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July 18, 2018

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

Re: Re: PA PUC v. Pittsburgh Water and Sewer Authority
Docket Nos. R-2018-3002645 and R-2018-3002647

Dear Secretary Chiavetta:

Please accept for filing on behalf of The Pittsburgh Water and Sewer Authority ("PWSA") the enclosed Affidavit of William Pickering demonstrating that PWSA provided public notice of its base rate filing. This Affidavit is being filed pursuant to 52 Pa. Code § 53.45(h).

Thank you for your assistance. If you have any questions or concerns regarding this matter, please do not hesitate to contact me.

Sincerely,

Deanne M. O'Dell
Counsel for The Pittsburgh Water and Sewer Authority

DMO/scs
Enclosure

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PWSA's Affidavit of William Pickering upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email and/or First Class Mail

Elizabeth Triscari, Esq.
Office of Small Business Advocate
300 North Second St., Suite 202
Harrisburg, PA 17101
etriscari@pa.gov

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Lauren M. Burge, Esq.
Erin L. Gannon, Esq.
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pdiskin@pa.gov

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780 Cardinal Drive
Harrisburg, PA 17111
tlfengr@aol.com

Dated: July 18, 2018


Deanne M. O'Dell, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pittsburgh Water and Sewer Authority Initial : Docket Nos. R-2018-3002645
Tariff Filing and Rate Requests : R-2018-3002647

AFFIDAVIT OF WILLIAM PICKERING

Commonwealth of Pennsylvania :
: ss.
City of Pittsburgh :

I, William Pickering, an adult individual, being duly sworn according to law, deposes and says that:

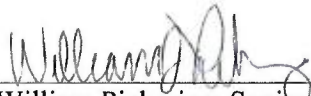
1. I am employed by The Pittsburgh Water and Sewer Authority ("PWSA") as Senior Manager of Public Affairs;
2. Consistent with new legal requirements set forth 66 Pa. C.S. §§ 3201-3209 and the Commission's Final Implementation Orders entered March 15, 2018 at Docket Numbers M-2018-2640802 and M-2018-2640803, PWSA filed Tariff Water – Pa. P.U.C. No. 1 and Tariff Wastewater – Pa. P.U.C. No. 1 on July 2, 2018 with the Pennsylvania Public Utility Commission ("Commission"), which filing constitutes a general rate increase;
3. The required notice of the Tariffs was posted in a conspicuous place in each PWSA office at which payments are accepted in compliance with the Commission's regulations at 52 Pa. Code § 53.45(b)(1);
4. Attachment A contains the news release that was distributed to major newspapers, radio and television stations serving PWSA's area on June 22, 2018, in compliance with the Commission's regulations at 52 Pa. Code § 53.45(b)(3);
5. PWSA complied with the alternative method of customer notification set forth in the Commission's regulations at 52 Pa. Code § 53.45(b)(4);
6. Attachment B contains the notice that PWSA inserted in envelopes containing customer bills beginning July 2, 2018, and which notice continued to be inserted into envelopes

containing customer bills for an entire billing cycle until all customers of PWSA whose rates would be increased received notice;

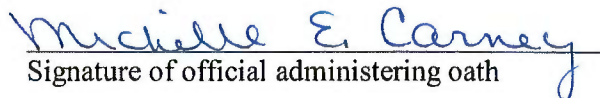
7. The billing envelopes for those customer bills called attention to the fact that rate increase information was contained in the mailings. A sample billing envelope is provided in Attachment C;

8. PWSA's electronic billing customers received a link to the bill insert discussed in paragraph 6 of this Affidavit;

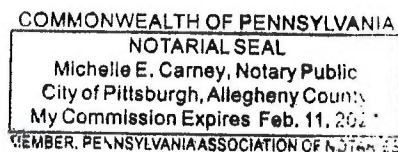
9. The Proofs of Publication enclosed in Attachment D for paid newspaper advertisement of the tariff filing were provided by the Pittsburgh Post-Gazette. The advertisement will be published on July 20, 2018.


William Pickering, Senior Manager of Public Affairs
The Pittsburgh Water and Sewer Authority

Sworn and subscribed before me this _____ day of July 16, 2018


Signature of official administering oath

My commission expires 2-11-2021.



