



October 5, 2018

VIA E-FILE

David P. Zambito

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Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority
– Water; Docket No. R-2018-3002645 and C-2018-3004864**

**Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority
– Wastewater; Docket No. R-2018-3002647**

**MOTION OF PEOPLES NATURAL GAS COMPANY LLC TO DISMISS OBJECTIONS
AND COMPEL ANSWERS TO DISCOVERY**

Dear Secretary Chiavetta:

Enclosed for filing with the Commission, please find the Motion of Peoples Natural Gas Company LLC to Dismiss Objections and Compel Answers to Discovery in the above-referenced proceeding. A copy of this document has been served in accordance with the attached Certificate of Service.

If you have any questions regarding this filing, please direct them to me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: David P. Zambito
Counsel for Peoples Natural Gas Company LLC

DPZ:kmg
Enclosure

cc: Honorable Mark A. Hoyer
Honorable Conrad A. Johnson
Per Certificate of Service
William H. Roberts, II, Esquire

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, <i>et al.</i>	:	
	:	Docket No. R-2018-3002645
v.	:	C-2018-3004864
	:	
Pittsburgh Water and Sewer Authority – Water	:	
	:	
and	:	
	:	
Pennsylvania Public Utility Commission, <i>et al.</i>	:	
	:	
v.	:	Docket No. R-2018-3002647
	:	C-2018-3004867
	:	
Pittsburgh Water and Sewer Authority – Wastewater	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Motion to Dismiss Objections and Compel Answers to Discovery** on behalf of Peoples Natural Gas Company LLC, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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Counsel for Peoples Natural Gas Company LLC

Date: October 5, 2018

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE
MARK A. HOYER
AND
ADMINISTRATIVE LAW JUDGE
CONRAD A. JOHNSON**

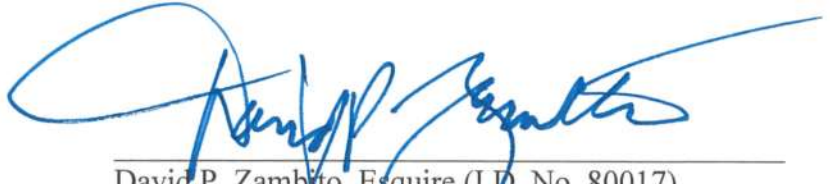
Pennsylvania Public Utility Commission, <i>et al.</i>	:	
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	:	
v.	:	Docket No. R-2018-3002647
	:	
Pittsburgh Water and Sewer Authority – Wastewater	:	

NOTICE TO PLEAD

TO: Parties at Docket Nos. R-2018-3002645, R-2018-3002647 and C-2018-3004867

Pursuant to 52 Pa. Code § 5.342 and the Prehearing Order issued by Deputy Chief Administrative Law Judge Mark A. Hoyer and Administrative Law Judge Conrad A. Johnson on July 20, 2018, you are hereby notified that Peoples Natural Gas Company LLC (“Peoples”) has filed a Motion to Dismiss Objections and Compel Answers to Discovery at the above-referenced dockets to which you may file an answer within three (3) days. Your failure to answer will allow

the Commission to rule on the Motion without a response from you, thereby requiring no other proof. All pleadings such as an Answer to this Motion must be filed with the Secretary of the Pennsylvania Public Utility Commission at P.O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the undersigned counsel for Peoples.



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Dated: October 5, 2018

Counsel for *Peoples Natural Gas Company LLC*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE
MARK A. HOYER
AND
ADMINISTRATIVE LAW JUDGE
CONRAD A. JOHNSON**

Pennsylvania Public Utility Commission, <i>et al.</i>	:	
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**MOTION OF PEOPLES NATURAL GAS COMPANY LLC TO
DISMISS OBJECTIONS AND COMPEL ANSWERS TO DISCOVERY**

AND NOW COMES, Peoples Natural Gas Company LLC (“Peoples”), by and through its counsel, Cozen O’Connor, pursuant to 52 Pa. Code §§ 5.342(g) and the Prehearing Order dated July 20, 2018 (“Prehearing Order”), to file this Motion to Dismiss Objections and Compel Answers to Discovery (“Motion”).¹ In support whereof, Peoples states as follows:

¹ As will be discussed further herein, it appears that the Pittsburgh Water and Sewer Authority (“PWSA”) is objecting to all 30 interrogatories and requests for production of documents in Set I. By this Motion, Peoples seeks an order dismissing the objections, and ordering PWSA to answer, all interrogatories and requests for production of documents except Interrogatory #6.

I. BACKGROUND

1. On July 2, 2018, PWSA filed Tariff Water – Pa. P.U.C. No. 1 (the “Water Tariff”) at Docket No. R-2018-3002645 and Tariff Wastewater-Pa. P.U.C. No. 1 (the “Wastewater Tariff”) at Docket No. R-2018-3002647. Together, the Water Tariff and the Wastewater Tariff represent a request for a general increase in rates of approximately \$27.0 million per year, or 17.1% on a total revenue basis over the amount of annual revenues at present rates. The proposed rates were to take effect on August 31, 2018 but the Commission issued an Order on July 12, 2018 suspending the proposed rate increase by operation of law until March 31, 2019, unless permitted by Commission Order to become effective at an earlier date.

2. PWSA moved to consolidate the Water Tariff proceedings with the Wastewater Tariff proceedings, which motion was granted by the Prehearing Order. The Prehearing Order also granted PWSA’s request to use a combined revenue requirement pursuant to 66 Pa. C.S. § 1311(c), and further permitted PWSA to use a fully projected future test year beginning January 1, 2019.

3. PWSA gave its customers notice of the rate increase pursuant to the alternative notice procedures of 52 Pa. Code § 53.45(b)(4). As a result, PWSA agreed to extend from 60 to 90 days the period within which the filing of a complaint places the burden of proof upon PWSA with respect to proposed rates.

4. On September 21, 2018, Peoples filed a Complaint against the Water Tariff at Docket No. C-2018-3004864.

5. On September 27, 2018, Peoples served its Interrogatories and Requests for Production of Documents Propounded by Peoples Natural Gas Company LLC to Pittsburgh Water

and Sewer Authority – Set I (“Set I”) on PWSA. A true and correct copy of this discovery is attached as **Appendix A**.

6. As required by the Prehearing Order entered July 20, 2018, on Monday, October 1, 2018, counsel for PWSA contacted counsel for Peoples to object orally to Set I. Counsel were unable to resolve the dispute.

7. On Tuesday, October 2, 2018, PWSA served its written objections to Set I. A true and correct copy is attached as **Appendix B**.

