

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 23-W-0111 - Proceeding on Motion of the Commission as to
the Rates, Charges, Rules and Regulations of
Veolia Water New York, Inc. for Water Service.

RULING ON EVIDENCE AND ESTABLISHING
POST-HEARING BRIEFING SCHEDULE

(Issued February 22, 2024)

MICHAEL CLARKE and ASHLEY MORENO, Administrative Law Judges:

An evidentiary hearing was held in this proceeding on February 13, 2024, at which no party objected to the admission of pre-marked exhibits 1-96 into the record. Exhibits 97-106 were marked and entered into the record during the hearing, also with no objection. The exhibits are all referenced in the attached list, and this ruling confirms their admission into the record.

As discussed at the hearing, there is a 20-page limit on post-hearing briefs, which are due by 4:30 PM on Thursday, March 6, 2024. Reply briefs, subject to a 10-page limit, are due one week later by 4:30 PM on Thursday, March 13, 2024. These briefs are limited to addressing new evidence presented at the hearing.

(Signed)

MICHAEL CLARKE

(Signed)

ASHLEY MORENO

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Evidentiary Hearing Exhibit Number	DMM Filing Number	Date Filed	Sponsoring Party	Pre-filed Designation	Sponsoring Witness/Panel	Description	Number of Pages
Veolia Water New York, Inc.							
1	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Bui Exhibits	Ann T. Bui	Customer Class Load Study & Cost of Service Study	160
2	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Bui Testimony	Ann T. Bui	Testimony supporting Customer Class Load Study and Cost of Service Study	21
3	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Graziano Testimony	Chris Graziano	Company overview Testimony	53
4	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Moreno Exhibits	Gerardo Moreno	Engineering / Capital Exhibits	25
5	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Moreno Testimony	Gerardo Moreno	Testimony supporting Engineering / Capital Programs	42
6	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Operations Panel Exhibits	Operations Panel	Lead & Copper Rule, PFAS, Low-Income Program, Proposed Tariff Changes,	55
7	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Operations Panel Testimony	Operations Panel	Testimony supporting operating expense cost control, non-revenue water, customer service, low-income and water quality regulations	66
8	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Revenue Requirement Panel Exhibits	Revenue Requirement Panel	Test Year, Bridge Period, Rate Year Revenue, O&M & Tax expense, Rate Base and Revenue Requirement Exhibits	178
9	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Revenue Requirement Panel Testimony	Revenue Requirement Panel	Testimony supporting O&M, Taxes, Rate Base and Revenue Requirement	64
10	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Walker Exhibits	Harold Walker III	Exhibits supporting Cost of Capital	50
11	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Walker Testimony	Harold Walker III	Testimony supporting Cost of Capital	70
12	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Watson Exhibits	Dane A. Watson	Exhibits supporting Depreciation Study	92
13	2	3/2/2023	Veolia Water New York, Inc.	VWNY 2023 Rate Case - Watson Testimony	Dane A. Watson	Testimony supporting Depreciation Study	22
14	4	3/15/2023	Veolia Water New York, Inc.	Exhibit RRP-1 (Westchester District) - Corrected	Revenue Requirement Panel	Updated Exhibit RRP-1 for Westchester District	7
15	18	5/9/2023	Veolia Water New York, Inc.	VWNY 23-W-0111 Exhibits GM-1 GM-2 Updated	Gerardo Moreno	Updated GM-1 and GM-2 Exhibits (Original)	26
16	23	6/5/2023	Veolia Water New York, Inc.	VWNY Petition Exhibits GM-1 GM-2 Updated 6-5-23	Gerardo Moreno	Updated GM-1 and GM-2 Exhibits (Revised)	28
17	60	7/21/2023	Veolia Water New York, Inc.	01 23-W-0111 Graziano Rebuttal Final	Chris Graziano	Rebuttal Testimony addressing various Staff and Intervenor positions	45
18	60	7/21/2023	Veolia Water New York, Inc.	01 Rebuttal Exhibit CG-1	Chris Graziano	Rebuttal Exhibit addressing Staff's proposed disallowance of Company bonuses	18
19	60	7/21/2023	Veolia Water New York, Inc.	02 23-W-0111 Moreno Rebuttal Final	Gerardo Moreno	Rebuttal Testimony addressing Company's capital program	17
20	60	7/21/2023	Veolia Water New York, Inc.	03 23-W-0111 Watson Rebuttal Final	Dane A. Watson	Rebuttal Testimony addressing Staff Depreciation Rates	5
21	60	7/21/2023	Veolia Water New York, Inc.	04 23-W-0111 Bui Rebuttal Final	Ann T. Bui	Rebuttal Cost of Service and Rate Design Testimony	4
22	60	7/21/2023	Veolia Water New York, Inc.	04 Rebuttal Exhibit BV-2	Ann T. Bui	Rebuttal Cost of Service and Rate Design Exhibit	37
23	60	7/21/2023	Veolia Water New York, Inc.	05 23-W-0111 Walker Rebuttal Final	Harold Walker III	Rebuttal Cost of Capital Testimony	70
24	60	7/21/2023	Veolia Water New York, Inc.	05 Rebuttal Exhibit HW-1R	Harold Walker III	Rebuttal Cost of Capital Exhibit	14

