PHILADELPHIA WATER, SEWER AND STORM WATER
RATE BOARD PUBLIC HEARING

Thursday, March 18, 2021
Philadelphia, Pennsylvania

TIME: 1:00 p.m.
LOCATION: Virtually
HELD BEFORE: MARLANE R. CHESTNUT
Hearing Officer

---
HEARING OFFICER CHESTNUT: This is on the record.

Good afternoon, everybody. Thank you for participating. This is the third public hearing that has been scheduled by the Philadelphia Water, Sewer and Storm Water Rate Board to hear comments and suggestions and hear from you, the people who are -- will be directly affected by the Water Department's proposed changes in rates and charges.

I'm going to take some time and explain what the Rate Board is, what it does, how it makes its decision. I will introduce the parties to you. And they can make a brief statement.

I will tell you how it is that you can testify or make your opinions known and hopefully give you confidence that this proceeding -- the whole process is being conducted fairly and thoroughly.

So let me start by saying that the Rate
Board was established about ten years ago as an independent body to review rate and requests made by the Philadelphia Water Department.

As part of its mandate to conduct an open and transparent examination of any proposed rates, the Rate Board took various steps. For one thing, it hired Community Legal Services to represent the interests of residential and small users. And we'll talk about that.

It selected me as the Hearing Officer, excuse me, to conduct this hearing. And I'll talk about why they selected me and how I conduct this.

Due to the ongoing public health emergency caused by the COVID pandemic, all hearings are held remotely and will be held remotely. These are public hearings for members of the public to talk. In addition, there will be technical hearings which parties present written testimony by their various experts and present that testimony to witnesses to be cross examined.

As you can see -- maybe you can't see -- there's a court reporter here who is taking
down what's being said and will produce a stenographic record of this hearing. That transcript, along with every other document produced in this case which is the Company's filing, discovery done by the parties, communications are all posted on the Rate Board's website and are available for you to look at. And I encourage you to do so.

If you do go to the Rate Board's website, be aware that the proper section is called the 2021 Rate Proceeding. It's not the 2021 Annual Rate Proceeding. That's a reconciliation of the tap water program. It's a separate proceeding. It's just a mathematical kind of true up and really does not directly impact this case.

If you're looking for items related to this case, look under 2021 Rate Proceeding. And that's where all the documents will be posted.

Now, before we get to hearing from you -- and it's important that we do, it's very easy for people in the rate making process to talk about the customers as a class and talk about
the impact on the customers, but it helps to
have a face to put to it.

And as the parties all know, because I
constantly remind them, real people are
affected by these actions. Real people who
have problems and families and jobs and
conscerns. We need to keep that in mind. This
isn't a theoretical exercise where we talk,
just generally, about rates and even impacts.
We have to see how it affects people.

But it's also important that you
understand what is happening and how it does
affect you and how you can participate and help
the process.

Now, as I mentioned, the water company --
excuse me, the Water Department filed a trade
filing. They did the preliminary filing in
January. The final filing was made in
February. And the regulation in set of the
Rate Board is a pretty compressed time schedule
that this rate request has to be examined and
decided by the Rate Board.

So we have had a prehearing conference.
We adopted a schedule. And the schedule,
generally, establishes that there are deadlines
for discovery, for other matters, for
settlements.

We will have technical hearings sometime
at the end of April. And those dates will be
posted on the Rate Board's website. You are
welcome to observe.

After that, the parties will file briefs.
Those briefs also will be filed and posted.
And then I'll write a report for the Rate
Board's consideration.

Now, if we keep to the schedule, my report
should be out at the end of May. And the Rate
Board will make its decision by the end of June
so that any rate decision can go into effect by
September 1.

The rates that are proposed here are for
fiscal years 2022 and 2023, so it's a two-year
period.

I think I mentioned that the Rate Board
did hire another -- the other statutory party
is called the Public Advocate to represent
interests of residents and consumers and small
users.
In this proceeding, the Rate Board hired Community Legal Services to act as the Public Advocate based on its experience in these kinds of cases. And I will let them also tell you what they are doing and what their plans are.

The proceeding has other participants including the Philadelphia Water Revenue, which does the actual billing and collections on behalf of the Water Department. The Philadelphia Large Users Group, PECO and a number of other individuals.

Speaking of the Rate Board, let me note that the Chairman of the Rate Board, Mr. Sonny Popowsky is present. Mr. Popowsky, do you want to wave?

CHAIRMAN POPOWSKY: (Waves.)

HEARING OFFICER CHESTNUT: Now, with respect to this hearing, as I indicated, there's a court reporter, so speak slowly and clearly. When it's your turn -- and I'm going to go in the order that people registered -- I will ask you your name, your address, if you're appearing on behalf of yourself or on behalf of
and since this is the first time we've done these via Zoom, I'm going to ask how you heard about this -- did you get an e-mail? Did you see it on social media? Was it word of mouth? Was it in the newspaper? Just so we can see what methods worked and what didn't work.

And you can give your statement. And if any of the counsel have a question for you, that question will be to clarify what you said. It's not cross-examination. No one is trying to trip you up. It's just to clarify.

In connection with that, let me make a few statements about your testimony.

The subject is the proposed rates. If you have other concerns, such as individual billing issues or service issues, don't talk about that here, because it's not appropriate for you to have to give personal information publicly.

What we can do is, the Company can direct you and a Company representative into a breakout room. And they can address you directly and resolve your concerns.

If you have questions about the rates,
themselves, or the process, if we can answer them quickly here, we will. But if we can't, Mr. Dasent, I'm sure, will be happy to get back to you with a response.

But do keep in mind that there are a number of people signed up. And we hope to accommodate everybody in terms of time. After you've completed your statement, you're welcome to stay and watch the rest, but you don't have to. You can leave at any time.

Now, let me talk about the process, because, like I said, I think it's important to have these public hearings so that the Rate Board and everybody sees the actual people impacted by these rates and the affect that it has on them. But the second aspect of it is to let you know how the Rate Board goes about making their decisions so that you have confidence in the process.

As I said, the Rate Board did hire Community Legal Services to represent customers. And I can tell you from my own experience, they have a lot experience in these
cases. And they do a wonderful job. They have
their own experts and they are thoroughly
examining all aspects of the filing. And I
really have nothing but admiration for the way
that they have been interacting in this case.
They are very thorough. They are professional.
They are reasonable. And I think you can feel
a certain amount of confidence that they are
representing you in a good way.

Now, Mr. Dasent represents the Water
Department. And I'm not sure how much
influence he has with his client, but I can
tell you from my own experience with Mr. Dasent
that he is also a very ethical, professional
person. And he is not out to manipulate or act
unfairly.

Now, I think you're wondering how I can
say that about them, because I have been around
utility regulation and done utility regulation
in Pennsylvania for many, many years.

I was an Administrative Law Judge with the
Public Utility Commission for more than 25
years. I have done hundreds of rate cases --
all kinds of cases, all kind of rates. I've
done water cases. I've done electric cases.
I've done gas stations. I know what
utilities -- how to run a utility. How
well-run utilities should operate. I know what
utility expenses should be.
I'm also very good at case management --
moving this case along and not wasting
anybody's money, because the rate case expenses
are considerable.
But my experience also includes thousands
of inability to pay cases. So I understand
what it is to be in a position where it's hard
to pay your bills, especially water bills. I
can't tell you -- but I take thousands of
cases. That's not an exaggeration.
I have done service complaints. I have
done inability to pay cases. After I retired,
the Commission asked me to stay on for a year
and help with the inability to pay backlog,
which I did.
Most of my time has been doing water -- in
Philadelphia, although I spent a couple years
in Harrisburg earlier in my career. I was an
Administrative Law Judge for more than 25
But before that, I also have relevant experience, which was that I worked for the Public Utility Commission in various capacities. And I always represented the public interest, except for several years when I worked with the Office of Consumer Advocate representing, specifically, residential customer interest.

But my entire career in the field of utility regulation has been representing the public interest.

As an Administrative Law Judge, you have to learn how to balance interest -- all of which are valid -- to come up with a result that is fair and equitable for everybody.

Now, that's what I'm going to talk about here with respect to this case, which is that as the parties know, you are -- it's not an adversarial proceeding in the least. It may seem like it. It may seem like it's the Company versus the customers, but it's not. It's a collaboration.

The Company -- excuse me, the Water
Department does not want rates that you can't pay. It's expensive to collect and terminate service and they don't want unhappy customers. They don't want people filing complaints. They want you to be satisfied with your service. They want you to be satisfied with the rates you pay.

And conversely, you want to be sure, as a customer, that the Water Department does have enough money to give you the service that you want. You don't want them cutting corners. You don't want them being in a poor financial position so it will cost more to borrow money.

So it's a mutually beneficial arrangement. I want you to think of it from that perspective. This is not litigation. This is a collaboration. It's not a like a criminal case where there's a degree of guilt to be established or there's a civil case where there's liability or damages, but this is working together to find that point where the rates are affordable, yet sufficient for the Water Department.

