

COMMONWEALTH OF PENNSYLVANIA



DARRYL A. LAWRENCE
Consumer Advocate

OFFICE OF CONSUMER ADVOCATE
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, Pennsylvania 17101-1923
(717) 783-5048
(800) 684-6560

✕ @pa_oca
f /pennoca
FAX (717) 783-7152
consumer@paoca.org
www.oca.pa.gov

August 21, 2026

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility
Commission v. Reynolds Disposal
Company,
Docket No. R-2026-3064275

Dear Secretary Homsher:

Enclosed for electronic filing in this proceeding, please find the Formal Complaint and Public Statement on behalf of the Office of Consumer Advocate.

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,

/s/ Janna E. Williams
Janna E. Williams, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 319584
Email: JWilliams@paoca.org

Enclosures

cc: The Honorable Charles E. Rainey, Jr. (email only: crainey@pa.gov)
Certificate of Service

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2026-3064275
	:	
Reynolds Disposal Company	:	
	:	

I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's Formal Complaint and Public Statement, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 21st day of August, 2026.

SERVICE BY E-MAIL ONLY

Allison Kaster, Esq.
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
akaster@pa.gov
Counsel for I&E

Seth A. Mendelsohn, Esq.
Saxton & Stump
4250 Crums Mill Road,
Suite 201
Harrisburg, PA 17112
smendelsohn@saxtonstump.com
Counsel for Reynolds Disposal Company

Rebecca Lyttle, Esq.
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
relyttle@pa.gov
Counsel for OSBA

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Phone: 717-783-5048
Fax: 717-783-7152

Dated: August 21, 2026

/s/ Janna E. Williams
Janna E. Williams, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 319584
Email: JWilliams@paoca.org

Olivia M. Spergel, Esq.
Assistant Consumer Advocate
PA Attorney I.D. # 337929
Email: OSpergel@paoca.org

Counsel for:
Darryl A. Lawrence
Consumer Advocate

PENNSYLVANIA PUBLIC UTILITY COMMISSION

FORMAL COMPLAINT

1. COMPLAINANT INFORMATION

Darryl A. Lawrence, Consumer Advocate
555 Walnut Street, 5th Floor, Forum Place
Harrisburg, PA 17101-1923
Dauphin County

Phone: (717) 783-5048

2. FULL NAME OF UTILITY COMPANY:

Reynolds Disposal Company
Docket No. R-2026-3064275

3. TYPE OF UTILITY

Wastewater

4. COMPLAINT

- A. On July 31, 2026, Reynolds Disposal Company (Reynolds or Company) filed Supplement No. 9 to Tariff Sewage - Pa. P.U.C. No. 4, to become effective September 29, 2026. A full suspension by the Public Utility Commission (Commission) would delay the increase until April 29, 2027. Through this filing, Reynolds requests that the Commission approve a general distribution rate increase to its wastewater rates pursuant to 52 Pa. Code Section 53.54, and 66 Pa. C.S. Sections 1308, 1311(c), and 1330. Reynolds' proposed tariff would increase the Company's total annual operating revenues by approximately \$289,025, or between 26.8% and 46.7% overall depending on rate class.
- B. A residential customer using 4,400 gallons per month would see an increase in their bill from \$57.49 to \$84.34 per month or by 46.7%. A flat rate residential customer would see an increase in their bill from \$64.81 to \$93.53 or by 44.3%. Commercial customers using 7,100 gallons would see bill increases from \$84.20 to \$120.79 per month or by 43.5%. Industrial customers using 9,900 gallons per month would see a bill increase from \$111.90 to \$158.60 per month or by 41.7%. Finally, a public customer using 64,600 gallons would see a bill increase from \$519.64 to \$658.99 per month or by 26.8%.

