

COMMONWEALTH OF PENNSYLVANIA



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July 11, 2025

Via Hand Delivery

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v.
Pittsburgh Water and Sewer Authority
d/b/a Pittsburgh Water
Docket No. R-2025-3055010 (Water)
R-2025-3055011 (Wastewater)
R-2025-3055012 (Storm Water)

Dear Secretary Homsher:

Attached for electronic filing, please find enclosed a copy of the Prehearing Conference Memorandum submitted on behalf of the Office of Consumer Advocate in this proceeding.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Christy M. Appleby
Christy M. Appleby, Esq.
Senior Assistant Consumer Advocate
PA Attorney I.D. # 85824
E-Mail: CAppleby@paoca.org

Enclosures

cc: Administrative Law Judge Emily I. DeVoe (Email Only: edevoe@pa.gov)
Administrative Law Judge Ann Quimby (Email Only: aquimby@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
 : Docket No. R-2025-3055010
 v. : R-2025-3055011
 : R-2025-3055012
 Pittsburgh Water and Sewer Authority :
 d/b/a Pittsburgh Water :

I hereby certify that I have this day filed electronically on the Commission’s electronic filing system and served a true copy of the following document, the Office of Consumer Advocate’s Prehearing Conference Memorandum, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 11th day of July 2025.

SERVICE BY E-MAIL ONLY

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Fax: 717-783-7152

Dated: July 11, 2025

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	Docket Nos. R-2025-3055010 (Water)
v.	:	R-2025-305501(Wastewater)
	:	R-2025-3055012 (Stormwater)
Pittsburgh Water and Sewer Authority	:	

PREHEARING CONFERENCE MEMORANDUM
OF THE
OFFICE OF CONSUMER ADVOCATE

Pursuant to the Prehearing Conference Order issued on July 10, 2025, in the above-captioned proceeding, by the Honorable Administrative Law Judges (ALJs) Emily I. DeVoe and Ann Quimby, of the Office of Administrative Law Judge (OALJ) of the Pennsylvania Public Utility Commission (Commission), and pursuant to Section 333 of the Public Utility Code (Code), 66 Pa. C.S. Section 333, and the Commission’s regulations at 52 Pa. Code Sections 5.221-5.224, the Pennsylvania Office of Consumer Advocate (OCA) submits the following Prehearing Conference Memorandum.

I. INTRODUCTION AND PROCEDURAL HISTORY

On June 4, 2025, Pittsburgh Water and Sewer Authority d/b/a Pittsburgh Water (Pittsburgh Water or the Authority) filed Tariff Water – PA P.U.C. No. 1, Supplement No. 16, Tariff Wastewater PA P.U.C. No. 1, Supplement No. 15 and Tariff Storm Water PA P.U.C. No. 1, Supplement No. 7 with the Commission. The Authority proposes a multi-year rate increases to produce additional

overall revenues by approximately \$84 million over two years – an initial rate increase of \$63.7 million (an increase of 25.9%) in 2026 and another rate increase of \$20.7 million (6.7%) in 2027.

Pittsburgh Water serves approximately 81,000 water customers, 29,000 wastewater customers, and 4,300 stormwater customers, primarily in the City of Pittsburgh, the Boroughs of Millvale, McKees Rocks, Sharpsburg, Swissvale, Wilkinsburg and Blawnox, and portions of Reserve, O’Hara, Ross, Penn Hills and Shaler Townships in Allegheny County. It provides wastewater service and stormwater service in the City of Pittsburgh. The Authority’s wastewater system is a collection and conveyance system only. It does not include treatment. Wastewater is conveyed to the regional Allegheny County Sanitary Sewer Authority for treatment.

The customer notices included in Pittsburgh Water’s filing indicate that Residential Customers would be impacted by the rate increases as follows:

For a typical Residential customer using 3,000 gallons of water per month with a 5/8-inch meter and who generates stormwater runoff from 1 Equivalent Residential Unit (ERU).

Residential	Current Rates	2026 Rates	2027 Rates
Water	\$64.30	\$73.18	\$78.75
Wastewater	\$21.61	\$23.75	\$26.16
Stormwater	\$10.06	\$12.34	\$12.62
DSIC	\$4.30	\$7.72	\$8.57
PVC	-	\$6.03	\$9.39
Total	\$100.27	\$123.02	\$135.49

For a typical Residential customer enrolled in the Bill Discount Program using 3,000 gallons of water per month with a 5/8-inch meter and who generates stormwater runoff from 1 ERU.

