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June 26, 2018

Via Hand Delivery

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Building
2nd Floor, North
400 North Street
Harrisburg, PA 17120

Deanne M. O'Dell
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dodell@eckertseamans.com

RECEIVED
2018 JUN 26 PM 3:15
PA PUC
SECRETARY'S BUREAU
FRONT DESK

Re: Implementation of Chapter 32 of the Public Utility Code Re Pittsburgh Water and Sewer Authority, Docket Nos. M-2018-2640802 (water); M-2018-2640803

Dear Secretary Chiavetta:

Consistent with Ordering Paragraph 2 of the Final Implementation Order entered March 15, 2018 at the above referenced docket numbers, The Pittsburgh Water and Sewer Authority ("PWSA") filed, on March 30, 2018, documents (i.e. PWSA's Rules and Regulations) intending to serve as PWSA's "Official Prior Tariff." On June 22, 2018, PWSA filed **revised pages 3-6 and 3-7** of the Rules and Regulations to correct the out-of-date minimum charges for Hydrants (located in Section 305.2(3)(c)(i)) and Fire systems (located in Section 305.3.2) included in the March 30, 2018 filing.

Per a subsequent request from Staff, attached in further support of the June 22, 2018 filing, please find the Verified Statement of Julie A. Quigley, Director of Administration of The Pittsburgh Water and Sewer Authority. As explained more fully in the Verified Statement, Ms. Quigley attests that the minimum charges in the March 30, 2018 filing do not state the correct rates that were approved by PWSA's Board on November 8, 2017, subsequently updated in PWSA's Customer Service Management system, and billed – as applicable – to affected customers beginning on January 1, 2018.

Accordingly, we respectfully request that the Commission replace the previously filed pages 3-6 and 3-7 with the revised pages filed on June 22, 2018.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Deanne O'Dell

Enclosure

Cc: Cert of Service w/enc.

411683

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Implementation of Chapter 32 of the	:	Docket No. M-2018-2640802 (water)
Public Utility Code Re: Pittsburgh Water	:	Docket No. M-2018-2640803 (wastewater)
and Sewer Authority	:	

VERIFIED STATEMENT

I, Julie A. Quigley, hereby state that the facts set forth below are true and correct to the best of my knowledge, information and belief, and I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

BACKGROUND

1. I am the Director of Administration for The Pittsburgh Water and Sewer Authority ("PWSA") and am authorized to make this verified statement on its behalf and in support of the revised pages 3-6 and 3-7 filed with the Commission on June 22, 2018.
2. On March 30, 2018, PWSA filed its then-existing "Rules and Regulations" to comply with the Commission's Final Implementation Order entered March 15, 2018 at the above referenced docket numbers ("March 30 Filing").
3. Since the March 30 filing, PWSA has been preparing to submit its Tariff Filings required by the Commission to continue its transition to full Commission jurisdiction. As part of this process, it was discovered that the minimum charges for Hydrants (located in Section 305.2(3)(c)(i)) and Fire systems (located in Section 305.3.2) set forth in the March 30 Filing were out-of-date and do not reflect the actual rates approved by the PWSA Board at its November 8, 2017 meeting and put into place effective January 1, 2018. To correct this error, revised pages 3-6 and 3-7 were filed on June 22, 2018.
4. While my understanding is that PWSA's rates existing prior to the Commission's assumption of jurisdiction have the force and effect of law, and will continue until the effective date of a Commission order approving rules in a new tariff,¹ the purpose of the June 22, 2018 filing was to ensure that the documentation on file with the Commission contains the correct rates. The revised rates in the June 22, 2018 do not change any existing rates being charged by PWSA.
5. PWSA was informally asked by Commission staff to provide supporting information verifying that the revisions are consistent with the rates that were in effect on March 30, 2018. The facts set forth below are intended to satisfy this request.

¹ 66 Pa.C.S. § 3203(a).

