

Over the past 25 years, there has never been a proceeding affecting PWD rates in which residential customers have lacked a designated representative. The denial of a Public Advocate in this case is not just cause for concern, but cause for alarm. The amount at issue in a particular rate proceeding should not be determinative of whether customers have adequate representation. The Board's denial of customer representation presents the very real risk that the Board's determination will be based on an incomplete and imbalanced record. The presence of a Public Advocate represents a due process guarantee that has been side-stepped in this case. In every rate proceeding, the public should be assured that PWD's rates are just and reasonable and result from a rigorous review process. In the most recent rate proceeding, this Board approved downward adjustments to PWD's requested rate increase totaling more than \$16 million, based on positions advanced by the Public Advocate. The Public Advocate also provides an invaluable service as a liaison to the community, ensuring that the public has both an understanding of PWD's proposal and a meaningful opportunity to be heard in the process. I find the Board's decision to deny customers the services of a Public Advocate inexcusable.

As set forth in the following paragraphs of this statement, there are substantial questions that should be answered by PWD before the Board makes a determination in this proceeding. In other words, the record requires substantial development in order for any action on PWD's proposal to be supportable. Although the Board does not have the service of a Public Advocate, it may still determine that it is appropriate to demand that PWD provide information responsive to these questions. However, if the Board does pursue these issues, without a Public Advocate, it will not be presented with an informed viewpoint from the perspective of residential customers, who may pay higher rates based on the Board's decision in this 2016 Special Rates Filing.

Regarding PWD's 2016 Special Rates Filing, PWD should be directed to answer the following questions:

1. Testimony during hearings at City Council¹ included discussion of the fact that community gardens were advised by PWD to place stormwater billings in dispute, rather than paying them. Accordingly, some community gardens have unpaid stormwater bills, for which PWD has not pursued collections.
 - a. Please explain why PWD decided that community gardens should be advised not to pay stormwater bills in past years.

¹ All references to testimony at City Council refer to the June 2, 2016 hearing of the Committee on Finance.

- b. How much actual stormwater revenue did PWD collect, on an annual basis over the past five years, from community gardens that, going forward, may be exempt from stormwater fees?
 - c. Does PWD have any other informal arrangements with customers through which it advises them not to pay bills pending a change in the rate structure or the availability of some other form of relief? If so, please describe them.
 2. According to testimony at City Council, PWD's arrangement (advising community gardens to place stormwater bills in dispute) has been ongoing for as long as five years, with PWD, at times, making commitments to implement an exemption.
 - a. Why did PWD decide not to propose formalizing a stormwater exemption for community gardens in the rate increase proceeding for FY 2017 and 2018?
 - b. Why did PWD not propose formalizing a stormwater exemption for community gardens at any time over the past five years (including the period of time prior to the Board's oversight)?
 - c. Confirm that PWD's "collection factor" used in the FY 2017-FY 2018 Rate Proceeding reflected non-payment (in prior years) of stormwater fees by community gardens that were advised not to pay.
 - d. If PWD's collection factor reflected non-payment (in prior years) by community gardens, isn't it correct that customer rates have already increased (through the application of the collection factor) as a result of unpaid stormwater fees from community gardens? If not, why not?
 3. The ordinance states that the discount provided to community gardens is without prejudice to any other prior arrangement for relief.
 - a. What other arrangements for relief of stormwater bills for community gardens are currently in effect, and what has been the impact on PWD revenues from such arrangements in past years?
 4. Testimony during hearings at City Council included discussion of retroactivity of stormwater exemptions.
 - a. To what extent does PWD propose that exemptions should be retroactive and for what reasons?
 - b. To the extent PWD proposes the exemptions should be retroactive, how much in stormwater billings for prior billing periods is potentially subject to an exemption?
 5. PWD's 2016 Special Rates Filing assumes that 231 community garden parcels will qualify for the community gardens exemption, if implemented. PWD reports a total of 286 known community garden parcels.

- a. Please explain why PWD's community gardens figure (286 known parcels) varies so significantly from statements from representatives of community gardens, who testified to City Council that there are upwards of 500 community gardens in Philadelphia.
6. As described in testimony during hearings at City Council, the benefits of community gardens include reduction in gun violence, improved health outcomes for neighborhood residents, increased exercise and decreased stress levels, additional housing value, availability of donated surplus crops, etc.
 - a. Please provide any supporting documentation in PWD's possession for these benefits.
 - b. Please provide any supporting documentation in PWD's possession for any other benefits provided by community gardens.
 7. According to testimony at City Council, community gardens retain stormwater, and benefit PWD's stormwater program. Furthermore, community gardens report working together with PWD to manage stormwater from nearby rights-of-way.
 - a. Has PWD assessed the extent to which community gardens retain stormwater? If so, how, if at all, did PWD take into consideration this assessment in calculating the net revenue requirement in the FY 2017-FY 2018 rate proceeding?
 - b. Provide a full report on the feasibility of measures for community gardens to manage stormwater from nearby rights-of-way.
 - c. Please explain how stormwater fees for rights-of-way (largely impervious area) are allocated to customers.

Respectfully submitted,



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