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February 1, 2019

Via Hand Delivery

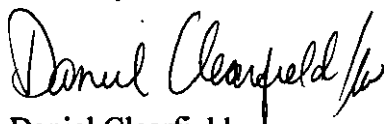
Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

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

Dear Secretary Chiavetta:

Enclosed for filing please find Pittsburgh Water and Sewer Authority's ("PWSA") Compliance
Plan Supplement with regard to the above-referenced matters. Copies to be served in accordance
with the attached Certificate of Service

Sincerely,



Daniel Clearfield
DC/lww
Enclosure

cc: Hon. Mark A. Hoyer w/enc.
Hon. Conrad A. Johnson w/enc.
Paul Diskin w/enc. (via email only)
Shaun Sparks w/enc. (via email only)
Certificate of Service w/enc.

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Pennsylvania Public Utility Commission
COMPLIANCE PLAN
SUPPLEMENT

Pittsburgh Water & Sewer Authority

February 1, 2019

Docket Nos. M-2018-2640802 (water); M-2018-2640803 (wastewater)

Introduction

On November 29, 2018, the Pittsburgh Water and Sewer Authority (“PWSA” or the “Authority”), the Bureau of Investigation and Enforcement (I&E), the Office of the Consumer Advocate (OCA), the Office of Small Business Advocate (OSBA), and Pittsburgh UNITED (UNITED) submitted a Petition for Settlement (Settlement) to resolve all issues in PWSA’s rate proceedings (R-2018-3002645 (water) and R-2018-3002647 (wastewater)), and to request approval for the Settlement and permission to file the tariff supplement by the Pennsylvania Public Utility Commission (Commission or PUC). The Settlement was recommended for approval by the presiding Administrative Law Judges on January 25, 2019 and is pending before the PUC.

The Settlement’s Terms and Conditions included commitments from PWSA to update its Compliance Plan Filing¹ and Long-Term Infrastructure Improvement Plan (LTIIP) Filing,² which were originally submitted September 28, 2018; provide quarterly progress reports and updates to the Parties on various topics; and take specific actions or provide additional information in the areas of infrastructure, operations, customer service, billing, and contractual arrangements.

This document affirms PWSA’s commitment to these Terms and Conditions and provides the required supplemental information to PWSA’s Compliance and LTIIP Filing.

¹ PUC Docket Nos. M-2018-2640802 (water); M-2018-2640803 (wastewater),
² PUC Docket Nos. P-2018-3005037 (water); P-2018-3005039 (wastewater).

Quarterly Reporting Requirements

Starting after the Settlement is approved, PWSA will provide quarterly reports to the Parties until the next base rate case is filed. These reports will include quarterly and cumulative year-to-date data, including the following:

1. PWSA will track and categorize monthly expenses and provide this information in the same format as shown in Filing Requirement III.1;
2. Updated Answers to OCA-XIV-10 and to OCA Informal Data Request 9/5/18, Attachment A, regarding Filled Vacancies;
3. Data on lead service line replacements, including number of replacements completed and location of replacements by providing a copy of the report that PWSA submits to PA DEP per the November 17, 2017 Consent Order and Agreement;
4. Actual debt service and new debt in the format of the Future Debt tab in PWSA's Rate Case Model;
5. Quarterly reports will be provided to the parties within 30 days of the end of each quarter; and,
6. To the extent that PWSA's 2019 actual revenues net of expenses produce a surplus greater than its FPFTY projections, PWSA agrees to use the excess in its discretion, to: i) add to its year end "days cash on hand"; ii) pay down its operating or construction line of credit; and/or iii) repay an item in PWSA's borrowing portfolio. PWSA agrees that it will provide a report to the Parties detailing the amount of the excess, the use of the funds, and the rationale for the use of the funds no later than April 1, 2020.

Infrastructure/Operations/Lead

Replacing Lead Service Lines

1. PWSA will receive approximately \$49 million (in grants and a loan) from PENNVEST to replace lead service lines in 2019 and into 2020. PWSA filed an Abbreviated Securities Certificate, on January 16, 2019, related to the loan from PENNVEST.³ Closing with PENNVEST is scheduled for March 2019.

With these funds, PWSA expects to replace approximately 3,400 public-side lead service lines and 2,800 private-side lead service lines in several neighborhoods, including Morningside, Homewood, Perry, Mt. Washington, Southside, Northside and Greenfield.

With respect to the lead service line replacement and lead remediation program and activities, and in accordance with the Tariff Settlement, PWSA has:

- a. Formed a Community Lead Response Advisory Committee (CLRAC) consisting of interested parties from the Tariff proceeding and representatives from local community groups. A public health expert, to be agreed upon by the parties, is also being invited to participate. PWSA is providing administrative support for the Committee, but its staff is not occupying CLRAC seats. The initial term of the CLRAC will be two years, subject to being extended at PWSA's discretion. The Committee will hold quarterly meetings with PWSA staff and the first meeting was held on January 8, 2019. All meeting minutes will be publicly available on the PWSA website. At the CLRAC quarterly meetings PWSA will provide status updates, including updates on lead service line replacements and lead remediation efforts planned or conducted pursuant to the directives of the Pennsylvania Department of Environmental Protection, PWSA's agreement with PENNVEST, and PWSA's small diameter water main replacement program. PWSA's updates will include at least a description of current lead remediation program costs, plans for neighborhood selection and prioritization for service line removal, and community outreach efforts. The CLRAC will provide consultation and feedback on PWSA's lead service line replacement program and lead remediation efforts in 2019 and 2020. For 2019, these issues include but are not limited to the following:
 - i. At the first CLRAC meeting, PWSA presented a Community Outreach and Communication Plan for the 2019 LSLR Program for CLRAC comment and input. This plan is presently being implemented, as outreach is ongoing, and several suggestions were made by CLRAC members for additional outreach methods. PWSA reported its efforts to track customers' reasons for rejecting service line replacements, as well as: (a) the number of customers who consented, who failed to respond, and who explicitly refused to consent and (b) the reasons

³ PUC Docket No. S-2019-3007162.

provided by non-consenting customers. A database of the non-consenting customers along with their reasons for not participating and the additional PWSA outreach efforts and outcomes was also provided to the CLRAC. PWSA will continue to provide this information to CLRAC on a quarterly basis.

- ii. In early January 2019, PWSA made all historical service line records available for public viewing on its website map. The results of this effort were presented at the first CLRAC meeting. In addition, PWSA will make its best efforts to send a letter notifying the resident and property owner of the results of a curb box inspection conducted at the relevant address within 90 days of the completion of the inspection, but no later than 120 days. The existing notification letter that PWSA uses was shared with CLRAC at the CLRAC's first meeting.
- iii. Within 90 days of the effective date of rates, PWSA will present to the CLRAC an analysis of its per-line costs for replacing lead service lines to facilitate a discussion of the drivers of those costs. The analysis and discussion will include any cost differences between work conducted by outside contractors versus PWSA work crews, an exploration of why trenchless methods are used more frequently for private-side replacements than public-side replacements, and any cost information within PWSA's possession or that it is able to obtain from other utilities who have implemented service line replacement programs. PWSA will consider suggestions for methods of reducing those costs provided by CLRAC. PWSA reported at the first CLRAC meeting that it is working on this analysis and are on track to present findings within the specified deadline.
- iv. Within 90 days of the effective date of rates, PWSA will develop and implement a plan in consultation with CLRAC and the Low Income Assistance Advisory Committee to:
 - a) encourage greater participation in its customer requested lead sampling program. PWSA will continue to provide NSF-certified filters free of charge, prior to service line replacement, to households with water sample results that exceed lead levels of 15 ppb. PWSA is evaluating alternatives and supplemental activities for this outreach and will present a plan within the specified deadline. So long as a customer collects and submits a water sample every six months, PWSA will continue to provide replacement cartridges, free of charge, until tap water samples are below 15 ppb lead concentration at the 90th percentile for two consecutive 6-month periods of tap water monitoring conducted pursuant to the Lead and Copper Rule; and
 - b) to provide NSF-certified filters and replacement cartridges until December 31, 2019, free of charge and prior to service line replacement, to households that qualify for an existing PWSA

customer assistance program at properties where the public- and/or private-side service lines are made of lead or unknown material based on PWSA's historical records or curb-box inspection results. An outreach program to notify customers of their eligibility for a filter will be developed in partnership with the CLRAC and Low Income Assistance Advisory Committee but will include, at a minimum, one letter or bill insert will be sent by PWSA to eligible households. At the first CLRAC meeting PWSA described its efforts to identify the applicable customers and provided a draft letter that will be mailed as part of the outreach effort.

- v. Within 90 days of the effective date of rates, PWSA will develop and implement a plan, in consultation with CLRAC, for prioritizing lead service line replacements where curb box inspections are completed among the portions of the neighborhoods of Morningside, Homewood, Perry, Mt. Washington, Southside, Northside and Greenfield, based on a set of health-protective factors including blood lead levels, water lead levels, water main age, parcel age, census data on race and income (to the extent data is available) curb box inspection results, and data on homes with pregnant women (to the extent data is available) and young children, with the goal of targeting neighborhoods containing higher concentrations of at-risk households. Any lead service line replacement conducted by PWSA outside of the neighborhoods listed above will be prioritized, in consultation with CLRAC and within the constraints set by PENNVEST, based on the same health-protective factors.
- vi. At the first CLRAC meeting, PWSA presented several maps of the work orders, Blood Lead Levels and census tract data, with an objective of focusing the agenda of the second CLRAC meeting (scheduled for February 6, 2019) on this issue. The Allegheny County Health Department agreed to provide updated City of Pittsburgh health data, as well as income data, to facilitate the discussion at the February 6 meeting. PWSA will distribute the data in advance of the next CLRAC meeting.
 - a) Within 90 days of the effective date of rates, PWSA will prepare a study in consultation with CLRAC on the feasibility of including all lead service lines, including private-side-only lead service lines, in PWSA's 2019 lead service line replacement program and 2020 - 2026 small diameter water main replacement program. PWSA reported to the first CLRAC meeting that they are working on this analysis and will present it within the specified timeframe.
 - b. To minimize the number of partial lead service line replacements, PWSA will maintain through 2019 its current outreach procedures for obtaining customer consent (which include at least one mailing, follow-up telephone calls from the

Lead Help Desk, and an in person visit from a Field Liaison), and its current post-partial lead service line replacement sampling and filter-provision measures. PWSA will consult with the CLRAC regarding adoption of additional or modified outreach and post-replacement procedures for 2019. In 2019, PWSA will conduct partial replacements of lead service lines only under the following circumstances:

- i. In emergency circumstances (e.g. when repairing service line or water main leaks, when damage to other infrastructure (such as a sewer pipe) requires a service line to be replaced, when PWSA needs to turn off the water and the curb stop is broken (requiring replacement of the line to install a valve)). At the first CLRAC meeting, PWSA described its efforts to engage a contractor to be available to immediately (upon customer acceptance) replace the private side line, if the emergency replacement would otherwise result in a partial replacement. This would greatly reduce the number of partial line replacements conducted as part of this work;
 - ii. Where a property owner who also resides at the property signs a formal agreement stating that they do not consent to a free private-side lead service line replacement and that they understand the risks of a partial replacement;
 - iii. When a water main relay project is being completed and a customer does not consent to a private lead service line replacement or does not respond to PWSA's requests for a response; or,
 - iv. When a water main is being abandoned, the customer's water service must be moved to another water main, and the customer does not consent to a private lead service line replacement or does not respond to PWSA's requests for a response.
- c. PWSA will consult with the CLRAC regarding whether and how to seek authorization from the City of Pittsburgh to compel private-side lead service line replacements when a property owner who does not reside at the property declines a free private-side lead service line replacement. If PWSA cannot resolve this issue with the City by the time PWSA begins conducting lead service line replacements in 2019, for the 2019 program, PWSA will not conduct a non-emergency partial service line replacement at residences where the property owner who does not reside at the property declines a no-cost private-side replacement. This issue was discussed at the CLRAC meeting with follow up anticipated at future meetings.

2019 Lead Service Line Replacement Program

- d. For the 2019 lead service line replacement program:
 - i. PWSA will consult with the CLRAC regarding whether to ask the City of Pittsburgh to establish a process through which partial lead

service line replacements conducted by PWSA are documented in the property record for the relevant address. If such a process is established, property owners will be notified by PWSA that their refusal will become part of the property record when their consent is sought for a no-cost private-side replacement. This issue was discussed at the first CLRAC meeting, with follow up anticipated at future meetings.

- ii. PWSA recorded and made publicly available (at the beginning of January 2019) on its website mapping the locations of all service line replacements conducted by PWSA to date and planned for the work orders. PWSA's web map will be updated at least on a monthly basis by the first of each month.
- iii. PWSA will continue replacing private-side lead service lines (assuming customer consent is provided) at no cost to customers when replacing public-side lead service lines.
- iv. At the first CLRAC meeting, PWSA reported that it was successful in securing an agreement with PENNVEST. This agreement enables PWSA to obtain customer consent for private-side lead service line replacements at any point before PWSA completes lead service line replacements for the work order covering the customer's property. PWSA will continue to provide residents who have had their service lines replaced with water testing kits and NSF-certified filters and six months of replacement cartridges at no cost immediately after replacement.

- 2. Committed to submitting a Section 500 form as part of its Annual Report to the Commission.

Post-2019 Lead Service Line Replacement Program

PWSA, in conjunction with the Community Lead Response Advisory Committee, is in the process of formulating its plans for the lead service line replacement program post-2019. PWSA anticipates that it will formulate its plan for lead service line replacements in 2020 by May 2019.