And so -- to that end, I've been very
aggressive in making it clear to the parties
that I expect that they work together, both on
procedural issues, like coming up with a
schedule or a briefing format or how to do
particular issues, as well as the substantive
matters. And so far, they really have. I
mean, I've been very impressed.

And it's a process. I mean, it really is
a process. But the Rate Board has done its
best to make sure that it's a fair, impartial
and expeditious process.

I feel very strongly that an ethical
process produces an ethical result. If it's
not an equitable process, you may or no may not
get an equitable result.

So just from my perspective, and I hope
you'll understand that, that we're all trying
to work together. And we appreciate your
comments. We appreciate your suggestions. I
certainly hope that the Water Department takes
your suggestion in mind and will try to improve
its operations.

And conversely, I think that the Public
Advocate recognizes that the Water Department
With that in mind, we'll go and get started with this.

I'm going to call people in the order that they registered. And if you have not registered but wish to make a statement, that's fine. We'll get to you. If you decide you want to register for another public hearing -- there's one tonight at six -- that's fine or if you wish, you can send an e-mail or a letter to the Rate Board.

I'm not sure if I have the address handy, but -- it's WaterRateBoard@Phila, P-H-I-L-A, dot Gov. And I urge you to go to the Rate Board's website. That really is a very good source of information and also a way of communicating.

Now, a lot of people have sent e-mails. And they are posted on the website. And I can assure you that I have read and will read every one of them.

Like I said, I feel very strongly that we have to hear everybody's voice.
representatives from the Public Advocate and the Water Department, I think Mr. Dasent, did you want to say something before you give your presentation?

MR. DASENT: No, nothing on our behalf.

HEARING OFFICER CHESTNUT: Okay.

Mr. Ballenger, did you want to say something?

MR. BALLENGER: Yes, Your Honor. Good afternoon. I'm going to ask my colleague, Kinteshia Scott to give a little overview of our role and our sincere request that members of the public speak up and be heard in this case.

HEARING OFFICER CHESTNUT: Okay. That's great.

Mr. Dasent, do you want to give a little presentation on the part of the Water Department so that people understand the rate filing and what affect it will have on it?

MR. DASENT: Yes. Thank you, Judge Chestnut. Glen Abrams, actually, is here from our Public Affairs Unit to give the Department's overview of the rate proceeding. And he's prepared to proceed.
HEARING OFFICER CHESTNUT: Okay.

Mr. Abrams?

MR. ABRAMS: Yes. Thank you Ms. Chestnut.

And thank you, Andre.

Good afternoon, everyone. My name is Glen Abrams and I'm speaking on behalf of the Philadelphia Water Department in this proceeding.

We first want to thank you all for joining this hearing this afternoon to share your views about the rate increase request that the Water Department has filed with the Philadelphia Water, Sewer and Storm Water Rate Board.

As you may know, if the Rate Board approves the Water Department's full request, a typical residential customer using 500 cubic feet of water per month would see their bill increase by about 11.6 percent in Fiscal Year 2022 and 5.3 percent in Fiscal Year 2023 or approximately $7.74 per month beginning on September 1, 2021 and an additional $3.98 beginning on September 1, 2022.

The Water Department recognizes that any increase in rates can be a hardship, especially
right now, but this increase is necessary to address the Department's current financial deficit and continue maintaining, upgrading and renewing its system to make sure that clean water is delivered as safely and reliably as possible, and that waste water treatment and storm water management services continue unabated.

This system provides essential services that are the foundation of public health in Philadelphia. Importantly, since the Water Department is a municipal utility, it has no shareholders and every dollar it collects is used to protect the safe and reliable operation and maintenance of the utility system.

Rate relief is necessary now to sustain our operations.

It should be noted that the Water Department continues to invest in much needed upgrades to critical water and waste water infrastructure including replacing aging water mains to reduce the occurrence of water main breaks and increase the reliability of water service to customers, extending the life and
reliability of the waste water system by
repairs and improvements to treatment
facilities and improving drinking water
treatment and improving our water conveyance
system by rehabilitating critical water
infrastructures, such as pumping stations and
water mains as well as upgrading water
treatment facilities.

All projects planned for fiscal years 2022
and 2023 are critical investments to ensure the
utility can support its operations and continue
to provide safe and reliable service to current
and future customers with a well-maintained
water and waste water system they can count on.

I also -- I would also highlight that the
Water Department has a robust and comprehensive
customer assistance program, which helps
low-income customers pay their bills, including
the Tiered Assistance Program, or TAP, the
senior citizen discount program and other
programs that are more flexible than ever
during this difficult time.

The Water Department has also agreed to
extend the shutoff moratorium for residential
customers through April 1, 2022 and has paused enforcement activities for our most vulnerable residential customers.

If you're experiencing financial hardship, we want to help. We encourage you to apply for TAP, the senior discount or other programs that are available to assist households with payment difficulties. These programs are accessible through this website: www.Phila.gov/waterbillhelp or by calling (215) 685-6300 Monday through Friday between 8:00 a.m. and 5:00 p.m.

I would also note that if you have specific billing questions or other service issues that you would like assistance with, please let us know and we will have a customer service representative contact you as soon as possible.

Please use the chat function to identify yourself or let us know that you would like to speak in a breakout room to exchange contact information.

Now, the purpose of today's session is to hear from you, the consumers. We appreciate
you taking the time to share your views with us today. And we look forward to hearing from you. Thank you.

HEARING OFFICER CHESTNUT: Thank you, Mr. Abrams.

Ms. Scott?

MS. SCOTT: Thank you, Judge Chestnut.

Good afternoon, everyone. My name is Kinteshia Scott and I am joined by my colleague, Robert Ballenger, and we are attorneys at Community Legal Services. CLS has been appointed to serve as the Public Advocate to represent the interest of residential and small commercial customers in this rate proceeding. We are working with a team of experts to examine the Water Department's proposal and to present our analysis to the independent Water, Sewer and Storm Water Rate Board that will make a determination of whether and, if so, how much the Water Department's rates are allowed to increase.

The Water Department has proposed to raise typical residential water bills by 17 and a
half percent over the next two fiscal years.
That would cost you an average of about $140 more per year.

We have concern about the Water Department's proposal and we would like to hear from you.

For example, should the Water Department raise your rates during a pandemic or should it look for ways to lower costs? What about the estimated $1.1 billion in local government recovery funds that Philadelphia is going to get? Shouldn't the City use that money to support the Water Department instead of increasing your rate?

What would it mean to your family to have to pay significantly more money for water right now? And has the Water Department done everything that it can do to help you get the assistance that you may need.

Please share your views. What you share today will be an important part of the record of this rate case. The Board needs to hear from you and understand what you think about the Water Department's request to increase your
water bills.

Thank you for making time to participate in this process.

And I would just like to note that if you do have questions that you think would be appropriate to direct to Public Advocate, I will drop our e-mail address in the chat.

Thank you.

HEARING OFFICER CHESTNUT: Thank you, Ms. Scott.

I guess then the next -- we will proceed to the scheduled -- the registered people.

I note that someone from -- I take that back.

Steven, I guess the first person is Lauren Katz.

The process is that -- Steven has muted everybody. And when we get to your names, he will un-mute you. If you're on the telephone, I think you have to un-mute yourself by hitting star nine. I think that works. I hope it works, because I haven't tried it myself.

MR. LIANG: And Ms. Katz is here.

MS. KATZ-SMITH: Yes, I'm here.
HEARING OFFICER CHESTNUT: Ms. Katz, can you please state and spell your name for the record?


HEARING OFFICER CHESTNUT: And your address, please?

MS. KATZ-SMITH: My home address is 321 West Allens Lane and that's 19119.

HEARING OFFICER CHESTNUT: Are you appearing on your own behalf or for a group?

MS. KATZ-SMITH: I'm here to speak on behalf of my client, Community Partners in West Philadelphia.

HEARING OFFICER CHESTNUT: Okay. Can I ask how you heard about this? Was it social media? E-mail?

MS. KATZ-SMITH: Our clinic learned about the opportunity to speak through social media.

HEARING OFFICER CHESTNUT: Okay. And again, what was the name of your client?

MS. KATZ-SMITH: I'm a clinical law professor at the Kline School of Law at Drexel University. And I co-direct a legal clinic,
the Stern Community Lawyering Clinic, which offers free legal services to citizens of West Philadelphia. And we represent community members that seek a variety of legal issues including -- it's usually related to housing. And I'm here today to speak on behalf of my clients and Community Partners.

We have clients and serve clients in our clinic who experience the gravity of humiliation of living without water.

One client, Mr. J, a senior citizen, who lives in West Powelton, lived for seven years without water. He hauls jugs of water on a weekly basis, a physically difficult task, and an entirely unacceptable scenario.

In 2016, our clinic advocated before this Board for an extension of the RAP agreement program to individuals who did not hold title to their homes -- community members like Mr. J.

That advocacy resulted in meaningful change. And the City has made great strides by enacting legislation that expands affordable water access for residential water customers who are struggling afford their bills.
And this proposed rate hike presents us with the opportunity to speak on behalf of our clients and their right to water once again. And I thank you so much for the opportunity to speak.

