Tuesday, March 16, 2021.
Philadelphia, Pennsylvania

TIME: 1:00 p.m.
LOCATION: Virtually
HELD BEFORE: MARLANE R. CHESTNUT, Hearing Officer
HEARING OFFICER CHESTNUT: Good afternoon, everybody. This is one of four public hearings that have been scheduled by the Philadelphia Water, Sewer and Storm Water Rate Board to give the Board a chance to hear directly from the customers who will be impacted by the Philadelphia Water Department proposed changes in rates and charges for fiscal years 2021 and 2022. The Rate Board is an independent body established to set rates and charges for water and sewer service. As part of its mandate to conduct an open and transparent examination of the proposed rates, the Board hired Community Legal Services to act as the Public Advocate in this case. And selected me as Hearing Officer to ensure that the hearing process is conducted in a fair, impartial and efficient manner. Due to the ongoing public health emergency caused by the Covid
pandemic, this and all hearings will be conducted remotely either online or telephonically. All transcripts and documents are posted on the Rate Board's website. There is a court reporter who will produce a stenographic record of this hearing, and that also will be posted. So please be sure to speak slowly and carefully.

Before we get to hearing from the customers, I will introduce the representatives from the Water Department and the Public Advocate and let them give you an overview of the filing and what they plan to do in this case.

Mr. Dasent.

MR. DASENT: Yes. Glen Abrams of the Public Affairs Department of the Water Department will be giving a brief statement to sort of convene us and to instruct participants as to how we view the case.

Glen.

MR. ABRAMS: Thank you, Andre.
MR. DASENT: You're welcome.

MR. ABRAMS: And, Your Honor.

And good afternoon, everyone. My name is Glen Abrams and I am 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 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 1st, 2021 and an additional $3.98 beginning on September 1st, 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 to continue maintaining, upgrading and renewing its system to make sure that clean water is delivered as safely and reliably as possible. And that makes 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 that it collects is used to support 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 wastewater 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 wastewater system by making repairs and improvements at treatment facilities and improving drinking water treatment; and improving our water conveyance system by rehabilitating critical water infrastructure such as pumping stations and water mains; as well as upgrading water and wastewater 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 wastewater system they can count on.

I would also like to 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 citizens 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 1st, 2022. And has paused enforcement activities for our most vulnerable residential customers.

If you are experiencing financial hardship, we can help. We encourage to you apply for TAP, the senior discount, or other programs that are available to assist households with payment difficulties. These programs are accessible through 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.

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: And
thank you.

Ms. Scott, did you want to give
an introduction on behalf of the Public
Advocate?

MS. SCOTT: Yes. Thank you.

Good afternoon. My name is
Kinteshia Scott and I am an attorney at
Community Legal Services.
CLS has been appointed to serve as Public Advocate to represent the interests 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 PWD's rates are allowed to increase.

The Water Department has proposed to raise typical residential water bills by 17 and-a-half percent over two years. That would cost you an average of about $140 more per year. We have concerns about the Water Department's proposal and we would like to hear from you.

Should the Water Department raise your rates during a pandemic or should it look for other 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 rates? 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 it can do to help you get the assistance that you need?

Please share your views. What you share will be an important part of the record in this rate case. And 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.

HEARING OFFICER CHESTNUT: And thank you.

And I mentioned that the Rate Board is the independent board that will be making the decision concerning the Department's request for the proposed...
rates. And the chairman of the board is present, Mr. Popowsky.

Other participants in this case include the Philadelphia Large Users Group, the Water -- what is -- the Philadelphia Water Revenue Bureau, is that the right name?

MR. DASENT: That's correct.

HEARING OFFICER CHESTNUT: They are the ones that actually do the billing and the collection on behalf of the Department. And there's a number of individuals as well.

Okay. Let me give you a little overview in terms of the process. There is a schedule that's mandated by the Rate Board regulations in terms of how long the time is available to do this case. And it has certain milestones.

The parties got together and we did have a conference and adopted a schedule. And as you know, the public hearings are this week. The parties will continue to work on their testimony and
do discovery. They're going to -- I guess the non-company parties will be filing written testimony. And the company will -- and I guess they will respond to other parties' written testimony as well.

We have a block of time set apart for technical hearings at which these witnesses will be presented to discuss their testimony. That will be in April. Probably the mid to end of April.

I will try and have my written report issued by the end of May so the Board can do its deliberations in June, which will give the Department sufficient time to do whatever the Board directs before the proposed effective date of September 1st.

Now, as I indicated, every document in this case is posted on the Rate Board's website, and the schedule is posted there as well. So if you need any information about this case, that really is your best source.