8. On October 5, 2018, Peoples filed an Amended Complaint against the Water Tariff and the Wastewater Tariff at Docket No. C-2018-3004864. Among other things, Peoples alleged that it is a wastewater customer of PWSA and is a tenant receiving water service from PWSA. Peoples challenged the proposed increase in water and wastewater rates, in part, based on the quality of the water and wastewater service provided by PWSA. 66 Pa.C.S. § 526. Peoples submits that its Amended Complaint establishes its standing to contest both the Water Tariff and the Wastewater Tariff.

II. LEGAL STANDARD

9. Under the Commission’s regulations, a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action. 52 Pa. Code § 5.321(c). It is not ground for objection that the information sought will be inadmissible at hearing if the information sought appears reasonably calculated to lead to the discovery of admissible evidence. *Id.* The Commission applies the relevancy test liberally. *See Pennsylvania Public Utility Commission v. The Peoples Natural Gas Company*, 62 Pa. PUC 56 (Aug. 26, 1986). Not only is the relevancy test liberally applied, but any doubts regarding the relevancy of subject matter should be resolved in favor of relevancy. *Koken v. One Beacon Ins. Co.*, 911 A.2d 1021,

1025 (Pa. Cmwlth. 2006). The burden of proof lies with the party challenging the relevance of discovery. *Id.*

III. MOTION TO COMPEL

A. GENERAL – PWSA SHOULD BE COMPELLED TO ANSWER ALL INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS (EXCEPT INTERROGATORY #6).

10. PWSA's Objections begin with a "Summary of Objections" section which states that PWSA objects to the entirety of Set I. Following this "Summary of Objections," PWSA states specific objections to thirteen of the thirty Interrogatories and Requests for Production of Documents in Set I. For the reasons stated below, Peoples respectfully submits that all objections, whether stated in the "Summary of Objections" section or the specific objections that follow, should be overruled and PWSA should be compelled to answer all Interrogatories and Requests for Production of Documents (except Interrogatory #6).

B. THE OBJECTIONS STATED IN PWSA'S "SUMMARY OF OBJECTIONS" SHOULD BE OVERRULED.

11. PWSA's "Summary of Objections" Section offers five objections, although the first and the fifth objections are essentially the same. PWSA alleges that all interrogatories are offered in bad faith, because they seek competitively sensitive information and data in order to pursue an agenda that is unrelated to the merits of this case. Objections p. 1. Additionally, PWSA objects to all interrogatories because "the majority" of Peoples' Set I are designed to elicit competitive intelligence. Objections p. 5.

12. Peoples respectfully submits that these objections should be overruled. First, it is unclear why PWSA should be excused from answering every interrogatory because “the majority” of interrogatories are allegedly objectionable. Second, it is simply untrue that all or even a majority of the interrogatories in Set I seek competitively-sensitive information. Set I includes the following Interrogatories and Requests for Production of Documents:

- 2) Please provide number of customers/meters by type/category.
- 12) Does PWSA include charges from third parties on its bills.
- 13) Please describe “Universal Services” or other low income customer assistance programs?
 - a) Are there plans to change these programs. If so, please discuss.
- 17) Please describe any electronic (e-mail) billing capabilities that exist and provide the number of customers that receive electronic bills only.

13. Peoples submits that these interrogatories are quite common in rate cases, and do not require PWSA to disclose any confidential or proprietary information. To the extent that the interrogatories do request confidential or proprietary information, Peoples has provided PWSA with Non-Disclosure Certificates pursuant to the Protective Order entered in this case. In objecting to *all* interrogatories in Set I on the grounds that Peoples is improperly pursuing competitively-sensitive information, PWSA paints with too broad a brush. As a result, these objections should be overruled.

14. Next, PWSA objects to all interrogatories and requests for production of documents in Set I because “they are designed to cause unreasonable annoyance, burden and expense on PWSA because of Peoples’ late entry into this ratemaking proceeding and failure to review readily available information in PWSA’s filing prior to issuing discovery.” PWSA’s Objections p. 2. To the extent that Peoples has asked an interrogatory that PWSA has answered previously, Peoples will accept an answer that references PWSA’s prior response. PWSA, however, cannot simply

refuse to answer all of Peoples' interrogatories on the grounds that PWSA has previously answered many interrogatories from other parties.

15. Third, PWSA objects to all interrogatories and requests for production of documents in Set I on the ground that "the majority" of Peoples' Set I is beyond the proper scope of Peoples' participation in this proceeding. PWSA states that Peoples is a wastewater customer of PWSA but lacks standing to participate in other aspects of this case because it is not a water customer of PWSA. PWSA states that it will be filing Preliminary Objections to Peoples' Complaint, but did not file that pleading until after objecting to discovery.

16. This objection should be overruled for several reasons. First, it is unclear why PWSA believes it should be excused from answering every question in Set I because "the majority" of Set I is supposedly objectionable. Second, Preliminary Objections (not objections to discovery) are the proper way to raise standing issues. 52 Pa. Code § 5.101(a)(7).

17. Third, Peoples has filed an Amended Complaint that contests the Wastewater Tariff because Peoples is a wastewater customer of PWSA. Peoples clearly has standing to submit Interrogatories and Requests for Production of Documents seeking information concerning PWSA's Wastewater Tariff and the quality of PWSA's wastewater service.

18. In addition, Peoples' Amended Complaint continues to contest the Water Tariff because Peoples receives water service from PWSA as a tenant in buildings located in PWSA's service territory. Peoples has standing to submit interrogatories and requests for production of documents seeking information pertaining to PWSA's Water Tariff and the quality of PWSA's water service because (i) Peoples is contractually obligated to reimburse its landlord for the amount of the landlord's water bills, and (ii) Peoples is affected by the poor quality of water service provided by PWSA (for example, Peoples has been impacted by boil water advisories due to nearby water main breaks).

19. PWSA’s next general objection is that “many” of the questions in Peoples’ Set I inquire about infrastructure improvements, which PWSA claims are beyond the scope of these proceedings. Again, it is unclear why PWSA should be excused from answering every interrogatory or request for production of documents in Set I because “many” of the questions are allegedly beyond the scope of the proceeding. Second, this very issue was raised in Peoples’ Complaint and Peoples’ Amended Complaint. Peoples’ Amended Complaint states at Paragraph 17:

17. Under Act 65 of 2017 and *Implementation of Chapter 32 of the Public Utility Code Re Pittsburgh Water and Sewer Authority*, Docket Nos. M-2018-2640802 and M-2018-2640803 (Final Implementation Order entered March 15, 2018), PWSA was not required to submit a long-term infrastructure improvement plan (“LTIIIP”) until September 28, 2018 (*i.e.*, after the filing of the instant rate case). Peoples is currently reviewing PWSA’s expense claims in this proceeding, and its LTIIIP, to determine if the rate claims align with PWSA’s LTIIIP. Any rates awarded in this proceeding should be declared “temporary rates” under 66 Pa. C.S §§ 1308, 1310 and subject to refund. It would be unjust for the Commission to award rates based on a claimed level of investment only to have the required investment set at a different level shortly thereafter (*i.e.*, within the fully-projected future test year).

