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June 15, 2022

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
400 North Street
Harrisburg, PA 17120

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 electronic filing please find The Pittsburgh Water and Sewer Authority's ("PWSA") Revised Pages 136 and 137 of its Stage 1 Revised Compliance Plan. Revised Pages 136 and 137 describe changes made by PWSA to its residency requirement since the filing of its Revised Compliance Plan on April 27, 2020 pursuant to the March 26, 2020 Order. Redlined and clean copies of these pages are attached as Appendices A and B. In addition, the PWSA Board Resolution is attached as Appendix C. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

/s/ Karen O. Moury

Karen O. Moury

Enclosures

cc: Certificate of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PWSA's Revised Pages 136 and 137 of the Revised Compliance Plan 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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/s/ Karen O. Moury

Karen O. Moury, Esq.

June 15, 2022

Appendix A

Revised Pages 136-137
(Redlined)

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 basis¹; and upon completion of repairs of the HMFP:

1. 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
2. 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.

m. Residency Requirement for PWSA's Employees

PWSA ~~currently has~~had a residency requirement in place that ~~requires~~required employees to be residents of the City of Pittsburgh ("City") unless a specific exemption ~~is~~was made ("City residency requirement"). This requirement ~~mirrors~~mirrored the City's Home Rule Charter. PWSA's Executive Committee ~~has~~had made specific exemptions to this requirement for certain positions, but otherwise this policy ~~has~~had applied broadly to PWSA employees.

¹ PWSA plans to provide the next update on the cost breakdowns by April 30, 2019.

In the March 26, 2020 Order in the Compliance Plan Stage 1 proceeding, the Commission required, inter alia, that PWSA eliminate the City residency requirement. At the time of filing PWSA's Revised Compliance Plan on April 27, 2020, ~~This-this~~ item ~~is~~ ~~was~~ ~~currently~~ under reconsideration per PWSA's Petition for Reconsideration filed on April 10, 2020. On June 18, 2020, the Commission denied PWSA's Petition for Reconsideration. On July 20, 2020, PWSA filed a Petition for Review with Commonwealth Court of the March 26, 2020 and June 18, 2020 Orders. On July 23, 2021, PWSA's Board adopted a resolution that eliminated the City residency requirement and permitted employees to live in the 36 surrounding municipalities that bordered the City. On May 27, 2022, the Board adopted a resolution allowing employees to live anywhere in Allegheny County. On June 15, 2022, PWSA filed a Praecipe for Discontinuance of the Petition for Review with Commonwealth Court.

In summary, under PWSA's current residency requirement, employees may live anywhere in Allegheny County. Additionally, senior managers, and other positions authorized by the Board, may live in a ten-county area that includes Allegheny County, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington and Westmoreland. Finally, the Board exempts positions from the residency requirement as determined to be necessary.

Appendix B

Revised Pages 136-137
(Clean)

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 basis¹; and upon completion of repairs of the HMFP:

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2. Actual and projected operating and capital costs on a calendar year basis incurred and estimated to be incurred to operate the HMFP.

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m. Residency Requirement for PWSA's Employees

PWSA had a residency requirement in place that required employees to be residents of the City of Pittsburgh ("City") unless a specific exemption was made ("City residency requirement"). This requirement mirrored the City's Home Rule Charter. PWSA's Executive Committee had made specific exemptions to this requirement for certain positions, but otherwise this policy had applied broadly to PWSA employees.

¹ PWSA plans to provide the next update on the cost breakdowns by April 30, 2019.

In the March 26, 2020 Order in the Compliance Plan Stage 1 proceeding, the Commission required, *inter alia*, that PWSA eliminate the City residency requirement. At the time of filing PWSA's Revised Compliance Plan on April 27, 2020, this item was under reconsideration per PWSA's Petition for Reconsideration filed on April 10, 2020. On June 18, 2020, the Commission denied PWSA's Petition for Reconsideration. On July 20, 2020, PWSA filed a Petition for Review with Commonwealth Court of the March 26, 2020 and June 18, 2020 Orders. On July 23, 2021, PWSA's Board adopted a resolution that eliminated the City residency requirement and permitted employees to live in the 36 surrounding municipalities that bordered the City. On May 27, 2022, the Board adopted a resolution allowing employees to live anywhere in Allegheny County. On June 15, 2022, PWSA filed a Praecipe for Discontinuance of the Petition for Review with Commonwealth Court.

In summary, under PWSA's current residency requirement, employees may live anywhere in Allegheny County. Additionally, senior managers, and other positions authorized by the Board, may live in a ten-county area that includes Allegheny County, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington and Westmoreland. Finally, the Board exempts positions from the residency requirement as determined to be necessary.

Appendix C

PWSA Board Resolution



BOARD RESOLUTION ITEM

Originating
Department: Human Resources Phone: 412.255.8800
Department
Contact: Logan Carmichael E-mail: LCarmichael@pgh2o.com
Date: 05.27.2022

Resolution No: 75

Approving revisions to the PWSA employee Domicile Policy

**FINAL BOARD APPROVAL:
ADOPTED MAY 27, 2022**

BJ Leber

BJ Leber, Secretary



BOARD RESOLUTION REPORT

Resolution No:	75
DATE:	05.27.2022
TO:	PWSA Board of Directors
SUBJECT:	Approving revisions to the PWSA employee Domicile Policy

STATEMENT OF THE ISSUE:

Under the proposed revisions, the PWSA Domicile Policy will be expanded to encompass all of Allegheny County. The current policy limits residency for most employees to the City of Pittsburgh or the surrounding 36 municipalities/townships.

Upon approval by the Board, the revisions will be effective immediately for all non-union employees/ will be presented as a meet and discussion item with our Pittsburgh Joint Collective Bargaining Committee (PJCBC) workforce; and contract negotiations for American Federation of State, County and Municipal Employees (AFSCME) employees are ongoing.

<i>For solicitations, complete the following:</i>	
Dates of Advertisement:	
Date of Pre-Bid/Pre-Proposal Meeting and Number of Firms in Attendance:	
No. of Firms that Requested Solicitation:	
Dates of Issue of Addenda and brief description:	
Bid/Proposal Due Date and Time:	
No. of Bids/Proposals Received:	
Why did firms requesting the solicitation not submit a bid/proposal?	

RECOMMENDED ACTION:

Staff recommends approval of this revision to the domicile policy.

ALTERNATIVES:

If not approved, recruitment of critical roles within the authority will continue to be a challenge. Moreover, domicile limitations could restrict individual interest in applying for roles within PWSA.

**SUPPLIER DIVERSITY PROGRAM STATUS:**

N/A

FINANCIAL IMPACT OF RECOMMENDATION:

Account Information	
Account:	N/A
Operating Department Code:	N/A
Operating Account Code:	N/A
Is this item budgeted?	No
Frequency of Expenditure	One-Time
Operating Budget:	
<i>Operating Account</i>	
<i>Current Budget</i>	\$.00
<i>Remaining Amount Before Approval</i>	\$.00
<i>Amount Being Requested</i>	\$.00
<i>Remaining Budget After Approval</i>	\$.00

DOCUMENTS ATTACHED:

Revised policy

FOR MORE INFORMATION:**Staff contact:** Presutti, Jennifer**E-mail:** jpresutti@pgh2o.com

LEGAL REVIEW: SHANNON BARKLEY 05.13.2022

FINANCE. REVIEW: JOHN NAGEL 05.13.2022

BY CHIEF EXECUTIVE OFFICER:**William J. Pickering 05.27.2022**



PROCUR. REVIEW: NICOLE DICKUN 05.13.2022