Residential Bill Discount	Current Rates	2026 Rates	2027 Rates
Water	\$32.76	\$33.84	\$36.94
Wastewater	\$13.36	\$12.88	\$13.17
Stormwater	\$ 1.51	\$ 1.85	\$ 1.89
DSIC	\$ 2.31	\$ 3.73	\$ 4.11
PVC	-	\$ 3.01	\$ 4.70
Total	\$49.94	\$55.31	\$60.81

Pittsburgh Water’s request for approval of multi-year rates increases is a request for approval of “alternative ratemaking” under Section 1330 of the Public Utility Code. Pittsburgh Water requests that the initial rate increase take effect on March 8, 2026 (the end of the statutory suspension period), and the additional rate increase take effect on January 1, 2027.

Additionally, to develop its cost of service or revenue requirement claims, which is the amount of dollars upon which rates would be set, Pittsburgh Water uses a historic test year ending December 31, 2024, a future test year (FTY) ending December 31, 2025, and a fully projected future test year (FPFTY) ending December 31, 2026. The test years align with the Authority’s fiscal year (FY) which runs January 1 through December 31. It appears that the Authority also relies on additional projections in FY 2027 beyond the FPFTY to develop its requested rate increase, and the OCA addresses this issue more fully below.

Pittsburgh Water also requests to expand the PENNVEST Surcharge starting in fiscal year 2026. Additionally, the filing requests approval of the elimination of the minimum usage allowances built into the water and wastewater minimum charges beginning January 1, 2027, and shifting recovery of the associated revenues with those allowances to volumetric rates. Pittsburgh Water also proposes modifications to its customers assistance programs including extending the

Bill Discount Program recertification requirement from two years to five years for customers on fixed incomes of Social Security and/or retirement benefits; automatically enrolling customers into the Bill Discount Program who apply for and receive a Hardship Fund Grant through one of the community-based organizations partnering with Dollar Energy Fund; converting the Line Repair and Water Conservation Pilot Program into a permanent low-income assistance program; making enhancements to the Arrearage Forgiveness Program; and proposing to reduce usage charges related to undetected water leaks.

On June 25, 2025, the OCA filed a Formal Complaint, Public Statement, and Notice of Appearance in this proceeding to protect the interests of consumers in the Authority's service territory and to ensure that the Authority is permitted to implement only a level of rates that is just and reasonable and in accordance with sound ratemaking principles.

On June 12, 2025, the Commission's Bureau of Investigation & Enforcement (I&E) filed a Notice of Appearance. On June 12, 2025, the Office of Small Business Advocate (OSBA) filed its Notice of Appearance in the matter, and on June 25, 2025, OSBA filed its Formal Complaint, Notice of Intervention, and Public Statements. On June 25, 2025, a Petition to Intervene and Answer was also filed by Pittsburgh United Out Water Table (Our Water Table).

On July 10, 2025, the Commission issued an Order that initiated an investigation into the lawfulness, justness, and reasonableness of the proposed rate increase in this filing in addition to the Authority's existing rates, rules, and regulations, assigned this matter to the OALJ for further proceedings as appropriate, and suspended the effective date of the tariff until March

II. PITTSBURGH WATER PETITIONS

In conjunction with its base rate filing, Pittsburgh Water filed four Petitions: (1) a Petition for Waiver of Provisions of Act 11 to Increase the DSIC CAP (DSIC Petition); (2) a Petition for

Consolidation of Water, Wastewater and Stormwater Rate Proceedings and for Authorization to Use Combined Water, Wastewater and Stormwater Revenue Requirements (Consolidation Petition); (3) a Petition for Waiver of Statutory Definition Fully Projected Future Test Year (FPFTY Petition); and (4) a Petition to Consolidate the DSIC Increase Petition with Base Rate Filings for Water, Wastewater and Stormwater (DSIC Consolidation Petition). On June 25, 2025, the OCA filed an Answer in Opposition to the DSIC Petition. As discussed in more detail in the OCA's Answer to the DSIC Petition, the OCA requests that the DSIC Petition not be approved but does not oppose that it be consolidated with the instant matter for investigation and development of the evidentiary record.

By way of letters filed to the instant dockets on June 25, 2025, the OCA indicated that it does not oppose Pittsburgh Water's Consolidation Petition, FPFTY Petition, and the DSIC Consolidation Petition. The OCA incorporates its Letters in Lieu of Answers here.