With respect to today's public
hearing it's very important that the
Board hear directly from you. Because I
think we can all agree that things are
hard. It's hard for people to pay higher
rates. And it's really hard for a lot of
people.

And I think sometimes when
we're involved in the rate setting
process we get used to talking about
customers generally. The customers this,
the customers that, the impact on the
customers. But it's very important to
put a face on that term and see that.

As I'm sure that the
participants can tell you, I'm always
saying to them, at the end of the day
these are real people. We have to keep
that in mind. And that's why these
public hearings are really important.

And it's really good that you
took the time to participate. Because it
is, it's true everybody is a real person
and they have family commitments, we have
all been impacted by the current pandemic
and it's important to know that you're not going to be treated poorly as a result of this process.

So in terms of this particular hearing, I think you obviously are aware of it. People have signed up. And I will take people in order of registration. And there will probably be time, if you haven't registered but want to make a comment, we will accommodate that. But you can also send an e-mail or a letter to the Rate Board with your concerns. And I promise you that I will read everything that anybody submits. And these e-mails and letters also will be posted on the Rate Board's website.

When it's your turn, I will say your name and Steven will unmute your microphone. I'm not sure of the process if you haven't registered, but we'll work that out in terms of proceeding in an orderly fashion so that everybody has a chance to give a statement if they wish to.
You may not wish to. You may wish to register -- you may want to think about it and just register for another session, that's fine too. There are lots of options and we're very interested in hearing from you.

When it's your turn I will ask you to give and spell your name for the record, give your address and whether you are appearing on behalf of a group.

I'm also going to ask you how did you hear about this. Did you get an e-mail? Did you see it on the website? Did you see it in the newspaper? Was it word of mouth from somebody? We're very interested in making sure that there is maximum outreach so that people are aware of it. And any help you can give us, we appreciate.

I'm going to ask you to confine your remarks, though, to the issue which is the proposed rates. As Glen indicated, if you have a particular service or billing issue, that's fine, we
can direct you to the company and they
can get your contact information and
resolve it for you. But that's not
really the purpose of this. And you
don't want to put your personal
information out in the public record
anyway. But please try and talk just
about the rate increase and how it will
impact you and what your suggestions are
for the company.

After you've given your
statement, and I'm not going to impose a
time limit unless it looks like we are
going to have a time crunch, but I will
ask you to keep it brief and on point, I
will ask the participants if they have
questions for you. This is not
litigation. This is not
cross-examination. It's just questions
to clarify what you have told us.

When you're finished you're
welcome to stay and listen to the rest of
it. You certainly don't have to. You
can leave at any time.
And I do want to make a statement on my own behalf which is that there is nobody in Pennsylvania who knows more about utility regulation than I do, Marcy Chestnut. I was an Administrative Law Judge with the Public Utility Commission for over 25 years. I conducted thousands of cases, a lot of rate cases. So I know about how to do rate cases and how utilities should be run and what rates -- how rates are set. And I also did thousands of ability to pay cases. So I know what it's like to work with individual customers. In fact, after I retired from the Commission they asked me to stay on for another year and help with the inability to pay backlog, which I did.

I have done all kinds of cases, all kinds of utilities. I have done these cases in every part of the state. So I really do have a very good understanding of the rates and the rate making process.
And before I became an ALJ I had ten years of actual practice with the Commission I also spent representing the public interests. I spent a couple years with the Office of Consumer Advocate representing residential interests.

After I retired I did a little work for utilities, mainly customer service training and issues. So I really do understand about how to balance interests and how to produce a result. How to conduct an equitable and fair process to produce a result that is equitable and fair.

But one point I want you all to remember is that you're all on the same side here. It's not customers versus the Water Department. The Water Department wants the same thing customers want, which is affordable rates. And I may be speaking out of hand here, because I'm assuming that the utility doesn't want you not to be able to afford to pay for your service. They
spend a lot of money on collections and
terminations. And I'm sure they would
rather have that money go directly to
service to you.

As a customer, you want your
rates low and affordable, but you also
want to have reasonable service. And
that does require a certain amount of
money.

So I don't want you to think of
this as litigation or a kind of
adversarial process where there are two
competing interests because there isn't.
This is more of a collaboration where we
should be working together to find a
result that gives the Department enough
money to do its job and that makes the
rates affordable for customers so they
can pay their rates without it being a
hardship.

