

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS**

PA-RDC-90. Reference: Management Audit, page 69. Please identify the specific type of payment plan offered by PWD that requires “allowable expenses” to be deducted from income to determine eligibility. Separately indicate all eligibility requirements, other than income minus expenses, required to qualify for this payment plan.

Response: Low income assistance payment plans for customers with household income above 150% FPL require “allowable expenses” to be deducted from income to determine eligibility. The only other eligibility requirement for low income assistance payment plan applicants is that the household income is at or below 250% of the Federal Poverty Level.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-91. Reference: Management Audit, page 69. Confirm or deny. RFC’s Management Audit confirmed that PWD determines eligibility for the payment plan type identified in the immediately preceding data request by requiring households seeking a payment plan to submit household expenses, determining which of those expenses are “allowable” and deducting those allowable expenses from income to determine eligibility. If denied, provide a detailed explanation of the meaning of the sentence: “Expenses are reviewed as part of the low income payment agreement application review process, during which the applicant’s allowance expenses are calculated and deducted from their income to determine their eligibility.”

Response: Confirm. Please see response to PA-RDC-90.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-92. Reference: Management Audit, page 69: In calculating “allowable expenses” and deducting allowable expenses from income to determine payment plan eligibility, please provide:

- a. A detailed explanation of who determines what expenses are “allowable”;
- b. A complete list of all “allowable expenses”;
- c. A confirmation or denial that any expense that is not on the list of “allowable expenses” is, by definition, not allowable;
- d. The level of an allowable expenses, in dollars, up to the point where any expense above this otherwise allowable expense becomes disallowed;
- e. The basis for assessing whether an expense is allowable or is not allowable.

Response: a. Service Representatives determine what expenses are “allowable” based on the Standard Monthly Expenses schedule in the Low Income Assistance Program training manual.

b. The Standard Monthly Expenses are: clothing, transportation, food, child care, phone, and miscellaneous.

c. Denied.

d. The level of an allowable expense varies according to the expense type and the number of members in the household.

e. An expense is allowable if it is a Standard Monthly Expense and falls within the guidelines for that expense based on the number of members in the household.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-93. Reference: Management Audit, page 69. Please identify for each allowance expense the documentation that a customer must submit to PWD to affirm or verify that he or she incurred that expense.

Response: A customer does not need to submit any documentation to affirm or verify clothing, transportation, food, or phone expenses. A customer must submit recent bills to affirm or verify child care and miscellaneous expenses.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-94. Reference: Management Audit, page 69. Please provide a copy of all written notices, of any nature, provided to customers identifying for the customer the full list of allowable expenses, the level above which those expenses become disallowable, and the fact that payment plan eligibility will depend in whole or part upon PWD deducting those allowable expenses from income to determine eligibility.

Response: There are no documents responsive to this request.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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- PA-RDC-95. Reference: Management Audit, page 69: In calculating allowable expenses and deducting those expenses from income to determine payment plan eligibility, provide the estimated number of person hours devoted annually to this process. Separately provide this estimated number of person hours:
- a. On a per-applicant basis; and
 - b. On an aggregated annual basis.

Response: For salaried employees, the City does not develop and track metrics for individual sub-tasks that comprise their applicant processing responsibilities. Please note there are no reports available that capture this data.

Response Provided by: Henrietta Locklear, RFC and Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-96. Reference: Management Audit, page 69: Please provide the number of hours estimated to be devoted annually to the process by which “the clerical staff obtains the information needed to manually generate the notification letters from the application files and draft letters to communicate those results to the customer.” Separately provide this estimated number of person hours:

- a. On a per-applicant basis; and
- b. On an aggregated annual basis.

Response: See response to PA-RDC-95.