List of Attachments

A	News Release
B	Notice Included With Customer Bills
C	Envelopes Containing Customer Bills With Rate Request Notice
D	Proofs of Publication



FOR IMMEDIATE RELEASE

June 22, 2018

Media Contact :
Will Pickering
Communications Manager
(412) 657-4031
wpickering@pgh2o.com

Board of Directors Approves First-Ever PUC Rate Request

Request would generate additional \$27 million for drinking water and sewer system renewal

Pittsburgh, PA – Today, the Pittsburgh Water and Sewer Authority (PWSA) Board of Directors approved a rate request package, also referred to as a tariff, that will be filed with the Pennsylvania Public Utility Commission (PUC) on July 2, 2018. The tariff is required by Act 65 which placed PWSA under PUC oversight. PWSA expects the PUC to investigate the request and make a final determination on the rate package no later than March 2019.

PWSA developed the tariff package by conducting a comprehensive review of its operational and infrastructure needs. If PWSA's entire rate request is accepted by the PUC, it will generate an additional \$27 million annually. If the Authority's request is approved by the PUC, the total water and wastewater conveyance bill for a residential customer using 3,000 gallons per month would go from \$63.62 to \$74.23. This rate request replaces PWSA's previously-planned increases for 2019 and 2020.

As a non-profit, publicly-owned authority, one hundred percent of the funding will be directed toward improving PWSA's drinking water, sewer, and stormwater systems and operations. PWSA will maintain the existing bill discount, hardship cash assistance, and winter shutoff moratorium programs for customers with limited income. More information on those programs can be found at pgh2o.com/CAP.

"This is the first step in a new ratemaking approval process for PWSA. We look forward to engaging with the public and the PUC to explain our need for additional resources to renew the water, sewer, and stormwater systems to become the utility Pittsburgh expects and deserves," said PWSA Executive Director Robert A. Weimar. "These ratepayer funds will be directed at critical projects to replace lead service lines, improve the quality of our drinking water, rebuild our sewers, and address combined sewer overflows," he continued.

PWSA Board Chairman Paul Leger said, "The Board takes any increase in rates very seriously. However, recent history has shown that PWSA must be given the resources it needs to protect public health and provide high quality service. Even if the PUC were to accept the entire rate proposal, PWSA's drinking water rates would still be lower than nearby privately-owned water companies."

The PUC will likely hold public hearings on the tariff package. As part of this process, PWSA will provide public testimony to justify and explain the requested rates. The Pennsylvania Office of the Consumer Advocate and Small Business Advocate will also review and comment on the request. The PUC may elect to change the rates for each customer class included in PWSA's tariff package.

The Pennsylvania General Assembly passed, and the Governor signed, Act 65 in December 2017. The act placed PWSA under PUC oversight with respect to customer service, operational performance, and ratemaking. PWSA is the first municipal authority to be regulated by the PUC, and the Authority welcomes their oversight and emphasis on the public interest. For more information on PUC oversight and actions customers can take in response to the rate request, visit pgh2o.com. Additionally, customers will receive a detailed description of the rate request in their July bills.

NOTICE OF PROPOSED RATE CHANGES

To Our Customers:

The Pittsburgh Water & Sewer Authority (PWSA) has filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your water and wastewater conveyance rates. This notice describes the Authority's rate request, the PUC's role, and what actions you can take.

RATE REQUEST

PWSA has requested an overall rate increase of \$27.0 million per year. If the Authority's entire request is approved, the total water and wastewater conveyance bill for a residential customer using 3,000 gallons per month would increase from \$63.62 to \$74.23 per month or by 16.7%.

PWSA's rate request is scheduled to go into effect on August 31, 2018; however, in most cases, the PUC suspends the increase for up to an additional seven (7) months.

The breakdown by water and wastewater conveyance bill component for a residential customer is provided in the tables below.

<u>Residential Monthly Bill</u>	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>
Water	\$42.07	\$49.83	18.4%
Wastewater Conveyance	\$21.55	\$24.40	13.2%
Total Monthly Bill	\$63.62	\$74.23	16.7%

The total bill for a commercial customer using 13,000 gallons per month would increase from \$234.00 to \$283.12 per month or by 21.0%.

<u>Commercial Monthly Bill</u>	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>
Water	\$148.02	\$187.09	26.4%
Wastewater Conveyance	\$85.98	\$96.03	11.7%
Total Monthly Bill	\$234.00	\$283.12	21.0%

Rates for an industrial customer using 680,000 gallons per month would increase from \$9,409.52 to \$12,064.79 per month or by 28.2%.

<u>Industrial Monthly Bill</u>	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>
Water	\$5,505.62	\$7,266.88	32.0%
Wastewater Conveyance	\$3,903.90	\$4,797.91	22.9%
Total Monthly Bill	\$9,409.52	\$12,064.79	28.2%

Rates for a health or education customer using 50,000 gallons per month would increase from \$1,031.30 to \$1,131.73 per month or by 9.7%.

