

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY COMMISSION :
 :
 V. : No. R-2018-3003558
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 AQUA PENNSYLVANIA, INC. :
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 PENNSYLVANIA PUBLIC UTILITY COMMISSION :
 : No. R-2018-3003561
 V. :
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 AQUA PENNSYLVANIA WASTEWATER, INC. :

PETITION TO INTERVENE AND ANSWER OF
THE COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY EFFICIENCY
IN PENNSYLVANIA (*CAUSE-PA*)

PENNSYLVANIA UTILITY LAW PROJECT
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September 28, 2018

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission (PUC or Commission), 52 Pa. Code §§ 5.61-5.76, the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA), through its legal counsel at the Pennsylvania Utility Law Project (PULP), hereby petitions the Commission to intervene in the above-captioned proceeding. In support thereof, CAUSE-PA states as follows:

PETITION TO INTERVENE

1. On August 17, 2018, Aqua Pennsylvania, Inc. (Aqua or Water Company) and Aqua Pennsylvania Wastewater, Inc. (APW or Wastewater Company) filed coordinated base rate cases pursuant to 66 Pa. C.S. § 1308(d). In the filings, Aqua and APW set forth proposed tariffs, which outline the rates, policies, programs, and procedures which will govern the distribution of water and wastewater services to their respective customers. Aqua's and APW's proposed tariffs each seek approval to substantially increase distribution rates for all of their respective customer classes.

2. Eligibility to intervene in Commission proceedings is governed by 52 Pa. Code § 5.72, which provides in relevant part that “[a] petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought.” 52 Pa. Code § 5.72(a).

3. Section 5.72 further provides that the right or interest may be one “which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.” 52 Pa. Code. § 5.72(a)(2).

4. Even though Section 5.72 speaks of the rights of a “person” to intervene, the Commonwealth Court has consistently stated that “an association may have standing as a representative of its members . . . as long as an organization has at least one member who has or will suffer a direct, immediate, and substantial injury to an interest as a result of the challenged action, [i.e., is aggrieved, the organization] has standing.” *Energy Cons. Council of Pa. v. Pa. PUC*, 995 A.2d 465, 476 (Pa. Commw. Ct. 2010) (alteration in original) (citing *Tripps Park v. Pa. PUC*, 415 A.2d 967 (Pa. Commw. Ct. 1980); *Parents United for Better Schools v. School Dist. of Phila.*, 646 A.2d 689 (Pa. Commw. Ct. 1994)).

5. CAUSE-PA is an unincorporated association of low-income individuals that advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable water, electric, heating and telecommunication services.

6. CAUSE-PA membership is open to moderate and low- income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low-income families maintain affordable access to utility services and achieve economic independence.

7. CAUSE-PA is located, c/o the Pennsylvania Legal Aid Network, at 118 Locust Street, Harrisburg, PA 17101.

8. CAUSE-PA has a significant interest in the impact that Aqua’s and APW’s proposed rate increases will have on moderate and low income residential customers. These interests are not adequately represented by other participants.

9. Some members of CAUSE-PA are located within Aqua’s and APW’s service territory and will be directly affected by the outcome of this proceeding.¹ Particularly, this

¹ Patricia Sedlack and Heather Meachum are members of CAUSE-PA and customers of Aqua PA.

proceeding will affect the price that CAUSE-PA members pay for water and wastewater service, as well as the reliability and quality of that service.

10. CAUSE-PA has standing to intervene because several of its members have or will suffer a direct, immediate, and substantial injury to an interest as a result of this proceeding. See *Energy Cons. Council of Pa.*, 995 A.2d at 476.

11. CAUSE-PA is represented in this proceeding by:
John W. Sweet, Esq.
Patrick M. Cicero, Esq.
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12. Counsel for CAUSE-PA consents to the service of documents by electronic mail to pulp@palegalaid.net, as provided in 52 Pa. Code § 1.54(b)(3).

13. A telephonic prehearing conference was held September 28, 2018. CAUSE-PA acknowledges that it takes the case as found and is subject to the established schedule and discovery modifications.

