



COMMONWEALTH OF PENNSYLVANIA

July 19, 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. City of Lock Haven Water Department,
Docket No. R-2024-3049248 / Petition of the City of Lock Haven Water Department
For Authorization to Implement a PENNVEST, Docket No. P-2024-3049249**

Dear Secretary Chiavetta:

Enclosed 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 these proceedings, 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: Jason Hail
Roger Cathcart
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	
	:	
City of Lock Haven Water Department	:	Docket Nos. R-2024-3049248
	:	C-2024-3049713
	:	
Petition of the City of Lock Haven Water	:	P-2024-3049249
Department For Authorization to Implement	:	
a PENNVEST	:	

**PREHEARING MEMORANDUM
OF THE OFFICE OF SMALL BUSINESS ADVOCATE**

I. INTRODUCTION

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 is Assistant Small Business Advocate Sharon E. Webb.

Please address all correspondence as follows:

Sharon E. Webb, Esq.
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555Walnut Street, 1st Floor
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(717) 783-2831 (fax)
swebb@pa.gov

II. FILING BACKGROUND

On May 24, 2024, the City of Lock Haven Water Department (“City”) filed Supplement No. 19 to Tariff Water – Pa. P.U.C. No. 1 (“Supplement No. 19”), to become effective on July 23, 2024. The City’s proposed Supplement No. 19, seeks approval for rates designed to produce an annual revenue increase of \$377,823 or 71.4%. Subsequently, the City filed Supplement No. 20 to suspend the application of rates in Supplement No. 19 until August 2, 2024.

Simultaneously on May 24, 2024, the City filed a Petition for Authorization to Implement a PENNVEST Surcharge requesting that the filing be consolidated with the base rate increase request.

On May 30, 2024, the Commission’s Bureau of Investigation and Enforcement (“I&E”) filed Notices of Appearance.

The Office of Consumer Advocate (“OCA”) filed Notice of Appearances and Complaints on June 20, 2024.

The OSBA filed Notice of Appearances on June 12, 2024, Notice of Intervention on June 21, 2024 and a Complaint on June 21, 2024.

By Order entered July 11, 2024, Proposed Supplement No. 19 was suspended by operation of law until March 2, 2025. The Commission ordered an investigation into the

lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Supplement No. 19.

On July 12, 2024, a Notice was issued that a telephonic pre-hearing conference was scheduled for July 22, 2024, at 10:30 a.m. at both dockets before Administrative Law Judge (“ALJ”) John M. Coogan. ALJ Coogan issued a Prehearing Conference Order on July 12, 2024.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

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

Jason Hails
Quantiv Advisory, LLC
925 Wappoo Road, Suite A
Charleston, SC 29407
j.hails@quantivadvisory.com

Roger Cathcart, CPA, CA, CBV
Cathcart Advisors Inc.
Financial Regulatory Advisors
300-330 St. Mary Ave.
Winnipeg, MB, R3C 3Z5
Canada
REMC@CathcartAdvisors.com

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

1. Whether the City’s proposed rate design for Outside-City customers is just and reasonable.

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

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the City 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 City'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 the 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 date¹ 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 witnesses identified above.

V. DISCOVERY

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. SETTLEMENT

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

¹ 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 hearing schedule in the future.

Respectfully submitted,

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

Commonwealth of Pennsylvania
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

Dated: July 19, 2024

**BEFORE THE
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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 John Coogan
Administrative Law Judge
Pennsylvania Public Utility Commission
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Manager – Water, Reliability, and
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DATE: July 19, 2024

/s/ Sharon E. Webb

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