Consolidation of Compliance Plan and LTIIP

On December 14, 2018, PWSA filed a Petition with the Commission to consolidate its Compliance Plan and LTIIP.⁴ That Petition is pending. (No ruling on the Consolidation has been issued as of the date of this submission).

⁴ <http://www.puc.state.pa.us/pdocs/1598337.pdf>

PWSA has acknowledged that it has the burden of proof in the Compliance Plan proceeding to show that every element of its Compliance Plan, and the policies and procedures described, referenced, or referred to therein, is just and reasonable, is consistent with all applicable laws, regulations, and policies, and is in the public interest. PWSA will not object in the Compliance Plan and/or LTIIP proceeding to the admission of any testimony, documents, or answers to interrogatories exchanged throughout the course of this proceeding.

PWSA's Line Extension Fee Structure

Per the PWSA Procedures Manual for Developers, Chapter 8 - Private Water and Sewer Construction, PWSA requires developers/owners to pay the full cost of line extensions and sign an agreement with the Authority prior to construction outlining performance and construction requirements. The agreement requires that the developer obtain a Performance Bond or an approved Certified Letter of Credit. The developer/owner must furnish the PWSA with a Performance Bond or an approved Certified Letter of Credit each in the amount equal to 100 percent of the total project construction cost as determined by the PWSA. The developer/owner shall also furnish PWSA with a Maintenance Bond for the warranty of all construction for a period of 18 months from the date of the PWSA Board acceptance of the completed work.

The developer must prepare and submit a construction cost estimate to PWSA for review. PWSA reserves the right to adjust the cost estimate as it deems necessary. The construction cost estimate is used by PWSA to determine the value of the bonds. The construction cost estimate and agreement include fees to be paid by the developer/owner to PWSA for review and processing of the construction drawings, shop drawing review, and construction inspection(s). The fees are based on the actual time (and costs) incurred by PWSA and its representatives/agents to review and inspect the project. PWSA requires that fees are deposited in an escrow account or as directed by PWSA. The Escrow amounts must be at a minimum of ten (10) percent of the Performance Bond/Letter of Credit and must be made payable to PWSA. Escrow amount values are drawn down as PWSA inspection and engineering costs are invoiced. If escrow account is exhausted, all work will stop until an additional agreed amount is deposited in said account. If monies are left over, these funds will be refunded back to the developer.

Where a property owner or developer constructs or causes to be constructed at the property owner or developer's expense any private extension of the water or sewer system(s) to be dedicated to and accepted for public use by the PWSA, upon request the PWSA shall provide for partial reimbursement to the property owner or developer if, within 10 years of the public infrastructure dedication, the owner of another property not in the development for which the extension was constructed connects a water service line or sewer lateral directly to the dedicated extension(s). Reimbursement shall be calculated and made as provided in 53 Pa. C.S. § 5607(d) (31).

Future plans regarding the Highland No. 1 Reservoir and the Highland Membrane Filtration Plant ("HMFP")

PWSA has conceptually agreed with the PADEP to assess the performance, location and condition of the Highland No. 1 Reservoir. The Highland No. 1 Reservoir's utility is hampered by the City's and public's demand that the existing Highland No. 1 Reservoir remain uncovered, as a park amenity. PWSA's upcoming Water System Master Plan (completion expected by December, 2019) will assess the current reservoir conditions and performance versus the future distribution system needs to address PUC compliance requirements. The Water System Master Plan will evaluate options to the existing open reservoir and Microfiltration Plant operations, including design and construction of new covered Water Storage Tanks to replace the existing Highland Reservoir No. 1 water storage system.

PWSA shared the following cost breakdowns with all settlement parties on January 23, 2019, and will continue to share these cost breakdowns on a quarterly basis⁵; and 2) upon completion of repairs of the HMFP:

- ☐ Actual and projected operating and capital costs to date incurred and estimated to be incurred as a result of the October 25, 2017 Department of Environmental Protection Administrative Order with regard to the HMFP; and
- ☐ Actual and projected operating and capital costs on a calendar year basis incurred and estimated to be incurred to operate the HMFP.

PWSA will provide with its next base rate filing a cost/benefit analysis comparing continuing to operate the HMFP instead of covering and placing a physical barrier around Highland No. 1 Reservoir. This analysis shall include a detailed cost comparison of operating and capital costs, an evaluation of operating costs and other consequences if the HMFP is no longer operated, as well as any other relevant legal, technical and policy analyses. PWSA's agreement to provide this information shall not be construed as PWSA's endorsement of a cost comparison analysis, and all Parties have agreed that a cost/benefit analysis will evaluate all relevant legal, technical and policy considerations, as well as a cost comparison.

Public Fire Protection Service

The PWSA water system includes approximately 7,475 public fire hydrants. In addition to replacing, repairing, and maintaining hydrants, the Authority maintains annual on-call contracts with external contractors for replacement of broken or inoperable hydrants. In addition, PWSA and its contractors replace hydrants through water main replacement/renewal projects. Hydrants that are found to be inoperable during routine maintenance and flushing activities, or that are reported through the local fire departments, are assigned to be replaced

⁵ PWSA plans to provide the next update on the cost breakdowns by April 30, 2019.

through the annual contracts. For both the 2019 and 2020 contracts, the Authority has committed to replacing one hundred hydrants per year, which is approximately 1% of the total.

Discussion and calculations relating to the cost of public fire protection services are covered in the Contracting section of this Supplement.

Measuring and Remediating PWSA's Unaccounted for/Non-Revenue Water

PWSA's plan includes ensuring that there is an operational measuring device(s) at each of its intakes on the Allegheny River. PWSA has one source of supply: the Allegheny River. PWSA has an East Intake and a West Intake on the Allegheny River. PWSA does not use ground or well water. The plan calls for the installation of a measuring devices at the raw water intake (the Ross (Raw Water) Intake).

PWSA also plans to add master metering facilities at two main pump stations serving the City (the Aspinwall Pump Station and Bruecken Pump Station) as part of the orthophosphate corrosion mitigation program. These master meter facilities will allow PWSA to meter water leaving the Aspinwall Water Treatment Plant and entering the transmission and distribution system. The Compliance Plan indicated that these meters should be operational by the end of 2018. They were not. They should be operational by March 2019.

PWSA has authorized a Water Distribution System Master Plan (Master Plan), which will address master metering and non-revenue water, and will include an AWWA water audit using available data. The Master Plan will also recommend locations for implementation of a district metering program. District metering is scheduled to be implemented in 2020.

PWSA's Operations Department is developing a leak detection program and restructuring its staff to add more personnel for leak detection. This effort should be completed in April 2019.

Records of Estimated Flows for Street Sweeping, Blow-offs, Main Breaks, etc.

PWSA has historically not metered, and has only made high-level estimates of, water taken by Pittsburgh's Department of Public Works (DPW) for street sweeping, water used for blow-offs, main breaks, etc. PWSA will provide water meters for each DPW division and have them installed on hydrants to record water use for street sweeping. PWSA will also record water used for flushing after main breaks by having crews record the time flushed and flow gauges to record water used. This effort is expected to be implemented by October 2019.

Conducting Leak Surveys

PWSA's Operations Group is restructuring to support delivery of formal valve operation, flushing, and leak detection programs. It is anticipated that this restructuring effort will be completed and the programs operational by April 2019.

Compliance with 52 Pa. Code Chapter 65

- Aside from matters already addressed in PWSA's Compliance Plan, PWSA is in the process of developing new policies and procedures to: (1) address high pressure; (2) exercise all isolation valves; and (3) schedule flushing of the system.

Metering

Please reference the discussion in PWSA's Compliance Plan on metering. PWSA is in the process of developing internal policies and procedures to specifically address:

- "Party Line" service.
- Metering and billing of all City water/wastewater locations including, but not limited to:
 - (i) public fire hydrants; (ii) wastewater; and (iii) water.
- Plan to track age of customer meters and to test and/or replace meters over 20 years old.

PWSA's unmetered program for flat rate properties addresses "Party Line" service.

PWSA's Operations Department is in the process of installing a new meter test station for testing 5/8" to 2" meters. PWSA is also in the process of advertising for a private contractor to test meters that are 3" and above on site or at their facility. PWSA has begun to identify, inspect, and schedule 1 1/2" meters for changeouts.

As of May 17, 2018, PWSA began recording meter installation dates in its billing system. This data is tied to the location number, which represents the premise. All meter installations since that date have included this additional descriptor.

Development of Operating Metrics for Infrastructure Improvement Projects

This question is addressed by PWSA's plan to adopt and track the 20 Operating Metrics identified in I&E St. No. 4, p. 5 (below).

Cost Effectiveness of Dollars Spent for Infrastructure Improvement

The plan developed to track cost effectiveness will also include a plan for cost reporting relative to projections so that parties and the Commission can evaluate the accuracy of those projections in future filings.

The ongoing program development includes full assessment of all capital projects performance, including review of consultants, contractors and costs.

Risk Assessment Model for Identifying Priority of Water and Sewer Projects

PWSA has a system in place to identify and prioritize projects, but it is currently used only for water mains, as opposed to for hydrants, valves, etc. Future prioritization models will be developed once PWSA's Geographic Information Systems (GIS) is updated and a Computerized Maintenance Management System (CMMS) is developed. Expanding the risk assessment model to include a greater variety of projects will be included as part of PWSA's upcoming Master Planning effort.

A Plan to Adopt and Track the 20 Operating Metrics Identified in I&E St. No. 4, p. 5:

It is PWSA's intent to track and monitor the 20 operating metrics outlined in I&E St. No. 4, p.5. PWSA already tracks many of these parameters. The primary repository of this information is PWSA's GIS. While the current GIS contains a significant amount of information, the historical data of the water and sewer systems has not been fully migrated from paper records to the electronic database. PWSA's GIS Group includes 5 full-time analysts and manager and is supported by others in the organization. Given the limited in-house resources, there are plans in place to scan the historical records in high resolution color format for use in updating the GIS. The existing scans are low resolution black and white format and are very difficult to read. The historical records include Calc Books, Record Books, As-builts, Tapping Plans, and others, encompassing tens of thousands of data records.

Once the historical records are scanned into high resolution color format, the GIS will be updated with historical record information. The level of effort to update the GIS is extensive and as such PWSA intends to engage an experienced water and wastewater utility GIS data conversion vendor or consultant to assist PWSA with undertaking this task.

As noted, the scale of the project will involve processing tens of thousands of individual records. A detailed data conversion specification will be developed that details the means and methods to be used for data capture and a QA/QC plan will ensure the final deliverable meets PWSA's goals and objectives of a functioning GIS database of historical records.

The Authority has begun utilizing ESRI's ArcGIS Online (AGOL) to make GIS data available in the field as well as outside the organization (e.g. the lead maps referenced previously). PWSA is also looking to expand the use of SpryPoint Mobile Work (or a similar system), which is being utilized by Operations staff for meter change outs and expanded for other activities within the organization.

PWSA is forming a GIS committee, encompassing staff from Engineering, Operations, Administration, and Management to obtain input on how best to capture, monitor, track and manage the various forms of data to more effectively manage and operate the water and sewer utilities.

Line Extensions, Meters, and the Municipal Authorities Act

PWSA agreed to conduct an evaluation of whether the Pennsylvania Public Utility Code and the Commission's regulations preempt the Municipality Authorities Act as it relates to costs of line extensions and meters as discussed in PWSA St. 4, pp. 14-15, and as it relates to any other identified areas of conflict. This evaluation was conducted and PWSA concluded that it is necessary for PWSA to follow the statutory standards in the Municipality Authorities Act, 53 Pa.C.S. §§ 5601-5623 ("MAA") in lieu of the standards in the Commission's regulations (52 Pa. Code §§ 65.21, 65.22), which were promulgated under the Public Utility Code.

Municipal authorities have only those powers which have been conferred by the MAA.⁶ The MAA contains provisions related to main extensions, customer advance funding, and refunds. See 53 Pa.C.S. §§ 5607(a), (d), (d)(21)-(24), and (d)(30)-(31). Those provisions are exclusive. Pursuant to the MAA, "No authority shall have the power to impose a connection fee, customer facilities fee, tapping fee or similar fee except as provided specifically under [53 Pa.C.S. § 5607(d)]." 53 Pa.C.S. § 5607(d)(24)(iii).

The Commission regulations are not consistent with those statutory provisions. The calculations in the regulations (which are based on a comparison of annual revenue from the line extension with the utility's annual line extension costs) are not the same as the complex calculations required by the MAA (which are based on actual cost of facilities).

In addition, municipal authorities may levy and enforce special assessments against properties served. 53 Pa.C.S. §§ 5607(d)(21)-(22). An authority may assess property owners for all or part of the costs of constructing sewer and water lines from which those specific property owners would benefit. In calculating assessments, the authority may use either the benefits method or the front-foot rule or both simultaneously on the same project.⁷ The municipal authority may not recover more than the net project costs, after deducting any state or federal assistance, through the assessment process.⁸ These assessments can be an addition to a tapping fee. See 53 Pa.C.S. § 5607(d)(24).

Customer Service/Billing

Chapter 56 of Title 52, Pennsylvania Code was created to establish and enforce "uniform, fair, and equitable residential public utility service standards." Specifically, Chapter 56 deals with eligibility criteria; credit and deposit practices; and account billing, termination, and customer complaint procedures, thereby ensuring adequate provision of service, restricting

⁶ *Naylor v. Township of Hellam*, 773 A.2d 770, 773-774 (Pa. 2001) (An authority formed under the Municipality Authorities Act has no inherent powers and may do only those things that the legislature has expressly or by necessary implication placed within its power to do.).

