

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of Pennsylvania-American	:	A-2025-3052745
Water Company and Corner Water Supply &	:	A-2025-3052747
Service Corporation for approval of: (1) the	:	
Transfer by sale of certain water service facilities	:	
From Corner Water Supply & Service Corporation	:	
To Pennsylvania-American Water Company;	:	
(2) the abandonment by Corner Water Supply &	:	
Service Corporation of water service to public in	:	
Elk and Paint Townships, Clarion County; and	:	
(3) Pennsylvania-American Water Company’s right	:	
To begin to offer, render, furnish or supply water	:	
Service to the public in additional portions of Elk	:	
And Paint Townships, Clarion County, Pennsylvania:	:	

PREHEARING ORDER

On December 31, 2024, Pennsylvania American Water Company (PAWC) and Corner Water Supply and Service Corporation (Corner Water) (collectively, the Joint Applicants) filed an application with the Commission to request approval pursuant to Sections 1101, 1102, and 1103 of the Public Utility Code. Specifically, the Joint Applicants are requesting: (1) the transfer, by sale, of all assets, property, and rights of Corner Water owned and used in connection with its water system to PAWC, (2) the right of PAWC to begin to offer, render, furnish and supply water service to the public in portions of Elk and Paint Townships, Clarion County, Pennsylvania, currently served by Corner, and (3) the abandonment by Corner of all water service to the public.

Corner Water serves approximately 605 customers, of which 355 are residential, 83 are commercial, 5 are industrial, 2 are public fire service, and 160 customers categorized as “other” (customers in two Mobile Home Park Communities). PAWC provides water service to approximately 686,789 customers throughout the Commonwealth.

By Secretarial Letter dated January 2, 2025, the Commission directed PAWC to serve copies of the application to each city, borough, town, township, county and related planning office, which is included, in whole or in part, in the proposed service area; a water or wastewater utility, municipal corporation or authority which provides water or wastewater collection, treatment, and disposal service to the public and whose service area abuts or is within 1 mile of the service area proposed in the application; and to the Office of Consumer Advocate (OCA), Office of Small Business Advocate (OSBA), and the Department of Environmental Protection's central and regional offices. The Secretarial Letter also directed PAWC to publish notice of the above captioned proceeding once a week for two consecutive weeks in a newspaper having a general circulation in the area involved and file proof of publication with the Commission on or before February 3, 2025. On February 3, 2025, PAWC submitted proof showing publication of the above captioned proceeding in the Clarion News for two consecutive weeks.

The Joint Application was published in the *Pennsylvania Bulletin* on January 18, 2025, and the Commission set a 16-day deadline from the publication of the notice, or by February 3, 2025. 55 Pa.B. 650.

On January 17, 2025, OSBA filed a Notice of Appearance. On January 28, 2025, OSBA filed a Protest, Public Statement, and Notice of Intervention. On January 29, 2025, OSBA filed an Amended Protest, Amended Public Statement, and Amended Notice of Intervention.

On February 12, 2025, I sent electronic mail correspondence to counsel for the Joint Applicants, OSBA, and OCA, directing the parties to submit prehearing conference memoranda on or before 12:00 P.M. on February 18, 2025.

On February 13, 2025, the OALJ issued a Notice setting the date and time for the prehearing conference in this matter for February 19, 2025, at 11:00 A.M.

On Friday February 14, 2025, the OCA filed a Notice of Intervention and separately filed a Protest *Nunc Pro Tunc* and Public Statement.

On February 17, 2025, Corner Water filed its Prehearing Memorandum. On February 18, 2025, PAWC, OCA, and OSBA filed Prehearing Memoranda.

On February 19, 2025, the prehearing conference convened as scheduled. Erin Fure, Esq., was present on behalf of PAWC, Eric Cummings, Esq., was present on behalf of Corner Water, Melanie El Atieh, Esq., was present on behalf of OCA, and Rebecca Lyttle, Esq., was present on behalf of OSBA. The parties all agreed to be served by electronic mail. Without objection from any party, I consolidated A-2025-3052745 with A-2025-3052747 and granted OCA's request to have its Protest considered *nunc pro tunc*.

After discussion, the parties agreed to forgo the setting of a procedural schedule at and schedule a status conference to be held in 45 days. On the record, I scheduled the status conference for April 8, 2025, at 10:00 a.m.

