

RESPONSE TO
PLUG'S INTERROGATORIES
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
QUESTIONS 1-14

Dated: March 2025

PLUG-I-1. PROVIDE THE COMPREHENSIVE COST OF SERVICE STUDY (COSS) PRESENTED BY BLACK AND VEATCH MANAGEMENT CONSULTING (“BV”) IN EXCEL SPREADSHEET FORMAT WITH ALL CELL FORMULAS INTACT. THIS REQUEST INCLUDES ALL SPREADSHEETS INCLUDED IN SCHEDULES BV-1, BV-2, AND BV-3. INCLUDE ALL SUPPORTING SPREADSHEET WORK PAPERS USED IN THE PREPARATION OF THESE SCHEDULES.

RESPONSE:

As stated in response to PA-I-2, the Microsoft Excel-based Computer Models utilized in the development of the cost of service study supporting PWD’s rate filing will be made available to Participants that execute a confidentiality agreement.

The Excel-based models for Test Year 2026, which include the Black & Veatch Management Consulting, LLC (Black & Veatch) Cost of Service Work Papers (PWD Exhibit 6), are as follows:

1. Financial Plan (Finplan25_26_ver1.xlsm)
2. Wastewater Cost of Service (SCOS25_26_ver1.xls)
3. Water Cost of Service (WCOS25_26_ver1.xls)

The Excel-based models for Test Year 2027 are as follows:

1. Financial Plan (Finplan25_27_ver1.xlsm)
2. Wastewater Cost of Service (SCOS25_27_ver1.xls)
3. Water Cost of Service (WCOS25_27_ver1.xls)

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-2. PROVIDE ALL EXCEL SPREADSHEETS AND SUPPORTING WORK PAPERS UTILIZED IN THE PREPARATION OF SCHEDULE BV-4. PROVIDE WORKING VERSIONS OF ALL SPREADSHEETS WITH CELL FORMULAS INTACT.

RESPONSE:

Please refer to response attachment PLUG-I-2.

The Microsoft Excel-based Computer Models utilized in the development of cost of service related tables will be made available to Participants that execute a confidentiality agreement.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-3. REGARDING THE WORK PAPERS SUPPLIED IN THE PDF
VERSION OF PWD EXHIBIT 6, PROVIDE ALL ASSOCIATED EXCEL
SPREADSHEETS WITH CELL FORMULAS INTACT.

RESPONSE:

Please see response to PLUG-I-1 (Test Year 2026). The workpapers in Exhibit 6 are a
printed version of the model provided in response to PA-I-2 and PLUG-I-1 (Test Year
2026).

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-4. REFER TO TABLE 4-12, SCHEDULE BV-2. PROVIDE A PROOF OF REVENUES SHOWING REVENUES UNDER EXISTING WATER SERVICE RATES AND REVENUES UNDER PROPOSED WATER SERVICE RATES FOR EACH OF THE CUSTOMER TYPES SHOWN IN TABLE 4-12. PROVIDE A DETAILED PRESENTATION OF THE APPLICATION OF METER AND WATER QUANTITY CHARGES FOR EACH CLASS. PROVIDE WORKING EXCEL SPREADSHEETS WITH CELL FORMULAS INTACT. PROVIDE THIS ANALYSIS FOR BOTH FY2026 AND FY2027 FOR ALL CUSTOMER TYPES.

RESPONSE:

Please refer to the response to PA-III-21 and the associated response attachment.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-5. REFER TO TABLE 7-27, SCHEDULE BV-2. PROVIDE A PROOF OF REVENUES SHOWING REVENUES UNDER EXISTING SEWER SERVICE RATES AND REVENUES UNDER PROPOSED SEWER SERVICE RATES FOR EACH OF THE CUSTOMER TYPES SHOWN IN TABLE 7-27. PROVIDE A DETAILED PRESENTATION OF THE APPLICATION OF SEWER CHARGES FOR EACH CLASS. PROVIDE WORKING EXCEL SPREADSHEETS WITH CELL FORMULAS INTACT. PROVIDE THIS ANALYSIS FOR BOTH FY2026 AND FY2027 FOR ALL CUSTOMER TYPES.

RESPONSE:

Please refer to the response to PA-III-21 and the associated response attachment.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-6. REFER TO TABLE 7-28, SCHEDULE BV-2. PROVIDE A PROOF OF REVENUES SHOWING REVENUES UNDER EXISTING STORMWATER SERVICE RATES AND REVENUES UNDER PROPOSED STORMWATER SERVICE RATES FOR EACH OF THE CUSTOMER TYPES SHOWN IN TABLE 7-28. PROVIDE A DETAILED PRESENTATION OF THE APPLICATION OF STORMWATER CHARGES FOR EACH CLASS. PROVIDE WORKING EXCEL SPREADSHEETS WITH CELL FORMULAS INTACT. PROVIDE THIS ANALYSIS FOR BOTH FY2026 AND FY2027 FOR ALL CUSTOMER TYPES.

