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April 2, 2020

Via Electronic Filing

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

Re: The Pittsburgh Water and Sewer Authority Base Rate Filing
Docket Nos. R-2020-3017951; and, R-2020-3017970

Dear Secretary Chiavetta:

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

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

Sincerely,

A handwritten signature in blue ink that reads "Deanne M. O'Dell".

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

DMO/scs
Enclosure

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PWSA's Verified Statement Regarding Customer Notice Requirements upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email Only

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Dated: April 2, 2020



Deanne M. O'Dell, Esq.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

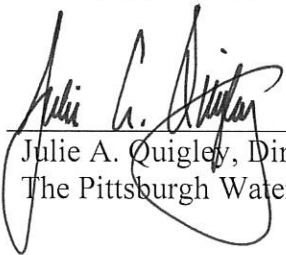
Pittsburgh Water and Sewer Rate Filing : Docket Nos. R-2020-3017951
: R-2020-3017970

VERIFID STATEMENT OF JULIE QUIGLEY

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

1. I am the Director of Administration for The Pittsburgh Water and Sewer Authority (“PWSA”) and am authorized to make this verified statement on its behalf.
2. PWSA filed Tariff Water – Pa. P.U.C. No. 1, Supp. No. 1 and Tariff Wastewater – Pa. P.U.C. No. 1, Supp. No. 1 on March 6, 2020 with the Pennsylvania Public Utility Commission (“Commission”), which filing constitutes a general rate increase.
3. The required notice of the Tariffs was posted in a conspicuous place in each PWSA office at which payments are accepted in compliance with the Commission’s regulations at 52 Pa. Code § 53.45(b)(1);
4. Attachment A contains the news release that was both posted to PWSA’s website and distributed to all local news outlets (including radio, television and print media) and approximately 1200 public organizations and individuals who have signed up to receive PWSA press releases on March 6, 2020 in compliance with the Commission’s regulations at 52 Pa. Code § 53.45(b)(3);
5. PWSA complied with the alternative method of customer notification set forth in the Commission’s regulations at 52 Pa. Code § 53.45(b)(4);
6. Attachment B contains the notice that PWSA inserted in envelopes containing customer bills beginning March 6, 2020, and which notice continued to be inserted into envelopes containing customer bills for an entire billing cycle until all customers of PWSA whose rates would be increased received notice. This notice was printed on blue paper for the bill insert;
7. The billing envelopes for those customer bills called attention to the fact that rate increase information was contained in the mailings. A sample billing envelope is provided in Attachment C;
8. PWSA’s electronic billing customers received a link to the bill insert discussed in paragraph 6 of this Verified Statement;

Dated: April 1, 2020



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

List of Attachments

A	March 6, 2020 Press Release
B	Notice Included With Customer Bills
C	Sample Envelope Containing Customer Bills With Rate Request Notice

ATTACHMENT A

From: PWSA Communications <Communications@pgh2o.com>
Sent: Friday, March 6, 2020 1:01 PM
To: Rachel Rampa
Subject: PWSA Submits Multi-Year PUC Rate Request



FOR IMMEDIATE RELEASE

March 6, 2020

Media Contact:
412-430-3898

PWSA Submits Multi-Year PUC Rate Request

Request continues progress on needed water safety and reliability projects



Providing Pittsburgh with safe and reliable water service is our top priority. That requires continuous investment in our overall water infrastructure. We are making needed improvements to serve current and future generations of customers.

Pittsburgh, PA - Today, the Pittsburgh Water and Sewer Authority (PWSA) filed a multi-year rate request with the Pennsylvania Public Utility Commission (PUC). The PUC will

evaluate the request, which includes revenue increases totaling \$43.8 million in 2021 and \$12.6 million in 2022, as well as a more robust customer assistance program. The PUC review process can take up to nine months.

The PUC approved our first rate filing last year, which provided an additional \$21 million per year to spend on infrastructure improvements throughout our water system. We are using this funding to aggressively replace lead service lines, improve our drinking water treatment, renew aging sewer lines, and design stormwater projects to reduce pollution and sewer overflows. We invested over \$100 million on capital improvements last year, and this year we plan to invest \$200 million in our capital program.

“Our rate proposal allows us to build upon our recent accomplishments and further our progress toward modern water treatment, reliable water delivery, and sewage conveyance systems that current and future residents can count on,” stated Robert Weimar, PWSA’s executive director. “We recognize the burden utility rate increases place on our customers, which is why we’re proposing an even more generous bill discount program for our most vulnerable residents.”