For some of our clients, clients like Ms. P, a resident of Mantua, a single parent living on a fixed income of less than $1,000 a month, this rate increase would be unmanageable.

Ms. P lost her job in March of 2020 and has not been able to find work. With three children living and learning remotely from home, her cost of living, including the cost of her utility bills throughout this pandemic and quarantine has increased significantly.

As she awaits assistance, including rental assistance, she faces the threat of eviction and has watched her debt increase to unresolvable amounts.

Through tears, she describes the stress that she is under to provide and stay afloat. She cannot pay her bills now and more is just not possible.
The moratorium will protect the most vulnerable from water shutoff, residents like Ms. P, in the short-term. But her access to water in the future may be curtailed due to this unaffordable increase.

As we face what seems to be an inevitable rate increase due to the terms of the Bond Rate Covenant, we implore the City to enact policy solutions that reflect its recognition that access to safe, affordable water is a human right.

You are asking the poorest citizens of the City to shoulder an economic burden at a moment in time that they face uncertainty and devastation.

Some Philadelphia families, families like mine, can pay more, but my clients cannot. They are already under too much financial pressure.

This water rate making process presents us with a unique opportunity. Our City and this Board can demonstrate best practices observing our most at-risk families.

I urge you to work with your government
partners to make water affordable through
grants or subsidies or from this federal
stimulus funding to those whose access to water
will eventually be curtailed.

Thank you so much for the opportunity to
speak.

HEARING OFFICER CHESTNUT: Thank you.
Mr. Dasent do you have any questions for
Ms. Katz?

MR. DASENT: I have no questions, Judge.

I'm sorry.

HEARING OFFICER CHESTNUT: Okay.
Ms. Scott or Mr. Ballenger, any questions?

MR. BALLenger: No questions, Your Honor.

Thank you, Ms. Katz.

HEARING OFFICER CHESTNUT: Thank you. We
appreciate your perspective.

Steven, who is next?

MR. LIANG: (No response.)

HEARING OFFICER CHESTNUT: Let me just add
for everybody, Steven is the moderator of this
hearing.

MR. LIANG: Next is Coryn Wolk. I believe
that's how I pronounce the name.
MS. WOLK: Hi. My name is Coryn Wolk.

HEARING OFFICER CHESTNUT: Could you spell that for the record, please?

MS. WOLK: C-O-R-Y-N, W-O-L-K.

HEARING OFFICER CHESTNUT: Okay. And your address, please?

MS. WOLK: 5131 Baltimore Avenue.

HEARING OFFICER CHESTNUT: And your ZIP?

MS. WOLK: 19143.

HEARING OFFICER CHESTNUT: Okay. And how did you hear about this?

MS. WOLK: I heard about it through news coverage, from The Inquirer.

HEARING OFFICER CHESTNUT: Great. Are you appearing on your own behalf?

MS. WOLK: I'm on my own behalf, yes.

HEARING OFFICER CHESTNUT: Go ahead then, please.

MS. WOLK: So I'm a residential customer in West Philadelphia. And there are three people in my house, two of whom are not working full time, which is including me, which is how I'm just able to be here right now.

We have been able to pay our bills,
luckily, but like a lot of people have been able to pay their water bills, we don't have infinite money to afford constant increases. And I'm aware that there are many people who are much more on the edge than we are.

In our house we've -- partly through Water Department programs, some of which have been cut, and partly through having the resources to buy and install these things. We have the rain valve, inefficient shower heads, inefficient washing machine, et cetera, so we do our best to cut our bills back.

I'm actually not even sure from the information that I've been able to find how much that would help with this problem, because it's not clear whether there's going to be perverse incentives here where if people's bills go up and then they cut back on their usage as much as they are able to, whether that would just create more revenue problems for the Water Department that would lead to further increases. Whether the affordability problem is -- will become its own problem if solved.

I also wonder if the Water Department has
done the math about how many people are on the 
brink of being completely unable to afford 
their water bills. We're not on that edge even 
though increased bills would be a problem for 
us, but I -- based on how many people, 
especially around me, it's close to half of my 
neighbors are behind on their bills. 

So if the rates go up, will that send more 
people into being completely not paying their 
bills and being at the mercy of the moratorium 
and then the Water Department either getting no 
money from them or shutting off their water, 
which, to me, seems like a completely -- it's 
not even a potential solution to this, to cut 
off families' water in Philadelphia. 

So it seems like the options for the Water 
Department are to take away water from people 
who can't afford their bills, you know, the 
people who are currently getting water under 
the shutoff moratorium and future people who 
won't be able to afford these increases, 
continue the cycle of just, kind of, trying to 
get infinite money from people who can afford 
their bills and dealing with more and more
people not being able to afford them and trying to balance the books that way or finding another way to get this revenue.

I know from The Inquirer coverage that part of why residential customers, and this is true for me, our bills have gone up is because more people are at home and not at large institutions. It's also not clear to me whether that could be another potential source of revenue or whether that's part of the problem here.

I tried to find some answers from this on the Water Department's website. And, you know, for context, I'm someone who's worked in public policy. I'm very literate, at my computer all day. Love nerding out about this kind of thing. And I couldn't find any of these answers. And I'm also one of the few people who found out about these hearings.

So this information is really not accessible. And the process, itself, is not extremely accessible to most of the City.

And, obviously, the Water Department needs to find money somewhere, but this just doesn't
seem like a solution in any way, you know,
morally about shutting off people's water or
even fiscally how the solution will play out by
raising bills for everyone. Thank you.

HEARING OFFICER CHESTNUT: I will say --
thank you, Ms. Wolk.

I will say that what you said about being
able to find the answers to your questions, the
questions you've raised are excellent ones.
They cut to the heart of the matter, but they
are complex.

So there isn't probably going to be an
easy answer on anybody's website. I think you
have to balance a lot of issues.

But yes, it is hard. You can't -- I mean,
like I said, I did most of my career in
Philadelphia. And we must always recognize
that rates are higher in Philadelphia. Costs
are higher in Philadelphia. People are poor in
Philadelphia. There's always a struggle.

Because at some point, you know, you can't
get money out of a stone and water is a
necessity. These are very complicated issues,
which is why we are trying to have as
thorough -- an examination of this rate request as possible.

I can assure everybody, if there's any other possible way for the Company to get sufficient revenues for it to provide adequate service, we will direct them to do it or they'll do it themselves.

But yes, absolutely, I think we all recognize that raising rates is a last resort. Because, as you said, it creates more uncollectables.

Now, the pandemic has certainly been a complicated factor in terms of usage, in terms of revenue, in terms of all kinds of issues that flow through.

So yes. I'm sorry. I didn't mean to take up your time here, but I thought we should comment on that.

Mr. Dasent, do you have any --

MR. DASENT: Just as a follow up, Glen Abrams will put contact information in the chat so that you can reach out to him and he can direct you to various resources that we have to explain why we need rate relief, various
assistance programs that are out there and that
we are very sensitive to the fact that there
are many folks at the brink. And we want to
find the resources to help, whether within our
existing programs or taking advantage of
federal programs that are available to us now.
So reach out to Glen. And I can leave my
e-mail address, as well.
Just so you know, we do want to answer
your questions. Thank you.
MS. WOLK: Thank you.
HEARING OFFICER CHESTNUT: Ms. Scott, did
you have anything you wanted to say with
respect to Ms. Wolk's statement?
MS. SCOTT: Thank you, Ms. Wolk, for your
statement.
And in addition to what Mr. Dasent also
mentioned, I did want to mention that, as I
stated earlier, the Public Advocate has hired a
team of experts. And our experts will be
submitting their testimony this upcoming
Monday. And that will be uploaded to the Rate
Board's website.
And our experts have looked meticulously
through the filing and have come up with some
recommendations.
So if you have any questions about what
their thought process is, I invite you to send
an email to the Public Advocate if you'd like
to talk a little further. Thank you.

HEARING OFFICER CHESTNUT: Thank you.
Steven, who's next? Maria Ortiz.
MR. LIANG: Yes. She's on the phone, I
believe. I asked her to un-mute. Let's see is
she can.

HEARING OFFICER CHESTNUT: I don't see
that.

MR. LIANG: She's the phone number (215)
758.

MS. ORTIZ: Hello?

HEARING OFFICER CHESTNUT: Ms. Ortiz, is
that you?

MS. ORTIZ: Yes. Good afternoon.

HEARING OFFICER CHESTNUT: Good afternoon.

Could you please give and spell your name
for the record?

MS. ORTIZ: Okay. My name is Marie Ortiz,
O-R-T-I-Z. I live in South Philly for 63 years
HEARING OFFICER CHESTNUT: Ms. Ortiz, could you give us your address, please?

MS. ORTIZ: 1813 Reed Street.

HEARING OFFICER CHESTNUT: And your ZIP?

MS. ORTIZ: 19146.

HEARING OFFICER CHESTNUT: Are you giving a statement on your own behalf or for a group?

MS. ORTIZ: On my own behalf and also the Philadelphia Worker Benefit Council.

HEARING OFFICER CHESTNUT: Okay. Go ahead then, please.

