

**BEFORE THE PHILADELPHIA WATER, SEWER AND STORM WATER  
RATE BOARD**

**In the Matter of a Proposed Rate Increase in** :  
**Water, Sewer and Storm Water Rates** : **FY 2019-2021 Rates**

**Public Advocate's Interrogatories & Requests for Production of Documents**

**Set V**

- PA-V-1. Please provide the gross uncollectibles for WRAP participants by year for Fiscal Years 2014 to present inclusive.
- PA-V-2. Please provide the net uncollectibles for WRAP participants by year for the Fiscal Years 2014 to present inclusive.
- PA-V-3. Please provide payment pattern reports by month for July 2016 to present limited to WRAP participants.
- PA-V-4. Reference: PWD Response to PA-ADV-6. Please define the terms:
- a. Billings
  - b. Payments
  - c. Total percent collected
- PA-V-5. In assessing collections for PWD, please:
- a. Define the term “receipts”
  - b. Separately indicate how the distinction between “billings” and “receipts” is used in calculating rate levels.
- PA-V-6. Reference: BV-E5; WP-2. Provide a copy of the City of Philadelphia’s new policy whereby water user rates and charges will directly pay for the cost of public fire protection.

PA-V-7. Reference: BV-E5; WP-2. Provide a copy of all correspondence dated January 1, 2016 or later, including memos, letters, e-mail or other written documents of any nature, to any member of the Philadelphia City Council (including his or her staff), the Mayor (and/or Mayor's staff); or any non-PWD municipal employee (including any consultant) regarding any proposal and/or decision to recover the costs of public fire protection through water rates and charges, which correspondence was from:

- a. PWD
- b. WRB
- c. Raftellis
- d. Black and Veatch

PA-V-8. Reference: BV-E5; WP-2. Please provide:

- a. The date on which the City of Philadelphia adopted a new policy whereby water user rates and charges will directly pay for the cost of public fire protection;
- b. The identity of the body adopting the new policy;
- c. The agenda for the meeting at which the new policy was adopted;
- d. The minutes of the meeting at which the new policy was adopted;
- e. Any and all staff presentations to the body at or for the meeting at which the new policy was adopted.

PA-V-9. Please provide all written documents, of any nature, including spreadsheets, e-mail, memos, letters or other written documents, for Fiscal Years 2014 to present inclusive, from PWD and/or WRB to the City of Philadelphia notifying the City of the dollar amount that should be paid to PWD/WRB to recover, in whole or part, the costs of providing public fire protection.

PA-V-10. Confirm or deny. If denied, provide a detailed explanation of the basis for the denial. Assuming 5/8 inch meters for each housing unit identified in this question:

- a. A four-plex with individual meters would pay the same for public fire protection as four single-family homes;

- b. A two-decker home with a single meter would pay the same for public fire protection as a single-family home.
- c. three-decker home with a single meter would pay the same for public fire protection as a single family homes.

PA-V-11. Confirm or deny. If denied, provide a detailed explanation of the basis for the denial. All else equal, the policy whereby water user rates and charges will directly pay for the cost of public fire protection involves changing the responsibility for paying such costs from taxpayers to water rate payers.

PA-V-12. Confirm or deny. If denied, provide a detailed explanation of the basis for the denial. All else equal, the policy whereby water user rates and charges will directly pay for the cost of public fire protection involves a change in payment responsibility from a non-occupant owner of a home with direct billed water service to an occupant tenant of a home with direct billed water service.

PA-V-13. Please provide a copy of all agendas of TAP Advisory Committee meetings from July 1, 2016 to present.

PA-V-14. Please provide a copy of all written presentations, memos or other written documents of any nature from PWD or WRB (including their consultants) provided to TAP Advisory Committee members at an Advisory Committee meeting from July 1, 2016 to present.

PA-V-15. Reference: Schedule BC-E5; WP-1, page 3. Is the TAP Rate Reduction adjustment White Paper referenced on page 3 identical to or different from the White Paper in PWD's pre-filing? If different, indicate all differences.