⁷ *Whitemarsh Twp. Auth. v. Elwert*, 196 A.2d 843 (Pa. 1964) (township authority could use both the front-foot method and the benefit method in its assessment of the sewer construction costs).

⁸ *Bern Twp. Auth. v. Hartman*, 451 A.2d 567 (Pa.Cmwlth. 1982) (authority was not permitted by statute to recover more than the project's construction costs).

unreasonable termination of or refusal to provide that service, and eliminating opportunities for customers capable of paying for service to avoid doing so.

Customer Service Issues

1. Any agreements regarding the policies and procedures referenced in the Settlement are without waiver of PWSA's view that its current policies are already compliant with all applicable regulatory and legal requirements or of the right of parties to challenge PWSA's policies, practices, and procedures in the Compliance Plan proceeding or other future proceedings.
2. PWSA has continued its practice of tracking informal complaint information. PWSA will conduct a regular review of this information to determine complaint trends and whether there is a need to implement additional or new internal training policies, as described in OCA St. 3, pp. 9-10. PWSA will work with the parties to determine an appropriate informal complaint tracking information review process. PWSA also agrees to track whether customer complaints are related to water, sewer, or stormwater.

PWSA is consistently tracking Informal Complaint information, including the recent addition of a breakdown as to which service complaints are related. Our PUC Compliance Manager, Brittany Schacht regularly identifies trends and works with other Customer Service management to alter processes and procedures where necessary and communicates any changes to the staff at large via email and training sessions.

3. PWSA is in the process of modifying its bills to provide more detailed information on rates and approved tariff charges. PWSA will provide interested parties and the Commission's Bureau of Consumer Services with a draft of the changes for feedback and recommendations. Parties are free to offer suggestions for improvements to the draft language. If requested by any party after review of the draft bill changes, PWSA will host a collaborative meeting with the parties to discuss its bill modification plans prior to rolling out its modified bills. Sufficient time will be allotted to allow PWSA to consider and assess recommendations and implement agreed-to changes. PWSA's revised bills will contain at least the following elements:
 - a. Eliminate the requirement that a customer must dispute charges in writing.
 - b. Identify, explain, and itemize the actual rates charged for each component of the bill.
 - c. Identify and itemize the monthly installment amount for any existing payment arrangements.

- d. Include the installment amount for any existing payment arrangements in the total due / asked to pay amount.
- e. Direct customers to PWSA's webpage which specifically sets forth fees associated with various bill payment options.

PWSA began working on its bill redesign in October 2018, and is currently awaiting test results from its print and mail vendor, Level One, LLC. Next steps are to provide copies of sample bills to the Bureau of Consumer Services and to other interested parties in the rate case (as per the Settlement) for review and feedback.

- 4. PWSA will continue its practice of issuing written confirmation of payment arrangement terms. PWSA added this practice to its customer service training materials in November 2018.
- 5. PWSA has revised its 3-day and 48-hour termination notices to clarify that all residential customers have the right to negotiate a payment plan to avoid termination of service. This was accomplished by moving the language on the availability of the payment plans from the "Medical Emergency Notice" section into the general section of the notices.
- 6. PWSA will inform customers of the payment arrangement terms, based on the consumer's ability to pay upon contact with the customer. PWSA will offer payment arrangements as permitted by Chapter 14. PWSA acknowledges that Chapter 14 does not apply to victims of domestic violence with a Protection From Abuse Order (PFA) or other court order containing clear evidence of domestic violence and will offer these customers payment arrangement terms based on their individual circumstances, regardless of any existing or future internal policy about payment agreement length. Payment arrangements for victims of domestic violence with a PFA or other court order containing clear evidence of domestic violence may exceed the standard term lengths based on the consumers' individual facts and circumstances. PWSA added payment arrangements and PFA's to its training materials in November 2018.
- 7. PWSA updated its Medical Certificates Training in November 2018, and has reformed its internal medical certificate policies to provide the following:
 - a. All PWSA employees have continued to be trained to temporarily stop termination of service if they are informed that a member of the household is seriously ill or requires service to treat a medical condition, and that the household is seeking to obtain a medical certificate.
 - b. PWSA will not terminate service for non-payment when presented with an approved initial medical certificate as defined by 66 Pa. C.S. § 1403.

- c. Additional medical certificates will be accepted to prevent termination of service so long as a customer pays their current bills for service, not including any underlying arrearages. PWSA will not limit the number of times a customer can renew a medical certificate if the customer keeps up with their current bills while protected by a medical certificate but will actively work with the customer to establish an equitable payment arrangement to otherwise address the underlying arrears and resolve the termination.
 - d. If a customer with a medical certificate fails to pay their current bills while protected by a medical certificate, only two additional renewals will be accepted to stop termination.
 - e. Once an outstanding balance is paid, PWSA will accept a new medical certificate to prevent a subsequent termination of service based on a new balance, subject to the same renewal requirements outlined in subparts (b) through (c).
 - f. PWSA will inform consumers of the payment obligations for medical certificate renewals at the time a medical certificate is submitted.
- 8. PWSA has reformed its internal policies governing complaint procedures to clarify that its dispute process is available to current customers, applicants for service, and tenants and/or occupants not listed on the current bill. When providing information to consumers about the Commission's complaint process, PWSA has begun to train its customer service representatives to not evaluate or express a subjective view about the efficacy of an individual's Inquiry/Dispute/Informal/Formal Complaint or an opinion about whether or not he or she may have an actionable claim against PWSA. The Dispute Process training materials were updated in December 2018.
- 9. When a tenant exercises their right to continued service pursuant to DSLPA, PWSA will accept as proof of identification any document issued by a public agency or public utility which contains the name and address of the tenant. PWSA updated its Tenants' Rights and DSLPA training materials in November 2018.
- 10. PWSA has created a new draft form for owners desiring to voluntarily discontinue service to a residential property occupied by a tenant. The new form complies with the requirements of DSLPA, including the requirement that the property owner submit a notarized document swearing under penalty of perjury that the unit is unoccupied, consistent with the requirements of DSLPA.

PWSA provided a draft of this form to the Bureau of Consumer Services (BCS) for review on December 31, 2018. BCS staff responded that they believe that

most of the information included on the form that is not required by the statute does not need to be included on the form. BCS further responded that they will provide revisions of the draft form to PWSA by the end of January 2019.

11. PWSA commits to making the changes identified in Paragraphs III.1.1 through III.10 of the Settlement consistent with the timeframes established by the final order in this proceeding and to provide a copy of the changes to the Low Income Advisory Committee to be established pursuant to Paragraph III.3 of the Settlement, and PWSA is currently on track to do so.

Tariff Issues

1. PWSA has revised Part III, Section C, subpart (3)(j)(v) of its water and wastewater tariff to clarify that provision of 72-hour notice of termination by electronic mail will only occur if the customer's express written consent to accept service in this matter has been received by PWSA. If electronic notice of termination is returned as undeliverable, PWSA will provide alternative 72-hour notice consistent with subpart (3)(J)(v) of its approved water and/or wastewater tariff. PWSA has revised this provision of its water and wastewater tariffs and submitted it to the Commission on November 29, 2018. PWSA will make further revisions, if necessary, to be consistent with any requirements established by the Commission in its Chapter 56 rulemaking.
2. PWSA has revised its tariff regarding medical certificates to clarify that it will accept medical certificates from physician assistants. This revision was filed with the Commission on November 29, 2018.
3. PWSA has relocated the collections expenses and fees described in Part I, Section G from its proposed water and wastewater tariffs and list them in PWSA's Supplemental Service Conditions. This revision was filed with the Commission on November 29, 2018.
4. On the basis of PWSA coming under the jurisdiction of the Pennsylvania Public Utility Code and the Commission's regulations PWSA agrees to suspend the use of Jordan Tax Service upon the effective date of the Commission's final order approving the Settlement. Once the Commission issues a Final Order in PWSA's initial rate case proceeding, PWSA will cease to send unpaid water/wastewater charges to JTS for collection.
5. PWSA will not require a tenant who applies for service to assume liability for debt previously accrued at the property for which the tenant was not residing and/or for which the tenant was not on the mortgage, deed, or lease as a condition to establishing service. PWSA does not knowingly allow tenants to assume debts that they themselves did not incur.

6. PWSA has revised its training materials and, to the extent necessary, its water and wastewater tariff to be clear that it does not require low income customers who are eligible for PWSA's Bill Discount Program to submit a security deposit. PWSA does not accept security deposits from any customers.

Low-Income Customer Issues

1. PWSA will immediately begin additional data collection, including:
 - a. The amount of billed revenue;
 - b. The amount of receipts actually collected;
 - c. The number of accounts in arrears;
 - d. The dollars of arrears;
 - e. The number of accounts disconnected for nonpayment;
 - f. The number of accounts receiving a notice of disconnection for nonpayment;
 - g. The number of bill discount participants who entered the bill discount program with unpaid account balances;
 - h. The dollars of unpaid account balances for bill discount program participants at the time those participants entered the bill discount program;
 - i. The number of bill discount participants by agreed-upon poverty ranges;
 - j. Average usage (along with average bills, including ALCOSAN charges in wastewater bills);
 - k. The number of PWSA customers receiving a PWSA hardship grant and the average amount of the grant; and
 - l. The average arrearage of PWSA customers receiving a PWSA hardship grant.

Further, PWSA agrees to consult with the Dollar Energy Fund regarding the availability of data on the income of BDP participants. PWSA already has a means in place and is reporting a., b., c., d., e., f., i., j., and k. monthly to the Board of Directors. Our Business Intelligence Analyst is drafting queries to provide the additional requested data.

2. PWSA agrees to fund the BDP using revenues collected from the approved rates in this proceeding. The approved increase in operating revenues reflects an additional amount of funding allocated to customer assistance programs and accounts for forgone revenues from BDP participants.
3. PWSA agrees to form a Low Income Assistance Advisory Committee ("Advisory Committee"), consisting of interested parties from this proceeding, the PUC Bureau of Consumer Services, Dollar Energy Fund, and local community and social service groups, subject to the understanding that each interested party may have no more than two representatives participating on the Advisory Committee. The initial term of the Advisory Committee will be two years, subject to being

extended at PWSA's discretion. The Advisory Committee will hold quarterly meetings, with the first meeting to be held within 90 days of the effective date of rates in this proceeding, to review program metrics and provide input and feedback on program terms and conditions and outreach documents. PWSA will have full discretion as to whether to accept feedback from the Advisory Committee, and, as required, submit proposals to the Commission for approval. Issues that will be addressed by the Advisory Committee include, but are not limited to:

- a. *improving outreach and messaging for programs;*
 - b. *launching a social media campaign;*
 - c. *assessing the feasibility and associated costs and benefits to transition the bill assistance program to a percentage of income program or a tiered discount program based on income levels; with a comprehensive arrearage forgiveness component to address arrears at the time of enrollment;*
 - d. *assessing applicable data;*
 - e. *developing efforts to fund the Hardship Cash Assistance Program on an ongoing basis;*
 - f. *exploring issues related to the structure of the Hardship Cash Assistance Program, including the income threshold, payment requirement, exceptions to the payment requirement, social security number requirement and inclusion of child support as income; and*
 - g. *reviewing changes to PWSA customer service policies and procedures identified in Paragraphs III.1.1 through III.10 of the Settlement.*
 - h. *funding bill assistance program with separate bill assistance budgets estimated for water and wastewater populations.*
4. PWSA will revise its Bill Discount Program rate to provide for a 75% discount on the minimum water and/or wastewater charge for customers with income at or below 150% of the federal poverty level.
- a. As part of PWSA's next base rate proceeding, PWSA will submit a detailed Plan which outlines the program parameters for each of its Low Income assistance programs. The Plan will include the following:
 - i. The eligibility parameters, benefits, budget, and needs assessment for each existing and/or proposed program, including but not limited to the Bill Discount Program (consistent with subsections v-vii below), the Winter Moratorium, the Hardship Fund Program, and the line

- repair and conservation program (consistent with subsection (iv) below);
- ii. Planned outreach activities;
- iii. A proposal for how to address all consensus issues adopted by the Low Income Assistance Advisory Committee;
- iv. A newly proposed line repair and conservation program, which targets PWSA's highest users and is coordinated with PWSA's other assistance programs and similar usage reduction programs operated by other public utilities operating within PWSA's service territory;
- v. Details of the average bill for customers with household income at or below 50% FPL; between 51-100% FPL; and between 101-150% FPL, separated into water and wastewater average bills, to the extent that such data is made available to PWSA by the Dollar Energy Fund.
- vi. A proposal as to whether to make revisions to the Bill Discount Program which are aligned with the newly designed rate structures, separated into water and wastewater programs, and further providing for enhanced Bill Discount Program benefits for customers at or below 50% of the federal poverty level.

Once the Commission issues a Final Order in PWSA's initial rate case proceeding, PWSA will revise the Bill Discount rate to 75%, rather than 50%, of the minimum water and wastewater conveyance rates. Additionally, PWSA will begin to draft a detailed low-income assistance program plan through the creation of a Low-Income Assistance Advisory Committee.