III. ISSUES

Based upon a preliminary analysis of Pittsburgh Water's general rate increase filing, the OCA has compiled a list of issues and sub-issues which it anticipates will be included in its investigation of the Authority's rate request. It is anticipated that other issues may arise and may be pursued once the answers to all the OCA's interrogatories have been received and analyzed.

At the outset, and as stated above, it appears that the Authority is relying on additional projections beyond the FPFTY to develop its proposed revenue requirement and multi-year rate increases. *See* Pittsburgh Water St. No. 2 at 28-30. To the extent that the Authority is relying on projections in FY 2027 (Projected FY 2027) as an additional test year beyond the FPFTY to develop its revenue requirement increase, this presents both legal and technical issues for review. The primary legal issue is one of statutory construction. Section 315(e) of the Public Utility Code

expressly permits the use of the FTY and FPFTY but not a test year beyond the FPFTY. 66 Pa. C.S. § 315(e). The plain language of Section 315(e) is free and clear from all ambiguity. 1 Pa. C.S. § 1921(a). While Section 1330 permits the use of Commission-approved alternative ratemaking, Section 1330 cannot be read to conflict with Section 315(e) of the Code. Indeed, every statute shall be construed, if possible, to give effect to all its provisions. 1 Pa. C.S. § 1921(a). Hence, the Authority's use of the Projected FY 2027 beyond the FPFTY is not permissible by statute and the use of it to develop ratemaking claims is inconsistent with applicable law, and this legal issue applies to all the other issues and sub-issues listed below.

The issues and sub-issues set forth below, and others that may develop during discovery, will be analyzed and presented as appropriate by the OCA with the assistance of its expert witnesses:

A. Accounting and Finance

1. The OCA will examine the Authority's claimed revenues and any adjustments to the level of revenues. The OCA will seek to ascertain whether Pittsburgh water's claimed revenues are supported, reasonable, and appropriate.

2. The OCA will examine and evaluate the Authority's claimed direct operating expenses in the HTY, the FTY, the FPFTY period, as well as for the Projected FY 2027.

3. The OCA will examine the Authority's debt service coverage ratios and will examine the Authority's cash on hand.

4. The OCA will examine Pittsburgh Water's leverage.

5. The OCA will examine the Authority's claimed inflationary adjustments, including the calculation and the propriety of such adjustments and the assumptions that underlie them.

6. The OCA will examine the justness and reasonableness of Pittsburgh Water's PAYGO funding request.

7. The OCA will examine the justness and reasonableness of Pittsburgh Water's plan to expand its PENNVEST surcharge in FY 2026.

8. The OCA will review the rates charged to the City of Pittsburgh for service, and any payments made by Pittsburgh Water, as applicable, to the City of Pittsburgh under the Cooperative Agreement to ensure that they are just and reasonable.

9. The OCA will examine the role played by Pittsburgh Water's Cooperative Agreement with the City of Pittsburgh and any relationship in establishing Pittsburgh Water's debt service coverage.

9. The OCA will examine the elements of Pittsburgh Water's Financial Management Policy.

10. The OCA will investigate the criteria used in the selection of the peer group for Pittsburgh Water and the basis for excluding certain utilities from that group.

11. The OCA will examine Pittsburgh Water's current credit ratings, the history of the Authority's credit ratings, and the relationship of the Authority's credit ratings with other Pittsburgh Water financial metrics.

7. The OCA will examine Pittsburgh Water's history of access to capital markets.

B. Revenues and Expenses

1. The OCA will examine whether the projected number of customers in the FTY and FPFTY and the Projected FY 2027 are consistent with applicable law, reasonable and accurate.

2. The OCA will examine whether the Authority's claims of sales and revenues during the FTY, FPFTY and the Projected FY 2027 are consistent with applicable law, reasonable and accurate.

3. The OCA will examine whether the Authority's projections of revenues in the future periods are reasonable and accurate including, but not limited to, its billed days adjustments, metered sales and the impact of conservation measures, and miscellaneous revenue adjustments.

4. The OCA will examine whether the Authority's projections of number of employees, overtime, and incentive pay are reasonable and accurate.

5. The OCA will examine the costs associated with the accrual of retirement benefits other than pensions for the Authority's employees or contributions to pension funds.

6. The OCA will examine the justness and reasonableness of the Authority's employee healthcare expense.

7. The OCA will examine the appropriateness of the Authority's pro forma claim for rate case expense.

8. The OCA will examine the reasonableness of the Authority's proposed purchased power expense claims.

9. The OCA will examine the Authority's request for depreciation expenses to determine whether it is just and reasonable.

