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October 25, 2023

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

RE: *RE: Pennsylvania Public Utility Commission v. Conneaut Lake Park Water Corporation, Inc.*
Docket No.: R-2023-3041575, C-2023-3043091, C-2023-3043163, C-2023-3043026, C-2023-3043397, C-2023-3043552

Dear Secretary Chiavetta,

Attached for electronic filing, enclosed is Rhonda Jaquay, et al.'s (Conneaut Lake Objectors) Prehearing Conference Memorandum in the above-referenced proceeding.

If you have any questions, please contact me at your convenience. Thank you.

Sincerely,

DILLON McCANDLESS KING COULTER & GRAHAM, L.L.P.


Joshua D. Brown, Esquire

Enclosure

cc: Office of Administrative Law Judge: (via email only: crainey@pa.gov)
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Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

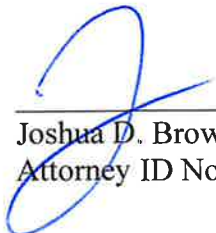
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DATE: October 25, 2023



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING CONFERENCE MEMORANDUM OF THE
CONNEAUT LAKE OBJECTORS¹**

As requested by Administrative Law Judges (“ALJs”) Eranda Vero and Arlene Ashton in the Prehearing Conference Order dated October 20, 2023 (“Prehearing Order”), the Conneaut Lake Objectors (as defined in Exhibit A) hereby submits this Prehearing Memorandum to provide the Conneaut Lake Objectors’ perspective on the issues raised by ALJs Vero and Ashton.

Please address all correspondence in this matter as follows:

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I. INTRODUCTION AND HISTORY OF PROCEEDINGS

The Conneaut Lake Objectors are members of the Conneaut Lake community, customers of the Conneaut Lake Park Water Corporation, Inc. The Conneaut Lake Objectors filed their Formal Complaint on October 13, 2023, against the rates, terms and other provisions of Supplement No. 1 to Tariff Water-Pa. P.U.C. No. 1, which was filed on August 31, 2023, by Conneaut Lake Water Corporation, Incorporated (the “Company”). The proposed Tariff, if approved by the Commission, would increase the total distribution revenues of Citizens’ by \$257,797 per year, a 970.8% increase

¹ The “Conneaut Lake Objectors” are those defined in Exhibit A.

in annual distribution revenues. More specifically, 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. 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 per quarter to \$366.90 per quarter, an increase of approximately 1698.6%.

Simultaneous with the Supplement No. 1 to Tariff Water-Pa. P.U.C. No. 1 filing on August 31, 2023, the Company also filed a Petition for a water metering exception at P-2023-3042648 seeking to untether any objective basis for its water bills based upon actual usage. The Conneaut Lake Objectors filed preliminary objections to the same that were denied on or about October 10, 2023 by Interim Order #1. In denying the preliminary objections however the ALJs stated:

“In their Preliminary Objections, the Property Owners raise important issues regarding the Metering Exception requested by CLPWC in the Petition. These issues and the facts underlying the issues merit careful analysis and consideration, which is best accomplished through an evidentiary hearing.”

See Interim Order #1, p. 3.

In any event, it is the Conneaut Lake Objectors’ view that the Company is obligated, per 52 Pa. Code §65.7(b), to provide water to the community and to install water meters at *its* own expense and not pass on the costs to its customers directly or indirectly.

After preliminary review of the materials filed by the Company in support of the proposed Supplement, the Conneaut Lake Objectors believe, and therefore aver, that those materials are insufficient to justify the rate increase requested and that the Company’s present and proposed rates, rules, and conditions of service are unjust, unreasonable, unduly discriminatory, and otherwise contrary to law. The members of the community have significant concern that not only are the rates disproportionate to the actual water usage but the rates set by the Company are arbitrary, unreasonable, and may be used to fund other activities beyond water service. At the very

least, Mr. Joseph, as the current owner of Conneaut Lake Park and the Water Company, faces a conflict of interest in his pursuit to restore the Park and generate funds while also owing a duty to the community to provide safe and reasonably priced water.

Most recently, on October 19, 2023, the Commission entered an Order suspending the implementation of the proposed rates by operation of law until May 31, 2024, and opened an investigation into the lawfulness, justness, and reasonableness of the proposed rates, rules, and regulations contained therein. The case was further assigned to the Office of Administrative Law Judge for the prompt scheduling of hearings as may be necessary.

II. ISSUES TO BE PRESENTED

Pursuant to the Prehearing Conference Order dated October 20, 2023, it was requested which issues the parties intend to raise. The following are the Conneaut Lake Objectors issues to be presented:

1. The Conneaut Lake Objectors assert that the Company's proposed rates, rate design, and class revenue allocation are unjust, unreasonable, and unlawfully discriminatory, violating Sections 1301 and 1304 of the Public Utility Code, 66 Pa.C.S. §§1301 and 1304.
2. The Conneaut Lake Objectors assert that there are no grounds for an exception to the general water metering requirement under 52 Pa. Code §65.7(a).
3. The Conneaut Lake Objectors also assert that by the plain and clear reading of 52 Pa. Code §65.7(b), the Utility is to install water meters at *its own expense* and not pass on the costs to its customers directly or indirectly for said installation.
4. The Conneaut Lake Objectors also assert that any meters installed at the expense of Utility should be done inside the home or in a manner that avoids the risk of freezing or frost.

III. PROPOSED PLAN AND SCHEDULE OF DISCOVERY

Discovery is ongoing. The Conneaut Lake Objectors support the discovery deadline modifications proposed by the Bureau of Investigation and Enforcement within their Prehearing Memorandum filed on October 25th, 2023 as if fully set forth herein.

IV. PROPOSED WITNESSES

The Conneaut Lake Objectors anticipate calling:

1. any of the parties identified within Exhibit A to this Memorandum.
2. Todd Joseph, owner of the Conneaut Lake Park Corporation, Inc.
3. Any party identified by any other party to this litigation

The Conneaut Lake Objectors reserve the right to add or otherwise modify its proposed witness list, including any experts.

V. PROPOSED LITIGATION SCHEDULE AND PUBLIC INPUT HEARINGS

The Conneaut Lake Objectors will work with the parties and the ALJs to develop a schedule in this proceeding. The Conneaut Lake Objectors further request public input hearings be deemed as necessary. Both telephonic hearings and remote-video hearings are requested to increase participation.

VI. SETTLEMENT

The Conneaut Lake Objectors have agreed to participate in mediation conducted by a PUC mediator. However, should mediation be unsuccessful, the Conneaut Lake Objectors are prepared to fully litigate these proceedings.

Dated: October 25, 2023

Respectfully submitted,

/s/ Joshua D. Brown

Joshua D. Brown

Attorney ID No. 315339

Counsel for:

*Rhonda Jaquay, et al. and
the Conneaut Lake Objectors*

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EXHIBIT A

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- ii. Phil Armstrong
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- iii. David and Jacki Arrigo
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- iv. Joseph Batcha
10901 Lake Front St
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- v. Patricia Bellan
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- vi. Thomas Borner
12305 Center St
Conneaut Lake, PA 16316
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