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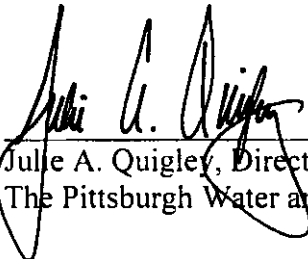
SUPPORTING FACTS

6. During its November 8, 2017 meeting, the PWSA Board approved Resolution No. 213 of 2017 establishing rates effective as of January 1, 2018 for 2018.² As presented to the PWSA Board during the meeting, these rates included increased fire minimum charges (when used for purposes other than fighting fires). Exhibit A attached hereto is the relevant page of the Financial Forecast presentation made to the PWSA Board during its November 8, 2017 meeting setting forth the new rates.
7. Consistent with the PWSA Board's approval of these new rates, PWSA updated its internal Customer Service Management ("CSM") system to begin assessing the new rates effective January 1, 2018. By way of supporting example of these system changes, Exhibit B attached hereto includes a screenshot of PWSA's CSM system, detailing the minimum charges for a Fireline of 1" or less.
8. For hydrants, the minimum charges are only applicable when water is utilized from a fire hydrant for purposes that do not involve fighting a fire (such as development or demolition site water use). The majority of PWSA's customers are not billed these charges. Fire systems are assessed the minimum charge regardless of registered usage through the meter. Exhibit C attached hereto is a redacted bill recently issued by PWSA to a customer who was assessed the fire systems minimum charge. As noted on the bill, this customer was assessed a minimum charge of \$26.94 consistent with the PWSA approved rates as reflected in the revised pages 3-6 and 3-7 filed with on June 22, 2018.

CONCLUSION

9. Based on the preceding statements, I hereby verify that the minimum charges for fire hydrants and systems not involving fires included in the March 30 Filing are out-of-date and do not state the correct rates that were approved by PWSA's Board on November 8, 2017, subsequently updated in PWSA's CSM system, and billed – as applicable – to affected customers. The correct rates are those that are contained on the revised pages 3-6 and 3-7 that were filed with the Commission on June 22, 2018.

Date: June 26, 2018


Julie A. Quigley, Director of Administration
The Pittsburgh Water and Sewer Authority

² The approved resolution also established the rates to be effective on January 1, 2019 and January 1, 2020 though the rates that will be implemented may be subject to change consistent with the Commission's adjudication of PWSA's Tariff Filings.

Rate Model Results – Five Year Forecast

- 2018
 - Avg. 28% increase in receipts
 - About \$15/mo incr. in a residential bill
 - Includes impact from CAP
- 2019 and 2020
 - 10% increase in 2019
 - 11% increase in 2020
- Other City Water Customers
 - PA American requested a 16.4% increase in 2017
 - Rate incr. to \$11.88 per 1,000 gal
 - Compared to PWSA rate of \$9.41 per 1,000 gal

