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June 27, 2023

# VIA ELECTRONIC FILING

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

> Re: Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority; Docket Nos. R-2023-3039920 (Water), R-2023-3039921 (Wastewater) and R-2023-3039919 (Stormwater)

Petition of the Pittsburgh Water and Sewer Authority for Authorization to Increase Water and Wastewater DSIC Charge Caps to 7.5%; Docket Nos. P-2023-3040734 (Water) and P-2023-3040735 (Wastewater)

Petition of the Pittsburgh Water and Sewer Authority for Authorization to Implement a Customer Assistance Charge; Docket No. P-2023-3040578

## THE CITY OF PITTSBURGH'S PETITION TO INTERVENE

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is The City of Pittsburgh's Petition to Intervene in the above-referenced proceedings. Copies have been served in accordance with the attached Certificate of Service.

The City notes that it is filing an identical Petition to Intervene in each of the abovecaptioned dockets which PWSA has requested be consolidated but which have not yet been consolidated. Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission June 27, 2023 Page 2

If you have any questions regarding this filing, please contact the undersigned.

Very truly yours,

/s/ Whitney E. Snyder

Whitney E. Snyder Thomas J. Sniscak Phillip D. Demanchick

Counsel for The City of Pittsburgh

WES/das/jld Enclosures

cc: The Honorable Charles E. Rainey, Jr. (<u>crainey@pa.gov</u>)
Krysia Kubiak, City Solicitor (<u>krysia.kubiak@pittsburghpa.gov</u>)
Jesse I. Exilus, Deputy Solicitor (jesse.exilus@pittsburghpa.gov)
John F. Doherty, Associate City Solicitor (john.doherty@pittsburghpa.gov)
Per Certificate of Service

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:		
v. Pittsburgh Water and Sewer Authority	:	Docket Nos.	R-2023-3039920 (Water) R-2023-3039921 (Wastewater) R-2023-3039919 (Stormwater)
Petition of the Pittsburgh Water and Sewer Authority for Authorization to Increase Water and Wastewater DSIC Charge Caps to 7.5%	: : :	Docket Nos.	P-2023-3040734 (Water) P-2023-3040735 (Wastewater)
Petition of the Pittsburgh Water and Sewer Authority for Authorization to Implement a Customer Assistance Charge	: : :	Docket No.	P-2023-3040578

## THE CITY OF PITTSBURGH'S PETITION TO INTERVENE

NOW COMES The City of Pittsburgh ("The City"), by and through its attorneys, Hawke McKeon & Sniscak LLP, and files this Petition to Intervene in the above-captioned proceedings before the Pennsylvania Public Utility Commission ("Commission") pursuant to 52 Pa. Code §§ 5.71, *et seq.* In support of its Petition, The City avers as follows:

1. On May 9, 2023, PWSA filed its base rate request at Docket Nos. R-2023- 3039920 (water), R-2023-3039921 (wastewater), and R-2023-3039919 (stormwater) ("Rate Filing"). Pursuant to the Rate Filing, PWSA is asking the Commission for approval of a multiyear total overall rate revenue increase of \$146.1 million, which is inclusive of the proposed 7.5% DSIC increase. The Rate Filing includes a \$46.8 million or 22.5% increase in the FPFTY (FY 2024), \$45.4 million or 17.8% in FY 2025, and \$53.9 million or 17.9% in FY 2026. This total amount of rate increases includes assessment of a 7.5% DSIC in 2024 and the implementation of the CAC in 2025 to coincide with PWSA's proposal to remove the minimum allowance included within its current rate structure. Relatedly and included with the Rate Filing, is PWSA's proposal to implement an Infrastructure Improvement Charge ("IIC") also in 2024 to recover PENNVEST and Federal (WIFIA) loan expenses between rate cases.

2. On May 9, 2023, PWSA also filed a Petition to consolidate the water, wastewater, and stormwater proceedings and to utilize combined water, wastewater, and stormwater revenue requirements.

3. On May 9, 2023 PWSA filed its Petition for Authorization to Increase Water and Wastewater Distribution System Improvement Charge Cap to 7.5% ("DSIC Petition"). Pursuant to the DSIC Petition, PWSA asks that the Commission: (1) authorize a Water DSIC Cap of 7.5% of intrastate revenue permitted by Section 1358(b) of the public utility code; and (2) waive the provisions of Section 1358(a) of the Public Utility Code and authorize PWSA to implement a 7.5% cap for its Wastewater DSIC.

4. On May 9, 2023, PWSA filed its Petition for Authorization to Implement a Customer Assistance Charge ("CAC Petition"). Pursuant to the CAC Petition, PWSA asks that the Commission authorize PWSA to implement a proposed Customer Assistance Charge pursuant to 66 Pa. C.S. § 1307.

