

**SUPPLEMENTAL RESPONSE TO
PUBLIC ADVOCATE'S INTERROGATORIES (SET II)
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
QUESTIONS 6-7**

Dated: March 2023

1 **PA-II-6.** PLEASE PROVIDE PWD'S PROPOSED LOW-INCOME WATER
2 CONSERVATION BUDGET:

- 3 A. FOR THE MOST RECENT THREE YEARS;
4 B. THE PROJECTED NEXT THREE YEARS.

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6 **RESPONSE:**

7 A. PWD's Low-income water conservation budget for FY21, FY22, and FY23:

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9 FY 21 Budget: \$700,000.00

10 FY 22 Budget: \$700,000.00

11 FY 23 Budget: \$750,000.00
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13 B. PWD's projected low-income water conservation budget for FY24, FY25, and FY26
14 outside of inflationary adjustments:

15 FY24: \$750,000.00

16 FY25: \$750,000.00

17 FY26: \$750,000.00
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19 **RESPONSE PROVIDED BY:** Philadelphia Water Department
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1 **PA-II-7.** FOR PWD'S WATER CONSERVATION BUDGET, PLEASE PROVIDE A
2 DETAILED EXPLANATION OF THE IMPACT OF INFLATION ON:

- 3 A. THE PER JOB COST OF WATER CONSERVATION MEASURES;
4 B. THE NUMBER OF JOBS COMPLETED BY YEAR IN THE PAST YEAR;
5 C. THE NUMBER OF JOBS PROJECTED TO BE COMPLETED IN THE
6 NEXT TWO YEARS;
7 D. THE TOTAL BUDGET;
8 E. THE MEASURES INSTALLED FOR EACH JOB.

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10 **RESPONSE:**

- 11 A. The LICAP contractor has experienced increases in the cost of direct installation
12 materials and subcontractor work. The LICAP contractor continues to honor the original
13 contract \$300 per audit fee and \$4250 in administrative costs per month, absorbing the
14 increased costs of materials and labor.
- 15 B. Inflation has not impacted the number of jobs completed the past year because the
16 contractor did not pass these costs on to the Water Department. Total customer visits
17 have remained consistent as evidenced from LICAP program overviews for FY 2020,
18 FY 2021 and FY 2022 attached as response attachment PA-II-7B.
- 19 C. It is unknown how inflation will impact the number of jobs completed in the next two
20 years. Program summary for FY23 to date, provided as response attachment PA-II-7C,
21 indicates jobs will be on par with prior fiscal years. In addition, efforts to increase TAP
22 participation may result in additional audits depending on how many customers are
23 enrolled.
- 24 D. As we evaluate the costs the LICAP program, we anticipate increased audit fees or
25 different fee structure to cover increased costs associated with inflation. This is likely to
26 require an increase in the budget.
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E. The current LICAP contractor has not limited the quantity or variety of measures installed to control costs. PWD is billed for each appointment rather than by conservation measure installed.

RESPONSE PROVIDED BY: Philadelphia Water Department