So I'd just like you to keep
that in mind. But this is not
adversarial and we should be trying to
work together to come up with a result
that really is in everybody's interests.
And of course there will be some
disagreement on that. There is a range
of where those rates should be, but it's
a pretty narrow range. And I'm hopeful
that we can get there.
Okay. Does anybody want to
make any comment before we get started on
actually hearing from customers?
Mr. Dasent or Ms. Scott or any of the
participants?
MR. DASENT: Nothing from us at
the Water Department. We just want to
hear the customers.
MS. SCOTT: Nothing from the
Public Advocate as well.
HEARING OFFICER CHESTNUT: I
think if somebody needs to be unmuted,
probably the best thing would be to raise
your hand and Steven can take care of
that.
Steven.
MR. LIANG: Yep. The first
person that registered, I believe, was
Hearing Officer Chestnut: Ms. Murphy, I see you there.

Ms. Murphy: Hi.

Hearing Officer Chestnut: Ms. Murphy, please give and spell your name for the record, please?


Hearing Officer Chestnut: And your address?

Ms. Murphy: 3424 Ainslie Street, A-I-N-S-L-I-E.

Hearing Officer Chestnut: Is that Philadelphia?

Ms. Murphy: Yes, 19129.

Hearing Officer Chestnut: And are you appearing on your own behalf or a group?

Ms. Murphy: I'm appearing on my own.

Hearing Officer Chestnut: And how did you hear about this?
MS. MURPHY: I think I heard about it multiple ways. One of the ways was through a group called Penn Future, and the other way was through Community Legal Services.

HEARING OFFICER CHESTNUT: Okay great. Do you want to go ahead, Tammie, and give us your thoughts?

MS. MURPHY: Sure. I mean, as a parent I think that like on average income here or even below average income $140 a month is really like the difference of a family being able to get their groceries or not get their groceries. You know, a lot of people have like food security issues. It's not that they don't eat at all, it's that they run out of food before the next month comes and an additional $140 is too much. I mean, honestly it's just too much for a lot of families that are already struggling as they are. To add $140 is to put them over the breaking point. And I think there's too many
people in Philadelphia who would reach
that breaking point with an additional
$140.

And I would like to know -- I
haven't had time to study your website,
that's, you know, in addition to
everything else that I'm doing, it's not
something I've had time to do, but I'd
like to know if you did a needs
assessment to see whether you need to do
this increase. And if you did an
alternative options assessment to see
what other options there are other than
raising rates on residents.

HEARING OFFICER CHESTNUT: Is
that it?

MS. MURPHY: That's all.

That's my question, yep.

HEARING OFFICER CHESTNUT: Your
question is a good one and it's why we're
here. We are here to examine whether the
company utility needs that money and if
that's the best way to deal with their
needs, that's exactly what --
MS. MURPHY: That's not for customers to answer. Customers can't answer whether you need that to function as an agency or not. And we don't have the opportunity, nor the expertise to understand what the alternative options of funding are. That's not something that I'm fit to answer. So that's something I'm asking if your agency has done a needs assessment and like an alternative analysis.

HEARING OFFICER CHESTNUT: Ms. Scott, you want to jump in here? Because, Ms. Murphy, the Public Advocate is here to do exactly what you just said, which is to represent the interests of customers. They have a budget. They have retained experts. And they examined the utility's filing, which we don't expect individual people to do. But they're doing it on your behalf.

MS. SCOTT: Right. So I will
jump in. I will echo what Ms. Chestnut has said. The Public Advocate has been hired to represent the interests of residential and small commercial customers. And we have hired a team of experts who are looking extensively into the Water Department's filing and are going to be giving their suggestions. We have testimony that's due this upcoming Monday.

And I do want to note, you mentioned that there would be $140, I believe you said on a monthly basis. And I think that number comes from my initial opening statement. I did say that that would be $140 on a yearly basis on average.

HEARING OFFICER CHESTNUT: Does anybody have any questions then for Ms. Murphy?

MR. HAVER: I do, Your Honor.

HEARING OFFICER CHESTNUT: Mr. Haver.

MR. HAVER: Yes. I was
wondering if you, Ms. Murphy, would
support the Water Department looking at
how it could set aside the rate increase
by using the money that was just put in
the American Recovery Plan Act, if you
would support the Water Department not
raising rates until it could see how much
it could get from the $350 billion that's
been set aside to help public water
utilities?

MS. MURPHY: Yeah, I think that
makes a lot of sense if that money is
potentially available. I think that
delaying it and using that money would be
better. It's certainly a better use of
our federal funding than, you know, lots
of handouts that we have been giving to
other industries like airlines and oil
and gas industry. If it's an option,
yes, please.

HEARING OFFICER CHESTNUT: And
anybody else?

Okay.

MS. MURPHY: I guess the
question that I have --

HEARING OFFICER CHESTNUT: And

thank you, Ms. Murphy. We appreciate your time.

MS. MURPHY: I really don't think the question that I have is answered. I mean, what are the alternatives beside the one that was just offered? Are there other alternatives?

