

**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 2022-2023 Rates**

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

PA-ADV-1. Provide the following information by nine-digit zip code:

- a. The number of households enrolled in service as of March 1, 2019, September 1, 2019, March 1, 2020, and September 1, 2020;
- b. The number of households in arrears as of March 1, 2019, September 1, 2019, March 1, 2020, and September 1, 2020;
- c. The number of households whose service has been terminated as of March 1, 2019, September 1, 2019, March 1, 2020, and September 1, 2020; and
- d. The number of households receiving assistance as of March 1, 2019, September 1, 2019, March 1, 2020, and September 1, 2020.

Questions PA-ADV-2 through PA-ADV-14 pertain to the document dated December 22, 2020, titled "FINANCIAL PLAN: REVENUE & REVENUE REQUIREMENTS ASSUMPTIONS SCHEDULE BV-6: WP-1"

PA-ADV-2. Reference Revenue Projections, Item 1(d). Please explain how the Commonwealth of Pennsylvania's extended shut off moratorium affects PWD's usage per account and provide supporting documentation.

PA-ADV-3. For each customer type shown in Revenue Projections, Item 1(d), Table 1, excluding TAP participants, provide:

- a. The average delinquent balance owed as of December 2019.
- b. The average delinquent balance owed as of December 2020.
- c. The total delinquent balance as of December 2019.
- d. The total delinquent balance as of December 2020.
- e. The percentage of total delinquent balance on a payment agreement as of December 2019.
- f. The percentage of total delinquent balance on a payment agreement as of December 2020

PA-ADV-4. According to the Revenue Projections, Item 1(d), the COVID-19 Pandemic and the related economic downturn have influenced customer demand in the months since

Pennsylvania's initial shut-down in March 2020. Please provide the analyses or supporting data that quantifies the effect of the downturn on the customer demand.

- PA-ADV-5. According to the Revenue Projections, Item 1(d)(ii), the FY 2021 usages per account were adjusted to reflect current customer demands based on recent monthly reporting data. Please provide documentation and supporting workpapers, in electronic format with the formulae intact, showing the original customer demand amounts and the derivation of the amounts.
- PA-ADV-6. Reference the Revenue Projections, Item 1(d)(ii)(2), please explain whether the overall annual program budget of \$15 million in FY 2021 to \$25 million was determined before or after the COVID pandemic.
- PA-ADV-7. Reference the Revenue Projections, Item 1(f) Table 3 – Initial Collection Factors Prior to Adjustment.
- a. Please confirm whether the data presented on Table 3 reflect the adjustments to the collection factors discussed below the table.
 - b. Please provide the supporting workpapers and documentation demonstrating the basis of FY 2021 Billing Year Collection Factors – Reduced by 8%, FY 2022 Billing Year Collection Factors – Reduced by 4% and FY 2023 Billing Year Collection Factors – Reduced by 2%.
 - c. Please provide the data to support the statement that “current monthly collection data imply that collection rates are lower by 10% compared to the average historical data.”
- PA-ADV-8. Reference Revenue Projections, Item 1(h) Table 4 – Projected Miscellaneous and Contra Revenues. Please explain the nature of the Debt Service Release category.
- PA-ADV-9. Reference Operating Expenses, Item 2(e) Table 7 – Additional Adjustments for Projected Operating Expenses. Please explain the cause of the decrease in maintenance in Operations, Class 200.
- PA-ADV-10. Regarding Debt Service (Item 3), please provide a workpaper showing all new debt issuances, debt retirements and debt refinancing for FY 2018 through FY 2021. In your response, please identify the interest rates and issuance costs of each transaction.
- PA-ADV-11. Regarding the Capital Program (Item 5), the document states that in response to a change in how the City funds capital programs, the Water Department will only contract fully funded CIP projects. Please explain whether the cost of service reflects only funded CIP projects.
- PA-ADV-12. Regarding the Capital Program (Item 5), the document states “to evaluate CIP program funding, Black & Veatch estimated the expected project commitments for each fiscal year of the study period, based upon the Water Department’s CIP Budget and adjusted to reflect the following...”
- a. Please explain what the phrase “project commitment” entails.

- b. What does the phrase “adjusted to reflect” mean for each bullet point? For example “the roll-forward of remaining FY 2020 budget appropriations”, does that mean costs were included or removed?

PA-ADV-13. According to the document (Capital Program, Item 5, at page 11), to assess the overall drawdown of available CIP Funding, Black & Veatch estimated the Water Department’s CIP Funds' drawdown based upon a projection of overall spending over the study period. Please provide this analysis in electronic format with the formulae intact.

PA-ADV-14. Reference Capital Program, Item 5, Table 8 – Projected Capital Program Budget and Annual Expenditures. Please provide this table reflecting the original values (before reflecting any adjustments).