

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

CITY OF SCRANTON

Docket Nos. R-2023-3043189 and R-2023-3043190

DIRECT TESTIMONY  
OF  
TERI OOMS, President & CEO  
OF THE INSTITUTE [FOR PUBLIC POLICY & ECONOMIC  
DEVELOPMENT]

February 1, 2024

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.**

2 A. Teri Ooms

3 **Q. WHERE ARE YOU EMPLOYED?**

4 A. The Institute

5 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
6 **PROFESSIONAL EXPERIENCE.**

7 A. I have a BS in Public Administration and an MBA in Finance. I have served as the President  
8 & CEO of The Institute, a nonprofit collaborative data and analytics organization. Prior to that I  
9 served as the President & CEO of the Inland Empire Economic Partnership, a regional, economic  
10 development corporation in Southern California.

11 **Q. HAVE YOU EVER TESTIFIED AS AN EXPERT BEFORE?**

12 A. Yes.

13 **Q. IN WHAT CAPACITY?**

14 A. As a subject matter expert in regional socio-economic data.

15 **Q. HOW MANY TIMES?**

16 A. Twice (2).

17 **Q. IN WHAT VENUES?**

18 A. City of Scranton policy and fire binding arbitration.

19 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

20 A. I am testifying on behalf of the City of Scranton.

21 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

22 A. To educate and inform the PUC about the City of Scranton residents from a socio-economic  
23 perspective.

24 **Q. WHAT IS YOUR UNDERSTANDING OF THE PURPOSE OF THIS PROCEEDING?**

25 A. The purpose of this proceeding is to present data to the PUC regarding the economic  
26 vulnerability of the residents of Scranton in hopes of avoiding another rate hike.

27 **Q. WHAT CAN YOU TELL US ABOUT THE OVERALL POPULATION WITHIN THE**  
28 **CITY OF SCRANTON?**

29 A. The City of Scranton is the county seat of Lackawanna County. It has the largest urban core, it  
30 is a government center, and home to many higher education institutions and health systems. The  
31 City has very distinct neighborhoods surrounding the downtown. Despite this, the City has an  
32 older and poorer population. In the 1970s and 1980s major housing development in the City's

33 first tier suburbs saw much of the wealth leave the City and move elsewhere. As a result, much  
34 of the housing became rental and a community where those with low incomes remained.

35 **Q. HOW MANY FAMILIES REQUIRE FOOD ASSISTANCE?**

36 A. 24.5 percent of the households are SNAP recipients. This is much higher than the  
37 Commonwealth and National averages. Nearly 1:4 households are SNAP recipients.

38 **Q. WHAT IS THE MEDIAN OR AVERAGE – YOU CAN ANSWER BOTH –**  
39 **HOUSEHOLD INCOME FOR THE CITY?**

40 A. Median household income is \$45,893 and per capita income is \$25,540. Both are significantly  
41 less than state and national averages, which explain why so many social supports are needed for  
42 families in the City. A total of 26.2 percent of households in the City of Scranton earn less than  
43 \$25,000 per year.

44 **Q. HOW MANY SCRANTONIANS ARE ELDERLY?**

45 A. 17.8 percent of City residents are 65 and older and 15.4 percent of them live in poverty.

46 **Q. HOW MANY SCRANTONIANS LIVE ON A FIXED INCOME?**

47 A. The following data identifies the number and percentage of people on various social  
48 programs. This data came from the US Census Bureau.

	<b>Estimate</b>	<b>Percent</b>
With Social Security	12070	37.7
With retirement income	7126	22.3
With Supplemental Security Income	2116	6.6
With cash public assistance income	1632	5.1

49 **Q. HOW MANY SCRANTONIANS ARE DISABLED?**

50 A. 15.1 percent of the population has some sort of disability.

51 **Q. HOW MANY FEMALE-LED SINGLE FAMILY HOMES EXIST IN THE CITY OF**  
52 **SCRANTON?**

53 A. 45.6 percent of children in the City live in single parent homes.

54 **Q. WHY DOES THAT DATA POINT MATTER?**

55 A. Single parent households face more challenges than two parent households. Incomes are  
56 generally less, especially in single parent households headed by women. They are generally  
57 employed in lower wage careers. The cost of child care as well as availability is also an issue.

58 **Q. HOW MANY SCRANTONIANS RENT VERSUS OWN THEIR HOMES?**

59 A. Nearly 50 percent (49.6%) are renters.

60 **Q. WHY DOES THAT DATA POINT MATTER?**

61 A. Home ownership is a sign of generational wealth building and financial security. Further,  
62 renters face ongoing rent increases that historically are higher than increases in wages. This is  
63 especially true in the COVID years as both rents and purchase prices have increased dramatically  
64 across the country.