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25	60	7/21/2023	Veolia Water New York, Inc.	06 23-W-0111 Revenue Requirement Panel Rebuttal Final	Revenue Requirement Panel	Rebuttal Testimony supporting O&M, Taxes, Depreciation, Rate Base, Revenue Requirement, Reconciliation elements, Ring Fencing, Funding Alternatives	67
26	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-1	Revenue Requirement Panel	Company responses to Staff interrogatories relied upon for Rebuttal not previously provided by Staff or Intervenors	41
27	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-2 - NY District	Revenue Requirement Panel	Summary Revenue Requirement calculation for NY District	5
28	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-2 - WC District	Revenue Requirement Panel	Summary Revenue Requirement calculation for WC District	4
29	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-3 - NY District	Revenue Requirement Panel	Summary Rebuttal O&M Expense and Taxes Other for NY District	29
30	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-3 - WC District	Revenue Requirement Panel	Summary Rebuttal O&M Expense and Taxes Other for WC District	26
31	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-4	Revenue Requirement Panel	Rebuttal Rate Base Summary	35
32	60	7/21/2023	Veolia Water New York, Inc.	06 Rebuttal Exhibit RRP-5	Revenue Requirement Panel	Rebuttal Projected Revenues at Current Rates Summary	2
Department of Public Service Trial Staff							
33	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Policy Panel	Staff Policy Panel	Testimony supporting Staff positions on rate district harmonization, Haverstraw Water Supply Project ROE, the water conservation program, and climate change plans	29
34	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SPP-1	Staff Policy Panel	Responses to interrogatories relied upon for direct testimony	6
35	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Accounting Panel	Staff Accounting Panel	Testimony supporting Staff positions on the revenue requirement	214
36	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SAP-1	Staff Accounting Panel	New York Rate District Revenue Requirement	13
37	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SAP-2	Staff Accounting Panel	Westchester Rate District Revenue Requirement	13
38	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SAP-3	Staff Accounting Panel	Responses to interrogatories on which the Staff Accounting Panel relies	495
39	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SAP-4	Staff Accounting Panel	Guidance on utility responses to COVID-19 issued by the Department of Public Service	12
40	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Consumer Services Panel	Staff Consumer Services Panel	Testimony supporting Staff positions on performance metrics, the water affordability program, outreach and education, and customer service new hires	51
41	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SCSP-1	Staff Consumer Services Panel	Responses to interrogatories relied upon for direct testimony	26
42	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SCSP-2	Staff Consumer Services Panel	Customer Service Performance Indicator, existing and Staff's proposed changes	1
43	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SCSP-3	Staff Consumer Services Panel	Staff's recommended changes to the affordability program	1

