

**BEFORE THE PHILADELPHIA WATER, SEWER AND STORM WATER
RATE BOARD**

In the Matter of a Proposed Rate Increase in :
Water, Sewer and Storm Water Rates : **FY 2019-2021 Rates**

**Response to the
Public Advocate's Interrogatories & Requests for Production of Documents
Set IV**

- PA-IV-1. With respect to the testimony of Jerome Mierzwa (PA Statement 2, Schedule JDM-1), please provide the following:
- a. workpapers supporting the extra capacity demand factors;
 - b. any consumption data relied upon in your analysis;
 - c. diversity factor calculation; and
 - d. if no diversity factor calculated, please explain how diversity is recognized in your analysis.

RESPONSE

- a. Please see the attached file PWD-IV-1(a).xlsx.
- b. Please see the response to PWD-IV-1(a).
- c. Please see the response to PWD-III-1 regarding the confidential B&V Model. The portion of the confidential B&V Model which Mr. Mierzwa utilized for this calculation will be forwarded to PWD's counsel via separate electronic mail in order to ensure continued compliance with the Confidentiality Agreement. This file will be identified as PWD-IV-1(c).xlsx, reference tab "Units," cells A:83 – J:106.
- d. Please see the response to PWD-IV(c).

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PA-IV-2. With respect to the testimony of Jerome Mierzwa (PA Statement 2, Schedule JDM-1), please confirm that the calculation of extra capacity demand factors was undertaken in accordance with AWWA guidelines, as set forth in Principles of Water Rates, Fees and Charges – AWWA M1 (Appendix A).

RESPONSE

Confirmed.

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PA-IV-4. With respect to the testimony of Jerome Mierzwa (PA Statement 2, at page 16), please identify the source for revenues depicted for Wholesale service in columns 1 and 2 of Table 1. Also please explain why revenues for Wholesale service in Column 2 are decreasing.

RESPONSE

Please see the confidential file provided response to PWD-IV-1(c), tab "Retcos," Table W-16. The Wholesale cost of service should be revised to \$3,788,000. Therefore, the Wholesale amount is increasing.

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PA-IV-5. With respect to the testimony of Jerome Mierzwa (PA Statement 2, at page 7), please identify other jurisdictions that you are aware of where costs for fire protection services are recovered from retail customers through meter size-based service charges.

RESPONSE

Mr. Mierzwa has not kept a record of those jurisdictions in which the costs associated with public fire protection services recovered from retail customers is recovered through meter size-based service charges. In addition, in those jurisdictions in which it is permissible to recover public fire protection costs from retail customers and a meter size-based approach has been used, Mr. Mierzwa has generally not opposed that approach. As such, the recovery of public fire protection costs through a meter size-based approach would generally not be addressed in prior testimony sponsored by Mr. Mierzwa. Therefore, at this time, Mr. Mierzwa can not specify with certainty those jurisdictions in which a meter size-based approach to the recovery of public fire protection costs has been utilized. Mr. Mierzwa will continue to review his records to identify those jurisdictions in which a meter size-based approach has been used and will update this response accordingly.

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