MS. ORTIZ: Okay. I have lived in South Philly for 63 years, currently at 18th and Reed. I'm now -- and I'm retired, but I worked in the City at a flower shop and other places for all my working years.

I am a member of the Philadelphia Worker Benefit Council, which is a body of low-paid workers and unemployed and those who are on fixed incomes.

We oppose the rate increase and demand that the Board takes steps to keep low-income wage working families safe and secure.
Running water in a home is essential. You need it to stay healthy and to create a clean space and live and raise a family.

So many families are already struggling and are out of work living on fixed incomes and are left having to choose between paying rent, water, heat, medicine, adequate food and child care.

Raising rates in the middle of a pandemic and economic crisis will only make things worse for low-income wage families and will hit them the hardest.

6,000 seniors have been displaced from their homes since this pandemic while wages have dropped off. Property taxes and utility payments continue to be collected monthly.

The ten-year abatement used by developers have turned the costs in my neighborhood without regards to those who have lived here for generations.

These tax breaks that the City has given to developers, creates the budget shortfall that has been passed on to the residents.

I have watched Philadelphia become more
and more unaffordable for people working less than $15 an hour, called the essential jobs. Rent, utilities and other prices are all increased in the City, while working-class wages are not.

We're going from one water bill charging quarterly in the past to three now, which is water, sewer and storm water, that are charged every month.

In the past, my bill would be like $75 for three months. Now I pay $100 a month. You can't hide the fact that we have been paying more when the developers in the neighborhood have caused leaks, burst pipes and other damage.

Long-time residents of Philadelphia are forced to pay more for the repair. Charging residents over $6,000 or more for something that is not our fault or simply beyond our means to pay. The developers should be able to pay for these damages. They should not have to fall on long-time residents.

These neglective developers could also be an additional source of income for the utility
What happened to City Council and other lawmakers caring about the people in the community?

A rate like this will hit the hardest working low-wage income family and most -- and will engage in the life and affect thousands of low-income working children.

Again, I urge you to reject the rate increase and find a way to meet your budget shortfall without taking it out on low-income wage working families at this critical time.

And I urge you to make developers take the responsibility for the damage they are causing to the water infrastructure in the City.

The Working Benefit Council's demands are the following:  A, lower the rates for those 300 percent of poverty or below to no more than 6 percent of the income, as per federal standard -- household budget.

B, apply the same policies to those above 300 percent of poverty level who can demonstrate financial hardship.

C, year round moratorium on utility
shutoff for any household or below 300 percent
of federal poverty level.
D, stick to the U.S. Sustainability
Development Goals, which were agreed upon by
the U.S. government back in 2015.
One of the goals is goal number 6, which
is the government should provide clean water
and sanitation.
E, provide that relief for those who are
falling behind on their water bill.
I would like to thank everybody. But I
think this is important, because I don't know
if anybody is aware how our infrastructure has
been damaged due to the development of these
new developers that come into the area and are
not taking responsibility.
I think the water company can make more
money charging these developers more fees for
the damages they do, instead of putting it on
the City. If they want to build, they should
be responsible for the damage that they do to
the City. Thank you.
HEARING OFFICER CHESTNUT: Does anybody
have any questions for Ms. Ortiz?
1 MR. DASENT: No questions.
2 HEARING OFFICER CHESTNUT: Thank you very
3 much, Ms. Ortiz. I very much appreciate your
4 comments.
5 MS. ORTIZ: Thank you.
6 HEARING OFFICER CHESTNUT: Okay. Steven?
7 MR. LIANG: Next up is D. Herbert, which,
8 I assume, is Mr. Dallas Herbert.
9 MR. HERBERT: Yes. Hello. How are you
10 doing? My name is Dallas Herbert.
11 HEARING OFFICER CHESTNUT: Mr. Herbert,
12 could you spell your name for the record?
14 And that's senior.
15 HEARING OFFICER CHESTNUT: And your
16 address, please?
17 MR. HERBERT: 5968 Newtown Avenue, 19120.
18 HEARING OFFICER CHESTNUT: Are you
19 appearing on your own behalf or for a group?
20 MR. HERBERT: I'm on my own behalf.
21 HEARING OFFICER CHESTNUT: Can you tell us
22 how you heard about this?
23 MR. HERBERT: Well, I belong to a
24 grassroots organization, 215 People's Alliance.
And we had a meeting. And one of the members brought it up, that this meeting was happening, and if anybody was interested, so here I am.

HEARING OFFICER CHESTNUT: Great.

MR. HERBERT: I've been at this address for a little over 20 years. And I've never missed a payment. I've never paid a late fee. I am a retired operating engineer from Local 542 and -- see, I got some of this wrote down. I'm married and my wife is also retired.

Being on a fixed income is never good news when the things we need and use the most, like water, become more expensive.

I'm here today not so much for myself, but for the people who really cannot afford another rate increase. I say another rate increase, because I remember a time when the water bill was due about four times a year or so. What I pay in a quarter of a year I now pay monthly.

I realize water infrastructure can be costly.

As a retired operating engineer, I've installed water pipe, sewer pipe and storm drains all over the City from the Northeast to
South Philadelphia, from West Philadelphia to Germantown. I know the manpower, the machines and materials have to be paid for by water users.

But I would ask you to first make sure the big water users are up-to-date with their payments. Make sure water waste is minimalized and give customers correct meters readings and not estimates.

Maybe you could increase payments in smaller percentages and increments over a little longer period of time. I understand you want to do this in two years, as to not cause unburden -- undue burden on older, more vulnerable customers. I mean, our money hardly ever, if ever, increases.

In closing -- and I did have a complaint. What got me here, like you said, this ain't the place to do is, I've been paying my bill for so long, when I got one last time, that was double what I've been paying. And I figured, well, let me pay this bill, because it may be a hiccup in the mail, you know, because the mail be running late sometimes. So I went on and
paid the double.

   And then I got this month's bill and it's
doubled again.

   I mean, when -- it's only my wife and I
here, we don't use too much water. So I'm
talking like $50 a month. And I got a bill
last month that said $100. I went on and paid
it. I got one this month, $100.

   So now, I called this morning, the 6300
number, and I haven't talked to anyone yet.

They are supposed to get back to me. That's
another thing. You can do something with that
customer service, too.

   HEARING OFFICER CHESTNUT: Mr. Herbert, I
think that's a good point.

   Why don't you talk directly to Mr. Abrams
and he can help you.

   MR. DASENT: He can go in the chat and do
that right now, take your information and get
back to you.

   MR. HERBERT: I'm not very literate with
that thing, but I'll try to get in there.

   MR. HAVEN: I would like to ask

   Mr. Herbert before he goes into a separate --
HEARING OFFICER CHESTNUT: Sure. Go ahead, Mr. Haver.

MR. HAVER: Mr. Herbert, my name is Lance Haver. I'm one of the interveners in the case and very familiar with the 215 Alliance.

My question to you sir, is: Would you support taking 3 percent of the stimulus money that the City is getting and setting it aside to make the rate increase unnecessary?

MR. HERBERT: Yeah. I'd be -- I'd be behind that, yes.

MR. HAVER: Thank you, sir.

HEARING OFFICER CHESTNUT: Steven, are you going to do a breakout room for Mr. Herbert?

MR. DASENT: And Mr. Abrams and maybe someone from Water Revenue Bureau, like Danielle Lavery, on the line, who also is in the room.

MR. LIANG: There's someone from PWD that wants to.

MS. LAVERY: I'm happy to go, as well.

MR. DASENT: Perfect.

Danielle, Glen Abrams and Mr. Herbert.

HEARING OFFICER CHESTNUT: Thank you for
MR. HERBERT: Thank you very much for giving me this place. Thank you.

MR. LIANG: Okay. They should have been assigned.

Next up is Cynthia Kishinchand.

MR. DASENT: If I might, Your Honor, Ms. Kishinchand is Mark Kishinchand's wife and, our former commissioner, a wonderful commissioner. And we're so pleased that she's here.

HEARING OFFICER CHESTNUT: Thank you. And I'm sorry for messing up your name.

MR. LIANG: Sorry about that.

HEARING OFFICER CHESTNUT: Did you want to make a statement?

MS. KISHINCHAND: Yes.

My name is Cynthia Kishinchand. And we moved to Philadelphia --

HEARING OFFICER CHESTNUT: Wait. Before you --


And the address is 3114 West Coulter Street, C-O-U-L-T-E-R, Philadelphia, obviously,
HEARING OFFICER CHESTNUT: Thank you, Mrs. Kishinchand.

Do you want to give your statement?

MS. KISHINCHAND: Okay. First of all, thank you for this opportunity. Some of you may have the misfortune to remember me, because, basically, I'm just -- my testimony is going to be similar to what it was in 2018. The other thing I want to mention is when my husband and I moved here, it was the week we got married, summer of '68, and he was going to be working at the testing lab at 7th and Lehigh. We had no idea what was ahead of us, but all the way through the water has always been great to drink drinks.

On that note, although I understand why the Water Department is requesting reported rate increases of 11.6 percent September 1, 2021 and 5.3 percent September 1, 2022, total of 17.6 percent, I'm concerned and perplexed about the 25 percent discount for registered nonprofit institutions and organizations.

