

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2024-3051816
Office of Consumer Advocate	:	C-2024-3051996
Office of Small Business Advocate	:	C-2024-3052127
Methacton School District	:	C-2024-3052711
Kyle Mathews	:	C-2024-3052713
	:	
v.	:	
	:	
Audubon Water Company	:	

FIRST INTERIM ORDER
Amendment to Litigation Schedule
And
Stay of Proceedings

On October 25, 2024, Audubon Water Company (Audubon), Utility Code 210060, filed Supplement No. 7 to Tariff Water – Pa. PUC No. 4 (Supplement No. 7) with the Pennsylvania Public Utility Commission (Commission) to become effective December 26, 2024. Supplement No. 7 would increase Audubon’s total annual operating revenues for water service by approximately \$999,975, or 33.8%.

On November 6, 2024, the Office of Consumer Advocate (OCA) filed a public statement and Formal Complaint at Docket No. C-2024-3051996. In addition to the Formal Complaint filed by OCA, a formal complaint was filed by the Office of Small Business Advocate on November 15, 2024, at Docket No. C-2024-3052127. On December 18, 2024, Methacton School District (Methacton S. D.) filed a formal complaint at Docket No. C-2024-3052711 on behalf of the Arrowhead and Woodland Elementary Schools. On December 27, 2024, Kyle Mathews filed a formal complaint at Docket No. C-2024-3052713. No other formal complaints or petitions to intervene have been filed, to date.

By Order entered December 5, 2024, the Commission suspended the implementation of Supplement No. 7 to Tariff Water - Pa. PUC No. 4 by operation of law, pursuant to 66 Pa.C.S. § 1308(d), until July 26, 2025, unless permitted by Commission Order to become effective at an earlier date, and instituted an investigation into the lawfulness, justness, and reasonableness of the rates, rules, and regulations proposed in Supplement No. 7. On December 4, 2024, the Office of Administrative Law Judge (OALJ) scheduled a prehearing conference to be conducted telephonically on December 16, 2024; and the presiding officer issued the Prehearing Conference Order which advised the parties about various procedural issues including the necessity of filing prehearing memoranda.

On December 16, 2024, Administrative Law Judge Katrina L. Dunderdale conducted a call-in telephonic prehearing conference with the parties in which various procedural matters were discussed, including the scheduling of four public input hearings (two in-person and two telephonic) and the establishment of a litigation schedule. Present during the call-in telephonic prehearing conference were counsel representing Audubon, BIE, OCA and OSBA. Also discussed at the prehearing conference was the impact of a related but separate proceeding at Docket No. A-2023-3043194, et al (Acquisition Proceeding) involving the joint request of Audubon with Pennsylvania-American Water Company (PAWC) for Commission approval of a merger/acquisition of Audubon by PAWC.¹

Accordingly, on December 19, 2024, the presiding officer issued the Prehearing Order which memorialized the matters discussed by the parties during the prehearing conference and which established the litigation schedule.

On January 7, 2025, Audubon filed the Unopposed Voluntary Motion to Extend Suspension Period and Procedural Schedule (Motion to Suspend). In the Motion to Suspend, Audubon asserts the Commission and presiding officer are empowered to extend the suspension period if the utility requesting a rate increase asks the Commission to extend the suspension

¹ On December 23, 2024, the Commission issued the Recommended Decision in the Acquisition Proceeding in which the presiding officer recommended the Commission approve the joint request of Audubon and PAWC for the merger of Audubon into a PAWC-related entity with the eventual acquisition of Audubon by PAWC.

period, pursuant to Pa. Pub. Util. Comm'n v. Community Utilities of PA. Inc., Docket No. R-2023-3042804 (Order entered Jan. 25, 2024). Audubon further asserted extending the suspension period would benefit the public interest by allowing for the conservation of resources for all parties, on the assumption the merger anticipated in the Acquisition Proceeding (at Docket No. A-2023-3043194, et al) between Audubon and PAWC closes by or about April 1, 2025. Audubon requested the suspension period should be extended from July 26, 2025, to October 24, 2025.

Audubon offered to file monthly status reports regarding the Commission's decision in the Acquisition Proceeding as well as the status of the closing on the merger. Lastly, Audubon suggested it would notify the presiding officer and the parties on April 1, 2025, whether Audubon would withdraw its request for a base rate increase, would seek a further extension or would seek to resume the litigation of the base rate request.

Audubon noted it was authorized to represent to the presiding officer and to the Commission that BIE, OCA, OSBA and the Methacton S.D. did not oppose the Motion to Suspend. In addition, after consultation with the other parties, Audubon provided a suggested litigation schedule, to which the parties (BIE, OCA, OSBA and the Methacton S.D) agreed in the event the litigation resumed after April 1, 2025.