HEARING OFFICER CHESTNUT: We are not going to go into those kind of details. That's not the purpose of this. But I would suggest that you contact the Public Advocate and they can tell you what they're looking at. Or if you want to wait until next week, you can read the Public Advocate's testimony and that will tell you what their proposal is. Okay?

Steven, is there another person?

MR. LIANG: The next person was Juliana Martel.

HEARING OFFICER CHESTNUT: Yes.

MR. LIANG: She doesn't seem to
have joined the hearing.

HEARING OFFICER CHESTNUT: Ms. Martel, are you here? Can you raise your hand if you are or indicate?

Okay. No answer. Then we'll get back to her then and see, maybe she will join later.

Steven.

MR. LIANG: Those were our only two registered individuals. So now I think we can open it up to anyone that wants to speak.

HEARING OFFICER CHESTNUT: Does somebody else want to speak? If so, raise your hand.

All right, Ms. Woolford, Steven can unmute you.

MR. LIANG: What was her first name?

MR. DASENT: Sallie Denise Woolford.

HEARING OFFICER CHESTNUT: Hang on.

MS. WOOLFORD: Yes, hi.
HEARING OFFICER CHESTNUT: Ms. Woolford, hold on a second, let me get you logged in here.
Could you please state and spell your name for the record?
HEARING OFFICER CHESTNUT: And your address, please?
MS. WOOLFORD: My real name is Denesta Smith.
HEARING OFFICER CHESTNUT: You can use whatever name you want to here, whatever -- however you want us to list you.
MS. WOOLFORD: I'm using Sallie's iPad to get online.
HEARING OFFICER CHESTNUT: Oh.
MS. WOOLFORD: Yeah, because I think this meeting is very important because --
HEARING OFFICER CHESTNUT: And before you do that, could you hold up just a second?
So what name should I use for you?

MS. SMITH: Denesta Smith.

HEARING OFFICER CHESTNUT: And could you spell that, please?


HEARING OFFICER CHESTNUT: And your address, please?

MS. SMITH: 1341 Colwyn Street, C-O-L-W-Y-N.

HEARING OFFICER CHESTNUT: And that's Philadelphia?

MS. SMITH: Well --

HEARING OFFICER CHESTNUT: Is that Philadelphia?


HEARING OFFICER CHESTNUT: And how did you hear about this, Ms. Smith?

MS. SMITH: Wydia Gardner told me about it, which is my neighbor in back of me. She told me about it. And I just feel like it's time for us as a people to
1 start speaking out. Because we can't
2 afford to pay for the pandemic that has
3 happened. And we didn't bring the
4 disease in our country. So whoever did
5 these things should be the ones that have
6 to pay for the high cost of our water
7 bill.
8
9 And I also been ripped off from
10 the water company. I had to make a loan
11 for a leak I had in the middle of my
12 street. And they charged me $4,500. How
13 could I afford that on making $20,000 a
14 year?
15
16 So I felt like I have been
17 ripped off. Because, I mean, it
18 wasn't -- and I had to take a loan out.
19 And they didn't put my cement back on my
20 property. And what happened, it started
21 to crack. So I called the Water
22 Department. They treated me nasty. And
23 they said they wasn't coming out to fix
24 it, I was over the statute of
25 limitations.
26
27 You know, when I saw this, the
sink, I thought in my mind that it wasn't
going to go any further. But it kept
sinking and sinking every time it rained
or snowed. So when I complained about
it, they didn't help me. And every time
I went to a higher part of the
Department, they treated me like, oh, we
don't have nothing to do with
Pennsylvania. And, you know, so I felt
completely ripped off.

Plus, I paid my bill every
month. Never missed a month. So I can't
understand why was I treated like that
and why was it allowed? I spoke to a lot
of people within this company and nobody
wanted to help me.

HEARING OFFICER CHESTNUT: I'm
sure the company people here will take
that, what you said, to heart and will
try to --

MS. SMITH: And I paid the loan
off, but it was a struggle. You know, I
had to go without some things to pay this
loan off. And it just was a struggle.
PARTICIPANT: So it's not fair for them to increase more money when people pay their bills anyway, you know.

MS. SMITH: It just isn't fair to pay more money. I felt like I already paid.

HEARING OFFICER CHESTNUT: Okay thank you.

Does anybody have any questions for Ms. Smith?

MR. DASENT: Judge Chestnut?

HEARING OFFICER CHESTNUT: Yes.

MR. DASENT: If I could, I'd like to reach out to Ms. Woolford. And if you'll go in the chat and leave me your contact information -- I have your address -- but I'd like to get your phone number and see if we can follow up because --

MS. SMITH: Okay.

