

BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD

Philadelphia Water Department's Proposed Changes in Rates and Charges	2024 TAP-R Adjustment Proceeding
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**PUBLIC ADVOCATE RESPONSES TO
PHILADELPHIA WATER DEPARTMENT'S
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
SET I (Morgan)**

1. Please provide the electronic workpapers (Excel) supporting Schedules LKM-TAP-R-1 to LKM-TAP-R-6 with the formulae intact.

Response:

See attached Excel workbook "PA TAP Rate Rider (B&V 2024 TAP Rate Rider -Reconciliation Workbook)."

Responsible witness: Lafayette K. Morgan, Jr.

2. Please provide the electronic workpapers (Excel) supporting the analysis described in the Direct Testimony of Lafayette K. Morgan, Jr., (dated April 29, 2024) at page 5.

Response:

See response to PWD-I-1 and attached Excel workbooks "PA TRR Projections (Schedule RFC-3)" and "Imputed TAP discount for new enrollees."

Responsible witness: Lafayette K. Morgan, Jr.

3. Please provide the total change in the number of TAP participants projected by Mr. Morgan between December 2023 (21,500) and August 2025.

Response:

PWD Exhibit RFC-3 shows 21,694 participants in December 2023 and Mr. Morgan's analysis has utilized PWD's reported actual enrollment level from RFC-3. Mr. Morgan's assumed TAP participation level in August 2025 is 54,260, reflecting the assumption that 5% of IDEA pre-

qualified TAP participants will not remain in TAP. The difference between 54,260 and 21,694 is 32,566.

Responsible witness: Lafayette K. Morgan, Jr.

4. Please provide the monthly TAP participation levels and estimated TAP discounts used by Mr. Morgan for the following months:

- a. December 2023
- b. January 2024
- c. February 2024
- d. March 2024
- e. April 2024
- f. May 2024
- g. June 2024
- h. July 2024
- i. August 2024
- j. September 2024
- k. October 2024
- l. November 2024
- m. December 2024
- n. January 2025
- o. February 2025
- p. March 2025
- q. April 2025
- r. May 2025
- s. June 2025
- t. July 2025
- u. August 2025.

Response:

See response to PWD-I-2.

Responsible witness: Lafayette K. Morgan, Jr.

5. Please provide monthly TAP water sales and sewer volume used in Schedule LKM TAP-R-3.

Response:

See response to PWD-I-1.

Responsible witness: Lafayette K. Morgan, Jr.

6. Does Mr. Morgan agree that that the highest number of monthly TAP participants was 49,658 in March 2024 as shown in Schedule RFC-3 (updated)? If Mr. Morgan does not agree, please state the basis for Mr. Morgan's disagreement.

Response:

No, PWD's projections continue to show higher levels of monthly TAP enrollment in each month from April 2024 to August 2025. Mr. Morgan agrees that the Schedule RFC-3 (updated March 2024) shows 49,658 participants in TAP in March 2024, which is higher than any earlier monthly TAP participation level shown in that Schedule RFC-3. Mr. Morgan has not independently verified the information shown in Schedule RFC-3.

Responsible witness: Lafayette K. Morgan, Jr.

7. Does Mr. Morgan agree that there are eligible TAP participants who will not have been enrolled in TAP as of April 2024? Please explain why or why not.

Response:

Mr. Morgan believes it would be unreasonable to assume that TAP will reach 100% of all income-eligible households in Philadelphia in any month. However, Mr. Morgan has no direct knowledge of the level of enrollment in TAP as of April 2024, or any specific date within the month of April 2024.

Responsible witness: Lafayette K. Morgan, Jr.

8. Does Mr. Morgan have a projected maximum TAP enrollment estimate? If not, please explain why calculating an exact maximum TAP enrollment number is not possible.

Response:

Mr. Morgan does not have a projected maximum TAP enrollment estimate. Calculating a maximum TAP enrollment number cannot be accomplished because Mr. Morgan cannot predict future conditions including, without limitation, population, demographic, economic and policy changes, that may affect enrollment outside of the rate period. During the rate period, Mr. Morgan has utilized PWD's projected enrollment levels, subject to the adjustment described on Page 8 of his testimony.

Responsible witness: Lafayette K. Morgan, Jr.

9. Please explain in detail the basis for Mr. Morgan’s 5% adjustment on page 8 of his testimony (hereafter 5% adjustment) reducing TAP enrollments by five percent.

Response:

As stated on page 8 of Mr. Morgan’s testimony, PWD enrolled 3,164 TAP participants utilizing information provided by DHS in March 2023 associated with LIHWAP. Of them, only 3,000 remained in TAP as of March 2024, meaning 164 of those customers were removed from or ceased participating in TAP at some date prior to PWD’s response to PA-TAP-13 (March 26, 2024). This data is the basis for a 5% (rounded) reduction.

Responsible witness: Lafayette K. Morgan, Jr.

10. Please explain if the above referenced 5% adjustment is based upon the assumption that the pre-qualification of TAP enrollees from the LIHWAP and IDEA programs are analogous?