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44	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Finance Panel	Staff Finance Panel	Testimony supporting Staff positions on a fair rate of return for Veolia Water New York, Inc.	137
45	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-1	Staff Finance Panel	Responses to interrogatories relied upon for direct testimony	19
46	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-2	Staff Finance Panel	Overall Rate of Return Matrix	1
47	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-3	Staff Finance Panel	S&P Credit Report for Veolia Utility Resources LLC, dated April 13, 2023	7
48	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-4	Staff Finance Panel	Moody's High Leverage at the Parent Often Hurts the Whole Family, dated May 11, 2015	7
49	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-5	Staff Finance Panel	Moody's Utility Holding Companies Rated Baa Exhibit Distinct Strengths and Weaknesses, dated March 30, 2022	13
50	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-6	Staff Finance Panel	Allowed ROEs and Equity Ratios for NYS Water Companies	1
51	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-7	Staff Finance Panel	On Forecasting Long-Term Interest Rates: Is the Success of the No-Change Prediction Surprising? by James E. Pesando, dated September 1980	3
52	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-8	Staff Finance Panel	Just How Bad are Economists at Predicting Interest Rates? (And What are the Implications for Investors?)" by Kevin Stephenson, dated Summer 1997	3
53	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-9	Staff Finance Panel	Staff DCF and CAPM Model	3
54	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-10	Staff Finance Panel	Proxy Group and Value Line Universe	2
55	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-11	Staff Finance Panel	Energy Information Administration Energy Outlook 2023 with projections to 2050, dated March 16, 2023	25
56	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-12	Staff Finance Panel	Quantitative Profile reports by Bank of America Securities(BOAS), dated Fall 2018	44
57	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-13	Staff Finance Panel	Movements in the S&P 500 and DJU, dated May 15, 2023	1
58	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-14	Staff Finance Panel	New Regulatory Finance, by Dr. Roger Morin, dated 2006	1
59	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-15	Staff Finance Panel	"Earnings Growth: The Two Percent Dilution," published in the Financial Analysts Journal in 2003, William J. Bernstein and Robert D. Arnott, dated 2003	10
60	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-16	Staff Finance Panel	Professional Forecasts of Interest Rates and Exchange Rates by Karlyn Mitchell and Douglas K. Pearce in the Journal of Macroeconomics, December 2007	44
61	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-17	Staff Finance Panel	Predicting Interest Rates: A Comparison of Professional and Market-Based Forecasts" by Michael T. Belongia, dated March 1987	7

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62	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-18	Staff Finance Panel	"9% Forever?", published by Fortune Magazine on December 26, 2005	4
63	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-19	Staff Finance Panel	"Utility Stocks and the Size Effect: An Empirical Analysis," by Professor Annie Wong, dated June 1993	8
64	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-20	Staff Finance Panel	Absence of a Size Effect Relevant to the Cost of Equity by Clifford S. Ang, dated Fall 2018	6
65	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-21	Staff Finance Panel	Analysis of Company witness Walker's ROE Models	1
66	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit FP-22	Staff Finance Panel	Credit Metrics for VVNY	1
67	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Infrastructure and Operations Panel	Staff Infrastructure and Operations Panel	Testimony supporting Staff's positions on capital, operations, and maintenance expenses for Veolia Water New York, Inc.'s water system	91
68	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-1	Staff Infrastructure and Operations Panel	Responses to interrogatories relied upon for direct testimony	337
69	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-2	Staff Infrastructure and Operations Panel	Summary of Company proposed and Staff recommended capital expenditure budgets	2
70	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-3	Staff Infrastructure and Operations Panel	Graphical comparison of Company proposed and Staff recommended survivor curves	4
71	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-4	Staff Infrastructure and Operations Panel	Overview of current, Company proposed, and Staff recommended depreciation factors	3
72	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-5	Staff Infrastructure and Operations Panel	Net plant summary	2
73	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SIOP-6	Staff Infrastructure and Operations Panel	Summary of adjustments to production cost spending	1
74	36	6/23/2023	New York State Department of Public Service Trial Staff	Testimony of the Staff Forecasting and Rates Panel	Staff Forecasting and Rates Panel	Testimony supporting Staff's positions on customer sales and forecasting, the cost of service study, revenue allocation and rate design, and tariff revisions	35
75	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SFRP-1	Staff Forecasting and Rates Panel	Responses to interrogatories relied upon for direct testimony	311
76	36	6/23/2023	New York State Department of Public Service Trial Staff	Excel Attachment to Exhibit SFRP-1	Staff Forecasting and Rates Panel	Veolia Water New York, Inc. response to interrogatory DPS-290	included in above
77	36	6/23/2023	New York State Department of Public Service Trial Staff	Excel Attachment to Exhibit SFRP-1	Staff Forecasting and Rates Panel	Veolia Water New York, Inc. response to interrogatory DPS-291	included in above
78	36	6/23/2023	New York State Department of Public Service Trial Staff	Excel Attachment to Exhibit SFRP-1	Staff Forecasting and Rates Panel	Veolia Water New York, Inc. response to interrogatory DPS-292	included in above
79	36	6/23/2023	New York State Department of Public Service Trial Staff	Excel Attachment to Exhibit SFRP-1	Staff Forecasting and Rates Panel	Veolia Water New York, Inc. response to interrogatory DPS-293	included in above