Response Provided by: Henrietta Locklear, RFC and Michelle Bethel and Mark Harvey,
Philadelphia Water Revenue Bureau

**RESPONSE TO PUBLIC ADVOCATE'S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-97. Reference: Management Audit, page 71. For each of the 60% of peer utilities having a customer assistance program which reduces the utility bill, please provide:

- a. The estimated number of person hours devoted annually to ongoing program administration in aggregate annual hours;
- b. The aggregate dollars expended annually for ongoing program administration;
- c. The dollars expended annually for ongoing program administration as a percentage of total program costs;
- d. The estimated number of person hours devoted annually to ongoing IT support for the customer assistance program;
- e. The aggregate dollars expended annually for ongoing IT support for the customer assistance program;
- f. The dollars expended annually for ongoing IT support for the customer assistance program as a percentage of total program costs.

Response: As a part of the benchmarking effort:

- a.-f. This information was not requested of the utilities.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE'S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-98. Reference: Management Audit, page 71. For each of the eight (8) peer utilities having a low income customer assistance program, please provide:

- a. The estimated number of person hours devoted annually to ongoing program administration in aggregate annual hours;
- b. The aggregate dollars expended annually for ongoing program administration;
- c. The dollars expended annually for ongoing program administration as a percentage of total program costs;
- d. The estimated number of person hours devoted annually to ongoing IT support for the customer assistance program;
- e. The aggregate dollars expended annually for ongoing IT support for the customer assistance program;
- f. The dollars expended annually for ongoing IT support for the customer assistance program as a percentage of total program costs.

Response: As a part of the benchmarking effort:

- a.-f. This information was not requested of the utilities.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-99. Reference: Management Audit, page 71. Please provide a complete list of the “many opportunities for policy framework solutions” referenced to “improve this particular set of processes” (i.e., “administering assistance program”). For each of the identified “policy framework solutions” listed, provide both the business case cost-benefit analysis prepared in support of the policy framework solution and the calculation or estimation of the impact on staff resources (up or down) from adopting each “policy framework solution.”

Response: The opportunities are all described within section 4.4 Recommendations, a subsection of section 4. Customer Service Functions, Credit, and Collections are organized by topic.

Potential improvements to the processes were not subjected to a cost/benefit analysis and business case development as a part of the study.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-100. Reference: Management Audit, page 71. Please provide a complete list of the “many opportunities for . . .process modifications to improve this particular set of processes” (i.e., “administering assistance program”). For each of the identified “process modifications” listed, provide both the business case cost-benefit analysis prepared in support of the process modification and the calculation or estimation of the impact on staff resources (up or down) from adopting each “process modification.”

Response: The opportunities are all described within section 4.4 Recommendations, a subsection of section 4. Customer Service Functions, Credit, and Collections are organized by topic.

Potential improvements to the processes were not subjected to a cost/benefit analysis and business case development as a part of the study.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-101. Reference: Management Audit, page 78. Please provide a complete list of “benchmarking survey results” in the possession and/or control of RFC against which WRB practices were evaluated relating to:

- a. The design of a low-income bill affordability program for water, electricity and/or natural gas utilities. For each such result, indicate whether it was from a water, electricity or natural gas utility, as well as whether it was from a state regulated or a non-state regulated utility.
- b. The ongoing administration of a low-income bill affordability program for water, electricity and/or natural gas utilities. For each such result, indicate whether it was from a water, electricity or natural gas utility, as well as whether it was from a state regulated or a non-state regulated utility.

Response: The results of the benchmarking survey were provided in Exhibit HL-2 of Henrietta Locklear’s testimony. Appendix E of the Management Audit. Page 6 of Appendix E contains the results of customer assistance program (CAP)-related questions. The information requested of utilities on CAP was the existence of a CAP (or CAPs) and the type of CAP, who manages the CAP, and how the CAP was funded.

