COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
http://www.puc.pa.gov

May 31, 2024

RE: Pennsylvania Public Utility Commission
v.
Pennsylvania American Water Company
Docket Numbers: R-2023-3043189, *et al*. (Water)
R-2023-3043190, *et al*. (Wastewater)

TO ALL PARTIES OF RECORD IN THE ABOVE-CAPTIONED PROCEEDINGS:

On May 22, 2024, the Office of Consumer Advocate (OCA) filed a Motion for Relief Regarding Ex Parte Communications by Pennsylvania-American Water Company (Motion) in the above-captioned proceeding which is currently pending before the Commission. The OCA filed its Motion pursuant to 66 Pa. C.S. § 334(c) and 52 Pa. Code § 5.103, alleging that Pennsylvania-American Water Company (PAWC or the Company) had engaged in ex parte communications with Commission employees, and requesting, *inter alia*, that the Commission find that PAWC engaged in prohibited ex parte communications under 66 Pa. C.S. § 334(b)-(c) when it gave a video presentation on May 20, 2024, at the annual meeting[1] of the Pennsylvania Chapter of the National Association of Water Companies (NAWC) relating to PAWC's receivership of the East Dunkard Water Authority (EDWA), and direct that PAWC distribute copies of the video to all the Parties to the proceeding to cure the ex parte communication. Motion at 1.

In support of its Motion, the OCA contends that the video presentation given by PAWC at the NAWC annual meeting on May 20, 2024, contained factual assertions which are relevant to the rate increase requested by PAWC, specifically PAWC's request for up to 25 basis points to be added to its cost of equity for management performance and efficiency, including its receivership of EDWA. Therefore, the OCA asserts that the information conveyed via the video presentation to the attendees at the private meeting, which included employees of the Commission, regarding PAWC's managerial

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[1] The OCA avers that the NAWC annual meeting was not a public event, but open only to those who were invited, and included Commission staff that were present during the video presentation and who are responsible for advising Commissioners on decisions for proceedings before them, such as the instant proceeding. The OCA stated that not all Parties to the instant proceeding were invited to attend the NAWC annual meeting or present for PAWC's video presentation. Motion at 8.

performance, capital contributions, operational expenses, and improvements to the EDWA system, along with asserted improvements to communications to customers served by the EDWA system, constitute ex parte communication of facts relevant to the pending PAWC rate proceedings, including facts not already on the record in those proceedings. Motion at 5-8.

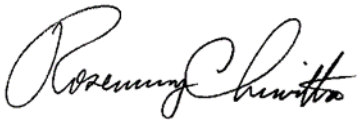
Please note that the Motion is being attached to this Secretarial Letter to ensure that all Parties of Record have been served with a copy of the Motion.

Interested parties may file a response to the OCA Motion within twenty (20) days of the date of issuance of this Secretarial Letter (*i.e.*, no later than June 19, 2024). The Commission will consider the merits of the OCA's Motion after the deadline to file responses.

In the meantime and out of an abundance of caution, the Commission has created a link on its website for PAWC's video presentation at the May 20, 2024, NAWC annual meeting. For those Parties receiving this notice by eService and Email, the video presentation is available to view at the following link: https://www.puc.pa.gov/docket/R-2023-3043189, **click on "Public Documents" to open the list. The video will be available on the list no later than 4:00 p.m. on the date of service of this letter. For those Parties receiving this notice via direct mail, you may access the video presentation by entering the above address in an internet browser.**

Should you have any questions, you may contact the Office of Special Assistants, Kimberly Hafner, Director, at (717) 705-3822 or khafner@pa.gov.

Very truly yours,



Rosemary Chiavetta
Secretary