Peoples submits that it is premature at this time to find that expenses related to infrastructure spending are outside the boundaries of this rate proceeding.

C. Specific Objections

1. Interrogatory #1

20. Peoples Interrogatory No. 1 states:

Please provide an inventory of your CIS, MIS and GIS systems and associated costs (i.e., billing, call center, IT, metering, etc.)

21. PWSA objects on the grounds that this information is irrelevant for a cash-flow utility and it is beyond the scope of Peoples' standing as a sewer customer.

22. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about PWSA's sewer operations and procedures, and their associated costs, are within the proper scope of discovery in a proceeding relating to PWSA's rates. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

2. Interrogatory #3

23. Interrogatory # 3 states:

Please provide number of current meter read routes or similar information if automated.

24. PWSA objects because it believes the requested information is irrelevant and because Peoples' standing is limited to its participation as a sewer customer.

25. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about the number of PWSA's meter read routes is within the proper scope of discovery in a proceeding relating to PWSA's rates. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

3. Interrogatory #5

26. Interrogatory #5 states:

Please summarize most current billing performance of CIS system.

27. PWSA objects because it believes the question is vague and because Peoples' standing is limited to its participation as a sewer customer.

28. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about the performance of PWSA's sewer operations and systems, and their associated costs, are within the proper scope of discovery in a proceeding relating to PWSA's rates. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

4. Interrogatory #6

29. Interrogatory #6 states:

Please summarize most current call center performance.

30. PWSA objects because it previously provided information on call center performance in response to OCA-II-19. Peoples will review this response and does not ask the Administrative Law Judges to compel PWSA to answer this question at this time.

5. Interrogatory #14

31. Interrogatory #14 states:

Please describe the current bill print process:

- a) Are there plans to update or change these processes? If so, please describe.

32. PWSA objects because Peoples' standing is limited to its participation as a sewer customer. PWSA also contests that the interrogatory is asked in bad faith to obtain competitive intelligence.

33. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about PWSA's billing process and its associated costs, with respect to the sewer system, are within the proper scope of discovery in a proceeding relating to PWSA's rates. Peoples sees no need for PWSA to reveal any confidential or proprietary information in response to this interrogatory. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

6. Interrogatory #18

34. Interrogatory #18 states:

Please describe any or all payment plans offered to customers.

- a) Are there plans to update or change the payment plans? If so, please describe.

35. PWSA objects because Peoples' standing is limited to its participation as a sewer customer. PWSA also contests that the interrogatory is asked in bad faith to obtain competitive intelligence.

36. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about PWSA's payment plans for customers of the sewer system are within the proper scope of discovery in a proceeding relating to PWSA's sewer rates. Peoples sees no need for PWSA to reveal confidential or proprietary information in response to this interrogatory. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

7. Interrogatory #19

37. Interrogatory #19 states:

Regarding Interrogatory 18 above, are there any existing third-party agreements for the implementation of payment plan programs?

- a) If so, please provide costs, rates, etc. that the third parties charge.
- b) Are there plans to continue these third-party services in the future?
- c) Regarding Interrogatory 19b above, please discuss why or why not the services will be continued.

38. PWSA objects because Peoples' standing is limited to its participation as a sewer customer. PWSA also contests that the interrogatory is asked in bad faith to obtain competitive intelligence.

39. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about PWSA's existing agreements pertaining to the wastewater system and their associated costs are within the proper scope of discovery in a proceeding relating to PWSA's rates. In any event, a municipal authority such as PWSA must disclose contracts pursuant to the Pennsylvania Right to Know Law, Act 3 of 2008. Finally, Peoples submits that the question is within the proper scope of discovery, as it will either identify admissible evidence or is reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

8. Interrogatories #21, 23, 26, 28, 29, 30

40. Interrogatory #21 states:

Please list the types of correspondence sent to customers and what triggers each.

- a) Are there plans to update or change these processes? If so, please describe.

41. Interrogatory #23 states:

Please provide the interfaces and data content for each of the following processes:

- a) Financial;
- b) Work Management; and
- c) Usage & billing data.

42. Interrogatory #26 states:

Please provide current staffing levels (Call Center, Billing, Meter Reading) and planned staffing levels.

43. Interrogatory #28 states:

For each PWSA construction project in 2017, 2018 and projected for 2019:

- (a) Identify projects where the City of Pittsburgh has provided street restoration (i.e., asphalt) at no cost or reduced cost to PWSA; and
- (b) For each project identified in part (a) above, provide the dollar value of the restoration contributed by the City for the restoration.

44. Interrogatory #29 states:

Has PWSA worked with the City to increase the City's budget for asphalt in 2019 and 2020? If so, provide details of the agreement regarding the City's contribution of asphalt for PWSA projects.

45. Interrogatory #30 states:

Regarding lead service line replacement in 2017 and 2018:

- a) What renewal methods were used?
- b) What is the total number of service lines renewed for each installation method?

46. PWSA objects to each of the above interrogatories because Peoples' standing is limited to its participation as a sewer customer.

47. As previously argued, Peoples has filed an Amended Complaint that establishes its standing to contest both the Water Tariff and the Wastewater Tariff. Even if Peoples only has standing to contest the Wastewater Tariff, questions about PWSA's existing sewer operations and procedures, and their associated costs, are within the proper scope of discovery in a proceeding relating to PWSA's sewer rates. Finally, Peoples submits that the challenged interrogatories are

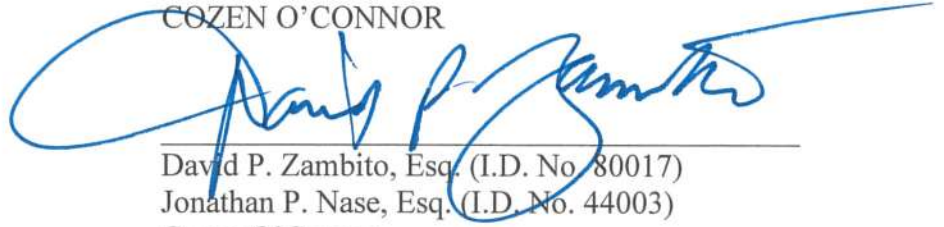
within the proper scope of discovery, as they will either identify admissible evidence or are reasonably calculated to lead to the discovery of admissible evidence. 52 Pa. Code § 5.321(c).

