

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of The City of Lancaster – Water Bureau :
For Approval of a Lead Service Line Replacement : P-2023-3041043
and Related Tariff Changes :

**INTERIM ORDER
APPROVING THE AMENDED MOTION FOR ADMISSION OF TESTIMONY AND
EXHIBITS AND SETTING DEADLINE FOR ADMISSION OF ADDITIONAL
EVIDENCE**

On May 31, 2023, Petitioner City of Lancaster – Water Bureau (Petitioner, Lancaster or City) filed a Petition with the Pennsylvania Public Utility Commission (Commission) seeking approval of a Lead Service Line (LSL) Replacement Program and related tariff changes which would allow Lancaster to replace customer owned lead service lines (COLSL). The Petition was filed as a result of a Settlement which was reached in Lancaster’s Distribution System Improvement Charge (DISC) and Long-Term Infrastructure Improvement Plan (LTIIP) proceeding filed at Docket No. P-2022-3035591.

On June 7, 2023, the Commission’s Bureau of Investigation and Enforcement (I&E) filed a Notice of Appearance in this proceeding. On June 20, 2023, the Office of Consumer Advocate (OCA) filed an Answer to the Petition. On June 30, 2023, OCA filed Comments in this proceeding.

Lancaster’s Petition was referred to the Office of Administrative Law Judge (OALJ) for establishment of an evidentiary record culminating in a Recommended Decision for the Commission’s consideration. Afterwards the proceeding was assigned to Administrative Law Judge Conrad A. Johnson (ALJ Johnson).

By Initial Call-In Telephonic Prehearing Conference Notice dated July 13, 2023, the Parties were informed that a prehearing conference was scheduled in this proceeding before

ALJ Johnson for August 15, 2023, at 10:00 a.m. On July 13, 2023, a Prehearing Conference Order was entered which directed the parties to file Prehearing Memorandums by August 11, 2023.

On July 26, 2023, the Office of Small Business Advocate (OSBA) filed a Notice of Appearance and Notice of Intervention in this proceeding.

By email dated August 7, 2023, Petitioner and OCA submitted a request to adjourn the prehearing conference to permit the parties to continue to negotiate in good faith to obtain a settlement. By email dated August 10, 2023, Petitioner represented that OSBA did not object to the adjournment.

In response to the adjournment request, on August 10, 2023, ALJ Johnson sent an email stating an order would issue shortly canceling the prehearing conference and the rescheduling of the Prehearing Hearing Conference will be held in abeyance pending settlement negotiations.

On August 11, 2023, I&E filed its Prehearing Conference Memorandum. Also on August 11, 2023, a Notice was issued to the parties cancelling the prehearing conference.

On November 13, 2023 an Interim Order was entered requiring that Petitioner submit a status report setting forth (1) the parties' progress in achieving a settlement in this proceeding; (2) whether additional time is needed to achieve settlement and if so the amount of time needed; and (3) whether this matter should be scheduled for a prehearing conference, not later than November 30, 2023.

Status Reports were filed by Petitioner on November 30, 2023, February 1, 2024, and April 12, 2024.

On March 4, 2025, the undersigned presiding officer was assigned to preside over this proceeding.

On March 17, 2025, Petitioner filed a letter advising that the Parties reached a settlement.

On March 26, 2025 the undersigned presiding officer provided an email to the Parties, in response to the March 17, 2025 letter, advising the Parties to make certain that any Settlement Petition included: (1) findings of fact stipulated to by all parties that supported the settlement, including supporting citations to the record evidence, (2) proposed conclusions of law, (3) proposed ordering paragraphs, and (4) a procedural history, with specific citations to the record, where applicable. In addition, the Parties were requested to confer and establish a list of common (outline) issues which the Parties would utilize in the organization of the Settlement Petition and all Statements in Support of Settlement so that the same issues were addressed in the Settlement and each Statement in Support of Settlement. The email provided that the common outline for the Settlement Petition and Statements in Support of Settlement should apply to headings and subheadings and that each party need not address every issue, but the same headings and subheadings should be presented in the same order. The undersigned also asked the parties to use common acronyms, which were to be identified in the Settlement/Statements in Support, and to use them consistently in the Settlement documents.

On April 9, 2025, the City of Lancaster – Water Bureau, the Office of Consumer Advocate, the Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement (I&E), and the Office of Small Business Advocate (OSBA (collectively, the Joint Petitioners or Parties), by and through their respective counsel, filed a Joint Petition for Settlement (Original Settlement or Original Joint Petition) and requested that the original Settlement be approved without modification. Attached to the Original Settlement was a Joint Stipulation of Facts (Exhibit 1), a proposed Order granting the joint stipulation of facts (Exhibit A), the City of Lancaster Lead Service Line Replacement Plan (Appendix A), draft Revised Tariff Pages (Appendix B), Long Term Infrastructure Improvement Plan (Appendix C), City of Lancaster Statement in Support of Settlement (Statement A), OCA Support of Settlement (Statement B), I&E Support of Settlement (Statement C), OSBA Support of Settlement (Statement D), and Joint

Proposed Findings of Fact, Conclusions of Law and Ordering Paragraphs. The Parties also filed a Motion for Admission of Testimony and Exhibits.