MR. DASENT: -- we want to treat our customers well. And I'm sorry to hear what you have been through. Was that a HELP loan also?
MS. SMITH: Yes, that's what it was.

HEARING OFFICER CHESTNUT: And, Steven, can you break them in a breakout room so they can exchange information?

MR. DASENT: Thank you.

MS. SMITH: Thank you.

HEARING OFFICER CHESTNUT: Ms. Smith, we are going to put you directly with the company so they can get your information to follow up on this.

MS. SMITH: Okay, thank you.

HEARING OFFICER CHESTNUT: Yes, sure, thank you.

Okay. While that's going on, Ms. Lasker, I see you have your hand up, do you want to make a comment?

Steven, wait, wait, wait. Hold on.

MR. LIANG: I'm asking her to unmute.

MS. LASKER: Now you can hear me?

HEARING OFFICER CHESTNUT: Yes,
now we can hear you. Did you want to
make a statement?

MS. LASKER: Yes, I would.

HEARING OFFICER CHESTNUT: Okay
first off then can you please state and
spell your name for the record?

MS. LASKER: My name is
Katherine, K-A-T-H-E-R-I-N-E, Lasker,
L-A-S-K-E-R.

HEARING OFFICER CHESTNUT: And
your address, please?

MS. LASKER: 815 Magee, that's
M-A-G-E-E Avenue, Philadelphia.

HEARING OFFICER CHESTNUT: And
the zip?

MS. LASKER: 19111.

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

MS. LASKER: I got a direct
e-mail from the Department.

HEARING OFFICER CHESTNUT: Okay
great. Is Mr. Dasent back yet or is he
here? I can't see.

MR. LIANG: I don't believe
he's back yet.

HEARING OFFICER CHESTNUT: I think he should listen to what it is you have to say.

Mr. Abrams, you can take care of Ms. Smith now so that Mr. Dasent could rejoin us.

MR. ABRAMS: Yes.

I don't know, Steven, if it's possible to put me into the breakout room so that Mr. Dasent can come out?

MR. LIANG: Just one second, I'm trying to.

Okay, he entered the room.

HEARING OFFICER CHESTNUT: Are we still waiting for Sonny? I mean, not for Sonny, for Andre, excuse me.

Okay. Great. Ms. Lasker, sorry for the delay but I'm sure you wanted the company attorney to hear what it is you want to say.

MS. LASKER: So recently I have been getting correspondence from City Council suggesting that I give my money
away to a private water department, the American Water organization, I forget their exact name, suggesting I purchase insurance from them. And I've gotten this directly from members of the City Council.

So my first part is, what is the relationship with City Council or the Water Department with this private for-profit water company? The other part of that is, if you have Philadelphia citizens giving away their money every month to an organization, a corporation, and now you're telling us you don't have enough money, it seems that the answer to that is you provide the insurance and you collect the money and then you won't be out of money.

So I don't understand the relationship between these two, why you're advocating for a private corporation. And I feel that this is a way you can solve your money problems.

HEARING OFFICER CHESTNUT: Mr.
Dasent, you want to make a brief statement about the aspect of the insurance aspect? I'm sure other people have that question too.

Steven, you're going to have to unmute him first.

MR. DASENT: I'm not absolutely sure of the insurance company you're referring to. I do see ads from time to time of independent insurance companies that want to insure you against any loss with a water main -- with a service line break.

MS. LASKER: But that's not an insurance company, it's the water company, it's one of the biggest private water companies. And they have a warranty, a sideshow, a warranty, and they're collecting about $10 a month from every customer.

Now, that's a significant amount of money. And so if the Water Department was collecting that money, there could be a significant difference
HEARING OFFICER CHESTNUT: Let me make clear, what this is, this is an insurance policy for the part of the system that's owned by you that you would be responsible for repairing. I don't think it has anything to do with the Water Department, does it?

MS. LASKER: They're the ones that are issuing it.

HEARING OFFICER CHESTNUT: Not the Water Department.

MS. LASKER: No, but City Council has been advocating that we give away our money, they're telling us to purchase this insurance.

HEARING OFFICER CHESTNUT: Then I think you need to raise it with your council person, why they are promoting that particular --

MS. LASKER: It's the relationship between what the Water Department is doing and what City Council is doing.
MR. DASENT: Well, I think I would have to take that as a written question and respond to you. And basically you want to find out the relationship between this private insurance company and the City with respect to repairs to service lines and the sorts of repairs you would do to your home?

You know we have a HELP loan program that handles repairs to service lines and other home repairs at zero interest. So just recognize that that's out there as an alternative. But I will investigate.