10. The OCA will examine the justness and reasonableness of the Authority's claim for insurance costs.

11. The OCA will examine the justness and reasonableness of the Authority's proposed expense amortizations.

12. The OCA will examine the justness and reasonableness of the Authority's claim for regulatory commission costs.

13. The OCA will examine the justness and reasonableness of the Authority's claims for other operations and maintenance expenses.

14. The OCA will examine the justness and reasonableness of the Authority's claimed rate case normalization period.

15. The OCA will examine the justness and reasonableness of the Authority's claimed uncollectibles expense.

16. The OCA will examine the Authority's claimed revenues and any adjustments to the level of revenues.

C. Capital Improvement Plan

1. The OCA will examine the Authority's Capital Improvement Plan (CIP), including its alleged total capital requirement of \$924 million from 2025-2029. The OCA will examine the projected additions to plant and rate base in the FTY and FPFTY and the Projected FY 2027 to determine whether they are consistent with applicable law, reasonable, and accurate.

2. The OCA will examine the alleged impact of tariffs on the Capital Improvement Plan.

3. The OCA will examine whether Pittsburgh Water has the workforce necessary to complete its Capital Improvement Plan in the timeline alleged.

4. The OCA will examine the extent to which Pittsburgh Water's Capital Improvement Plan includes projects that will not be completed outside of the applicable test year period(s).

D. Rate Design and Cost Allocation

1. The OCA will examine Pittsburgh Water's cost of service studies for water, wastewater, and stormwater, including the methodology used, consistency with applicable law, and the reasonableness of the allocations.

2. The OCA will examine the reasonableness of Pittsburgh Water’s proposed distribution of the revenue changes to the various customer classes to determine whether the proposals meet all legal requirements and sound ratemaking principles.

3. The OCA will examine the reasonableness of Pittsburgh Water’s proposed distribution of the revenue changes among water, wastewater, and stormwater service.

4. The OCA will examine Pittsburgh Water’s proposed rate design, including its proposed effects on residential customers and its ability to reflect the cost of serving different classes of customers.

5. The OCA will examine Pittsburgh Water’s proposal to phase out its minimum water and wastewater charges by 2027 to determine whether the proposal and the timeline are reasonable and appropriate.

6. The OCA will examine all other cost allocation and rate design proposals.

E. Multi-Year Rate Plan

1. The OCA will examine the Authority’s proposed two-year rate plan to determine the justness and reasonableness of the proposal, and whether it is consistent with Section 1330 of the Public Utility Code and all applicable regulations and policy statements.

2. The OCA will review the Authority’s alternative ratemaking proposal, overall revenues by approximately \$84.million in two steps – an increase of \$63.7 million (an increase of 25.9%) in 2026 and an increase of \$20.7 million (6.7%) in 2027. The proposed alternative ratemaking mechanism may be unjust, unreasonable, and in violation of law; may be contrary to the provisions of prior Commission orders; and otherwise, may be contrary to sound ratemaking principles and public policy.

3. The OCA will examine whether sufficient customer protections and Commission oversight exist to ensure that Pittsburgh Water’s customers do not pay unsupported or overinflated rates under the proposed Multi-Year Rate Plan.

3. The OCA will examine the Authority’s Multi-Year Rate Plan to examine the support for Pittsburgh Water’s claims that it will save rate litigation costs and conserve resources.

4. The OCA will examine the Authority’s Multi-Year Rate Plan in light of the just and reasonable factors set forth in 52 Pa. Code Section 69.3302.

5. The OCA will evaluate the possible effect of the multi-year rate plan on Pittsburgh Water’s risk and credit ratings.

F. Low-Income Programs

1. The OCA will analyze current and proposed Authority operations, practices, procedures and outreach related to serving low-income customers.
2. The OCA will assess the impact of the Authority's proposed rate increase on universal service, including the overall costs of the Bill Discount Program as affected by the Authority's rate design.
3. The OCA will examine how the Authority's proposed rate increase, rate structure and proposed new alternative ratemaking will affect low-income and/or low-usage customers.
4. The OCA will review the Authority's current bill discount programs, arrearage management programs, and proposed changes to the programs.
5. The OCA will review the Authority's affordability analysis.
6. The OCA will examine Pittsburgh Water's proposed modifications to its customer assistance programs including the proposals to: (1) extend the Bill Discount recertification requirement from two years to five years for customers on fixed incomes of Social Security and/or retirement benefits; (2) automatically enroll customers into the Bill Discount Program who apply for and receive a Hardship Fund Grant through one of the community-based organizations partnering with Dollar Energy Fund; (3) convert the Line Repair and Water Conservation Pilot Program into a permanent low-income assistance program; (4) make enhancements to the Arrearage Forgiveness Program; and (5) propose to reduce usage charges related to undetected water leaks.