On May 15, 2025, an interim order was entered which, *inter alia*, provided the Parties with additional time to file amended settlement documents on or before July 31, 2025. The Interim Order entered on May 15, 2025, explained that, to meet the burden of proof and allow for a proper determination of whether a settlement is appropriate and should be approved without modification due to being in the public interest, more than general boiler plate language is required in statements in support of settlement. The Parties were advised that parties to a settlement should include in the statement in support of settlement, a substantive discussion of the original petition, how the settlement differs from the original filing, how the settlement terms impact or affect the customers and ratepayers and a substantive explanation regarding how and why the settlement is in the public interest. The Order further provided that, although all parties are not required to address each issue in their statement in support of settlement, the City, at a minimum, must provide an appropriate explanation and analysis to establish why the Settlement should be approved. The Order also provided that, absent a full evidentiary record established by a hearing or adequate statements that support the various issues settled by the Parties, the presiding officer is without sufficient information to determine whether approval of a settlement is in the public interest. In addition, the Parties were permitted to file an amended Joint Petition for Settlement to include the document identified in the Joint Petition and Statements in Support identified as “Exhibit 3,” which was referenced but not attached to the Joint Petition or Statements in Support of Settlement of Settlement.

On July 31, 2025, the Joint Petitioners filed an Amended Joint Petition For Settlement (Joint Petition, Settlement or Amended Joint Petition or Amended Settlement). Attached to the Amended Settlement was the document referred to as “Exhibit 3” in the Joint Petition filed on April 9, now identified as “Exhibit 2”, and Amended Statements in Support of Settlement from the City, OCA, and I&E, and an Amended Motion for Admission of Testimony and Exhibits.

On July 31, 2025, the Joint Petitioners filed an Amended Motion For Admission Of Testimony And Exhibits, requesting that the statements and exhibits identified in the Stipulation for Admission of Testimony and Exhibits (Stipulation) attached to the Motion, as Appendix A, be admitted into the evidentiary record. The Motion states that all the parties to this proceeding have stipulated to the authenticity of the statements and exhibits listed therein and have waived cross-examination of the witnesses sponsoring those statements and exhibits, subject to the provisions of Paragraph No. 67 of the Amended Joint Petition. The Motion states that, upon issuance of an Order granting the Motion, copies of the statements and exhibits listed in the Stipulation, together with verifications of all statements and exhibits, would be e-filed with the Commission Secretary for entry into the evidentiary record in this case.

This Motion states that the parties to this proceeding have stipulated to the authenticity of the statements and exhibits listed in the Amended Settlement, as set forth in Paragraph 64 therein, and a waiver of cross-examination of the witnesses sponsoring those statements and exhibits, and as attached to the Motion as Appendix A, as follows:

- a. The City's Petition, filed on May 31, 2023, with accompanying exhibits;
and
- b. The Direct Testimony of Christine Volkay-Hilditch, P.E., BCEE, Deputy Director of Public Works of the City of Lancaster.
- c. The approval and consent form the City will utilize with customers prior to performing customer-side LSLR replacements, designated as Exhibit 2.

In addition, the Parties identified or referenced various Answers and Comments submitted by any Party to the to the Petition filed by the City of Lancaster, upon which the Parties may intend to rely, but which have not been made a part of the evidentiary record in this proceeding. The Parties will be provided an opportunity to submit any additional stipulations regarding the proposed admission of additional evidence, including any Answers and Comments

submitted by any Party to the to the Petition filed by the City of Lancaster, in the ordering paragraphs below.

Under the circumstances, the following Interim Order will be entered.

THEREFORE,

IT IS ORDERED:

1. That the Amended Motion For Admission Of Testimony And Exhibits, filed by the Parties on July 31, 2025, is granted.

2. That the stipulation of the Parties to this proceeding, as set forth in the Stipulation marked as Appendix A, and attached to the Amended Motion For Admission Of Testimony And Exhibits, filed by the Parties on July 31, 2025, is approved.

3. That the following statements and exhibits, as attached to the Motion as Appendix A, are hereby admitted into the evidentiary record, as follows:

- a. The City's Petition, filed on May 31, 2023, with accompanying exhibits;
and
- b. The Direct Testimony of Christine Volkay-Hilditch, P.E., BCEE, Deputy Director of Public Works of the City of Lancaster.
- c. The approval and consent form the City will utilize with customers prior to performing customer-side LSLR replacements, designated as Exhibit 2 and attached to the Amended Joint Petition For Settlement filed on July 31, 2025.

4. That within 20 days from the date of the entry of this Interim Order, the City of Lancaster shall file the statements and exhibits identified in Ordering Paragraph 3 above, with the Commission Secretary and provide a copy of said filing to all Parties and the undersigned presiding officer.

5. That within 20 days from the date of the entry of this Interim Order, the Parties may submit any additional stipulations regarding the proposed admission of additional evidence, including any Answers and Comments submitted by any Party to the to the Petition filed by the City of Lancaster, including those identified or referenced in the Statements in Support of Settlement filed by the respective Parties in this proceeding.

Date: August 20, 2025

/s/
Jeffrey A. Watson
Administrative Law Judge

P-2023-3041043 - PETITION OF CITY OF LANCASTER – WATER BUREAU FOR APPROVAL OF A LEAD SERVICE LINE REPLACEMENT PROGRAM AND RELATED TARIFF CHANGES

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