

Deanne M. O'Dell
717.255.3744
dodell@eckertseamans.com

May 3, 2021

Via Electronic Filing

Rosemary Chiavetta, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority
Docket Nos. R-2021-3024773 (water)

Dear Secretary:

Enclosed for electronic filing please find the Pittsburgh Water and Sewer Authority's ("PWSA") Responses to the Bureau of Technical Utility Services ("TUS") Interrogatories, Set I, in the above-referenced matter. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Deanne M. O'Dell, Esq.

DMO/lww
Enclosure

cc: Certificate of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PWSA's Responses to TUS Interrogatories, Set I upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email Only

Christine Maloni Hoover, Esq.
Erin L. Gannon, Esq.
Lauren E. Guerra, Esq.
Luis M. Melendez, Esq.
Office of Consumer Advocate
555 Walnut St., 5th Fl., Forum Place
Harrisburg, PA 17101-1923
choover@paoca.org
egannon@paoca.org
lguerra@paoca.org
LMelendez@paoca.org

Gina L. Miller, Esq.
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North St., 2nd Floor West
Harrisburg, PA 17120
ginmiller@pa.gov

Elizabeth R. Marx, Esq.
John W. Sweet, Esq.
Ria M. Pereira, Esq.
Elizabeth R. Marx, Esq.
John W. Sweet, Esq.
Lauren N. Berman, Esq.
The Pennsylvania Utility Law Project
118 Locust St.
Harrisburg, PA 17101
pulp@palegalaid.net

Erin K. Fure, Esq.
Office of Small Business Advocate
Forum Place Building
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
efure@pa.gov

Brian Kalcic
Excel Consulting
225 S. Meramec Ave., Suite 720T
St. Louis, MO 63105
Excel.consulting@sbcglobal.net



Deanne M. O'Dell, Esq.

May 3, 2021

**Response of the Pittsburgh Water and Sewer Authority (“PWSA”)
to the Interrogatories of the Bureau of Technical Utility Services (“TUS”), Set I in
Docket No. R-2021-3024773 (water)**

Request: TUS-I-1 PWSA’s response to 52 Pa.Code § 53.53, Exhibit D, Filing Requirement I.2 does not appear to provide a distinct summary of income statement information for water service rendered by PWSA. For example, PWSA’s response includes two lines titled “Sale for Resale & Contract Sales” and “Other Revenues” where revenues are not specifically attributed to a type of utility service rendered by PWSA. Also, income statement information does not appear to be provided for each rate increase proposed under Supplement No. 7 Tariff Water – Pa. P.U.C. No. 1 (Supplement No. 7). For example, PWSA’s response appears to only reflect income statement data associated with rates effective January 12, 2023 and does not appear to reflect income statement data associated with rates effective January 12, 2022. Please prepare an income statement for each test year included in the rate proceeding, including only information attributable to water service rendered by PWSA. This summary must exclude income statement information associated with other types of utility services, must separately identify non-operating revenues associated with water service, and must include the following information:

- a. Col. 1 - Book recorded income statement for the test year;
- b. Col. 2 - Adjustments to Col. 1 to annualize and normalize under present rates;
- c. Col. 3 - Income statement under present rates after adjustments in Col. 2;
- d. Col. 4 – Adjustments to Col. 3 for proposed rates effective January 12, 2022;
- e. Col. 5 – Income statement under proposed rates effective January 12, 2022;
- f. Col. 6 – Adjustments to Col. 5 for proposed rates effective January 12, 2023; and
- g. Col. 7 – Income statement under proposed rates effective January 12, 2023.

Response: Please see enclosed schedule labelled as HJS-17W-TUS-1.

Response Provided by: Harold J. Smith, Vice President, Raftelis Financial Consultants
Consultant to The Pittsburgh Water and Sewer Authority