On February 19, 2025, the Commission issued a Notice, scheduling a status conference for April 8, 2025.

On February 20, 2025, I issued an Interim Order memorializing the actions taken and discussions occurring during the February 19, 2025, prehearing conference.

On February 21, 2025, Joint Applicants filed a Petition for a Protective Order, which was issued on February 25, 2025.

The status conference convened as scheduled on April 8, 2025. Ms. Fure was present on behalf of PAWC, Mr. Cummings was present on behalf of Corner Water, Ryan Morden, Esq., was present on behalf of OCA, and Ms. Lyttle and Steven Gray, Esq. were present on behalf of OSBA.

Ms. Fure advised that the parties had made progress towards reaching a settlement and, while believing that settlement was a possibility, wanted to set a procedural schedule at this time. Ms. Fure advised the parties had agreed to a schedule and provided it to me on the record.

Litigation Schedule

The parties agreed upon the following litigation schedule, which is hereby adopted:

<u>Date</u>	<u>Event</u>
April 28, 2025	Joint Applicant Direct Testimony
June 2, 2025	Written Direct Testimony of All Other Parties
June 23, 2025	Written Rebuttal Testimony Due
July 14, 2025	Written Surrebuttal Testimony Due
July 21, 2025	Written Rejoinder*
July 23-24, 2025	Evidentiary Hearings <u>in Person in Pittsburgh**</u>
August 18, 2025	Main Briefs Due
September 4, 2025	Reply Briefs Due or Submission of Joint Settlement Petition Executed By Representatives of All Parties, Together With All Parties' Statements In Support of Settlement

* When the parties serve their written rejoinder on July 21, 2025, they must also serve the Presiding ALJ with a witness matrix and list of proposed exhibits.

** Corner Water's service territory is located in Clarion County, PA. The closest and most accessible office of the Office of Administrative Law Judge to the service territory is Pittsburgh, PA.

The parties are reminded of the Commission's requirements for the preparation and filing of written testimony. 52 Pa.Code §§ 5.412 and 5.412a. Written testimony must be accompanied by all exhibits to which it relates. Technical terms and concepts are to be clearly defined and explained in the testimonies and briefs. **No written testimony will be admitted into evidence unless accompanied by a verification or affidavit of the witness.**

Parties serving prepared testimony in proceedings pending before the Commission pursuant to 52 Pa.Code § 5.412(f) shall be required, within thirty (30) days after the final hearing in an adjudicatory proceeding, to e-file with the Secretary's Bureau a copy of all

testimony furnished to the court reporter during the proceeding consistent with 52 Pa.Code § 5.412a.

The above-stated dates are in-hand dates for service on the parties and the presiding Administrative Law Judge (ALJ). I agree to accept email transmission of such material, so long as the subject email is received by 4:30 p.m. on the date due. My email address is edevoe@pa.gov. There is no need to follow email service upon the me a with hard copy.

Hearings will begin promptly at **10:00 a.m. on July 23 and 24, 2025**. The parties must confer before commencement of the hearings to schedule their witnesses so as to avoid “holes” or “dead time” during the hearings.

Public Input Hearings

To date, no party has expressed consumer interest in this matter such that the scheduling of public input hearings is warranted. The parties are directed to advise me immediately if this situation changes.

Discovery

The parties shall engage in informal discovery whenever and wherever possible in an attempt to resolve any discovery disputes amicably. 52 Pa.Code § 5.322. If this process fails, the parties have recourse to the Commission’s procedures for formal discovery, as herein modified. 52 Pa.Code §§ 5.321, *et seq.* The parties must not send the Presiding ALJ discovery material or cover letters, unless attached to a motion to compel. **All motions to compel must contain a certification of counsel of the informal discovery undertaken and their efforts to resolve their discovery disputes informally.** If a motion to compel fails to contain such certification, the Presiding ALJ will contact the parties and direct them to pursue informal discovery.

At the status conference on April 8, 2025, no party proposed any discovery rule modifications.

Settlement

The parties are reminded it is the Commission's policy to encourage settlements. 52 Pa.Code § 5.231(a). The parties are strongly urged to continue to seriously explore this possibility.

In the event that a partial settlement is achieved, the parties should be prepared to proceed on the first scheduled day of hearing to present evidence on the non-resolved issues.