As a ratepayer, I endorse a discount but
with some revisions. Particularly, after pondering the range of the value of endowments of some nonprofits and institutions, their fundraising campaigns and the compensation of their chief executives.

For instance, the University of Pennsylvania currently has an endowment of $14.9 billion, an increase of $4.8 billion, that is 47.5 percent from 2018.

In 2020, the annual salary of president Amy Gutmann was $3,600,000. President Joe Biden's salary is $400,000. Governor Tom Wolf denied his salary of $194,823, while Mayor James Kenney is paid $217,820.

It's my understanding the 25 percent discount granted to nonprofit institutions amounts to, approximately, $10 million per year. Although I do not know how much of that cost is borne by an ordinary taxpayer, I assume it affects the amount of one's water bill.

Therefore, I beseech the Water Rate Board and City Council to thoroughly review the criteria of the 25 percent discount for institutions and the criteria for individuals
for limited incomes before enacting any wage increases.

When in doing so, I trust the Board and City Council will review and make public the history of this discount, its impact on ratepayers, the amount of dollars discounted versus what's granted, the financial assets of those institutions qualifying for the discount and a list of municipalities offering a similar discount.

One possible approach would be to enact a policy wherein there were clear criteria regarding eligibility.

For instance, set a cap of 10 million on the local assets of the institution or have a sliding scale taking into account the assets and the salaries of executives with a cap of 200,000.

I realize my request for a thorough review and revision of the current 25 percent discount for institutions may slow down the rate increase process, but I'm confident the Board and City Council will address every aspect of all the discount policies of the Water
Thank you very much. That was a very interesting point. And I appreciate you bringing it up.

That's really the value of these kinds of hearings, because I'm sure that's looked at by the Public Advocate, but this really emphasizes it for me.

MS. KISHINCHAND: But you don't know when it started?

HEARING OFFICER CHESTNUT: No.

MS. KISHINCHAND: The Board doesn't know when it started?

HEARING OFFICER CHESTNUT: The Board may.

MR. DASENT: We can get that information for you, though. It goes back quite a few years and it's gone through a number of iterations.

MS. KISHINCHAND: And if it could be posted on the website, you know, the details.
By the way, I did e-mail my testimony as an attachment to the Water Board's --

MR. DASENT: So we can follow up with you. We probably need an e-mail address. We'll get it from Steven or -- if Steven has it, we'll get it from him.

MS. KISHINCHAND: Yeah. And it's on the testimony. Poor Glen Abrams probably knows my e-mail address by heart.

MR. DASENT: Okay.

MS. KISHINCHAND: I think Glen has eight days a week. He's quickly responsive.

MR. DASENT: We'll try to follow up and get you a history of the discount and we'll take it from there.

MS. KISHINCHAND: Thank you very much.

HEARING OFFICER CHESTNUT: I'll be honest, I think the Company should do more than just give a history. I think it's a good idea to look at it.

I mean, let's face it, that's probably a very politically sensitive type of issue. And I'm sure it's not as easy as I would like it to be, but it's certainly worth looking at, okay?
MR. BALLenger: I just wanted to add in here, that I think you were right to identify City Council as someone who probably needs to weigh in here since that's where the authorization comes from.

MR. DASENT: That's exactly right.

MS. KISHINCHAND: I copied them with my testimony. I mean, some of them are already familiar with me because I tend to testify here and there.

HEARING OFFICER CHESTNUT: Okay. Thank you very much.

MR. BALLenger: Thank you. I remember you from 2018, as well. Good to see you.

MS. KISHINCHAND: Think about what my poor husband has been putting up with for 52 years.

HEARING OFFICER CHESTNUT: Okay. Steven, I think the next person is Jeremy Hancher.


MR. HANCHER: Can you hear me?

HEARING OFFICER CHESTNUT: Yes. Are you ready to talk.

MR. HANCHER: Yes. My name is Jeremy Hancher, J-E-R-E-M-Y. Last name is Hancher.
It rhymes with rancher, but it's an H,
H-A-N-C-H-E-R.

HEARING OFFICER CHESTNUT: Okay.

MR. HANCHER: I'm at 348 Fitzgerald Street. ZIP code is 19148.

HEARING OFFICER CHESTNUT: How did you hear about this, Mr. Hancher?

MR. HANCHER: I read The Philadelphia Inquirer almost daily, so I think it was Andrew Maykuth's articles covering the rate increases. So I'm here on my own ability. I will say that I do have like a 20-year background in environmental studies. I teach a college course outside of the City, on innovation entrepreneurship and sustainability. So that's kind of what I like to do.

I already submitted some comments. I think they are posted on the Water Rate website. I just checked a little earlier, but I'm going to kind of deviate from those comments a little bit.

What my comments will be is: I'd like to see the Water Department focus a little bit more on trying to reduce operating expenses,
increase efficiency and better monitoring.

Now, I know I'm probably not as well prepared as I should be for this testimony. I haven't had as much time to look at a lot of the background documents, but I really want to applaud some of the previous speakers, some of their comments. I think I'm going to echo some of theirs.

I'm kind of a nerd, as well. I had -- quite an extensive bit of experience doing energy efficiency work with PECO and the Act 129 stuff.

So I've got spreadsheets for all my utilities as a homeowner in the City of Philadelphia since -- I've been a homeowner since 2007, so I've got every monthly bill kind of in this spreadsheet. I know exactly how much I've paid each much for my Water Department billing since 2015. And I know exactly how many cubic feet I've used per month.

So I guess what I want to kind of focus on is, again, how to reduce costs.

With Act 129, I don't know if it would be
a possibility, but I would really encourage the Philadelphia Water Department to come up with some sort of mechanism or incentive programs that offers either grant or rebates. One of the previous speakers talked about putting in energy efficient water fixtures -- someone would go to Home Depot and get an EPA water sensor fixture, put it in there and reduce water costs. I think that would be an excellent way to maybe reduce some of the brunt of a rate increase if that were to occur.

I do want to echo some of the previous comments as to University City or other ZIP codes, such as Center City.

I think some of those -- what would be the mechanism if we could look at water rates per ZIP code and not just a blanket rate for the entire City? I think some of the ZIP codes could incur a higher rate versus other ZIP codes, some of the more working class or lower income ZIP codes.

I'm kind of jumping around on some of my bullet points.

I do want to at least say that if some of
the -- again, I don't know all the information, but if some of the incurred costs would go towards ensuring cleaner drinking water that so we don't have an incident such as the Flint water crisis or, again, another hot topic as of late is the polyfluoroalkyl substances or PFOS chemicals getting into water supplies.

If the Water Department can ensure that we're not getting PFOS chemicals into drinking water, I would absolutely applaud that and say: Of course I would incur a cost to that. I would really highly suggest that, that occur --

HEARING OFFICER CHESTNUT: Mr. Hancher?
MR. HANCHER: Yes?
HEARING OFFICER CHESTNUT: For the benefit of the court reporter, could you slow down just a little? I'm not sure she was able to pick up some of those long words.
The PFOS, the polyfluoroalkyl substances -- I think there was another article in the Inquirer from Frank Kummer. I just read an article about that, as well.
So yeah. Again, I kind of want to -- I'm okay with certain rate increases, but I don't want to see a blanket rate increase without saying: Hey. We need to at least look at this as an innovative, you know, thought process in saying hey, we need overall, as a City, reduce some of the operating costs.

Let's not just let -- and again, in some of my already previously submitted comments, let's charge more for special events -- some of the parades, you know, pre-pandemic that would occur, or Made In America or the Broad Street Run.

Let's not just have a special event and let people open up the fire hydrants. As a resident of South Philly, I can't even tell you how many times I've driven through and seen people willy-nilly open up a fire hydrant to cool off or have a nice, you know, pool in the City streets and stuff like that.

Better monitoring functions I think would be something that I would be -- really encouraged and would definitely advocate for.

I'm trying to think what else. I guess
I'm kind of rambling a little bit, so I apologize if you need me to back up on anything, but yeah. Maybe offer a better timeline as to when some of these aging infrastructure projects will occur either block by block or by ZIP code. And I think I did see this, but I just wanted to put that in there for the record, for the testimony.

Because again, if some of these higher costs are going to go towards fixing old water mains or getting out cast iron pipes, let's figure out what the timeline is going to be that these projects are going to happen. So that's all I have for you. I thank you for the opportunity to speak.

HEARING OFFICER CHESTNUT: Thank you for your suggestions.

Does anybody have any questions for Mr. Hancher?

MR. DASENT: We'd like to reach out to Mr. Hancher, if you'll share your e-mail address. We can tell you some of the things we're doing for like main and sewer
replacement, other activities, to do the
necessary replacement to keep a reliable system
in operation for our customers.

Glen Abrams can certainly get back to you,
if you leave your e-mail address in the chat,
it will be very helpful and we will reach out.

MR. HANCHER: Thank you.

MS. SCOTT: No questions from the Public
Advocate.

HEARING OFFICER CHESTNUT: Thank you very
much.

