

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, Pennsylvania 17105-3265**

**Pennsylvania Public  
Utility Commission, *et al.* v.  
Newtown Artesian Water Company**

**Public Meeting -  
April 15, 2010  
2117550-OSA  
Docket No. R-2009-2117550  
C-2009-2122003**

**DISSENTING STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY**

Before the Commission for consideration is the Recommended Decision of Administrative Law Judge (ALJ) Ky Van Nguyen in the above captioned matter, as well as the Exceptions and Reply Exceptions filed by Newtown Artesian Water Company (NAWC or Company), the Office of Trial Staff (OTS) and the Office of Consumer Advocate (OCA). NAWC initiated this proceeding to request Commission approval to create a Purchased Water Adjustment Charge (PWAC) pursuant to Section 1307 of the Public Utility Code. The ALJ has recommended approval of the PWAC. Each of the parties have filed Exceptions to the Recommended Decision.

I must respectfully dissent from the majority's decision to adopt the ALJ's recommendation to approve the PWAC. While I am sympathetic to the goals of regulatory efficiency and the streamlining of our procedures, based upon the record of this proceeding, establishment of a PWAC pursuant to Section 1307 of the Public Utility Code may not be appropriate. Also, while our regulations at 52 Pa. Code §53.54 permit water and wastewater utilities with annual gross revenues of less than \$250,000 to implement a PWAC, I do not believe that the facts of this proceeding would warrant the waiver of these regulations in the case of NAWC.

The purchased water costs that are proposed to be recovered and reconciled via the proposed surcharge have been recovered within the base rates of NAWC since 1984, a period of nearly 26 years. During those 26 years, NAWC has been subject to a total of six rate increases by its supplier, hardly an exorbitant number of increases. During those 26 years, the Company has never filed a base rate case solely to recover increased water expenses, or requested a purchased water pass-through mechanism. Additionally, NAWC's sole supplier intends to hold NAWC's current rates through 2012. In my opinion, considering the unique circumstances within this proceeding, there is no need for a PWAC.

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**DATE**

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**TYRONE J. CHRISTY, VICE CHAIRMAN**