

F-2022-3032572

DATE OF DEPOSIT

JUN 16 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

This is second submission.
First submission? As of now the Post Office has
lost it . In case the Post Office manages to deliver it
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Thank you.

6/16/23

Tirlochan S Walia

M.B.A., Ph.D.

100 Denniston Ave #232
SHADYSIDE; PA 15206

Tel: (412)-362-2373
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DATE OF DEPOSIT

Secretary's Bureau
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

JUN 16 2023

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dated: June 05, 2023

Subject: Rate increase request by The Pittsburgh and Water Sewer Authority (PWSA) dated May 9, 2023.

Dear Commissioners,

Whether you approve, modify, or reject the above request, for PUC to exercise its proper oversight function it is imperative to establish an accountability mechanism to get a true financial and operational picture of the PWSA. Unfortunately, the current architecture does not appear to be effective; presently PWSA financials do not provide an accurate picture:

(1) the PWSA's present billing practice of carrying over less than 1000 gallons usage (Except in case of the minimum charge - where for no logical reason instead of 'minimum charge' reflecting fixed cost, the PWSA arbitrarily uses 1,000 gallons block truncated methodology) from current billing period to future billing periods is in contravention of the very basic tenet of accounting, namely 'matching principle' which in essence states that 'cost/revenue is to be reckoned in the period incurred/generated'. 'Matching Principle' is cornerstone of 'Generally Accepted Accounting Principles' (GAAP). Actually 'matching principle' is the first principle of GAAP. Even a mom and pop store, intuitively, will not use PWSA methodology.

(2) The tariff for PWSA states 'Consumption Charge Rate per 1000 Gals.' (Enclsr 1). The PWSA has tortured the phrase 'per 1000 Gals.' beyond recognition. I say 'tortured', because no amount of even a biased reading can lead to an interpretation close to that adopted by the PWSA, and if a clarification was needed the PWSA own website under 'Sample Residential Customer Bill' reads "(for every **full** (emphasis added) 1,000 gallons)" (Enclsr 2). Additionally, PWSA uses irrationally dubious method to calculate 1,000 gallons consumption (p 15(Enclsr 3) and p16(Enclsr 4), PUC **OPINION AND ORDER** dated April 20, 2023 in Tirlochan S. Walia v. The Pittsburgh Water and Sewer Authority (F-2022-3032572)).

All of these are acts of commission and not omission, seemingly with a singular objective of enhancing revenue by doing end run circumventing the PUC approved 'tariff, rules, and regulations'.

B) Were PWSA an exchange listed private company it will be subject to annual **independent third party audit** to ensure that PWSA accounting practices are consistent with GAAP and it is in faithful compliance with the PUC approved 'tariff, rules, and regulations'.

C) With the exception of 'Bill Date' and arguably of #Days the PWSA monthly bill as presently constituted does not have a **single** statistic/graph containing meaningful informative content for the customer. How many customers see the heading 'Total Gallons Used' and blissfully take it to be the 'Total Gallons Used' unaware that it is actually the 'Total Gallons Billed' (Enclsr 5), the difference between the two can be as much as 999 Gallons; the 'Actual Gallons Used' of interest to customer is conspicuously missing. At the minimum, PWSA can save a lot of manpower and resources by simply not producing these misleading if not deceptive statistics/graphs.

Sincerely,

A handwritten signature in black ink, consisting of two large, overlapping loops followed by a short horizontal stroke.

Enclrs:

Supplement No. 9
Tariff Water - Pa. P.U.C. No. 1

THE PITTSBURGH WATER AND SEWER AUTHORITY
RATES, RULES AND REGULATIONS GOVERNING
THE PROVISION OF WATER SERVICE
TO THE PUBLIC IN THE TERRITORY DESCRIBED HEREIN

Issued: December 30, 2021

Effective: January 12, 2022

BY: William J. Pickering, Chief Executive Officer
1200 Penn Avenue, Pittsburgh, PA 15222
Tel: 412-255-8800

NOTICE

This tariff makes increases and changes in existing rates,
rules, and regulations as approved by the Commission in its
Final Order dated November 18, 2021
at Docket No. R-2021-3024773.

PART I: SCHEDULE OF RATES AND CHARGES

Section A - Rates for Metered Service

1. Minimum Charge*: Each customer will be assessed a service charge based upon the size of the customer's meter as follows except that residential customers residing in newly constructed townhomes who are required to install a meter larger than 5/8" for fire protection and due to City ordinance requirements, may request assessment of the 5/8" minimum charge and usage allowance: (C)

Meter Size	Minimum Gallons	Per Month Rate (Effective January 12, 2022)	Per Month Rate (Effective January 1, 2023)	(C)
5/8"	1,000	\$27.00	\$26.52	(I)/(I)
3/4"	2,000	\$45.12	\$46.47	(I)/(I)
1"	5,000	\$94.17	\$102.08	(I)/(I)
1 1/2"	10,000	\$184.73	\$201.85	(I)/(I)
2"	17,000	\$306.23	\$337.28	(I)/(I)
3"	40,000	\$685.83	\$766.42	(I)/(I)
4"	70,000	\$1,165.81	\$1,313.93	(I)/(I)
6"	175,000	\$2,777.07	\$3,174.80	(I)/(I)
8"	325,000	\$5,018.53	\$5,784.48	(I)/(I)
10" or Larger	548,000	\$8,249.44	\$9,582.36	(I)/(I)

2. Consumption Charge: In addition to the Minimum Charge, the following water consumption charges will apply for each 1,000 gallons above the Minimum Gallons for each meter size:

Customer Class	Consumption Charge Rate per 1000 Gals.		(C)
	Effective January 12, 2022	Effective January 1, 2023	
Residential	\$13.10	\$14.64	(I)/(I)
Commercial*	\$12.61	\$13.80	(I)/(I)
Industrial**	\$10.96	\$12.13	(I)/(I)
Health or Education	\$15.65	\$16.29	(I)/(I)

The rate under this schedule applies to all customers, except public fire protection and private fire protection customers, unless otherwise specifically identified in this tariff.

