



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF  
INVESTIGATION  
&  
ENFORCEMENT

July 18, 2025

**Via Electronic Filing**

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

Re: Petition to Request the Commission Open a Section 529 Investigation Into the  
Acquisition of Rock Spring Water Company  
Docket No. P-2024-3051313  
**I&E Further Prehearing Memorandum**

Dear Secretary Homsher:

Enclosed for electronic filing please find the Further Prehearing Memorandum of the  
Bureau of Investigation and Enforcement in the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you  
have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Carrie B. Wright' with a stylized flourish at the end.

Carrie B. Wright  
Deputy Chief Prosecutor  
Bureau of Investigation and Enforcement  
PA Attorney ID No. 208185  
(717) 783-6156  
[carwright@pa.gov](mailto:carwright@pa.gov)

CBW/ac  
Enclosures

cc: Administrative Law Judge John M. Coogan (via email – [jcoogan@pa.gov](mailto:jcoogan@pa.gov))  
Per Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition to Request the Commission :  
Open a Section 529 Investigation Into : Docket No. P-2024-3051313  
the Acquisition of Rock Spring Water :  
Company :

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**FURTHER PREHEARING MEMORANDUM  
OF THE  
BUREAU OF INVESTIGATION AND ENFORCEMENT**

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**TO: ADMINISTRATIVE LAW JUDGE JOHN COOGAN:**

The Bureau of Investigation and Enforcement (I&E) of the Pennsylvania Public Utility Commission (Commission) respectfully submits the following Prehearing Memorandum in the above-captioned proceeding.

The Bureau of Investigation and Enforcement Prosecutor in these proceedings will be Carrie B. Wright. Contact information is as follows:

By mail: Carrie B. Wright  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

By e-mail: [carwright@pa.gov](mailto:carwright@pa.gov)

By telephone: (717) 783-6156

## **I. INTRODUCTION**

On September 20, 2024, I&E filed a Petition requesting the Commission to institute a Section 529 proceeding to determine whether it would be appropriate for another capable utility to take ownership of the Rock Spring Water Company (Rock Spring or Company). Rock Spring serves approximately 1,000 people with 494 connections. Rock Spring has a history of high lost and unaccounted for water (UFW) levels and a history of violations before the Pennsylvania Department of Environmental Protection (DEP). Because of this history I&E determined it would be appropriate to file a Petition to consider whether Rock Spring's continued operation under its current owner is in the public interest. The reasons are set forth in I&E's September 20, 2024, Petition

On October 15, 2024, a Prehearing Conference Order was issued. A Prehearing Conference was held on October 30, 2024, at 10:00 am with Administrative Law Judge John Coogan (the ALJ) presiding. At this prehearing conference a procedural schedule was set.

Pursuant to that schedule, on January 23, 2025, I&E served direct testimony. Shortly thereafter, on February 6, 2025, the Office of Consumer Advocate (OCA) filed a Petition for Issuance of an Emergency Order requesting the appointment of a receiver for Rock Spring. This culminated in Pennsylvania American Water (PAWC) being appointed receiver. On March 17, 2025, PAWC filed a motion to stay the prior procedural schedule to give Rock Spring and the State College Borough Water Authority (SCWBA) an opportunity to negotiate a purchase of the Rock Spring system.

PAWC's motion was granted, and the procedural schedule was stayed. On June 19, 2025, however, PAWC filed a letter indicating that Rock Spring and SCWBA have not been able to reach an agreement and requested that a further prehearing conference be held.

On June 27, 2025, a Second Prehearing Conference Order was issued by the ALJ. A Prehearing Conference is scheduled for July 23, 2025, at 10:00 am with ALJ Coogan presiding. In response to ALJ Coogan's Prehearing Order, I&E now files this prehearing memo.

## **II. ISSUES**

The following list represents I&E's preliminary determination of the potential issues in these proceedings. The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues, as it deems appropriate if any such relevant issues arise. The issues are as follows:

- Should the Commission order a capable public utility to acquire Rock Spring Water Company?
- Are the six elements of 66 Pa. C.S. Section 529 met?
- Is Pennsylvania American Water Company, Aqua Pennsylvania Water Company, or another utility a capable public utility for purposes of 66 Pa. C.S. Section 529?

## **III. WITNESSES**

It is currently expected that I&E may call the following expert witnesses without being limited thereto:

- Ethan Cline, Fixed Utility Valuation Engineer
- Christopher Keller, Fixed Utility Financial Analyst

The I&E witnesses may be contacted through the information listed above for Prosecutor Wright. The witness list is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding. Accordingly, I&E reserves the right to call additional witnesses or withdraw the name of the witnesses listed above and will notify the parties in the event of a change to this witness list.

#### **IV. EVIDENCE**

I&E expects to present all written direct, rebuttal and surrebuttal testimony and accompanying exhibits at the evidentiary hearing. Moreover, I&E intends to rely on the Company's filing, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

#### **V. DISCOVERY**

Discovery in this proceeding is being conducted according to 52 Pa. Code §§5.321 et. seq. No modifications to the rules of discovery have been proposed by I&E. I&E will give due consideration to any discovery modifications proposed by any other party.

#### **VI. SCHEDULE**

I&E tentatively proposes the following schedule. I&E, however, is open to modification of these dates:

All Parties Further Direct Testimony – August 27, 2025

Rebuttal Testimony – September 17, 2025

Surrebuttal Testimony – October 1, 2025

Hearings – Hearings October 14 – 15, 2025

Main Brief – October 31, 2025

Reply Brief – November 14, 2025

It is I&E's preference that hearings be held telephonically in this proceeding. To the extent that hearings cannot be held telephonically, I&E request the hearings be held in an available hearing room in Harrisburg, Pennsylvania.

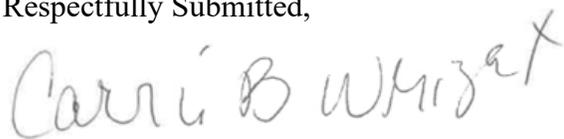
## **VII. SERVICE OF DOCUMENTS**

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, I&E will accept, and prefers, electronic delivery of documents without the need to follow-up with a hard copy.

## **VIII. SETTLEMENT**

I&E is willing to make good faith efforts to successfully resolve this matter through settlement. In the event settlement discussions fail to result in a full and complete resolution of the matter, I&E is prepared to fully or partially litigate this proceeding.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Carrie B. Wright".

Carrie B. Wright  
Deputy Chief Prosecutor  
PA Attorney ID No. 208185

Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, Pennsylvania 17120  
(717) 783-6156

Dated: July 18, 2025

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition to Request the Commission :  
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**CERTIFICATE OF SERVICE**

I hereby certify that I am serving the foregoing **Further Prehearing Memorandum**  
dated July 18, 2025, in the manner and upon the persons listed below:

**Served via Electronic Mail Only**

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