



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

May 30, 2023

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission v.
Pittsburgh Water and Sewer Authority
Docket No. P-2023-
**I&E Answer to PWSA Petition for Waiver of Statutory Definition of
Fully Projected Future Test Year**

Pennsylvania Public Utility Commission v.
Pittsburgh Water and Sewer Authority
Base Rate Case
Docket No. R-2023-3039920

Dear Secretary Chiavetta:

Enclosed for electronic filing please find the **Answer of the Bureau of Investigation and Enforcement to PWSA's Petition for Waiver of Statutory Definition of Fully Projected Future Test Year** for the above-captioned proceeding.

Copies are being served on parties of record per the attached Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads 'Scott B. Granger'.

Scott B. Granger
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SBG/jfm
Enclosures

cc: Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket Nos.:
	:	P-2023-
v.	:	R-2023-3039920 (Water)
	:	R-2023-3039921 (Wastewater)
Pittsburgh Water and Sewer Authority	:	R-2023-3039919 (Stormwater)
Base Rate Case	:	

**ANSWER OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT
TO THE PITTSBURGH WATER AND SEWER AUTHORITY’S
PETITION FOR WAIVER OF
STATUTORY DEFINITION OF FULLY PROJECTED FUTURE TEST YEAR**

I. INTRODUCTION

On May 9, 2023, the Pittsburgh Water and Sewer Authority (“PWSA” or the “Authority”) filed its base rate case pursuant to 66 Pa. C.S. § 1308(d) at Docket Nos. R-2023-3039920 (Water); R-2023-3039921 (Wastewater); and, R-2023-3039919 (Stormwater) (collectively the “Rate Filing”). In its filing, PWSA is requesting the Commission approve a multi-year total overall revenue increase of \$146.1 million (inclusive of a Distribution System Infrastructure Charge (“DSIC”).

Simultaneous with the filing of its Rate Filing, PWSA filed this Petition¹ for Waiver of Statutory Definition of Fully Projected Future Test Year (“FPFTY Petition”) requesting that the Pennsylvania Public Utility Commission (“Commission”) waive the statutory definition of the Fully Projected Future Test Year (“FPFTY”). In support of its request, PWSA states that consistent with its mandatory budget process, the base rate case uses a historic test year (“HTY”) ending December 31, 2022; a future test year (“FTY”) from January 1, 2023, through December 31, 2023; and, a fully projected future test year (“FPFTY”) from January 1, 2024, through December 31, 2024.² PWSA the notes, however, that an interpretation of the statutory definition of the FPFTY, as defined in Act 11 of 2012, would require that he FPFY commence on February 1, 2024 and continue for 12 months.³

Pursuant to 52 Pa. Code Section 5.61(a) and 5.61(e), the Bureau of Investigation and Enforcement (“I&E”) hereby files this timely Answer requesting that the Commission deny PWSA’s petition consolidate the relief requested relief in PWSA’s FPFTY Petition into the Rate Filing at Docket No. R-2023-3039920.

In further support of I&E’s Answer, I&E avers the following:

¹ Also simultaneously, PWSA filed three separate petitions asking for various forms of relief from the Commission. They are: (1) Petition of Pittsburgh Water and Sewer Authority for Consolidation of Water, Wastewater and Stormwater Rate Proceedings and for Authorization to use Combined Water, Wastewater and Stormwater Revenue Requirements; (2) Petition of Pittsburgh Water and Sewer Authority for Authorization to Implement a Customer Assistance Charge; and (3) Petition of the Pittsburgh Water and Sewer Authority for Authorization to Increase Water and Wastewater DSIC Charge Caps to 7.5%. I&E has filed answers to each petition separately asking that they all be consolidated into the Rate Filing.

² FPFTY Petition, p. 1.

³ FPFTY Petition, pp. 1-2.

II. ANSWER

A. Request for Waiver of Definition of Fully Projected Future Test Year.

In requesting a waiver of the definition of the Fully Projected Future Test Year, PWSA notes that 66 Pa. C.S. § 315(e) defines the FPFTY as “the 12-month period beginning with the first month that the new rates will be placed in effect after application of the full suspension period permitted under section 1308(d) (relating to voluntary changes in rates).”⁴ PWSA argues that the granting of the waiver and PWSA’s use of a FPFTY beginning January 1, 2024 and ending December 31, 2024, is reasonable because it is consistent with PWSA’s fiscal year and the data required for budgetary and other purposes and would result in ease of administration and comparison of the test year data submitted while avoiding the potential confusion of having data that spans more than one forecasted fiscal year of the Authority.⁵

I&E understands PWSA’s arguments and recognizes the reasonableness of PWSA’s request. However, I&E would be remiss if it didn’t point out that PWSA is in the best position to understand its fiscal year constraints; and, PWSA was the party in complete control over when PWSA elected to file its Rate Filing. Therefore, in consideration of the above, I&E requests that the Commission deny PWSA’s request for a waiver of the statutory definition of the FPFTY, or in the alternative, consolidate the issues raised in this FPFTY Petition with the Rate Filing at Docket No. R-2023-3039920.

⁴ 66 Pa. C.S. § 315(e).

⁵ FPFTY Petition, p. 4.

III. CONCLUSION

WHEREFORE, in consideration of the averments set forth in this I&E Answer, the Bureau of Investigation and Enforcement respectfully requests that the Commission deny PWSA's request for a waiver of the statutory definition of the FPPTY, or in the alternative, consolidate this FPPTY Petition into the Rate Filing at Docket No. R-2023-3039920.

Respectfully submitted,



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PA Attorney ID No. 63641

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Dated: May 30, 2023

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PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	Docket Nos.:
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	:	R-2023-3039921 (Wastewater)
Pittsburgh Water and Sewer Authority	:	R-2023-3039919 (Stormwater)
Base Rate Case	:	

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **I&E Answer to PWSA Petition** on May 30, 2023, in the manner and upon the persons listed below:

Served via Electronic Mail Only

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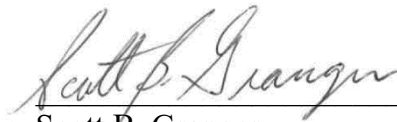
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