PA-V-16. Reference: Schedule BV-E5; WP-6. This document states that TAP costs are recovered through "proportionate recovery from all retail service types." Please

provide for all rate periods such proportionate recovery has been developed for in this proceeding:

- a. Identify each “retail service types” subject to proportionate recovery;
- b. Indicate the proportionate recovery percentage for each such retail service type;
- c. Indicate the numbers and units of measures used in each numerator and denominator in calculating that proportionate recovery percentage;
- d. Identify and provide the source document for the numbers used in each numerator and denominator.

PA-V-17. Reference: PWD Statement 8, page 8. Provide a copy of the Rider, if any, under which excess GARP costs are recovered. Provide a copy of all such calculations of excess GARP costs have been calculated for rate recovery by year for each year in which the Rider operated.

PA-V-18. By year, since Fiscal Year 2015, please provide how much each of the SMIP and GARP costs have been provided to:

- a. Residential customers;
- b. Non-residential customers.

PA-V-19. By year since Fiscal Year 2015, indicate how much each of the SMIP and GARP costs have been provided to:

- a. Municipal, non-school projects;
- b. Municipal, school projects.

PA-V-20. Reference: PWD Statement 6, pages 10 – 11. Please provide all comments received by PWD/WRB from NRDC on SMIP and/or GARP since January 1, 2015.

PA-V-21. Reference: Monthly Managers Report, page 14. Please identify:

- a. How many of the nine events related to TAP;
- b. How many of the 225 event participants were at events related to TAP;
- c. How many of the 88 twitter posts related to TAP;

d. How many of the 37 Facebook posts related to TAP.

PA-V-22. Reference: Temple University Comprehensive Customer Satisfaction Survey. Please provide all equivalent data that are equivalent to Figure 9 and Finding 4, but relating to:

- a. WRAP;
- b. Payment plan negotiations.

PA-V-23. Reference: Temple University Comprehensive Customer Satisfaction Survey. Please provide all equivalent data that are equivalent to Figure 11 and Finding 6, but relating to:

- a. WRAP;
- b. Payment plan negotiations.

PA-V-24. Reference: Temple University Comprehensive Customer Satisfaction Survey. Please provide all equivalent data that are equivalent to Figure 12 and Finding 6, but relating to:

- a. WRAP;
- b. Payment plan negotiations.

PA-V-25. Reference: PWD Statement 7, page 4: Please provide by month the number of TAP enrollees who have income greater than 150% of Federal Poverty Level but have special hardships. Separately provide the number of each special hardship enrollee by the type of special hardship found.

PA-V-26. Reference: PWD Statement 7, page 4: Please provide by month the number of customers who applied for TAP but were denied enrollment for being over-income.

PA-V-27. Reference: PWD Statement 7, page 4: Please provide a complete list of “special hardships” that would qualify an over-income customer to enroll in TAP.

PA-V-28. Reference: PWD Statement 7, page 4: Please provide by month the number of customers who applied for TAP but were denied for being over-income who were installed enrolled in a WRAP program component.

PA-V-29. Reference: PWD Statement 7, page 7: Please identify all efforts to migrate:

- a. Income eligible customers currently participating in WRAP to TAP;
- b. Over-income customers currently participating in WRAP to TAP.

PA-V-30. Reference: PWD Statement 7, page 9: Provide a copy of:

- a. the June 2017 TAP mailing;
- b. the January 2017 TAP mailing;
- c. the November 2017 TAP mailing.

PA-V-31. Please provide a copy of all outreach directed to customers who:

- a. were not WRAP participants at the time of the outreach but who were defaulted WRAP participants at the time of the outreach.
- b. were not WRAP participants at the time of the outreach but who had voluntarily exited WRAP.

PA-V-32. Reference: PWD Statement 7, page 10: By month since January 2015, provide:

- a. the number of WRAP participants;
- b. the number of WRAP defaults;
- c. the number of WRAP defaults by reason for the default;
- d. The number of WRAP voluntary exits;
- e. The number of WRAP voluntary exits by reason for the exit;
- f. The number of WRAP participants who failed to recertify their income to continue in WRAP.