RESPONSE:

Please refer to the response to PA-III-21 and the associated response attachment.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-7. A. REFER TO TABLE 4-12, SCHEDULE BV-2. SHOW THE ACTUAL INCREASES BY CUSTOMER TYPE FROM THE APPLICATION OF PROPOSED WATER SERVICE RATES. PROVIDE DETAILED ANALYSES SHOWING THE APPLICATION OF PROPOSED METER AND WATER QUANTITY CHARGES TO BILLING DETERMINANTS FOR EACH CLASS. SHOW ACTUAL INCREASES IN DOLLAR AND PERCENTAGE AMOUNTS BY CUSTOMER TYPE. INCLUDE THE DETAILED BILLING DETERMINANTS BY CUSTOMER TYPE, SHOWING THE APPLICATION OF CURRENT AND PROPOSED RATES TO THE METERS AND WATER USAGE TIERS FOR EACH CUSTOMER TYPE. PROVIDE ALL SPREADSHEET ANALYSES AND WORK PAPERS WITH CELL FORMULAS INTACT ASSOCIATED WITH THE RESPONSE.

RESPONSE:

Consistent with prior cost of service studies, the retail class adjusted cost of service is compared to the retail billings by customer class prior to the lag factor adjustment. This comparison is provided on pages 894 to 898 (WCOS, RATES-3) of PWD Exhibit 6. These calculations are also provided on the RATES sheet of the WCOS25_26_ver1.xls model file provided in response to PA-I-2.

The requested analysis can be developed with the model file (Finplan25_26.xlsx) previously provided in response to PA-I-2 and PLUG-I-1, utilizing the projected revenue under existing rates sections and revising the rates to reflect the proposed rate schedules.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-8. B. PROVIDE A SIMILAR ANALYSIS FOR TEST YEAR 2. PROVIDE ALL SPREADSHEET ANALYSES AND WORK PAPERS WITH CELL FORMULAS INTACT ASSOCIATED WITH THE RESPONSE.

RESPONSE:

See response PLUG-I-7. Please see models provided in response to PLUG-I-1 (WCOS25_27.xls). The requested analysis can be developed with the model file (Finplan25_27.xlsx) previously provided in response to PLUG-I-1, utilizing the projected revenue under existing rates sections and revising the rates to reflect the proposed rate schedules.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-9. C. RECONCILE THE INCREASES SHOWN IN PARTS A. AND B. TO THE WATER INCREASES SHOWN ON THE TOP OF PWD STATEMENT 7, PAGE 11 OF 63, LINE 3. IF THESE AMOUNTS DO NOT RECONCILE, PROVIDE A DETAILED PROOF OF REVENUES SHOWING THE INCREASES BY CUSTOMER TYPE THAT CONSTITUTE THE WATER INCREASES SHOWN ON PAGE 11 FOR FY 2026 AND FY 2027. SHOW THE APPLICATION OF PRESENT AND PROPOSED RATES AND BILLING DETERMINANTS BY CUSTOMER TYPE, WITH PRESENT REVENUES AND PROPOSED REVENUES THAT RESULT IN THE INCREASES SHOWN ON PAGE 11. PROVIDE ALL SPREADSHEET ANALYSES AND WORK PAPERS WITH CELL FORMULAS INTACT ASSOCIATED WITH THE RESPONSE.

RESPONSE:

The above question is requesting a comparison of fiscal year based revenue projections and requested adjustments as stated in PWD Statement 7, page 11 Of 63, line 3 to the annualized cost of service. Please refer to the response to PA-V-1.

As stated in Schedule BV-2 (page 4-4): “Because the proposed revenue increase will not go into effect until September 1st of each fiscal year, the proposed rates are designed based on annualizing the 10-month period for which rates are effective.”

Note that the FY 2026 and FY 2027 total Water revenues provided in response to PA-III-21 are reasonably equivalent to the Total Water Service Revenue (Line 8) presented in Table 3-13 of Schedule BV-2 (page 3-15).

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-10. A. EXPLAIN HOW BLACK AND VEATCH (B&V) FOLLOWED THE RESULTS OF THE ADJUSTED CLASS COST OF SERVICE AMOUNTS IN COLUMN 2 OF TABLE 4-12, SCHEDULE BV-2 TO THE DESIGN OF PROPOSED RATES AS SHOWN ON TABLES 5-1 AND 5-2.