- C. The Company serves approximately 971 residential, commercial and industrial customers in portions of Pymatuning, Hempfield, and Delaware Townships, Mercer County, Pennsylvania.
- D. The OCA is investigating the basis for, and calculation of, estimated bill increases to ensure that they are consistent with applicable standards and will produce just and reasonable rates.
- E. For ratemaking purposes, Reynolds proposes an overall rate of return of 7.99%, utilizing a fixed capital investment capital structure for ratemaking purposes.
- F. The proposed rate of return, appears to be excessive and, if accepted, would result in rates that are unjust and unreasonable in violation of Chapter 13 of the Pennsylvania Public Utility Code, 66 Pa. C.S. Section 1301, *et seq.*, sound ratemaking principles, and public policy.
- G. A preliminary examination of the Company's general rate increase request indicates that the rates requested, including specific elements of its request, for example, but not limited to, the inclusion of certain plant in rate base, expense claims, rate of return, proposed customer charges, and proposed rate design, may not be just and reasonable and otherwise may be in violation of the law.
- H. Whether rates are just and reasonable is inextricably intertwined with the quality of service provided. *Nat'l Utils. v. Pa. PUC*, 709 A.2d 972, 973 (Pa. Cmwlth. 1998). Therefore, all issues pertaining to the adequacy and reasonableness of a utility's service and facilities are relevant to whether a utility's existing or proposed rates are just and reasonable. 66 Pa. C.S. §§ 1301, 1501.
- I. The Consumer Advocate is empowered to represent the interests of consumers before the Pennsylvania Public Utility Commission, pursuant to Act 161 of the General Assembly, as amended, 71 P.S. Sections 309-1, *et seq.*
- J. In reaching a decision on whether to grant Reynolds' rate increase, the Public Utility Commission must give "due consideration to the interests of consumers." 71 Pa. Stat. Ann. § 309-5(2).
- K. A preliminary examination of the Company's filed Supplement No. 9 to Tariff Sewage – PA P.U.C. No. 4, and request for a general rate increase indicates that:
 - 1. The proposed changes and increase in rates contained in the proposed Tariff may be unjust, unreasonable, in violation of the law and in violation of the Public Utility Code, 66 Pa. C.S. Sections 1301, *et seq.*;
 - 2. The proposed tariff changes and proposed rate structure and rate design may be unlawfully discriminatory, in violation of the Public Utility Code, 66 Pa. C.S. Sections 1301 and 1304, *et seq.*, and are otherwise contrary to sound ratemaking principles and public policy;

3. The Company's existing rates, rules, and regulations may not be just and reasonable or otherwise proper under the Public Utility Code and applicable ratemaking principles. 66 Pa. C.S. §§ 1301, *et seq.*;
 4. The character of service and facilities furnished and maintained by the Company may not be adequate, efficient, safe, reasonable, reasonably continuous, or without unreasonable interruptions or delay, in violation of Section 1501 of the Public Utility Code. 66 Pa. C.S. § 1501. The character of service and facilities may not be in conformity with Commission regulations or orders. 66 Pa. C.S. § 1501. Additionally, the Company may have failed to make all such repairs, changes, alterations, substitutions, extensions, and improvements in or to such service and facilities as shall be necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public. 66 Pa. C.S. § 1501.
- L. The Consumer Advocate files this Complaint to ensure that the Commission will fully and fairly adjudicate issues pertaining to whether the Company's (1) existing and proposed rates are just, reasonable, and are not unduly discriminatory or otherwise unlawful, and (2) service and facilities are adequate, efficient, safe, reasonable, reasonably continuous, without unreasonable interruptions or delay, and in conformity with Commission regulations and orders.

5. RELIEF

The Consumer Advocate respectfully requests that the Commission take the following actions:

- A. Suspend and investigate the operation of the proposed Supplement No. 9 to Tariff Sewage – Pa. P.U.C. No. 4, pursuant to Section 1308(d) of the Public Utility Code. 66 Pa.C.S. § 1308(d);
- B. Enter a suspension order at the next scheduled Public Meeting following the date of this Complaint, which is August 27, 2026, in order to expedite this matter being assigned to the Office of Administrative Law Judge, which would allow the commencement of necessary procedural steps for purposes of developing a reasonable procedural schedule in which the parties may litigate;
- C. Direct the Office of Administrative Law Judge to use the April 16, 2027, Public Meeting as the deadline for a final Commission determination in this matter and for purposes of setting a deadline for a Recommended Decision and developing a litigation schedule in this matter;
- D. Consolidate all complaints filed against the proposed general rate increase request;
- E. Ensure that Reynolds has provided appropriate and adequate notice in accordance with the Public Utility Code and the Commission's Regulations;

