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January 3, 2022

**Via Electronic Filing**

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

Re: Pittsburgh Water and Sewer Authority 2021 Rate Filing;  
Docket Nos. R-2021-3024773 (water), R-2021-3024774 (wastewater);  
R-2021-3024779 (stormwater)

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Dear Secretary Chiavetta:

In accordance with Section III.9.A.6 of the Joint Petition for Settlement that was filed on September 7, 2021 and approved by Commission Order on November 18, 2021, the Pittsburgh Water and Sewer Authority ("PWSA") agreed to file a report on a quarterly basis beginning April 2022 providing updates regarding the specific issues identified below as set forth in the Settlement. Pursuant to that commitment, please accept this filing as PWSA's Post Rate Case Quarterly Report for December 2022.

**PENNVEST Grants (Section III.9.A.6.b)**

*Regarding PENNVEST grants, the report will include the following:*

- i. Information about any awarded PENNVEST grants which impact the revenue requirements developed as part of this proceeding*
- ii. The information provided will include:*
  - (a) The amount of the award granted; and*
  - (b) An analysis of how the awarded grant impacts PWSA's revenue requirement and debt service coverage.*

**RESPONSE:** For this Q4 of 2022 reporting report, PENNVEST awarded PWSA \$6,486,969 in grant funds on October 19, 2022 for the purpose of funding a portion of the lead line replacements as part of the 2022 Small Diameter Water Main Replacement Project. This grant reduces PWSA's revenue requirement by \$133,835 in FY 2022 and \$69,866 in FY 2023. However, this grant does not change PWSA's debt service coverage ratios.

### **COVID-19 Funding (Section III.9.A.6.c)**

*Regarding COVID-19 Funding, the report will provide any available status update about the COVID-19 Funding awards to be reported pursuant to Section III, D.2 below.*

**RESPONSE:** The PWSA did not receive any COVID-19 funding during Q4 of 2022.

### **Customer Service (Section III.9.A.6.d)**

*Regarding Customer Service issues, the quarterly reporting will include the following:*

- i. Updates regarding the status of its root cause analysis of informal and formal complaints; and,*
- ii. Once completed, details regarding the reforms adopted.*

### **RESPONSE:**

While PWSA has had to redirect its efforts to focus on the SAP implementation, we have continued to make progress with incorporating the recommendations delivered by Raftelis as documented in the March 23, 2022 root cause analysis titled “Customer Complaint Assessment”. Please see the below updates related to our efforts:

- As of July 18, 2022, meter testing upload procedures have been put in place to track water meter testing rates.
  - o Since July 18, 2022, PWSA has tested 1,411 water meters. Of those tested, 1,166 meters have passed testing with an accuracy rating between 96% and 102%, 194 meters were unable to be tested due to being damaged, and 51 meters failed testing with an accuracy rating of 0%. No water meters were identified as over-registering water consumption.
- On July 21, 2022, a Continuous Consumption Report SOP was completed to document the pending internal Sensus Analytics alert process. This process has been put into place, and reporting is running on a regular basis to identify customers who may be experiencing high consumption.
- On July 26, 2022, Customer Service Management met with CCAC to discuss training opportunities for new and existing employees.
- On August 15, 2022, Compliance staff began to contact customers directly to review their meter testing results rather than mailing a letter. The Dispute Investigation SOP has been updated to reflect the new procedures surrounding water consumption disputes and meter testing.
- On August 15, 2022, internal tracking related to Disputes and Informal Complaints was updated to record additional dispute reason categories, clarification case numbers, and billing errors.
- On August 12, 2022, Kenneth Thurston trained the PWSA Plumbers at the Howard Street location on water meter upgrades and how to assist customers with identifying internal leaks.

- On September 9, 2022, a completed “Leak and Conservation Tips” draft was submitted to Communications to order laminated informational cards for Plumbers to provide to customers at the time of service appointments.
- On November 7, 2022, PWSA’s Customer Service Training Coordinator position was filled. Customer Service Management will work with the Training Coordinator to develop training specific to conflict resolution and call de-escalation techniques.
- On December 13, 2022, Customer Service Management approved the final water meter postcards for Plumbers to provide to customers at the time of service appointments. This handout will be provided along with toilet dye testing tablets to assist customers with leak identification.