G. Quality of Service

1. The OCA will review the Authority's quality of service to ensure that it is providing safe, adequate, and reliable service that is consistent with the requirements of Section 1501 of the Public Utility Code.
2. The OCA will investigate the quality of service as to formal and informal complaints submitted by the Authority's customers for its water, wastewater and stormwater matters.
3. The OCA will review the Authority's quality of service to ensure that it is providing safe, adequate, and reliable service, and water that is useful for all household purposes, and that its wastewater collection and conveyance system and stormwater systems are operating as required.
4. The OCA will review the Authority's program and practices for replacing lead service lines.

H. Tariffs

1. The OCA will examine the reasonableness and appropriateness of the Authority's proposed tariffs, including the stormwater tariff and all proposed surcharges. This includes the Authority's proposed expansion of the PENNVEST surcharge.
2. The OCA will also review the tariffs for formatting and compliance with all applicable laws, regulations and Commission orders.

I. Customer Service

1. The OCA will review the Authority's consumer protection policies and programs in order to ensure compliance with Chapter 56 of the Commission's regulations.
2. The OCA will examine the Authority's customer service, including performance trends, internal training, management oversight, policies, and programs.
3. The OCA will examine the Authority's consumer education programs, particularly with regard to changes in billing and collection rights and remedies, and complaint processes.
4. The OCA will examine Pittsburgh Water's compliance and reporting as required in the last rate case concerning service and service quality.
5. The OCA will examine the results of Pittsburgh Water's hiring of a collection agency pursuant to the last base rate proceeding and whether the collection agency's practices were consistent with the requirements under Chapter 56, applicable law, and Commission Orders.
6. The OCA will examine the Authority's proposal to reinstitute fees for credit card payments which it had previously agreed to eliminate.
7. The OCA will examine Pittsburgh Water's adherence to customer service and compliance commitments made in prior proceedings.

J. Proposal to Increase the Distribution System Improvement Charge (DSIC)

1. The OCA will examine whether Pittsburgh Water has demonstrated that an increase of its DSIC from 5% to 7.5% is warranted and necessary for Pittsburgh Water to ensure and maintain adequate, efficient, safe, reliable, and reasonable service.
2. The OCA will examine whether Pittsburgh Water has demonstrated that an increase of its DSIC from 5% to 7.5% is just and reasonable.
3. The OCA will investigate the cost-impact of Pittsburgh Water's proposal to increase its DSIC to 7.5% as Pittsburgh Water has not substantiated that cost, nor indicated how it would impact average water and wastewater bills, if approved.

K. Other Issues

1. The OCA will examine any relevant issues that arise as a result of the Authority's operations.
2. The OCA will investigate to ensure that the Authority is complying with all prior orders.
3. The OCA reserves the right to examine other issues affecting the Authority's revenue requirements, rates, charges, and other tariff provisions as they are identified through discovery.

IV. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimonies, as may be necessary, of the below witnesses. Each witness will present testimony in written form and will attach various exhibits, documents, and explanatory information, as may be necessary. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed and/or emailed directly to the OCA's group email formed particularly for this proceeding.

Revenue Requirement / Accounting

Dante Mugrace
PCMG and Associates
90 Moonlight Court
Toms River, NJ 08753

Cost of Service / Rate Structure/ Rate Design

Jerome Mierzwa
Exeter Associates, Inc.
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Columbia, Maryland 21044

Rate of Return / Cost of Capital /
Capital Structure / Depreciation

David J. Garrett
Resolve Utility Consulting PLLC
101 Park Avenue
Suite 1125
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Affordability of Service / Low-Income
Customers Assistance Programs

Roger Colton
Fisher, Sheehan and Colton
34 Warwick Road
Belmont, MA 02478

Customer Service / Tariff / Quality of Service

Barbara R. Alexander
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Alterative Ratemaking/WNA/RNA

Michael William Deupree
Acadian Consulting Group
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Baton Rouge, LA 70808

The OCA specifically reserves the right to call additional witnesses, as necessary, and retains the flexibility to have the witnesses above address other areas of this case as the case proceeds. If the OCA determines that additional witnesses will be necessary for any portion of its case, it will notify all parties of record immediately.

