



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

September 17, 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
I&E Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for electronic filing please find the Prehearing Memorandum of the Bureau of Investigation and Enforcement in the above-captioned proceeding.

Copies are being served on parties per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in grey ink that reads 'Carrie B. Wright' with a stylized flourish at the end.

Carrie B. Wright
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 208185
(717) 783-6156
carwright@pa.gov

CBW/nb
Enclosures

cc: Administrative Law Judge Emily I. DeVoe (via email – edevoe@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**PREHEARING MEMORANDUM OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

TO ADMINISTRATIVE LAW JUDGE EMILY I. DEVOE:

In accordance with the Prehearing Conference Order dated September 15, 2026, the Bureau of Investigation and Enforcement (“I&E”) hereby submits this Prehearing Memorandum. The I&E prosecutors assigned to this proceeding are Joanna Toft-Funk and Carrie B. Wright. Ms. Toft-Funk and Ms. Wright may be contacted as follows:

By Mail: Joanna Toft-Funk
Carrie B. Wright
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

By e-mail: jtoftfunk@pa.gov
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Telephone: (717) 783-6184 (JTF)
(717) 783-6156 (CBW)

I. BACKGROUND

On July 31, 2026, Reynolds Disposal Company ("Reynolds Disposal" or “Company”) filed Supplement No. 9 to Tariff – Sewage Pa. P.U.C. No. 4 to become

effective September 29, 2026. It proposed to increase Reynolds Water Company's total annual operating revenues by approximately \$289,025 or 44.2% above the level of pro forma revenues.

On September 10, 2026, the Pennsylvania Public Utility Commission ("PUC" or "Commission") entered an order suspending the implementation of Supplement No. 9 by operation of law until April 29, 2027, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Supplement No. 9. Further, the matter was assigned to the Office of Administrative Law Judge ("OALJ") to schedule such hearings as necessary to develop a record in this proceeding.

A telephonic Prehearing Conference is now scheduled for Friday, September 18, 2026, at 1:00 p.m., before Administrative Law Judge Emily Devoe ("ALJ Devoe"). A Formal Complaint has been filed in this matter by the Office of Consumer Advocate ("OCA"). I&E filed its Notice of Appearance on September 1, 2026. I&E, in accordance with the Prehearing Conference Order issued by ALJ Devoe on September 15, 2026, now respectfully submits this Prehearing Memorandum.

II. ISSUES

The following list represents I&E's preliminary determination of the potential issues in these proceedings. The listing is as complete as can be made at this time. I&E specifically reserves the right to address other issues, as it deems appropriate if any such relevant issues arise. The issues are as follows:

- Rate Base including but not limited to:
 - Plant in Service
 - Plant Additions
 - Retirements of Plant
 - Contributions in Aid of Construction
 - Accumulated Depreciation
 - Annual Depreciation Expense
 - Allocation of Shared Plant
- Revenue including but not limited to:
 - Present and Proposed Revenue
 - Unaccounted For Water
- Rate Structure including but not limited to:
 - Proposed Rates
 - Scale Back of Rates
- Rate of Return including but not limited to:
 - Overall Rate of Return
 - Cost of Debt
 - Cost of Common Equity
 - Capital Structure
 - Risk Analysis
- Operating and Maintenance Expense including but no limited to:
 - Operating Labor
 - Operating Supplies
 - Maintenance Labor
 - Maintenance Supplies
 - Purchased Power
 - Chemicals
 - Insurance
 - General Office Salaries
 - General Office Expenses
 - Uncollectible Accounts
 - Regulatory Commission Expense
 - Rate Case Expense
 - Depreciation Expense
 - Other Misc. Expenses
 - Federal Income Taxes
 - State Income Taxes
 - PURTA
 - Capitalization
 - Total Expenses

Most of the issues raised by I&E will be supported by the Testimony of I&E witnesses. If there are issues of Commission policy or legal interpretation that are not properly the subject of testimony or factual issues that are clear on the record and need not be supported by testimony, I&E reserves the right to dispense with testimony when, in its opinion, an issue can be adequately addressed in Brief.

III. WITNESSES

It is currently expected that I&E may call the following witnesses without being limited thereto:

Ethan Cline	Fixed Utility Valuation Engineer
Drew Breuning	Fixed Utility Financial Analyst
Getachew Bedasa	Fixed Utility Financial Analyst

The I&E witnesses may be contacted through the contact information listed above for Ms. Toft-Funk and Ms. Wright. I&E reserves the right to substitute witnesses or call additional witnesses if warranted.¹ All active parties will be notified of any amendments to the I&E witness list.

IV. SCHEDULE

I&E will work with the Parties to develop a mutually agreeable procedural schedule in this proceeding.

I&E requests that any evidentiary hearings held in person in this matter be held in an available hearing room in Harrisburg as the proceeding requires the involvement of multiple I&E personnel who are based out of the Commission's Harrisburg office.

¹ The above listing is provided without analysis of the positions of all parties to this proceeding and without the benefit of completed discovery.

V. DISCOVERY

I&E is willing to consider any discovery modifications proposed by other Parties. However, due to the time limitations in the proceedings, I&E requests that, at minimum, the Commission's Rules of Practice and Procedure for the conduct of discovery be modified as follows:

1. Answers to written interrogatories shall be served in-hand within ten (10) calendar days of service.
2. Objections to interrogatories shall be communicated orally within three (3) days of service; unresolved objections be served to the ALJ in writing within seven (7) days of service of interrogatories.
3. Motion to dismiss objections and/or direct the answering of interrogatories shall be filed within five (5) days of service of written objections.
4. Answers to motions to dismiss objections and/or direct the answering of interrogatories shall be filed within five (5) days of service of such motions.
5. Discovery served after 12:00 noon on a Friday or after 12:00 p.m. on any business day preceding a state holiday will be deemed to be served on the next business day.

VI. EVIDENCE

I&E expects to present all written direct, rebuttal and surrebuttal testimony and accompanying exhibits at the evidentiary hearing. Moreover, I&E intends to rely on the Company's filing, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other

relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

VII. SERVICE OF DOCUMENTS

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, I&E will accept and prefers electronic delivery of documents without the need to follow up with hard copies.

VIII. SETTLEMENT

I&E intends to participate in any settlement discussions and is willing to work with the parties to reach a resolution of any or all issues.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carrie B. Wright". The signature is written in dark ink and is contained within a thin rectangular border.

Carrie B. Wright
Deputy Chief Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission

Joanna Toft-Funk
Prosecutor
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission

Pennsylvania Public Utility Commission
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Date: September 17, 2026

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CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Prehearing Memorandum** dated September 17, 2026, in the manner and upon the persons listed below.

Served via Electronic Mail Only

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