

Philadelphia Water, Sewer, and Storm Water Rate Board  
Meeting Notes  
11/8/17

Present:

Sonny Popowsky  
Tony Ewing  
Lee Huang  
Folasade A. Olanipekun-Lewis  
Rasheia Johnson  
Daniel Cantú-Hertzler

Also Attending:

Nancy Brockway  
Ed Markus  
Marie McNeill  
Debra McCarty  
Melissa LaBuda  
Andre Dasent  
Sarah Stevenson  
Susan Crosby  
Rob Ballenger  
Josie Pickens  
Angel Rodriguez  
Steve Cusano

The Chair called the meeting to order at 3:05 p.m.

The Chair welcomed Rasheia Johnson, City Treasurer, as the newest Board member.

Tony Ewing made a motion to approve the minutes from the September 8 meeting and Sade Olanipekun-Lewis seconded the motion. The minutes were adopted 4-0, with Ms. Johnson abstaining.

Dan Cantu-Hertzler reported Intents to Contract were posted on the eContract Philly website for Nancy Brockway to serve as Hearing Officer, Amawalk as the Board's financial advisor and Community Legal Services as the public advocate in the 2018-2019 Rate Case. Ms. Brockway's contract was executed with an effective date of November 1, 2017. Amawalk and CLS received their contracts to sign and return to the Law Department. The effective date for both Amawalk and CLS is October 1, 2017.

Andre Dasent, counsel for PWD, informed the Board that the Department anticipates filing the Advance Notice early in January. PWD is currently assembling documents and completing interrogatories.

Mr. Dasent also reported on the November 6 meeting among the participants in the Rate Case. The parties exchanged information and found areas of agreement and will continue discussions to resolve differences before the rate case filing. Another discussion is planned for December.

Rob Ballenger from CLS remarked that it will be helpful to have questions answered before the Advance Notice filing so the parties can concentrate on the main issues at the start of the case. The participants are aware the City intends to discontinue fire protection payments from the General Fund, and there is concern that costs will be transferred to the other ratepayers.

Tony Ewing asked about the Cost of Service analysis done by Black & Veatch Consulting. Melissa LaBuda explained it's the calculations supporting the costs in the model.

Ed Markus presented an outline of questions designed for the Board to obtain more detailed information about the Department's costs and revenues. Lee Huang made a motion to accept the outline and submit the request to PWD. Tony Ewing seconded the motion. The Board voted unanimously to accept the document for submission to PWD.

Nancy Brockway recounted her procedural meeting held earlier in the afternoon. Ms. Brockway's objective is to foster discussions and to resolve requests for information prior to the start of the rate case so that ample time remains for hearings and deliberation. Another informal meeting or conference call with the hearing officer is planned for December. The official schedule for the rate proceeding will be sent to participants after the Advance Notice is filed.

Tony Ewing inquired whether findings of fact and conclusions of law would be presented at the close of the rate case. Sonny Popowsky requested a comprehensive report with a recommendation by the hearing officer. Ms. Brockway said there was not enough time in the prior rate case to include a recommendation in the report. Ms. Brockway described the steps from the previous rate proceeding so newer Board members would know what to expect. Mr. Popowsky explained that the Board votes on the issues based on the standards in the Ordinance. Mr. Cantu-Hertzler stated rates must be sufficient to cover PWD's costs identified in the bond covenants but cannot be unreasonable. Folasade Olanipekun-Lewis suggested the Board refer to the list of items voted on in the last rate case. All other documents are available online on the Board's website.

For the next meeting, Lee Huang suggested discussing the items that go into the record for the rate case. Mr. Huang also asked that the Board receive an update on the status of the filing in 30 days.

The next meeting is scheduled for December 6. The meeting dates for the first quarter of 2018 are January 10, February 7 and March 7.

Mr. Huang moved to adjourn the meeting. Ms. Olanipekun-Lewis seconded the motion. All members voted in favor. The meeting ended at 3:55 p.m.