



COMMONWEALTH OF PENNSYLVANIA

July 18, 2025

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. The York Water Company (Water) /
Docket No. R-2025-3053442**

Dear Secretary Homsher:

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/ Steven C. Gray

Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

Enclosures

cc: Jason Hails
Roger Cathcart
Parties of Record

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket No. R-2025-3053442
	:	
v.	:	
	:	
The York Water Company	:	
(Water)	:	

**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 consumers 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”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter are Assistant Small Business Advocates Steven Gray and Rebecca Lyttle. Please address all correspondence as follows:

Steven Gray, Esq.
Senior Attorney
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov

Rebecca Lyttle, Esq.
Assistant Small Business Advocate
Office of Small Business Advocate
Forum Place
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relyttle@pa.gov

II. FILING BACKGROUND

On May 30, 2025, the York Water Company (“York” or the “Company”) filed Supplement No. 165 to Tariff Water-Pa. P.U.C. No. 14 (“Supplement No. 165”) with the Commission.

If approved by the Commission, proposed Supplement No. 165 would increase York’s annual water revenues by \$20,311,978, or by 28.9%.

On June 18, 2025, the OSBA filed a Complaint against Supplement No. 165.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

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

Jason Hails
Quantiv Advisory, LLC
925 Wappoo Road, Suite A
Charleston, SC 29407
j.hails@quantivadvisory.com

Roger Cathcart, CPA, CA, CBV
Cathcart Advisors, Inc.
Financial Regulatory Advisors
300-330 St. Mary Ave.
Winnipeg, MD, R3C 3Z5
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REMC@CathcartAdvisors.com

After an initial review of the materials submitted by the Company, the OSBA has identified the following issues:

- (1) Whether York Water’s overall claimed water service revenue requirement of \$90.7 million is reasonable and appropriate;
- (2) The \$20.3 million requested increase (28.9%) for the Water Division will cause rate shock for York customers;
- (3) Whether the Company’s proposed overall rate of return of 8.01% is reasonable and appropriate.

- (4) Whether recently incurred and forecasted increases in operating expenses are excessive.
- (5) Whether recently deployed and planned capital expenditures are excessive.
- (6) Whether the methodology used in York's water cost of service study is appropriate.
- (7) Whether the Company's proposed class revenue allocation for water service customers is cost-based, and appropriately allocates cost to Small Business customers.
- (8) Whether the rate design for Small Business customers is appropriate.

The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

The OSBA will participate in this case to assure that the interests of small business customers of the Company are adequately represented and protected.

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 date^a as satisfying the in-hand requirement.

The OSBA requests that email delivery of documents also be provided to its witnesses 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.

^a In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VI. HEARING AND BRIEFING SCHEDULE

At the time of this writing, the parties are working to develop a proposed procedural schedule.

Respectfully submitted,

/s/ Steven Gray

Steven Gray
Senior Attorney
Assistant Small Business Advocate
Attorney ID No. 77538

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

Dated: July 18, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket No. R-2025-3053442
	:	
v.	:	
	:	
The York Water Company	:	
(Water)	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise 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 John Coogan
Administrative Law Judge
Pennsylvania Public Utility Commission
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400 North Street
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The Honorable Emily Farren
Administrative Law Judge
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Jacob D. Guthrie, Esquire
Katherine Kennedy, Esquire
Ryan Morden, Esquire
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Date: July 18, 2025

/s/ Steven C. Gray
Steven C. Gray
Senior Attorney
Assistant Small Business Advocate
Attorney I.D. No. 77538