* Rate applies to City of Pittsburgh Municipal Accounts but bills will be calculated based on a phase-in factor pursuant to 71 P.S. §§ 720.211 to 720.213.

** Rate applies to any new bulk water customers.

(I)= Increase (C)= Change

Sample Residential Customer Bill

WATER	RATE
<p>Water consumption is based on gallons of water consumed. All customers are charged for a minimum amount based on meter size. The average residential customer is billed for a 5/8" meter and 3,000 gallons of water each billing cycle.</p>	
<p>Water Minimum Charge (less than or equal to 1,000 gallons)</p>	\$26.52
<p>Water Consumption Charge (for every full 1,000 gallons over the minimum, PWSA charges \$14.64)</p>	\$29.28
<p>SEWER</p>	
<p>The wastewater conveyance rate is based on gallons of water released into the sewer system. The average residential customer is billed for a 5/8" meter and 3,000 gallons of water into the sewer system.</p>	
<p>Wastewater Conveyance Minimum Charge (less than or equal to 1,000 gallons)</p>	\$7.32
<p>Wastewater Conveyance Volume Charge (for every full 1,000 gallons over the minimum, PWSA charges \$5.81)</p>	\$11.62
<p>DISTRIBUTION SYSTEM IMPROVEMENT CHARGE</p>	
<p>Distribution System Improvement Charge (DSIC) 5% of water and sewer charges</p>	\$3.74

although that data was not provided in the bill. The February 17, 2022 bill provided usage as follows:

Current:	5,000	2/14/2022	Actual
Previous	<u>3,000</u>	1/13/2022	Actual
Usage	2,000		

PWSA Exh. 5, February 17, 2022 Bill at 2. It appears as if the February 17, 2022 bill for 2,000 gallons may be incorrect. Mr. Walia's actual usage can be calculated using the meter readings in PWSA Exhibit 6 for the time period covered by the February 17, 2022 bill as follows:

Date	Time	Meter Reading in Gallons
2/14/2022	21:00	5036.2
1/13/2022	21:00	3999.9
Calculated Usage based on meter readings		1036.3

If the billing procedures in the tariff were used, Mr. Walia should have been billed only for the 1,000 gallon minimum. But Mr. Walia was billed for 2,000 gallons in the February 17, 2022 bill.

Similarly, Mr. Walia may have been incorrectly billed for 2,000 gallons of usage in his November 18, 2021 bill.

The bill stated:

Current:	2,000	11/15/2021	Actual
Previous	<u> 0</u>	10/13/2021	Actual
Usage	2,000		

PWSA Exh. 4, November 18, 2021 Bill at 2. PWSA Exhibit 6 provides meter readings for the time period covered by the November 18, 2021 bill as follows:

Date	Time	Meter Reading in Gallons
11/15/2021	21:00	2047.9
10/13/2021	22:00	749.3
Calculated Usage based on meter readings		1298.6

Mr. Walia's usage was less than 2,000 gallons and, if billed in accordance with the tariff, should have been billed only for the 1,000-gallon minimum.

Based on a review of PWSA Exhibit 8 of actual meter readings, it is unclear as to why Mr. Walia was charged for 2,000 gallons of usage in the bills in PWSA Exhibits 4 and 5. Exhibit 8 provides meter readings with calculated usage data for Mr. Walia from September 24, 2021 through September 7, 2022. This time period includes both of the bills in Exhibit 4 and Exhibit 5 for which Mr. Walia was charged for using 2,000 gallons of water. Throughout the entire time period when meter data is available in the record, Mr. Walia's actual usage from the meter reading data in Exhibit 8 was less than 1,500 gallons for each billing period. Even if usage above the 1,000-gallon minimum was rolled forward to the following month, usage would not reach 2,000 gallons. The data from Exhibit 8 is summarized below.

PWSA BILLING STATISTICS NOV 2021-AUG 2022

<u>Billing Date</u>	<u>Amount BILLED</u>	<u>Total Gallons Used</u>	<u>#Days</u>	<u>Average Gallons Used/Day</u>	<u>Actual Gallons Used</u>
11/18/21	\$83.03	2,000	33	60	n.a. ¹
12/--/21	43.94	0	---	0	n.a. ¹
1/19/22	53.68	1,000	31	32	n.a. ¹
2/17/22	86.69	2,000	32	62	n.a. ¹
3/17/22	46.13	0	28	0	n.a. ¹
4/20/22	55.86	1,000	34	29	n.a. ¹
5/18/22	55.86	1,000	28	35	n.a. ¹
6/16/22	55.86	1,000	29	34	n.a. ¹
7/18/22	55.86	1,000	31	32	n.a. ¹

¹not available

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JUN 21 2023

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