PA-V-33. Reference: PWD Statement 7, page 10: By month since January 2017, please provide the number of WRAP participants who were disconnected for nonpayment.

- PA-V-34. Reference: PWD Statement 7, page 10: Please provide a list of staff positions by job title and salary for each of the 22 staff positions devoted to TAP.
- PA-V-35. Reference: PWD Statement 7, page 10: For each of the 22 staff positions devoted to TAP, provide:
- a. the job search announcement;
  - b. a list of every place the job search announcement was posted;
  - c. For all job announcements posted in public media, provide for each position the dates in which the announcement was published and in which media.
- PA-V-36. Reference: PWD Statement 7, page 10: For each of the 22 staff positions devoted to TAP, provide:
- a. The date the individual filling the position was first hired by PWD or WRB;
  - b. Separately provide for each of the 22 positions, if the person filling the position was already an employee of PWD, WRB or the City of Philadelphia, the date transferred to TAP.
  - c. For each of the 22 positions, if the person filling the position was already an employee of PWD or WRB, or the City of Philadelphia, identify the prior position held by the individual immediately before being transferred to TAP.
- PA-V-37. Reference: PWD Statement 7, page 10: For each of the 22 positions, provide a sample of each record-keeping form or format indicating whether time spent during the course of a work day was devoted to TAP or to non-TAP activities.
- PA-V-38. Reference: PWD Statement 7, page 10: For each of the 22 positions, for July 1, 2017 to present, provide:
- a. The number of hours for which compensation was paid; and
  - b. The percentage of such hours that were devoted to TAP.
- PA-V-39. Reference: PWD Statement 8, page 9: Please provide a breakdown of the 28,070 by the month received.

- PA-V-40. Reference: PWD Statement 8, page 10: Please provide a breakdown of the 5,142 by the month received. Separately indicate in this breakdown the number who had income at or below 150% of Poverty Level and the number who had income above 150% of Poverty Level.
- PA-V-41. Reference: PWD Statement 8, pages 9-10: Please provide the number of applications denied by month disaggregated by the reason for denial.
- PA-V-42. Reference: PWD Statement 8, page 10: Please provide the number of TAP denials by month for July 2017 to present broken down by whether or not the denied applicant was enrolled in WRAP by component of WRAP, if any, in which enrollment occurred.
- PA-V-43. Reference: PWD Statement 8, page 10-11: Please identify the number of customers who have enrolled in TAP through an inter-utility matching between PWD and PGW's CRP.
- PA-V-44. Please provide a copy of all agreements between PGW and PWD/WRB to match records to enroll CRP participants in TAP.
- PA-V-45. Please provide a copy of all correspondence between PGW and PWD/WRB since January 1, 2016 in any form, including e-mails, letters, memos or other written document, concerning the possibility of inter-utility matching to enroll CRP participants in TAP and/or vice versa.
- PA-V-46. Reference: PWD Statement 8, pages 14-15: Please explain how one gets from 11,200 applications on January 19, 2018 to 11,200 participants on June 30, 2018. Please provide the expected participation by month for January 2018 through June 2018.