5. Through Dollar Energy Fund ("DEF") and the Community-Based Organizations ("CBOs"), PWSA will continue to request that applicants for its Hardship Cash Assistance programs produce proof of the ratepayer's Social Security Number ("SSN") as a condition of application to the program. However, if the applicant is unable or unwilling to produce such proof, DEF and the CBOs will follow their current practice of checking the "no SSN" box and processing the application without requiring an SSN. Further revisions to PWSA's SSN policy will be addressed consistent with Paragraph III.3.f of the Settlement. No additional action is necessary on the part of PWSA, DEF, or their CBO's. This is in place.
6. Relating to program outreach efforts, PWSA agrees to continue its current outreach efforts, including but not limited to: (i) screening for eligibility during all credit-related calls; (ii) utilizing a referral or warm transfer process to Dollar Energy Fund; (iii) coordinating with other utilities that participate in the Western Pennsylvania Utility Group; and (iv) supporting Dollar Energy Fund's efforts to

actively recruit customers with existing debt to enroll in the bill assistance program or apply for a grant. PWSA will continue these outreach activities unless it determines to modify or terminate them, subject to Commission approval, as required. No additional action is necessary on the part of PWSA. This is in place.

Consolidation of the Compliance Plan and LTIP

1. To the extent additional information is available, PWSA is providing supplemental information about its internal policies, procedures, and processes, including at a minimum:
 - a. A description of PWSA's requirements for residential service (discussed below);
 - b. PWSA's collections policies;

See the MS Word document titled "PWSA Collections Life Cycle 2018" provided in Appendix SA to this Supplement.
 - c. Service termination procedures for each type of customer class;

See the MS Word document titled "Termination of Service by Location Class 1-2019" provided in Appendix SB to this Supplement.
 - d. Policies and practices with respect to Protection From Abuse Orders or other court orders;

See the MS PowerPoint Presentation titled "Protection from Abuse Orders" dated November 27, 2018 provided in Appendix SC to this Supplement.
 - e. Call center metrics;

The following metrics will be tracked for the Contact Center in 2019:
 - Abandon % (percentage of calls abandoned)
 - ACD Handling Time (length of time that each Customer Service Representative {CSR} is in queue handling customer calls)
 - Average Speed of Answer (average time it takes a customer's call to be answered by a CSR)
 - CSR Attendance
 - Customer Satisfaction (number of Calls Handled divided by number of Disputes)

- Service Level % (specific factors to be explained by Mitel telephone system vendor)
- f. Data points regarding Low Income Assistance Programs, and a description of the policies and practices governing application, enrollment, eligibility, and benefits for each program

Reference Appendix SD to this Supplement, titled “PWSA CAP Flyer 2018”. This information is subject to change once the Commission issues its Final Order in the pending rate case.

- g. Reduction of uncollectibles. PWSA is in the process of reviewing and analyzing its collection policies to identify ways in which it might reduce uncollectibles. Importantly, PWSA needs to evaluate its collections practices in light of the impending suspension of the collections contract with PWSA’s current collection agent, JTS, which was mandated by the rate Settlement.

Other Issues to be Addressed in the Compliance Plan

1. PWSA agrees that the following customer service issues will be further investigated in the Compliance Filing Proceeding, and agrees to provide an explanation of PWSA’s current policies and practices related thereto either in this Supplement, in its Direct Testimony filed in the Compliance Plan Proceeding, or to provide such information in response to discovery:

- a. Development of Call Center metrics.

The following metrics will be tracked for the Contact Center in 2019:

- Abandon % (percentage of calls abandoned)
- ACD Handling Time (length of time that each Customer Service Representative {CSR} is in queue handling customer calls)
- Average Speed of Answer (average time it takes a customer’s call to be answered by a CSR)
- CSR Attendance
- Customer Satisfaction (number of Calls Handled divided by number of Disputes)
- Service Level % (specific factors to be explained by Mitel telephone system vendor)

- b. Plan for improving Call Center performance.

The following plan was put into place in October 2018. Positive results ensued, as is evidenced by the Customer Service Monthly PWSA Board

Reports for November and December 2018 provided in Appendix SE to this Supplement.

Make Busy Rule – By utilizing the “Make Busy” feature in the Mitel telephone system, Customer Service Representatives (CSRs) must remain in queue at all times unless they are on a break, at lunch, in the bathroom, in training, or in a meeting. Break and Lunch Schedules were redesigned to accommodate peak call volume days and times.

Accolade Recognition – When the Coordinator of the Contact Center receives praise of a CSR from a customer, that accolade is shared with all of the CSRs, boosting morale and encouraging the staff to motivate one another.

Pass the Buck – By initiating an incentive program, the Coordinator has fostered competition to increase the number of customer calls handled by the CSRs. The program works in the following manner: The CSR with the most calls at 10 AM is presented with an oversized, mock \$50.00 bill. Every two hours thereafter, the bill is passed to the CSR with the highest number of calls handled. At the end of each work day, the person with the highest number of customer calls handled is presented with the bill and has their picture taken with the bill. Their picture is then displayed in a public area for recognition. At the end of the month, the CSR who is featured the most receives a prize.

Daily Statistics – In addition to the call handling numbers as described above, call statistics are pulled and reported to the staff daily, so CSRs can see their improvement in the metrics that PWSA is tracking.

Goals/Expectations – The daily goal for each CSR in the Contact Center is to take an average of 60-70 calls per FTE and 30-40 calls per PTE. When the call volume is low, the daily expectation is for each CSR to process an average of 15 pieces of returned mail.

Lastly, the Coordinator overseeing the Contact Center and the Training Coordinator make it their priority to improve the quality of service that PWSA’s customers receive from the CSR’s through daily live and recorded call monitoring with follow-up training and coaching.

- c. PWSA compliance with the Discontinuance of Service to Leased Premises Act (DSLPA), 66 Pa. C.S. § 1521, et seq. and, to the extent to which the Utility Service Tenants Rights Act (USTRA), 68 P.S. § 399.1 et seq. remains applicable to PWSA. PWSA updated its Tenants’ Rights and DSLPA training materials in November 2018. USTRA no longer applies to PWSA since, for PWSA, it has been superseded by DSLPA as a result of Act 65.

- d. PWSA's policies and procedures regarding consumers with a Protection from Abuse Order or other court order with clear evidence of domestic violence, pursuant to 66 Pa. C.S. § 1417. PWSA updated its PFA training materials in November 2018.
 - e. PWSA's policies and procedures regarding initiation of new service or transferring service to new customers, and any associated payment obligations. Potential residential customers can apply to PWSA for water/wastewater conveyance service by listing themselves as "buyer" on an Application for Final Bill, completing a Tenant Addition form or Assumption form, or initiating service with another water provider within the city of Pittsburgh.
 - f. PWSA will provide data regarding payment processing fees assessed by its existing third-party payment processor and will add the requirement to provide this data to PWSA in future RFPs for this service. PWSA already has a means in place to report the requested data.
 - g. PWSA's policies and procedures regarding personal contact with an adult occupant at a residential property immediately prior to termination, pursuant to 52 Pa. Code § 56.94 -95 and 56.112. PWSA is on track to do so.
2. Consistent with Paragraph III.G.1.d of the Settlement, the Compliance Plan proceeding will investigate whether PWSA's third party-collection activities conform with the Public Utility Code and the Commission's regulations applicable to residential customers. PWSA also agrees to address the cost effective manner of collecting overdue payments as part of the Compliance Plan. Once the Commission issues a Final Order in PWSA's initial rate case proceeding, PWSA will cease to send unpaid water/wastewater charges to Jordan Tax Service (JTS) for collection. PWSA will also address the cost effective manner of collecting overdue payments as part of its extrication from the agreement with JTS.
 3. PWSA agrees that the following low-income customer issues shall be investigated in the Compliance Filing Proceeding:
 - a. Revisions to PWSA's existing universal service programs, including its Bill Discount Program ("BDP") and Hardship Cash Assistance Program. Once the Commission issues a Final Order in PWSA's initial rate case proceeding, PWSA will revise the Bill Discount rate to 75%, rather than 50%, of the minimum water and wastewater conveyance rates. Additionally, PWSA will begin to draft a detailed low income assistance program plan through the creation of a Low Income Assistance Advisory Committee.
 4. PWSA also agrees to consider future data collection and reporting requirements per OCA St. 4 at p. 23-24, during the Compliance Plan Proceeding. PWSA

already has a means in place to report some of the requested data monthly to the Board of Directors. Our Business Intelligence Analyst is drafting queries to provide the additional requested data.

Contractual Issues

Section 6 of the PWSA Compliance Plan addressed “Other Compliance Issues,” including PWSA’s relationship with the City of Pittsburgh, specifically relating to the Cooperation Agreement and the Capital Lease Agreement; unbilled or unmetered usage, including City usage; billing arrangements, specifically regarding those with ALCOSAN and Pennsylvania American Water Company; future implementation of a stormwater tariff; the Authority’s plan to address lead levels in the water supply and the replacement of lead service lines; the Authority’s plan to address non-revenue water; the Bureau of Consumer Services Access to the PWSA Customer Service Management Information System; bulk water sales; and bulk wastewater conveyance agreements. In the Joint Petition for Settlement, PWSA agreed to clarify and provide additional information on several of these issues.

PWSA Services Contract with the City of Pittsburgh

As part of its agreement to investigate the issue of PWSA’s Services Contract with the City of Pittsburgh in the Compliance Filing Proceeding, PWSA will:

1. Provide all parties with quarterly updates on the status of any negotiations with the City of Pittsburgh to renegotiate the Cooperation Agreement between them, beginning by April 30, 2019;
2. Continue to renegotiate the Cooperation Agreement with the City of Pittsburgh in good faith;
3. Formally notify the City of Pittsburgh of the record and outcome of this case, that the Cooperation Agreement is being reviewed by the PUC in the Compliance Filing proceeding, and that PWSA’s LTIIP Filing is pending with the Commission.

To do this, PWSA:

- a. Served the City, on November 20, 2018, with a copy of the full record of this proceeding, barring any confidential materials, as of the date of the close of the record;⁹
- b. Served the City, on December 13, 2018, with a copy of PWSA’s Compliance Filing and PWSA’s LTIIP.¹⁰
- c. Served the City, on January 28, 2019, City with a copy of the Recommended Decision issued in PWSA’s rate proceeding;¹¹

⁹ <http://www.puc.state.pa.us/pcdocs/1596169.pdf>

¹⁰ <http://www.puc.state.pa.us/pcdocs/1598253.pdf>

¹¹ <http://www.puc.state.pa.us/pcdocs/1603973.pdf>

- d. Is serving on the City, on February 1, 2019, a copy of this Compliance Plan Supplement.

In addition, PWSA will:

- e. Serve the City with a copy of Final Commission Orders, issued in this matter within 10 days of their issuance and filed a certificate of service with the Commission verifying that such service was made
4. Notify all parties to the Settlement proceeding within 15 calendar days of its execution if the City of Pittsburgh and PWSA reach an agreement for an Amended Cooperation Agreement, and provide each with a copy of the renegotiated Cooperation Agreement;
 5. Recognize that in its next rate case, I&E may recommend the disallowance of any payments to the City of Pittsburgh claimed pursuant to the Cooperation Agreement of any renegotiated Cooperation Agreement for services unless those services are supported by invoices that have complete documentation to show valid details of the charges incurred including date of service, identification of the service provided, and itemization of the costs; and,
 6. Recognize that in PWSA's next base rate case, I&E reserves the right to impute revenues to PWSA for the provision of any free service to the City, including but not limited to free water, free wastewater, an unbilled public fire hydrant charges. This acknowledgement does not waive any Party's right to oppose any such adjustment from a legal, regulatory, or public interest standpoint.

Estimated Services Received from the City of Pittsburgh

As part of the negotiated Settlement, PWSA agreed to provide a breakdown of the estimated services received from the City of Pittsburgh and the associated costs, including the reasonableness of each cost. PWSA and the City of Pittsburgh continue to negotiate on the exact scope of the services provided and their approximate associated costs to each party. PWSA will include details regarding this agreement in its testimony in the Compliance Plan proceeding. The current list of services that each side is claiming will be provided in the direct testimony of PWSA witness Lestitian, to be filed on February 14, 2019.

Public Fire Hydrant Service

Per the negotiated Settlement, PWSA agreed to consider the proposal to assess the City of Pittsburgh a separate rate for public fire hydrant service in the Compliance Filing Proceeding. PWSA further agreed to consider the timeframe for developing a separate rate for public fire hydrant service including, but not limited to, in its next base rate case.

PWSA provides public fire protection to all areas that serve water customers through infrastructure and hydrants throughout the system. This is a community service and is justifiably recovered from the municipality for which the service is provided. PWSA does not currently

charge the City of Pittsburgh for public fire protection, but PWSA intends to determine costs for public fire protection service and include in the revised Cooperation Agreement or in the next water base rate case.

PWSA will apply the methodology consistent with the American Water Works Association's Manual M1, Principles of Water Rates, Fees, and Charges. Specially, Chapter IV.8 Rates for Fire Protection Services details how utilities can address public fire protection that allocates "costs to general water service and fire protection service on a basis proportional to the system design and usage". Direct costs for fire protection will be identified, and through cost functionalization of other PWSA costs, a portion of indirect costs will be allocated to fire protection. When combined, PWSA will determine total fire protection costs. PWSA will then use the number of hydrants in the system and relative equivalency to retail customer connections to determine the cost per hydrant and ultimately the total cost for public fire protection service.

Flat Rate Service for Unmetered/Unbilled Properties

PWSA agreed to consider the proposal for a flat rate for both water and wastewater for all unmetered and unbilled municipal and government properties or buildings served by PWSA, in the Compliance Filing Proceeding, for inclusion in the next base rate case.