I think the next person is Mitch Chanin.

Mr. Chanin, would you please give and spell
your name for the record?

MR. CHANIN: Sure. It's Mitch,
M-I-T-C-H -- my legal name is Mitchell,

HEARING OFFICER CHESTNUT: And your
address, please?

MR. CHANIN: 124 Tomlinson Road,
T-O-M-L-I-N-S-O-N, up in 19116.

HEARING OFFICER CHESTNUT: Are you
appearing on your own behalf or for a group?

MR. CHANIN: I'm representing just myself.
HEARING OFFICER CHESTNUT: Okay. And how did you hear about this?

MR. CHANIN: I think I probably first heard about it from Community Legal Services, but also saw press reports and social media posts.

Yeah. And just as an anecdote, I'm the person who brought it up the 215 Peoples Alliance meeting, so great to see you here Dallas Herbert and thanks for testifying.

Yeah. Is it okay for me to go ahead?

HEARING OFFICER CHESTNUT: Oh, sure. Go ahead. I'm sorry.

MR. CHANIN: I'm also going to deviate from my prepared statement, because I don't want to repeat too many things that have already been said. I really appreciate the testimony that's been offered so far and the ideas that have been raised, some of which I thought of and some of which were brand new to me.

My main point, I guess, that I want to share is that I agree with everyone who -- it seems clear that the Water Department needs
more revenue to repair and replace
infrastructure and for all the other reasons
that have been stated, but I have not seen in
the materials that were made available so far
any thorough analysis of alternatives to this
across the board rate hike.

And I am not at all convinced that this is
appropriate, given the difficult economic
conditions that we've been facing in Philly for
year, the high poverty rate.

And yeah, I think it's -- the rate hike
that has been proposed will cause enormous harm
to low and moderate-income customers and really
should not be approved by the Board for that
reason.

And I'd really like to see a range of
alternatives examined and shared with the
public and to have a more robust kind of
deliberation about how we can generate the
revenue that's needed for these infrastructure
repair projects and the Water Department's
other needs.

A couple of things that jump out at me
from reading the materials and then hearing
today's testimony were that though the Tiered Assistance Program is put forward as a solution for alleviating the impacts of rate hikes on low-income customers, something that's come up in a number of organizations that I'm part of is just the threshold, the cutoff, is way too low.

You know, the 150 percent of the federal -- if I'm understanding correctly, you know, the Tiered Assistance Program is available for customers whose income puts them below 150 percent of the federal poverty line.

You know, for one person, that threshold is $19,400 per year. So I'm very fortunate that my income is higher than that, but I can almost guarantee that if my income were $19,401 per year, I would not think that $144 yearly increase in my water bill would be manageable.

And so, you know, that's -- that TAP program seems very good for those who are able to access it, but it is way too low to actually alleviate the impacts of this rate hike.

I also wanted to echo my concern that I haven't heard the Water Department or the City
explore the possibility of using funds from the American Rescue -- I forget -- the American Rescue Act. I'm forgetting the name of the official bill, but there is money, from what I understand, that is in that bill for water infrastructure, broadband and other essential infrastructure needs.

And I don't understand why the Water Department is not putting forward an ask to use some of that money for infrastructure replacement and repair.

If I'm understanding correctly, something like a third of our water mains date back to like the early 19th century or earlier. And the City, in my opinion, has to make an excellent case for using funds to repair and update this extremely old infrastructure.

And with a lot of discussion of federal infrastructure package coming up this year, I would really like to see the Water Department put forward a proposal for that, as well. It would be an excellent use of federal funds to repair and improve our infrastructure, here, in Philadelphia, our water infrastructure, and to
alleviate the need for rate hikes, especially, for low and moderate income customers.

And then one other issue I wanted to raise, I'm not an expert on this, but I also consider myself a big policy nerd, but my understanding is that the Water Department's declining -- I think it's called the declining block rate structure, you know, includes much lower rates for customers that use a lot more water that smaller customers.

And I'd like to see an equity analysis of that policy and a consideration for alternatives to that.

What are the impacts on low and moderate income ratepayers of that, you know, discount for large customers -- who is benefiting and who is paying the price for that?

And I hope that the Board will consider that seriously, as well, in examining the proposed rate hike.

And I understand from Penn Future and from some other organizations that there are some other options for generating revenue that can be used for the clean storm water
infrastructure program, which I think is an extremely important program that should be funded, but are there other ways to bring in capital to invest in storm water infrastructure that doesn't come out of ratepayers, in particularly, low and moderate income ratepayers.

So yeah. Those are the things I wanted to share. Thank you very much for your time.

HEARING OFFICER CHESTNUT: Any questions for Mr. Chanin?

(No response.)

HEARING OFFICER CHESTNUT: Before we go on, honestly, the question of the American Rescue Plan Act, federal funds, is, obviously, a topic of much concern and interest.

A lot of people mentioned it. And obviously, it's a factor here.

I think it's premature to say -- I don't think that the Company -- I don't think that the Water Department is not going to aggressively look for that money.

But maybe, Mr. Dasent -- I'm sure you can't make any definitive statement, but they
are probably still analyzing it -- but can you make a statement about whether the Water Department is actually trying to get some of that money available?

MR. DASENT: Yes. We certainly are trying to actively seeking out funding to support our customers from a variety of sources. We are reviewing the recent federal legislation to identify programs that may provide funding for the Water Department. That's about a week old -- little more now.

And we're identifying those programs, figuring out those dollars, how much will be coming to the City of Philadelphia.

And once a determination is made, we can also reach out to the Administration, which we are doing right now, to determine the amount to be allocated to the Water Department, if any. Because they have a number of programs, a number of departments, we're just one, but we are advocates for our customers.

And it's important to note, we are also surveying programs that will be residential assistance, that will provide residential
assistance directly through PHDC and other
programs that are out there, because this
isn't -- the new American Rescue Plan Act isn't
the only pot of money that's out there.
And so we're trying to see in the
aggregate how much in the way of resources we
have for our customers and for the utility
directly. And then we can report back when we
know more.
But our first step is to identify the
programs. We've seen a number of sources to do
that. We have our own sources, as well. We're
working with the Administration, also. And
we'll do our best to get as many dollars as
possible.
We have to see what's out there and
applicable to us, and how material that is to
this rate increase. It may help the utility,
but not necessarily be material in amount to
have a major factor on the rate increase.
We will keep you posted. We're in the
beginning of this analysis.
MR. HAVER: For clarity, there's not a
single cent from the American Rescue Recovery
Plan that's included in this proposed rate increase; isn't that correct?

MR. DASENT: Well, I'll note that we prepared this increase in the fall and late -- yeah, fall and winter of last year in January --

(Non-reportable crosstalk.)

HEARING OFFICER CHESTNUT: Stop interrupting him.

MR. DASENT: Seven days ago, or a little more, the American Rescue Plan Act was enacted. And so we predate that.

We are trying to do our analysis, taking into account the benefits it may offer, but it requires us to reach out to the Administration and do our own homework to make sure we can be a good advocate for customers and help get either resources directly in customers' pockets through some of the prior acts out there -- the CARES legislation and the like, as well as the American Rescue Plan Act.

And we will keep you posted on that, but I
think it was signed into law March 11.

MR. HAVER: Again, for clarity, there's not a single cent anticipated in this current rate increase from the Act; is that correct?

MR. DASENT: We were not clairvoyant in putting the rate case together in the late fall and winter of last year, so it is correct.

HEARING OFFICER CHESTNUT: Mr. Haver, come on. You know better.

MR. HAVER: I don't know better, Your Honor, because Your Honor is introducing testimony that is inappropriate for Your Honor to put forward.

The Water Department has not sought that money. It's not included in this rate case. And for Your Honor to suggest that they are going to do it in the future is unfair to ratepayers. It's unfair to the proceedings.

If I could say so, Your Honor, you know better. This is inappropriate for you to offer testimony.

HEARING OFFICER CHESTNUT: Mr. Haver, I'm going to give you a certain amount of tolerance here. You're disrespectful. You're incorrect
and you should know better.

I simply asked Mr. Dasent to update us on the Company's efforts to address this issue that has come up within the last week. For you to imply anything further -- I'm really shocked that you would do that. But I'm not going to spend any more time on this. That's not why we're here.

MR. HAVER: Review your records, Your Honor. You will see what you said.

MR. DASENT: Just so the record is full, Your Honor, you are factually correct. We have reached out to the City Administration. We are actively seeking resources to support our customers from a variety of places, including the American Rescue Plan Act.

And thank you for this opportunity to say that.

HEARING OFFICER CHESTNUT: Thank you.

MR. CHANIN: Can I make a very short follow up since that response was in response to my testimony?

HEARING OFFICER CHESTNUT: Very short, because you aren't the only one who raised it.
MR. CHANIN:  Understood. You know, I'm not an expert on how these proceedings are supposed to be conducted, but in my opinion, it would be very prudent to delay a decision on a rate hike pending a resolution of that question.

You know, how can we know if a rate hike is required when there's been no, you know, when, as Mr. Dasent just said, they are just beginning to explore the possibilities of alleviating the need of a rate hike through an allocation of funds that have just been offered to the City.