Rate Summary Water Rates	Allowance (kgal)	FY 2017 Actual	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast
<i>Base Charge</i>							
5/8"	1	\$ 18.42	\$ 23.25	\$ 25.18	\$ 28.91	\$ 34.03	38.98
3/4"	2	29.93	37.83	41.15	47.22	55.53	63.53
1"	5	60.61	76.58	83.67	95.65	111.96	127.56
1 1/2"	10	118.16	149.47	163.56	187.21	219.46	250.30
2"	17	194.88	246.53	269.98	308.89	361.90	412.52
3"	40	432.68	546.96	599.57	684.49	799.95	909.82
4"	70	731.83	924.52	1,013.94	1,155.70	1,348.18	1,530.87
6"	175	1,728.86	2,181.24	2,393.88	2,720.25	3,162.20	3,579.55
8"	325	3,109.25	3,919.64	4,303.36	4,880.87	5,661.50	6,396.33
10" & Above	548	5,087.62	6,408.43	7,038.22	7,967.90	9,222.32	10,399.31
<i>Fire Min. Charge</i>							
1" or Less		\$ 22.48	\$ 26.94	\$ 29.05	\$ 34.91	\$ 43.04	50.70
1 1/2"-3"		59.31	71.02	76.96	93.38	116.19	137.71
4"		126.44	151.40	164.32	199.98	249.56	296.35
6" or Greater		361.76	433.13	470.53	573.65	717.06	852.42
<i>Volume Charge</i>							
Residential		\$ 7.71	\$ 9.41	\$ 10.57	\$ 12.03	\$ 13.97	\$ 15.74
Commercial		7.47	8.93	9.83	10.98	12.50	13.88
Industrial		6.72	7.51	8.20	9.07	10.22	11.28
Health & Education		11.26	12.21	13.07	14.15	15.59	16.90
Fire		6.75	11.50	8.75	9.76	11.12	12.35
<i>Sewer Rates</i>							
<i>Base Charge</i>							
5/8"	1	\$ 6.09	\$ 7.71	\$ 8.08	\$ 8.74	\$ 9.55	\$ 10.36
3/4"	2	11.27	15.62	16.81	18.35	20.33	22.45
1"	5	25.06	37.10	40.61	44.51	49.65	55.35
1 1/2"	10	50.96	76.62	84.26	92.57	103.55	115.79
2"	17	85.47	129.72	142.97	157.18	175.99	197.04
3"	40	192.36	295.88	326.99	359.51	402.76	451.54
4"	70	326.77	506.20	560.12	615.75	689.87	773.85
6"	175	774.46	1,213.27	1,344.92	1,477.78	1,655.45	1,858.31
8"	325	1,394.03	2,197.82	2,438.65	2,678.68	3,000.29	3,369.17
10" & Above	548	2,281.55	3,618.63	4,018.62	4,412.63	4,941.56	5,550.83
<i>Volume Charge</i>							
Residential		\$ 4.09	\$ 6.92	\$ 7.87	\$ 8.73	\$ 9.90	\$ 11.30
Commercial		3.95	6.11	6.81	7.43	8.29	9.30
Industrial		3.68	5.57	6.22	6.81	7.62	8.57
Health & Education		5.78	7.64	8.27	8.85	9.62	10.55
Fire		4.00	9.17	7.07	7.74	8.66	9.74

Verified Statement of J. Quigley Exhibit B

Rate Setup - PWSA (JQuigley)

Save

Clear

Delete

File

Print

Tools

Help

Add Note

Actions

File

Tools

Help

Rate

W_FIRE_1 OR LES

Water Fireline 1" or less

Service Type

PWSA WTR

Rate Class

Rate Type

Effective

1/1/2018

to

0/0/0000

New TWily

12/9/2017

11:00:25 AM

Detail Type	Detail Description	Unit Description	Min Charge	Frequency
Service Type	Tax Schedule	Prorate Detail	First Regular Last	Fixed Charge
Fixed Charge	Base Facility Charge			\$0.00 30
PWSA WTR	NONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$26.94000
Stepped Ranges	Per 1,000 Gallons Charge			\$0.00 30
PWSA WTR	NONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$0.00000
				\$0.00 0
		<input type="checkbox"/>	<input type="checkbox"/>	\$0.00000

From	To	Unit Rate (\$)	Wholesale Rate
0	1	0.00000	
2	99999999	11.50000	
0	0	0.00000	

by Rate ID



Customer Name

[REDACTED]

Account Number



[REDACTED]

Service Address

[REDACTED]

Billing Date

06/07/2018

Due Date

06/27/2018

Page

1 of 2

Account Summary - Monthly Bill

Prior Balance	Payments & Adj.	Balance Forward	New Charges	Total Amount Due
\$ 26.94	\$ 26.94	\$ 0.00	\$ 26.94	\$ 26.94

Message Center

Previous Activity

Previous Balance 26.94

Payment - 05/21/2018 - Thank You..... -26.94

Current Activity - PWSA Charges

Water Consumption Charge 26.94

Subtotal \$ 26.94

Total Current Charges \$ 26.94

Total Amount Due \$ 26.94

⇅ PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT ⇅

Penn Liberty Plaza I
1200 Penn Avenue
Pittsburgh, PA 15222

MONTHLY BILL

Account Number

[REDACTED]

Due Date

06/27/2018

Total Amount Due

\$ 26.94

Amount Enclosed

\$ [] [] [] []

Make check payable to: PWSA
and mail to address on back.