In the event that a full settlement is achieved, the parties should notify the presiding ALJ as soon as possible prior to the scheduled hearings, but no later than **12:00 p.m. noon on Friday, July 18, 2025**. If the parties reach a full settlement, they may choose to convene on July 23, 2025, and/or July 24, 2025, as scheduled and offer their written testimonies and exhibits on the record. **If the parties choose to convene solely to have written testimony admitted, the presiding ALJ may make a request to the Commission's Executive Director to have the hearing be converted from an in person hearing to a telephone hearing.** Testimonies and exhibits may be admitted into the record upon oral motion as long as the other parties waive cross-examination of the witness and an appropriate verification has been filed with the Commission's Secretary's Bureau.

If the parties reach a full settlement or otherwise deem it appropriate, they may request that the ALJ cancel the evidentiary hearings. Such a request should be made as soon as possible prior to the scheduled hearings, but no later than **12:00 p.m. noon on Friday, July 18, 2025**. The ALJ will not cancel the evidentiary hearings unless and until the parties file a fully-executed joint stipulation for the admission of evidence with the Secretary's Bureau. The stipulation must include: (1) a stipulation that all parties waive cross-examination of all witnesses, (2) a list of all testimonies and exhibits to be admitted into the record, either embedded within the stipulation or attached to the stipulation, and (3) a stipulation that the

testimonies and exhibits to be admitted into the record are admissible and should be admitted. If such a stipulation is filed, the ALJ may issue an Order adopting the stipulation, admitting the evidence into the record, cancelling the evidentiary hearings, and ordering the parties to file their testimonies and exhibits, with appropriate verifications, with the Commission's Secretary's Bureau along with a copy of the Order.

A joint settlement petition, if any, must be executed by representatives of all parties, and, together with all parties' statements in support of settlement, must be filed with the Secretary's Bureau, with *Microsoft Office Word* compatible versions of the same emailed to the presiding ALJ. Any settlement petition must include stipulated findings of fact, proposed conclusions of law, and proposed ordering paragraphs.

Stipulations

If settlement is not feasible, the parties are encouraged to stipulate to any matters they reasonably can to expedite this proceeding, lessen the burden of time and expenses in litigation on all parties and conserve precious administrative hearing resources. 52 Pa.Code §§ 5.232 and 5.234.

All stipulations entered into by the parties must be reduced to writing, signed by the parties to be bound thereby, and moved into the record in this case either orally at an evidentiary hearing or through a motion filed with the Secretary's Bureau.

Cross-Examination

Friendly cross-examination or cumulative cross-examination during hearings will not be permitted. 52 Pa.Code §§ 5.76 & 5.243.

Briefs

The parties must comply with 52 Pa.Code §§ 5.501, *et seq.*, regarding the preparation and filing of briefs. Page limitations on briefs will be discussed on or before the last day of hearing. The parties shall submit an electronic copy of all briefs to the Presiding ALJ in a *Microsoft Office Word* format.

Modification

Any of the provisions of this Prehearing Order may be modified upon motion and good cause shown by any party in interest.

Date: April 9, 2025

/s/
Emily I. DeVoe
Administrative Law Judge

A-2025-3052745, A-2025-3052747- JOINT APPLICATION OF PENNSYLVANIA AMERICAN WATER COMPANY AND CORNER WATER SUPPLY AND SERVICE CORPORATION PURSUANT TO SECTION 1102 OF THE PUBLIC UTILITY CODE, FOR APPROVAL OF (1) THE TRANSFER TO PENNSYLVANIA AMERICAN WATER COMPANY, BY SALE, OF ALL PROPERTY OF CORNER WATER SUPPLY AND SERVICE CORPORATION USED AND USEFUL IN THE PUBLIC SERVICE; (2) THE RIGHT OF PENNSYLVANIA AMERICAN WATER COMPANY TO BEGIN TO OFFER, RENDER, FURNISH AND SUPPLY WATER SERVICE TO THE PUBLIC IN PORTIONS OF ELK AND PAINT TOWNSHIPS IN CLARION COUNTY, PENNSYLVANIA, AND (3) THE ABANDONMENT BY CORNER WATER SUPPLY AND SERVICE CORPORATION OF ALL WATER SERVICE.

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