

Bond Case Briefs

Municipal Finance Law Since 1971

PUBLIC UTILITIES - PENNSYLVANIA

Lawrence v. Pennsylvania Public Utility Commission

Supreme Court of Pennsylvania - December 16, 2025 - A.3d - 2025 WL 3636575

Pennsylvania's Consumer Advocate petitioned for review of order of the Public Utility Commission (PUC), No. A-2021-3026132, which approved public utility's application to acquire township's wastewater system assets, to offer, render, furnish, and supply wastewater service to the public in the areas served by township's system, and to establish a ratemaking rate base of the system's assets, and which granted utility a certificate of public convenience (CPC).

Township and utility intervened. The Commonwealth Court reversed commission's decision. Separate petitions for allowance of appeal by utility, municipality, and commission were granted.

The Supreme Court held that:

- Commission could consider benefits deriving from acquiring utility's size and technical, managerial, and financial fitness in its affirmative benefits analysis;
- Court's disagreement with determination by Commission that acquiring utility's services constituted benefits was reweighing of evidence;
- Commission's policy on regionalization and consolidation was type of "aspirational statement" that could be considered benefit of transaction;
- Whether court would have come to different conclusion regarding value of benefits and whether record included evidence that would support court's conclusion that acquiring utility failed to satisfy affirmative public benefits test was not relevant to whether there was substantial evidence in record to support findings by Commission;
- Potential rate increase that would result from transaction could not be categorized by court as "known harm"; and
- Commission considered transaction's impact on future rates "at least in a general fashion" and probable general effect of transaction upon rates.