

Philadelphia Water, Sewer, and Storm Water Rate Board  
Meeting Notes  
11/05/15

Present:

Bernard Brunwasser, Chair  
Nancy Winkler  
Sonny Popowsky  
Lee Huang  
Michael Chapman  
Frances Beckley, Esquire

Also Attending:

Scott Schwartz  
Andre Dasent  
Marie McNeill  
Melissa LaBuda  
Jaclyn Rogers  
Rob Ballenger  
Thu Tran  
George Gould  
Ed Markus  
Nancy Brockway  
Lance Haver  
Tricia Nadolny

The minutes from the October 22 meeting were approved.

Mr. Brunwasser welcomed Nancy Brockway and Ed Markus to the meeting. Ms. Brockway will be the presiding Hearing Officer and Mr. Markus will serve as the Board's expert in the upcoming rate proceeding.

Ms. Beckley reported there has not been substantial progress made on the Low Income Bill but will notify the Board if amended legislation is passed.

A tentative schedule for 2016 Board meetings was developed. Meetings will continue to be held on Thursdays from 3:00 to 4:30 p.m. Calendar invitations will be sent when dates are finalized.

There was a lengthy discussion about the proposal from Community Legal Services (CLS). CLS management agreed to reduce the amount to \$300,000. Mr. Brunwasser does not feel the costs are justifiable, and believes informal discovery is sufficient for the board to make its determination on rates. A streamlined process is beneficial and avoids turmoil over uncertainty of rates. If the Water Department files for a 2 year rate increase, charges for a Public Advocate should be less than for a 4 year rate filing.

Mr. Popowsky does not believe the cost is excessive, especially since the parties must comply with newly established procedures. Mr. Huang suggested prioritizing items from the scope of work in an effort to bring down the charges but still allow adequate public participation. Ms. Winkler questioned the amount of legal work in the proposal, and Mr. Chapman questioned the hours and rates.

Mr. Ballenger replied that CLS will ensure water customers have representation from reliable experts. Due to the time limit in the new procedures a change in allocation for the experts was required. A great deal of work needs to go into reviewing exhibits and work pages supplied by PWD, so cost savings for a 2 year vs. 4 year rate filing is minimal. The tasks in the proposal were estimated based on what transpired in the last rate case. The calculations for determining the costs were reviewed. In the last rate case

\$100MM was saved as a result of efforts by CLS. Mr. Ballenger also noted the proposed contract amount is reasonable in comparison to the Water Department's consulting costs for a rate proceeding.

Public comment came from Lance Haver of the City Council President's Office. Mr. Haver urged the Board not to reduce the budget for CLS because their efforts led to huge savings in the last rate case.

Nancy Brockway will begin focusing on the areas of disagreement among parties to the case once the preliminary rate filing is done.

Ms. Beckley suggested the Board could approve a contract for less than the proposed cost, but with the option to increase it if needed. Mr. Ballenger was not willing to agree in case CLS exhausted all funds of the initial contract before an amendment was conformed. Further consideration led to a vote by the Board, and they agreed to award a contract not to exceed \$300,000.

The meeting on November 19 is cancelled. A public hearing on the regulations will be held during the December 3 meeting.