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Ryan Flynn*

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

RYAN FLYNN o/b/o	:	
LIQUID MANAGEMENT	:	Docket No. C-2024-3047272
	:	
Complainant	:	
v.	:	
	:	
PENNSYLVANIA-AMERICAN	:	
WATER COMPANY	:	
	:	
Respondent	:	

**EXCEPTIONS OF RYAN FLYNN o/b/o LIQUID MANAGEMENT TO THE INITIAL
DECISION OF ADMINISTRATIVE LAW JUDGE ALPHONSO ARNOLD III**

AND NOW, comes the Complainant, Ryan Flynn o/b/o Liquid Management, by and through his undersigned counsel, and submits the following Exceptions to the Initial Decision of Administrative Law Judge Alphonso Arnold III in the above-captioned matter.

I. INTRODUCTION

Mr. Flynn owns Meadowbrook Mobile Home Park (“Meadowbrook”), a wastewater customer of Pennsylvania-American Water Company (“PAWC”). Meadowbrook is therefore subject to PAWC’s wastewater tariff, including the Schedule of Rates for Zone 1. Meadowbrook

is not a PAWC water consumption customer and has never been metered by PAWC for water consumption.

Mr. Flynn filed a Complaint against PAWC, and later an Amended Complaint, alleging incorrect billing and that the utility required him to install a meter pit, meter and pump station on his property in order to become a customer of the utility. On November 5, 2025, the evidentiary hearing was held followed by briefing by the parties. On April 15, 2026, the ALJ issued an Initial Decision and Order dismissing the Amended Complaint on the grounds that (i) Mr. Flynn failed to prove a violation of the Public Utility Code, Commission regulation or order, or a Commission-approved PAWC tariff; and (ii) that that the Commission is not empowered to award monetary damages to the extent that Mr. Flynn sought reimbursement for equipment and installation costs. The ALJ further concluded that PAWC complied with its tariff when it billed Meadowbrook for wastewater service based on metered charges during the period Meadowbrook had a wastewater meter, notwithstanding that Meadowbrook was not metered for water consumption.

II. EXCEPTIONS

Exception No. 1: The ALJ erred in finding that PAWC was complying with the language of its tariff when it billed Meadowbrook for wastewater service based on metered rates during the period Meadowbrook was metered with a wastewater meter that recorded sewage flows.¹

Read as a whole, it is clear that the tariff seeks to address the appropriate methods for charging several different categories of wastewater customers. The Initial Decision effectively reduces those categories to two: (1) customers with any meter installed to measure water consumption or wastewater (treated as “metered customers”); and (2) customers with no meter

¹ Initial Decision at 19.

installed on their property (treated as “unmetered customers”). The ALJ reaches that conclusion by relying on tariff language stating that “Metered Charges” are based on water usage or sewage flows, determined at PAWC’s discretion, and that all metered customers shall be subject to a monthly service per equivalent dwelling unit. From the phrase “all metered customers,” the ALJ reasoned that only customers with no meter on the property may be billed under “Unmetered Charges.”²

The Zone 1 Schedule of Rates, however, contemplates at least three categories of wastewater customers: (1) customers metered for both water consumption and sewage flows; (2) customers with no meter on the property; and (3) customers who are metered for wastewater only. It is undeniable that, the definition of “Unmetered Charges” covers customers who are only metered for sewage flows only (i.e., not metered for water consumption). The problem with the tariff’s definitions, on their face, is that they place category (3) customers in both buckets: “Metered Charges” applies because sewage flows are metered, and “Unmetered Charges” applies because the customer is “not metered for water consumption.” Those provisions must be reconciled in a way that gives effect to all words in the tariff. The most reasonable reading is that the “Unmetered Charges” definition creates a carve-out from the general definition of “Metered Charges” for customers who are not metered for water consumption—such as Meadowbrook.

Public utility tariffs have the force and effect of law and are binding on the public utility and its customers. Pa. Elec. Co. v. Pa. Pub. Util. Comm’n, 663 A.2d 281 (Pa. Cmwlth.1995). It is an axiom of statutory interpretation that every word within a statute is there for a purpose and

² See Initial Decision at 18.

should be given its due significance. The Initial Decision offers no explanation for why the tariff's definition of "Unmetered Charges" expressly references "customers not metered for water consumption" if, as the ALJ held, only customers with no meter on the property may receive unmetered charges. When PAWC drafted the Zone 1 schedule of rates, it began with a broad rule for "all metered customers," and then it separately identified "customers not metered for water consumption," in the definition for Unmetered Charges. Mr. Flynn falls within that expressly identified subset of "customers not metered for water consumption." The definition of "Unmetered Charges" does not say "customers without a meter." Accordingly, the phrase "customers not metered for water consumption" must be treated as intentional and must be applied to customers in Mr. Flynn's position.