MS. LASKER: That's not -- offer me -- I'm not concerned, I don't need the money, right. But offering me a zero interest loan still means I'm paying for it. Meanwhile, my neighbor is giving this private for-profit company $10 a month. And my neighbor doesn't need the repair. So this is a highly profitable enterprise.
HEARING OFFICER CHESTNUT: Ms. Lasker, we really need to focus on the issues here which is, again, the pending rate increase. I understand your concern about City Council's involvement in pushing a private insurance company, but that really just isn't anything we can get to here.

Mr. Dasent has offered you some information that you convey to your neighbors about how to deal with problems on their lines. But I'm not sure we can get much further than what you have already raised here, okay?

MS. SCOTT: Ms. Chestnut, would you mind if I jump in real quickly?

HEARING OFFICER CHESTNUT: No, sure.

MS. SCOTT: I'm wondering, Ms. Lasker, if you're talking about the Philadelphia Energy Authority's program, American Water Resources that insures customers' lines?

MS. LASKER: This is the
American Water Company. It's a private company. If you look Google them, they control water departments around the country. And they have an extremely poor reputation.

MS. SAMUELS: So, I'm sorry, this is Charlene Samuels from Councilwoman Gym's office.

So Ms. Scott is right, the program that you're talking about is American Water Resources, which is a program that was started by the City Council through the Philadelphia Energy Authority to help water customers -- to help homeowners really who when they have an issue with their sewage, or not the sewage, the pipes from the, I believe it's from the curb to the street or from the whatever.

MR. DASENT: That's correct.

MS. SAMUELS: Yeah, for you to have that fixed because it's the homeowner's responsibility to get it fixed. But what Ms. Chestnut is saying,
yes, the Water Department also has the HELP loan. So you have two choices, you could either get that low interest HELP loan or you can go through American Water Resources to pay that $10 a month so when this happens, because most people are not sitting on five, six, $7,000 for a repair like that when these pipes, which are old, right, just start to go bad, right. So that's what that program is.

So the City of Philadelphia, City Council was only, you know, offered this to help homeowners, not to hinder them, but to help them. Because they were hearing so many people who had this issue, right, and people who could not afford to get their, you know, this fixed. Because once you have an issue like this the water is shut off. So it's a whole lot of things that happens. And you have to get it fixed.

So that's what that program is. It's two different programs. So, yes, the HELP loan under the Water Department,
which will help you get your pipes fixed.

But then if you don't want that, you can
go to the American Water Resource people.

MS. LASKER: Well, I completely
understand that. I'm aware of what you
just said. That's not my question. I'm
looking at your budget. I'm looking at
you're saying you don't have enough money
and then you're advocating for the water
customers to give away their money to a
different company, whereas you could be
collecting that money. That's what I'm
talking about.

HEARING OFFICER CHESTNUT: Ms.
Lasker, I think, you know, you have to
understand that the Water -- we're
talking facilities that are owned and
maintained by the Water Department and
facilities that are your responsibility
as the customer. And we're talking two
different things here.

MS. LASKER: I understand the
difference. I completely understand.

HEARING OFFICER CHESTNUT: Then
I really don't see that there's any point in continuing to talk about this. There's not really much that can be said about it.

MS. LASKER: Well, you can consider doing what the gas company does, which is also a municipal organization. And they offer you a warranty and you give your money back to the Philadelphia group, not to a private corporation. They repair things and you buy a warranty directly from them. And since -- the Water Department could do the exact same thing as the gas company does, and they keep the money.

HEARING OFFICER CHESTNUT: Okay thank you very much, Ms. Lasker, we appreciate your comments.

MS. PRICE: Judge Chestnut, this is Joline Price, also with the Public Advocate.

HEARING OFFICER CHESTNUT: Yes.

MS. PRICE: I think Ms. Lasker clarified her question, but I think her
1 question is, why isn't the Water
2 Department running the program that
3 American Water Resources is running? And
4 has the Water Department looked at
5 whether that would help their budget?
6          MS. LASKER: Right, yes.
7          HEARING OFFICER CHESTNUT: I
8 don't know, Mr. Dasent, is there an
9 answer to this? Isn't the Water
10 Department's response to give the HELP
11 loan program?
12          MR. DASENT: We can give you a
13 response. The HELP loan program is our
14 option to proceed to help customers. But
15 I can also go back to the company and get
16 a more detailed response so that
17 Ms. Lasker will be satisfied that we've
18 taken into consideration her various
19 comments. And we thank you for that.
20          HEARING OFFICER CHESTNUT: Ms.
21 Lasker, okay?
22          MR. DASENT: I will probably
23 need an e-mail address, Ms. Lasker. And
24 if you share either with Glen Abrams or
myself that e-mail address, or I can get it from Steven possibly.

