

COMMONWEALTH OF PENNSYLVANIA



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September 14, 2023

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

Re: Pennsylvania Public Utility Commission  
v.  
Conneaut Lake Park Water Corporation, Inc.  
Docket No. R-2023-3041575

Dear Secretary Chiavetta:

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

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

Respectfully submitted,

/s/ Harrison W. Breitman  
Harrison W. Breitman  
Assistant Consumer Advocate  
PA Attorney I.D. # 320580  
HBreitman@paoca.org

Enclosures:

cc: The Honorable Charles E. Rainey, Jr. (**email only:** [crainey@pa.gov](mailto:crainey@pa.gov))  
Bureau of Technical Utility Services (**email only:** [pdiskin@pa.gov](mailto:pdiskin@pa.gov))  
Office of Special Assistants (**email only:** [ra-OSA@pa.gov](mailto:ra-OSA@pa.gov))  
Certificate of Service

\*4866-6464-7551

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :  
v. : Docket No. R-2023-3041575  
Conneaut Lake Park Water Corporation, Inc. :

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 14<sup>th</sup> day of September 2023.

**SERVICE BY E-MAIL ONLY**

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/s/Harrison W. Breitman  
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Counsel for:  
Office of Consumer Advocate  
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Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Dated: September 14, 2023  
\*4885-2488-6911

**FORMAL COMPLAINT**  
**BEFORE THE**  
**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**1. COMPLAINANT**

Patrick M. Cicero, Consumer Advocate

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

Phone: 717-783-5048

**2. UTILITY NAME**

Conneaut Lake Park Water Corporation, Inc.

**3. TYPE OF UTILITY**

Water

**4. COMPLAINT**

A. On August 31, 2023, Conneaut Lake Park Water Corporation, Inc. (CLPWC or Company) filed proposed Supplement No. 1 to its Water Service Tariff – Pa. P.U.C. No. 1 (Supplement No. 1) requesting to increase rates by \$257,797, effective October 31, 2023.

B. The Company's proposed increase in rates represents a 970.8% increase in the Company's annual revenues at present rates.

C. CLPWC provides water service to approximately 165 customers, as of August 31, 2023. Three of the Company's customers are commercial, while the remaining 162 customers are residential. Of the 162 residential customers, CLPWC considers 68 customers to be seasonal – the

Company charges seasonal residential customers a lower rate – while it considers the remaining 84 residential customers to be year-round. The Company provides water service to Conneaut Lake Park and the area immediately surrounding the Park in Conneaut Lake, Crawford County, Pennsylvania.

D. CLPWC does not currently provide residential customers with metered service rates, though its commercial customers do receive metered service. As a result, on August 31, 2023, the Company filed a Petition for Exception from Metering Requirements under a separate docket, Docket No. P-2023-3042648, to comply with 52 Pa. Code Section 65.7, which requires that certified public utilities which provide water service do so exclusively on a metered basis, absent special circumstances recognized by the Commission.

E. The Consumer Advocate is empowered to represent the interests of consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of the Pennsylvania General Assembly, 71 P. S. §§ 309-1 *et seq*, as enacted July 9, 1976.

F. A preliminary examination of the Company's rate increase request indicates that the Company's present rates and proposed charges, increases and changes in rates, rules, and regulations contained within the request are or may be unjust, unreasonable, and in violation of law; will or may allow the Company the opportunity to recover an excessive rate of return on its utility property investment, in violation of the Public Utility Code; will or may discriminate against certain customers, particularly seasonal residential customers; will or may compensate the Company for providing inadequate service to some or all of its customers; and otherwise may be contrary to sound ratemaking principles and public policy.

G. The Company is proposing increasing its flat consumption charge for year-round residential customers from \$14.39 per month to \$122.30 per month, or \$43.18 per quarter to \$366.90 per quarter, an 849.9% increase.

H. The Company is also proposing to increase its flat consumption charge for seasonal residential customers – in order to unify the seasonal and year-round residential customer rates – from \$7.20 per month to \$122.30 per month, or \$21.60 per quarter to \$366.90 per quarter, an increase of approximately 1698.6%.