IV. CONCLUSION

WHEREFORE, for the foregoing reasons, Peoples respectfully requests that the Administrative Law Judges (1) grant the instant Motion; (2) dismiss PWSA's Objections to Interrogatories and Requests for Production of Documents Set I (except Interrogatory #6); and (3) order PWSA to immediately respond in writing to all Interrogatories and Requests for Production of Documents in Set I (other than interrogatory #6).

Respectfully submitted,

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DATED: October 5, 2018

Counsel for *Peoples Natural Gas Company LLC*

APPENDIX A



September 27, 2018

VIA E-MAIL AND FIRST CLASS MAIL

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**Re: Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority;
Docket No. R-2018-3002645**

**Interrogatories and Requests for Production of Documents Propounded by Peoples
Natural Gas Company LLC to Pittsburgh Water and Sewer Authority – Set I**

Dear Mr. Clearfield:

Enclosed please find two (2) copies of the above-referenced discovery requests. Pursuant to the Prehearing Order dated July 20, 2018, answers shall be served in hand within fifteen calendar days of service. All parties have been served in accordance with the enclosed Certificate of Service.

If you have any questions, please contact me. Thank you for your attention to this matter.

Sincerely,

COZEN O'CONNOR

By: Jonathan P. Nase

JPN:kmg

Enclosure

cc: Rosemary Chiavetta, Secretary (Letter and Certificate of Service only)
William H. Roberts II, Esq.
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Interrogatories and Requests for Production of Documents to Pittsburgh Water and Sewer Authority – Set I**, upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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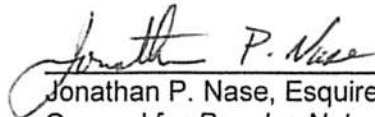
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Counsel for Peoples Natural Gas Company LLC

Date: September 27, 2018

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE
MARK A. HOYER
AND
ADMINISTRATIVE LAW JUDGE
CONRAD A. JOHNSON**

Pennsylvania Public Utility Commission, <i>et al.</i>	:	
	:	Docket No. R-2018-3002645
v.	:	C-2018-3004864
	:	
Pittsburgh Water and Sewer Authority – Water	:	

**INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
PROPOUNDED BY PEOPLES NATURAL GAS COMPANY LLC
ON PITTSBURGH WATER AND SEWER AUTHORITY – SET I**

Pursuant to 66 Pa. C.S. § 333 and 52 Pa. Code § 5.341 *et seq.*, Peoples Natural Gas Company LLC (“Peoples”), by and through the undersigned counsel, hereby propounds its Interrogatories and Requests for Production of Documents Directed to Pittsburgh Water and Sewer Authority (“PWSA”) – Set I.

DEFINITIONS

1. The “Responding Party,” “you,” or “your” means the party to which these interrogatories and requests for production of documents are propounded and/or all agents, affiliates, employees, consultants, and representatives acting on behalf of the Responding Party.
2. “Commission” means the Pennsylvania Public Utility Commission.

3. To “identify” a natural person means to state that person’s full name, title or position, employer, last known address, and last known telephone number.

4. To “identify” a business entity means to state the full name of such business, the form of the business, and its location or address.

5. To “identify” a “document” means to provide all of the following information irrespective of whether the document is deemed privileged or subject to any claim of privilege:

A. The title or other means of identification of each such document;

B. The date of each such document;

C. The author, preparer or signer of each such document; and

D. A description of the subject matter of such document sufficient to permit an understanding of its contents and importance to the testimony or position being examined and the present or last known location of the document. The specific nature of the document should also be stated (e.g., letter, business record, memorandum, computer print-out, etc.).

In lieu of “identifying” any document, it shall be deemed a sufficient compliance with these interrogatories to attach a copy of each such document to the answers hereto and reference said document to the particular interrogatory to which the document is responsive.

6. “Document” means the original and all drafts of all written and graphic matter, however produced or reproduced, of any kind or description, whether or not sent or received, and all copies thereof which are different in any way from the original (whether by interlineation, date-stamp, notarization, indication of copies sent or received, or otherwise), including without limitation, any paper, book, account, photograph, blueprint, drawing, sketch, schematic, agreement, contract, memorandum, press release, circular, advertising material, correspondence,

letter, telegram, telex, object, report, opinion, investigation, record, transcript, hearing, meeting, study, notation, working paper, summary, intra-office communication, diary, chart, minutes, index sheet, computer software, computer-generated records or files, however stored, check, check stub, delivery ticket, bill of lading, invoice, record or recording or summary of any telephone or other conversation, or of any interview or of any conference, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter of which the Responding Party has or has had possession, custody or control, or of which the Responding Party has knowledge.

7. “Communication” means any manner or form of information or message transmission, however produced or reproduced, whether as a document as herein defined, or orally or otherwise, which is made, distributed, or circulated between or among persons, or data storage or processing units.

8. “Date” means the exact day, month, and year, if ascertainable, or if not, the best approximation thereof.

9. “Person” refers to, without limiting the generality of its meaning, every natural person, agent, broker, consultant, corporation, partnership, association (whether formally organized or ad hoc), joint venture, unit operation, cooperative, municipality, commission, governmental body or agency, or any other group or organization.

10. “Peoples” means Peoples Natural Gas Company LLC.

11. “PWSA” means Pittsburgh Water and Sewer Authority and its affiliates, and includes without limitation any of its staff, employees, counsel, consultants or agents.

INSTRUCTIONS

1. Items referred to in the singular include those in the plural, and items referred to in the plural include those in the singular.

2. Items referred to in the masculine include those in the feminine, and items referred to in the feminine include those in the masculine.

3. The answers provided should first restate the question asked and identify the person(s) supplying the information.

4. In answering the interrogatories, the Responding Party is requested to furnish all information that is available to the Responding Party, including information in the possession of the Responding Party's attorneys, agents, consultants, or investigators, and not merely such information of the Responding Party's own knowledge. If any of the interrogatories cannot be answered in full after exercising due diligence to secure the requested information, please so state and answer to the extent possible, specifying the Responding Party's inability to answer the remainder, and stating whatever information the Responding Party has concerning the unanswered portions. If the Responding Party's answer is qualified in any particular, please set forth the details of such qualification.

5. If the Responding Party objects to providing any document requested on any ground, identify such document by describing it as set forth in these instructions and definitions and state the basis of the objection.

6. If the Responding Party objects to part of an interrogatory and refuses to answer that part, state the Responding Party's objection and answer the remaining portion of that interrogatory. If the Responding Party objects to the scope or time period of an interrogatory and refuses to answer for that scope or time period, state the Responding Party's objection and answer the interrogatory for the scope or time period that the Responding Party believes is appropriate.