MS. LASKER: I can give it to you now if you want it.

MR. DASENT: Okay.

MS. LASKER: My first initial and my last name, K-L-A-S-K-E-R @verizon.net.

MR. DASENT: Great. Thank you very much. We will get back to you.

HEARING OFFICER CHESTNUT: Okay great. Anybody else wish to participate? If so, please raise your hand.

It looks like nobody else has indicated they wish to make a statement at this time.

MR. HAVER: Could I ask a housekeeping question, ma'am?

HEARING OFFICER CHESTNUT: Yes.

MR. HAVER: So I filed a motion asking for a continuance. I understand that the Department wants some more time. I'm trying to decide if I should complete my testimony that's due on Monday?
HEARING OFFICER CHESTNUT: Your motion hasn't been granted, so yes.

MR. HAVER: Right. So I'm just wondering about the timeline, if the Water Department could let me know when they think they might have an opportunity to respond?

MR. DASENT: We are working on a response right now. And I imagine if I write it tomorrow, because I just sketched it out, I think you served it last night?

MR. HAVER: Unlike my normal complaints, I'm not complaining, I'm just trying to understand what the timeline is.

MR. DASENT: Let's plan on Friday. I know I can meet that deadline and I'll try to beat that.

MR. HAVER: So, Ms. Chestnut, you said please call you that rather than Your Honor, you don't see any way that this is going to be resolved until after the deadline; is that correct?
HEARING OFFICER CHESTNUT: Yes.

MR. HAVER: Okay, thank you.

HEARING OFFICER CHESTNUT: I do, I don't think it's fair.

MR. HAVER: I wasn't debating the issue, just trying to get the timeline so I knew how to respond, that's all. Thank you.

HEARING OFFICER CHESTNUT: Does anybody have anything else then before we adjourn and reconvene at 6 o'clock tonight?

(No response.)

HEARING OFFICER CHESTNUT: I want to thank everybody. I was very nervous about this. This is the first time I've ever done a Zoom hearing. And I am not a tech person. I'm one of these old people, older people. So thank you very much. And I think it went pretty smoothly. But if you have suggestions to improve the process, that would be great. I do want to make it as efficient and fair for everybody as
possible without being burdensome. But I
do want to especially thank Steven for
making this all work.

Anything else from you,

Mr. Dasent?

MR. DASENT: Nothing further.

Thank you also, Steven, I appreciate it.

HEARING OFFICER CHESTNUT: Ms.

Scott?

MS. SCOTT: Nothing further

from the Public Advocate.

Thank you all for

participating.

HEARING OFFICER CHESTNUT: Mr.

Abrams?

MR. ABRAMS: Nothing further

from me, thank you.

MR. HAVER: Nothing further.

MS. SAMUELS: I'm sorry,

Charlene Samuels again from Councilwoman

Gym's office.

HEARING OFFICER CHESTNUT: Yes.

MS. SAMUELS: Were residents

notified about these meetings like with
the water bill, did it come in --

HEARING OFFICER CHESTNUT: Why don't we take a minute, I'd like Mr. Dasent and Ms. Scott to put on the record the outreach efforts you made.

MS. SAMUELS: I appreciate that so I can pass it on to the Councilwoman.

HEARING OFFICER CHESTNUT: Of course.

MS. SAMUELS: Thank you.

MR. DASENT: Well, as explained at the recent Rate Board meeting, we were taking sort of a multi-faceted approach for outreach. And we've put ads in the Inquirer, Daily News, Al Dia, the Tribune beginning March 9th and March 10th. We did e-mail outreach through other various contacts. We have sort of an our cast group that we talk to all the time. We used social media. We worked with CLS with fliers. And we have done a lot of e-mail outreach.

And we had collaboration from Penn Future, I see, and others. As well
as articles in the Inquirer today. We will have radio spots also that will help with future outreach for future public input hearings that are coming up later in the week.

So we have done, including with social media, we have done significantly more than we have in the past. And we're hoping over time we will have greater and greater participation.

MS. SAMUELS: So nothing went through with the bills to folks to say to residents that we are having a meeting because we are proposing, and I'm thinking, what is that, a 16, 17 percent rate hike? I'm just saying, yeah --

MR. DASENT: We did actually tell folks that the rate increase was in progress. But to announce specific hearings on the short timeline, because when we set the schedule, the time between the setting the schedule and these hearings wasn't enough to allow to go through the full rotation of our
customers because mailings don't happen sort of instantly, it's sort of an old-fashioned way, they roll out through the postal service and the like. Some things can be posted and were posted at the website. And also at the Rate Board website.

