

RESPONSE TO
PUBLIC ADVOCATE'S INTERROGATORIES
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
QUESTION 1

Dated: May 2025

PA-XV-1. REFERENCE PWD STATEMENT 2R, PAGE 36, LINES 11-14.

- A. PLEASE PROVIDE THE DATE BY WHICH THE PWD WOULD GUARANTEE TO PROVIDE A SCHEDULE AND PLAN FOR THE RATE STRUCTURE REEVALUATION PROCESS; AND
- B. PLEASE EXPLAIN WHY THE PWD COULD NOT PROVIDE A SCHEDULE AND PLAN FOR THE RATE STRUCTURE REEVALUATION PROCESS IN THIS PROCEEDING.

RESPONSE:

- A. The Water Department will target to provide a schedule and plan for the rate structure reevaluation process around January 2026. However, PWD cannot guarantee the exact timing of this undertaking.
- B. The rate structure reevaluation process will involve multiple divisions within the Water Department as well as staff from the Water Revenue Bureau. Other City Departments are likely to be engaged in more limited capacity throughout the process. This will require coordination across multiple City Departments, thus a plan and schedule will take time to develop given the other responsibilities of all those involved.

As alluded to in PWD St. 7, Schedule BV-4, WP-1, the AMI analysis took a significant amount of effort and due diligence in order to complete it and incorporate it into the Water Department's filing in this proceeding. Ideally, this would have been completed and discussed with stakeholders directly, but given the time between the issuance of a rate determination and the preparation of a full rate filing, this was not feasible. By phasing in the peaking factors, as proposed by the Water Department, this approach utilizes gradualism and allows additional

time to gather and analyze additional AMI data and engage stakeholders, before phasing the peaking factors in fully.

The AMI Demand Study was completed shortly before the rate filing (in January). The results of the AMI analysis and the application of those factors, as discussed in PWD St. 7, Schedule BV-4, WP-2 showed the need for further rate structure revaluation and increased efforts in this area.

Beyond the previously discussed challenges related to existing supporting Office of Property Assessment data sets for stormwater billing as well as the limitations of both the Basis2 and Stormwater billing system, PWD and WRB staff were also engaged in developing the Request for Proposal for the Billing System Replacement vendor.

RESPONSE PROVIDED BY: Philadelphia Water Department and the Water Revenue Bureau