

**BEFORE THE  
PHILADELPHIA WATER, SEWER, AND STORM WATER RATE BOARD**

**In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater, and Stormwater Rates and Related Charges**      **Fiscal Years 2022 – 2023 Rates and Charges to Become Effective : September 1, 2021 and September 1, 2022**

**LANCE HAVER DISCOVERY REQUESTS  
&  
REQUESTS FOR PRODUCTION OF DOCUMENTS**

**B**

- LH-B-1      Does Black & Veatch (B&V) do any consulting work for for profit utilities?
- LH-B- 2      Have any of the current PWD witnesses ever testified on behalf of American Water Company?
- LH-B-3      Has B&V ever recommended that a for profit utility purchase a publicly owned utility?
- LH-B-4      Has B&V ever recommended and/or helped a for profit utility purchase a publicly owned utility
- LH-B-5      Have any of the witnesses testifying on behalf of PWD ever worked with anyone at B&V who has recommended selling a municipal water utility?
- LH-B-6      Has anyone at B&V, of any of the witnesses testifying on behalf of PWD ever worked for any customer of the PWD including Aqua PA or any of the 10 suburban customers to which PWD provides wastewater service?

- LH-B-7 As a percentage of billable hours, how much of B&V work is done for stockholder owned utilities and how much is done for publicly owned utilities
- LH-B-8 How do the hourly rates B&V charges to clients compare between publicly owned utilities and stockholder owned utilities?
- LH-B-9 As a percentage of B&V's retained earnings and profit sharing, how much is derived from stockholder owned utilities and how much from publicly owned utilities.
- LH-B-10 Was Ms. Bui a co author of "How Much Is It Worth? An Overview of valuing Water Utilities"?
- LH-B-11 Did Ms. Bui write the article, in some part, to help stock holder owned utilities decide if they should purchase publicly owned utilities?
- LH-B-12 Did Ms. Bui make a presentation to Bank of America Merrill Lynch Water Investors Conference, December 2019 on Municipal Water and Privatization?
- LH-B-13 Please produce a copy of the presentation and/or notes from the presentation.
- LH-B-14 Please produce the testimony and/or note of testimony of any and all testimony before any and all regulatory bodies opposing allowing the sale of a publicly owned utility to a stock holder owned utility.
- LH-B-15 On lines 6-8 page 7 of the direct testimony of B&V, it states that As a general proposition the cost of service analysis provides the basis for designing a rate structure that allow the utility to recover costs from its customers equitably. Please define what the word equitably means in this context, who defined it as such and if there are other possible definitions of equitable in this context.

LH-B-16

Why is it not practical to perform cost of services evaluations on an individual customer level? Isn't the burden of a rate hike felt on individuals not on an amorphous group?

- LH-B-17            On lines 21- 23, page 7 the testimony says “When the revenues generated from existing user rates and charges and other sources of revenue are insufficient to cover operating and capital costs, the utility may require one or more revenue adjustments as part of the revenue requirements analysis”. Are there other options than adjusting revenues? If so, which other options did B&V consider? Please provide the work products which show the analysis of other considerations.
- LH-B-18            Is one of the options to consider when revenues are insufficient to cover operating costs, lowering costs through innovations?
- LH-B-19            If the answer to LH-B-18 is yes, please provide a list of the innovations B&V considered and rejected, the reasons for the rejections in B&V determination of the need for the proposed rate increase.
- LH-B-20            Has there ever been a time, that any of B&V’s witnesses are aware of , that bond holders have agreed to accept a lower return and/or allowed an entity to enter a technical default. Are any of PWDs experts familiar with Sinclair Broadcast Group’s request that bond holders accept 40% loss? Please list the members of B&V’s employees who are familiar with Sinclair Broadcast Group’s request for bond holders to accept losses.
- LH-B-21            Does B&V recommend the City of Philadelphia using some of the Stimulus money to cover the uncollected bills? If so, please provide the work sheets showing the estimates of how that would affect the requested rate hike? If not, please explain why B&V recommends rejecting using COVID stimulus money to cover unpaid bills.
- LH-B-22            Why does B&V categorized the TAP program as a loss of revenue, when without TAP, there would be less revenue to the PWD?

- LH-B-23 Does B&V believe there are any consumers who do not have a surplus of income to pay the proposed increase? If so, what does B&V recommend those consumers do?
- LH-B-24 Please provide any and all studies B&V did to understand the burden the proposed rate increase would have on a modal family in Philadelphia showing how the additional cost in water/sewer can be met.
- LH-B-25 Please list all cost saving programs B&V evaluated and rejected, provide work product for all ideas listed.
- LH-B-26 Page 26, lines 18-20 state that debt service is estimated at a 5.0% and 5.25% interest rate. Please explain how those interest rates were projected. Please explain the projected interest rates after comparing the projected interest rates at Bloomberg for Muni bonds
- LH-B-27 Where does the PWD keep its reserve funds?
- LH-B-28 Is it B&V's contention that Philadelphians living with the effects of the COVID restrictions are not worth consideration? If that is not the case, and the economic condition of Philadelphians was considered as a factor but rejected and a modifier for a rate increase, please provide all work product showing why the decision was made to reject the economic conditions of Philadelphians as an additional factor to be taken into account.
- LH-B-29 For the last 5 years, listed year by year, program by program, provide the amount PWD spent on advertising PWD programs.
- LH-B-30 Please provide the analysis of the success and/or failure of PWD's marketing campaigns, based on each program

- LH-B-31 Please provide the amount PWD spent advertising the public hearings for this proposed rate increase.
- LH-B-32 If any advertisements to announce the public hearings for this proposed rate increase were placed, please list where they were placed and the amount spent at each place where the advertisements were aired, appeared and/or televised.
- LH-B-32 Please list the number of consumers enrolled in PWD low income plan(s) on a yearly basis over the last 5 years
- LH-B-33 Please list the number of consumers enrolled in PGW's low income plan(s)
- LH-B-34 Provide all correspondence with PGW regarding joint marketing of PGW and PWD's low income plans
- LH-B-35 Provide on yearly basis, over the last 5 years, the amount of money, including overhead PWD has spent on advertising its low income plan(s)