The rate filing includes a plan to raise an additional \$43.8 million in 2021 and \$12.6 million in 2022. Included in this amount is a request for a Distribution System Improvement Charge (DSIC) assigned at 10 percent of the fixed monthly charges. The DSIC provides utilities with the ability to place a small surcharge on a customer’s monthly bill to fund PUC-approved upgrades to water and sewer mains.

As part of this rate filing, we have also submitted a proposal outlining the structure for a stormwater program, as required by the PUC’s 2018 Final Implementation Order. This proposal does not include a stormwater fee at this time. If the PUC approves this submittal, a stormwater fee would be considered in a separate rate filing.

What does this mean for customers?

The typical residential customer using 3,000 gallons of water currently pays \$72.49 per month under the existing rates. If our rates are approved by the PUC next year, this would increase to \$86.31 or by \$13.82 per month.

Requested Rates - Residential Customers

Minimum Charges	Monthly Usage (1,000 gal)	2020 Existing Water	2020 Existing Sewer	2020 Existing Total	2021 Proposed Water	2021 Proposed Sewer	2021 Proposed Total	Monthly Impact \$
5/8"	1	\$27.27	\$8.28	\$35.55	\$29.11	\$10.85	\$39.95	\$4.40
5/8"	3	\$49.35	\$23.14	\$72.49	\$58.15	\$28.16	\$86.31	\$13.82
5/8"	5	\$71.43	\$38.00	\$109.43	\$87.19	\$45.47	\$132.66	\$23.23
5/8"	7	\$93.51	\$52.86	\$146.37	\$116.23	\$62.79	\$179.01	\$32.64
5/8"	12	\$148.71	\$90.01	\$238.72	\$188.83	\$106.07	\$294.90	\$56.18
1"	20	\$255.42	\$151.27	\$406.69	\$324.50	\$174.64	\$499.14	\$92.45

Minimum charges are based on a customer's meter size. The typical residential customer has a 5/8 inch meter.

The proposal also includes an expansion of our Bill Discount Program. If approved by the PUC, income eligible households will receive a 100 percent reduction in monthly fixed charges. The average residential customer using 3,000 gallons of water a month would pay \$46.35 or an increase of \$0.53.

We're committed to balancing the needs of our most vulnerable populations, while also delivering a water system that our customers can rely on now and into the future. Learn more about the existing assistance programs and see if you qualify at www.pgh2o.com/CAP.

Requested Rates - Customers Eligible for Bill Assistance

Minimum Charges	Monthly Usage (1,000 gal)	2020 Existing Water	2020 Existing Sewer	2020 Existing Total	2021 Proposed Water	2021 Proposed Sewer	2021 Proposed Total	Monthly Impact \$
5/8"	1	\$6.82	\$2.07	\$8.89	\$0.00	\$0.00	\$0.00	-\$8.89
5/8"	2	\$17.86	\$9.50	\$27.36	\$14.52	\$8.66	\$23.18	-\$4.18
5/8"	3	\$28.90	\$16.93	\$45.83	\$29.04	\$17.31	\$46.35	\$0.53
5/8"	4	\$39.94	\$24.36	\$64.30	\$43.56	\$25.97	\$69.53	\$5.23
5/8"	5	\$50.98	\$31.79	\$82.77	\$58.08	\$34.63	\$92.71	\$9.94

Minimum charges are based on a customer's meter size. The typical residential customer has a 5/8 inch meter.

"We are taking every reasonable step to provide our customers with safe and reliable water services at the lowest possible rates," Board Chair, Paul Leger stated. "With PUC oversight there is greater transparency and accountability throughout the process."

PUC Rate Setting Process and Oversight

Pittsburgh ratepayers will have an opportunity to participate in the rate setting process. The PUC will likely hold public hearings on the proposal. PWSA will provide public testimony to justify and explain the requested rates. The Pennsylvania Office of the Consumer Advocate and Small Business Advocate will also review and comment on the request. The PUC may elect to change the rates included in the rate filing.

The PUC began providing oversight of our customer service, operations, and ratemaking after the Governor signed Act 65 in December 2017. We are the first municipal authority to be regulated by the PUC. For more information on PUC oversight and actions customers can take in response to the rate request, please visit www.pgh2o.com/customer-rights.

As a publicly owned authority, every dollar we collect in rate revenue is invested back into the organization to improve drinking water, sewer, and stormwater services. We never lose sight that this is your water. We are proud to serve Pittsburgh and are dedicated to providing the water services you expect and deserve.

For more information about the rate filing, please visit www.pgh2o.com/ourwaterfuture. Customers will receive a detailed explanation of the rate proposal in their March bill.

