

March 8, 2024

VIA E-File

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

Re: Pennsylvania Public Utility Commission v. Veolia Water Pennsylvania, Inc. Docket Nos. R-2024-3045192 (Water); R-2024-3045193 (Wastewater)

Petition to Intervene and Answer of CAUSE-PA

Dear Secretary Chiavetta:

Please find the attached Petition to Intervene and Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) in the above referenced proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully Submitted,

Elizabeth R. Marx, Esq. Counsel for CAUSE-PA

Asbank. Many.

CC: Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :

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v. : Docket Nos. R-2024-3045192

R-2024-3045193

Veolia Water Pennsylvania, Inc.

PETITION TO INTERVENE AND ANSWER OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA

PENNSYLVANIA UTILITY LAW PROJECT

Counsel for CAUSE-PA

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March 8, 2024

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission ("PUC" or "Commission"), 52 Pa. Code §§ 5.61-5.76, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), through its counsel at the Pennsylvania Utility Law Project, hereby petitions the Pennsylvania Public Utility Commission ("Commission") to intervene and files its Answer in the above-captioned proceeding. In support thereof, CAUSE-PA states as follows:

1. On February 16, 2024, Veolia Water Pennsylvania, Inc, (Veolia or the Company) submitted a rate filing, Supplement No. 68 to Water – Pa. P.U.C. No. 7 and Supplement No. 5 to Tariff Wastewater-PA P.U.C. No. 2, which proposes to increase rates by approximately \$16 million, or approximately 26.7%, based on a fully projected future test year ending October 31, 2025. (Statement of Reasons, Veolia St. No. 1 at 6). According to the Company, if the entire rate request is approved as filed, the total bill for a residential water customer using an average of 3,500 gallons per month would increase from \$49.64 to \$6.97 per month, or by 22%. (Statement of Reasons). The total wastewater bill for a residential customer would increase from a flat rate of \$56.20 to \$77.00, or by 37%. (Statement of Reasons).

Petition to Intervene

- 2. Eligibility to intervene in Commission proceedings is governed by 52 Pa. Code § 5.72, which provides in relevant part that "[a] petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought." 52 Pa. Code § 5.72(a).
- 3. Section 5.72 further provides that the right or interest may be one "which may be directly affected, and which is not adequately represented by existing participants, and as to which

the petitioner may be bound by the action of the Commission in the proceeding." 52 Pa. Code. § 5.72(a)(2).

- 4. Even though Section 5.72 speaks of the rights of a "person" to intervene, the Commonwealth Court has consistently stated that "an association may have standing as a representative of its members ... as long as an organization has at least one member who has or will suffer a direct, immediate, and substantial injury to an interest as a result of the challenged action, [i.e., is aggrieved, the organization] has standing." Energy Cons. Council of Pa. v. Pa. PUC, 995 A.2d 465, 476 (Pa. Commw. 2010) (alteration in original) (citing Tripps Park v. Pa. PUC, 415 A.2d 967 (Pa. Commw. 1980); Parents United for Better Schools v. School District of Philadelphia, 646 A.2d 689 (Pa. Commw. 1994)).
- 5. CAUSE-PA is an unincorporated association of low and moderate income individuals that advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable water, electric, heating, and telecommunication services.
- 6. CAUSE-PA membership is open to moderate and low income individuals residing throughout the Commonwealth of Pennsylvania who are committed to the goal of helping low income families maintain affordable access to utility services and achieve economic independence.
- 7. CAUSE-PA is located, c/o the Pennsylvania Legal Aid Network, at 118 Locust Street, Harrisburg, PA 17101.
- 8. CAUSE-PA has a significant interest in the impact that Veolia's proposed rate increase will have on moderate and low income residential customers. These interests are not adequately represented by other participants.
- 9. Members of CAUSE-PA are located within Veolia's service territory and will be directly affected by the outcome of this proceeding. Particularly, this proceeding will affect the

price that CAUSE-PA members pay for water and wastewater as well as the reliability and quality

of those services.

10. CAUSE-PA was also an active party to Veolia's 2021 acquisition of Suez Water at

dockets A-2021-3026515, -3026522, and -3026523, and is a party to the Commission-approved

Settlement in that proceeding. There are several provisions of that Settlement regarding Veolia's

obligations to develop comprehensive low income programming which are triggered by Veolia's

rate filing. CAUSE-PA has a direct interest in ensuring that the terms of the Settlement are fully

executed.