Discussion

Pursuant to the provisions of the Public Utility Code and the provisions at 66 Pa. C.S. § 1308(d), the Commission and the presiding officer lack the authority to unilaterally extend the suspension period. However, Audubon, as the requesting utility, voluntarily can file a new tariff supplement which extends the suspension period from July 26, 2025, to October 24, 2025. Accordingly, Audubon will be granted until January 21, 2025, in which to file a new tariff supplement which provides the parties with additional time to ascertain if the proposed merger/acquisition of Audubon by PAWC will be accomplished in a timely manner.

Assuming Audubon files the new tariff on or before January 21, 2025, the litigation schedule will be amended, as outlined in the Ordering Paragraphs below, unless amended by the presiding officer in a subsequent order.

AND NOW, to wit, this 9th day of January 2025, upon receiving notice of the Motion to Suspend,

THEREFORE,

IT IS ORDERED:

1. That Audubon Water Company is ordered to file, within 10 days of the date of this Order, a tariff supplement reflecting further suspension of this matter to October 24, 2025.

2. That, on or before April 1, 2025, Audubon Water Company will file a Petition to Withdraw in the filing at Docket No. R-2024-3051816.

3. That if Audubon Water Company fails to file a Petition to Withdraw or a Motion to Further Suspend on or before April 1, 2025, the suspension specified in Ordering Paragraph No. 1 above will remain effective and the litigation schedule outlined below in Ordering Paragraph No. 4 will be established without any further Order from the Commission.

4. That the litigation schedule outlined in the Prehearing Order dated December 19, 2024, is amended to reflect the following new litigation schedule:

Audubon Updated Testimony	April 15, 2025
Public Input Hearings	TBD
Other Party's Direct Testimony	May 15, 2025
Written Rebuttal Testimony	May 28, 2025
Written Surrebuttal Testimony	June 9, 2025

Written Rejoinder Outlines	June 11, 2025
Hearings	June 12-13, 2025
Close of Record	June 13, 2025
Main Briefs	June 27, 2025
Reply Briefs	July 8, 2025
Last Public Meeting before suspension date	October 9, 2025
Suspension Date	October 24, 2025

Date: January 9, 2025

/s/
Katrina L. Dunderdale
Administrative Law Judge

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Revised: December 30, 2024

WHITNEY E SNYDER ESQUIRE
THOMAS J SNISCAK ESQUIRE
ERICH W STRUBLE ESQUIRE
HMS LEGAL LLP
501 CORPORATE CIRCLE SUITE 302
HARRISBURG PA 17110
717-236-1300

wesnyder@hmslegal.com
tjsniscak@hmslegal.com
ewstruble@hmslegal.com
wesnyder@hmslegal.com

Accepts eService
(Counsel for Audubon Water Company)

SCOTT B GRANGER ESQUIRE
PA PUC BUREAU OF INVESTIGATION
& ENFORCEMENT
SECOND FLOOR WEST
400 NORTH STREET
HARRISBURG PA 17120
717-425-7593
717-884-1440

sgranger@pa.gov
Accepts eService

KATHERINE M KENNEDY ESQUIRE
HARRISON W BREITMAN ESQUIRE
RYAN MORDEN ESQUIRE
PATRICK M CICERO ESQUIRE
OFFICE OF CONSUMER ADVOCATE
555 WALNUT STREET
5TH FLOOR FORUM PLACE
HARRISBURG PA 17101-1923
1-800-684-6560

kkennedy@paoca.org
hbreitman@paoca.org
rmorden@paoca.org
pcicero@paoca.org
(#C-2024-3051996)

Accepts eService

REBECCA LYTTLE ESQUIRE
OFFICE OF SMALL BUSINESS
ADVOCATE
555 WALNUT STREET
1ST FLOOR
HARRISBURG PA 17101
717-783-2525

relyttle@pa.gov
(#C-2024-3052127)
Served via email

JASON SORGINI
METHACTON SCHOOL DISTRICT
1001 KRIEBEL MILL ROAD
EAGLEVILLE PA 19426
610-489-5011

jsorgini@methacton.org
(#C-2024-3052711)
Accepts eService

ERIC C FREY ESQUIRE
DISCHELL BARTLE & DOOLEY PC
224 KING STREET
POTTSTOWN PA 19464
215-362-2474

efrey@dbdlaw.com
Accepts eService
(Counsel for Arrowhead and Woodland Elementary Schools, Methacton School District)

KYLE MATHEWS
804 MOCKINGBIRD LANE
AUDUBON PA 19403
609-707-5212

kmathews7@gmail.com
(#C-2024-3052713)
Accepts eService