Dated: May 3, 2021

	2022 Revenue @ Existing Rates			2022 Revenue @ Proposed Rates			2023 Revenue @ Proposed Rates		
	Units	Rates	Revenue	Units	Rates	Revenue	Units	Rates	Revenue
Base Rate Revenues									
<u>Minimum Charges</u>									
Residential									
5/8"	695,677	\$ 27.27	\$ 18,971,113	695,677	\$ 27.54	\$ 19,158,946	695,677	\$ 27.81	\$ 19,346,778
3/4"	30,635	44.37	1,359,271	30,635	46.57	1,426,668	30,635	48.76	1,493,759
1"	28,586	89.82	2,567,604	28,586	98.49	2,815,446	28,586	107.16	3,063,287
1 1/2"	84	175.30	14,725	84	193.60	16,262	84	211.90	17,800
2"	26	289.14	7,518	26	321.62	8,362	26	354.10	9,207
Unmetered	4,132	64.02	264,531	4,132	69.20	285,914	4,132	74.37	307,297
<i>Subtotal: Residential</i>	759,140		\$ 23,184,762	759,140		\$ 23,711,598	759,140		\$ 24,238,128
Residential - CAP-BDP									
5/8"	48,295	\$ -	-	48,295	\$ -	-	48,295	\$ -	-
3/4"	395	-	-	395	-	-	395	-	-
1"	218	-	-	218	-	-	218	-	-
Unmetered	12	36.75	441	12	41.66	500	12	46.56	559
<i>Subtotal: Residential - CAP-BDP</i>	48,920		\$ 441	48,920		\$ 500	48,920		\$ 559
Commercial									
5/8"	31,349	\$ 27.27	\$ 854,878	31,349	\$ 27.54	\$ 863,342	31,349	\$ 27.81	\$ 871,806
3/4"	7,891	44.37	350,124	7,891	46.57	367,484	7,891	48.76	384,765
1"	15,806	89.82	1,419,695	15,806	98.49	1,556,733	15,806	107.16	1,693,771
1 1/2"	10,131	175.30	1,775,906	10,131	193.60	1,961,297	10,131	211.90	2,146,688
2"	9,421	289.14	2,723,892	9,421	321.62	3,029,875	9,421	354.10	3,335,858
3"	2,908	641.48	1,865,210	2,908	723.15	2,102,679	2,908	804.82	2,340,148
4"	2,209	1,084.28	2,395,536	2,209	1,232.14	2,722,208	2,209	1,379.99	3,048,858
6"	1,012	2,558.16	2,588,858	1,012	2,946.76	2,982,121	1,012	3,335.35	3,375,374
8"	105	4,596.96	481,148	105	5,337.47	558,655	105	6,077.98	636,162
10" & Above	-	7,515.81	-	-	8,792.97	-	-	10,070.12	-
Unmetered	24	75.07	1,802	24	81.36	1,953	24	87.65	2,104
<i>Subtotal: Commercial</i>	80,855		\$ 14,457,048	80,855		\$ 16,146,347	80,855		\$ 17,835,535
Industrial									
5/8"	209	\$ 27.27	\$ 5,699	209	\$ 27.54	\$ 5,756	209	\$ 27.81	\$ 5,812
3/4"	120	44.37	5,339	120	46.57	5,604	120	48.76	5,867
1"	245	89.82	22,006	245	98.49	24,130	245	107.16	26,254
1 1/2"	52	175.30	9,174	52	193.60	10,132	52	211.90	11,089
2"	137	289.14	39,612	137	321.62	44,062	137	354.10	48,512
3"	24	641.48	15,396	24	723.15	17,356	24	804.82	19,316
4"	90	1,084.28	97,585	90	1,232.14	110,893	90	1,379.99	124,199
6"	23	2,558.16	59,690	23	2,946.76	68,758	23	3,335.35	77,825
8"	40	4,596.96	183,878	40	5,337.47	213,499	40	6,077.98	243,119
10" & Above	24	7,515.81	180,379	24	8,792.97	211,031	24	10,070.12	241,683
<i>Subtotal: Industrial</i>	965		\$ 618,760	965		\$ 711,220	965		\$ 803,677
Health or Education									
5/8"	409	\$ 27.27	\$ 11,144	409	\$ 27.54	\$ 11,255	409	\$ 27.81	\$ 11,365
3/4"	102	44.37	4,511	102	46.57	4,735	102	48.76	4,957
1"	293	89.82	26,287	293	98.49	28,825	293	107.16	31,362
1 1/2"	774	175.30	135,624	774	193.60	149,782	774	211.90	163,940
2"	1,736	289.14	501,947	1,736	321.62	558,332	1,736	354.10	614,718
3"	1,160	641.48	744,117	1,160	723.15	838,854	1,160	804.82	933,591
4"	835	1,084.28	905,012	835	1,232.14	1,028,426	835	1,379.99	1,151,832
6"	441	2,558.16	1,128,149	441	2,946.76	1,299,521	441	3,335.35	1,470,889
8"	36	4,596.96	165,491	36	5,337.47	192,149	36	6,077.98	218,807
10" & Above	24	7,515.81	180,379	24	8,792.97	211,031	24	10,070.12	241,683
<i>Subtotal: Health or Education</i>	5,808		\$ 3,802,661	5,808		\$ 4,322,910	5,808		\$ 4,843,144
Municipal									
5/8"	1,094	16.36	17,900	1,094	16.52	18,077	1,094	22.25	24,339
3/4"	71	26.62	1,890	71	27.94	1,984	71	39.01	2,770
1"	321	53.89	17,299	321	59.09	18,969	321	85.73	27,519
1 1/2"	335	105.18	35,235	335	116.16	38,914	335	169.52	56,789
2"	397	173.48	68,873	397	192.97	76,610	397	283.28	112,462
3"	133	384.89	51,190	133	433.89	57,707	133	643.86	85,633
4"	35	650.57	22,770	35	739.28	25,875	35	1,103.99	38,640
6"	36	1,534.90	55,256	36	1,768.06	63,650	36	2,668.28	96,058
8"	-	2,758.18	-	-	3,202.48	-	-	4,862.38	-
10" & Above	-	4,509.49	-	-	5,275.78	-	-	8,056.10	-
<i>Subtotal: Municipal</i>	2,422		\$ 270,414	2,422		\$ 301,786	2,422		\$ 444,210
Municipal - Unmetered									
EMS / Fire / Police Station	108	\$ -	\$ -	108	\$ -	\$ -	108	\$ -	\$ -
Public Park or Playground	468	-	-	468	-	-	468	-	-
Swimming Pool	120	-	-	120	-	-	120	-	-
Municipal Building	48	-	-	48	-	-	48	-	-
Municipal Garage	48	-	-	48	-	-	48	-	-
Rec Center	24	-	-	24	-	-	24	-	-
Other	132	-	-	132	-	-	132	-	-
<i>Subtotal: Municipal - Unmetered</i>	948		\$ -	948		\$ -	948		\$ -
<i>Subtotal: Minimum Charges</i>			\$ 42,334,086			\$ 45,194,360			\$ 48,165,252

