

Philadelphia Water, Sewer, and Storm Water Rate Board  
Meeting Notes  
10/22/15

Present:

Bernard Brunwasser, Chair  
Nancy Winkler  
Sonny Popowsky  
Frances Beckley, Esquire

Also Attending:

Steve Hann via conference call  
Scott Schwartz  
Marie McNeill  
Rob Ballenger  
Andre Dasent

The minutes from the October 1 meeting were approved.

The revised draft regulations were reviewed at the start of the meeting. Mr. Brunwasser and Ms. Winkler voted to approve the regulations. Mr. Popowsky objected to the Information Exchange at Technical Hearings in Section II, 7 (b) (1).

The subcommittee reported on the candidates interviewed for the Hearing Officer and Technical Expert positions. The Hearing Officer candidates, Nancy Brockway and Harris Bock, both had a great deal of the experience required. Harris Bock served as the Hearing Officer in a past Philadelphia Water Department (PWD) rate proceeding. The subcommittee recommended Nancy Brockway. Ms. Beckley will finalize a contract not to exceed \$100,000.

Following no response to the RFP for a Technical Expert, Ms. Beckley notified eight firms that services are required in the upcoming rate case to provide an analysis of the Cost of Service done by the Water Department. A Miscellaneous Purchase Order (MPO) will be issued for these services with an amount not to exceed \$32,000. Ed Markus a Financial Consultant and professional engineer from Amawalk Consulting Group, and Scott Rubin, an attorney and consultant for the public utility industry submitted resumes. Both individuals are knowledgeable in the rate process and have approximately 30 years of experience in the field. The Board selected Ed Markus to be the Technical Expert, and asked Ms. Beckley to finalize a contract.

One response to the Public Advocate RFP was received from Community Legal Services (CLS) with a contract amount not to exceed \$325,000. Mr. Brunwasser and Ms. Winkler believe the cost is too high for the abbreviated time frame of the new process. The role of the Public Advocate will be different and fewer issues will be the focus compared to previous rate cases. Mr. Brunwasser proposed that expert testimony be limited in time and subject matter. Mr. Popowsky does not believe the contract amount is excessive, and is not in agreement with limits on expert testimony. Mr. Ballenger of CLS stated the hourly rates are reasonable, reiterated the proposed amount is not to exceed \$325,000, and does not expect to charge the maximum for services. Mr. Ballenger is willing to discuss the contract cost, and Ms. Beckley will report on any negotiation at the November 5 Board meeting.

Ms. Winkler suggested that as an independent board, The Philadelphia Water, Sewer, and Storm Water Rate Board will need its own budget. Ms. Beckley will inquire about establishing a budget for the FY2017 period beginning July 1, 2016.

Mr. Popowsky requested that all parties to the prior rate case receive notification when the Water Department files its notice of proposed rate changes.

Mr. Popowsky reminded the Board that PWD is responsible to make available its supporting information when filing the notice of a rate change. Mr. Brunwasser stated that budgetary information is currently available for the Fiscal 2016 period and earlier.

The next board meeting will be held on November 5 at 3:00