PWSA understands that there are several large customers, especially municipal customers, that are unmetered. PWSA fully intends to meter all customers and is actively working to develop a large-meter installation group/contract and timeline to address the approximately 300 properties. While this work is being completed, PWSA will analyze the feasibility of assessing a flat rate to the unmetered customers. This exercise will be completed in conjunction with the preparation of the next base rate filing, and the outcome, including whether implementation is feasible, will be shared in direct testimony and included in the tariff.

To calculate the flat rate, PWSA will consider developing a flat rate based on service line size. PWSA will gather consumption data for metered accounts and their respective service line sizes to determine an average consumption per service line size to be used as the basis for developing the flat rate for unmetered customers. Additionally, PWSA will consider building use in developing the flat rate to mitigate, where possible, the inequities of implementing a flat rate. PWSA will consider other methodologies during the analysis should PWSA unearth data gaps or other issues for the initial approach.

Billing Arrangement with ALCOSAN

As part of its agreement to investigate the issue of PWSA's Billing Arrangement with ALCOSAN, PWSA is committed to evaluating the potential ways to address PWSA's contract with ALCOSAN, including renegotiation of the contract.

In the Settlement, PWSA agreed to investigate the allocation of flows to ALCOSAN and other municipalities to determine the feasibility of measuring stormwater separately from wastewater. The Authority is undergoing extensive evaluation of its current and expected costs of providing stormwater management services throughout the service area. In the past, many

stormwater costs were funded through wastewater utility revenue. Those costs are being identified and differentiated to form the basis for stormwater rate calculation. Stormwater system operation and maintenance costs include regular cleaning, inspection, and repair of pipes and other infrastructure, as well debris removal, mowing, and maintenance of natural channels and drainage features. For many utilities, it also includes costs related to street sweeping, leaf collection, municipal separate storm sewer system (MS4) permit compliance activities, and development services related to proactive stormwater management.

The Authority also anticipates funding needed and planned capital projects, or debt service on financed capital projects, with stormwater utility revenue. The total revenue requirements for fiscal year 2020, when the fee is anticipated to be implemented, are being calculated. Rates will be calculated to address objectives of revenue sufficiency, stability, administrative simplicity, and fairness across customer classes.

PWSA also agreed to propose a plan or method for developing separate cost of service studies for wastewater and stormwater for the development of stormwater rates. There are several rate structures employed by stormwater utilities across the country. The section below provides more detail on both impervious area and other less commonly used rate structure choices, including:

- Impervious area: assesses a fee based on the hard surface area on a land parcel
- Fixed fee per account or a minimum fee per parcel: establishes a base fee which is assessed on all accounts, regardless of parcel characteristics
- Gross area charge: assesses a fee based on the total lot area of a parcel, as opposed to impervious area only
- Credit program: offers a reduction in charges for parcels with measures that reduce the demand on the stormwater system

The Authority plans to use an impervious area-based rate structure with a simplified residential structure.

If the ALCOSAN and PWSA reach an agreement for a new contract, PWSA will notify and provide all parties to the Settlement proceeding with a copy of the renegotiated agreement within 15 calendar days of its execution.

With respect to the present billings, PWSA is also considering creating an additional surcharge that would be applied to the ALCOSAN portion of the bill to reflect the additional costs that PWSA incurs in acting as the billing agent for ALCOSAN. Those principal costs are uncollectibles and billing costs. PWSA believes that this is a reasonable approach to address these costs because: a) ALCOSAN is an independent authority with independent authority to raise its rates; and b) any increase in charges that PWSA would negotiate/attempt to impose on ALCOSAN would simply be reflected in higher charges to PWSA customers for the ALCOSAN pass-through portion of their bills.

City of Pittsburgh Discount for Pennsylvania-American Water Company (PAWC)

As part of the Settlement Agreement, the parties agreed to investigate the City of Pittsburgh discount for PAWC water customers as originated under the terms of the 1973 Agreement between the City of Pittsburgh and Western Pennsylvania Water Company, which was the predecessor to PAWC. The parties further agreed that, in PWSA's next base case, I&E will recommend the termination of the City of Pittsburgh discount for PAWC water customers. If PAWC files a base rate case before PWSA, I&E may elect to address and oppose the City of Pittsburgh discount for PAWC water customers in PAWC's rate case. This does not waive any party's right to oppose any such adjustment or to challenge it from a legal, regulatory, or public interest standpoint.

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Appendix SA

PWSA Collections Life Cycle 2018

PWSA Collections Life Cycle:

1. An invoice is generated. Bill due in 20 days. (1st invoice)
 - a. Bill not paid, friendly reminder on next bill 10 days later. (2nd Invoice)
 - b. Now we are at 30 days from date of delivery of 1st invoice (10 days past due)
2. 20 days later 2nd invoice is now due. We are at 50 days from 1st invoice date of delivery
3. 5 days later (in between 2nd invoice due and before 3rd invoice is generated)
 - a. Step 1 is run. 10-day notices for non-payment
 - b. Now we are at 55 days from date of delivery, 35 days past due of 1st invoice
4. 5 days later next bill is then generated (3rd invoice)
 - a. Now we are at 60 days from date of 1st invoice delivered.
5. 3 days later (8 days from 10-Day Disconnection notice) 72 hour posting/phone call is made
 - a. Step 2 is 8 days after 10-day notice was created
 - b. Now we are at 63 days from date of 1st invoice delivered
6. 2 days later, 65th day from date of 1st invoice delivered, 10-day notification expires
 - a. Grace period built in to allow additional time for payment posting
7. 2-2 ½ day grace period to post payments before step three is ran
 - a. Step 3 is releasing to Field Operations to shut for non-payment
 - b. In total, will interrupt service 48 days past due of the 1st invoice.
 - c. Customer would have received 3 total invoices during this life cycle

Debt over 90 days it is sent to Jordan Tax Service, Inc. for collection.

From December 1st through March 31st an extra step is added to the Collections process for Residential properties:

- After the 72-hour call/posting is made, 3 days later a 48-hour posting is generated.

Calls/postings occur Monday through Friday.

Disconnection of water service occurs Monday through Thursday. We do not shut on Fridays, weekends or the work day before a holiday.

A Customer Assistance Program administered by Dollar Energy Fund assists low income customers:

- Bill Discount
- ALCOSAN's Clean Water Assistance Fund
- Hardship Cash Grant
- Winter Moratorium

Special protections are also available through medicals and PFA's.

Payment arrangements are provided based upon a customer's income and household size.

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Appendix SB

***Termination of Service by
Location Class***

Termination of Service by Location Class

Non-Residential accounts do not qualify for Winter Moratorium protections. The termination procedures for Non-Residential accounts are:

1. First Reminder – 10-day notice via mail
2. Second Reminder – 3-day notice via posting or outbound call
3. Third Reminder – interruption of service/termination

Account: PWSA (rfields)

Save Clear Next ID Redisplay Write Messages Additional File Print Tools Help Open Note

Actions Additional File Tools Help

Account Search Location Description Company Location Class NON-RESIDENTIAL Zone Customer Mailing Address Credit Rating POOR Coll Agency Balance \$0.00 SSN

Past Due \$465.03
Current \$76.93
Unposted \$0.00
Account Balance \$541.96

Last Payment 10/22/2018 \$500.00
Deposits \$0.00

Transactions Consumption Analysis Statements Services Other

Transactions from 1/8/2018 Archived from 0/0/0000 Refresh

Date	Due Date	Outstanding	Document	Amount	Service Type	Meter	Description
1/3/2019	1/23/2019	\$73.49	BILL00013425896	\$73.49			
1/2/2019	1/23/2019	\$3.44	PNLT00003473989	\$3.44			PWSA Interest
12/30/2018			READ00010077688	2	PWSA WTR		Manual Estimate
12/4/2018	12/24/2018	\$58.65	BILL00013206384	\$58.65			
12/3/2018	12/24/2018	\$2.95	PNLT00003443932	\$2.95			PWSA Interest
11/28/2018			READ00009993512	0	PWSA WTR		Automated Esti.
11/4/2018	11/24/2018	\$58.65	BILL00012918358	\$58.65			
11/1/2018	11/24/2018	\$2.46	PNLT00003416393	\$2.46			PWSA Interest
10/28/2018			READ00009836642	0	PWSA WTR		Automated Esti.
10/22/2018			PVMT00005523658	(\$500.00)			Check
10/22/2018			PVMT00005523657	(\$500.00)			Check
10/22/2018			PVMT00005523656	(\$500.00)			Check
10/22/2018			PVMT00005523655	(\$500.00)			Check
10/19/2018			PVMT00005521336	(\$499.98)			Check
10/19/2018			PVMT00005521337	(\$499.97)			Check

Meter Reading Misc Charge Payment Penalty Bill Check

☒ Unposted
☒ Open
☒ History
☒ Void
☒ CSM
☐ Local Government

Water Sewer OTHER Sanitation Non-Specific

Service Order

Landlord accounts with unlisted tenants are protected from termination from December 1st through March 31st. They do not need to qualify as low income through the Dollar Energy Fund. The termination procedures for Landlord accounts are:

1. First Reminder – 37-day notice (mailed certified and first class)
2. Second Reminder – 30-day notice (two attempts must be made)
3. Third Reminder – interruption of service/termination

Account - PWSA (rfields)

Save Clear Next ID Redisplay Write Messages Additional File Print Tools Help Open Note

Actions Additional File Tools Help

Bills
 Cashing
 Credit Memos
 Deposits
 Meter Reading Adjustment
 Meter Readings
 Meter Switch
 Miscellaneous Charges
 New Connection
 Payments
 Reminder Notes
 Service Orders
 Spec Pymt Arrange (SPA)
 Voids
 Account History
 Billing Messages
 Collection Exemption
 Final Bill Adjustment
 Meter Deposit
 Meter Reading Hist. Adjust
 Rebilling
 Service Order Billing
 Write Off

Account Search
 Location
 Description
 Company
 Location Class
 Customer
 Mailing Address
 Credit Rating
 Coll. Agency Balance
 SSN

Past Due \$863.26
 Current \$66.21
 Unposted \$0.00
 Account Balance \$935.47

Last Payment 1/2/2019 \$86.29
 Deposits \$0.00

Transactions from 1/8/2018 Archived from 0/0/0000 Refresh

Date	Due Date	Outstanding	Document	Amount	Service Type	Meter	Description
1/2/2019			PYMT00005753806	(\$86.29)			Check
12/31/2018			READ00010078017	52	PWSA WSTR		Actual
12/26/2018	1/15/2019	\$66.21	BILL00013371876	\$66.21			
11/28/2018			READ00009937902	42	PWSA WSTR		Actual
11/28/2018	12/18/2018	\$86.29	BILL00013125414	\$86.29			
10/29/2018			READ00009821465	56	PWSA WSTR		Actual
10/24/2018	11/13/2018	\$106.37	BILL00012832583	\$106.37			
10/9/2018			PYMT00005491063	(\$13.00)			Check
10/6/2018			PYMT00005432263	(\$96.00)			Check
9/27/2018			READ00009699902	70	PWSA WSTR		Actual
9/23/2018	10/13/2018	\$89.17	BILL00012521163	\$89.17			
8/29/2018			READ00009532727	58	PWSA WSTR		Actual
8/22/2018	9/11/2018	\$96.34	BILL00012382988	\$96.34			
8/15/2018			PYMT00005311360	(\$210.00)			Check
7/22/2018			RFANNING30annh1	63	PWSA WSTR		Actual

Meter Reading
 Misc Charge
 Payment
 Pending
 Bill
 Check

☒ Unposted
☒ Open
☒ History
☒ Void
☒ CSM
☐ Local Government

Water
 Sewer
 OTHER
 Sanitation
 Non Specific

The termination procedures for **Owner Occupied-Tenant Responsible** accounts are:

1. First Reminder – 10-day notice via mail
2. Second Reminder – 3-day posting or call
3. Third Reminder – interruption of service/termination

Alternate and additional procedures to perform from December 1st through March 31st:

1. Third Reminder – 48-hour posting notice
2. Fourth Reminder – interruption of service/termination

Account - PWSA (fields)

Save Clear Next ID Redisplay Write Messages Additional File Print Tools Help Open Note

Actions Additional File Tools Help

Account Search Location Description Company Location Class Customer Mailing Address

