RESPONSE TO
PUBLIC ADVOCATE’S INTERROGATORIES
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
QUESTIONS 1-23

Dated: April 2021
PA-XVI-1. REFERENCE PWD REBUTTAL ST. 3, AT PAGE 3: PLEASE DESCRIBE AND PROVIDE ALL RELEVANT DOCUMENTATION RELATED TO THE PWD AND UESF PLAN FOR DISTRIBUTING $1.2 MILLION IN RELIEF TO TAP AND SENIOR CITIZEN DISCOUNT CUSTOMERS.

RESPONSE:

Preparation of this response is in progress and will be provided in the future.

RESPONSE PROVIDED BY: Philadelphia Water Department
PA-XVI-2. REFERENCE PWD REBUTTAL ST. 3, AT PAGE 3: PLEASE DESCRIBE AND PROVIDE ALL RELEVANT DOCUMENTATION RELATED TO PWD’S WORK WITH PHDC TO ADMINISTER GRANTS OF UP TO $2,000 FOR QUALIFYING TENANT AND LANDLORD CUSTOMERS.

RESPONSE:

Please refer to the PHDC website for more information: https://phdcphila.org/. There is no additional documentation related to the administration of these grants at this time.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
PA-XVI-3. REFERENCE PWD REBUTTAL ST. 3, AT PAGE 23: PLEASE PROVIDE A
COPY OF THE WRB INTERNAL POLICY THAT SETS FORTH WHAT WRB
MAY REQUIRE FROM A CUSTOMER WHO SEEKS TO ESTABLISH A
TENANT ACCOUNT.

RESPONSE:

While there is an internal policy in which representatives are trained, there is no written
internal policy. Additionally, please refer to response attachment PA-II-18 USTRA Training
Documents.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
PA-XVI-4. REFERENCE PWD REBUTTAL ST. 3, AT PAGE 42: PLEASE PROVIDE ALL AVAILABLE DATA TO SUPPORT THE ASSERTION THAT “DURING THE PANDEMIC, THE CITY HAS USED TELEPHONE TRANSLATION SERVICES EVEN MORE OFTEN TO LIMIT PHYSICAL INTERACTION.

RESPONSE:

Preparation of this response is in progress and will be provided in the future.

RESPONSE PROVIDED BY: Water Revenue Bureau
PA-XVI-5.  REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5: PLEASE PROVIDE AS 
of the most recent date available, a distribution of the 
number of residential accounts by the level of 
arrearages in ranges of $100. The first range would be $1 - $100.

RESPONSE:

Preparation of this response is in progress and will be provided in the future.

RESPONSE PROVIDED BY:  Raftelis Financial Consultants, Inc.
REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5: PLEASE PROVIDE ALL
RESTRICTIONS THAT APPLY TO UESF GRANTS, INCLUDING
MAXIMUM GRANT SIZE, AND ANY OTHER LIMITATION ON WHO MAY
RECEIVE A GRANT OR WHAT THE LEVEL OF A GRANT MIGHT BE.

RESPONSE:

With respect to the standard grant application process, please refer to
https://uesfacts.org/our-programs/utility-grant-program/.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau and RaVonne A.
Muhammed, Water Revenue Bureau
PA-XVI-7. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5, LINE 14: PLEASE PROVIDE A DATE FOR WHAT IS MEANT BY “THE NEAR FUTURE.”

RESPONSE:

The specific date is still to be determined but it will be after July 1, 2021.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau and RaVonne A. Muhammad, Water Revenue Bureau
PA-XVI. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5: PLEASE PROVIDE:

A. THE NUMBER OF COVID-19 VACCINATIONS THAT HAVE BEEN PROVIDED BY ZIP CODE WITHIN PHILADELPHIA (IF ZIP CODE DATA IS NOT AVAILABLE, PROVIDE DATA AS IS AVAILABLE);

B. THE RATE OF CONFIRMED COVID-19 ILLNESSES FOR THE PAST EIGHT WEEKS BY ZIP CODE (IF ZIP CODE DATA IS NOT AVAILABLE, PROVIDE DATA AS IS AVAILABLE. IF EIGHT WEEKS IS NOT AVAILABLE, PLEASE PROVIDE WHAT DAILY OR WEEKLY INFORMATION IS AVAILABLE FOR THE MOST RECENT TIME PERIOD AVAILABLE).