- PA-V-47. Reference: PWD Statement 8, page 14: Please provide a breakdown of the 11,200 applications submitted by month, separately indicating the source of the applications disaggregated by the four sources identified in testimony at Statement 8, page 10.
- PA-V-48. Reference: PWD Statement 8, page 15: Please explain the relationship between TAP enrollment of 11,200 (page 15, line 2) with rate period enrollment of 26,400 (page 15, line 18).
- PA-V-49. Reference: PWD Statement 8, page 16: Please identify how much lost revenue is included in rates in Fiscal Year 2018 rates.
- PA-V-50. Reference: PWD Statement 8, page 16: Provide a detailed explanation of the treatment of the excess recovery of TAP lost revenue in Fiscal Year 2018 over and above the current estimate of \$3.9 million.
- PA-V-51. Reference: PWD Statement 8, page 16: Please indicate whether the lost revenue is based on, or equivalent to, “lost billings” or “lost payments” as the terms “billings” and “payments” are used in the Attachment to PWD’s response to PA-ADV-6.
- PA-V-52. Reference: PWD Statement 8, page 16: if “lost revenues” is identified in the immediately preceding discovery response as based on lost payments, please provide in an active Excel spreadsheet with all formula intact, the derivation of the lost payments from the lost billings.
- PA-V-53. Reference: PWD Statement 8, page 16: If the average lost revenue is expected to be \$56.98 per month, please indicate why:
- a.  $\$3,900,000 / \$56.98 / 12$  does not equal 11,211.
  - b.  $\$9,800,000 / \$56.98 / 12$  does not equal 16,924.
  - c.  $\$13,700,000 / \$56.98 / 12$  does not equal 22,981.
  - d.  $\$17,000,000 / \$56.98 / 12$  does not equal 26,937.

- PA-V-54. Reference: PWD Statement 8, page 16: Please provide in a live Excel spreadsheet, with all formula intact, the derivation of:
- a. \$3,900,000 for FY2018.
  - b. \$9,800,000 for FY2019.
  - c. \$13,700,000 for FY2020.
  - d. \$17,000,000 for FY2021.
- PA-V-55. Reference: PWD Statement 8, page 16: For each number that is not calculated in the spreadsheets provided in the response(s) to PA-V-55, identify the source of that number and provide a copy of the source document.
- PA-V-56. Reference: PWD Statement 8, page 17: For each year FY2018 through FY2021, please indicate the increase in TAP costs that, standing alone, with all other costs and revenues held equal, would result in a violation of PWD bond indenture coverage.
- PA-V-57. Reference: PWD Statement 8, page 17: For each year FY2018 through FY2021, please indicate the increase in TAP costs that, standing alone, with all other costs and revenues held equal, would result in a violation of any policy or policies regarding withdrawals from reserves. For each such policy violated, provide a copy of the policy.
- PA-V-58. Reference: PWD Statement 8, page 18: Please identify all experiences from the years 2000 to present that would indicate it is reasonable to expect “unexpected swings in enrollment” based on experience from:
- a. WRAP;
  - b. PGW’s CRP.
  - c. Other (identifying the other with specificity).
- PA-V-59. Reference: PWD Statement 8, page 18: Please identify each year in which there was an “unexpected swing in enrollment” for the years 2000 to present for:
- a. WRAP;

b. PGW's CRP.

PA-V-60. Reference: PWD Statement 8, page 18: Please identify each year from 2000 to present in which an unexpected swing in enrollment resulted in "a huge impact on lost revenues" for:

- a. WRAP;
- b. PGW's CRP.

PA-V-61. Reference: PWD Statement 8, page 18: For each year identified immediately above, indicate the dollar amount constituting the "huge impact on lost revenues."

PA-V-62. Reference: PWD Statement 8, page 19: Please provide each weekly customer assistance application processing report for July 1, 2017 to present.

PA-V-63. Reference: PWD Statement 8, page 19: Please provide each "periodic" cost of program report for TAP for the months January 2017 to present inclusive.

PA-V-64. Reference: PWD Statement 9B, page 8: Please provide a copy of the PECO Rate Rider through which PECO collects its universal service costs. Provide a copy of the PECO Rider for electric service and for natural gas service.

PA-V-65. Reference: PWD Statement 9B, page 8: For each year 2016 to present, please indicate the dollars of universal service costs which PECO collects:

- a. Through base rates;
- b. Through its universal service rate rider.

Provide these figures for PECO electric service and for PECO natural gas service.

PA-V-66. Reference: PWD Statement 9B, page 8: Please provide a copy of the PGW Rate Rider through which it collects its universal service costs. Separately provide a copy of the most recent PUC order or PGW rate case stipulation that addresses the form and operation of the PGW rate rider.

