



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

BUREAU OF  
INVESTIGATION  
&  
ENFORCEMENT

September 21, 2023

**Via Electronic Filing**

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, 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  
Docket No. A-2022-3037047

Dear Secretary Chiavetta:

On August 14, 2023, a Joint Petition for Approval of Settlement (Joint Petition or Settlement) entered into by Pennsylvania-American Water Company (PAWC), the Office of Consumer Advocate (OCA), the Office of Small Business Advocate (OSBA), the Bureau of Investigation and Enforcement (I&E), the Butler Area Sewer Authority (BASA), the Township of Butler (the Township) and the City of Butler (the City) (collectively, the Joint Petitioners) was submitted to Administrative Law Judge Marta Guhl (the ALJ). In addition, Cleveland Cliffs Steel and Center and Summit Township did not oppose the settlement. On September 14, 2023, ALJ Guhl issued a recommended decision in which it was recommended the Commission reject the Settlement in totality.<sup>1</sup>

As explained in I&E's Statement in Support, I&E supports the instant settlement as being in the public interest. In testimony, I&E raised certain issues related to the acquisition. Specifically, I&E raised concerns about the potential of missing easements, the free service provided to the VA Hospital, and the need for a separate cost of service study (COSS) for the Butler Area Sewer Authority. As these issues were successfully resolved either in testimony or the Settlement, I&E supported the Settlement as being in the public interest.

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<sup>1</sup> RD, p. 66.

Furthermore, it is important to note that it is the policy of the Commission to encourage settlements.<sup>2</sup> For the reasons discussed in the I&E Statement in Support, I&E maintains that the Settlement meets all the standards necessary to warrant the requisite approvals under Sections 507, 1102, 1103, and 1329 of the Code. The signatories to the Joint Petition actively participated in and vigorously represented their respective positions during the settlement process as evidenced by their willingness to join in the settlement. Settlements conserve precious administrative resources and provide regulatory certainty with respect to the disposition of issues with results that are often preferable to those achieved at the conclusion of a fully-litigated proceeding; and, provide a final resolution of adversarial proceedings which, in the Commission's judgement, is preferable.<sup>3</sup> The very nature of a settlement requires a review and discussion of all issues raised by the parties' and a negotiated compromise on the part of all parties.

Therefore, I&E continues to support the Joint Petition and maintains that approval is in the public interest.

Sincerely,



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CBW/ac  
Enclosure

cc: Administrative Law Judge Marta Guhl (*via email*)  
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Office of Special Assistants (*via email* – [ra-OSA@pa.gov](mailto:ra-OSA@pa.gov))  
Per Certificate of Service (*via email*)

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<sup>2</sup> 52 Pa. Code § 5.231.

<sup>3</sup> *See generally* 52 Pa. Code § 5.231 and § 69.401. While § 69.401 relates specifically to major base rate cases, the principles explained therein, namely that the results achieved from a settlement are often preferable to those achieved in a litigated proceeding, apply generally to all cases before the Commission.

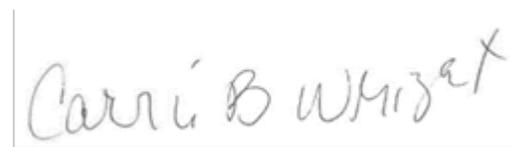


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