Contrary to the Initial Decision's premise, it is rational and reasonable for PAWC to use flat rate charges for wastewater customers who are not also PAWC water-consumption customers, even if a wastewater meter exists on the property. Flat charges guarantee revenue and help recover fixed infrastructure costs (including piping, treatment, maintenance, and debt service) regardless of usage, and they promote billing simplicity and revenue stability. In addition, wastewater flows—especially at low residential volumes—may not be economically or reliably measured due to gravity flow and variable, contaminant-laden conditions, in contrast to pressurized drinking-water systems that allow uniform and reliable metering. Indeed, Mr. Flynn acknowledges that the applicable flat charges are likely higher than what he would pay if an accurate, reliable metered-billing approach were available.

Water usage is often used as a surrogate to estimate wastewater flows, as reflected in the Zone 1 definition of “Metered Charges.” Water-usage data is readily available and generally correlates with wastewater generation, but it is not a perfect proxy because some water use does not become wastewater (e.g., lawn irrigation and other outdoor uses).

Exception No. 2: The ALJ erred in finding that Meadowbrook was a metered customer because PAWC’s wastewater tariff does not permit it to charge customers based on meter readings it knows or has reason to know are false or unreliable.³

PAWC’s tariff cannot reasonably be construed to permit billing based on meter readings that PAWC knows, or has reason to know, are false or unreliable. The Initial Decision does not address the uncontroverted evidence and claims presented by Mr. Flynn that Meadowbrook’s wastewater meter readings were unreliable due to (a) meter malfunction and/or (b) the design and location of the meter pit and pump station. Consider the following rebuttal testimony of Joel Mitchell of PAWC:

Q. At some point, was a dispute raised by Meadowbrook about the wastewater bills?

A. Yes. For the billing periods ending June 3, 2020 and June 30, 2020, very high wastewater meter readings were obtained at the Meadowbrook Mobile Home Park. Upon investigation, it was determined that one of the check valves on Meadowbrook’s force main was not functioning properly, which was causing wastewater to flow back down towards the pump station. This likely caused the meter readings to be high. After discussing the issue with Meadowbrook, PAWC issued a courtesy billing adjustment of \$25,901.86, which was approximately half of the originally billed amounts for the two periods in question. PAWC was under no obligation to issue this adjustment, but did so as a courtesy to Meadowbrook due to their unfortunate check valve issue. (emphasis added)

³ Initial Decision at 19.

Q. Are the check valves the responsibility of PAWC's to maintain or are they Meadowbrook's responsibility?

A. The check valves, pump, and the meter are on Meadowbrook side of the connection and are Meadowbrook's property, and Meadowbrook is responsible for maintaining and repairing that property.

Q. Mr. Flynn says that there was a flaw in the design of the wastewater system that was installed on Meadowbrook's property. Was PAWC involved in that design process?

A. No. Meadowbrook was solely responsible for the design and installation of the pump station, force main, check valves, and other equipment needed to transport wastewater from its mobile home park to the connection with PAWC.⁴

The foregoing testimony makes clear that PAWC did not dispute or challenge Mr. Flynn's claims that there were issues with his meter. PAWC offered no testimony or rebuttal to show that Mr. Flynn's meter was functional. Instead, PAWC treated the issue as Meadowbrook's responsibility because Meadowbrook owned the meter and related equipment. Ownership, however, does not answer the billing question. If PAWC billed Meadowbrook using readings that PAWC knew or should have known were unreliable, then PAWC could not properly charge Meadowbrook under metered wastewater rates and should have applied the tariff's unmetered flat rate. The billing adjustments made by PAWC were insufficient to account for the difference.

⁴ PAWC Statement No. 2-R at 9. Emphasis added.

WHEREFORE, Mr. Flynn respectfully requests that the Public Utility Commission reverse the Initial Decision, hold that PAWC improperly billed Meadowbrook under metered wastewater charges, and grant appropriate relief, including a refund.

Respectfully submitted,

ATENCIO HALL, PLLC

Date: May 1, 2026

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Date: May 1, 2026

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