- F. Hold full evidentiary hearings examining the reasonableness of Reynolds' current rates and proposed increases in rates;
- G. After providing the public with adequate notice, and as early in the proceeding as possible, hold in-person public input hearings in the utility company's service territory, as well as by telephone or virtually, in order to provide customers with an opportunity to be heard on the record;
- H. Deny the inclusion into rate base of any plant that is not reasonably projected to be used and useful within the FPFTY, deny any charges or changes contained in the proposal which would result in unjust and unreasonable rates, or cannot be fully justified by the Company, or otherwise are contrary to the Public Utility Code, sound ratemaking principles, and public policy;
- I. Deny the proposed changes and increase in rates contained in the proposed Tariff where the Commission finds they are not just and reasonable, unreasonably discriminatory, contrary to sound ratemaking principles, or inconsistent with or in violation of Commission regulations or orders. 66 Pa. C.S. §§ 1301, 1304;
- J. After reasonable notice, as raised by consumer testimony in public input hearings or a party's written direct or supplemental direct testimony, and after hearing of the same, make findings as to whether the service or facilities of any public utility are unreasonable, unsafe, inadequate, insufficient, or unreasonably discriminatory, or otherwise in violation of the Public Utility Code. 66 Pa. C.S. § 1505(a);
- K. Consider, in addition to all other relevant evidence of record, the efficiency, effectiveness and adequacy of service of each utility when determining just and reasonable rates. 66 Pa. C.S. § 523. On the basis of the Commission's consideration of such evidence, give effect to it by making such adjustments to specific components of the utility's claimed cost of service as it may determine to be proper and appropriate, on the basis of specific findings upon evidence of record, which findings shall be set forth explicitly, together with their underlying rationale, in the final order of the commission. 66 Pa. C.S. § 523;
- L. Reject, in whole or in part, a public utility's request to increase its rates where the Commission concludes, after hearing, that the service rendered by the public utility is inadequate in that it fails to meet quantity or quality for the type of service provided. 66 Pa. C.S. § 526;
- M. Where the Commission finds that service or facilities of the public utility are unreasonable, unsafe, inadequate, insufficient, or unreasonably discriminatory, or otherwise in violation of the Public Utility Code, determine and prescribe, by regulation or order, the reasonable, safe, adequate, sufficient, service or facilities to be observed, furnished, enforced, or employed, including all such repairs, changes, alterations, extensions, substitutions, or improvements in facilities as shall be reasonably necessary and proper for the safety, accommodation, and convenience of the public. 66 Pa. C.S. § 1505(a); and

N. Grant such other relief that the Commission may deem appropriate.

6. VERIFICATION AND SIGNATURE

Verification:

I Darryl A. Lawrence, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

(Signature)

(Date)

7. LEGAL REPRESENTATION

Janna E. Williams, Esq., PA Attorney ID # 319584
Email: JWilliams@paoca.org

Olivia M. Spergel, Esq., PA Attorney ID # 337929
Email: OSpergel@paoca.org

555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Dauphin County

Phone: 717-783-5048

**PUBLIC STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE
PURSUANT TO 71 P.S. SECTION 309-4(e)**

Act 161 of the Pennsylvania General Assembly, 71 Pa. C.S. Section 309-2, as enacted July 9, 1976, authorizes the Consumer Advocate to represent the interests of consumers before the Pennsylvania Public Utility Commission (Commission). In accordance with Act 161, and for the following reasons, the Consumer Advocate determined to file a Formal Complaint and participate in proceedings before the Commission involving the proposed general rate increase requested by Reynolds Disposal Company (Reynolds or Company).

On July 31, 2026, Reynolds filed a general rate increase seeking the Commission's approval to increase its overall operating revenue by approximately \$289,025 per year, or between 26.8% and 46.7% overall depending on rate class. Under the Company's proposal, a residential customer using 4,400 gallons per month would see an increase in their bill from \$57.49 to \$84.34 per month or by 46.7%. A flat rate residential customer would see an increase in their bill from \$64.81 to \$93.53 or by 44.3%. Commercial customers using 7,100 gallons would see bill increases from \$84.20 to \$120.79 per month or by 43.5%. Industrial customers using 9,900 gallons per month would see a bill increase from \$111.90 to \$158.60 per month or by 41.7%. Finally, a public customer using 64,600 gallons would see a bill increase from \$519.64 to \$658.99 per month or by 26.8%. The Company serves approximately 971 residential, commercial and industrial customers in portions of Pymatuning, Hempfield, and Delaware Townships, Mercer County, Pennsylvania.

The objective of the Consumer Advocate in filing this Complaint is to protect the interests of the Company's customers in paying just and reasonable rates and receiving adequate, efficient, safe, and reasonable utility service.

The Consumer Advocate will seek to ensure that the Company is permitted to implement only rates that are fully substantiated, just and reasonable, not unduly discriminatory, and otherwise consistent

with the Public Utility Code, Commission regulations and orders, case law, and sound ratemaking principles. The Consumer Advocate submits that the Company's existing rates and its proposed rates may be unjust and unreasonable and other otherwise unlawful based upon information filed by the Company in support of its ratemaking claims and overall general rate increase request. 66 Pa. C.S. §§ 1301, 1304.

Additionally, the Consumer Advocate will seek to ensure that the character of utility service and facilities furnished and maintained by the Company are adequate, efficient, safe, reasonable, reasonably continuous, without unreasonable interruptions or delay, and in conformity with Commission regulations or orders. 66 Pa. C.S. § 1501. Where service or facilities are found to be inadequate, the Consumer Advocate will seek to ensure that the Commission consider such findings in granting or denying the requested rate relief, in whole or in part, and in determining and prescribing the character of service or facilities to be furnished or maintained by the Company. 66 Pa. C.S. §§ 523, 526, 1505(a)