	2022 Revenue @ Existing Rates			2022 Revenue @ Proposed Rates			2023 Revenue @ Proposed Rates		
	Units	Rates	Revenue	Units	Rates	Revenue	Units	Rates	Revenue
Fire Protection Charges									
Public (per Hydrant)	90,096	\$ 5.65	\$ 509,042	90,096	\$ 10.05	\$ 905,465	90,096	\$ 15.50	\$ 1,396,057
Private									
1" or Less	14,856	\$ 33.24	\$ 493,813	14,856	\$ 24.62	\$ 365,755	14,856	\$ 16.00	\$ 237,696
1 1/2"-3"	581	101.97	59,245	581	74.96	43,552	581	47.95	27,859
4"	60	314.42	18,865	60	236.16	14,170	60	157.89	9,473
6" or Greater	192	626.83	120,351	192	482.16	92,575	192	337.49	64,798
<i>Subtotal: Fire Protection Charges</i>			\$ 1,201,317			\$ 1,421,516			\$ 1,735,884
Volume Charge									
Residential	1,906,921	\$ 12.25	\$ 23,359,776	1,906,921	\$ 13.89	\$ 26,487,126	1,906,921	\$ 15.52	\$ 29,595,406
Residential - CAP-BDP - Tier 1	116,707	12.25	1,429,666	116,707	13.89	1,621,066	116,707	15.52	1,811,299
Residential - CAP-BDP - Tier 2	7,449	9.80	73,004	7,449	6.95	51,736	7,449	7.76	57,807
Commercial	2,421,505	11.95	28,936,983	2,421,505	13.46	32,593,455	2,421,505	14.96	36,225,712
Industrial	182,939	10.31	1,886,105	182,939	11.67	2,134,902	182,939	13.02	2,381,870
Health or Education	958,928	15.29	14,662,007	958,928	16.25	15,582,577	958,928	17.21	16,503,148
Private Fire System	14,559	14.01	203,969	14,559	25.77	375,180	14,559	37.52	546,246
Municipal	197,733	7.17	1,417,744	197,733	8.08	1,596,890	197,733	11.97	2,366,466
<i>Subtotal: Volume Charge</i>	5,806,741		\$ 71,969,253			\$ 80,442,933	5,806,741		\$ 89,487,955
Wholesale Revenues (Set by Contract)			\$ 3,192,713			\$ 3,690,132			\$ 3,713,733
Total: Base Rate Revenues			\$ 118,697,370			\$ 130,748,941			\$ 143,102,824
DSIC Revenues									
Residential			\$ 2,327,227			\$ 2,509,936			\$ 2,691,677
Residential - CAP-BDP			75,156			81,078			93,483
Commercial			2,169,702			2,436,990			2,703,062
Industrial			125,243			142,306			159,277
Health or Education			923,233			995,274			1,067,315
Private Fire System			44,812			44,562			44,304
Municipal			84,408			94,934			140,534
Public Fire			-			-			-
Total: DSIC Revenues			\$ 5,749,781			\$ 6,305,080			\$ 6,899,652
Other Revenues									
Other Revenues			1,439,417			1,439,417			1,439,417
Total: System Revenues			\$ 125,886,567			\$ 138,493,438			\$ 151,441,892

VERIFICATION

I, Harold J. Smith, hereby state that: (1) I am a Vice President of Raftelis Financial Consultants, Inc.; (2) I have been retained by The Pittsburgh Water and Sewer Authority (“PWSA”) and am authority to present testimony on its behalf; (3) the responses to discovery that have been sponsored by me are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (4) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: April 30, 2021



Harold J. Smith, Vice President
Raftelis Financial Consultants

Consultant to:
The Pittsburgh Water and Sewer Authority