Response:

Mr. Morgan has made no assumption that LIHWAP and IDEA prequalification are analogous. As set forth in the Overview section of PWD’s Advance Notice:

IDEA enrollments began on February 13, 2024 and the complete data set was pre-selected, reviewed and analyzed for accurate matches in the weeks before, leveraging improvements made during the prequalification enrollment effort for the Low Income Household Water Assistance Program (LIHWAP). As a result of the foregoing, a rapid increase in TAP participation is projected with associated rate impacts.

As set forth in Schedule RFC-1 to PWD’s Advance Notice:

Enrollment began in February 2024, and the complete data set was pre-selected, reviewed and analyzed for accurate matches in the weeks before, leveraging improvements made during the prequalification enrollment effort made with LIHWAP. The Customer Assistance staff who process prequalified enrollments have the capacity to enroll customers rapidly.

Responsible witness: Lafayette K. Morgan, Jr.

11. With reference to the above referenced 5% adjustment, please provide the basis for the following statement on page 8 of Mr. Morgan’s testimony: “The result of this adjustment is an additional reduction of \$430,005 to the TAP-R for the next rate period.” If there is a supporting calculation for the above statement, please provide the supporting electronic workpapers (Excel) with formulas intact and corresponding source data used in the analysis.

Response:

This adjustment can be calculated as follows:

$(55,974 - 54,260) * 20.90643 * 12 = \$430,005$ (rounded).

Responsible witness: Lafayette K. Morgan, Jr.

12. Please confirm whether or not the above projected enrollment level (34,000 enrollees in connection with IDEA data sharing) has been changed in the 2024 TAP-R filing?

Response:

The level of projected enrollment of TAP participants in Schedule RFC-3 in PWD's Advance Notice was unchanged in PWD's Formal Notice.

Responsible witness: Lafayette K. Morgan, Jr.

13. Please confirm or deny that new TAP enrollments based on IDEA data sharing reached 34,670 on April 24, 2024?

Response:

Mr. Morgan does not have direct knowledge of the level of TAP enrollments on April 24, 2024. Any TAP enrollment data has been supplied by PWD. Mr. Morgan has been advised by counsel that this response may be construed as a denial of the interrogatory.

Responsible witness: Lafayette K. Morgan, Jr.

14. Please confirm or deny that there are still 13,770 accounts provided in connection with IDEA data sharing are being reviewed by WRB.

Response:

Mr. Morgan is without knowledge sufficient to confirm or deny the contents of IDEA data and relies solely on non-confidential responses to discovery for his testimony. Mr. Morgan has been advised by counsel that this response may be construed as a denial of the interrogatory.

Responsible witness: Lafayette K. Morgan, Jr.

15. Please confirm or deny that the approval rate for new accounts in connection with IDEA data sharing has exceeded 90%.

Response:

Mr. Morgan is without knowledge sufficient to confirm or deny the approval rate for new accounts in connection with IDEA data sharing and relies solely on non-confidential responses to discovery for his testimony. Mr. Morgan has been advised by counsel that this response may be construed as a denial of the interrogatory.

Responsible witness: Lafayette K. Morgan, Jr.

16. Please explain the bases for applying your attrition adjustment without accounting for the likelihood of new TAP enrollees through customer-initiated applications.

Response:

See response to PWD-I-9. By way of further response, PWD's Advance Notice and Formal Notice do not assume additional TAP enrollments after June 2024.

Responsible witness: Lafayette K. Morgan, Jr.

17. Please provide a template for the correspondence Mr. Morgan suggests that PWD send to new IDEA pre-qualified TAP enrollees.

Response:

Due to the time constraints of this proceeding and PWD's late response to PA-II-3, necessary for the Public Advocate's testimony, Mr. Morgan has not developed a template for his recommended correspondence. However, the data necessary to provide the information Mr. Morgan recommends is readily available online. Here is an example providing monthly and annual income amounts at 133% FPIG for a range of household sizes:
<https://aspe.hhs.gov/sites/default/files/documents/7240229f28375f54435c5b83a3764cd1/detailed-guidelines-2024.pdf>.

Responsible witness: Lafayette K. Morgan, Jr.

18. With reference to pages 7- 8 of Mr. Morgan's testimony (536.65 cf), please provide the supporting documentation for the following statement: "...IDEA pre-qualified customers show these customers utilize on average 536.65 ccf of water per month." If there is a supporting calculation for the above statement, please provide the supporting electronic workpapers (Excel) with formulas intact and corresponding source data used in the analysis.

Response:

See response to PWD-I-2.

Responsible witness: Lafayette K. Morgan, Jr.

19. With reference to page 8 of Mr. Morgan's testimony, please provide the supporting documentation for the following statement: "IDEA pre-qualified TAP participants will receive a monthly \$20.906 TAP discount." If there is a supporting calculation for the above statement, please provide the supporting electronic workpapers (Excel) with formulas intact and corresponding source data used in the analysis.

Response:

See response to PWD-I-2.

Responsible witness: Lafayette K. Morgan, Jr.