

March 26, 2024

#### **E-FILED**

Rosemary Chiavetta, Secretary 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)

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceedings.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Sharon E. Webb

Sharon E. Webb Assistant Small Business Advocate Attorney ID No. 73995

**Enclosures** 

cc: Parties of Record

Kevin Higgins Nate Townsend Shantell Garrett

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :

v. Docket Nos. R-2024-3015192 (Water)

R-2023-3045192 (Wastewater)

Veolia Water Pennsylvania Inc. :

PREHEARING MEMORANDUM OF THE OFFICE OF SMALL BUSINESS ADVOCATE

#### I. <u>INTRODUCTION</u>

The Office of Small Business Advocate ("OSBA") is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility

Commission ("Commission") pursuant to the provisions of the Small Business Advocate Act,

Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 ("the Act"). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to these proceedings. Representing the OSBA in this matter are Assistant Small Business Advocates

Sharon E. Webb and Rebecca Lyttle.

Please address all correspondence as follows:

Sharon E. Webb
Rebecca Lyttle
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555Walnut Street, 1st Floor
Harrisburg, Pennsylvania 17101
(717) 783-2525/ (717) 783-2831 (fax)
swebb@pa.gov
relyttle@pa.gov

### II. FILING BACKGROUND

On February 16, 2024, Veolia Water Pennsylvania, Inc. ("VWPA" or the "Company") filed Supplement No. 68 to Tariff Water – Pa. P.U.C. No. 7 ("Supplement No. 68"), and Supplement No. 5 to Tariff Wastewater – Pa. P.U.C. No. 2 ("Supplement No. 5"). The rates set forth in Supplement No. 68, if approved by the Commission, would increase the Company's annual water revenues by approximately \$15.4 million or 26% including DSIC revenues. The rates set forth in Supplement No. 5, if approved by the Commission, would increase the Company's annual wastewater revenues by approximately \$568,000 or approximately 35%.

The OSBA filed a Notice of Appearance and Complaint on February 26, 2024. The OSBA's Complaint was docketed at C-2024-3046893.

By Order entered March 14, 2024, the proposed Supplement Nos. 5 and 68 were suspended by operation of law until November 14, 2024. The Commission ordered an investigation into the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Tariff Supplements No 5 and 68.

On March 20, 2024, a Notice was issued that a telephonic pre-hearing conference was scheduled for March 27, 2024 at 10:00 a.m. before Administrative Law Judge ("ALJ") Emily DeVoe. ALJ DeVoe issued a Prehearing Conference Order on March 20, 2024.

#### III. <u>IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES</u>

Assisting in the development and presentation of the OSBA's case in these proceedings will be:

Mr. Neal Townsend Principal, Energy Strategies 111 East Broadway, Suite 1200 Salt Lake City, Utah 84111 (801) 355-4365 (801) 521-9142 – Fax ntownsend@energystrat.com

After an initial review of the materials submitted by the company, the OSBA has identified the following issues:

- 1. Whether the proposed class cost-of-service methodology is appropriate;
- 2. Whether the proposed rate design would result in unjust and/or unreasonable rates.

The OSBA will participate in the case to assure that the interests of small business customers of the company are adequately represented and protected.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the company and other parties through discovery, through the cross-examination of witnesses appearing for those parties, through the filing of testimony, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of the company's small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA reserves the right to pursue additional issues as they arise throughout these proceedings.

#### IV. SERVICE OF DOCUMENTS

In accordance with 52 Pa. Code § 1.54(b)(3)(i), the OSBA agrees to accept electronic mail delivery of documents on the due date<sup>1</sup> as satisfying the in-hand requirement. The OSBA requests that electronic copies be provided to its witness identified above. The OSBA also requests that all parties serve an electronic copy of all interrogatory responses upon the OSBA and the OSBA witness identified above.

### V. <u>DISCOVERY</u>

The OSBA does not propose any discovery modifications in these proceedings, but will work with the parties to develop any mutually agreeable discovery modifications.

## VI. <u>SETTLEMENT</u>

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of these proceedings.

<sup>&</sup>lt;sup>1</sup> In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

# VII. HEARING AND BRIEFING SCHEDULE

The OSBA will cooperate with the other parties to develop a mutually acceptable procedural schedule.

Respectfully submitted,

/s/ Sharon E. Webb
Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Office of Small Business Advocate Forum Place 555 Walnut Street, 1<sup>st</sup> Floor Harrisburg, PA 17101

Dated: March 25, 2024

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : Docket Nos.:

v. : R-2024-3045192 (Water)

Veolia Water Pennsylvania, Inc. : R-2024-3045193 (Wastewater)

: C-2024-3046893

#### **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).

The Honorable Emily DeVoe
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place, Suite 220
201 Fifth Avenue
Pittsburgh, PA 15222
edevoe@pa.gov

Christy Appleby, Esquire
Darryl A. Lawrence, Esquire
Barrett C. Sheridan, Esquire
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Michael A. Podskoch, Jr., Esquire Pennsylvania Public Utility Commission Bureau of Investigation & Enforcement Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120 mpodskoch@pa.gov

David P. Zambito, Esquire Jonathan P. Nase, Esquire Cozen O'Connor 17 North Second Street Suite 1401 Harrisburg, PA 17101 dzambito@cozen.com jnase@cozen.com

John W. Sweet, Esquire Lauren N. Berman, Esquire Ria M. Pereira, Esquire Elizabeth R. Marx, Esquire 118 Locust Street Harrisburg, PA 17101 pulp@pautilitylawproject.org

DATE: March 26, 2024 /s/ Sharon E. Webb

Sharon E. Webb Assistant Small Business Advocate Attorney I.D. No. 73995