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80	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SFRP-2	Staff Forecasting and Rates Panel	Sales forecast	11
81	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SFRP-3	Staff Forecasting and Rates Panel	Rate Design	11
82	36	6/23/2023	New York State Department of Public Service Trial Staff	Exhibit SFRP-4	Staff Forecasting and Rates Panel	Bill Impacts	13
Bruce Levine							
83	43	6/26/2023	Bruce Levine	Testimony Bruce M. Levine, Active Party-3	Bruce Levine	Direct Testimony	5
84	43	6/26/2023	Bruce Levine	Exhibit A	Bruce Levine	Suez Black Veatch Water Conservation Rebate Report 2018	38
85	43	6/26/2023	Bruce Levine	Exhibit B	Bruce Levine	Levine Conservation Proposal	7
PULP							
86	37	6/23/2023	PULP	Direct Testimony of Laurie Wheelock, Esq.	Laurie Wheelock, Esq.	Testimony supporting PULP's positions on custome service related matters and affordability concerns	15
87	37	6/23/2023	PULP	Exhibit LEW-01	Laurie Wheelock, Esq.	Exhibit including a response to an interrogatory relied upon for direct testimony	1
88	37	6/23/2023	PULP	Exhibit LEW-02	Laurie Wheelock, Esq.	Exhibit including sample EAP Applications from Orange & Rockland and Con Edison	5
89	37	6/23/2023	PULP	Exhibit LEW-03	Laurie Wheelock, Esq.	Exhibit including a response to an interrogatory relied upon for direct testimony	1
Municipal Intervenors							
90	41	6/23/2023	Municipal Intervenors	Direct Testimony of Frank W. Radigan on Behalf of Westchester Municipalities and Rockland Municipalities	Frank Radigan	Direct Testimony	25
91	41	6/23/2023	Municipal Intervenors	Exhibits to Radigan Testimony	Frank Radigan	Exhibits to Testimony	39
92	58	7/21/2023	Municipal Intervenors	Rebuttal Testimony of Frank W. Radigan on Behalf of Rockland Municipalities	Frank Radigan	Rebuttal Testimony	6
ROSA 4 Rockland							
93	57	7/14/2023	ROSA 4 Rockland	ROSA Reformatted Testimony	Deborah Munitz	Amended and reformatted Testimony	10
94	57	7/14/2023	ROSA 4 Rockland	Exhibit DM-1	Deborah Munitz	December 9, 2016 letter	2
Robert Tompkins							
95	35 and 47	6/23/2023	Robert Tompkins	Direct Testimony	Robert Tompkins	Testimony of Robert Tompkins, CPA, MPA	8
Entered at Hearing							
96	97	2/8/2024		Joint Proposal and Appendices	Multiple Parties	Joint Proposal	304
97	100	2/13/2024	Trial Staff of the Department of Public Service	N/A	Panel in Support of Joint Proposal	Veolia Water Response to DPS IR-321	58
98	100	2/13/2024	Trial Staff of the Department of Public Service	N/A	Panel in Support of Joint Proposal	Veolia Water Response to DPS IR-323	13
99	102	2/13/2024	Boston Post Road Owner LLC	N/A		DPS Staff Response to BPRO to DPS-2	2
100	102	2/13/2024	Boston Post Road Owner LLC	N/A		Veolia Letters to Thom Knowlton dated December 4, 2023, December 14, 2023, and February 6, 2024	3

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101	102	2/13/2024	Boston Post Road Owner LLC	N/A		Appendix C - Final Generic Environmental Impact Statement For the Adoption of the amended Code of the Village of Port Chester, Chapter 345, "Zoning", and Official Zoning Map	5
102	102	2/13/2024	Boston Post Road Owner LLC	N/A		Response of Westchester Municipal Intervenors to BPRO to WMI-1	1
103	102	2/13/2024	Boston Post Road Owner LLC	N/A		Response of Veolia to BPRO-3	5
104	102	2/13/2024	Boston Post Road Owner LLC	N/A		DPS Staff Response to BPRO to DPS-3	2
105	102	2/13/2024	Boston Post Road Owner LLC	N/A		Village of Port Chester Letter to Chris Graziano dated June 27, 2023	2
106	101	2/13/2024	County of Rockland, Rockland Green, Town of Clarkstown, Town of Haverstraw, Town of Orangetown, Town fo Ramapo, Town of Stony Point			Response of Veolia to DPS-277	3