

Philadelphia Water, Sewer and Storm Water Rate Board
November Monthly Meeting Notes
11/9/2022, by Zoom (Online and Telephone) Only
Open for public participation via Zoom

Board Members Present

Irwin “Sonny” Popowsky, Chair
Tony Ewing, Vice Chair
Abby Pozefsky, Secretary
McCullough “Mac” Williams III
Debra McCarty

Non-Board Members Present

Marcy Chestnut
Robert Ballenger
Andre Dasent
Daniel W. Cantú-Hertzler
Carl Shultz
Brook Darlington
Steven Liang

Mr. Popowsky called the meeting to order at 3:02 p.m.

1. Ms. Pozefsky, Board Secretary, introduced the draft minutes from the October 12, 2022, monthly meeting. There were no corrections or additions to the minutes. Ms. Pozefsky moved to approve the minutes. Mr. Ewing seconded the motion. The minutes were approved 5-0.

2. Mr. Popowsky then introduced two amendments arising out of the Settlement Agreement of the 2018 General Rate Proceeding Appeal. The first amendment was set forth in the attached proposed resolution by the Board to amend its regulations to ensure the Board would use something like the “Simple Rate Model” created by its Technical Consultant, Edward Markus, in General Rate Proceedings and that the model would be made available to any participants that wished to use it in any forthcoming General Rate Proceedings. The amendment if approved by the Board would be filed with and advertised by the City’s Department of Records and subject to a public hearing if any member of the public so requests within 30 days.

Mr. Williams moved to approve the resolution. Ms. McCarty seconded the motion. There were no questions or concerns raised about the resolution as set forth. The attached resolution was approved 5-0.

3. Mr. Popowsky then moved to the proposed amendment to Subsection 1 of Section A of its “Internal Procedures.” The attached draft amendment adds to Board Procedures an acknowledgement of the obligation of Board Members to comply with applicable ethics laws and requires disclosure of any financial or official relationships with Participants that could be seen as materially affecting their positions in a Rate Proceeding.

Mr. Williams moved to adopt the amendment; Ms. Pozefsky seconded. There were no concerns raised by the Board. Mr. Cantú-Hertzler noted that while the Settlement Agreement established the principles that the Board would adopt, it did not set forth specific language. The

language proposed was developed after consultation with the Public Advocate, Counsel for the Water Department, and individual Board members. The attached amendment was approved 5-0.

4. Mr. Ballenger informed the members of the Board that the Public Advocate's appeal of the 2018 General Rate Proceeding had been settled, discontinued and ended.

5. Mr. Popowsky asked the Water Department if it had any updates as to the status of the next General Rate Proceeding. Mr. Dasent informed the Board that the Department intended to file its Advance Notice in January 2023.

The meeting was adjourned at 3:18.

**Resolution Amending the Regulations of the
Philadelphia Water, Sewer and Storm Water Rate Board
*Adopted at the Board's Monthly Meeting, November 9, 2022***

BE IT RESOLVED that the Board amend its Regulations as follows:

1. Section I (Definitions) is amended to add the following new subsection following Subsection I(f):

(l.1) **Model:** A financial spreadsheet model, owned or licensed by the Board, for calculating the effects on revenue requirements of potential determinations of issues in a Rate Proceeding.

2. Section II (Process for Setting Water, Sewer and Storm Water Rates and Charges) is amended to add the following new paragraph at the end of Subsection B (General Rate Proceedings):

7. Use of Financial Model. In General Rate Proceedings:

(a) The Board shall make its Model available for use by Participants.

(b) The Board shall utilize the Model in its Rate Determination to calculate the overall effects of its decision on revenue requirements authorized to be sought from retail customers via Water Department rates and charges.

(c) The Rate Board in its discretion, and any Participant, may also rely upon calculations in the record prepared by or for any Participant. The Water Department may utilize such calculations in its compliance filings with the City's Department of Records.

Additions to the Regulations are underlined. There are no proposed deletions.

BE IT FURTHER RESOLVED that the Board Chair, with the assistance of counsel, be authorized and directed to file this resolution with the City of Philadelphia's Department of Records and take other steps as necessary or appropriate to effectuate the above amendments to the Board's Regulations.

Proposed Amendment to Procedures of the Philadelphia Water, Sewer and Storm Water Rate Board:

Subsection 1 of Section A (Responsibility of Board Members as City Officials) is amended to read as follows:

1. The Board and its Members acknowledge that they are subject to ethics laws applicable generally to City officials. These include, but may not be limited to, those found in Chapter 20-600 of the Code (Standards of Conduct and Ethics), Article X of the Charter (Prohibited Activities of Councilmen, City Officers, Employees and Others, and Penalties), Executive Order 10-16 (Acceptance of Gifts by City Officers and Employees), and 65 Pa. C.S. Sections 1101 and following (the state Public Official and Employee Ethics Act). Board Members must file City financial disclosure forms pursuant to Chapter 20-600 and State financial disclosure forms pursuant to the state Ethics Act; and must abide by restrictions on such topics such as gifts, conflicts of interest, political activity, and representations before the Board. Board Members acknowledge their obligation to comply with all applicable law concerning ethics and related matters, and shall disclose any financial or official relationships with any Participant that could reasonably be seen as affecting their position on any material issue in a Rate Proceeding.

Proposed additions to the Procedures are underlined. There are no proposed deletions.