I. The Company's proposed increase to the year-round residential customer charge (849.9%) is extremely high and may be unjust and unreasonable or otherwise contrary to law and sound ratemaking practices.

J. The Company's proposal to unify rates for year-round and seasonal residential consumers will impose disproportionately increased costs on seasonal customers, charging a flat monthly rate despite little to no water usage during most of the year. This proposed change may be unjust, unreasonable, and/or discriminatory. The proposed burden on seasonal residential customers dramatically outweighs the Company's stated difficulties with determining which customers are seasonal and which are year-round.

K. CLPWC's Petition for Exception from Metering Requirements should be consolidated with the instant Base Rate filing. The Company's metering requirement is inextricable from determining whether the rates residential customers are charged are just and reasonable, to ensure that customers are only charged for what they use. Further, installing meters for residential customers would eliminate the need for differentiating rates between seasonal and year-round residential customers, without unjustly and unreasonably increasing the rates of

seasonal customers. The OCA filed a separate Answer to the Company's Petition on September 14, 2023, seeking consolidation, so these issues may be addressed simultaneously.

L. The Consumer Advocate files this Formal Complaint to ensure that the Company's requests are granted only to the extent they are found to be just and reasonable or otherwise compliant with applicable statutes, Commission regulations, or policy.

## **5. RELIEF**

The Consumer Advocate respectfully requests that the Public Utility Commission:

A. Suspend and investigate the operation of the proposed tariff, pursuant to Section 1308(d) of the Public Utility Code, 66 Pa. C.S. § 1308(d);

B. Consolidate all complaints filed against Tariff Supplement No. 1;

C. Consolidate the proceeding regarding the Company's Petition for an Exception from Metering Requirements, Docket No. P-2023-3042648, with the instant Base Rate proceeding, due to the interrelated nature of metering and the determination of just and reasonable rates;

D. Hold full evidentiary hearings examining the reasonableness of the Company's requests;

E. Hold in-person public input hearings in the Company's service territory, or, alternatively, hold hearings virtually or by telephone, as may be needed to provide its customers with an opportunity to be heard on the record, if consumer interest arises;

F. Modify or reject the proposed rate increase and tariff changes which cannot be fully justified by the Company and shown to be just and reasonable and in the public

interest, or which are otherwise contrary to the Public Utility Code, sound ratemaking principles, and public policy; and

G. Grant any other relief deemed necessary.

## 6. VERIFICATION AND SIGNATURE

### *Verification:*

*I, Patrick M. Cicero, 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).*

/s/ Patrick M. Cicero  
(Signature)

September 14, 2023  
(Date)

## 7. LEGAL REPRESENTATION

Harrison W. Breitman  
Assistant Consumer Advocate  
PA Attorney I.D. # 320580  
[HBreitman@paoca.org](mailto:HBreitman@paoca.org)

Counsel for:

Patrick M. Cicero  
Consumer Advocate

Office of Consumer Advocate  
555 Walnut Street, 5th Floor, Forum Place  
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717-783-5048

\*4896-0909-0430

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 current base rate filing made by Conneaut Lake Park Water Corporation, Inc. (CLPWC or Company).

The objective of the Consumer Advocate in this matter is to protect the interests of CLPWC's customers. CLPWC's proposed rate increase would increase rates for approximately 162 residential customers, 68 of whom are considered by the Company to be seasonal residents. Bills for residential customers would increase by 849.9% for year-round customers and 1698.9% for seasonal customers. The Consumer Advocate has filed this Complaint with the Commission to ensure that each aspect of CLPWC's request is scrutinized and not approved unless shown to be fully justified in law, and consistent with the Public Utility Code and sound public policy.

The Company provides water service to approximately 165 customers. Three of the Company's customers are commercial, while the remaining 162 customers are residential. The Company provides water service to Conneaut Lake Park and the area immediately surrounding the Park in Conneaut Lake, Crawford County, Pennsylvania.