

RESPONSE TO
PUBLIC ADVOCATE'S INTERROGATORIES (TAP SET 1)
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
QUESTIONS 1-5

Dated: April 2025

PA-TAP 1-1 REFERENCE SCHEDULE RFC-3, TAP-R_PROJECTIONS TAB. PLEASE PROVIDE THE SUPPORTING CALCULATIONS (IN EXCEL FORMAT WITH FORMULAE INTACT) AND A DETAILED EXPLANATION OF THE BASIS FOR:

- A. THE 5% PROJECTED INCREASE IN TAP PARTICIPATION IN DECEMBER 2024.
- B. THE 1% PROJECTED INCREASE IN TAP PARTICIPATION IN JANUARY 2025.
- C. THE 5% PROJECTED DECREASE IN TAP PARTICIPATION IN FEBRUARY 2025.
- D. THE 5% PROJECTED INCREASE IN TAP PARTICIPATION IN MARCH 2025.
- E. THE 1% PROJECTED INCREASE IN TAP PARTICIPATION IN APRIL 2025.
- F. THE 1% PROJECTED INCREASE IN TAP PARTICIPATION IN MAY 2025.
- G. THE 4% PROJECTED DECREASE IN TAP PARTICIPATION IN JUNE 2025.
- H. THE 4% PROJECTED INCREASE IN TAP PARTICIPATION IN JULY 2025.
- I. THE 1% PROJECTED INCREASE IN TAP PARTICIPATION IN AUGUST 2025.
- J. THE 1% PROJECTED DECREASE IN TAP PARTICIPATION IN SEPTEMBER 2025.

RESPONSE:

TAP “participants” are defined as customers who receive a TAP bill in a given month.

Please refer to Schedule RFC-1 for a more detailed definition of “TAP Participants.” Also, refer to Schedule RFC-3 for detail supporting the increase in TAP participation.

Baseline projections for changes in TAP participation are developed using recent enrollment trends and expected enrollment figures for prequalified candidates from PWD's partnership with the City's Office of Integrated Data for Evidence and Action (IDEA). These projections are then adjusted to reflect variations in month-to-month participation experienced historically, which is driven primarily by the number of City-observed business days in each month. TAP bills are only issued on City-observed business days. As a result, months with more business days tend to result in higher TAP participant counts, while months with fewer business days tend to result in lower TAP participant counts.

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.

PA-TAP 1-2 TO THE EXTENT AVAILABLE, PROVIDE UPDATED ACTUAL TAP PARTICIPANT, DISCOUNT, AND WATER/SEWER CONSUMPTION DATA FOR DECEMBER 2024, JANUARY 2025, FEBRUARY 2025 AND MARCH 2025.

RESPONSE:

Updated TAP participant, discount, and water/sewer consumption data for December 2024 through March 2025 will be provided when the data are available in late April.

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.

PA-TAP 1-3 REFERENCE SCHEDULE RFC-3, DR_3A PARTICIPANTS TAB. PLEASE EXPLAIN THE CAUSE OF THE DECREASE IN PARTICIPANTS DURING JUNE 2024 AND NOVEMBER 2024.

RESPONSE:

See response to PA-TAP 1-1. The months of June and November 2024 included fewer City-observed business days than adjacent months, resulting in relatively lower counts of TAP participants for those periods.

RESPONSE PROVIDED BY: Raftelis Financial Consultants, Inc.

PA-TAP 1-4 REFER TO THE 2025-TAP-RATE-RIDER-RECONCILIATION-WORKBOOK, ASSUMPTIONS AND INPUTS TAB. PLEASE SHOW WHERE, IN THE GENERAL RATE CASE FILING, THE COLLECTION FACTOR OF 96.99% PERCENT IS DERIVED. IF THE 96.99% FACTOR IS NOT RELATED TO A SPECIFIC CALCULATION OR DATA SOURCE IN THE GENERAL RATE CASE FILING, PLEASE PROVIDE THE SOURCE OF THE 96.99%.

RESPONSE: The 96.99% collection factor is included in the definition of the E-Factor as presented on page 36 of the Water Department's existing rates and charges effective September 1, 2024. The collection factor percentage currently included in the E-Factor definition was adopted as part of the 2023 Rate Determination.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC.

PA-TAP 1-5 REFER TO THE 2025-TAP-RATE-RIDER-RECONCILIATION-WORKBOOK, ASSUMPTIONS AND INPUTS TAB. PLEASE SHOW THE DERIVATION OF THE WATER TAP COST ALLOCATION (%)/SEWER TAP COST ALLOCATION (%) OF 42%/58%. IF THE CALCULATION IS CONTAINED IN THE GENERAL RATE CASE FILING, PLEASE SHOW WHERE THE CALCULATION IS MADE.

RESPONSE: The TAP cost allocation of 42 percent to water and 58 percent to wastewater is included in the computation of TAP-R as presented on page 36 of the Water Department's existing rates and charges effective September 1, 2024. The current allocation of TAP costs to water and sewer was adopted as part of the 2023 Rate Determination.

RESPONSE PROVIDED BY: Black & Veatch Management Consulting, LLC.