**Stormwater Issues (Section III.9.A.6.e)**

*Regarding Stormwater issues, the quarterly reporting will include the following:*

- i. An update of the status of the collaborative process to develop data points to be tracked for the Stormwater Credit Program as detailed in Section III.C.1.a.ii below; and,*
- ii. Updates on enrollment in the stormwater fee credit program.*

**RESPONSE to (i):**

As of January 10, 2022, PWSA and the parties agreed that PWSA will track and report on the following data points regarding the stormwater credit program: (1) the customer class of the participant; (2) whether the customer is enrolled in the Bill Discount Program or otherwise identified as a confirmed low income customer; (3) the location of the properties receiving a credit, including the 9-digit zip code of the property; (4) the property’s stormwater fee tier or number of ERUs; (5) the amount of and basis for the credit for each property; and (6) whether the property has residential tenants. PWSA will track these data points and report on them as part of its next stormwater rate filing.

**RESPONSE to (ii):**

Sixteen approvals for Stormwater Fee Credit have been issued to date:

Rate Case Settlement Report Date	Customer Class	Customer Enrolled in Bill Discount Program or Low Income Customer	Location of Property Receiving Credit, Incl 9 digit Zip Code	Property's SW Fee Tier or ERUs	Amt of Credit and Basis	If Property has Residential Tenants
1Q2022	Non-Single family condominium development	No	Mt. Washington neighborhood, Pittsburgh, PA 15211	58	78% - 90% credit based on 1.46" storm	Yes
2Q2022	Non-Single Family Residential	No	E. Carson Street, Pittsburgh PA 15203-2129	169	45% credit	No
3Q2022	Non-Single Family Residential	No	New York Street, Pittsburgh PA 15220	5	76% credit	No
3Q2022	Single Family Residential	No	New York Street, Pittsburgh PA 15220	2	50% credit	No
3Q2022	Non-Single Family Residential	No	RAILROAD ST, Pittsburgh PA 15222	25	45% credit	No
3Q2022	Non-Single Family Residential	No	28TH ST, Pittsburgh PA 15222	31	60% credit	No
3Q2022	Single Family Residential	No	BANCROFT ST, Pittsburgh PA 15201	1	50% credit	No
3Q2022	Single Family Residential	No	BEECHWOOD BLVD, Pittsburgh PA 15217	2	50% credit	No
4Q2022	Non-Single Family Residential	No	BEDFORD AVE, PITTSBURGH, PA 15219	78	60% credit	No
4Q2022	Non-Single Family Residential	No	BRUNOTS IS, PITTSBURGH, PA 15233	531	100% credit	No
4Q2022	Non-Single Family Residential	No	PENN AVE, PITTSBURGH, PA 15201	5	100% credit	No
4Q2022	Non-Single Family Residential	No	PENN AVE, PITTSBURGH, PA 15201	3	100% credit	No
4Q2022	Single Family Residential	No	CONNISTON AVE, PITTSBURGH, PA 15210	1	50% credit	No
4Q2022	Non-Single Family Residential	No	S HIGHLAND AVE, PITTSBURGH, PA 15206	34	100% credit	No
4Q2022	Non-Single Family Residential	No	NOLLHILL ST, PITTSBURGH, PA 15207	8	100% credit	No
4Q2022	Single Family Residential	No	NOLLHILL ST, PITTSBURGH, PA 15207	2	50% credit	No

**Valve Record-Keeping and Prioritization (Section III.9.A.6.f)**

*Regarding valve issues as explained more fully in Section III, E.1 below, the quarterly reporting will include the following:*

- i. Status of the planning to develop a record-keeping procedure for valve maintenance; and,*
- ii. Status regarding the development of a prioritization plan.*

**RESPONSE to (i):**

Pursuant to Section III.E.1.a.i of the Settlement, PWSA agreed to create a plan to implement a record-keeping procedure for valve maintenance for all new valve installations beginning in 2022. Further, PWSA committed to incorporating information about existing valves to the extent such information is attainable as part of PWSA's normal operating processes. To facilitate these efforts, PWSA agreed in Section III.E.1.a.iii of the Settlement to meet with the parties to discuss the feasibility of recording information for new and existing valves. The meeting was held on September 29, 2021 with a follow-up meeting on October 29, 2021.

As to new valve installations, PWSA committed during those discussion to record the following information:

- Valve Location (GPS Coordinates)
- Age
- Size
- Manufacturer
- Model Number
- Installed Date
- Number of Rotations to Fully Open and Fully Close Valve
- Overall Condition of Valves

The recordkeeping plan for new valve installations will not include serial numbers because the manufacturers have indicated that they do not provide them.

