

**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 2017-2018 Rates**

Public Advocate's Interrogatories & Requests for Production of Documents

Instructions: Please respond to the following Interrogatories and Requests for Production of Documents. Please repeat the interrogatory and provide the name of the person providing the response. Please provide copies of all replies in PDF and/or XLS format via email and/or on CDs.

PA-EXE-149. Reference Exhibit BV-E1, Table W-3 and Financial Planning Model Assumptions-37. The referenced documents indicate the use of a 4.0% inflation rate. However, when the actual calculation is tested on Table W-3, it indicates the actual rate is 3.5%.

- a. Please indicate which rate is the appropriate rate for use for the projected CIP.
- b. Please identify and provide a copy of the source documents for the inflation rate.
- c. Please confirm that the 2015 amounts are the actual amount.

PA-EXE-150. Reference Exhibit BV-E1, Table W-4.

- a. Please provide supporting documentation showing the derivation of the 1.5% issuance costs.
- b. Please explain how the Capital Account Deposit, Grants and Assessments on Line 8 was projected for FY 2016 through 2018 and provide supporting documentation.
- c. Please provide supporting documentation showing the derivation of the interest income on the Construction Fund as presented on Line 11 of Exhibit BV-E1 and as presented in the Financial Planning Model Fund 2 (PDF page 341).

PA-EXE-151. Reference Exhibit BV-E1, Table W-5.

- a. Please explain why there is no amount for debt service for 2015.
- b. Please how the "Pennvest Loan-Parity Pennvest" program works. Include an explanation of how an entity qualifies for Pennvest. Also, compare and contrast Pennvest loans to revenue bonds.

PA-EXE-152. Reference Exhibit BV-E1, Table W-6.

- a. Under the caption "Additional Service Revenue Required", are those percentages and amounts for 2019, 2020, and 2021 assumed rate increases?

- PA-EXE-153. Please provide a copy of the FY 2015 financial statements. Please indicate if the financial statements provided are audited.
- PA-EXE-154. Please provide the source documents (not references) which were utilized for obtaining all FY2015 data (revenues, expenses, etc.) included in the filing.
- PA-EXE-155. Reference Black & Veatch Supplemental Direct Testimony, Page 3, Conveyance Capital Cost Allocation. It is stated that the sewer mains capacity capital cost is allocated 64% to stormwater and 36% to sanitary sewage based on a weighted pipe capacity analysis which were affirmed in the 2012 rate proceeding.
- When was the weighted capacity analysis, that was affirmed in the 2012 rate proceeding, performed?
 - If a weighted capacity analysis that is more recent than the 2012 capacity analysis has been performed, please provide it?
- PA-EXE-156. Reference Black & Veatch Supplemental Direct Testimony, Page 3, discussion on the proposed O&M costs that impact the level of sanitary and sewer revenue requirements.
- What does “the Water Department has experienced positive response from private properties for the incentive programs” mean? How is positive response measured? Please provide the analysis that quantifies the positive response.
 - Please provide evidence that the cost of private greened acre achieved through the incentive program is 1/3 less than public greened acre projects.
- PA-EXE-157. Reference Black & Veatch Supplemental Direct Testimony, pages 8 & 9, discussion on the revenue impact of the CAP program. It is stated that the projections assume CAP enrollees will decrease annually as number of parcels cease to meet eligibility requirements.
- What are the eligibility requirements?
 - What is the basis for the assumption that the number of parcels meeting eligibility will decrease?
 - Please provide evidence that CAP revenue impact has decreased for FY 14 through most recent date.
- PA-EXE-158. Reference Black & Veatch Supplemental Direct Testimony, page 14, discussion on the expected impact of the Stormwater Credit.
- Provide supporting calculations for the FY17 and FY 18 expected IA and GA square footage.
 - Provide supporting documentation for the stormwater credit of \$11.45 million in FY 16, \$15.11 million in FY 17 and \$17.26 million in FY 18.
 - Please explain why stormwater SMIP and GARP credits decreased in FY 16 to \$11.45 million from \$13.60 in FY 15.

- d. Please explain why WRAP city grants decreased in FY 18 to 1.27 million from \$4.0 million in FY 17.

PA-EXE-159. Reference BV-S3 Pages 1- 3 SMIP/GARP Cost Amortization.

- a. Please explain what PIDC is and describe the functions or services it provides relative to SMIP and GARP.
- b. Please provide supporting documentation showing the derivation of the annual greened acres for FY 2016, 2017 and 2018.
- c. Please provide supporting documentation showing the derivation of the completed project values for FY 2016, 2017 and 2018.
- d. Please provide the source document for the 1.5% service fee.
- e. Please provide documentation for the \$75,000 annual administrative fee.
- f. Please explain why wholesale customers will be billed retroactively for FY 2013-2016 costs, and when retroactive billing will occur.
- g. Provide documentation showing the derivation of the annual amortization of \$653,622 and \$2,959,412.

PA-EXE-160. Please provide a schedule (not references) in the format shown on Table C-1 for the Residual Fund for each fiscal year FY2008-FY2015.

PA-EXE-161. Reference the Response to PA-EXE-3. Please provide documentation showing the derivation of 1.5% decrease in usage, not a reference.

PA-EXE-162. Reference the Financial Plan Assumptions document (BV-S1), please provide the following data for 5/8" meter general service customers in electronic format with the formulas intact.

- a. Customer-3 number of accounts for each month for FY 2015 and FY 2016 through the most recent date available.
- b. Customer-3 billed usage for each month for FY 2015 and FY 2016 through the most recent date available.
- c. Customer-4 average usage per account for each month for FY 2015 and FY 2016 through the most recent date available.