RESPONSE:

Consistent with prior cost of service studies, the retail class adjusted cost of service is compared to the retail billings by customer class prior to the lag factor adjustment. This comparison is provided on pages 894 to 898 (WCOS, RATES-3) of PWD Exhibit 6.

As stated in the response to PA-III-21, since PWD's revenues are collections-based and the estimated FY 2026 revenue reflects collections on billings from FY 2026, FY 2025 and FY 2024 it is not appropriate to compare the projected collections based revenues to the cost of service by class. That is because such collections-based revenue reflects the collection of billings based on rates established by prior cost of service distributions.

The Cost of Service Study proposes a water rate schedule for all retail customers, which provides reasonable cost recovery by customer type. The proposed FY 2026 and FY 2027 water rate schedules were developed based on balancing the overall cost recovery for Residential and Non-Residential customers.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-11. B. DESCRIBE ALL DIFFERENCES BETWEEN THE ALLOCATED CLASS COS AMOUNTS IN COLUMN 2 AND THE ACTUAL INCREASES AND/OR DECREASES RESULTING FROM BV'S PROPOSED WATER SERVICE RATES FOR EACH CLASS. PROVIDE A DETAILED EXPLANATION FOR THE DEVIATION BETWEEN ALLOCATED CLASS COS AND ACTUAL CUSTOMER TYPE REVENUES RESULTING FROM BV'S PROPOSED WATER SERVICE RATES.

RESPONSE:

See response to PLUG-I-10.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-12. IF NOT PREVIOUSLY PROVIDED, PROVIDE THE DETAILED
CLASS COST OF SERVICE STUDY FOR WASTEWATER AND
STORMWATER SERVICES INCLUDED IN SECTION 7.0 OF
SCHEDULE BV-2. PROVIDE ALL SPREADSHEETS AND
SUPPORTING WORK PAPERS WITH CELL FORMULAS INTACT.

RESPONSE:

The requested models were provided in response to PA-I-2 and PLUG-I-1.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-13. REFER TO THE WASTEWATER INCREASES SHOWN ON THE TOP OF PWD STATEMENT 7, PAGE 11 OF 63, LINE 4. PROVIDE A DETAILED PROOF OF REVENUES SHOWING THE INCREASES BY CUSTOMER TYPE THAT CONSTITUTE THE WASTEWATER INCREASES SHOWN ON PAGE 11 FOR FY 2026 AND FY 2027. SHOW THE APPLICATION OF PRESENT AND PROPOSED RATES AND BILLING DETERMINANTS BY CUSTOMER TYPE, WITH PRESENT REVENUES AND PROPOSED REVENUES THAT RESULT IN THE INCREASES SHOWN ON PAGE 11, LINE 4. PROVIDE ALL SPREADSHEET ANALYSES AND WORK PAPERS WITH CELL FORMULAS INTACT ASSOCIATED WITH THE RESPONSE.

RESPONSE:

See prior responses PLUG-I-7 to PLUG-I-9.

The Cost of Service Study proposes a sanitary sewer retail rate schedule for all customers, which provides reasonable cost recovery by customer type. The proposed FY 2026 and FY 2027 sanitary sewer rate schedules were developed based on the unit costs developed in the Cost of Service Study adjusted for discounts and lag factor.

Note that the FY 2026 and FY 2027 total Wastewater revenues provided in response to PA-III-21 are reasonably equivalent to the Total Wastewater Service Revenue (Line 8) presented in Table 6-20 of Schedule BV-2 (page 6-20).

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC

PLUG-I-14. REFER TO THE ANNUAL INCREASES SHOWN ON PWD STATEMENT 7, PAGE 11 OF 63, LINE 12. PROVIDE A DETAILED PROOF OF REVENUES SHOWING THE INCREASES BY CUSTOMER TYPE THAT CONSTITUTE THE INCREASES SHOWN ON PAGE 11 FOR FY 2026 AND FY 2027. SHOW THE APPLICATION OF PRESENT AND PROPOSED RATES AND BILLING DETERMINANTS BY CUSTOMER TYPE, WITH PRESENT REVENUES AND PROPOSED REVENUES THAT RESULT IN THE INCREASES SHOWN ON PAGE 11, LINE 12. PROVIDE ALL SPREADSHEET ANALYSES AND WORK PAPERS WITH CELL FORMULAS INTACT ASSOCIATED WITH THE RESPONSE.

RESPONSE:

Black & Veatch is working to provide a document that is responsive to the information requested.

The requested analysis can be developed with the model file (Finplan25_26.xlsx) previously provided in response to PA-I-2 and PLUG-I-1, utilizing the projected revenue under existing rates sections and revising the rates to reflect the proposed rate schedules.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC