

SAXTON & STUMP

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September 17, 2026

VIA ELECTRONIC FILING

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

In re: PaPUC Docket No. R-2026-3064271
Reynolds Water Company

PaPUC Docket No. R-2026-3064275
Reynolds Disposal Company

Dear Secretary Homsher:

Attached for electronic filing, please find Reynolds Water Company's and Reynolds Disposal Company's Prehearing Memorandum in the above-referenced proceeding.

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

Sincerely,

SAXTON & STUMP



Seth A. Mendelsohn
Senior Counsel

cc: Administrative Law Judge Emily I. DeVoe (Via Email Only)
Certificate of Service (w/ encl.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Reynolds Water Company - R-2026-3064271
Reynolds Disposal Company - R-2026-3064275**

CERTIFICATE OF SERVICE

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, Reynolds Water Company and Reynolds Disposal Company's Prehearing Memorandum, 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.:

VIA E-MAIL ONLY

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DATE: September 17, 2026

SAXTON & STUMP



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	R-2026-3064271 (water)
v.	:	R-2026-3064275 (wastewater)
	:	
Reynolds Water Company	:	

**PREHEARING CONFERENCE MEMORANDUM
OF REYNOLDS WATER COMPANY AND REYNOLDS DISPOSAL COMPANY**

This memorandum is submitted in response to the prehearing conference order issued by Administrative Law Judge Emily I. Devoe dated September 15, 2026.

I. INTRODUCTION

On July 31, 2026, Reynolds Water Company (“Reynolds Water”) filed Supplement No. 14 to Tariff Water – Pa. P.U.C. No. 4 (“Supplement No. 14”) to become effective September 29, 2026. Supplement No. 14 would increase Reynolds Water’s total annual operating revenues for water service by approximately \$359,994, or 54.4%. The Pennsylvania Public Utility Commission (“Commission”) docketed the case at R-2026-3064271.

On July 31, 2026, Reynolds Disposal Company (“Reynolds Disposal”) filed Supplement No. 9 to Tariff Sewage – Pa. P.U.C. No. 4 (“Supplement No. 9”) to become effective September 29, 2026. Supplement No. 9 would increase Reynolds Disposal’s total annual operating revenues for wastewater service by approximately \$289,025, or 44.2%. The Commission docketed the case at R-2026-3064275.

By orders dated September 10, 2026, the Commission instituted formal investigations into both the Reynolds Water and the Reynold Disposal filings to determine the lawfulness, justness, and reasonableness of the company's existing and proposed rates, rules and regulations.

Accordingly, the water tariff supplement and wastewater tariff supplement were suspended by operation of law until April 29, 2027, unless permitted by Commission order to become effective at an earlier date.

For purposes of convenience, Reynolds Water and Reynolds Disposal are providing a single prehearing conference memorandum as they share common ownership. Reynolds Water and Reynolds Disposal believe that the record at the close of these proceedings will demonstrate the lawfulness, justness, and reasonableness of their proposed rates.

II. ISSUES

The fundamental issue in this proceeding is whether the rates proposed by Reynolds Water in Supplement No. 14, and the rates proposed by Reynolds Disposal in Supplement No. 9, are fair, just, reasonable, non-discriminatory, and lawful. Reynolds Water and Reynolds Disposal cannot, at this time, say for certain all of the issues that will be raised by the Bureau of Investigation and Enforcement (“BI&E”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”) or other participants. With that in mind, Reynolds Water and Reynolds Disposal expect the following general issues will be raised throughout these proceedings:

1. Is the rate claim for both Reynolds Water and Reynolds Disposal reasonable?
2. Is the rate of return claim for both Reynold Water and Reynolds Disposal reasonable?
3. Are both Reynolds Water and Reynolds Disposal’s respective claims for operating revenue, expenses, depreciation, and taxes reasonable?
4. Are both Reynolds Water and Reynolds Disposal’s respective proposed rates fair, reasonable, non-discriminatory, and lawful?

Is it both Reynolds Water and Reynolds Disposal’s positions that, respectively, Supplement No. 14 and Supplement No. 9 and supporting information submitting alongside them

establish that each of the foregoing issues shall be answered in the affirmative. Reynolds Water and Reynolds Disposal submit that the rates, rules, and regulations as proposed shall be allowed to go into effect.