The list of participants in the benchmarking survey is found on page 3 of Appendix E. With the exception of the other utilities serving Philadelphia (clearly identified in the report and state-regulated) all other utilities in the survey sample are locally regulated (i.e., by Boards, City Councils or similar). As to the requests in a. and b. above, anonymity on the resulting metrics was promised to the participating utilities.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-102. Reference: Management Audit, page 78. Please provide a complete list of “known industry best practices” in the possession and/or control of RFC against which WRB practices were evaluated relating to:

- a. The design of a low-income bill affordability program for water, electricity and/or natural gas utilities. For each such “known industry best practice,” indicate whether it was from a water, electricity or natural gas utility, as well as whether it was from a state regulated or a non-state regulated utility.
- b. For each such “known industry best practice,” separately indicate who determined the practice to be a “best practice.”
- c. The ongoing administration of a low-income bill affordability program for water, electricity and/or natural gas utilities. For each such result, indicate whether it was from a water, electricity or natural gas utility, as well as whether it was from a state regulated or a non-state regulated utility.
- d. For each such “known industry best practice,” separately indicate who determined the practice to be a “best practice.”

Response: Refer to publications previously cited in response to PA-RDC-24 for more information on design of customer assistance programs and administration of such programs. Additional compendia of practices in this area can be found in WEF’s “Affordability of Wastewater Service” (© 2007) and the NACWA Financial Survey (© 2015): Opportunities & Challenges in Clean Water Utility Financing and Management.

Response Provided By: Henrietta Locklear, RFC

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PA-RDC-103. Reference. Management Audit, page 79. Please provide a complete list of “other City functions, such as social services, or other utility service providers” with which PWD might recognize “opportunities for efficiency via consolidating [its] customer assistance programs. . .”

Response: Page 84 provides more detail about this sentence. An exhaustive list of potential programs with which PWD and WRB might consider consolidating was not developed for the Management Audit. However, page 84 gives two examples of area agencies’ programs that could be candidates for consideration. Another example of a potential option is the LIHEAP program. However, confidentiality and data sharing issues would need to be resolved.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-104. Reference: Management Audit, page 79. For each “other City functions, such as social services, or other utility service providers” identified in the immediately preceding data request:

- a. provide a detailed description of the “consolidation” that might be available with PWD customer assistance programs;
- b. separately provide a detailed description of the improvement in “efficiencies” that might arise from a “consolidation” with PWD customer assistance programs.

Response: As the response to PA-RDC-103 describes, an exhaustive list of potential programs was not developed as a part of the Management Audit. As page 84 of the Audit describes, one way of realizing efficiencies would be to entirely or partially outsource qualification and requalification to another agency that also provides social services based on set criteria.

Response Provided By: Henrietta Locklear, RFC

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PA-RDC-105. Reference. Management Audit, page 80. Please provide a detailed description of “the ongoing effort to update the functionality of Basis2 application to remove the need for a separate WRAP database. . .[which] is underway as a result of a previous management study performed for the Bureau.” Separately provide:

- a. The person-hours devoted to date to this “updated functionality”;
- b. The person-hours estimated yet to be devoted to this “updated functionality”;
- c. The dollars devoted to date to this “updated functionality”; and
- d. The dollars estimated yet to be devoted to this “updated functionality.”

Response: There is no ongoing effort to update Basis2 application because subsequent to the release of the Management Audit, the City determined a new WRAP database was the more appropriate solution.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

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PA-RDC-106. Reference: Management Audit, page 84. Please provide all City (PWD/WRB) written responses, including e-mails, to the Management Audit recommendation that WRB should “entirely or partially outsourc[e] qualification and requalification to another agency that also provides social services based on set criteria.”

Response: After reasonable investigation, we have not located any responsive documents.

Response Provided By: Henrietta Locklear, RFC

**RESPONSE TO PUBLIC ADVOCATE'S INTERROGATORIES AND REQUESTS FOR
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PA-RDC-107. Reference: Davis testimony, page 3 - 4. Please provide a detailed explanation of the extent to which, if at all, PWD's estimate of the number of person-hours devoted to the ongoing administration of a low-income bill affordability program assumes the adoption or the non-adoption of the RFC recommendations that:

- a. WRB entirely or partially outsource qualification and requalification to another agency that also provides social services based on set criteria;
- b. WRB copy qualification criteria from another utility's (PECO or PGW) local assistance program to streamline processing;
- c. WRB streamline processes to limit redundancy in the workflow;
- d. The City establish electronic application processing capabilities;
- e. The City establish a more robust electronic application log in and referencing system to make the search and location of applications more efficient and transparent.