5326

[REDACTED] 06272018100000026942



How to Reach us...

The Pittsburgh Water and Sewer Authority
Penn Liberty Plaza I
1200 Penn Avenue
Pittsburgh, PA 15222

Customer Service:
Monday through Friday
8:00 a.m. – 6:00 p.m.
412-255-2423
412-255-2475 fax

Emergency Services:
24 hours a day, 7 days a week
412-255-2423 - Menu Option # 1

Email us at:
info@pgh2o.com

Visit us on the web at
www.pgh2o.com

Billing Inquiries:

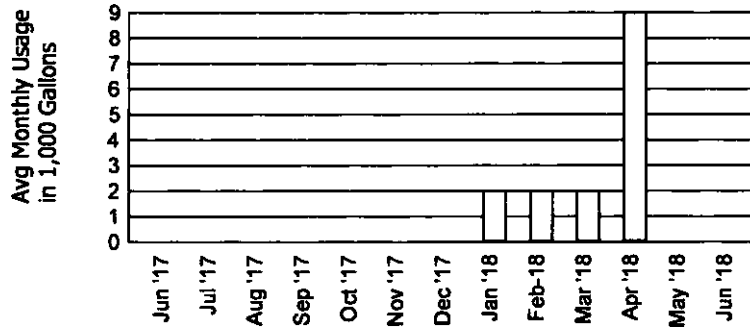
All questions concerning your bill should be registered prior to the due date. Any charges not paid by the due date are subject to late fees and other collection activity. Water and Wastewater charges become a lien against the property, and if not paid, could result in an interruption of service. Any disputed charge on this bill must be submitted in writing to PWSA within 90 days. All unpaid charges more than 90 days past due will be placed with Jordan Tax Service, Inc. (JTS) for collection. JTS can be reached at 412-835-5243 OPTION 4. For additional information, please visit our website at www.pgh2o.com.

Account Number

Service Address

Page
2 of 2

Water Usage History



Meter Readings (in thousands of gallons)

Readings	Read Type	Read Date
Meter #: B16984285		
Current Read:	15	Estimated
Previous Read:	15	05/04/2018
Total Usage:	0	



PAY CASH AT PARTICIPATING FAMILY DOLLAR OR 7-ELEVEN STORES

\$1.49 PayNearMe convenience fee will be added. Bring this notice with you to make payment. Visit www.paynearme.com for a list of participating locations near you.

Family Dollar Team Member Instructions

1. Scan barcode below
 2. Key in amount customer wants to pay and press Total
 3. Collect payment from customer
 4. Tender the transaction
 5. Provide customer with receipt
- Cashier: For assistance call CCTS at 866-377-6420

7-Eleven® Sales Associate Instructions

1. Ask customer amount to load
 2. Press LOAD button
 3. Scan barcode and collect payment
 4. Return Payslip and provide receipt
- Customers or Sales associates call (888)-714-0004 for help 24/7

LOAD LIKE A GIFT CARD



PayNearMe is a trademark of PayNearMe, Inc. patents pending. Subject to terms of use at www.paynearme.com



Other convenient ways to pay:



One time payments by visiting www.pgh2o.com



Go Green, make payments for free, view bills, manage account
Sign up for ebilling today.



Pay by telephone 412-255-2423 option 2.

PLEASE MAIL TO BELOW ADDRESS.



PWSA
PO Box 747055
PITTSBURGH PA 15274-7055

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Pittsburgh Water & Sewer Authority's
Verified Statement upon the persons listed below in the manner indicated in accordance with the
requirements of 52 Pa. Code Section 1.54.

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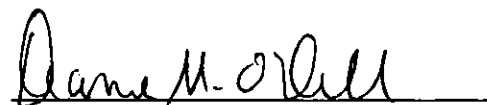
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Deanne M. O'Dell, Esq.
For Pittsburgh Water and Sewer Authority

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