When new valves are being installed, PWSA agreed to identify surrounding valves and gather the following data points to include in its recordkeeping plan for existing valves:

- Size
- Number of Rotations to Fully Open and Fully Close Valve
- Overall Condition of Valves

PWSA already maintains locations of existing valves in its geographic information system by asset identification. The manufacturer will not be included because it is either not available or not readily accessible. In addition, for the same reason as with new valves, serial numbers will not be recorded because they are not provided by the manufacturer. As to age, this data point cannot be determined through a visual inspection of the valve, and therefore will not be included in the recordkeeping plan.

PWSA staff has created work orders in Spry Mobile (the PWSA work order system) to capture the information for new/replaced valves, valve inspections, and hydrant flushing/inspections. Senior Management in Field Operations worked with staff to ensure that the appropriate fields are marked mandatory so that field operations capture the required information.

**RESPONSE to (ii):**

In Section III.9.E.1.b, PWSA agreed to work with a third-party expert for assistance with any necessary modeling, GIS layers, Standard Operating Procedures (SOPs), and planning efforts to develop a prioritization plan to be implemented in 2022. PWSA also agreed to file a progress report once a formal timeline has been developed. Finally, PWSA agreed, with at least 30 days advance notice, to coordinate a meeting with interested parties to discuss the final plan and to ensure that members of I&E's Safety Division will be able to attend.

PWSA staff members have finalized the list of critical valves and are working to determine the frequency of inspections.

**Valve Ownership (Section III.9.E.1.a.iii)**

In Section III.9.E.1.a.iii, PWSA agreed to meet with the parties in the base rate proceeding to provide more detail about privately-owned isolation valves. This provision in the Settlement was triggered by a change made by PWSA during the base rate proceeding to the total number of isolation valves that it must exercise. The meeting was held on September 29, 2021 with a follow-up meeting on October 29, 2021.

During those meetings, PWSA explained the discrepancy in the number of isolation valves it must exercise and agreed to provide this explanation as part of this filing. PWSA had originally indicated that it was responsible for maintenance of a total of 26,344 isolation valves. Upon further review, PWSA discovered that although 26,344 isolation valves are recorded in the Authority’s geographic information system (“GIS”), it is responsible for exercising only 19,265 isolation valves. Although PWSA was at all times fully aware of the abandoned and privately-owned valves recorded in its GIS, the Authority had mistakenly provided the total number of valves without subtracting them. PWSA further explained to the parties that the private valves are not part of Authority’s distribution system, that PWSA does not rely on these valves to operate its system and that its system is not impacted by the private ownership of isolation valves.

In the table set forth below, PWSA shows the breakdown of all 26,344 isolation valves recorded in its GIS:

Type of Valve	Number
Abandoned Butterfly Valves	19
Abandoned Gate Valves	2,603
Abandoned Private Gate Valves	340
Active Private Gate Valves	4,276
Active PWSA Butterfly Valves	159
Active PWSA Gate Valves	19,106
Total Isolation Valves in PWSA’s GIS	26,344

In Table 2-1 of PWSA’s existing Long-Term Infrastructure Improvement Plan (“LTIIIP”), the Authority reported that it had approximately 25,000 isolation valves recorded in its GIS, as of June 2018. In its Annual Asset Optimization Plan (“AAOP”) for the 12-Month Period Ended December 31, 2021 filed on February 25, 2022, PWSA clarified that it has 26,344 valves recorded in its GIS, and further that 6,719 of those valves are either abandoned or privately-owned. As PWSA has no responsibility to maintain those 6,719 valves, the Authority guarantees that neither PWSA’s LTIIIP nor its Distribution System Improvement Charge (“DSIC”) currently contemplates any spend for abandoned or privately-owned valves. Further, PWSA commits to correcting the number of isolation valves for which it has maintenance responsibility in its next

LTIP and DSIC filings. Finally, PWSA agrees to incorporate any Commission directive that may be issued regarding this matter.

Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Deanne M. O'Dell

DMO/lww

cc: Hon. Eranda Vero w/enc.  
Cert. of Service w/enc.

## CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PWSA's Post Rate Status Report for Quarter 4 of 2022 upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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January 3, 2023



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