

Water rate rise disputed

**PUC lawyer opposes
\$4.1-million request**

By DAVID KUSHMA
Bulletin Harrisburg Bureau

Harrisburg — A Pennsylvania Public Utility Commission (PUC) lawyer yesterday urged that the rate-making panel deny a Philadelphia Suburban Water Co. request for a \$4.1-million annual rate increase, and order the utility to slash by \$670,000 a year the rates it now charges its customers.

The water company, which serves some 210,000 customers in Montgomery, Delaware, Bucks, and Chester counties, wants to boost the average residential bill from \$122.60 to \$136.48 a year.

The commission's four members are scheduled to vote on the rate increase request at its meeting Friday. If approved, the higher rates probably would take effect Feb. 1. The water company originally had proposed raising its rates as of last July 1.

At a commission hearing yesterday, water company counsel Alan L. Reed argued that the rate increase was justified because the utility last was granted a \$4.5 million boost in May 1978. Moreover, he said, the rate of inflation outstrips the 11.6-percent rate boost sought by the company.

"When you compare (the request) with inflation over the past two years, it's peanuts," Reed said.

But PUC trial lawyer Gilbert L. Hamberg claimed the data submitted by the utility about its taxes, spending and revenues did not support its request "for one red cent."

The state Consumer Advocate's Office also filed a brief with the commission opposing the full rate increase, but suggested the company was entitled to a \$1.4-million boost.