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September 14, 2021

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-2021-3024773 (water); R-2021-3024774 (wastewater); and R-2021-3024779 (stormwater); CITY OF PITTSBURGH'S STATEMENT IN

SUPPORT OF SETTLEMENT

Dear Secretary Chiavetta:

Attached you will find The City of Pittsburgh's Statement in Support of the Joint Petition for Settlement in the above-referenced matter. Copies have been served in accordance with the attached Certificate of Service.

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

Very truly yours,

/s/ Whitney E. Snyder

Thomas J. Sniscak Kevin J. McKeon Whitney E. Snyder Counsel for The City of Pittsburgh

WES/das Enclosure

cc: ALJ Eranda Vero (via email, evero@pa.gov)

Pamela McNeal (via email, pmcneal@pa.gov)

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Per Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, et al. :

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v.

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: Docket No. R-2021-3024773

Pittsburgh Water and Sewer Authority – Water

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Pennsylvania Public Utility Commission, et al.

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v.

: Docket No. R-2021-3024774

Pittsburgh Water and Sewer Authority –

Wastewater

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Pennsylvania Public Utility Commission, et al.

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v.

Docket No. R-2021-3024779

Pittsburgh Water and Sewer Authority –

Stormwater

THE CITY OF PITTSBURGH'S STATEMENT IN SUPPORT OF SETTLEMENT

The City of Pittsburgh (City) hereby submits its Statement in Support of the Joint Petition for Settlement (Settlement or Joint Petition) in the above-captioned proceedings.

I. <u>INTRODUCTION AND OVERALL REASONS IN SUPPORT OF SETTLEMENT</u>

The City supports the Settlement. The City's primary objective in intervening in and participating in these proceedings was to advocate for an outcome that is consistent with the terms and conditions between the City and Pittsburgh Water and Sewer Authority (PWSA) that the City and PWSA negotiated in their 2019 Cooperation Agreement, which has the force and effect of law

pursuant to Act 70 of 2020. 71 P.S. §§ 720.211 to 720.213. The Settlement is consistent with Act 70. The City believes the Settlement provides the optimal outcome for the City, PWSA, and City residents who are customers of PWSA. Just as the Cooperation Agreement seeks to achieve an equitable balancing of interests between the City and PWSA for the benefit of City residents who also are PWSA ratepayers, the City submits that the overall Settlement achieves a similar equitable balancing of the interests of the respective parties and their constituencies in light of the facts and circumstances of this case. The City urges approval of the Settlement as filed.

The City also participated in this proceeding to advocate for a just and reasonable implementation of a stormwater fee that will allow PWSA to advance its goals of lowering the volume of combined system overflows and regulatory compliance. The City is a co-permittee with PWSA. The Settlement provides adequate stormwater provisions to fund updates to the stormwater system, inform customers about stormwater issues, and implement a just and reasonable stormwater fee. The Settlement should be approved.

II. REASONS FOR SUPPORT OF SPECIFIC ISSUES

A. Revenue Requirements and Quarterly Reporting

The City supports but is not commenting separately on this aspect of the settlement.

B. Cost Allocation and Rate Design

The City supports the cost allocation and rate design results achieved by the Settlement. The Settlement is consistent with Act 70's dictate that the 2019 Cooperation Agreement between the City and PWSA has "the force and effect of law" until January 1, 2025, unless PWSA and the City mutually agree to an earlier termination date. The Settlement implements commercial rates for the City that reference Act 70 and thereby incorporate the agreed-upon rate phase-ins and other rate and service-related negotiated terms embodied in the 2019 Cooperation Agreement. *See*

Settlement Ex. I (PWSA Water Tariff) and Ex. J (PWSA Wastewater Tariff) (each referencing Act 70 of 2020, 71 P.S. §§ 720.211 to 720.213).

C. Stormwater

The City supports the stormwater provisions of the Settlement. Regarding the Stormwater Master Plan, the Settlement provides for enhanced participation of the public and other stakeholders. The Stormwater Master Plan will include the criteria PWSA will use to select and prioritize stormwater projects. PWSA has also made a commitment to low income and other impacted communities to provide for consideration of services and projects in low-income communities and other communities disproportionately impacted by localized flooding, basement backups, and other stormwater impacts, as part of its planning process. PWSA has also committed to performing enhanced and significant education and outreach to customers regarding various facets of the new stormwater fee. These provisions will all assist ratepayers with the transition to a stormwater fee that is necessary for upgrades to the stormwater system that will benefit everyone.

D. COVID-19 Expenses, Funding and Pandemic Measures

The City supports but is not commenting separately on this aspect of the settlement.

E. Customer Service/Quality of Service

The City supports but is not commenting separately on this aspect of the settlement.

F. Low Income Customer Assistance Issues

The City supports but is not commenting separately on this aspect of the settlement.

G. Miscellaneous Fees

The City supports but is not commenting separately on this aspect of the settlement.

H. Future Notice of Proposed Rate Changes

The City supports but is not commenting separately on this aspect of the settlement.

I. Additional Terms and Conditions

The City supports but is not commenting separately on this aspect of the settlement.

III. <u>CONCLUSION</u>

The City believes that the Settlement, provides the optimal outcome for the City, PWSA, and City residents who are customers of PWSA. Just as the Cooperation Agreement seeks to achieve an equitable balancing of interests between the City and PWSA for the benefit of City residents who also are PWSA ratepayers, the City submits that the overall Settlement achieves a similar equitable balancing of the interests of the respective parties and their constituencies.

The City urges approval of the Settlement in full as filed.

Respectfully submitted,

/s/ Whitney E. Snyder

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Counsel for The City of Pittsburgh

Dated: September 14, 2021

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).

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/s/ Whitney E. Snyder

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DATED: September 14, 2021