- PA-V-67. Please provide the number of TAP enrollees whose income was determined within the prior twelve months pursuant to Philadelphia Code § 19-1305, as required by Philadelphia Code § 19-1605.
- PA-V-68. Please provide a detailed description of any process, all processes, through which:
- a. Active WRAP participants are cross-checked against Philadelphia's low-income taxpayer installment payment agreements to determine income-eligibility for TAP;
  - b. Defaulted WRAP participants are cross-checked against Philadelphia's low-income taxpayer installment payment agreements to determine income-eligibility for TAP;
  - c. TAP applicants, irrespective of their current or former status as a WRAP participant, are cross-checked against Philadelphia's low-income taxpayer installment payment agreements to determine their income-eligibility for TAP.
- PA-V-69. Please identify and provide a detailed description of the municipal office that determines income-eligibility for Philadelphia's low-income taxpayer installment payment agreements
- PA-V-70. Please provide a copy of all written correspondence, including e-mails, letters, memos or other written document of any nature, between PWD and/or WRB and the municipal office that determines income-eligibility for Philadelphia's low-income taxpayer installment payment agreements that proposes, considers, evaluates or otherwise discusses a potential collaboration between the TAP and Philadelphia's low-income taxpayer installment payment agreements program with respect to determining income eligibility for the two programs.
- PA-V-71. Please compare and contrast the income-eligibility for Philadelphia's low-income taxpayer installment payment agreements and TAP.
- PA-V-72. Please identify which date TAP participants are defined to begin their participation in TAP: (1) the date on which applicants submit a TAP application; (2) the date on

which applicants are found to be eligible for TAP; or (3) some other date (please identify with specificity what “other” date is used).

PA-V-73. Please identify whether the date on which a TAP applicant is found to be income-eligible for TAP and the date on which a TAP applicant is enrolled in TAP differs. For any difference that exists between these two dates, provide a detailed explanation of the reason for the time difference.

PA-V-74. For TAP participants who experience a time lag between the date on which they submit a TAP application and the date on which they are enrolled in TAP, please provide a detailed description of what bills such applicants receive during the time after they submit a TAP application and before they are enrolled in TAP.

PA-V-75. In an active Excel spreadsheet, please provide a list of each customer participating in TAP as of January 19, 2018 (personal identifying information should be redacted). For each such customer, provide:

- a. The date on which the participant applied for TAP; and
- b. The date on which the participant was enrolled in TAP.
- c. The total bills (in dollars) appearing on bills between the date of application and the date of enrollment;
- d. The total bills (in dollars) that would have appeared on bills between the date of application and the date of enrollment had enrolled been effective as of the date of application; and
- e. The homeowner / tenant / occupant status of the applicant as identified by the application.

PA-V-76. By week, since July 1, 2017, provide the number of TAP enrollees by homeowner/tenant status.

PA-V-77. Confirm or deny: The administrative costs associated with TAP are not subject to reconciliation through PWD's TAP Rider. If denied, please identify in the Rate Rider, as well as within the accompanying White Paper, the specific location at which the reconciliation of administrative costs is proposed and discussed.

PA-V-78. Please identify the specific dollar amount of TAP administrative costs currently being collected in PWD base rates as of July 2017, disaggregated by:

- a. Wages;
- b. Benefits;
- c. Overhead (indicating how overhead was calculated);
- d. Information technology;
- e. Contingency (indicating how the contingency was calculated);
- f. Other (identifying with specificity what the "other" is).

PA-V-79. Please identify, by month since July 2017, the actual dollar amount of administrative costs expended on TAP since July 1, 2017, disaggregated by:

- a. Wages;
- b. Benefits;
- c. Overhead (indicating how overhead was calculated);
- d. Information technology;
- e. Contingency (indicating how the contingency was calculated);
- f. Other (identifying with specificity what the "other" is).