HEARING OFFICER CHESTNUT:  Thank you, Mr. Chanin.

MR. DASENT:  And just to amplify one more time, if I may, Your Honor, within a week or two -- and I'm hoping within a week -- we should have the beginnings of an analysis that would be based upon our interaction with the City Administration.

We are not sitting on our hands. We will get the information back to you. And between now and the time a decision is made, I think
we'll have enough information to see how material an impact -- any resources outside of the Department and coming from federal legislation -- may have or may not have on the rate increase.

HEARING OFFICER CHESTNUT: Thank you.

MR. BALLENGER: Ms. Chestnut, if I may, we're getting a little bit into argument to an extent, here. I think.

You know, the points about the timing I think are well put, because we have testimony due Monday, so getting information from Andre that we didn't have more discovery questions about, and maybe members of the public would want to also know about, is -- we're kind of in a tough spot, here. I think we're going to be talking about that a little.

HEARING OFFICER CHESTNUT: We'll talk about that.

MR. BALLENGER: Since there has been so much interest in how these funds may come to the Department, we certainly appreciate all the perspective of those who have raised it publicly here, something we have been
discussing internally.

HEARING OFFICER CHESTNUT: Great. Thank you.

Let's get back on track here and talk about decisions.

We've come to the end of our registration, haven't we, Steven?

MR. LIANG: Someone messaged me privately, Ms. Alison Kenner requested to speak.

HEARING OFFICER CHESTNUT: Could you please give and spell your name for the record?


HEARING OFFICER CHESTNUT: And your address, please?

MS. KENNER: 458 Duck Pond Lane, 19041.

HEARING OFFICER CHESTNUT: Are you appearing on your own behalf or for a group?

MS. KENNER: I'm here for a group.

HEARING OFFICER CHESTNUT: Go ahead.

MS. KENNER: So I'm here for the Energy Rights Project, which is a federally funded study that looks at household energy vulnerability in the U.S. Mid-Atlantic region
HEARING OFFICER CHESTNUT: Okay.

MS. KENNER: So thank you. I'm an associate professor in the Center for Science Technology and Society at Drexel University. I'm also the director of the Energy Rights Project, which is a three year, federally funded study that looks at household energy insecurity in the U.S. Mid-Atlantic and Philadelphia, specifically.

My research has documented utility insecurity in Philadelphia since 2015 and the barriers that citizens face trying to access affordable energy, including water.

I'm concerned about the timing of the proposed water rate increase and believe that the rate increase, like the shutoff moratorium, should be postponed for one year.

Raising water rates during a pandemic will increase debts, hardship and vulnerability for many Philadelphians. And social -- it will worsen social and economic inequality in a City that faces too much inequality already.

In a structured phone interview that we
conducted over a six week period this winter,
we spoke to 83 Philadelphians to hear how they
were managing energy use at home during the
pandemic.

Of the 83 people we spoke with, more than
75 percent were African American women. 34
indicated that their water bill had increased
since March 2020.

But here's the thing: It wasn't just the
water bill. Other bills had increased, as
well.

42 respondents said that the gas bill had
increased and 55 respondents had their electric
bill increase.

So part of the problem with the proposed
water rate increase is that it's not looking at
the bigger pictures of people's lives. And
that the water bill is just one of many monthly
bills that have gone up since March 2020.

The PECO bill has gone up. The PGW bill
has gone up, as well, because people are
spending more time at home, of course. People
are needing to secure more food, because they
are at home instead of at work or at school.
And even cleaning supplies -- this was one of the surprising things from our study is that so many people mentioned that they were having to spend more money on cleaning supplies to reduce the risks associated with COVID-19.

In the same study of 83 respondents, 23 people indicated that they were struggling to pay their water bill. People indicated that they were juggling bills more during the pandemic. They are having to make hard choices to pay some bills one month and others the next month.

And as we know, internet and phone service has now become more essential than ever. People need internet for their jobs, to look for work. It's how their kids go to school.

So in other words, I think we have to consider -- we have to ask when considering the water rate increase, how many of reported 154,000 people who are behind on their water bill, are also behind on other bills.

Or, for example, you know, have increased costs with increased usage, you know, been met with increase in pay? No. People's monthly
income is not going up despite the fact that their monthly bills are going up.

So while we're starting to return to a life before the pandemic with kids going back to school, for example, you know, experts are pretty clear on this, it's going to take a long time to recover financially. And it's not good strategy for the City to burden the already burdened -- those who can't pay their water bill, for example, with higher water bills this year. There's just too much ongoing uncertainty.

And I'm well aware that the Water Department has expanded its assistance programs this year. TAP, the special hardship program, the seniors discount and I really applaud this move.

However, of the more than 100 Philadelphians that we interviewed since last May, May 2020, only two have mentioned TAP, for example. By contrast, almost everyone else said they were aware of LIHEAP. Two-thirds said they were familiar with PECO's CAP Program and about the same number mentioned PGW's CRP
program. And over 50 percent of respondents were aware of the federal weatherization program.

So put next to these numbers, it was striking that only two people have mentioned TAP.

One of the things that we do here repeatedly in our research is that people on fixed incomes and the working poor do not qualify for many utility assistance programs. It's just their income is maybe just a little bit over what the cutoff is.

So more collaboration, outreach and education is needed here. And I know Laura Copeland's who is on this meeting, in this meeting, and I've seen her speak at a number of public events, which is wonderful.

I'm wondering, you know, PGW has a wonderful workshop series that they run for their customers. Perhaps this is something the Water Department can explore so that folks can learn about available assistance programs and water conservation, you know, where someone can go into communities and do this kind of
outreach, which is so needed at this time.

To conclude, you know, as someone who teaches and studies urban climate exchange at Drexel as well as an educator with Climate Ready Philly for five years, I'm well aware of the critical importance of a well-funded Philadelphia Water Department.

Neighborhood flooding and aged pipes are one of the most common problems that get discussed when I interview Philadelphians.

But, you know, timing is everything. And the plan to assist citizens in need, I think is inadequate as it's currently sketched out.

So I urge the Water Department to postpone this increase and also to expand TAP to include grants -- not loans or payment plans, but grants for the working poor and to make the application process less burdensome.

Thank you so much.

HEARING OFFICER CHESTNUT: Thank you, Ms. Kenner.

Does anybody have any questions.

MR. DASENT: Just to thank Ms. Kenner for her input. And if you have Laura Copeland's
contact information, we welcome your input
directly.
I do a lot of work for PGW, so there may
be things that we can be collaborative about.
MS. KENNER: I would love to collaborate
more. Sure.
MR. BALLENGER: And Ms. Kenner, if you
don't mind, we may also get in touch with you.
I'd be curious to learn more about the research
you've been doing.
MS. KENNER: Yep. I'd be happy to be in
touch with folks.
   It's an ongoing project. We hope to
interview 600 Philadelphians by the end of
September. That's our aim.
HEARING OFFICER CHESTNUT: Okay.
Ms. Kenner, if you want to provide your e-mail
address in the chat for Mr. Dasent and
Mr. Ballenger, I'm sure that might be the best
way for them to contact you.
MR. DASENT: Thank you.
HEARING OFFICER CHESTNUT: Is there
anybody else who wants to give a statement?
MR. LIANG: Yes. We have Glenn Oliver and
1 Delores Brown-Waters.
2 I think Mr. Oliver was registered for 6
3 p.m., initially, but he seems to be here now.
4 And I believe he wishes to speak.
5 HEARING OFFICER CHESTNUT: Mr. Oliver,
6 hold on a second.
7 Okay. Mr. Oliver?
8 MR. OLIVER: Thank you, Your Honor. Can
9 you hear me?
10 HEARING OFFICER CHESTNUT: I can. I can.
11 MR. OLIVER: My name is Glenn Oliver. And
12 that's spelled G-L-E-N-N, O-L-I-V-E-R.
13 And I'm actually speaking to you from San
14 Diego, California. I'm quite a long way.
15 And you may ask how I found out about this
16 hearing. I read the newspapers, so I found out
17 from a story that was in the Philadelphia
18 newspaper.
19 HEARING OFFICER CHESTNUT: You're in San
20 Diego? Do you own property or do you live in
21 Philadelphia?
22 MR. OLIVER: No, I do not. And I'll
23 explain why I reached out.
24 I'm a former water commissioner and I've
been in the water industry for over 20 years. And I actually own a company where we help water utilities save money with power-based solutions.

But as a former water commissioner, it hit me more than once when we had to do these kind of rate hearings that it's incumbent upon a water district to try to explore all avenues to reduce costs whenever possible.

And I believe that there's an opportunity for the Philadelphia Water Department to potentially save a lot of money that the Water Department is not taking advantage of.

There are utilities that are coming together in what's called a virtual community to hear information and save money on parts and materials.

Just by virtue of being a part of this virtual community where utilities are working together, they are saving as much as 15 percent on parts and materials.

And in this case, if the Philadelphia Water Department joined this community, this means that they can potentially be saving, you
know, as much as 7 and a half million dollars on their materials and supplies budget, which means that the budget for materials and supplies for the Philadelphia Water Department would be going down by $2 million a year instead of going up by 5 and half million dollars a year.

