

**ORDER NO. 89022**

IN THE MATTER OF THE  
 APPLICATION OF MARYLAND-  
 AMERICAN WATER COMPANY FOR  
 AUTHORITY TO ADJUST ITS  
 EXISTING SCHEDULE OF TARIFFS  
 AND RATES

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BEFORE THE  
 PUBLIC SERVICE COMMISSION  
 OF MARYLAND

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 CASE NO. 9487  
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**Issue Date: February 5, 2019**

On June 28, 2018, Maryland-American Water Company filed an application with the Public Service Commission of Maryland (“the Commission”) for authority to adjust its existing schedule of tariffs and rates. By Order No. 88760, the Commission suspended the proposed rates for an initial period of 150 days and delegated the matter to the Public Utility Law Judge Division. By Order No. 88893, the Commission further suspended the proposed rates for 180 days from August 27, 2018.

On January 17, 2019, a Proposed Order of Public Utility Law Judge was issued (“Proposed Order”). In the Proposed Order, Judge Grace approved an Agreement of Stipulation and Settlement that had been entered into among Maryland-American Water Company (“MAWC” or “Company”), the Maryland Office of People’s Counsel, and the Commission’s Technical Staff. Judge Grace also directed that any notice of appeal and associated memorandum on appeal be filed by January 24, 2019 with any reply memorandum due by January 31, 2019.

On January 24, 2019, the Company submitted a letter asking the Commission to amend ordering clauses 4 and 6, and footnote 62 of the Proposed Order. The Company stated that Ordering Clause 4 directed the Company to file clean tariff pages “consistent with this Proposed Order of Public Utility Law Judge subject to the acceptance by the Commission and with an effective date of February 25, 2019,” whereas Ordering Clause 6 states that the “Proposed Order shall become a final order of the Commission on February 6, 2019.” The Company argues that the two clauses and footnote 62<sup>1</sup> of the Proposed Order “are inconsistent with the language of the Joint Settlement Petition, allowing for MAWC to implement rates on or around January 1, 2019” (footnote omitted). The Company asks that the language in the two ordered clauses and footnote 62 be modified to permit rates to become effective with bills rendered on and after the date of the Final Order.

After review of the Proposed Order, including the Settlement Agreement, and the record in the matter, the Commission agrees with the Company that Ordering Clause 4 directing the Company to file clean tariff dates with an effective date of February 25, 2019, is inconsistent with the approval of the Settlement Agreement. Even though the revised tariff was suspended through February 25, 2019, to permit the Commission to conduct its proceedings to determine the just and reasonableness of the proposed rates, the issuance of a Final Order by the Commission terminates the suspension period. The rates approved in the Final Order therefore become effective on and after the date of the Final Order. Accordingly, the Commission hereby amends

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<sup>1</sup> Footnote 62 of the Proposed Order states, in part, “New tariffs will need to be filed with a rate effective date of February 25 2019.”

Ordered Clauses 4 and 6, and footnote 62 of the Proposed Order as requested by the Company.

**IT IS THEREFORE**, this 5<sup>th</sup> day of February in the year Two Thousand Nineteen by the Public Service Commission of Maryland,

**ORDERED:** (1) That Maryland-American Water Company, Inc.'s request for amendment of Ordered Clauses 4 and 6, and footnote 62 in the Proposed Order of Public Utility Law Judge issued on January 17, 2019, is hereby granted.

(2) That Ordered Clauses 4 and 6, and footnote 62 of the Proposed Order is hereby modified to read as follows:

(4) That the clean tariff pages filed by Maryland-American Water Company consistent with the Proposed Order of Public Utility Law Judge subject to the acceptance by the Commission be effective on and after the date of the Final Order.

(6) If no notice of appeal is filed, the Proposed Order shall become a final Order of the Commission as of the date of the Final Order, unless the Commission modifies or reverses the Proposed Order or initiates further proceedings in this matter as provide in Section 3-114(c)(2) of the Public Utilities Article.

Footnote 62: Settling Parties Ex. 1, para. 2.1 and Attachment 1, p. 2. New tariffs will need to be filed with a rate effective date on and after the date of a Final Order.

(3) That, except for the modifications made in Ordered Clause (2) in this Order, the remainder of the Proposed Order of Public Utility Law Judge is hereby affirmed.

By Direction of the Commission,

*/s/ Terry J. Romine*

Terry J. Romine  
Executive Secretary