V. PROPOSED SCHEDULE

The OCA has worked with Pittsburgh Water and the parties on a procedural schedule that is a reasonable compromise of the parties' competing interests within the time afforded for litigation of this matter. The OCA proposes the following schedule, and it is the OCA's understanding that all parties have agreed to the proposed schedule:

Public Input Hearings	August 11, 12, and 13, 2025
Other Parties' Direct Testimony	September 5, 2025
Other Parties' Supplemental Direct Testimony Regarding Public Input Hearings	May be needed depending on timing of public input hearings and other party direct testimony
Rebuttal Testimony (all parties and all issues)	September 30, 2025
Surrebuttal Testimony (all parties and all issues)	October 14, 2025
Written Rejoinder Testimony or Outline	October 20, 2025 (by 4:00 p.m.)
Evidentiary Hearings (telephonic)	October 21-23, 2025
Main Briefs	November 10, 2025
Reply Briefs	November 21, 2025

The OCA requests that the dates included in any litigation schedule in this matter be considered “in-hand” dates and that electronic service on the due date will satisfy the “in-hand” requirement.

VI. SERVICE ON THE OCA

The OCA respectfully requests that the Presiding Officers permit electronic service without the requirement of a follow-up hard copy. The OCA will be represented in this case by the attorneys listed below:

Christy M. Appleby, Senior Assistant Consumer Advocate
Harrison Breitman, Assistant Consumer Advocate
David Evrard, Assistant Consumer Advocate
Katie Kennedy, Assistant Consumer Advocate
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: (717) 783-5048
E-Mail: OCAPWSA2025@paoca.org

The OCA has created a group e-mail address provided above. This is the only email address that is required for service on the OCA. The OCA's group email address will provide the emailed materials to all members of the OCA team including the consultants listed above.

The OCA also requests that the ALJs instruct the parties on the record as to whether consumers who have filed formal rate complaints in this proceeding should be included on the official service lists if those complainants have not indicated either at the prehearing conference, or prior to the prehearing conference, that they wish to be active parties to this proceeding.

For the purposes of the Prehearing Conference, Christy Appleby will be the primary attorney speaking on behalf of the OCA.

VII. SETTLEMENT

The OCA will participate in settlement discussions in this matter.

VIII. DISCOVERY

In conjunction with its proposed schedule, the OCA proposes the following modifications to the Commission's procedural rules regarding discovery, and it is the OCA's understanding that all parties can agree to the proposed discovery rule modifications. The OCA requests that the Presiding Officers direct that the modifications will take effect when addressed during the on the record prehearing conference and apply to all future discovery requests served on and after the date of the prehearing conference on July 14, 2025. The OCA also requests that any outstanding interrogatories or requests for admissions are due no later than 10 calendar days after the

Prehearing Conference to the extent such responses are due later than such date, in accordance with Paragraph A below.

- A. Answers to written interrogatories and requests for document production, entry for inspection, or other purposes shall be served in-hand within ten (10) calendar days of service.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within three (3) calendar days of service of the interrogatories; unresolved objections shall be served in writing to the propounding party within five (5) calendar days of service of the interrogatories and/or requests for production.
- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within five (5) business days of service of written objections.
- D. Answers to motions to dismiss objections and/or answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.
- E. Requests for admissions will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) calendar days of service.
- F. Answers to on-the-record data requests shall be served in-hand within five (5) calendar days of the requests.
- G. Any discovery or discovery-related pleadings (such as objections, motions, and answers to same) served after served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day before a holiday will be deemed to have been served on the next business day for purposes of calculating the due date for any responsive filing.

After rebuttal is served, the OCA proposes that the deadlines should be reduced as follows:

- A. Answers to interrogatories and responses to requests for document production, entry for inspection, or other purposes shall be served within five (5) calendar days of service of the interrogatories or requests for production.
- B. Objections to interrogatories and/or requests for production shall be communicated orally to the propounding party within two (2) calendar days of service; unresolved objections shall be served on the propounding party in writing within three (3) calendar days of service of the interrogatories and/or requests for production.

- C. Motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories and/or requests for production shall be filed within three (3) business days of service of such motions.
- E. Requests for admission shall be deemed admitted unless answered or objected to within three (3) calendar days of service.
- F. Discovery requests and discovery related pleadings (such as objections, motions, and answers to same) served after 4:30 p.m. Monday through Thursday or after 1:30 p.m. on a Friday or the day preceding a holiday shall be deemed to have been served on the next business day.

