



COMMONWEALTH OF PENNSYLVANIA

January 28, 2025

E-FILED

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Application of Aqua Pennsylvania Wastewater, Inc. Pursuant to Sections 507, 508, 1102 and 1329 of the Public Utility Code for Approval of its Acquisition of the Wastewater System Assets of the City of Beaver Falls / Docket No. A-2022-3033138

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

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/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID No. 201399

Enclosures

cc: Kevin Higgins
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Application of Aqua Pennsylvania
Wastewater, Inc. pursuant to Sections
1102 and 1329 of the Public Utility Code
for:** : **Docket No. A-2022-3033138**

**(1) approval of the acquisition of Aqua of
the wastewater system assets of the City of
Beaver Falls situated within City of
Beaver Falls Eastvale Borough, and West
Mayfield Borough, Beaver County,
Pennsylvania;** :

**(2) approval of the right of Aqua to begin
to offer, render, furnish and supply
wastewater service to the public in the
City of Beaver Falls, Beaver County,
Pennsylvania; and** :

**(3) an order approving the acquisition
that includes the ratemaking rate base of
the City of Beaver Falls wastewater
system assets pursuant to Section
1329(c)(2) of the Public Utility Code.** :

**Request for Approval of Contracts,
including Assignments of Contracts,
between Aqua and the City of Beaver
Falls, Pursuant to Section 507 of the
Public Utility Code** :

**Request for Approval to Modify
Agreements with Municipal Corporations
to be assigned by Aqua Upon Closing of
the Acquisition by Aqua of the
Wastewater System Assets of Beaver
Falls, to the extent such modifications are
necessary, Pursuant to Section 508 of the
Public Utility Code** :

**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 customers 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”). To discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocate Rebecca Lyttle. Please address all correspondence in that matter as follows:

Rebecca Lyttle, Esq.
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, Pennsylvania 17101
relyttle@pa.gov

II. FILING BACKGROUND

The Application was filed by Aqua Pennsylvania Wastewater, Inc. (“Aqua” or the “Company”) on February 21, 2023, regarding the acquisition subject to the purchase asset agreement signed between Aqua and the City of Beaver Falls (the “City”) executed on October 20, 2021. The Application requests (1) approval of the acquisition by Aqua of the wastewater system assets of the City; (2) the approval of the right of Aqua to begin to offer, render, furnish and supply wastewater service to the public in the City; (3) that the Commission include in its order approving the acquisition, the ratemaking rate base of the City wastewater system assets as

determined under §1329(c)(2) of the Public Utility Code: (4) that the Commission issue certificates for filing, pursuant to §507 of the Public Utility Code, for certain municipal contracts that Aqua has included in the Application (to the extent necessary), including new service agreements that Aqua will negotiate and enter into with Big Beaver Borough, West Mayfield Borough, White Township, North Sewickley Township, Eastvale Borough, Patterson Township, and Patterson Heights Borough (the “Contributing Municipalities”) prior to Closing and which will replace any prior agreements; and (5) that the Commission allows certain existing agreements between Aqua and the Contributing Municipalities to be modified because the agreements contain a rate formula that is inconsistent with the rates charged by the City to the Contributing Municipalities.

On March 17, 2023, the OSBA filed a Protest and Notice of Intervention in response to the *Application*.

III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding is:

Kevin C. Higgins
Energy Strategies
111 East Broadway, Suite 1200
Salt Lake City, Utah 84111
(801) 355-4365
khiggins@energystrat.com

The OSBA will participate in this proceeding to ensure that the interests of small business customers are adequately represented and protected. After an initial review of the materials submitted by Aqua, the OSBA has identified the following issues that it will evaluate in these proceedings:

- (1) Whether the transaction results in the provision of safe, adequate, and reasonable service at just and reasonable rates for the small business customers of both the Aqua and City Service Area;
- (2) Whether rates will increase for Aqua and the City's small business customers;
- (3) Whether Aqua and the City's small business customers will receive information about the OSBA on any late payment notices they may receive;
- (4) Whether the transaction result in substantial affirmative benefits; and
- (5) Whether a formal payment assistance program will be enacted for the small business customers of Aqua and the City.

The OSBA reserves the right to pursue additional issues that may 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 date¹ as satisfying the in-hand requirement.

The OSBA requests that email delivery of documents also be provided to its witness, identified above.

In addition to email copies of pleadings, briefs, and exceptions, the OSBA requests email copies of responses to discovery propounded by the OSBA or any other party.

V. SETTLEMENT

The OSBA notes its willingness to enter 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.

The OSBA agrees to incorporate either a mediator or a settlement judge to these proceedings.

VI. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the OSBA is working with the parties to develop a procedural schedule.

The OSBA agrees to have a telephonic evidentiary hearing.

Respectfully submitted,

/s/ Rebecca Lyttle

Rebecca Lyttle
Assistant Small Business Advocate
Attorney ID # 201399

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

Dated: January 28, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Application of Aqua Pennsylvania
Wastewater, Inc. pursuant to Sections 1102
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**(1) approval of the acquisition of Aqua of the
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service to the public in the City of Beaver
Falls, Beaver County, Pennsylvania; and** :

**(3) an order approving the acquisition that
includes the ratemaking rate base of the City
of Beaver Falls wastewater system assets
pursuant to Section 1329(c)(2) of the Public
Utility Code.** :

**Request for Approval of Contracts, including
Assignments of Contracts, between Aqua and
the City of Beaver Falls, Pursuant to Section
507 of the Public Utility Code** :

**Request for Approval to Modify Agreements
with Municipal Corporations to be
assigned by Aqua Upon Closing of
the Acquisition by Aqua of the Wastewater
System Assets of Beaver Falls, to the extent
such modifications are necessary, Pursuant
to Section 508 of the Public Utility Code** :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via e-mail (*unless other 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 F. Joseph Brady
Administrative Law Judge
Pennsylvania Public Utility Commission |
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Philadelphia, PA 19107
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DATE: January 28, 2025

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/s/ Rebecca Lyttle
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