ANSWER

13. CAUSE-PA has preliminarily reviewed Aqua's and APW's rate filings, and generally objects to the requests for increase on the grounds that the proposed rate increase, as well as the proposed design to recover the increased rates, could result in unjust and unreasonable rates that would impose severe hardship on low and moderate income residential customers and consumers.

14. Terms, conditions, and rates for water service are not just and reasonable if they are not appropriately designed and implemented to ensure that all consumers are able to access safe and affordable water service, consistent with the laws and policies of the Commonwealth.

15. Aqua's rate proposal would substantially increase residential rates across all of its twenty-two service territories. According to the customer notices including in the Company's filing, typical residential customers with 5/8" meters using 4,080 gallons per month would see increases ranging from 15.41% to 112.42%; and, typical APW wastewater customers would see increases ranging from 1.15% to 92.36%. A steep increase in rates such as the increase proposed by Aqua and APW will have a disproportionate harmful impact on low-, fixed-, and moderate-income households, who already struggle to afford all of life's most essential needs.

16. Not only does rate unaffordability threaten individual households, it can also have a lasting impact on the health and vibrancy of our communities. Preliminary review of Aqua's filing suggests that Aqua's proposed Customer Assistance Program (CAP or Helping Hand) is insufficient to remediate widespread rate and long-term rate unaffordability. (Aqua St. No. 1 at 41-42.) Before any rate increase is approved, further inquiry is needed to assess the need for additional water rate assistance and arrearage management and to ensure that Aqua's CAP is adequately designed to meet the needs of the communities it serves.

17. Aqua's proposed rate design is likewise troublesome. For example, it would increase Aqua's minimum charge for residential water service in its Main Division from 16.00 to 18.50 – or 15.6%. (Aqua St. 5 at 13.) Increasing the fixed charge portion of a customer's bill would undercut the ability of consumers to mitigate the impact of the rate increase through the adoption of water conservation and efficiency measures. Further investigation is necessary to determine whether Aqua's and APW's rate design will disproportionately harm vulnerable consumers or

otherwise detract from the consumer's ability to remediate the impact of the rate increase through water conservation and efficiency efforts.

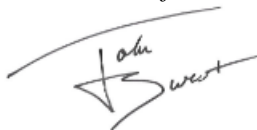
18. Preliminary review of Aqua's filing also reveals that the terms and conditions for service described in the tariff filing may not be consistent with the billing, collections, and termination standards contained in Title 66, Chapter 14 of the Public Utility Code or Title 52, Chapter 56 of the Commission's regulations. See 66 Pa. C.S. Chapter 14; 52 Pa. Code Chapter 56. Further scrutiny is necessary to ensure that services are provided to Aqua's customers in a manner that is fully consistent with the laws and prevailing public policy of the Commonwealth.

19. CAUSE-PA asserts that the issues identified above, along with any future modifications presented by intervening parties, must be thoroughly reviewed to ensure that all customers are able to access safe, affordable utility services within Aqua's and APW's respective service territories.

WHEREFORE, CAUSE-PA respectfully requests that the Commission enter an order granting CAUSE-PA full status as an intervener in this proceeding with active party status.

Respectfully submitted,

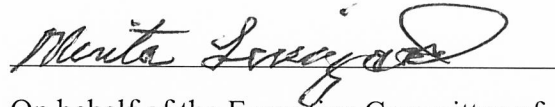
PENNSYLVANIA UTILITY LAW PROJECT
Co-Counsel for Pittsburgh UNITED

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Verification

I, Minta Livengood, a member of the Executive Committee of the Coalition for Affordable Utility Services and Energy Efficiency (“CAUSE-PA”), on behalf of CAUSE-PA, hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, 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 10 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



On behalf of the Executive Committee of
the Coalition for Affordable Utility Services
and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Date: **September 28, 2018**

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the Petition to Intervene and Answer of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania upon the parties of record in the above-captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

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Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT
Co-Counsel for Pittsburgh UNITED

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