<u>Health or Education Monthly Bill</u>	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>
Water	\$649.46	\$762.62	17.4%
Wastewater Conveyance	\$381.84	\$369.11	-3.3%
Total Monthly Bill	\$1,031.30	\$1,131.73	9.7%

To find out your customer class or how the requested increase may affect your water and wastewater conveyance bill, contact PWSA at 412-255-2423. The rates requested by the Authority may be found in the initial Tariff Water – PA. P.U.C. No.1 and Tariff Wastewater – PA. P.U.C. No.1. You may also examine the material filed with the PUC, which explains the requested increase and the reasons for it. A copy of this material is kept at PWSA's office. Upon request, the Authority will send you the Statement of Reasons for these Tariffs, explaining why the rate increase has been requested.

PUC ROLE

The state agency which now approves rates for PWSA is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The Authority must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the Authority utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the Authority as shown above.

ACTIONS YOU CAN TAKE

There are three ways to challenge PWSA's request to change its rates:

1. You can be a witness at a public input hearing. Public input hearings are held if the PUC opens an investigation of the Authority's rate increase request and if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and to the PWSA representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the Authority.

2. You can send the PUC a letter telling why you object to the requested rate increase. At times there is information in these letters that makes the PUC aware of problems with the Authority's service or management. This information can be helpful when the PUC investigates the rate request.

3. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before August 31, 2018. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge. Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

For more information, call the PUC's Bureau of Consumer Services at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case. You may also contact the Pennsylvania Office of Consumer Advocate (OCA). The OCA represents the interests of consumers in cases before the PUC. You may contact the OCA with questions or requests for public input hearings at 1-800-684-6560 or by email at consumer@paoca.org.

The Pittsburgh Water and Sewer Authority
1200 Penn Avenue
Pittsburgh, PA 15222
412-255-2423



Penn Liberty Plaza 1
1200 Penn Avenue
Pittsburgh, PA 15222

**NOTICE OF PROPOSED
RATE INCREASE ENCLOSED**

FIRST-CLASS MAIL
PRESORTED
US POSTAGE
PAID
PWSA

Return Service Requested

33017

Attachment C

To: Rachel Rampa <RRampa@pgh2o.com>

Subject: Re: Legal advertising of PWSA's Notice of Proposed Rate Increase

Rachel

Will do; the notice is scheduled for Jul 20 as a 3 column by 9 inch display ad; total \$396.90; when the production dept finishes, I will forward the proof to you for your review/approval; I believe we/you need a po number

Thank you

Pam

On Tue, Jul 17, 2018 at 8:37 AM, Rachel Rampa <RRampa@pgh2o.com> wrote:

Hi Pam – We are fine with it running on Friday, so go ahead and have them build the ad. The price is ok with us, if it is more, just let me know. Thanks!



Rachel Rampa

Tel: 412.255.4754

Cell: 412.728.4787

rrampa@pgh2o.com

Pittsburgh Water and Sewer Authority

1200 Penn Ave, Pittsburgh PA 15222

www.pgh2o.com / twitter: @pgh2o

From: preed@post-gazette.com <preed@post-gazette.com> **On Behalf Of** Legal Advertising

Sent: Monday, July 16, 2018 4:10 PM

To: Rachel Rampa <RRampa@pgh2o.com>

Subject: Re: Legal advertising of PWSA's Notice of Proposed Rate Increase

Rachel

This will be a 3 column by 9 inch display ad at a total cost to run 1 time would be \$396.90; our production dept would have to build it; I'm only guessing at the size because I'm not an ad builder; it could be larger, thus a price increase; it could run this Friday Jul 20

Please advise if you want us to go ahead and build the ad; or wait until you know when you actually want it to run and then we could build the ad;; I just gave you the size and the cost; let me know

Thank you

Pam

On Mon, Jul 16, 2018 at 2:47 PM, Rachel Rampa <RRampa@pgh2o.com> wrote:

My name is Rachel Rampa with PWSA. I am looking for more info on how to advertise the attached legal Notice of Proposed Rate Changes in your paper. This is similar to what the other utilities like Duquesne Light and People's Gas may also do each year. The document needs to be posted in it's entirety, and it's about 2 pages, so I would like to speak with someone who can assist me with the best format for this, as well as pricing. We would like to get this posted as soon as possible.

Thank you,

Rachel



Rachel Rampa

Tel: 412.255.4754

Cell: 412.728.4787

rrampa@pgh2o.com