11. CAUSE-PA has standing to intervene because its members have or will suffer a direct,

immediate, and substantial injury to an interest as a result of this proceeding. See Energy Cons.

Council of Pa., 995 A.2d at 476.

12. CAUSE-PA is represented in this proceeding by:

John W. Sweet, Esquire

Lauren N. Berman, Esquire

Ria M. Pereira, Esquire

Elizabeth R. Marx, Esquire

Pennsylvania Utility Law Project

118 Locust Street

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13. Counsel for CAUSE-PA consents to the service of documents by electronic mail to

pulp@pautilitylawproject.org, as provided in 52 Pa. Code § 1.54(b)(3).

Answer

14. CAUSE-PA has preliminarily reviewed Veolia's rate filing and objects to Veolia's

request on the grounds that the proposed rate increase could result in unjust and unreasonable rates

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that would impose economic hardship on low and moderate income residential customers.

15. Terms, conditions, and rates for water and wastewater service are not just and reasonable if they are not appropriately designed and implemented to ensure that all consumers are able to access safe and affordable water and wastewater services, consistent with the laws and policies of the Commonwealth. A preliminary review of Veolia's filings suggests that Veolia's proposed rate increases may be unjust, unreasonable, and inconsistent with the laws and policies of this Commonwealth.

16. Veolia's rate proposal would substantially increase residential rates for residential customers. Veolia's proposals would increase the total bill for a residential water customer using an average of 3,500 gallons per month would increase from \$49.64 to \$6.97 per month, or by 22%. (Statement of Reasons). The total wastewater bill for a residential customer would increase from a flat rate of \$56.20 to \$77.00, or by 37% (Statement of Reasons). A steep increase in rates such as the increase proposed by Veolia will cause rate shock for families across Veolia's service territory, and will have a disproportionate harmful impact on low, fixed, and moderate income households who already struggle to afford life's most essential needs.

17. Preliminary review of Veolia's filing suggests that Veolia's proposed changes to its low income assistance programs – including developing a Customer Assistance Program (CAP) which includes a bill discount program, a service line repair program, and an arrearage forgiveness program, along with modifying its annual grant assistance – are insufficient to remediate widespread and long-term rate unaffordability that will be worsened by any approved rate increase. (See Veolia St. 7 at 4). Further review is needed to ensure that Veolia's low income programming is adequately designed to meet the needs of the communities it serves.

18. Continued delivery of safe, affordable water and wastewater service is of critical

importance to the safety, welfare, and economic stability of all Pennsylvanians – including those

with limited financial means. In recognition of this fact, the law requires that utility rates and

associated terms and conditions of service – here water and wastewater services – be just,

reasonable, and in conformity with regulations or orders of the Commission. See 66 Pa. C.S. §

1301(a). Veolia's general rate increase could have a disparate impact on households with limited

economic means and undermine bill affordability achieved through low income programs.

19. CAUSE-PA asserts that these matters, and any future modifications presented by

intervening parties, must be thoroughly reviewed and investigated to ensure that all customers are

able to access safe, affordable water and wastewater services within Veolia's service territory.

WHEREFORE, CAUSE-PA respectfully requests that the Commission enter an order

granting CAUSE-PA full status as an intervener in this proceeding with active party status.

Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT

Counsel for CAUSE-PA

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Date: March 8, 2024

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Verification

I, <u>Elizabeth R. Marx</u>, legal counsel for the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), on behalf of CAUSE-PA, hereby state that the facts contained in the foregoing pleadings are true and correct to the best of my knowledge, information, and belief, that I am duly authorized to make this Verification, 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).

Elizabeth R. Marx, Esq.

Asbank. Many.

On behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania

Dated: March 8, 2024

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

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v. : Docket Nos. R-2024-3045192

R-2024-3045193

Veolia Water Pennsylvania, Inc.

Certificate of Service

I hereby certify that I have this day served copies of the **Petition to Intervene and Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

VIA EMAIL

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Respectfully Submitted, **PENNSYLVANIA UTILITY LAW PROJECT**

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