RESPONSE:


RESPONSE PROVIDED BY: City of Philadelphia

RESPONSE:

The percentage of TAP customers who defaulted from TAP because they were no longer income-eligible at the time of recertification are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>TAP Participants defaulting from TAP</td>
<td>292</td>
<td>8,094</td>
<td>1,436</td>
</tr>
<tr>
<td>Those defaulting for Failure to meet Income Guidelines at Recertification</td>
<td>1</td>
<td>67</td>
<td>17</td>
</tr>
<tr>
<td>Percentage</td>
<td>0.3%</td>
<td>0.8%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.
PA-XVI-10. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5:

A. PLEASE PROVIDE A DETAILED EXPLANATION OF THE PURPOSE OF HAVING A TAP PARTICIPANT CONFIRM THEIR RESIDENCY GIVEN THEIR ACTIVE CUSTOMER STATUS AND THEIR ACTIVE TAP PARTICIPATION STATUS.

B. SEPARATELY PROVIDE A DETAILED DESCRIPTION OF ALL WAYS IN WHICH AN ACTIVE TAP PARTICIPANT MAY NO LONGER BE A RESIDENT AT THE ADDRESS WHERE THEY ARE TAKING PWD SERVICE.

RESPONSE:

A. TAP participants are required to confirm and provide proof of residency during both the initial application process and the recertification process in order to confirm the customer is occupying the service location.

B. This explanation would require the Department to have information on the circumstances and thought processes of our customers that we do not possess.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau and RaVonne A. Muhammad, Water Revenue Bureau
PA-XVI-11. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5: WITH RESPECT TO
THE STATEMENT AT LINE 24 THAT “THERE IS AMPLE OPPORTUNITIES
FOR CUSTOMERS TO SUBMIT AN APPLICATION,” PLEASE PROVIDE A
DETAILED EXPLANATION OF WHY THERE WERE 365 NEW TAP
ENROLLEES IN OCTOBER/NOVEMBER/DECEMBER 2020 AS COMPARED
TO 2,974 NEW TAP ENROLLEES IN OCTOBER/NOVEMBER/DECEMBER
2019.

RESPONSE:
This explanation would require the Department to have information on causes for behaviors
of our customers that we do not possess.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
PA-XVI-12. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE-6: IF “WRB HAS
REMAINED ABLE TO ACCEPT AND PROCESS APPLICATIONS IN A
TIMELY MANNER, EVEN DURING THE PANDEMIC,” PLEASE EXPLAIN
ALL REASONS THE DATA FROM PWD’S RESPONSE TO PA-III-11 SHOW
THE FOLLOWING DECLINES:

A. MORE SPECIFICALLY, PLEASE EXPLAIN WHY THE NUMBER OF
TOTAL APPLICATIONS SUBMITTED DECLINED FROM ROUGHLY
6,000 OR MORE IN THE PERIOD MARCH 2019 THROUGH NOVEMBER
2019 TO ONLY 2,258 TO 1,055 IN THE PERIOD MARCH 2020 THROUGH
NOVEMBER 2020.

B. MORE SPECIFICALLY, PLEASE EXPLAIN WHY THE TOTAL NUMBER
OF SUBMITTED APPLICATIONS DECLINED FROM 2,258 IN MARCH 1,
2020 THROUGH MAY 2020 TO ONLY 1,055 IN SEPTEMBER 2020
THROUGH NOVEMBER 2020.

C. MORE SPECIFICALLY, PLEASE EXPLAIN WHY THE PERCENTAGE
OF TAP APPLICATIONS APPROVED WITHIN 30 DAYS DECLINED:

   I. FROM 52% TO 18% IN THE PERIOD MARCH 2019 THROUGH
      MAY 2019 TO THE PERIOD MARCH 2020 THROUGH MAY 2020;

   II. FROM 42% TO 18% IN THE PERIOD JUNE 2019 THROUGH
       AUGUST 2019 TO THE PERIOD JUNE 2020 THROUGH AUGUST
       2020; AND