PA-V-80. Please identify by month for the months July 2017 to present inclusive:

- a. The dollar amounts spent on wages for individual staff that work on both WRAP and TAP, disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP;
- b. The dollar amounts spent on benefits for individual staff that work on both WRAP and TAP, disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP;
- c. The dollar amounts spent on overhead for individual staff that work on both WRAP and TAP, disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP;
- d. The dollar amounts spent on information technology for individual staff that work on both WRAP and TAP, disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP;
- e. The dollars amounts spent on contingency for individual staff that work on both WRAP and TAP, disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP; and
- f. The dollar amounts spent on “other” (identifying with specificity what the “other” is), disaggregated by the dollar amounts spent on TAP and the dollar amounts spent on WRAP.

PA-V-81. Please provide a detailed explanation of how any TAP administrative costs currently being collected in PWD rates but which exceed TAP administrative costs actually expended will be treated for ratemaking purposes in future rate periods.

PA-V-82. Please provide a detailed explanation of how the 25% “contingency” for TAP administrative costs currently being collected in PWD rates will be treated in future rate periods if those contingency funds are not drawn down in whole or in part.

- PA-V-83. By month since July 2017, please identify the dollar amount from the 25% TAP administrative “contingency” that has been utilized for TAP administrative costs. Identify with specificity the component(s) of TAP administrative which have caused the need to draw upon the 25% contingency for TAP administrative costs.
- PA-V-84. Please provide a copy of the contract pursuant to which PFM serves as financial advisor to, or with respect to, PWD.
- PA-V-85. Please provide a copy of the contract pursuant to which Acacia Financial serves as financial advisor to, or with respect to, PWD.
- PA-V-86. Please provide a copy of the contract pursuant to which Ballard Spahr serves as bond counsel with respect to water and wastewater revenue bonds.
- PA-V-87. With respect to the statement “The annual Debt Reserve Fund balance must equal the maximum future annual debt service estimated for the outstanding and proposed bonds” (PWD St. 9A at 38):
- a. Does this statement describe a legal requirement applicable to PWD’s Debt Reserve Fund? If so, please provide a copy of the legal authority that imposes this requirement.
  - b. If the answer to 4(a) is anything other than an unequivocal “yes” please explain why the Debt Reserve Fund balance must satisfy this requirement.
- PA-V-88. With respect to the statement “The interest earnings in the Construction Fund, which primarily consists of bond proceeds, are not available to the Revenue Fund as a part of the overall project revenues available for meeting annual revenue requirements of the Water Department” (PWD St. 9A at 39):
- a. Does this statement describe a legal requirement applicable to interest earnings on deposits in the Construction Fund? If so, please provide a copy of the legal authority that imposes this requirement.

- b. If the answer to 5(a) is anything other than an unequivocal “yes” please explain why interest earnings on deposits in the Construction Fund are not available to meeting annual revenue requirements of PWD.

PA-V-89. With respect to the statement “The Department must also establish rates and charges to meet the financial management requirements of the 1989 General Ordinance with respect to, among other things, (1) maintaining the Rate Stabilization Fund; (2) financing a portion of major annual capital improvement requirements directly from annual system revenues; and (3) making required deposits into the Residual Fund of any monies remaining after payment of all current cash obligations” (PWD St. 9A at 47-48):

- a. Please describe the financial management requirements of the 1989 General Ordinance with respect to maintaining the Rate Stabilization Fund.
- b. Please provide the language of the 1989 General Ordinance establishing the financial management requirements with respect to maintaining the Rate Stabilization Fund.
- c. Please describe the financial management requirements of the 1989 General Ordinance with respect to financing a portion of major annual capital improvement requirements directly from annual system revenues.

PA-V-90. Please provide the language of the 1989 General Ordinance establishing the financial management requirements with respect to financing a portion of major annual capital improvement requirements directly from annual system revenues.

PA-V-91. Please describe the financial management requirements of the 1989 General Ordinance with respect to required deposits into the Residual Fund.

PA-V-92. Please provide the language of the 1989 General Ordinance establishing the financial management requirements with respect to required deposits into the Residual Fund.