 521-9142 – Fax
khiggins@energystrat.com

The OSBA will participate in this proceeding to assure that the interests of small business customers are adequately represented and protected.

After an initial review of the materials submitted by PAWC, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

1) Whether it is just, reasonable, and in the public interest for the Commission to approve the negotiated \$231,500,000 purchase price as the ratemaking rate base for Butler Area Sewer Authority.

2) Whether the rate impacts on Butler Area Sewer Authority customers that would result from approving the acquisition as proposed is just, reasonable and in the public interest.

The OSBA reserves the right to pursue additional issues that may arise throughout this proceeding.

IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date¹ as satisfying the in-hand requirement. At the time of this writing, hard copy delivery of documents to the OSBA is not possible. The OSBA requests that email delivery of documents also be provided to its witnesses identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

V. DISCOVERY

The OSBA does not propose any discovery modifications.

VI. SETTLEMENT

¹ In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VII. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are discussing a proposed procedural schedule.

The OSBA requests that the evidentiary hearings be held telephonically.

Respectfully submitted,

/s/ Steven C. Gray

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Dated: July 7, 2023

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