

In the Matter of the Philadelphia Water Department's Proposed Increase in Rates for Water and Wastewater Utility Services – FY 2009-2012

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Prehearing Memorandum  
Of the  
Philadelphia Large Users Group

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As requested by Hearing Officer Harris T. Bock in his May 28, 2008, letter, the Philadelphia Large Users Group ("PLUG") hereby submits this Prehearing Memorandum.

**I. HISTORY OF THE PROCEEDING**

On May 5, 2008, the Philadelphia Water Department ("PWD" or "Department") filed proposed regulations with the Department of Records to increase water, sewer, stormwater, fire connection, and miscellaneous rates and charges over the four-year period of 2009-2012. On June 4, 2008, PLUG filed a Notice of Intent to Participate in this Commission Proceeding. A description of PLUG is set forth in its Notice of Intervention. Pursuant to Philadelphia Water Department regulations governing the rate change process, the Mayor, the President of City Council and the City Controller appointed Hearing Officer Harris T. Bock to preside over this proceeding. A Prehearing Conference is scheduled for June 6, 2008.

**II. PROPOSED AGENDA FOR PREHEARING CONFERENCE**

PLUG anticipates that Hearing Officer Bock will address various procedural issues during the course of the conference. Such issues will include: setting a discovery schedule; setting a procedural schedule; and addressing procedural requirements from the submission of testimony and briefs.

**III. PROPOSED SCHEDULE AND DISCOVERY RULES**

PLUG will cooperate with the other parties and the Hearing Officer in an attempt to formulate an appropriate procedural schedule for public hearings, technical hearings, and the filing of

briefs. PLUG has reviewed and discussed the proposed schedule submitted on behalf of the Department, and PLUG believes that agreement can be reached with respect to these proposed dates after further discussion among the parties. In addition, PLUG does not oppose the Department's request to bifurcate the rate increase from the stormwater management issues.

#### IV. ANTICIPATED ISSUES AND SUB-ISSUES

Based upon PLUG's initial review of the Department's filing, PLUG provides the following preliminary list of issues to be investigated:

- (a) the size of the requested rate increase;
- (b) the proposed distribution of the increase among the customer classes;
- (c) the rate structure and rate design; and
- (d) issues relating to the proposed modification in calculation of stormwater charges.

PLUG anticipates pursuing these issues during this proceeding and also reserves the right to raise other issues and to respond to issues raised by other parties. PLUG expects that the recommended decision set forth in this proceeding will address these issues.

Respectfully submitted,

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Dated: June 4, 2008