IX. PREHEARING PROCEDURES

The OCA requests that the ALJs in their Prehearing Conference Order and Evidentiary Hearing Notice clarify that:

A. Evidentiary hearing exhibits need not include all pre-served testimony which is circulated to the ALJs and parties in this proceeding in accordance with the above-referenced procedural schedule. However, such pre-served testimony may be identified for movement into the record at the hearing through an inventory of pre-served testimony which is provided as a hearing exhibit.

B. Evidentiary hearing exhibits may be provided to the ALJs and parties by **10 am the day before** the start of evidentiary hearings with the exception of hearing exhibits related to rejoinder which may be provided by the end of the day that they are presented.

C. For evidentiary hearings conducted in-person, evidentiary hearing exhibits may be sent to the court reporter electronically. This is in the interest of the environment and saving ratepayers money from the expenditure of printing voluminous hard copies.

D. For evidentiary hearings conducted in-person, attorneys may submit requests to the ALJs five days before the start of the evidentiary hearings for permission for witnesses to appear telephonically. This is in the interest of judicial economy and saving ratepayer dollars from expenditures for witness travel, lodging and boarding.

X. PUBLIC INPUT HEARINGS

The OCA will be prepared to discuss public input hearings at the prehearing conference.

Given the magnitude of the requested rate increase, the size of the customer base, and the requests

for public input hearings and complaints received thus far in this matter, the OCA respectfully requests that both in-person and telephonic public input hearings be held for the Authority's customer base impacted by this rate filing.

Attached as Appendix A is the OCA's proposed draft Notice for the Public Input Hearing (to be completed with details as determined by the presiding ALJs). The OCA requests the following:

A. Given the size of the customer base and service territory, a total of four (4) Public Input Hearings be held, two in-person and two telephonic.

B. The in-person public input hearings include a combination of daytime and evening hearings at a Pittsburgh location with accessible and free parking or easy access to public transportation.

C. The telephonic public input hearings include a combination of daytime and evening hearings.

D. Pre-registration be either encouraged or required for telephonic hearings only, and if required, pre-registration be required by 10:00 a.m. on the day of the telephonic Public Input Hearing at which the witness seeks to testify.

E. Hearing exhibits be required to be submitted to the ALJs by 10:00 a.m. the day before the Public Input Hearing at which the witness seeks to testify.

F. The Commission's notice of the Public Input Hearings will include the phone numbers and access codes necessary for participants to use to fully access all telephonic Public Input Hearings.

G. The Authority will be required to, at a minimum, generate a notice of the Public Input Hearings that contains relevant information as to date, time, location, and phone numbers and access codes and further be required to advertise the notice: (1) in the general readership section (not legal section) of local newspapers within the service territory; (2) on its website; and (3) in social media posts which the Authority utilizes to advertise generally.

H. That the other parties involved in the proceeding, including the OCA, be permitted to review these public input announcements prior to their publication and distribution and have input into which publications the ads are placed.

XI. COMMON BRIEFING OUTLINE

The OCA requests that, when the ALJs issue their Instructions for Briefs, the common outline provided by the ALJs will include Roman numeral-level headers for an Overall Position on Rate Increase section following the Summary of Argument section, as well as Multi-Year/Alternative Ratemaking, Customer Service / Quality of Service, Customer Assistance Programs, and Tariff Issues (not otherwise briefed) sections of the brief which follow Rate Structure / Rate Design and precede the Conclusion. The OCA also recommends removing any “Fair Value” heading from the Rate Base section. The OCA’s proposals for the common briefing outline are attached as Appendix B to this Prehearing Memorandum.

XII. CONCLUSION

The OCA respectfully requests that the Honorable ALJs Emily I. DeVoe and Ann Quimby grant the OCA's requests stated herein regarding the procedural schedule, discovery modifications, prehearing procedures, public input hearings, and common briefing outline.

Respectfully submitted,

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DATED: July 11, 2025

OCA APPENDIX A

NOTICE OF IN-PERSON AND TELEPHONIC PUBLIC INPUT HEARINGS

For Pittsburgh Water and Sewer d/b/a Pittsburgh Water Rate Increase Requests

Docket Nos.
R-2025-3055010 (Water)
R-2025-305501 (Wastewater)
R-2025-3055012 (Stormwater)

The Pennsylvania Public Utility Commission (PUC) will conduct [#] Public Input Hearings concerning the general rate increase requests filed by Pittsburgh Water on [date], seeking to increase water, wastewater, and stormwater distribution rates by \$84.million in two steps- an increase of \$63.7 million (an increase of 25.9%) in 2026 and an increase of \$20.7 million (6.7%) in 2027. The in-person and telephonic hearings will be held at the following times and places:

Presiding Officers: Administrative Law Judges Emily I. DeVoe and Ann Quimby

IN-PERSON PUBLIC INPUT HEARINGS

Pre-registration is not required.

