
Devin Ryan

dryan@postschell.com
717-612-6052 Direct
717-731-1985 Direct Fax
File #: 210634

December 22, 2025

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PA Public Utility Commission, *et al.* v. The York Water Company - Water Division
Docket Nos. R-2025-3053442, *et al.***

**PA Public Utility Commission, *et al.* v. The York Water Company - Wastewater
Division
Docket Nos. R-2025-3053573, *et al.***

Dear Secretary Homsher:

Enclosed for filing is The York Water Company's Exception to the Recommended Decision in the above-referenced proceeding.

Copies of this filing are being served as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DR/bfc
Enclosures

cc: Certificate of Service
The Honorable Emily A. Farren (*via email; w/attachment*)
The Honorable John M. Coogan (*via email; w/attachment*)
Office of Special Assistants (*via email; w/attachment*)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

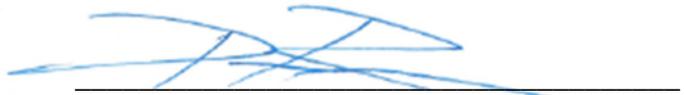
VIA E-MAIL

Carrie Wright, Esquire
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265
carwright@pa.gov

Jacob D. Guthrie, Esquire
Ryan Morden, Esquire
Katherine M. Kennedy, Esquire
Office of Consumer Advocate
555 Walnut Street, Forum Place, 5th Floor
Harrisburg, PA 17101-1923
JGuthrie@paoca.org
rmorden@paoca.org
KKennedy@paoca.org
OCAYork2025@paoca.org

Steven C. Gray, Esquire
Rebecca Lyttle, Esquire
Office of Small Business Advocate
555 Walnut Street
Forum Building, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
relyttle@pa.gov

Date: December 22, 2025



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : Docket Nos. R-2025-3053442
Office of Consumer Advocate : C-2025-3055746
Office of Small Business Advocate : C-2025-3055824

v.

The York Water Company – Water Division

Pennsylvania Public Utility Commission : Docket Nos. R-2025-3053573
Office of Consumer Advocate : C-2025-3055747
Office of Small Business Advocate : C-2025-3055827

v.

The York Water Company – Wastewater
Division

**EXCEPTION OF
THE YORK WATER COMPANY**

Michael W. Hassell (ID # 34851)
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
Fax: 717-731-1985
E-mail: mhassell@postschell.com

Devin T. Ryan (ID # 316602)
Alice A. Wade (ID # 335228)
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
Phone: 717-612-6052
Fax: 717-731-1985
E-mail: dryan@postschell.com
E-mail: alice.wade@postschell.com

Dated: December 22, 2025

Counsel for The York Water Company

TABLE OF CONTENTS

I. INTRODUCTION AND BACKGROUND1

II. EXCEPTIONS3

A. EXCEPTION NO. 1: THE COMMISSION SHOULD MODIFY THE RD’S
RECOMMENDATION ON THE TIMING OF SUBMITTING THE
UPDATED CUSTOMER CLASS DEMAND STUDY AND SHOULD
PERMIT YORK WATER TO ESTABLISH A REGULATORY ASSET
FOR THE STUDY’S ASSOCIATED COSTS (RD AT 1, 119, 126.)3

III. CONCLUSION.....6

TABLE OF AUTHORITIES

Page(s)

Pennsylvania Court Cases

Columbia Gas of Pa., Inc. v. Pa. PUC,
613 A.2d 74 (Pa. Cmwlth. 1992) 4-5

Popowsky v. Pa. PUC,
868 A.2d 606 (Pa. Cmwlth. 2004) 4-5

Pennsylvania Administrative Agency Decisions

*Petition of Duquesne Light Company for Authorization to Defer Expenses for
Accounting Purposes Only*,
Docket No. P-2012-2333760 (Order entered Apr. 17, 2013) 4-5