   III. FROM 36% TO 26% IN THE PERIOD SEPTEMBER 2019
       THROUGH NOVEMBER 2019 TO THE PERIOD SEPTEMBER

RESPONSE:

This explanation would require the Department to have information on causes for behaviors
of our customers that we do not possess.
RESPONSE PROVIDED BY:  Susan M. Crosby, Water Revenue Bureau
BILLED THROUGH THE TAP RIDER INCLUDED IN PWD’S
COLLECTABILITY STUDIES? IF THE ANSWER IS ANYTHING OTHER
THAN AN UNQUALIFIED “YES,” PLEASE PROVIDE A DETAILED
EXPLANATION OF WHETHER, IF ANYWHERE, THE COLLECTABILITY
OF REVENUES BILLED THROUGH THE TAP RIDER IS DETERMINED.

RESPONSE:
Yes. The TAP Rate Rider Surcharge is embedded in the water and sewer quantity charges
and is not billed separately. The collection factor report reflects all customer discounts and
credits (i.e., stormwater).

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC.
PA-XVI-14. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 16: PLEASE PROVIDE BY
PAGE NUMBER AND LINE NUMBER, A CITATION TO MR. COLTON’S
TESTIMONY WHERE HE ASSERTS THAT PWD IS A “COMPANY” OR AN
“IOU.”

RESPONSE:

We did not make the claim that Mr. Colton asserted that PWD is a Company or an IOU.
The purpose of the statement was to point out that PWD does not have a profit motive. Any
system-wide overperformance that occurs is reflected in the RSF balance and leveraged in
future fiscal years. This is evident by the fact that the Water Department has used the RSF
balance to help cover expenses and manage rate increases every year since FY 2016 and is
projected to do so again in FY 2020 in order to meet operational needs.

We do not agree with Mr. Colton’s assertion that PWD over collects.

Mr. Colton does use the term “Company” on Page 62 lines 23 and 25 of his testimony.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC.
PA-XVI-15. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 22: PLEASE PROVIDE BY PAGE NUMBER AND LINE NUMBER, INCLUDING A DIRECT QUOTE FROM MR. COLTON’S TESTIMONY IN THE 2018 GENERAL RATE PROCEEDING, WHERE MR. COLTON’S STATED POSITION WAS:
A. CUSTOMERS SHOULD RECEIVE NO ARREARAGE FORGIVENESS UNLESS AND UNTIL THEY MAKE 24 COMPLETE PAYMENTS;
B. PWD SHOULD BE ALLOWED TO COLLECT THE COSTS OF ARREARAGE FORGIVENESS THROUGH A RIDER SUCH AS THAT WHICH IS PROPOSED BY PWD IN THIS PROCEEDING.

RESPONSE:
A. In PWD Rebuttal Statement 3, page 22, the Department stated that arrearage forgiveness as originally implemented is consistent with Mr. Colton’s stated position in the 2018 general rate proceeding. It is consistent with his position in that it grants forgiveness over a two-year period. “I recommend that pre-existing arrearages be forgiven over a two-year period. There is a financial reason, as well as a substantive program-related reason, for this recommendation.” 2018 Direct Testimony of Roger D. Colton, pg. 40, lines 1-3.

B. “In this section of my testimony, I propose that the Department promulgate a TAP Rider designed to collect the net incremental real costs of the TAP program. The adoption of such a Rider is necessitated by the fact, in particular, that program participation may, throughout any given year, vary from the participation that is estimated in setting the previous year’s TAP costs.” 2018 Direct Testimony of Roger D. Colton, pg. 85, lines 12-17.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau

RESPONSE:

There is no regulation that states that the disconnection amount for recipients of the senior citizen discount has been reduced because they pay a reduced bill.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
PA-XVI-17. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 43: PLEASE PROVIDE BY REGULATION SECTION NUMBER, INCLUDING A DIRECT QUOTE FROM THE REGULATION, WHERE THE DISCONNECTION AMOUNT FOR WRAP PARTICIPANTS, PRIOR TO THE IMPLEMENTATION OF TAP, WAS REDUCED BECAUSE THEY PAY A REDUCED BILL.