Zone

Multi Customer

Past Due \$0.00
Current \$0.00
Unposted \$0.00
Account Balance \$0.00

Last Payment 1/5/2019 \$26.58
Deposits \$0.00

Credit Rating POOR Coll. Agency Balance \$0.00 EIN

Transactions Consumption Analysis Statements Services Other

Transaction Item 1/8/2018 Archived Item 0/0/0000 Refresh

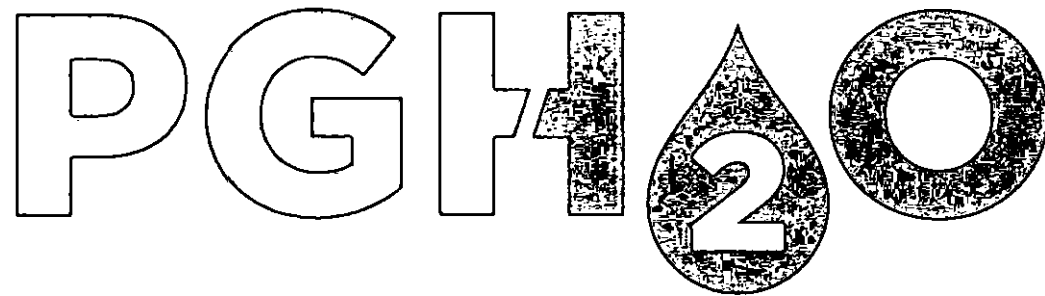
Date	Due Date	Outstanding	Document	Amount	Service Type	Meter	Description
1/5/2019			PVMT00005768112	(\$26.58)			Check
12/25/2018	1/14/2019		BILL00013358625	\$5.20	PWSA WSTR		PWSA Interest
12/20/2018	1/14/2019		PNLT00003461582	\$0.16	PWSA WSTR		System Estimate
12/3/2018			READ00010032150	0	PWSA WSTR		PWSA Interest
11/26/2018	12/16/2018		BILL00013100371	\$5.20	PWSA WSTR		System Estimate
11/20/2018	12/16/2018		PNLT00003434431	\$0.12	PWSA WSTR		PWSA Interest
11/3/2018			READ000009901339	0	PWSA WSTR		System Estimate
10/21/2018	11/10/2018		BILL00012818097	\$5.20	PWSA WSTR		PWSA Interest
10/19/2018	11/10/2018		PNLT00003406532	\$0.08	PWSA WSTR		System Estimate
10/3/2018			READ000009786492	0	PWSA WSTR		PWSA Interest
9/18/2018	10/8/2018		BILL00012607174	\$5.20	PWSA WSTR		System Estimate
9/17/2018	10/8/2018		PNLT00003374886	\$0.04	PWSA WSTR		PWSA Interest
9/3/2018			READ00000965457	0	PWSA WSTR		System Estimate
8/19/2018	9/8/2018		BILL00012372022	\$5.20	PWSA WSTR		PWSA Interest
8/17/2018			PVMT00004215801	(\$26.02)			Check

Water Sewer OTHER Sanitation Non-Specific

Unposted
Open
History
Void
CSM
Local Government

PWSA
Compliance Plan Supplement
Appendix SC

MS PowerPoint Presentation titled
“Protection from Abuse Orders”
Dated November 27, 2018



Pittsburgh
Water & Sewer
Authority

Protection from Abuse Orders
1200 Penn Avenue

November 27, 2018

Victims of Domestic Violence with a Protection from Abuse Order

- Pa Code § 56 Subchapters L-V apply to victims under a protection from abuse order or a court order issued by a court of competent jurisdiction in the Commonwealth, which provides clear evidence of domestic abuse.
- 66 Pa. C.S. § 1417 explains that Chapter 14 provisions shall not be applied victims under a protection from abuse order or a court order issued by a court of competent jurisdiction in the Commonwealth, which provides clear evidence of domestic abuse.
- The following will identify the major differences between Pa Code § 56 Subchapters A-K and Pa Code § 56 Subchapters L-V relating to Victims of Domestic Violence with a Protection From Abuse Order and are specific to customers or applicants who provide proof of a PFA or court order.

Major Differences

- Payment Arrangements
- Responsibility of Debt
- Termination Notices
- Personal Contact Prior to Termination
- Dishonored Payments
- 48-hour Postings
- Restorations

Payment Arrangements

- Subchapter L - § 56.252 defines a Payment Arrangement as a mutually satisfactory written agreement whereby a customer or applicant who admits liability for billed service is permitted to amortize or pay the unpaid balance of the account in one or more payments over a reasonable period of time.
 - The major difference is that the payment arrangement must be satisfactory to both PWSA and the customer and is not dependent on the customer's income.
- Payment arrangements should be negotiated over a reasonable period of time based on the size of the unpaid balance, the ability of the applicant to pay, the payment history of the applicant, and the length of time over which the bill accumulated.

Responsibility of Debt

- Subchapter N - § 285 explains that PWSA cannot hold an applicant or customer responsible for charges that accumulated under another persons name unless a court, district magistrate or administrative agency finds the applicant responsible for that balance.
- PWSA may waive late payment charges on any customer accounts.

Termination Notices

- A termination notice is only valid for 30 days.
- In addition to the 3-day telephone or posting notice, the customer may designate a third-party to also receive the termination notice. If the customer has not designated another person to receive the notice, PWSA should contact a community interest group, which has previously agreed to receive the notification.
- If PWSA did not successfully complete the telephone, posting, or the customer has not designated a third-party to receive the notice, PWSA must provide notice to the PUC in writing.
- If the 3-day personal contact was not successful, PWSA must post a 48-hour termination notice prior to the scheduled termination.

This is not limited to the timeframe between December and March.

- The post termination notice must be delivered to a responsible adult occupant or conspicuously posted at the residence.

Terminations

- If the customer has submitted a dishonored payment while in termination, PWSA is unable to resume the termination process and must begin the process from the beginning with a new 10-day notice.
- Customers may not be terminated between December 1st and March 31st.
 - This is not dependable on the customer's eligibility for the Winter Moratorium program.

Medical Certificates

- Medical Certificates initially may be written or oral and include:
 - (1) The name and address of the customer or applicant in whose name the account is registered.
 - (2) The name and address of the afflicted person and the relationship to the customer or applicant.
 - (3) The nature and anticipated length of the affliction.
 - (4) The specific reason for which the service is required.
 - (5) The name, office address, and telephone number of the certifying physician, or nurse practitioner.

PWSA can verify the certification by calling the physician or nurse practitioner or require written verification within 7 days.

Restoration of Service

- If the customer was terminated while on a payment arrangement, the customer can pay the amount currently due on the payment arrangement plus a reconnection fee.
- If a payment arrangement is requested to restore the water service, the terms of the payment arrangement should be based on the size of the unpaid balance, the ability of the customer to pay, the payment history of the customer, and the length of time over which the bill accumulated.
 - The payment arrangement would not follow the 24-month, 12-month, or 3-month restrictions for restoration.
- PWSA must restore the water service within 24 hours of the customer satisfying the grounds to restore the service.

PWSA
Compliance Plan Supplement
Appendix SD

PWSA Customer Assistance Program Flyer 2018



Customer Assistance Program

Supporting our customers in need

Our Customer Assistance Program is designed to provide financial relief for low income residential customers who are having difficulty paying their water and sewer bill. The following programs are available through the Dollar Energy Fund:

- **Winter Shut Off Moratorium:** December 1st through March 31st for customers who are at or below 250% of the Federal Poverty Level.
- **Bill Discount Program:** 50% reduction of fixed monthly water and wastewater conveyance charges for customers at or below 150% of the Federal Poverty Level.
- **Cash Assistance Program:** Cash grants up to \$300 per year for customers at or below 150% of the Federal Poverty Level.
- **Private Lead Line Replacement Community Environmental Project:** Private side lead line replacements for customers who are at or below 250% of the Federal Poverty Level. *Funds for this program are available from a settlement of an enforcement action between PWSA and the Pennsylvania Department of Environmental Protection.



For more information about the Bill Discount Program, including frequently asked questions, please visit www.pgh2o.com/CAP or call the Dollar Energy Fund at 866.762.2348.

Bill Discount Program

The Bill Discount Program provides eligible customers with a 50% discount on PWSA's fixed water and wastewater conveyance charges for one year. The discount is 50% of these charges, or \$15.48 per month.

Customers earning an annual income that is at or below 150% of the federal poverty level are eligible for the Bill Discount Program. Use the income eligibility chart on the right to determine if you qualify.

The Bill Discount Program applies to renters when the tenant is the responsible billing party. If a landlord is the responsible billing party, their tenants may not be considered because the property is income generating or is possibly used for commercial purposes.

People in Household	Annual Income Eligibility (150% of Federal Poverty Level)
1	\$18,090
2	\$24,360
3	\$30,630
4	\$36,900
5	\$43,170
6	\$49,440
7	\$55,710
8	\$61,980
For more than 8 people, add this amount for each additional person.	\$6,270

Winter Shut Off Moratorium

The Winter Shut Off Moratorium provides qualifying customers with the assurance that their water service will not be shutoff from December 1st through March 31st if they are unable to pay their bill.

The Winter Moratorium is available to single-family residential customers earning an annual income that is at or below 250% of the federal poverty level. Use the income eligibility chart on the right to determine if you qualify.

Even if approved, customers are expected to pay their water and sewer bills. Payment arrangements may be offered. Please call Customer Service to make those arrangements at (412) 255-2423.

People in Household	Annual Income Eligibility (250% of Federal Poverty Level)
1	\$30,150
2	\$40,625
3	\$51,050
4	\$61,500
5	\$71,950
6	\$82,400
7	\$92,850
8	\$103,300
For more than 8 people, add this amount for each additional person.	\$10,450

How do I register for these programs?

PWSA has partnered with the Dollar Energy Fund to administer these assistance programs. Dollar Energy will work with you to confirm eligibility. Before calling, review the income eligibility chart to determine if your income, based on household size, falls within the income limits. **Contact the Dollar Energy Fund at (866) 762-2348 to confirm your eligibility and to enroll in the program.**

What will Dollar Energy need to confirm eligibility?

Dollar Energy will verify income over the phone. To confirm eligibility, customers are asked to provide the names, birth dates, social security numbers and proof of income for everyone in the household; as well as your PWSA account number, a copy of your most recent bill, and proof of all payments made in the last 90-days.

Could I also be eligible for ALCOSAN'S Clean Water Assistance Fund?

ALCOSAN's Clean Water Assistance Fund is also administered by the Dollar Energy Fund. When calling Dollar Energy about PWSA's Customer Assistance Program, ask about ALCOSAN's assistance program to see if you qualify, or visit ALCOSAN's website at www.alcosan.org.

PWSA
Compliance Plan Supplement
Exhibit SE

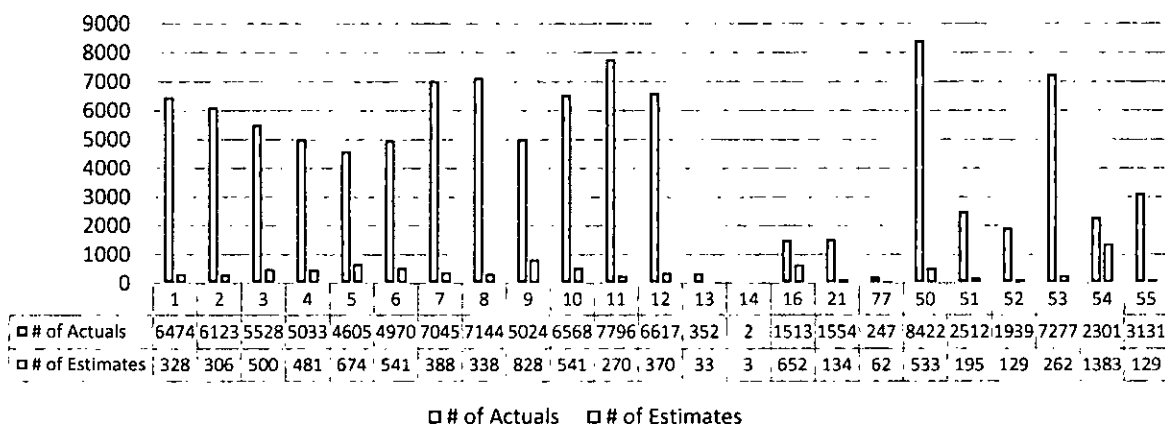
Customer Service Monthly PWSA Board Reports
November and December 2018

CUSTOMER SERVICE MONTHLY REPORT

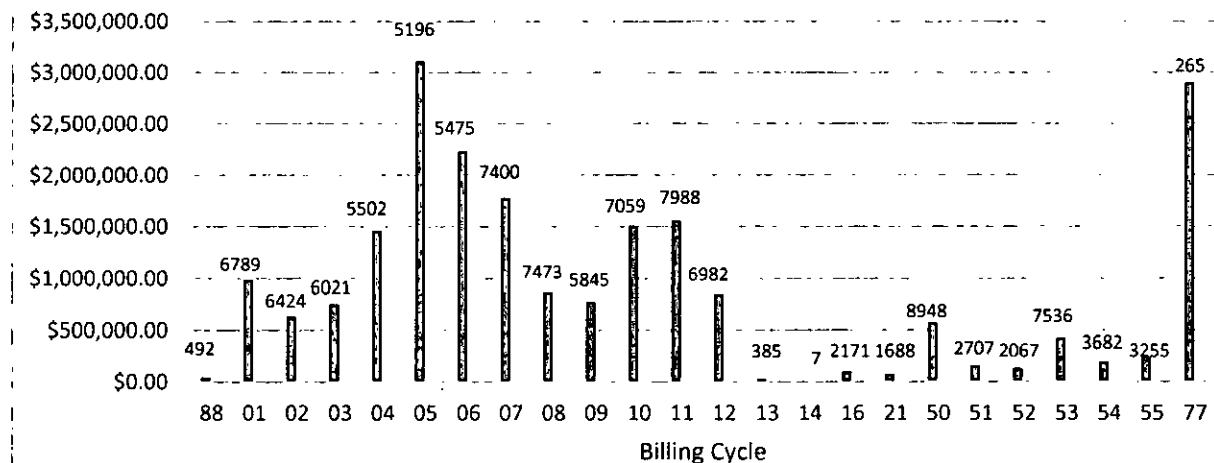
AMI and BILLING – NOVEMBER 2018

A Non-Access Campaign continued to address the 838 aged actual meter readings and 4,270 estimated meter readings. Customers are being notified via letters and posting notices to make appointments for repair/replacement of the water meter/MXU. In November 2018, 559 letters were issued, 199 properties were posted, and 30 accounts were shut off. Billing received 472 final bill requests and processed them within 7 days. Billing totals for the month of November 2018 were 111,357 bills produced in the amount of \$21,440,489.06.