7. If, in connection with an interrogatory, the Responding Party contends that any information, otherwise subject to discovery, is covered by either the attorney-client privilege, the

so-called “attorneys’ work product doctrine,” or any other privilege or doctrine, then specify the general subject matter of the information and the basis to support each such objection.

8. If any information is withheld on grounds of privilege or other protection from disclosure, provide the following information: (a) every person to whom such information has been communicated and from whom such information was learned; (b) the nature and subject matter of the information; and, (c) the basis on which the privilege or other protection from disclosure is claimed.

9. The interrogatories are continuing and the Responding Party is obliged to change, supplement and correct all answers given to conform to new or changing information.

10. The Responding Party should include a verification in accordance with 52 Pa. Code § 1.36.

PEOPLES-TO-PWSA SET I

INTERROGATORIES AND DOCUMENT REQUESTS

- 1) Please provide an inventory of your CIS, MIS, and GIS systems and associated costs (i.e., billing, call center, IT, metering, etc.).
- 2) Please provide number of customers/meters by type/category.
- 3) Please provide number of current meter read routes or similar information if automated.
- 4) If applicable, provide number of billing cycles and number of customers in each.
- 5) Please summarize most current billing performance of CIS system.
- 6) Please summarize most current call center performance.
- 7) Please provide all call statistics available. If possible, please provide call volume by month, type, length of call.
- 8) Please provide a detailed description of the type of automated meter reading technology currently installed.
- 9) Regarding Interrogatory 8 above, please describe any issues or problems currently being experienced with the meter reading technology installed.
- 10) Please describe the validation process currently in place to check for implausible meter reads, high usage, or other exceptions.
- 11) Please provide the current billing rate structure:
 - a) Types of charges billed; and
 - b) Customer categories with different rates.
- 12) Does PWSA include charges from third parties on its bills?
- 13) Please describe "Universal Services" or other low income customer assistance programs?
 - a) Are there plans to change these programs? If so, please discuss.
- 14) Please describe the current bill print process.
 - a) Are there plans to update or change these processes? If so, please describe.
- 15) Regarding the billing process, please list any and all existing agreements with third-party processors.
 - a) Please provide costs, rates, etc., that the third parties charge.

- b) Are there plans to continue these services in the future?
 - c) Regarding Interrogatory 15b above, please discuss why or why not the services will be continued.
- 16) Please describe the current policy for security deposits for new accounts.
- a) Are there plans to update or change the policy? If so, please describe.
- 17) Please describe any electronic (e-mail) billing capabilities that exist and provide the number of customers that receive electronic bills only.
- 18) Please describe any or all payment plans offered to customers.
- a) Are there plans to update or change the payment plans? If so, please describe.
- 19) Regarding Interrogatory 18 above, are there any existing third-party agreements for the implementation of payment plan programs?
- a) If so, please provide costs, rates, etc. that the third parties charge.
 - b) Are there plans to continue these third-party services in the future?
 - c) Regarding Interrogatory 19b above, please discuss why or why not the services will be continued.
- 20) Please describe current dunning, late payment charge, and termination policies and procedures.
- 21) Please list the types of correspondence sent to customers and what triggers each.
- a) Are there plans to update or change these processes? If so, please describe.
- 22) Please describe the process for scheduling customer service appointments.
- a) Are there plans to update or change this process? If so, please describe.
- 23) Please provide the interfaces and data content for each of the following processes:
- a) Financial;
 - b) Work Management; and
 - c) Usage & billing data.
- 24) Please discuss the availability and format of historical customer-related data, i.e. type of data and number of years available.
- 25) Please provide Service Contract Terms.

- 26) Please provide current staffing levels (Call Center, Billing, Meter Reading) and planned staffing levels.
- 27) Please indicate if PWSA owns and operates its own billing system or if it contracts with an outside third party.
- a) If PWSA owns its billing system is it planning to replace it or perform major upgrades within the next few years?
 - b) If PWSA uses a third party billing provider, please provide the contract or operating agreement.
- 28) For each PSWA construction project in 2017, 2018 and projected for 2019:
- a) Identify projects where the City of Pittsburgh has provided street restoration (i.e., asphalt) at no cost or reduced cost to PWSA; and
 - b) For each project identified in part (a) above, provide the dollar value of the restoration contributed by the City for the restoration.
- 29) Has PSWA worked with the City to increase the City's budget for asphalt in 2019 and 2020? If so, provide details of the agreement regarding the City's contribution of asphalt for PSWA projects.
- 30) Regarding lead service line replacement in 2017 and 2018:
- a) What renewal methods were used?
 - b) What is the total number of service lines renewed for each installation method?

APPENDIX B



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October 2, 2018

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VIA E-MAIL AND FIRST-CLASS MAIL

**Re: Peoples Natural Gas Company LLC v. Pittsburgh Water and Sewer Authority;
Docket No. R-2018-3002645; C-2018-3004864**

Dear Attorney Zambito and Attorney Nase:

Enclosed please find the Pittsburgh Water and Sewer Authority's Objections to the Interrogatories - Set I of Peoples Natural Gas Company LLC in the above-referenced docket.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served with a copy of this document. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By


Pamela C. Polacek

Counsel to the Pittsburgh Water and Sewer Authority

Enclosure

c: Rosemary Chiavetta, Secretary (Via E-Filing – Letter and Certificate of Service only)
Certificate of Service

www.McNeesLaw.com

Harrisburg, PA • Lancaster, PA • Scranton, PA • State College, PA • Columbus, OH • Frederick, MD • Washington, DC

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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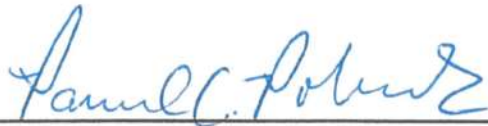
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Representing Peoples Natural Gas Company LLC



Pamela C. Polacek

Counsel to the Pittsburgh Water and Sewer
Authority

Dated this 2nd day of October, 2018, at Harrisburg, Pennsylvania.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PEOPLES NATURAL GAS COMPANY LLC,	:	
	v.	
	:	Docket No. R-2018-3002645
	:	C-2018-3004864
	:	
PITTSBURGH WATER AND SEWER AUTHORITY - WATER	:	
	:	

**PITTSBURGH WATER AND SEWER AUTHORITY'S OBJECTIONS TO
PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

Pursuant to 52 Pa. Code §§ 5.342(c) and (e), the Pittsburgh Water and Sewer Authority ("PWSA") hereby objects to Peoples Natural Gas Company LLC's ("Peoples") "Interrogatories and Requests for Production of Documents Propounded by Peoples Natural Gas Company LLC to Pittsburgh Water and Sewer Authority – Set I" ("Set I Interrogatories"), Questions 1-30 served on September 27, 2018. PWSA communicated to Peoples its intention to object on October 1, 2018, consistent with the July 20, 2018, Prehearing Order.

