

ERRATA SHEETS FOR PWD STATEMENT NO. 8

BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD

In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Related Charges	Fiscal Years 2019-2021
------------------------------------------------------------------------------------------------------------------------------------	------------------------

Errata Sheets for

Direct Testimony

of

Raftelis Financial Consultants, Inc.

on behalf of

The Philadelphia Water Department

Dated: May 9, 2018

ERRATA SHEETS
TO DIRECT TESTIMONY OF RAFTELIS FINANCIAL CONSULTANTS, INC.
PWD STATEMENT NO. 8

Page 7, Lines 2-3 Revise as follows:

For monthly gross income limits based on household size for the calendar year 2017, see ~~Error! Reference source not found.~~ Table 1 on page 9, below.

Page 14, Lines 24-25 Revise as follows:

To date (~~January 19, 2018~~ November 27, 2017), approximately 11,200 applications had been submitted.

1 based on where their household income stands with respect to the current Federal
2 Poverty Guideline. For monthly gross income limits based on household size for
3 the calendar year 2017, see **Error! Reference source not found.** below.

- 4 • If a customer's household gross monthly income is at or below 50% of the
5 federal poverty guideline, then monthly bills for water, sewer, and
6 stormwater usage and service charges are fixed at 2% of the household
7 income. The minimum TAP bill is \$12.00 per month. Any actual charges
8 above the fixed amount are forgiven.
- 9 • If a customer's household gross monthly income is above 50% and at or
10 below 100% of the federal poverty guideline, then monthly bills for water,
11 sewer, and stormwater usage and service charges are fixed at 2.5% of the
12 household income. Any actual charges above the fixed amount are
13 forgiven.
- 14 • If a customer's household gross monthly income is above 100% and at or
15 below 150% of the federal poverty guideline then monthly bills for water,
16 sewer, and stormwater usage and service charges are fixed at 3% of the
17 household income. Any actual charges above the fixed amount are
18 forgiven.
- 19 • If the customer has a gross household income higher than 150% of the
20 Federal Poverty Guideline and provides documentation showing existence
21 of a special hardship within the last 12 months, then the customer may still
22 qualify to participate in TAP. If a customer qualifies for TAP based on a
23 special hardship, monthly bills for water, sewer, and stormwater usage and
24 service charges are fixed at 4% of the household income. Any actual
25 charges above the fixed amount are forgiven. A special hardship can be:

1 First, existing WRAP re-enrollment deadlines were extended to ensure the initial
2 influx of TAP applications could be processed. The City also extended City grant
3 awards to WRAP customers into FY 2018 to ensure re-enrollment extensions
4 would not adversely impact their ability to pay their water bills. All customers did
5 have the ability to enroll in TAP beginning in July 2017 if they thought it would
6 provide them with a lower water bill.

7
8 Second, while the City began accepting TAP applications on July 1, 2017, the
9 program did not begin enrolling qualified applicants until September 2017.
10 Acceleration of the application process was in response to requests by
11 stakeholders. The time between application acceptance and enrollment was
12 necessary to ensure that applicants would be given the most accurate information
13 regarding the disposition of their application including acceptance or denial, need
14 for additional information, and appeal procedures. Due to the time lag in
15 enrollments, the City extended shut-off holds for applicants so they would not be
16 without service while their TAP status was in process.

17
18 **Q16. HOW HAS THE CITY ADJUSTED PROGRAM ENROLLMENT**
19 **ASSUMPTIONS FOR FY 2018?**

20 A16. Due to extensions cited above, FY 2018 will not experience a full year of lost
21 revenue as originally projected in the prior Rate Case. Projections have been
22 updated based on actual data in CAMP. As of December 31, 2017, over 31,700
23 total applications for about 25,200 unique customers had been generated through
24 mass mailings, customer requests, or through a new online portal. To date
25 (January 19, 2018), approximately 11,200 applications had been submitted. As a