Billed Actual vs. Estimated Readings November 2018



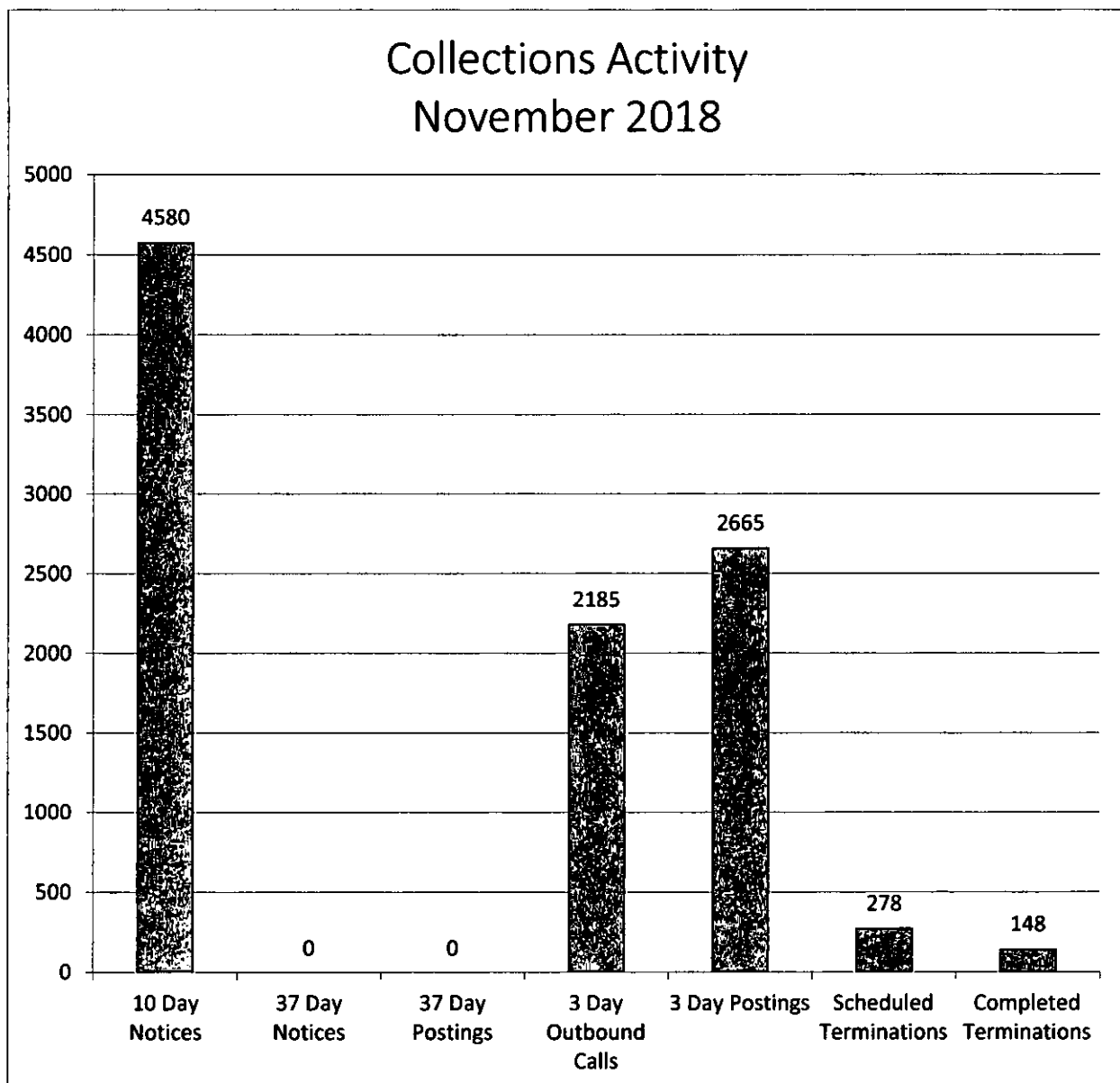
Billed Amounts in November 2018



CUSTOMER SERVICE MONTHLY REPORT

COLLECTIONS – NOVEMBER 2018

Collections ended the month at 98.25% of revenue collected. Following up on failed automated outbound calls for planned and emergency outages in this month, 183 letters were mailed to customers, requesting that they update their contact information with PWSA. Out of a total of 831 customer inquiries to info@pgh2o.com, Collections personnel responded to 765, most within 48 hours. Collections personnel also assisted 1,144 walk-in customers in this month. Due to PA PUC regulation, 37-day notices and postings are on hold until the Winter Moratorium ends on March 31, 2019.



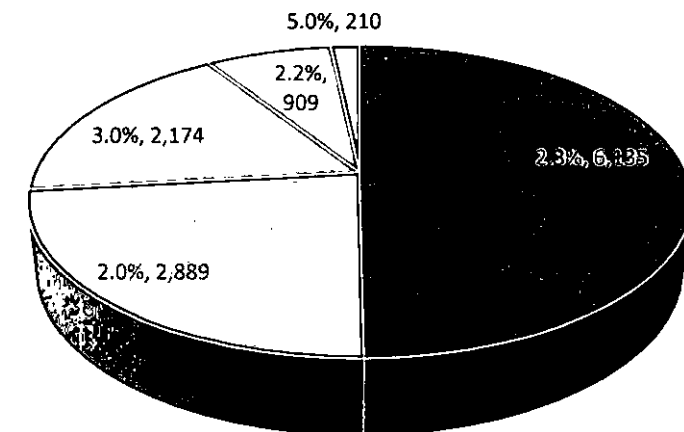
CUSTOMER SERVICE MONTHLY REPORT

CONTACT CENTER – NOVEMBER 2018

There were 19 business days and 3 holidays in the month of November 2018. PWSA completed its eighth month under PA PUC regulation. In the evening of October 11, 2018, PWSA implemented a state of the art telephone system, including real time Contact Center queue monitoring with detailed reporting. The customer call experience was streamlined, all incoming customer calls are now recorded, and Customer Service Representatives are actively being coached to remain in queue. In the month of November 2018, PWSA achieved an unprecedented monthly abandonment rate of 2.4% and an average speed of answer of 1 minute and 5 seconds.

Queue Group Performance by Queue																				
1 - All Queues																				
11/1/2018 - 11/30/2018 - 00:00 - 24:00																				
Created on 11/9/2018 8:56:34 AM by jishalrimes																				
ACD queue	ACD queue name	ACD calls offered	ACD calls handled	Calls abandoned (short)	Calls abandoned (long)	Calls interrupted	Calls requested	Queue unavailable	Answered by ACD group 1	Answered by ACD group 2	Answered by ACD group 3	Answered by ACD group 4	Average speed of answer (seconds)	Average delay to abandon (seconds)	Average delay to interrupt (seconds)	ACD handling time (seconds)	Average ACD handling time (seconds)	Abandon %	Service level %	Answer %
PG01	GENERAL	6171	6135	8	142	0	265	0	6135	0	0	0	00:01:10	00:02:00	00:02:00	542:21:05	00:02:17	2.3%	92.7%	97.7%
PG02	COLLECTIONS	2649	2593	8	60	0	125	0	2593	0	0	0	00:01:23	00:01:57	00:02:00	255:51:25	00:02:19	2.0%	76.2%	93.0%
PG04	DISPATCH	2242	2174	67	53	0	14	0	2174	0	0	0	00:02:16	00:02:55	00:02:00	64:31:45	00:01:47	3.0%	97.3%	97.0%
PG03	BILLING AND METERING	939	929	2	20	0	48	0	929	0	0	0	00:01:12	00:02:16	00:02:00	74:05:37	00:02:54	2.0%	80.0%	97.6%
PG05	AMI	221	210	1	11	0	45	0	210	0	0	0	00:02:43	00:02:56	00:02:00	13:43:58	00:02:55	5.0%	73.5%	99.0%
Totals		12618	12317	86	301	0	499	0	12317	0	0	0	00:01:05	00:02:03	00:02:00	848:34:52	00:04:37	2.4%	92.6%	97.6%

Customers Assisted Via Telephone - 12,317



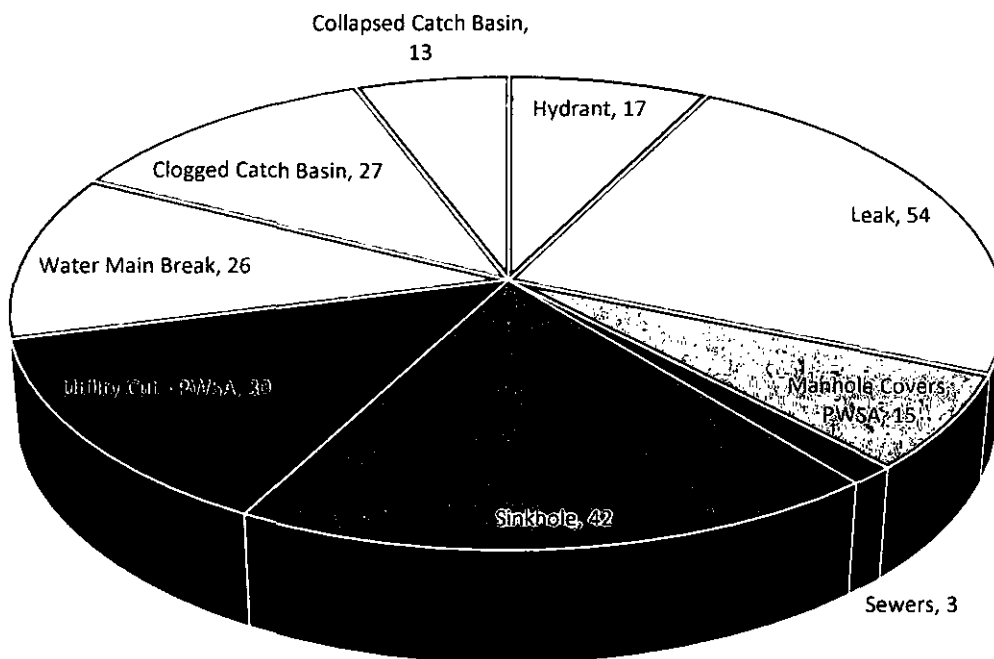
■ General ■ Collections ■ Dispatch ■ Billing and Metering ■ AMI

CUSTOMER SERVICE MONTHLY REPORT

DISPATCH – NOVEMBER 2018

Dispatch responded to 2,174 calls for emergency service in November 2018. In this month, the Dispatchers issued 97 Interruptions of Service and facilitated 152 dig requests to Pennsylvania One Call.

311 Mayor's Service Center Complaints Handled November 2018



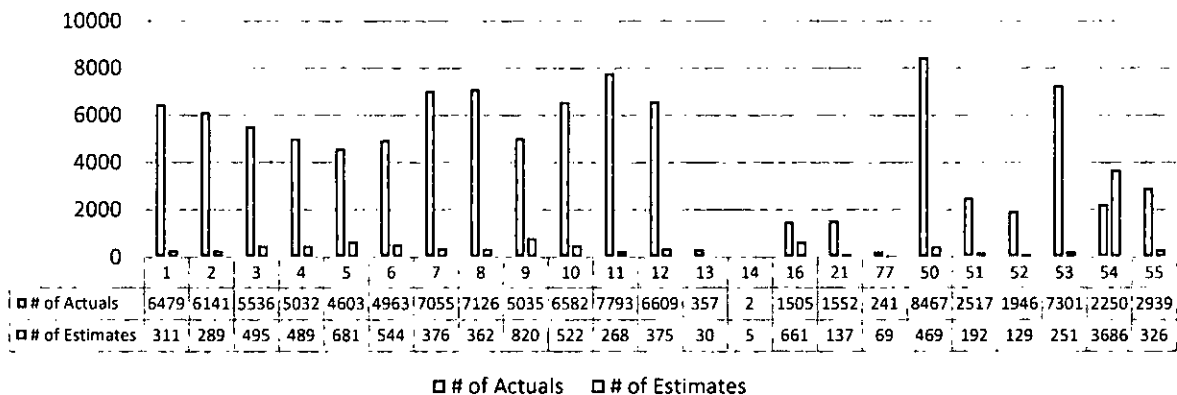
- Hydrant
- Leak
- Manhole Covers, PWSA
- Sewers
- Sinkhole
- Utility Cut - PWSA
- Water Main Break
- Clogged Catch Basin
- Collapsed Catch Basin

CUSTOMER SERVICE MONTHLY REPORT

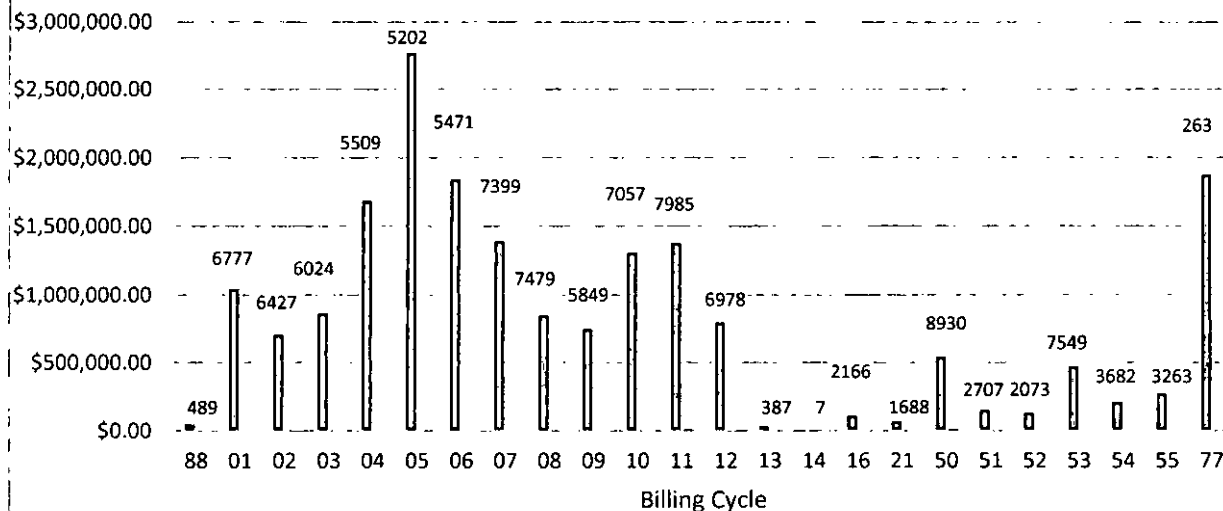
AMI and BILLING – DECEMBER 2018

A Non-Access Campaign continued to address the 811 aged actual meter readings and 4,226 estimated meter readings. Customers are being notified via letters and posting notices to make appointments for repair/replacement of the water meter/MXU. In December 2018, 625 letters were issued, 115 properties were posted, and 12 accounts were shut for non-access. Billing received 292 final bill requests and processed them within 7 days. Billing totals for the month of December 2018 were 111,795 bills produced in the amount of \$21,999,304.37.