SUMMARY OF INTERROGATORIES

Peoples' Interrogatories, set forth as **Attachment "A"** hereto, request extensive and detailed information from PWSA concerning everything from the number of PWSA customers and meters by category and type to the types of interfaces and equipment that PWSA uses for its computer systems.

SUMMARY OF OBJECTIONS

As a general matter, PWSA objects to the entirety of Peoples' Set I Interrogatories on several grounds pursuant to 52 Pa. Code § 5.361.

First, pursuant to 52 Pa. Code § 5.361(a)(1), PWSA objects to the entirety of Peoples' Set I Interrogatories as having been sought in bad faith to pursue competitively-sensitive information and data to further Peoples' announced "partnership" plans to replace PWSA's management and operations with Peoples-affiliated management and operations. Peoples' Set Interrogatories, therefore, are only meant to benefit Peoples' competitive interests, rather than aiding in the development and resolution of this ratemaking proceeding. In fact, in a recent article published in the *Pittsburgh Post-Gazette*, Peoples President Morgan O'Brien is quoted as saying: "We're not trying to pick a fight over what the rates will be. We're asking the PUC to engage with us and PWSA to look at the issue, at whether there is a business case to partner." Attached as **Attachment "B."** PWSA's first rate case under PUC jurisdiction is not an appropriate forum for Peoples to pursue this competitive endeavor.

Second, pursuant to 52 Pa. Code § 5.361(a)(2), PWSA objects to the entirety of Peoples' Set I Interrogatories as they are designed to cause unreasonable annoyance, burden, and expense on PWSA because of Peoples' late entry into this ratemaking proceeding and failure to review readily available information in PWSA's filing prior to issuing discovery. PWSA has already answered over 1,300 interrogatories that are available for Peoples' review. PWSA has received over 1,000 pages of Direct Testimony from all parties' (including Peoples) which it must now respond to. Peoples has entered this litigation at an advanced stage, and nearly three months after PWSA submitted its filing. Extensive discovery regarding PWSA's original filing, that is transmitted after the date of Peoples' direct testimony, is untimely, burdensome, and abusive.

Third, the majority of Peoples' Set I Interrogatories are irrelevant to the permissible scope of Peoples' participation in this proceeding. Based on PWSA's billing records, Peoples is a PWSA customer for only sewer service, and only at one location: 2612 Chartiers Avenue, Pittsburgh, Pennsylvania 15204. PWSA will be filing Preliminary Objections to Peoples Complaint to limit its participation to issues that directly impact Peoples as a *sewer* customer of PWSA. As discussed below, Peoples lacks standing to participate in this ratemaking proceeding beyond the confines of its legitimate interest as a sewer service customer of PWSA.

In order to participate in this ratemaking proceeding beyond matters relating to PWSA's sewer services, Peoples must demonstrate that it has standing. Specifically, Peoples must show that it has an interest in the proceeding that is substantial, direct, and immediate in the present ratemaking proceeding. *Wm. Penn Parking Garage, Inc. v. Pittsburgh*, 464 Pa. 168, 346 A.2d 269, 280 (1975) (plurality); *accord Franklin Twp. v. Pennsylvania Dept. of Env'tl. Res.*, 499 Pa. 162, 452 A.2d 718 (1982). To be "substantial," Peoples must show that its interest in the case is "in the resolution of the challenge which 'surpasses the common interest of all citizens in procuring obedience to the law.'" *Pittsburgh Palisades Park, LLC v. Commonwealth of Pennsylvania*, 585 Pa. 196, 888 A.2d 655, 660 (2005). To be "direct," Peoples must show "that the matter complained of 'caused harm to the party's interest.'" *Id.* The harm alleged by Peoples must surpass "mere conjecture about possible future harm." *Joint Application of Columbia Water Co. and Marietta Gravity Water Co.*, 2012 Pa. PUC LEXIS 1147, at *3 (Order entered July 20, 2012) (citing *Official Court Reporters of the Court of Common Pleas of Philadelphia Cnty. v. Pennsylvania Labor Relations Bd.*, 502 Pa. 518, 467 A.2d 311 (1983)). Likewise, the Commission has repeatedly held that competitive interests "are too speculative and conjectural to confer a direct interest sufficient to confer standing." *Id.* at *18; *see also, Joint Application of Aqua Pennsylvania and Country Club Gardens Water Co.*, 2006 Pa. PUC LEXIS 706, at *14 (Order entered Apr. 7, 2006)

(Municipal authorities dismissed from proceeding because competitive interests are "not enough to confer standing" and municipal authorities were not customers of the public utility); *Municipal Auth. of the Borough of West View v. Pennsylvania-American Water Co.*, 2010 Pa. PUC LEXIS 322, at *6 (Order entered July 16, 2010) (Municipal authority dismissed from proceeding because its competitive interest "d[id] not amount to a grievance that confers standing"). Lastly, an interest is "immediate," only if it shares a causal connection that is neither remote nor speculative. *Commonwealth of Pennsylvania v. Donahue*, 626 Pa. 437, 98 A.3d 1223, 1229 (2014); *Pittsburgh Palisades Park, LLC v. Commonwealth of Pennsylvania*, 585 Pa. 196, 888 A.2d 655, 659-60 (2005). Consistent with the aforementioned precedent, Peoples cannot assert an interest in the present ratemaking proceeding that is substantial, direct, and immediate with regard to the Water Tariff. Peoples' only interest that confers standing in this ratemaking proceeding is Peoples' status as a sewer service customer of PWSA. Therefore, any alleged interest Peoples has concerning matters relating to the Water Tariff is speculative and based solely on Peoples' private, competitive interests. In light of the foregoing, many of Peoples' questions in its Set I Interrogatories are impermissible due to a lack of standing and merely represent attempts to gain leverage over PWSA in order for Peoples to further pursue its proposed "partnership" with PWSA.

Fourth, many of the questions in Peoples' Set I Interrogatories inquire about PWSA's infrastructure improvements, including lead line replacement. PWSA objects to these questions on the basis that they are irrelevant to the present ratemaking proceeding. These questions are objectionable under the *Implementation of Chapter 32 of the Public Utility Code Re Pittsburgh Water and Sewer Authority*, Docket Nos. M-2018-2640802 and M-2018-2640803 ("Implementation Order"), which requires infrastructural improvements and PWSA's efforts concerning lead line replacement to be addressed in a compliance filing. Furthermore, as previously noted, Peoples lacks standing to participate in this ratemaking proceeding beyond the

confines of its interest as a sewer service customer of PWSA. Peoples' inquiries concerning PWSA's infrastructure improvements, therefore, are impermissible.