III. WITNESSES

Witnesses set forth below are anticipated witnesses for the company and a brief description of the subject matter of their testimony.

Mr. Bradley R. Gosser (“Mr. Gosser”) is the Executive Director and Vice President of Greenville-Reynolds Development Corporation. Mr. Gosser’s address is 301 Arlington Drive, Greenville, Pennsylvania 16125. Mr. Gosser may provide testimony regarding the operations of Reynolds Water and Reynolds Disposal including company financing.

Ms. Dora Richards (“Ms. Richards”) is a Finance Manager at Greenville-Reynolds Development Corporation. Ms. Richards’s address is 301 Arlington Drive, Greenville, Pennsylvania 16125. Ms. Richards may provide testimony regarding Reynolds Water and Reynolds Disposal respective financials.

Mr. Gregory R. Herbert (“Mr. Herbert”) is Project Manager, Rate Studies at Gannett Fleming Valuation and Rate Consultants, LLC. Mr. Herbert’s address is 300 Sterling Parkway, Ste. 200, Mechanicsburg, Pennsylvania, 17050. Mr. Herbert has provided testimony regarding income statement, rate base, operating revenue and expense adjustments, and rate design.

Mr. Harold Walker, III, (“Mr. Walker”) is a Manager, Financial Studies at Gannett Fleming Valuation and Rate Consultants, LLC. Mr. Walker’s address is 300 Sterling Parkway, Ste. 200, Mechanicsburg, Pennsylvania, 17050. Mr. Walker may provide testimony on cost of capital and rate of return issues.

IV. PROPOSED SCHEDULE

Reynolds Water and Reynolds Disposal have prepared and attached as Appendix A to this Memorandum a proposed schedule for the submission of testimony and the filing of briefs. This schedule is consistent with the guidance of the ALJ in the Prehearing Conference Order on September 15, 2026. Reynolds Water and Reynolds Disposal will continue to work in good faith with the parties to reach agreement on a consensus schedule.

V. SERVICE ON REYNOLDS WATER AND REYNOLDS DISPOSAL

Attorney Seth A. Mendelsohn will speak as the lead attorney for Reynolds Water and Reynolds Disposal for the purposes of the prehearing conference. Reynolds Water and Reynolds Disposal requests that the official service list entry be as follows:

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VI. SETTLEMENT

Reynolds Water and Reynolds Disposal are willing to pursue with the parties, and encourages, the possible stipulation of individual issues or more far-ranging settlement discussions that might lead to a comprehensive resolution of this case with some or all of the parties.

VII. DISCOVERY

To date, Reynolds Water and Reynolds Disposal have each been served with Discovery requests from BI&E. As of September 16, 2026, no other Parties have served Reynolds Water or Reynolds Disposal with Discovery requests at this time. Reynolds Water and Reynolds Disposal

will respond to all Discovery requests in a timely manner. Neither company is proposing any changes to the Commission's discovery rules.

VIII. CONCLUSION

Based on the evidence summarized above, it is the position of Reynolds Water and Reynolds Disposal that the rates proposed in Supplement No. 14 to Tariff Water – Pa. P.U.C. No. 4 and Supplement No. 9 to Tariff Sewage – Pa. P.U.C. No. 4 are just, reasonable and lawful in all respects and, accordingly, the requested rate increases should be approved by the ALJ and the Commission at the close of this proceeding.

Respectfully submitted,

SAXTON & STUMP



DATE: September 17, 2026

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APPENDIX A

PROPOSED SCHEDULE

Initial Filing	July 31, 2026
Prehearing Conference	September 18, 2026
Public Input Hearing	Week of October 13-16, 2026
Opposing Party Direct Testimony	October 20, 2026
Rebuttal Testimony (all parties and all issues)	November 10, 2026
Surrebuttal Testimony (all parties and all issues)	November 25, 2026
Written Rejoinder or Outlines of Oral Rejoinder	December 4, 2026
Evidentiary Hearings (including oral rejoinder)	December 8-10 or December 14 – 16, 2026 (note that Witness availability varies between days)
Main Briefs due	December 29, 2026
Reply Briefs due	January 8, 2027
Public Meeting	April 8, 2027
End of Suspension Period	April 29, 2027