RESPONSE:

There is no regulation that states that the disconnection amount WRAP participants as reduced because they pay a reduced bill.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
Reference: PWD rebuttal st. 3, at page 42: Please identify by line number and a direct quote:

A. Each place where the documents attached to Mr. Colton’s testimony as “Appendix C” comply with the following statement in PWD’s Language Access Plan: “Department notices and flyers will also provide notice of the availability of language services and a simple instruction on how to request language assistance.” (PWD Language Access Plan, at 12).

B. Each place where the WRB tenant application available at https://www.phila.gov/media/20200827105627/tenant-application-editable-v.4.pdf, complies with the following statement in PWD’s Language Access Plan: “Department notices and flyers will also provide notice of the availability of language services and a simple instruction on how to request language assistance.” (PWD Language Access Plan, at 12).

C. Each place where the “water lien letter” provided in response to PA-II-20 (page 2) complies with the following statement in PWD’s Language Access Plan: “Department notices and flyers will also provide notice of the availability of language services and a simple instruction on how to request language assistance.” (PWD Language Access Plan, at 12).

D. Each place where the tenant USTRA bill provided in response to PA-II-16 complies with the following statement in PWD’s Language Access Plan: “Department notices and flyers will also provide notice of the
AVAILABILITY OF LANGUAGE SERVICES AND A SIMPLE INSTRUCTION ON HOW TO REQUEST LANGUAGE ASSISTANCE.” (PWD LANGUAGE ACCESS PLAN, AT 12).

E. EACH PLACE WHERE THE TENANT WATER SHUTOFF NOTICE PROVIDED IN RESPONSE TO PA-II-20 (PAGE 25) COMPLIES WITH THE FOLLOWING STATEMENT IN PWD’S LANGUAGE ACCESS PLAN: “DEPARTMENT NOTICES AND FLYERS WILL ALSO PROVIDE NOTICE OF THE AVAILABILITY OF LANGUAGE SERVICES AND A SIMPLE INSTRUCTION ON HOW TO REQUEST LANGUAGE ASSISTANCE.” (PWD LANGUAGE ACCESS PLAN, AT 12).

F. EACH PLACE WHERE THE TENANT REFUND PETITION PROVIDED IN RESPONSE TO PA-II-17 COMPLIES WITH THE FOLLOWING STATEMENT IN PWD’S LANGUAGE ACCESS PLAN: “DEPARTMENT NOTICES AND FLYERS WILL ALSO PROVIDE NOTICE OF THE AVAILABILITY OF LANGUAGE SERVICES AND A SIMPLE INSTRUCTION ON HOW TO REQUEST LANGUAGE ASSISTANCE.” (PWD LANGUAGE ACCESS PLAN, AT 12).

RESPONSE:

Specific notification of the availability of language services and instruction on how to request language assistance is not currently included on the documents referenced in A-F above, however, PWD is continually looking for ways to improve language access for customers. Taglines indicating translation services are available will be added to more documents including the notices attached to Mr. Colton’s testimony.

RESPONSE PROVIDED BY: Susan M. Crosby, Water Revenue Bureau
PA-XVI-19. REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 5: PLEASE PROVIDE:
   A. AN UPDATE TO PWD’S RESPONSE TO PA-III-25 THROUGH THE
      MOST RECENT WEEK AVAILABLE.
   B. AN UPDATE TO PWD’S RESPONSE TO PA-III-11(B) THROUGH THE
      MOST RECENT MONTH AVAILABLE.

RESPONSE:
An update to PWD’s response to PA-III-25 as of April 14, 2021 is included as attachment
PA-XVI-19a. An update to PWD’s response to PA-III-11(b) through the end of March is
included as attachment PA-XVI-19b.