Finally, the majority of Peoples' Set I Interrogatories request detailed inventories of PWSA's systems, equipment, and processes. These questions, however, are not relevant to Peoples' interest as a sewer service customer of PWSA, but rather are designed solely to elicit competitive intelligence regarding Peoples' misguided effort to force PWSA to enter into a "partnership" or otherwise allow Peoples to take over substantial portions of the equipment, operations, maintenance, and services provided by PWSA. As noted earlier herein, Peoples' private, competitive interests are legally insufficient to create standing, thus this entire line of questioning is impermissible.

PWSA's specific objections to Peoples' Set I Interrogatories follow below.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-1

Please provide an inventory of your CIS, MIS, and GIS systems and associated costs (i.e. billing, call center, IT, metering, etc.).

Objection

Section 5.321(c) of the Pennsylvania Public Utility Commission's ("Commission") Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that it (1) requests information that is irrelevant and beyond the scope of this ratemaking proceeding for a cash-flow utility and (2) requests information beyond the scope of Peoples' participation in the ratemaking proceeding, as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-3

Please provide number of current meter read routes or similar information if automated.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that it (1) requests information that is irrelevant and beyond the scope of this ratemaking proceeding and (2) requests information beyond the scope of Peoples' participation in the ratemaking proceeding, as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-5

Please summarize most current billing performance of CIS system.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is vague and requests information beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-6

Please summarize most current call center performance.

Objection

PWSA previously provided information on call center performance in its response to OCA-II-19. To the extent any additional information is requested by Peoples, PWSA objects. Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is vague and requests information beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-14

Please describe the current bill print process.

(a) Are there plans to update or change these processes? If so, please describe.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

Furthermore, a party may not ask interrogatories that are "sought in bad faith." 52 Pa. Code § 5.361(a)(1). Accordingly, PWSA also objects on the grounds that the information called for in this question is sought in bad faith solely as competitive intelligence to further Peoples' pursuit of a forced "partnership" with PWSA whereby Peoples would take over substantial portions of the equipment, operations, maintenance, and services provided by PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-18

Please describe any or all payment plans offered to customers.

(a) Are there plans to update or change the payment plans? If so, please describe.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

Furthermore, a party may not ask interrogatories that are "sought in bad faith." 52 Pa. Code § 5.361(a)(1). Accordingly, PWSA objects on the grounds that the information called for in this question is sought in bad faith solely as competitive intelligence to further Peoples' pursuit of a forced "partnership" with PWSA whereby Peoples would take over substantial portions of the equipment, operations, maintenance, and services provided by PWSA. Peoples' made this request in order to obtain confidential information regarding customer-specific negotiations in order to further Peoples' competitive position.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-19

Regarding Interrogatory 18 above, are there any existing third-party agreements for the implementation of payment plan programs?

- (a) If so, please provide costs, rates, etc. that the third parties charge.
- (b) Are there plans to continue these third-party services in the future?
- (c) Regarding Interrogatory 19b above, please discuss why or why not the services will be continued.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

Furthermore, a party may not ask interrogatories that are "sought in bad faith." 52 Pa. Code § 5.361(a)(1). Accordingly, PWSA objects on the grounds that the information called for in this question is sought in bad faith solely as competitive intelligence to further Peoples' pursuit of a forced "partnership" with PWSA whereby Peoples would take over substantial portions of the equipment, operations, maintenance, and services provided by PWSA. Peoples' made this request in order to obtain confidential information regarding customer-specific negotiations in order to further Peoples' competitive position.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-21

Please list the types of correspondence sent to customers and what triggers each.

- a) Are there plans to update or change these processes? If so, please describe.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-23

Please provide the interfaces and data content for each of the following processes:

- (a) Financial;
- (b) Work Management; and
- (c) Usage & billing data.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

Furthermore, a party may not ask interrogatories that are "sought in bad faith." 52 Pa. Code § 5.361(a)(1). Accordingly, PWSA objects on the grounds that the information called for in this question is sought in bad faith solely as competitive intelligence to further Peoples' pursuit of a forced "partnership" with PWSA whereby Peoples would take over substantial portions of the equipment, operations, maintenance, and services provided by PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-26

Please provide current staffing levels (Call Center, Billing, Meter Reading) and planned staffing levels.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-28

For each PSWA construction project in 2017, 2018 and projected for 2019:

- (a) Identify projects where the City of Pittsburgh has provided street restoration (i.e., asphalt) at no cost or reduced cost to PWSA; and
- (b) For each project identified in part (a) above, provide the dollar value of the restoration contributed by the City for the restoration.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-29

Has PSWA worked with the City to increase the City's budget for asphalt in 2019 and 2020? If so, provide details of the agreement regarding the City's contribution of asphalt for PSWA projects.

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

PEOPLES to PWSA-I-30

Regarding lead service line replacement in 2017 and 2018:

- (a) What renewal methods were used?
- (b) What is the total number of service lines renewed for each installation method?

Objection

Section 5.321(c) of the Commission's Regulations indicates that "a party may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter involved in the pending action . . ." 52 Pa. Code § 5.321(c). PWSA objects to this interrogatory on the basis that the information called for in the question is beyond the scope of Peoples' participation in the ratemaking proceeding as Peoples' standing is limited to its interest as a sewer service customer of PWSA.

**PITTSBURGH WATER AND SEWER AUTHORITY'S ANSWERS
AND OBJECTIONS TO PEOPLES NATURAL GAS
COMPANY LLC'S INTERROGATORIES, SET I**

DOCKET NO. R-2018-3002645

Respectfully submitted,
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By 

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October 2, 2018

Counsel to the Pittsburgh Water and Sewer Authority

PEOPLES-TO-PWSA SET I

INTERROGATORIES AND DOCUMENT REQUESTS

- 1) Please provide an inventory of your CIS, MIS, and GIS systems and associated costs (i.e. billing, call center, IT, metering, etc.).
- 2) Please provide number of customers/meters by type/category.
- 3) Please provide number of current meter read routes or similar information if automated.
- 4) If applicable, provide number of billing cycles and number of customers in each.
- 5) Please summarize most current billing performance of CIS system.
- 6) Please summarize most current call center performance.
- 7) Please provide all call statistics available. If possible, please provide call volume by month, type, length of call.
- 8) Please provide a detailed description of the type of automated meter reading technology currently installed.
- 9) Regarding Interrogatory 8 above, please describe any issues or problems currently being experienced with the meter reading technology installed.
- 10) Please describe the validation process currently in place to check for implausible meter reads, high usage, or other exceptions.
- 11) Please provide the current billing rate structure:
 - a) Types of charges billed; and
 - b) Customer categories with different rates.
- 12) Does PWSA include charges from third parties on its bills?
- 13) Please describe "Universal Services" or other low income customer assistance programs?
 - a) Are there plans to change these programs? If so, please discuss.
- 14) Please describe the current bill print process.
 - a) Are there plans to update or change these processes? If so, please describe.
- 15) Regarding the billing process, please list any and all existing agreements with third-party processors.
 - a) Please provide costs, rates, etc., that the third parties charge.