Date: [Here]

Time: [Here]

Location: [Here]

TELEPHONIC PUBLIC INPUT HEARINGS

Pre-registration is [encouraged/required]. Read below.

Date: [Here]

Time: [Here]

Pre-registration is [encouraged/required] by [same day] at 10AM.

Date: [Here]

Time: [Here]

Pre-registration is [encouraged/required] by [same day] at 10AM.

Toll-free Conference Number: xxx.xxx.xxxx

PIN Number: xxxxxxxx

- You must dial the toll-free Conference number above
- You must enter the PIN number above when instructed
- You must speak your name when prompted, and press #
 - Then, the telephone system will connect you to the hearing

PRE-REGISTRATION FOR TELEPHONIC PUBLIC INPUT HEARINGS: To testify at the telephonic Public Input Hearings, pre-registration is [encouraged/required] by [day of the hearing] at 10AM. Failure to pre-register could result in you not being called to testify by the PUC judge. To pre-register to testify by telephone, please contact the PUC Judge's Legal Assistant, [name], by email at [email address] or by phone at [xxx.xxx.xxxx] and provide the requested information.

NEED ASSISTANCE WITH PRE-REGISTRATION? If you need assistance pre-registering to testify, you may have someone register for you, but they will need to provide the PUC Judge all the information listed above. Additionally, if more than one person in your household would like to testify, one person may pre-register for other individuals in the same household by providing the PUC Judge's Legal Assistant with the above-listed information for each individual.

REQUESTS FOR INTERPRETERS: If you require an interpreter, please pre-register as soon as possible. If you register too close to the hearing date, we may not have enough time to arrange for an interpreter. If you request an interpreter, the PUC will make reasonable efforts to have one present. AT&T Relay Service number for persons who are deaf or hearing-impaired: 1-800-654-5988.

HEARING EXHIBITS: If you have any hearing exhibits to which you will refer during the hearing, please email them to the PUC Judge's Legal Assistant, [name], at [email address]. The PUC Judge will forward your exhibits to all the parties. Exhibits for the public input hearing must be received by the PUC Judge by [the day before the hearing] at 10AM.

QUESTIONS? The Pennsylvania Office of Consumer Advocate (OCA) represents the interests of utility customers before the PUC. If you have questions about the public input hearings or the Authority's requested rate increase, please contact the OCA toll free at 1-800-684-6560 or by email at consumer@paoca.org. Additionally, the OCA can help customers pre-register for the Public Input Hearings.

OTHER WAYS TO BE HEARD: If you want to be heard about the proposed rate increase but do not want or cannot testify at the Public Input Hearings, you may file a formal complaint or

comment to the proposed rate increase. Please visit the PUC's website to use the applicable form available at <https://www.puc.pa.gov/complaints/formal-complaints/>

OCA APPENDIX B

OCA's Proposed Common Briefing Outline For General Rate Increase Proceeding

- I. Introduction
- II. Summary of Argument
- III. Overall Position on Rate Increase
- IV. Rate Base
 - A. Plant in Service
 - B. Depreciation Reserve
 - C. Additions to Rate Base
 - D. Deductions from Rate Base
- V. Revenues
- VI. Expenses
- VII. Taxes
- VIII. Bond Coverage
- IX. Rate Structure and Rate Design
 - A. Cost of Service Study
 - B. Revenue Allocation
 - C. Rate Design/ Tariff Structure
 - D. Summary and Alternatives
- X. Multi-Year Rate Plan/Alternative Ratemaking
- XI. Customer Service / Quality of Service
- XII. Customer Assistance Programs
- XIII. Tariff Issues (Not Briefed Above)
- XIV. Miscellaneous Issues
- XV. Conclusion

Note: Appropriate modifications may be made. For instance, a party might add "Affiliated Interest Expenses" as a major topic heading or might brief only rate structure and not use other topic headings. A summary and alternatives should be provided under "Rate Structure" but the "Rate Base" and "Rate Structure" formats shown may be modified, as appropriate. Additional subheadings should be used, as appropriate.