



COMMONWEALTH OF PENNSYLVANIA

December 11, 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. Pennsylvania-American Water  
Company / Docket Nos. R-2025-3057983 (Water) / R-2025-3058051 (Wastewater)**

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 proceedings.

Copies will be served on all known parties in these proceedings, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

*/s/ Rebecca Lyttle*

Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399

*Enclosures*

cc: Jason Hails  
Roger Cathcart  
Joseph Kubas  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	<b>Docket Nos. R-2025-3057983 (Water)</b>
<b>v.</b>	:	<b>R-2025-3058051 (Wastewater)</b>
	:	
<b>Pennsylvania-American Water Company</b>	:	

---

**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 customers 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”). To discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to these proceedings. Representing the OSBA in the above-referenced matter is Assistant Small Business Advocates Rebecca Lyttle. Please address all correspondence in that matter as follows:

Rebecca Lyttle, Esq.  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
[relyttle@pa.gov](mailto:relyttle@pa.gov)

## **II. FILING BACKGROUND**

On November 14, 2025, Pennsylvania-American Water Company – Wastewater Division (“PAWC-WW”), Utility Code 230073, filed Supplement No. 61 to Tariff Wastewater PA P.U.C. No. 16 with the Pennsylvania Public Utility Commission at Docket No. R-2025-3058051 to become effective January 13, 2026. This would increase PAWC-WW’s total annual operating revenues for wastewater service by approximately \$16.3 million, or 7.8%. Also, on November 14, 2025, PAWC - Water Division (“PAWC-W”), Utility Code 212285, filed Supplement No. 58 to Tariff Water-PA P.U.C. No. 5 with the Commission at Docket No. R-2025-3057983 to become effective January 13, 2026. This would increase PAWC’s total annual operating revenues for water service by approximately \$152.4 million, or 16.1%.

On November 21, 2025, the Office of Small Business Advocate filed a formal complaint on each Tariff’s listed above as Dockets Nos. C-2025-3058771 and C-2025-3058770. On November 24, 2025, the Office of Consumer Advocate filed a formal complaint as Docket No. C-2025-3058810 and a formal complaint as Docket No. C-2025-3058806.

## **III. IDENTIFICATION OF WITNESS AND TENTATIVE ISSUES**

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

Jason Hails  
Quantiv Advisory, LLC  
925 Wappoo Road, Suite A  
Charleston, SC 29407  
[j.hails@quantivadvisory.com](mailto:j.hails@quantivadvisory.com)

Roger Cathcart, CPA, CA, CBV  
Cathcart Advisors, Inc.  
Financial Regulatory Advisors  
300-330 St. Mary Ave.  
Winnipeg, MD, R3C 3Z5  
Canada  
[REMC@CathcartAdvisors.com](mailto:REMC@CathcartAdvisors.com)

Joseph Kubas  
Commonwealth of Pennsylvania  
Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1st Floor  
Harrisburg, PA 17101  
[jkubas@pa.gov](mailto:jkubas@pa.gov)

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

After an initial review of the materials submitted by the Parties, the OSBA has identified the following list of issues that it will evaluate in this proceeding:

- (1) Whether the proposed transactions will result in the provision of safe, adequate, and reasonable service at just and reasonable rates for the small business customers of PAWC.
- (2) Whether the water and or wastewater service rates will increase for PAWC's small business customers.
- (3) Whether the proposed transactions will result in substantial affirmative benefits for the small business customers of PAWC.
- (4) The number of and location of in person public hearings.
- (5) That the Company advertise Public Input Hearing Notice on text, its web page, social media including, but not limited to, Facebook as well as a press release to local media directed to the pertinent geographic location.
- (6) That all Public Input Hearing Notices include information for small businesses consumers which shall include the following:

Small Businesses owners in the Commonwealth are allowed to testify without an attorney if they had not filed a Complaint on this issue. The Pennsylvania Office of Small Business Advocate (OSBA) is an independent state agency that represents the interests of small business consumers with 1-250 employees Please contact the OSBA if you are a small business owner and would like to provide testimony during a hearing: OSBA@pa.gov or telephone (717) 783-2525.

- (7) Whether parties can submit evidentiary documents electronically to the court

reporter instead of printed copies.

- (8) Whether the proposed rate increase requested may be unjust, unreasonable, unduly discriminatory, and otherwise contrary to law, particularly as they pertain to PAWC small business customers.
- (9) Whether PAWC will provide information about the OSBA on all its electronic sites, including, but not limited to its web site and social media sites.
- (10) Whether PAWC will supply the OSBA with yearly reports on how many commercial customers were late on payments and how many were shut off due to lack of bill payment.
- (11) Whether PAWC's current and proposed revenue requirements, including an increase in total annual operating revenues of \$168.7 million for the FPFTY, are reasonable.
- (12) Whether PAWC's proposed additions to rate bases are reasonable.
- (13) Whether PAWC's proposed rate of return is reasonable.
- (14) Whether PAWC's claimed amortizations, acquisition adjustments, overhead costs, operating expenses, and taxes are reasonable.
- (15) Whether the projected usage declines are appropriate.
- (16) Whether it is reasonable to approve PAWC's requests for deferred accounting treatment for (a) pension and other post-employment benefits expense and (b) production costs.
- (17) Whether PAWC's proposed rate design is reasonable.
- (18) Whether the methodologies used in PAWC's water and wastewater cost-of-service studies are appropriate.
- (19) Whether the allocation of costs between water and wastewater systems is appropriate.

