

COMMONWEALTH OF PENNSYLVANIA



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February 16, 2024

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

Re: Venango Water Company - Ex Parte Emergency
Order Naming Aqua Pennsylvania, Inc. as Receiver
Docket No. M-2023-3042180

Section 529 Investigation of Venango Water
Company
Docket No. I-2023-3042312

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceeding.

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

Respectfully submitted,

/s/ Aron J. Beatty
Aron J. Beatty
Assistant Consumer Advocate
PA Attorney I.D. # 86625
ABeatty@paoca.org

Enclosures:

cc: The Honorable. Mark A. Hoyer (**email only:** mhoyer@pa.gov)
Certificate of Service

*4867-1440-5285

CERTIFICATE OF SERVICE

Venango Water Company - Ex Parte Emergency Order : Docket No. M-2023-3042180
Naming Aqua Pennsylvania, Inc. as Receiver :

Section 529 Investigation of Venango Water Company : Docket No. I-2023-3042312

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Prehearing Memorandum, 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 16th day of February 2024.

SERVICE BY E-MAIL ONLY

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Phone: (717) 783-5048
Dated: February 16, 2024
*4856-3256-0037

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Venango Water Company – Ex Parte	:	
Emergency Order Naming Aqua	:	M-2023-3042180
Pennsylvania, Inc. as Receiver	:	
	:	
	:	
Section 529 Investigation of Venango	:	I-2023-3042312
Water Company	:	

PREHEARING MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to the Prehearing Conference Order of Deputy Chief Administrative Law Judge Mark A. Hoyer issued on February 2, 2024, Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in anticipation of the telephonic Prehearing Conference scheduled for February 20, 2024, the Office of Consumer Advocate (OCA) provides the following information:

I. INTRODUCTION/BACKGROUND

Venango Water Company (Venango) is a certificated water utility and provides water service to approximately 550 people in Venango County, PA. On July 20, 2023, the Public Utility Commission’s (Commission or PUC) Bureau of Technical Utility Services (TUS) received a notification from the Pennsylvania Emergency Management Agency (PEMA) that the Pennsylvania Department of Environmental Protection (DEP) required Venango to issue a “Do Not Consume” Advisory due to possible contamination of the water supply impacting the Bellows Spring water source.

On August 11, 2023, the Commission issued an Ex Parte Emergency Order Naming Aqua Pennsylvania, Inc. as Receiver of Venango. An investigation of Venango was further

ordered under Section 529 of the Public Utility Code because Venango has not provided safe and adequate water service under Section 1501 of the Public Utility Code. Venango does not have the financial capability to make necessary repairs to provide adequate service, and as such it is not a viable system. The purpose of the investigation is to determine whether the Commission should order a capable public utility to acquire Venango. On February 15, 2024, the Commission's Bureau of Investigation and Enforcement (I&E) filed a Petition for Consolidation of the Venango Section 529 Investigation and the Investigation of the Rhodes Utilities owned by the Blaine Edwin Rhodes Estate (Rhodes Estate). As background, on January 3, 2024, I&E filed a Petition requesting that the Commission initiate an investigation under Section 529 of the Public Utility Code, to determine whether the Commission should order a capable public utility to acquire any or all of the family of small water and wastewater utilities owned by the Rhodes Estate. The OCA's supports I&E's Petition for Consolidation.

The OCA notes that there are many procedural issues and tasks that need to be addressed, such as notice to both the Venango customers and the proximate water companies. The OCA is willing to assist I&E in completing these tasks.

The OCA now files this Prehearing Memorandum to set forth the procedure and issues that the OCA believes are relevant to this proceeding.

II. ISSUES

The OCA is participating in this proceeding to ensure that the interests of Venango's customers are protected. Based upon its investigation and review of the filing, the issues to be addressed in the Section 529 proceeding include, but are not limited to, the following:

- Venango's lack of technical, managerial and financial fitness;
- Failure of Venango to comply with DEP and/or PUC orders and regulations; and

- Whether the Commission should order a capable public utility to acquire Venango. If so, what capable public utility should be ordered to acquire Venango.

III. WITNESSES

The OCA intends to present the testimony of Morgan DeAngelo, Regulatory Analyst, in this proceeding. The OCA specifically reserves the right to call witnesses, as necessary. If the OCA determines that additional witnesses will be necessary for any portion of its case, it will notify the ALJ and all parties of record immediately.

Morgan DeAngelo
PA Office of Consumer Advocate
555 Walnut Street, 5Th Floor, Forum Place
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MDeangelo@paoca.org

IV. SCHEDULE

The OCA will cooperate with the ALJ and the parties to develop a mutually agreeable litigation schedule for this case. OCA submits that the dates included in any litigation schedule in this matter be considered “in-hand” dates and that electronic service on the due date will satisfy the “in-hand” requirement, without provision of hard copies.

V. PUBLIC INPUT HEARING

At this time, the OCA is not requesting a Public Input Hearing. However, the OCA reserves the right to make such a request if the OCA determines that one is necessary.

VI. SERVICE ON THE OCA

The OCA will be represented in this case by Senior Assistant Consumer Advocate Aron J. Beatty. All documents should be served on the OCA as follows:

Aron J. Beatty
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: 717-783-5048

The OCA will accept email service without provision of a hard copy. To the extent that materials are available electronically, it is requested that copies be served upon all of the following:

Aron J. Beatty –
ABeatty@paoca.org

Morgan N. DeAngelo –
MDeangelo@paoca.org

Ryan F. Marshall –
RMarshall@paoca.org

VII. SETTLEMENT

The OCA is willing to participate in settlement discussions in this matter.

Respectfully Submitted,

/s/ Aron J. Beatty
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Dated: February 16, 2024