Response: With reference to a through e above, PWD:

- a. Estimates do not assume adoption.
- b. Estimates do not assume adoption.
- c. Estimates make no specific assumption as to adoption.
- d. Estimates do assume adoption.
- e. Estimates make no specific assumption as to adoption.

Response Provided By: Henrietta Locklear, RFC

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PA-RDC-108. Reference: Davis testimony, pages 3 - 4. Please provide a detailed explanation of the extent to which, if at all, PWD's estimate of the number of person-hours devoted to ongoing IT support assumes the adoption or the non-adoption of the RFC recommendations that:

- a. WRB entirely or partially outsource qualification and requalification to another agency that also provides social services based on set criteria;
- b. WRB copy qualification criteria from another utility's (PECO or PGW) local assistance program to streamline processing;
- c. WRB streamline processes to limit redundancy in the workflow;
- d. The City establish electronic application processing capabilities;
- e. The City establish a more robust electronic application log in and referencing system to make the search and location of applications more efficient and transparent.

Response: With reference to a through e above, PWD:

- a. Estimates do not assume adoption. Not permitted by ordinance.
- b. Estimates do not assume adoption.
- c. Estimates make no specific assumption as to adoption.
- d. Estimates do assume adoption.
- e. Estimates make no specific assumption as to adoption.

Response Provided By: Henrietta Locklear, RFC

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PA-RDC-109. Reference: PA-RDC-10 and PA-RDC-14; Management Audit, pages 64 - 65. Given a hypothetical customer with bills and payments as set forth in the following table, please fill in Columns C – H of the remainder of the table. Please provide as an active spreadsheet with all formulae intact.

Month	A Bill for Current Service	B Payment Received	C Late Payment Charge	D Payment Applied to Unpaid Bill for Current Service	E Payment Applied to Unpaid Late Charge	F Cumulative Unpaid Bill for Current Service	G Cumulative Unpaid Late Payment Charge	H Cumulative Unpaid Balance
Jan 1	\$350.00							
Feb 1	\$300.00							
Mar 1	\$200.00							
Apr 1	\$100.00							
April 10		(\$50.00)						
May 1	\$60.00							
May 10		(\$50.00)						
Jun 1	\$60.00							
Jul 1	\$60.00							
Aug 1	\$60.00							
Sep 1	\$60.00	(\$50.00)						
Sep 10		(\$50.00)						
Oct 1	\$75.00							
Oct 10		(\$200.00)						
Nov 1	\$75.00							
Nov 10		\$150.00)						
Dec 1	\$200.00							

Response: The City is unable to complete the table. See response to PA-RDC-14.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau

RESPONSE TO PUBLIC ADVOCATE’S INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

PA-RDC-110. Reference: PA-RDC-10 and PA-RDC-14; Management Audit, page 64 - 65. Given a hypothetical customer with bills and payments as set forth in the following table, please fill in Columns C – G of the remainder of the table. Please provide as an active spreadsheet with all formulae intact.

Month	A Bill for Current Service	B Payment Received	C Account Balance Against which Late Payment Charge Levied	D Percentage Late Payment Charge Levied	E Dollar of Late Payment Charge Imposed	F Cumulative Unpaid Balance for Current Service Owing	G Cumulative Unpaid Late Payment Charge Owing
Jan 1	\$350.00						
Feb 1	\$300.00						
Mar 1	\$200.00						
Apr 1	\$100.00						
April 10		(\$50.00)					
May 1	\$60.00						
May 10		(\$50.00)					
Jun 1	\$60.00						
Jul 1	\$60.00						
Aug 1	\$60.00						
Sep 1	\$60.00	(\$50.00)					
Sep 10		(\$50.00)					
Oct 1	\$75.00						
Oct 10		(\$200.00)					
Nov 1	\$75.00						
Nov 10		\$150.00)					
Dec 1	\$200.00						

Response: The City is unable to complete the table. See response to PA-RDC-14.

Response Provided by: Michelle Bethel and Mark Harvey, Philadelphia Water Revenue Bureau