- b) Are there plans to continue these services in the future?
 - c) Regarding Interrogatory 15b above, please discuss why or why not the services will be continued.
- 16) Please describe the current policy for security deposits for new accounts.
- a) Are there plans to update or change the policy? If so, please describe.
- 17) Please describe any electronic (e-mail) billing capabilities that exist and provide the number of customers that receive electronic bills only.
- 18) Please describe any or all payment plans offered to customers.
- a) Are there plans to update or change the payment plans? If so, please describe.
- 19) Regarding Interrogatory 18 above, are there any existing third-party agreements for the implementation of payment plan programs?
- a) If so, please provide costs, rates, etc. that the third parties charge.
 - b) Are there plans to continue these third-party services in the future?
 - c) Regarding Interrogatory 19b above, please discuss why or why not the services will be continued.
- 20) Please describe current dunning, late payment charge, and termination policies and procedures.
- 21) Please list the types of correspondence sent to customers and what triggers each.
- a) Are there plans to update or change these processes? If so, please describe.
- 22) Please describe the process for scheduling customer service appointments.
- a) Are there plans to update or change this process? If so, please describe.
- 23) Please provide the interfaces and data content for each of the following processes:
- a) Financial;
 - b) Work Management; and
 - c) Usage & billing data.
- 24) Please discuss the availability and format of historical customer-related data, i.e. type of data and number of years available.
- 25) Please provide Service Contract Terms.

- 26) Please provide current staffing levels (Call Center, Billing, Meter Reading) and planned staffing levels.
- 27) Please indicate if PWSA owns and operates its own billing system or if it contracts with an outside third party.
 - a) If PWSA owns its billing system is it planning to replace it or perform major upgrades within the next few years?
 - b) If PWSA uses a third party billing provider, please provide the contract or operating agreement.
- 28) For each PSWA construction project in 2017, 2018 and projected for 2019:
 - a) Identify projects where the City of Pittsburgh has provided street restoration (i.e., asphalt) at no cost or reduced cost to PWSA; and
 - b) For each project identified in part (a) above, provide the dollar value of the restoration contributed by the City for the restoration.
- 29) Has PSWA worked with the City to increase the City's budget for asphalt in 2019 and 2020? If so, provide details of the agreement regarding the City's contribution of asphalt for PSWA projects.
- 30) Regarding lead service line replacement in 2017 and 2018:
 - a) What renewal methods were used?
 - b) What is the total number of service lines renewed for each installation method?

Attachment B



Peoples Gas files complaint over PWSA rate hike proposals

September 26, 2018 12:28 PM

By Diana Nelson Jones / Pittsburgh Post-Gazette

Peoples Natural Gas has filed a complaint with the Pennsylvania Public Utility Commission over the Pittsburgh Water and Sewer Authority's proposed rate increases, joining almost 50 other complainants since the rate proposal for 2019 was announced in June.

The document was filed Friday.

Under PWSA's proposals, rates would increase for residential customers about 17 percent and about 10 percent for educational and health care institutions. The authority came under PUC oversight in April, and one of its requirements is to show that rates reflect actual use by the consumer.

Peoples' complaint states that "there is no assurance that PWSA's expense claims will align with its actual level of [infrastructure] investment," and that a rate increase would need an infrastructure plan to justify it. "The process appears backwards," the complaint reads.

PWSA Executive Director Robert Weimar said in a statement: "PWSA has suffered from a lack of investment and attention for decades. However, the general issues raised in Peoples Gas' formal complaint to the PUC are typical of older water and sewer systems across the country. Our tariff request is a necessary first step to getting the resources in place to renew our system. As a publicly-controlled municipal authority, our capital improvement plan driving our tariff request was developed with public health and safety as the number one priority. This major water, sewer and stormwater systems renewal will take years, regardless of who manages the utility."

Peoples' complaint holds that its gas lines and PWSA's water lines run alongside each other and that the state of disrepair of PWSA's lines "poses a serious risk to Peoples facilities, the safety of the public and the reliability of Peoples' service."

PWSA's customers are Peoples' customers, and vice versa, giving Peoples "a substantial, direct and immediate interest in PWSA's rates and quality of service," according to the complaint.

Peoples' interest is to lower its costs in concert with lower costs for PWSA customers, Peoples CEO Morgan O'Brien said Tuesday.

Peoples proposed earlier this year to invest \$1 billion to manage PWSA, a suggestion that met with much resistance from city officials and the public, fearing an effort by Peoples to privatize PWSA.

It was clearly "not politically palatable," Mr. O'Brien said, adding that a hearing via the PUC would be the best channel toward a partnership that "keeps PWSA in public hands but provides for lowest combined rates."

He said a public-private partnership could make billing, mapping and customer management more efficient and, "when you dig up the street to replace a water pipe, we could tear up the street together, do it once, and it would be cheaper for both of us and our customers."

Kevin Acklin, Peoples' vice president and chief legal officer, said a conservative estimate of \$165 million savings over nine years would result just in coordinating pipe replacement. Additional savings would come with updated record keeping, he said, adding, "That is money customers would not have to pay."

"We're not trying to pick a fight over what the rates will be," Mr. O'Brien said. "We're asking the PUC to engage with us and PWSA to look at the issue, at whether there is a business case to partner."

Mr. Weimar of PWSA said that the authority employes more than 100 "independent, private sector, international, manufacturers, engineering companies and construction contractors. Our dedicated management team reviews recommendations to improve PWSA's performance from these qualified firms daily. All of this work is now implemented under the State Municipal Authorities Act open and public procurement rules, and in accordance with PUC rules and regulations."

He continued: “We are constantly seeking ways to coordinate infrastructure improvements with City agencies and other utilities to reduce costs. Moreover, we're open to new ideas and strategies from any organization or firm who can help us improve our services and keep rates affordable, while also ensuring we continue to operate for the benefit of the public we serve. PWSA will continue to solicit essential, cost effective, services in an open public process, with independent third party review of our recommendations to PWSA's Board of Directors.”

Diana Nelson Jones: djones@post-gazette.com or 412-263-1626.

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