

Philadelphia Water, Sewer, and Storm Water Rate Board
Meeting Notes
12/21/16

Present:

Bernard Brunwasser, Chair
Sonny Popowsky
Lee Huang
Gemela McClendon
Folasade Olanipekun-Lewis
Ed Markus
Nancy Brockway

Also Attending:

Marie McNeill
Debra McCarty
Scott Schwarz
Ji Jun
Sarah Stevenson
Susan Crosby
Melissa LaBuda
Jaclyn Rogers
Joanne Dahme
Steve Marcino

Chairman Brunwasser began with a tribute to Board member Michael Chapman, who passed away December 2, 2016. All who were present in the room observed a moment of silence in memory of Michael.

The first agenda item was the vote on stormwater rates for Community Gardens in Philadelphia. Sonny Popowsky made a motion to approve the Water Department's request for a 100% discount. Mr. Popowsky also proposed using the term "discount" instead of exemption since it is more accurate and is taken from the ordinance. All Board members agreed with the suggested change. Mr. Brunwasser called for a vote on granting a discount on stormwater rates to Community Gardens in Philadelphia. The Board voted unanimously in favor of granting the discount. Mr. Brunwasser next called for a vote on granting a 100% discount on stormwater charges for Community Gardens in Philadelphia for the rate period. All Board members voted in favor of the 100% discount.

Chairman Brunwasser gave permission for Gemela McClendon to sign the memo of transmittal to file the Rate Determination in the Records Department. The Board agreed that Nancy Brockway would make the Water Department's requested changes to the Hearing Officer's report, and it would be finalized on 12/21.

Ed Markus continued his presentation on best practices for rate setting in the water industry. Mr. Markus reiterated that Philadelphia's costs for a rate case were greater than most other organizations with a closed loop system. Formal discovery and outside consultants are costly. Mr. Markus recommended using a simpler method to decide a rate case, and allowing the free exchange of information among parties to promote efficiency.

Sonny Popowsky restated his belief that the Board's regulations would have to change in order to implement new procedures. Changes have to allow for due process so that appeals can hold up in court.

Mr. Brunwasser believes that City Council does not know the cost to conduct a rate proceeding, and thinks an administrative process could have resulted in the same savings. Mr. Brunwasser is concerned with lowering costs.

Gemela McClendon explained that the ordinance to establish the Rate Board allows the Board the authority to set and revise the regulations. The Board can decide whether or not to hire a hearing officer or public advocate.

Ms. Olanipekun-Lewis mentioned the need to preserve the intentions of City Council when changes are put into effect. Removal of a public advocate could make Council displeased with the Board.

Mr. Huang asked about the requirement to complete the rate case within 120 days, and if the chosen procedure was selected to promote transparency.

Melissa LaBuda suggested hiring someone for administrative support to replace Marie McNeill, who retires in February, 2018. The Board's budget has an appropriation for personal services in both FY2017 and Fy2018.

The Board gave approval for Nancy Brockway to prepare an exit memo. Ms. Brockway's contract has adequate funding for the assignment.

The next meeting is on February 16, 2017 at 3:00 p.m. in the City Planning Commission's Conference Room.