

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17105-3265

**Municipal Authority of the Borough of
West View v. Pennsylvania-American
Water Company**

**Public Meeting – July 15, 2010
2153062-OSA
Docket No. C-2010-2153062**

STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY

Before the Commission for consideration is the Initial Decision of Administrative Law Judge (ALJ) Weismandel concerning the Formal Complaint filed by the Borough of West View (West View) against the Pennsylvania-American Water Company (PAWC), as well as the Exceptions and Reply Exceptions filed thereto. West View is contesting PAWC's use of its DRS Rider¹ to acquire a new customer, the Evans City Water and Sewer Authority. PAWC filed a Motion to dismiss for Lack of Standing and a Motion for Judgment on the Pleadings (Motions). The ALJ recommended that the Motions be granted and that the Complaint be dismissed for lack of standing.

I support the ALJ's recommendation in this proceeding which will enable the Borough of Evans City to expeditiously acquire a replacement supply of water on a competitive basis to meet the water consumption demands of its customers. Currently, Evans City obtains all of its water requirements from its own source of supply and water treatment facility. However, that facility was under a Pennsylvania Department of Environmental Protection notification that major upgrades were needed in order to assure environmental compliance. Instead, Evans City solicited proposals to purchase treated water from a third-party supplier as an economically competitive alternative to upgrading its treatment plant. PAWC, via the use of its Rider DRS, was the lowest offer received by Evans City.

The Commission has previously determined that PAWC has the authority to utilize Rider DRS to acquire new customers and this appears to be a win-win situation for both Evans City as well as PAWC and its current customers. With respect to West View's concerns, it should be noted that it did not make a bulk water sale proposal to Evans City and thus, should not be permitted to further delay the consummation of Evans City's competitive solicitation as well as Evan's City's acquisition of a needed alternative water supply.

7-15-10
DATE

Tyrone J. Christy
TYRONE J. CHRISTY, VICE CHAIRMAN

¹ Rider DRS stands for Demand-Based Resale Service.