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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

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EDUCATION

January 28, 2025

Via E-File

Rosemary Chiavetta, Secretary
Public Utility Commission
400 North Street
Keystone Building
Harrisburg, PA 17120

To the Honorable Commission:

We write to you in request to challenge the rate increases proposed by Aqua Pennsylvania Inc. and Aqua Pennsylvania Wastewater Inc., and the settling parties, for the wastewater customers of Aqua's Cheltenham system in the current Rate Zone 9 and to request a final rate determination that considers rate gradualism for these customers.

As a State Senator and a State Representative, we are deeply concerned about the impact that Aqua's proposed rate increase will have on the residents of our districts in Cheltenham Township. Under this proposal and the settlement, Aqua aims to consolidate certain wastewater rate zones, which would move Cheltenham Township from Rate Zone 9 to Rate Zone 1, resulting in an overall bill increase of approximately 65.29%.¹ This will increase their monthly service charge by \$15.78 and raise their monthly consumption charge by \$4.66 per 1,000 gallons used. We respectfully request that you decide to reject the consolidation of Rate Zone 9 to Rate Zone 1 in Aqua's wastewater rate tariff, and instead raise the volumetric rate as proposed but do not raise the monthly consumer charge. We believe this result would be a just and reasonable rate for both Aqua and the Cheltenham customers, as it would permit rates to increase for Aqua while respecting the ratemaking principle of rate gradualism for the impacted consumers.

This request must be considered in context. In 2022, Aqua imposed a 65% sewer rate increase on Cheltenham Township, which doubled the amount they were paying five years prior to Aqua purchasing Cheltenham Township's sewer system. If approved, this will be the second major rate increase (of 65%) in this Township within only a five-year period. The Township sold the sewer system to Aqua due to crippling pressure from the Department of Environmental Protection and their call for massive infrastructure investment that the municipality was not capable of. To date, we have not yet seen significant infrastructure improvements while we have withstood these rate increases. We can continue to move towards the system-wide rate structures that the original rate

¹ Assuming monthly wastewater bill based on 3,870 gallons per month.

case intends, but to claim that we are there now would be a financial burden and, frankly, an insult to the residents of Cheltenham.

Therefore, we reiterate our request to reinstate the Zone 9 rate tariff, blending the consumption rate of Zone 1 while freezing the service charge that the customers currently face in Zone 9.

On behalf of our constituents, we urge you to take this amended structure into account when making your final decision on Aqua's proposed rate increase. Thank you for your time and consideration.

Please consider this letter in making a final determination in this case. The Commission in its discretion may consider this filing and to protect due process of all parties the Commission could issue a Secretarial Letter to all parties of record providing a short window of time (e.g. 5 days) to file comments in response to this letter, should they so choose to do so. We have served a copy of this letter on all parties of record.

Sincerely,



Art Haywood
State Senator
4th Senatorial District



Napoleon J. Nelson
State Representative
154th Legislative District

NN/nu

cc:

Stephen M. DeFrank, Chairman
Kimberly M. Barrow, Vice Chair
Ralph V. Yanora, Commissioner
Kathryn L. Zerfuss, Commissioner
John F. Coleman, Jr., Commissioner
Parties of Record (per Certificate of Service)

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
v. : Docket Nos. R-2024-3047822 (Water)
Aqua Pennsylvania, Inc. and : R-2024-3047824 (Wastewater)
Aqua Pennsylvania Wastewater, Inc. :

I hereby certify that on this day, January 24, 2025, I have served a true copy of the Letter of State Representative Napoleon J. Nelson, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

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/s/ Napoleon J. Nelson
Napoleon J. Nelson
State Representative
154th Legislative District

Dated: January 28, 2025