



March 26, 2024

Via E-Mail Only

Administrative Law Judge Emily I. DeVoe
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)**

Prehearing Memorandum of CAUSE-PA

Your Honor:

Please find the attached **Prehearing Memorandum of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

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

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "L.N. Berman".

Lauren N. Berman, Esq.
Counsel for CAUSE-PA

CC: Secretary Rosemary Chiavetta (via E-file only)
Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket Nos. R-2024-3045192
 : R-2024-3045193
 :
 Veolia Water Pennsylvania, Inc. :

**PREHEARING MEMORANDUM
OF THE COALITION FOR AFFORDABLE UTILITY SERVICES
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

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On March 20, 2024, a Prehearing Conference Order was issued by Administrative Law Judge Emily DeVoe setting a telephonic Prehearing Conference for Wednesday, March 27, 2024 at 10:00 a.m., and requiring parties to file a Prehearing Memorandum no later than 12:00 p.m. on Tuesday, March 26, 2024. In response, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its counsel at the Pennsylvania Utility Law Project, hereby files this Prehearing Conference Memorandum.

I. Background

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 \$60.97 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). On March 8, 2024, CAUSE-PA filed a Petition to Intervene and Answer, requesting full intervenor status as an active party to the proceeding.

On March 14, 2024, the Pennsylvania Public Utility Commission (Commission) entered Orders suspending, respectively, Veolia’s proposed Supplement No. 68 to Water – Pa. P.U.C. No. 7 and Supplement No. 5 to Tariff Wastewater-PA P.U.C. No. 2 until November 16, 2024, unless otherwise directed by Order of the Commission.

II. Discovery

CAUSE-PA supports the discovery modifications proposed by the Office of Consumer Advocate in its Prehearing Memorandum.

III. Settlement

CAUSE-PA is willing and ready to engage in settlement discussions in an attempt to resolve or narrow the issues in this proceeding, with any and all parties, and encourages the parties to engage in settlement discussions early in the process.

IV. Issues to be Presented

Continued delivery of safe, affordable water and wastewater services is of critical importance to the safety, welfare, and economic stability of all Pennsylvanians – particularly those with limited financial means. In the event the Commission approves any increase to Veolia’s water and wastewater rates, it should condition approval on the Company’s agreement to perform such actions as are necessary to ensure service remains universally accessible to those who reside in its service territory and in compliance with all applicable sections of the Public Utility Code, Commission regulations and policy, and prior settlement agreements.

CAUSE-PA has conducted an initial review of Veolia’s proposed tariff changes and testimony, and opposes the Company’s requests on the grounds that the proposed rate increases and tariff changes may result in unjust and unreasonable rates that would impose severe financial hardship on low and moderate income residential customers. CAUSE-PA identifies the following specific issues of concern, which it intends to address in this proceeding, though it reserves the right to raise additional issues which may arise through the course of this proceeding:

- i. The conformity to law and the effect of Veolia’s rate filing and proposed rate increases on low income households.

ii. The effect of Veolia's rate filing and proposed rate increases on low income households eligible for the Company's low income assistance programs, and adequacy of those programs in delivering universally accessible services.

iv. Whether Veolia's proposed changes to its low income programs are adequate to remediate the effect of the proposed rate increase and modification on low income customers.

CAUSE-PA asserts that the issues identified above, along with any future issues identified by interested parties, must be thoroughly reviewed to ensure that all Veolia customers are able to access safe and affordable utility services. Without investigation of the above-stated issues, Veolia's tariff filing could result in unjust and unreasonable terms, conditions, and rates for critical water services that would impose severe hardship on the health, safety, and economic stability of residents in its service territory.

V. Witnesses and Testimony

CAUSE-PA intends to present the following witness to testify in this matter, but reserves the right to call additional or substitute witnesses as may be warranted upon proper notice to Your Honors and the parties:

Robert Ballenger, Esq.
1424 Chestnut Street
Philadelphia, PA 19102
RBallenger@clsphila.org

Mr. Ballenger will address the issues identified above, as well as other issues that may arise throughout this proceeding.

VI. Litigation Schedule

CAUSE-PA is actively involved in discussions with Veolia and other parties to reach a mutually agreeable litigation schedule and to determine the appropriate amount of hearing time

needed in this matter. In the absence of an alternative schedule being agreed to by the parties prior to the prehearing conference in this matter, CAUSE-PA supports the following schedule:

Opposing Party Direct Testimony	May 17, 2024
Rebuttal Testimony	June 7, 2024
Surrebuttal Testimony	June 21, 2024
Outline of Oral Rejoinder	June 25, 2024
Evidentiary Hearings (including oral rejoinder)	June 26-28, 2024
Main Briefs	July 19, 2024
Reply Briefs	August 2, 2024

VII. Public Input Hearings

Given the size of the requested rate increases and the customer impact it may cause, CAUSE-PA respectfully requests that public input hearings, both in-person and telephonic, be held in this matter. Specifically, CAUSE-PA supports holding one day of hybrid/smart hearings in the Harrisburg area and one day of in-person public input hearings in the Bloomsburg area with hearings held at 1:00 pm and 6:00 pm.

VIII. Service on CAUSE-PA

CAUSE-PA is represented by the attorneys at the Pennsylvania Utility Law Project. All documents should be served on CAUSE-PA as follows:

Lauren N. Berman, Esq.
Ria M. Pereira, Esq.
Elizabeth R. Marx, Esq.
John W. Sweet, Esq.
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118 Locust Street
Harrisburg, PA 17101
Telephone: 717-236-9486
Facsimile: 717-233-4088
E-mail: pulp@pautilitylawproject.org

CAUSE-PA requests that parties agree to electronic service in this proceeding.

IX. Representation of CAUSE-PA at Prehearing Conference

At the Prehearing Conference, CAUSE-PA will be represented by Lauren Berman, Esq.

WHEREFORE, CAUSE-PA respectfully submits this Prehearing Conference Memorandum.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA



Lauren N. Berman, Esq., PA ID: 310116
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 Veolia Water Pennsylvania, Inc. :

Certificate of Service

I hereby certify that I have this day served copies of the **Prehearing Memorandum 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 Only

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