- (20) Whether the Company's proposed class revenue allocations for wastewater service customers are cost based.
- (21) Whether the CAP programs are appropriate.
- (22) Whether the recovery of Customer Assistance Programs (CAP) is appropriate.
- (23) Whether establishing a CAP rider is appropriate.
- (24) Whether the affordability analysis is appropriate.
- (25) Whether the changes and/or new tariff rules are appropriate.
- (26) Whether the relaxed rules and provision for contract customers are appropriate.
- (27) Whether the new receivership tariff provision for troubled systems is appropriate.
- (28) Whether the proposed wastewater deduction adjustment is reasonable.
- (29) Whether the Company's proposal to recover \$53.0 million wastewater revenue requirement from water service customers is appropriate.
- (30) Whether PAWC's proposed rates and class revenue allocations for water and wastewater customers are cost based.
- (31) Whether PAWC's proposed rates for customers in newly acquired systems are reasonable.
- (32) Whether PAWC's proposal rates and any revenue shortfall from systems to be acquired should be included in the \$53.0 million recovery.
- (33) Whether PAWC's overall proposed water and wastewater rates and corresponding increases are reasonable and appropriate.
- (34) Whether the scale back proposed by PAWC is reasonable.

The OSBA reserves the right to pursue additional issues that may arise throughout this proceeding.

**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<sup>1</sup> 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.

**V. SETTLEMENT**

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

**VI. HEARING AND BRIEFING SCHEDULE**

At the time of this writing, the OSBA is working with the parties to develop a procedural schedule.

Respectfully submitted,

*/s/ Rebecca Lyttle*

---

Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399

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

Dated: December 11, 2025

---

<sup>1</sup> In accordance with 52 Pa. Code § 1.56(a)(5), documents must be received by 4:30 pm.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Public Utility Commission</b>	:	
	:	<b>Docket Nos. R-2025-3057983 (Water)</b>
<b>v.</b>	:	<b>R-2025-3058051 (Wastewater)</b>
	:	<b>C-2025-3058770 (Water)</b>
<b>Pennsylvania-American Water Company</b>	:	<b>C-2025-3058771 (Wastewater)</b>

**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 Jeffrey Watson  
Administrative Law Judge  
PA Public Utility Commission  
Office of Administrative Law Judge  
Piatt Place  
301 Fifth Avenue Suite 220  
Pittsburgh, PA 15222  
[jeffwatson@pa.gov](mailto:jeffwatson@pa.gov)

The Honorable Emily DeVoe  
Administrative Law Judge  
PA Public Utility Commission  
Office of Administrative Law Judge  
Piatt Place  
301 Fifth Avenue, Suite 220  
Pittsburgh, PA 15222  
[edevoe@pa.gov](mailto:edevoe@pa.gov)

Carrie B. Wright, Esquire  
Bureau of Investigation & Enforcement  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[carwright@pa.gov](mailto:carwright@pa.gov)

Elizabeth Rose Triscari, Esquire  
Teresa K. Harrold, Esquire  
Erin K. Fure, Esquire  
Pennsylvania-American Water Company  
852 Wesley Drive  
Mechanicsburg, PA 17055  
[elizabeth.triscari@amwater.com](mailto:elizabeth.triscari@amwater.com)  
[teresa.harrold@amwater.com](mailto:teresa.harrold@amwater.com)  
[erin.fure@amwater.com](mailto:erin.fure@amwater.com)

Harrison W. Breitman, Esquire  
Ryan R. Morden, Esquire  
Janna E. Williams, Esquire  
Olivia M. Spergel, Esquire  
Johnathan M. Longhurst, Esquire  
PA Office of Consumer Advocate  
Forum Place  
555 Walnut Street, 5th Floor  
Harrisburg, PA 17101-1923  
[OCAPAWC2025@paoca.org](mailto:OCAPAWC2025@paoca.org)

Kenneth M. Kulak, Esquire.  
Mark Lazaroff, Esquire.  
Catherine Vasudevan, Esquire  
Brooke E. McGlinn, Esquire  
2222 Market Street  
Philadelphia, PA 19103-3007  
[ken.kulak@morganlewis.com](mailto:ken.kulak@morganlewis.com)  
[mark.lazaroff@morganlewis.com](mailto:mark.lazaroff@morganlewis.com)  
[catherine.vasudevan@morganlewis.com](mailto:catherine.vasudevan@morganlewis.com)  
[brooke.mcglinn@morganlewis.com](mailto:brooke.mcglinn@morganlewis.com)

Ria M. Pereira, Esquire  
John W. Sweet, Esquire  
Elizabeth R. Marx, Esquire  
Lauren N. Berman, Esquire  
Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101  
[pulp@putilitylawproject.org](mailto:pulp@putilitylawproject.org)

Date: December 11, 2025

*/s/ Rebecca Lyttle*

---

Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399