About PWSA

The Pittsburgh Water and Sewer Authority (PWSA) is the largest combined water, sewer and stormwater authority in Pennsylvania, serving 300,000 consumers throughout the City of Pittsburgh and surrounding areas.



The Pittsburgh Water and Sewer Authority | 1200 Penn Avenue, Pittsburgh, PA 15222
(412) 255-2423 | www.pgh2o.com

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Sent by communications@pgh2o.com



ATTACHMENT B

NOTICE OF PROPOSED RATE CHANGES

To Our Customers:

The Pittsburgh Water and Sewer Authority (PWSA) has filed a request with the Pennsylvania Public Utility Commission (PUC) on March 6, 2020, to increase your water and wastewater conveyance rates. This notice describes the Authority's rate request, the PUC's role, and what actions you can take.

If the Authority's entire request and the multi-year rate plan is approved as filed, the total bill for water and wastewater conveyance service for a typical Residential customer using 3,000 gallons per month would increase from \$72.49 to \$86.31 per month or by 19.1% in 2021.

RATE REQUEST

PWSA has requested an overall rate increase of 25.4%, or \$43.8 million, beginning in 2021, and 6.4%, or \$12.6 million, beginning in 2022 for its water and wastewater conveyance operations. This filing includes a request for approval of a multi-year rate plan in accordance with 66 Pa. C.S. § 1330 (relating to alternative ratemaking for utilities), which would allow for a rate increase to go into effect in 2021 and a second rate increase to go into effect in 2022. This filing also requests approval of a Distribution System Improvement Charge (DSIC), which will enable PWSA to make additional upgrades to aging infrastructure. The DSIC is calculated into the rates below.

For a typical Residential customer using 3,000 gallons per month with a 5/8-inch meter, the total bill would increase from \$72.49 to \$86.31 per month or by 19.1% in 2021, as shown in the table below:

Residential	Current Rates	2021 Rates	2022 Rates
Water	49.35	58.15	61.11
Wastewater	23.14	28.16	30.60
Total	72.49	86.31	91.71

For a typical Commercial customer using 13,000 gallons per month with a 1-inch meter, the total bill would increase from \$265.96 to \$344.73 per month or by 29.6% in 2021, as shown in the table below:

Commercial	Current Rates	2021 Rates	2022 Rates
Water	173.66	229.99	241.68
Wastewater	92.30	114.74	124.71
Total	265.96	344.73	366.39

For an Industrial customer using 680,000 gallons per month with a 4-inch meter, the total bill would increase from \$10,649.49 to \$15,548.09 per month or by 46% in 2021, as shown in the table below:

Industrial	Current Rates	2021 Rates	2022 Rates
Water	6,458.38	9,598.30	10,089.63
Wastewater	4,191.11	5,949.79	6,464.57
Total	10,649.49	15,548.09	16,554.20

For a Health and Education customer using 50,000 gallons per month with a 2-inch meter, the total bill would increase from \$1,171.86 to \$1,342.29 per month or by 14.5% in 2021, as shown in the table below:

Health/Education	Current Rates	2021 Rates	2022 Rates
Water	761.70	895.26	940.78
Wastewater	410.16	447.03	485.97
Total	1,171.86	1,342.29	1,426.74

PWSA's rate request is scheduled to go into effect on May 5, 2020; however, in most cases, the PUC

suspends the increase for up to an additional seven (7) months.

In the past two years, PWSA has invested approximately \$176 million in capital improvements, including necessary upgrades to water and wastewater treatment facilities, storage tanks, wells and pumping stations to ensure that its systems meet all regulatory standards. A total of approximately \$204 million is budgeted for 2020 to ensure that your rate dollars are going towards much needed upgrades to your critical water and sewer infrastructure.

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

PUC ROLE

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

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

ACTIONS YOU CAN TAKE

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

1. You can be a witness at a public input hearing. Public input hearings are held if the PUC opens an investigation of the utility's rate increase request and if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and to the PWSA representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the utility.
2. You can send the PUC a letter telling why you object to the requested rate increase. At times there is information in these letters that makes the PUC aware of problems with the utility's service or management. This information can be helpful when the PUC investigates the rate request.
3. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before May 5, 2020. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge. Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

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

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

ATTACHMENT C



Pittsburgh
Water & Sewer
Authority

Penn Liberty Plaza 1
1200 Penn Avenue
Pittsburgh, PA 15222

**NOTICE OF PROPOSED
RATE INCREASE ENCLOSED**

FIRST-CLASS MAIL
PRESORTED
US POSTAGE
PAID
PWSA

Return Service Requested

POLY
1-5/8 x 4-3/8, 7/16L, 11/16B

PWSA0E1807