




TO: Chairman Burgos, Chairman Metzgar, and members of the House Consumer Protection, Technology and Utilities Committee

FROM: Jennie Shade, Senior Director of Government Relations 

DATE: April 4, 2025

SUBJECT: Support of HB 322 P.N. 278

I am writing on behalf of the Pennsylvania Municipal Authorities Association (PMAA), which represents over 700 municipal authorities across the Commonwealth. These authorities provide essential drinking water and wastewater treatment services to more than six million residents in Pennsylvania.

PMAA **supports** HB 322 P.N. 278 which amends Title 66 (Public Utilities) to enhance transparency and provide necessary protections for consumers when for-profit companies seek approval from the Pennsylvania Public Utility Commission (PUC) to acquire a system or raise rates. This bill promotes greater accountability and ensures that customers are informed about actions that will significantly impact their service.

Water and sewer authorities depend on the PUC's decisions regarding system takeovers. Our members recognize the critical importance of transparency and public participation play in ensuring that the acquisition of municipal authority water and sewer systems, as well as rate increases, are fair, reasonable, and well-understood by those who are most affected, the customer.

By allowing both mail and electronic submission of comments, HB 322 strengthens the public participation process. This improvement is especially important for the many ratepayers across the state who may not be able to attend in-person hearings or submit comments solely through traditional methods. Allowing electronic comments ensures that more voices are heard, and the public's input is considered when making crucial decisions regarding system acquisitions and rates changes.

Additionally, the inclusion of electronic submission reflects necessary modernization, aligning with the growing trend of digital engagement. It acknowledges the reality of our increasingly interconnected world, where citizens expect more accessible and convenient ways to engage with government.

While we support the underlying goals of HB 322, our members also believe it is important to

highlight some existing regulatory gaps that could be addressed within this bill to further strengthen the public's right to be informed. Specifically, **Title 66 mandates customer notification for rate increases but does not require for-profit companies to notify customers when seeking approval to acquire a municipal authority** under Section 1329 of the Public Utility Code. This results in limited transparency and reduced customer participation in proceedings that directly affect their services.

Under the PUC's Final Supplemental Implementation Order (FSIO): *Valuation of Acquired Municipal Water and Wastewater Systems – Act 12 of 2016*, for-profit companies are encouraged – but not required – to notify customers when seeking approval to acquire a system. While the FSIO is a helpful guideline, it is not binding and therefore lacks the consistency needed to ensure uniform customer notice across all acquisition proceedings.

Given these gaps, we urge you to consider adding language to HB 322 that would explicitly require for-profit companies to notify customers regarding acquisitions under Title 66, Section 1329. This requirement would ensure that customers are fully informed and able to submit public comments both via mail and electronically, in accordance with the spirit of HB 322's transparency goals.

PMAA recommends incorporating this provision into the bill to align customer notification requirements for Section 1329 acquisitions with those already established for rate increases. This addition would guarantee that all Pennsylvanians have the same opportunity to participate in critical decisions that affect their community's water and sewer services.

We believe that this change would not only enhance public trust but also encourage constructive feedback on municipal authority takeovers, which have far-reaching implications for service quality, pricing, and community interests. It would reflect the core values of transparency and accountability that are essential to a fair regulatory process.

On behalf of our members, we respectfully ask that you **support** HB 322 P.N. 278 as it moves toward greater transparency. Thank you for your consideration of this important issue. We look forward to working with you to ensure consumer protection and enhance public participation under Section 1329 of the Public Utility Code. We also extend our appreciation to Representative Ciresi for his leadership on this matter.

###

About PMAA

For more than 80 years, the Pennsylvania Municipal Authorities Association (PMAA) has been the primary voice of community-based services representing the interests of more than 2,600 municipal authorities across the Commonwealth. Services provided by the Association include advocacy on governmental affairs issues, education and training, and member benefit programs.