

**COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	In Re: R-2025-3057983
	:	
Pennsylvania-American Water Company-	:	R-2025-3058051
Water & Wastewater	:	
	:	
1308(D)	:	

**REPLY OF EXETER TOWNSHIP SCHOOL DISTRICT
TO PAWC’S ANSWER TO PETITION TO INTERVENE OUT OF TIME**

The Exeter Township School District (“District”), by and through undersigned counsel, hereby submits this Reply to the Answer of Pennsylvania-American Water Company (“PAWC”) to the District’s Petition to Intervene Out of Time in the above-captioned proceeding. In support thereof, the District offers the direct testimony of Brian Feick, Business Manager for the District, attached as Exhibit E and avers as follows:

I. INTRODUCTION

PAWC’s opposition attempts to narrowly construe the standards for intervention in a manner inconsistent with the Pennsylvania Public Utility Commission’s (“Commission”) well-established policy favoring broad participation by affected parties. The District satisfies all applicable criteria for intervention: it has a direct, substantial, and immediate interest in the outcome of this proceeding, its participation will not unduly delay or prejudice the adjudication, and its interests are not adequately represented by existing parties.

II. THE DISTRICT HAS A DIRECT, SUBSTANTIAL, AND IMMEDIATE INTEREST

As a public school district and a significant customer of PAWC, the District will be directly impacted by any rates, tariffs, rules, or policies at issue in this proceeding. Water service

is essential to the operation of the District’s facilities, and any changes approved in this docket may materially affect the District’s operating costs and allocation of public resources.

PAWC’s assertion that Exeter’s interest is “generalized” or indistinct from that of other customers is misplaced. The Commission has repeatedly recognized that large institutional customers—including school districts—have a sufficiently concrete and particularized interest to support intervention, especially where utility costs directly affect public budgets and taxpayer resources.

III. THE DISTRICT’S INTERESTS ARE NOT ADEQUATELY REPRESENTED

PAWC contends that existing parties, such as the Office of Consumer Advocate or Office of Small Business Advocate, adequately represent the District’s interests. This argument fails for several reasons:

1. **Distinct Institutional Perspective:** The District represents a public educational institution with unique operational, budgetary, and statutory obligations that differ from residential or small business customers.
2. **Specific Usage Characteristics:** The School District’s water usage patterns, infrastructure needs, and cost sensitivities are materially different from those of other customer classes.
3. **Policy Considerations:** The District is positioned to provide insight into how proposed changes may affect public education funding and municipal resource allocation.

The Commission has consistently held that representation is not “adequate” merely because another party shares some overlapping interests.

IV. THE DISTRICT’S PARTICIPATION WILL NOT CAUSE DELAY OR PREJUDICE

The District has committed to complying with all procedural schedules and Commission directives. Its participation will be constructive and focused, and there is no credible basis to conclude that intervention would delay proceedings or prejudice any party. To the contrary,

Exeter's participation will supplement the evidentiary record with relevant, real-world impacts of PAWC's proposals on public institutions.

V. LIBERAL STANDARD FOR INTERVENTION SUPPORTS GRANTING THE PETITION

The Commission applies a liberal standard in evaluating petitions to intervene, resolving doubts in favor of participation. Excluding the District would run counter to this principle and unnecessarily limit the perspectives available to the Commission in a matter affecting public utility service and rates.

VI. CONCLUSION

For the foregoing reasons, the Exeter Township School District respectfully requests that the Commission grant its Petition to Intervene in this proceeding.

SWEET STEVENS KATZ & WILLIAMS LLP

Date: March 19, 2026

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VERIFICATION

I, Sharon W. Montanye, counsel for the Exeter Township School District, verify that the statements contained in the foregoing Response of the Exeter Township School District to Pennsylvania American Water Company's Answer to its Petition to Intervene Out of Time, are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities.

SWEET, STEVENS, KATZ & WILLIAMS LLP



Date: March 19, 2026

By: _____
Sharon W. Montanye, Esquire, ATY ID88478
Attorney for Exeter Township School District

Direct Testimony

Exeter Township School District
Business Manager
Pennsylvania Public Utility Commission – Docket No. R-2025-3057983

My name is Brian Feick, and I serve as the Business Manager for the Exeter Township School District. I have held this position for approximately 6 years, and I am responsible for the development and oversight of the District's annual operating budget of approximately \$92 million. My duties include financial planning, expenditure control, and the management of utility costs across all District facilities, including water service. In this role, I oversee approximately 32 utility accounts and am directly responsible for evaluating the financial impact of proposed rate changes such as those at issue in this proceeding.

The purpose of my testimony is to present the perspective of the Exeter Township School District regarding the proposed water rate increase in Docket No. R-2025-3057983, and to explain the resulting financial and operational impacts on the District. As a public-school system, the District operates within strict budgetary constraints and must carefully balance rising costs against its primary mission of providing educational services to students.

The Exeter Township School District serves approximately 3900 students across 7 school buildings and support facilities, employing roughly 630 staff members. These facilities include elementary schools, a middle school, a high school, and administrative buildings, collectively comprising approximately 780 thousand square feet of space, as detailed in Exhibit ETSD-1. In addition to educational instruction, these facilities support extracurricular activities and serve as community resources. Reliable and affordable water service is essential to maintaining safe and functional school environments, supporting restrooms, food service operations, athletic programs, and general maintenance.

The District currently receives water service from Pennsylvania American Water and maintains approximately 7 service accounts/meters. As a large institutional customer, the District's water usage is primarily non-discretionary and tied directly to occupancy and health requirements. Over the past five years, the District's annual water costs have been as follows: in 2021 a cost of \$127,322.22; in 2022, a cost of \$186,479.41; in 2023, a cost of \$227,705.18; in 2024, a cost of \$233,894.84; and in 2025 (projected), a cost of \$240,054.00.

The proposed water rate increase also comes at a time when the District is experiencing significant cost pressures across multiple categories. Recent increases include electricity costs rising from \$928,200.00 to \$948,500.00, natural gas from \$216,875.00 to \$222,000.00, transportation from \$1,043,399.11 to \$1,366,746.50, and healthcare costs from \$10,981,356.66 to (partial year 7/1/25/-3/19/26) \$8,661,234.35. When combined with the proposed water rate increase, these pressures result in additional financial burden to the District, further straining its ability to maintain current service levels.

The District has taken proactive steps to manage and reduce water consumption. By example, these efforts include the District's last renovation to the Junior High and Senior High Schools replacing fixtures at an estimated cost of \$350,000 which reduced the water consumption by about 10%.

For these reasons, the District respectfully requests that the Commission carefully evaluate the magnitude and structure of the proposed rate increase. The proposed rate-increase would result in a significant financial burden on the Exeter Township School District. Given the District's limited ability to absorb such increases and the essential nature of water service, this added cost will ultimately impact educational programs and services provided to students. The District remains committed to responsible resource management and conservation but respectfully requests that the Commission consider the unique position of public-school systems when evaluating the proposed rates.