

**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
Sylvester and Sherre Carter	:	C-2025-3053168
	:	
v.	:	
	:	
Audubon Water Company	:	

SECOND INTERIM ORDER
Further 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 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

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.

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.

Accordingly, on January 9, 2025, the presiding officer issued the First Interim Order which granted Audubon's request to suspend the litigation schedule, noting the voluntary extension of the suspension period by Audubon to October 24, 2025.

On January 21, 2025, Audubon filed the Notice at Tariff Water – Pa. PUC No. 4 Supplement No. 9 suspending the application of rates to October 24, 2025.

On April 1, 2025, Audubon filed the Unopposed Motion for Further Extension of Suspension Period and Procedural Schedule (Further Motion to Suspend). Audubon asserted it had contacted OCA, BIE, OSBA, and the Methacton SD, and it was authorized to indicate those parties did not oppose the requested extension. In its Further Motion to Suspend, Audubon avers Audubon and PAWC have not closed on the acquisition transaction and Audubon currently intends to continue with efforts to close on the acquisition transaction by May 31, 2025. Audubon contends the public interest will benefit from the conservation of resources for Audubon as well as the Commission, if the acquisition by PAWC proceeds. Audubon notes it will resume its base rate proceeding if the acquisition transaction is not completed by June 1, 2025. Audubon requests the Commission further extend the litigation schedule from July 26, 2025 to December 23, 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. Audubon, as the utility requesting a base rate increase, voluntarily can file a new tariff supplement which extends the suspension period from July 26, 2025, to

December 23, 2025. Accordingly, Audubon will be granted until April 14, 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 April 14, 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 2nd day of April 2025, upon receiving the Further Motion to Suspend filed by Audubon Water Company,

THEREFORE,

IT IS ORDERED:

1. That Audubon Water Company is ordered to file a tariff supplement reflecting further suspension of this matter to December 23, 2025.
2. That, on or before June 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 an appropriate motion on or before June 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	June 13, 2025
Public Input Hearings	TBD
Other Party's Direct Testimony	July 14, 2025

Written Rebuttal Testimony	July 28, 2025
Written Surrebuttal Testimony	August 8, 2025
Written Rejoinder Outlines	August 11, 2025
Hearings	August 12-13, 2025
Close of Record	August 13, 2025
Main Briefs	August 26, 2025
Reply Briefs	September 5, 2025
Last Public Meeting before suspension date	December 4, 2025
Suspension Date	December 23, 2025

Date: April 2, 2025

/s/
Katrina L. Dunderdale
Administrative Law Judge

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AUDUBON WATER COMPANY**

Revised: April 2, 2025

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