Pennsylvania Statutes

66 Pa. C.S. § 1311(c) 1

I. INTRODUCTION AND BACKGROUND

On May 30, 2025, York Water filed with the Commission Supplement No. 165 to its Tariff Water – Pa. P.U.C. No. 14 (“Supplement No. 165”) and Supplement No. 26 to Tariff Wastewater – Pa. P.U.C. No. 1 (“Supplement No. 26”), along with supporting information required by 52 Pa. Code §§ 53.52 and 53.53, to become effective August 1, 2025. In Supplement No. 165, York Water proposed a general increase in water rates of \$20,311,978 per year, and in Supplement No. 26, York Water proposed a general increase in wastewater rates of \$3,857,507 per year. By Order entered February 10, 2017, at Docket No. P-2017-2582839, York Water was granted permission to file a single case that combined water and wastewater revenue requirements. York Water did not propose to allocate a portion of the wastewater revenue requirement to water customers pursuant to 66 Pa. C.S. § 1311(c).

York Water, the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”), the Office of Consumer Advocate (“OCA”), and the Office of Small Business Advocate (“OSBA”) (collectively, “Joint Petitioners”), who are the only active parties in the proceeding, successfully reached a settlement of all but one of the issues in the case. The terms of that partial settlement were set forth in the Joint Petition for Approval of Partial Settlement (“Partial Settlement”) that was filed on October 29, 2025, along with Statements in Support from each of the active parties. The Partial Settlement provides for increases in rates designed to produce a total increase in annual base-rate operating revenues of \$18,850,000, which consists of an increase in base rate water revenues of \$16,000,000, and an increase in base rate wastewater revenues of \$2,850,000. The sole issue reserved for litigation was water revenue allocation among customer classes.

On October 29, 2025, York Water, I&E, OCA, and OSBA separately filed their Main Briefs on the issue reserved for litigation. Also, York Water, I&E, OCA, and OSBA jointly filed the Partial Settlement.

On November 12, 2025, York Water, OCA, and OSBA separately filed their Reply Briefs.

On December 11, 2025, the Commission issued the Recommended Decision (“RD”) of Administrative Law Judges John M. Coogan and Emily A. Farren (“ALJs”). The RD recommends approval of the Partial Settlement, with one modification for the Joint Petitioners to file a corrected wastewater Proof of Revenues. Also, the RD suggests the adoption of the OCA’s position on water revenue allocation that was reserved for litigation. Lastly, the RD recommends that “at the time of filing its next base rate case,” York Water “shall file a copy of an updated customer class demand study with the Secretary’s Bureau that analyzes the demand over a representative number of recent years using the customer data, at a minimum, for each period of time covering ten (10) years, twenty (20) years, and thirty (30) years from the date the study commences and provide testimony justifying the period of time selected as the most representative customer demand used for the cost of service study.” (RD at 126.)

York Water respectfully files this limited Exception addressing the RD’s recommendation for the preparation of the updated customer class demand study. Specifically, York Water requests that: (1) the Company be granted three years after the entry of the Commission’s Final Order in this proceeding to complete the study; and (2) the Company be permitted to record the costs associated with the updated customer class demand study to a regulatory asset. As established in the Company’s testimony, the study will take a significant amount of time and will be expensive. Therefore, the Company cannot guarantee that the study would be completed by the time of filing its next base rate case. Moreover, the Company will incur these significant expenses between base

rate cases and outside of the Fully Projected Future Test Year of its next base rate case. Thus, the Company should be permitted to establish a regulatory asset to record the costs associated with the study, so that York Water can make a claim for recovery in its next base rate case.

II. EXCEPTIONS

A. EXCEPTION NO. 1: THE COMMISSION SHOULD MODIFY THE RD'S RECOMMENDATION ON THE TIMING OF SUBMITTING THE UPDATED CUSTOMER CLASS DEMAND STUDY AND SHOULD PERMIT YORK WATER TO ESTABLISH A REGULATORY ASSET FOR THE STUDY'S ASSOCIATED COSTS (RD AT 1, 119, 126.)

York Water respectfully excepts, in part, to the RD's recommendation regarding the preparation and submission of the updated customer class demand study. (RD at 126.) Although the Company does not dispute the RD's recommendation that the Company prepare and submit that updated customer class demand study, York Water does ask that the recommendation be slightly modified to address the study's timing and the recovery of the study's associated costs.