Billed Actual vs. Estimated Readings December 2018



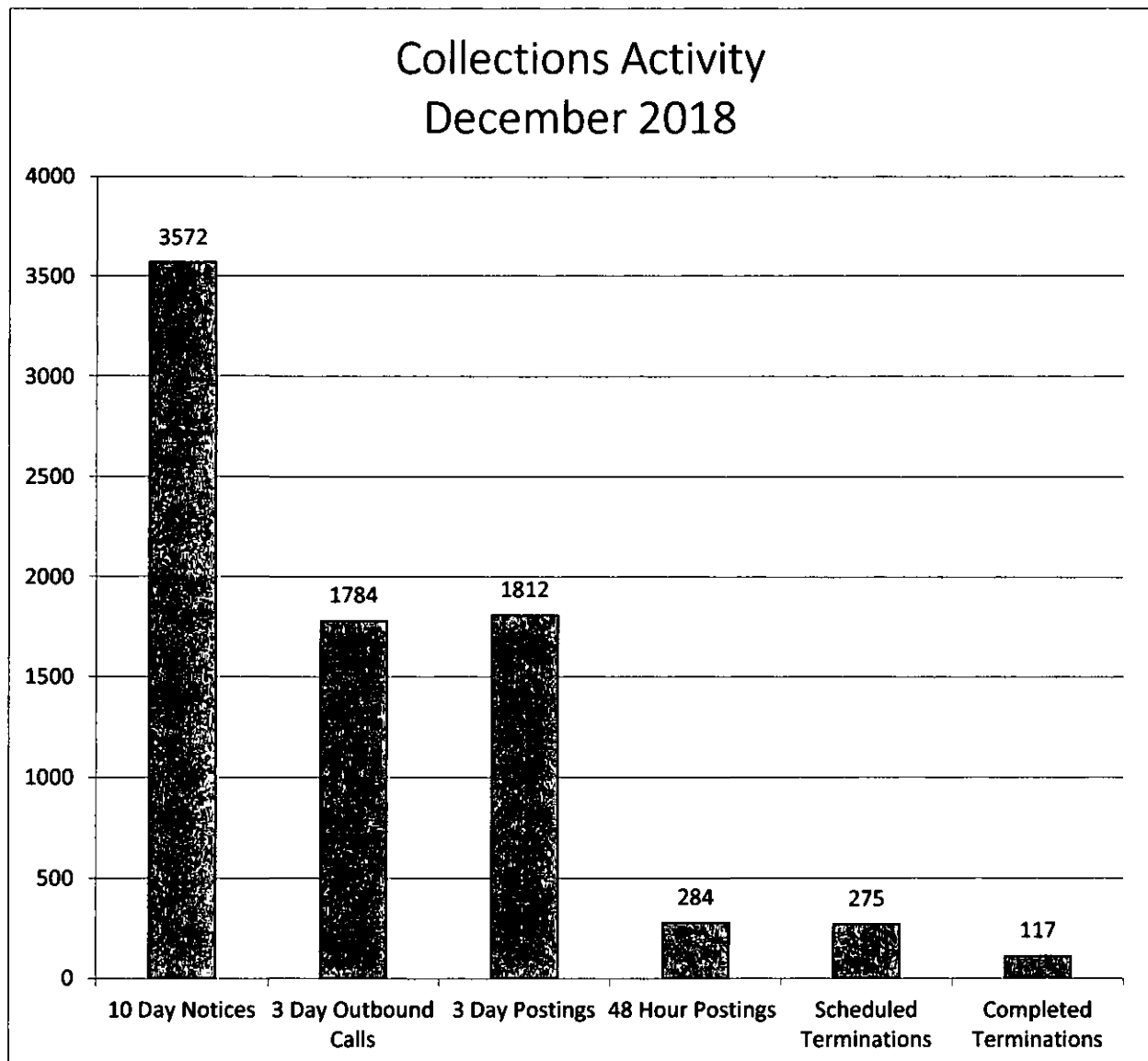
Billed Amounts in December 2018



CUSTOMER SERVICE MONTHLY REPORT

COLLECTIONS – DECEMBER 2018

Collections had strong month, ending at 102.67% of billed charges collected in December 2018. The overall collection percentage for 2018 was 103.65%. Following up on failed automated outbound calls for planned and emergency outages in this month, 110 letters were mailed to customers, requesting that they update their contact information with PWSA. Out of a total of 1,004 customer inquiries to info@pgh2o.com, Collections personnel responded to 983, most within 48 hours. Due to PA PUC regulation, accounts with unlisted tenants are unable to be terminated for non-payment from December 1st through March 31st. This Winter Moratorium also protects those customers who qualify as low income from non-pay termination activity.



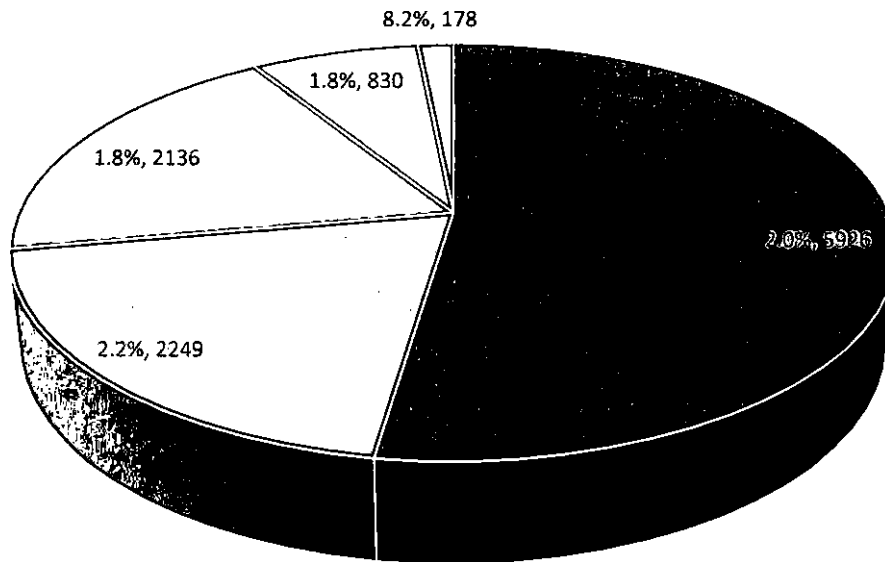
CUSTOMER SERVICE MONTHLY REPORT

CONTACT CENTER – DECEMBER 2018

There were 19 business days and 2 holidays in the month of December 2018. PWSA completed its ninth month under PA PUC regulation. An incentive program developed by the Coordinator overseeing the Contact Center kept the statistics in line with industry standards. PWSA continued to improve service to its customers via a monthly abandonment rate of 2.1% and an average speed of answer of 55 seconds.

Queue Group Performance by Queue																				
1 - All Queues																				
12/1/2018 - 12/31/2018 - 00:00 - 24:00																				
Created on 1/2/2019 9:31:22 AM by Tania Jones																				
ACD queue	ACD queue name	ACD calls offered	ACD calls handled	Calls abandoned (short)	Calls abandoned (long)	Calls interferred	Calls requested	Queue unavailable	Answered by ACD group 1	Answered by ACD group 2	Answered by ACD group 3	Answered by ACD group 4	Average speed of answer (business)	Average delay to abandon (business)	Average delay to interflow (business)	ACD handling time (business)	Average ACD handling time (business)	Abandon %	Service level %	Answer %
P001	GENERAL	6250	5526	6	124	0	237	0	5526	0	0	0	00:00:59	00:02:11	00:02:00	55:32:46	00:05:07	2.1%	93.3%	98.0%
P002	COLLECTIONS	2520	2249	3	51	0	108	0	2249	0	0	0	00:01:23	00:02:04	00:02:00	1:56:35:51	00:05:15	2.2%	78.6%	97.8%
P004	DISPATCH	2173	2136	33	39	0	13	0	2136	0	0	0	00:02:13	00:03:35	00:02:00	69:17:58	00:01:57	1.3%	92.9%	98.3%
P003	BILLING AND METERING	845	830	3	15	0	32	0	830	0	0	0	00:00:51	00:02:00	00:02:00	67:56:44	00:04:35	1.8%	85.7%	98.2%
P005	AMI	134	112	2	16	0	50	0	112	0	0	0	00:01:42	00:04:17	00:02:00	12:53:27	00:04:14	8.2%	77.2%	91.5%
Totals		11564	11319	45	245	0	440	0	11319	0	0	0	00:00:55	00:02:14	00:02:00	81:46:06	00:04:31	2.1%	93.4%	97.9%

Customers Assisted Via Telephone - 11,319



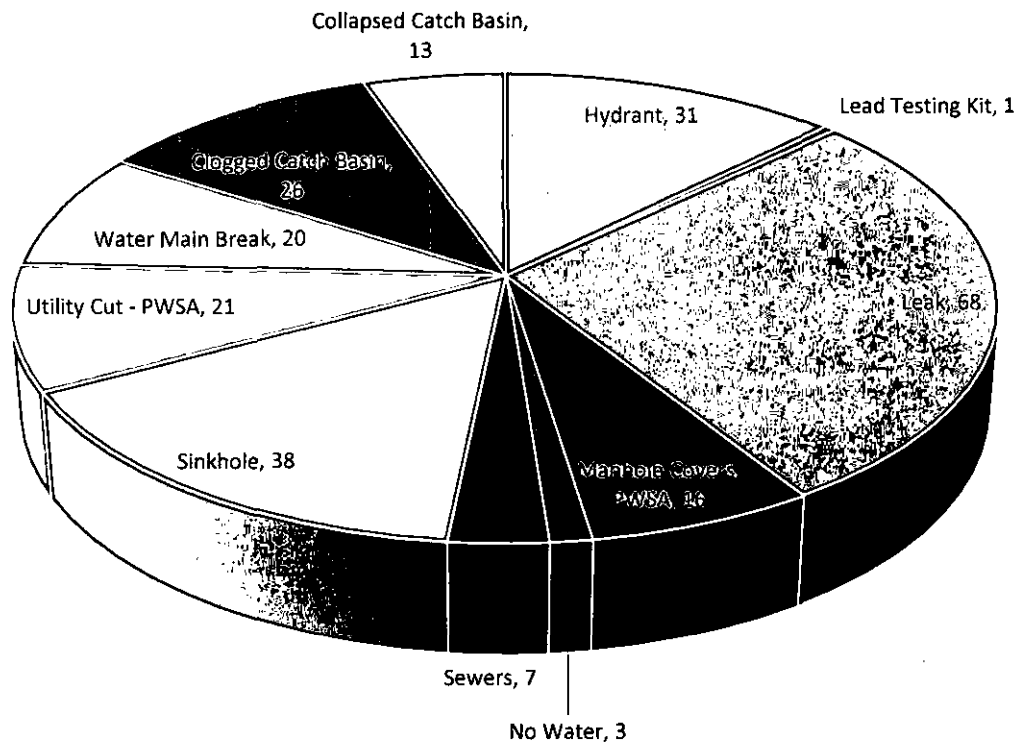
• General • Collections • Dispatch • Billing and Metering • AMI

CUSTOMER SERVICE MONTHLY REPORT

DISPATCH – DECEMBER 2018

Dispatch responded to 2,175 calls for emergency service in December 2018. In this month, the Dispatchers issued 107 Interruptions of Service and facilitated 181 dig requests to Pennsylvania One Call.

311 Mayor's Service Center Complaints Handled December 2018



- Hydrant
- Lead Testing Kit
- Leak
- Manhole Covers, PWSA
- No Water
- Sewers
- Sinkhole
- Utility Cut - PWSA
- Water Main Break
- Clogged Catch Basin
- Collapsed Catch Basin

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of the PWSA's Supplemental Compliance Filing 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

Sharon Webb, Esq.
Erin K. Fure, Esq.
Office of Small Business Advocate
300 North Second St., Suite 202
Harrisburg, PA 17101
swebb@pa.gov
efure@pa.gov

Christine Maloni Hoover, Esq.
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