

**BEFORE THE PHILADELPHIA WATER, SEWER AND STORM WATER
RATE BOARD
PWD Special Rate Filing Reconciliation Proceeding for Fiscal Year 2023**

Public Advocate's Interrogatories & Requests for Production of Documents

- PA-III-1. Reference Page 3, lines 13 through 15 of the direct testimony of Ms. Clupper and Mr. Nissen. If different than what is provided in Schedule BV-4, please provide a copy of the Financial Plan that was referenced in this section of their testimony and show where in the rating agencies' report they discuss the Department meeting specific financial goals or targets that are presented in the Financial Plan.
- PA-III-2. Reference Page 3, lines 19 through 21 of the direct testimony of Ms. Clupper and Mr. Nissen. Please provide the basis and evidence for the statement: "These metrics in the Department's Financial Plan should be seen as a 'floor'."
- PA-III-3. Reference page 3, line 19 of the direct testimony of Ms. Clupper and Mr. Nissen. Please identify the specific metrics that the witnesses state should be seen as a "floor".
- PA-III-4. Reference Page 3, line 22 through Page 4, line 2 of the direct testimony of Ms. Clupper and Mr. Nissen. The witnesses state: "A key financial metric to maintain is the \$135 million balance for the Rate Stabilization Fund ("RSF") which is an appropriate 'minimal threshold' for financial planning." Please provide any evidence, other than the witnesses opinion, that demonstrate that the \$135 million is the appropriate minimal balance for the RSF.
- PA-III-5. On page 4, lines 3 and 4 of Ms. Clupper and Mr. Nissen's direct testimony, they describe the \$125 million RSF balance achieved in FY 2021 as "sub-optimal performance." Please clarify what "sub-optimal performance" means. If 0 (zero) is failure and 10 is optimal, what value would they assign to "sub-optimal performance?"
- PA-III-6. Reference Schedule ML-3 of Ms. La Buda's testimony. Please identify where it is stated, in each of the rating agencies' reports, that establishing a RSF minimal threshold balance of less than \$135 million would trigger a credit rating downgrade.
- PA-III-7. Reference the Peer Utility Comparison attached to Ms. La Buda's testimony. Please provide the criteria used in the selection of each of the peer utilities.
- PA-III-8. For each of the peer utilities included in the Peer Utility Comparison attached to Ms. La Buda's testimony, please identify the authoritative/regulatory entity that establishes the rates for each utility and indicate whether that entity is an independent body.
- PA-III-9. Reference page 4, line 18 of Ms. Clupper and Mr. Nissen's direct testimony. Please provide the basis of characterizing the FY 2021 financial performance as "lackluster" given that PWD revenues exceeded the amount projected in the Settlement by 3.16% while the operating expenses exceeded the amount projected in the Settlement by only 0.002%. Also, define "lackluster" as used in this context.