And, you know, I will add that we've been trying to reach out to someone at the Philadelphia Water Department to introduce this to them so that they can at least explore it. And honestly, we haven't been able to get anybody to give us a call back.

And so I thought at least this is something -- and I'm not here to oppose the rate increase or support it, but I do think that if there's an opportunity for the sake of the ratepayers or the City to save money simply by joining with other utilities that are working together to save money by sharing information and this, you know -- 15 percent, some may say that's not really important, that's not enough money to worry about. But I think it should matter. And I hope at some
point the Water Department will at least take a
look at this. And maybe they'll decide to join
with other utilities that are taking advantage
of this.

And that concludes my comment. And thank
you very much.

HEARING OFFICER CHESTNUT: Any questions
for Mr. Oliver?

MR. DASENT: Just one.

Mr. Oliver, leave your e-mail address in
the chat. I'll make sure someone gets back to
you.

MR. OLIVER: Sure. I'll do that. I just
gave it to Steven. I will leave it for
everybody.

MR. DASENT: Yeah. So we can reach out to
you directly.

MR. OLIVER: Sure. Thank you.

HEARING OFFICER CHESTNUT: Thank you.

Any questions for Mr. Oliver?

MR. BALLINGER: No questions by the Public
Advocate. Thank you, Mr. Oliver.

HEARING OFFICER CHESTNUT: Thank you,
Mr. Oliver.
Now, is there somebody else?

MR. LIANG: Delores Brown-Waters.


And I found out about this from an organization I'm a part of which is ESWA, Eastern Service Workers Association. And I didn't see it anywhere else. So I found out about this through them, so I'm glad they did tell me about it.

I wrote something up real quick. I'll go right here. I'm a family of four. My oldest daughter has Autism and my youngest daughter has asthma. My husband is a senior citizen and I have different ailments that affect me.

I'm coming to you and asking you to deny the Water Company's rate hike. It seems as though my water bill keeps changing and increasing every so often, for whatever reason under whatever category on my bill.

It really feels like I'm being forced to
pay the Water Company's debts to bond holders -- and not my own debt, but theirs.

I did inquire about my bill being so high. And all of a sudden, you know -- when it happened. But unfortunately, the answer that I got was: It's your bill and you must be using more water.

It would have been nice for the Water Department to say: How about we send someone there to check out what might be happening and not: It's you bill and you must pay.

Another thing I wanted to touch on is the eligibility requirements -- or should I say, income as a relief requirements or guidelines for these programs.

They are actually really ridiculous, because when a family of four can't qualify when one person is a retired senior citizen and his wife is a part-time bus patron slash one on one person who works with children with disabilities in section 8 housing and not taking consideration that and with everything else that you pay, it just doesn't seem fair.

So I just want to thank you for letting me
HEARING OFFICER CHESTNUT: We appreciate you taking the time to share your story.

Any questions from Ms. Brown-Waters?

MR. DASENT: Yes.

Ms. Brown-Waters, if you have the time, if you could go into the chat or a breakout room with Danielle Lavery, she's from the Water Revenue Bureau, and Glen Abrams, we can talk through your problem and try to understand a little more about what we can do to help and where we've fallen short in the past.

HEARING OFFICER CHESTNUT: Is that okay with you, Ms. Brown-Waters?

MS. BROWN-WATERS: It's okay with me, yes.

MR. BALLENGER: I just wanted to thank you for your testimony, Ms. Brown-Waters.

MS. BROWN-WATERS: Thank you.

MR. LIANG: I think the people that were initially signed to the breakout room can rejoin it. I can't reassign them.

MR. DASENT: Is Glen one of those people?

MR. LIANG: Yes.

MR. DASENT: Then we're in good shape.
Hopefully we can get Glen in the breakout room and Danielle.

(Whereupon technical issues were discussed off the record.)

MS. BROWN-WATERS: You want me to put my number in the chat?

MR. DASENT: In the event that technology fails us, yeah. I'm old fashioned.

I see Ms. Brown-Waters' number.

And Glen, I hope you'll lead the charge with Ravon(ph). Because we can reach out by phone.

MR. ABRAMS: We have her contact information -- telephone number and e-mail. So we will follow up with her with information on customer assistance programs and, you know, applications and such.

MR. DASENT: If we can do some forensics, because I've seen fluctuating water bills before and I'm sure we're able to do that.

MR. ABRAMS: We can certainly take a look at the usage on that particular account.
MS. BROWN-WATERS: There's a lot of people like me, as well, though -- especially with the organization I'm part of. They have that same situation.

And a lot of people have been shut off. And so some of them are still scared it's going to shut off now during this pandemic. It's really heartbreaking.

MR. DASENT: Thank you, again.

MR. LIANG: Do we still need the breakout room since Ms. Brown-Waters decided to put her information in the chat?

MR. DASENT: If we're having difficulty why don't we resolve it by either phone or e-mail. I'd just like to speak with her, if we can. I think that's the personable way to deal with this.

MR. LIANG: Okay. Sorry for the technical difficulties everyone.

HEARING OFFICER CHESTNUT: You okay, Steven?

MR. LIANG: Yeah. Should we move on to the next person?
HEARING OFFICER CHESTNUT: Yeah. Is there somebody else that wants to testify? I don't see anybody raising their hand.

Is there anybody else who wishes to make a statement?

(No response.)

HEARING OFFICER CHESTNUT: I guess that takes us to the end of this portion of the public hearing.

Mr. Dasent, did you have anything further you wish to say?

MR. DASENT: Yeah. We're reconvening at six. So if someone has joined us and maybe would like to speak, I'm hoping they'll join us at six. And we're happy to hear from them.

HEARING OFFICER CHESTNUT: Mr. Ballenger or Ms. Scott?

MS. SCOTT: Thank you, everyone -- I think I heard someone.

HEARING OFFICER CHESTNUT: I think I heard someone.

MS. ORTIZ: Yes, you did. But let her go, because I already spoke. I just want to inquire about something.
HEARING OFFICER CHESTNUT: I'm not quite sure who this is, but go ahead.

MS. ORTIZ: Hello?

HEARING OFFICER CHESTNUT: Hello?

MS. ORTIZ: You can go ahead. I can speak after you, because I had spoke earlier. It's just a suggestion.

MS. SCOTT: Oh, okay.

I just wanted to thank everyone for their testimony and echo what Mr. Dasent has said.

And to, also, again, mention that our -- the experts that the Public Advocate have on board will be submitting their testimony and recommendations this upcoming Monday. And it will be available on the Rate Board website.

And that if you have any questions, please reach out to the Public Advocate or if you questions that would be better for Mr. Dasent, please do that, as well. Thank you.

HEARING OFFICER CHESTNUT: Now, Ms. Ortiz, did you say you had a quick question or comment?

MS. ORTIZ: Yes.

HEARING OFFICER CHESTNUT: You've already
had your chance here, but --

MS. ORTIZ: I know.

What I'm asking is, with the infrastructure with all of these new developments, couldn't the Water Company attach something to these new developments when these problems happen, like the water main, the flooding that like they had in Manayunk and all over the City, Graduate Hospital area -- could they get money from that, from the developers?

HEARING OFFICER CHESTNUT: Mr. Dasent, why don't you get back to Ms. Ortiz and address her concerns about the development.

MR. DASENT: Okay. I'm happy to do that. I'm hoping that I have -- I'm looking back at my notes -- I wrote down your e-mail, Ms. Ortiz.

MS. ORTIZ: Mm-hmm. How about ESW? Could I get it from them?

HEARING OFFICER CHESTNUT: Sure.

MR. DASENT: Sure. Or leave it in the chat -- if you leave it in the chat, I'll get back to you.

HEARING OFFICER CHESTNUT: She's connected
by phone. I'm not sure she can do a chat.

MR. DASENT: Steven might be able to tell
our contact information, in which case I can
get it from you.

MR. LIANG: Yeah.

MR. DASENT: I'll reach out to you after
the meeting to help her public privacy
interest.

MS. ORTIZ: Thank you.

HEARING OFFICER CHESTNUT: All right then.
If there's nothing fourth further, we'll
adjourn this hearing and we'll reconvene at
6:00 this evening for the next public hearing
for this case. Thank you all.

MR. DASENT: Thank you.

HEARING OFFICER CHESTNUT: I appreciate
you taking the time and I assure you that your
concerns have been heard and will be addressed.

- - - - -

(Whereupon the hearing concluded at 2:43 p.m.)

- - - - -
CERTIFICATION

I, hereby certify that the proceedings and evidence noted are contained fully and accurately in the stenographic notes taken by me in the foregoing matter, and that this is a correct transcript of the same.

___________________________
Kathryn Doyle
Court Reporter – Notary Public

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control/or supervision of the certifying reporter.)
Philadelphia Water, Sewer and Storm Water Rate Board Public Hearing  
March 18, 2021
Philadelphia Water, Sewer and Storm Water Rate Board Public Hearing
March 18, 2021
Page 3

(215) 504-4622