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.
REFERENCE: PWD REBUTTAL ST. 3, AT PAGE 46: PLEASE PROVIDE BY
MONTH, FOR JULY 2017 TO DATE:

A. THE NUMBER OF ACCOUNTS WITH PRE-PROGRAM PRINCIPAL
   ARREARAGE THAT EXCEEDS 15 YEARS IN AGE;
B. THE DOLLAR OF PRE-PROGRAM PRINCIPAL ARREARAGES THAT
   EXCEEDS 15 YEARS IN AGE;
C. THE NUMBER OF ACCOUNTS WHO DEFAULTED FROM TAP AT THE
   TIME OF RECERTIFICATION FOR BEING OVER-INCOME;
D. THE DOLLAR AMOUNT OF PRE-PROGRAM PRINCIPAL
   ARREARAGES THAT WERE OWED BY CUSTOMERS WHO
   DEFAULTED FROM TAP AT THE TIME OF RECERTIFICATION FOR
   BEING OVER-INCOME;
E. THE NUMBER OF TAP PARTICIPANTS WHO PRE-PAID THEIR ENTIRE
   PRE-PROGRAM ARREARS PRIOR TO THE FORGIVENESS OF THOSE
   ARREARS;
F. THE NUMBER OF TAP PARTICIPANTS WHO PRE-PAID THEIR ENTIRE
   PRE-PROGRAM ARREARS AFTER BEING REQUIRED TO DO SO IN
   ORDER TO SELL OR REFINANCE THEIR HOME.

RESPONSE:

A. – E. Preparation of this response is in progress and will be provided in the future.
F. Requirements for a customer to pay water debt in order to sell or refinance their home
   come from outside the City. This information cannot be generated or provided.

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.
PA-XVI-21. REFERENCE PWD ST. 8. PLEASE IDENTIFY AND SUPPLY COPIES OF ANY TESTIMONY THE WITNESSES HAVE PROVIDED TO STATE OR LOCAL UTILITY RATE-MAKING BODIES REGARDING THE COMMUNITY ECONOMIC BENEFITS ASSOCIATED WITH UPGRADING AND/OR IMPROVING UTILITY INFRASTRUCTURE.

RESPONSE:

The Panel has not provided testimony regarding the community economic benefits associated with upgrading and/or improving utility infrastructure to state or local utility rate-making bodies.

However, the Panel has provided economic impact evaluations of rates and projects for utility submission to commissions. Often, commission staff are part of the advisory group for such studies. Such studies are required by commissions, and specific types of impact analysis are required by commissions as components of the studies. So long as engineering economics is involved, the Panel submits that commissions necessarily consider both costs and benefits to arrive at balanced decisions.

RESPONSE PROVIDED BY: H. Gil Peach & Associates
PA-XVI-22. REFERENCE PWD ST. 8. PLEASE IDENTIFY AND SUPPLY COPIES OF ANY RATE DETERMINATIONS BY STATE OR LOCAL UTILITY RATE-MAKING BODIES THAT HAVE FOUND COMMUNITY ECONOMIC BENEFITS ASSOCIATED WITH UPGRADING AND/OR IMPROVING UTILITY INFRASTRUCTURE TO BE RELEVANT TO THE UTILITY’S REQUEST FOR RATE RELIEF.

RESPONSE:

The Panel submits that virtually all rate determinations by state or local utility rate-making bodies that address proposed spending related to capital improvement programs inherently require that both costs and benefits of upgrading and/or improving utility infrastructure be taken into account. Commissions necessarily consider both costs and benefits to arrive at balanced decisions.

RESPONSE PROVIDED BY: H. Gil Peach & Associates
REFERENCE PWD ST. 8 AT 3. DO THE WITNESSES SUBMIT THAT THE BOARD’S ROLE IN SETTING THE WATER DEPARTMENT’S RATES AND CHARGES IS INTENDED TO PROVIDE “IMPORTANT ECONOMIC STIMULUS IN PHILADELPHIA AND THE REGION”? IF SO, PLEASE PROVIDE A DETAILED EXPLANATION OF THE BASIS FOR SUCH BELief, TOGETHER WITH ANY SUPPORTING AUTHORITIES RELIED UPON.

RESPONSE:

The Rate Board’s role is to set rates that support the Department’s expenses, which include spending related to the Department’s operating and capital budgets.

The Panel submits that the Rate Board, in carrying out its decision-making responsibilities, takes both benefits and costs into consideration insofar as both benefit and cost information is made available to the Board in the proceedings.

The Panel suggests that, to the extent that the Rate Board is required to consider the Water Department’s capital spending, the Rate Board reasonably considers the material (technical) basis and the economics of the request. The discipline of economics requires consideration of both benefits and costs.

RESPONSE PROVIDED BY: H. Gil Peach & Associate