So folks are learning of what we're doing and we are doing our best to do the maximum outreach. And particularly with help from CLS, I thought we did quite a good job this time. But we're always seeking to improve.

MS. SAMUELS: Okay. Thank you.

MS. SCOTT: Yes, I echo that.

We did reach out through the various channels that Mr. Dasent mentioned. And CLS also used our various social medias and our lists that a lot of our advocates at the organization have to also spread the word.

MR. DASENT: And the neighborhood energy centers were another
source that I think Rob and I were trying
to utilize this time just to improve our
outreach.

So we have done the job we are
supposed to, but we're always trying to
do better. So if you have other
suggestions, we're listening.

MS. SAMUELS: Thank you so much
for that.

So what is -- I think I saw
where it says the date for these proposed
hikes is September of this year, am I
correct?

MR. DASENT: Yes, September 1,
2021, yes.

MS. SAMUELS: And who is going
to make the ultimate decision? Is that a
decision -- like, you know, you have the
PUC as it relates to PGW and PECO, right.
Who makes that decision for the Water
Department? Is this something you have
to come --

HEARING OFFICER CHESTNUT: Ms.
Samuels, there's an independent board
called the Water, Sewer and Storm Water --

MS. SAMUELS: Water, say that again, Water?

MR. LIANG: Water, Sewer and Storm Water Rate Board.

MS. SAMUELS: Wait, wait.

Water?

HEARING OFFICER CHESTNUT: Yes, Water, Sewer, Storm Water Rate Board.

MS. SAMUELS: Thanks.

So the independent folks will make the decision if it's going to go through?

HEARING OFFICER CHESTNUT: Yes. Ms. Samuels, I'm the Hearing Officer that the Rate Board has hired to oversee this process.

MS. SAMUELS: Got you.

HEARING OFFICER CHESTNUT: I will write a report for the Rate Board to consider before it makes its decision as to what to do with the Water Department's request.
MR. HAVER:  Ms. Samuels, it's Lance Haver.

MS. SAMUELS:  Hi, Lance.

MR. HAVER:  How are you?

MS. SAMUELS:  Fine. How are you?

MR. HAVER:  Okay. So this is a relatively new process. In the bad old days the Water Commissioner ruled on his own rate request. That was changed by City Council. And City Council set up the independent board. The chairman of the Board who was on the Zoom conference, I don't know if he's still here.

MR. POPOWSKY:  Still here.

MR. HAVER:  Is a former public advocate for the State before the Public Utility Commission.

Ms. Chestnut is the reason why we don't face the problems that the Texas electric utility consumers face. I am not going to mention her age because that would be unfair. I can say she was retired.
HEARING OFFICER CHESTNUT: It's okay, you can say I'm old.

MR. HAVER: The process has been professionalized since the bad old days. The current hearing examiner is a professional who has proven time and time again that she is capable of understanding complex issues and making a fair recommendation.

And the Board has professionals on it representing different segments of our society. And they will make the final determination. Even though I don't think the rate increase is necessary, and I think there are ways to avoid it, it's clear that the process is fair and just.

MS. SAMUELS: So I hear that, Lance. But the thing is, is there anybody on that Board that lives here in the City of Philadelphia, in -- right, is anybody on the Board --

MR. HAVER: They all do.

HEARING OFFICER CHESTNUT: They all do.
MS. SAMUELS: All right. I just want to make sure.

MR. HAVER: The Council President wrote the bill, I was there when he wrote it. And I would be happy to talk with you off line.

MS. SAMUELS: Appreciate that.

Thank you, Lance.

MR. HAVER: I didn't want to take up --

HEARING OFFICER CHESTNUT: Mr. Haver, thank you.

And, Ms. Samuels, you can reach out to Mr. Popowsky, I'm sure. He is the chairman of the Rate Board and would certainly be happy to address any questions you have as to the function of the Rate board and how it fulfills its responsibilities.

MS. SAMUELS: Right. Thank you so much, Ms. Chestnut, appreciate that.

HEARING OFFICER CHESTNUT: Is there anything else from anybody then before we adjourn?
MR. HAVER: Nothing more.

HEARING OFFICER CHESTNUT: And readjourn tonight at 6 o'clock then.

Thank you all, really. This went, I think, relatively smoothly and I appreciate it.

MR. HAVER: Thank you.

HEARING OFFICER CHESTNUT: We will get back together again at 6:00.

Thank you.

MS. SAMUELS: Thank you. You all have a good day.

MR. DASENT: Thanks, you too.

(The hearing was concluded at 1:54 p.m.)

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CERTIFICATION

I, Kimberly A. Wilson, 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.

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Kimberly A. Wilson, RMR, CRR, Court Reporter - Notary Public

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