Specifically, in Ordering Paragraph 7, the RD recommends that the Commission direct York Water to "file a copy of an updated customer class demand study with the Secretary's Bureau that analyzes the demand over a representative number of recent years using the customer data, at a minimum, for each period of time covering ten (10) years, twenty (20) years, and thirty (30) years from the date the study commences and provide testimony justifying the period of time selected as the most representative customer demand used for the cost of service study." (RD at 126.)

York Water respectfully requests that this recommendation be modified in two ways. First, the Company requests that York Water be granted three years after the entry of the Commission's Final Order in this proceeding to complete the study. As explained in the Company's Main Brief, a demand study is a significant time commitment for the Company to undertake. (YWC MB at

22.) The Company must take numerous steps in preparing the updated demand study, such as selecting the sample group of customers to monitor or installing smart meters to compile hourly and daily reads for ideally several years. (YWC MB at 22.) Such data collection over multiple years is critical, as individual years could be distorted due to abnormal weather conditions or adverse economic circumstances. The RD, however, directs the Company to prepare and submit the updated customer class demand study at the timing of filing York Water's next base rate case. (See RD at 126.) As such, the RD could force York Water to submit an updated class demand study before the Company gathers sufficient data to produce a reliable study. Thus, the Commission should grant York Water's request that the recommendation be modified to require the Company to complete the updated customer class demand study within three years of the Commission's entry of the Final Order in this case.¹

Second, the Company respectfully requests that the Commission grant York Water permission to record the costs associated with the updated customer class demand study to a regulatory asset. The Company will incur these significant expenses between base rate cases and outside of the Fully Projected Future Test Year of its next base rate case.² Therefore, the Company should be permitted to establish a regulatory asset to record the costs associated with the study, so that York Water can make a claim for recovery in its next base rate case. The costs associated with the updated customer class demand study are extraordinary, as opposed to routine business expenses.³ Moreover, the RD's recommendation for York Water to complete the updated

¹ As noted in Mr. Herbert's rejoinder testimony, his firm prepared a comprehensive class demand study for Pennsylvania-American Water Company ("PAWC") covering the entire state using a period of three years (2013 to 2015) and submitted the results in PAWC's 2017 Rate Case. (See York Water St. No. 107-RJ at 8.) The Company's proposed three-year period is consistent with that approach.

² See York Water St. No. 107-R at 6-7; York Water St. No. 107-RJ at 4-5.

³ See York Water St. No. 107-R at 6-7; *Popowsky v. Pa. PUC*, 868 A.2d 606, 609-11 (Pa. Cmwlth. 2004) ("PAWC II"); *Columbia Gas of Pa., Inc. v. Pa. PUC*, 613 A.2d 74, 76-78 (Pa. Cmwlth. 1992) ("Columbia"); *Popowsky v. Pa. PUC*, 642 A.2d 648, 652-53 (Pa. Cmwlth. 1994) ("PPL I"); *Petition of Duquesne Light Company for*

customer class demand study was unanticipated, and the costs associated with the study are non-recurring and substantial.⁴ Therefore, these costs qualify for regulatory asset treatment.⁵ If York Water's request is not granted, the Company may be denied recovery of the reasonable and prudent expenditures of complying with the Commission's Order and preparing the updated customer class demand study.

Based on the foregoing, the Company respectfully requests that the Commission grant Exception No. 1 and modify the Recommended Decision as set forth in this section.

Authorization to Defer Expenses for Accounting Purposes Only, Docket No. P-2012-2333760, at 6 (Order entered Apr. 17, 2013) ("*DLC FOCUS Order*").

⁴ *See id.*

⁵ *See id.*

III. CONCLUSION

WHEREFORE, The York Water Company respectfully requests that the Pennsylvania Public Utility Commission grant this limited Exception and modify the Recommended Decision of Administrative Law Judges John M. Coogan and Emily A. Farren accordingly.

Respectfully submitted,



Michael W. Hassell (ID # 34851)
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
Fax: 717-731-1985
E-mail: mhassell@postschell.com

Devin T. Ryan (ID # 316602)
Alice A. Wade (ID # 335228)
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
Phone: 717-612-6052
Fax: 717-731-1985
E-mail: dryan@postschell.com
E-mail: alice.wade@postschell.com

Date: December 22, 2025

Counsel for The York Water Company