5. On May 23, 2023, Pittsburgh Water and Sewer Authority filed a Petition to Consolidate PWSA's Petition for Authorization to Increase Water and Wastewater Distribution System Improvement Charge ("DSIC") Cap to 7.5% and its Petition for Authorization to Implement a Customer Assistance Charge ("CAC") with its water, wastewater, and stormwater rate case proceeding.

6. The City has no objection to the consolidation of these matters.

7. The City, a Home Rule Municipality organized and existing under the Home Rule Charter and Optional Plans Law, 53 Pa.C.S. § 2901, et seq., and city of the second class by

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statutory designation, is a political subdivision of the Commonwealth of Pennsylvania and maintains its principal place of business at 414 Grant Street, 5th Floor City-County Building, Pittsburgh, PA 15219.

8. All correspondence and pleadings in this docket should be directed to The City's counsel in this matter:

Whitney E. Snyder, Attorney I.D. # 316625 Thomas J. Sniscak, Attorney I.D. # 33891 Phillip D. Demanchick Jr., Attorney I.D. # 324761 Hawke McKeon & Sniscak LLP 100 North Tenth Street Harrisburg, PA 17101 (717) 236-1300 tjsniscak@hmslegal.com wesnyder@hmslegal.com pddemanchick@hmslegal.com

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#### **PETITION TO INTERVENE**

9. Eligibility to intervene in Commission proceedings is governed by the Commission's regulations found at 52 Pa. Code § 5.72. The Commission's regulations provide that in order to intervene, a party must have "a right or interest" sufficient to warrant intervention, which includes an interest that may be directly affected by the proceeding and which is not being adequately represented by existing participants, and where the petitioner may be bound by the actions of the Commission or where the right or interest is otherwise in the public interest. *Id.* 

10. The City has such an interest because the City is a PWSA ratepayer. Moreover, the City established PWSA and currently owns PWSA's water and wastewater infrastructure. The City established PWSA in 1984 to assume responsibility for operating the City's water supply and distribution and wastewater collection systems (the "Water and Sewer System").

11. PWSA operates and maintains the City's Water and Sewer System, which provides these services to a majority of the residential, business, educational facilities, and other types of structures within the City's corporate limits.

12. Pursuant to a lease and management agreement dated March 29, 1984 (the "1984 Agreement") between PWSA and the City, the City leased its Water and Sewer System to PWSA, with the City continuing to provide services necessary to operate the system, acting as an agent of PWSA. In 1995, the parties terminated the 1984 Lease Agreement and entered into a 1995 Capital Lease Agreement dated July 15, 1995, which remains in effect today.

13. PWSA and the City also entered into a cooperation agreement with an effective date of January 1, 1995 (the "1995 Cooperation Agreement") and later amended (the "First Amendment") on March 21, 2011. The 1995 Cooperation Agreement, as amended, remained in effect until October 3, 2019, when the PWSA terminated it because the parties negotiated a new cooperation agreement, the 2019 Cooperation Agreement. The 2019 Cooperation Agreement is effective October 3, 2019.

14. The 2019 Cooperation Agreement has the force and effect of law. Act of July 23, 2020, P.L. 677, No. 70. The 2019 Cooperation Agreement has specific provisions regarding rates the City will pay to PWSA, which rates are implicated in these proceedings.

15. Therefore, the City is eligible to intervene as of right and because its interest in these proceedings are of such a nature that its intervention is necessary and appropriate to the administration of the statute under which the proceeding is brought." 52 Pa. Code § 5.72(a).

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16. Further, the City has identified an interest that will be directly affected by these proceedings, and there is no other party but the City that can adequately represent its interests because the Commission intends to bind the City with any decision that it enters in these proceedings. 52 Pa. Code. § 5.72(a)(2).

17. For the reasons stated above, The City's intervention in this matter meets the intervention standards of 52 Pa. Code § 5.72 and is otherwise in the public interest. Accordingly, The City requests that intervention be granted and that it be allowed full party status in this matter.

WHEREFORE, The City of Pittsburgh respectfully requests that this petition be granted and that the Pennsylvania Public Utility Commission grant it party status in the above-captioned matters.

Respectfully submitted,

/s/ Whitney E. Snyder

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DATED: June 27, 2023

Attorneys for The City of Pittsburgh

## VERIFICATION

I, Patrick Cornell, Chief Financial Officer, on behalf of City of Pittsburgh, hereby state that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing in this matter.

This verification is made subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities.

City of Pittsburgh, Patrick Cornell, Chief Financial Officer,

DATED: June 2023

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the forgoing document upon the persons listed below in accordance with the requirements of § 1.54 (relating to service by a party).

### VIA ELECTRONIC MAIL ONLY

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<u>/s/Whitney E. Snyder</u> Whitney E. Snyder Thomas J. Sniscak Phillip D. Demanchick Jr.

DATED: June 27, 2023