65 **Q. HOW MANY SCRANTONIANS LIVE IN POVERTY?**

66 A. 19.6 percent of all Scranton residents live in poverty. This is nearly 1:5 residents.

67 **Q. HOW WOULD YOU DESCRIBE DIVERSITY IN THE CONTEXT OF SCRANTON'S**  
68 **POPULATION?**

69 A. Current US Census data demonstrate the City is more racially and ethnically diverse than  
70 other communities in the County and disaggregated data shows these individuals are  
71 economically challenged.

72 **Q. WHERE/HOW DID YOU OBTAIN YOUR DATA AND METRICS?**

73 A. All the data is pulled from various surveys from the U.S. Census Bureau.

74 **Q. HOW WOULD YOU DESCRIBE THE COST OF LIVING IN SCRANTON?**

75 A. The cost of living may appear to be less than other communities, however when you compare  
76 the cost of living with current income levels, you will see there is a challenge to meet basic  
77 needs.

78 **Q. HOW DOES THE COST OF LIVING COMPARE TO THE COMMONWEALTH**  
79 **AVERAGE AND WHY, IF AT ALL, DOES THIS MATTER?**

80 A. In real dollars, the cost of living shows up as being a little less than the Commonwealth.  
81 However, that savings does not mean much when income levels are more than \$10,000 less than  
82 average Commonwealth income.

83 **Q. ARE YOU ABLE TO INFORM US AS TO WHAT THE LIVING WAGE WOULD**  
84 **HAVE TO BE FOR AN AVERAGE FAMILY OF FOUR TO AFFORD A WATER BILL OF**  
85 **OVER \$100 PER MONTH?**

86 A. Without considering the increase in water bills, a family of four with one working adult need  
87 would need to earn \$71,614 to meet their basic needs. The same family with two working adults  
88 would need \$90,605. The difference includes increased costs for transportation and childcare.

89 **Q. ARE YOU ABLE TO DISCUSS IF THE PROPOSED RATE INCREASE IS**  
90 **REASONABLE?**

91 A. I believe any rate increase will be a challenge for residents who are already making difficult  
92 choices to meet basic needs.

93 **Q. WOULD UTILITY REIMBURSEMENT COVER THE RATES AT ISSUE HERE?**

94 A. Not unless it covers the entire increase in perpetuity. A short-term fix is merely a band aid and  
95 does not address a person's long term income challenges.

96 **Q. ARE YOU ABLE TO DISCUSS THE NEGATIVE EFFECTS OF PEOPLE TRYING**  
97 **TO KEEP THEIR UTILITY BILLS LOWER, SPECIFICALLY AS TO THE WATER**  
98 **AND/OR WASTEWATER BILL?**

99 A. I do not have specific medical or environmental experience. However, logic dictates if people  
100 use less water there is an increased risk of illnesses whether they be food borne, bacterial, or  
101 viral due to cleaning less. Even drinking less water could lead to dehydration and this is a  
102 considerable risk to senior citizens.

103 **Q. WHY, IF AT ALL, WOULD A RATE INCREASE BE SO DETRIMENTAL TO**  
104 **RESIDENTS WITHIN THE CITY OF SCRANTON?**

105 A. The data tells the story. There are a large number of people living in poverty. This means that  
106 they are having challenges meeting basic needs. Increased costs further exacerbate the situation.

107 **Q. ARE YOU ABLE TO SPEAK TO INFORMATION ABOUT AREAS SURROUNDING**  
108 **THE CITY OF SCRANTON, LIKE DUNMORE AND MOOSIC?**

109 A. Dunmore has some similar statistics to Scranton. 19 percent of the population is 65 and over.  
110 Median household income is more than \$11,000 less than the state and median per capita income  
111 is about \$7,000 less than the state average. A total of 9.3 percent of all Dunmore residents live in  
112 poverty and nearly 14 percent are SNAP recipients. A total of 37 percent of children live in  
113 single parent households and over 17 percent have a disability. 13.1 percent of all households  
114 earn less than \$25,000 per year.

115 **Q. ARE YOU ABLE TO SPEAK TO HOW RATE INCREASES WOULD AFFECT**  
116 **SMALL BUSINESSES IN THE SCRANTON AREA?**

117 A. I do not have specific data on small businesses or their challenges, however I can tell you that  
118 many small businesses are in retail and hospitality. These sectors were strongly affected by the  
119 pandemic. Many have already closed.

120 **Q. HOW HAS THE PANDEMIC AFFECTED THE CITY OF SCRANTON RESIDENTS'**  
121 **ECONOMY/ABILITY TO PAY, IF AT ALL?**

122 A. Yes, many people left the workforce or worked in industries that were closed during the  
123 pandemic. People who had young children or elderly family members were unlikely to work  
124 because of care demands. People with disabilities were unlikely to be able to work because of the  
125 higher risk. Seniors themselves, at high risk for the disease, were likely unable to work.

126 **Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?**

127 A. Yes

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission

v.

Pennsylvania-American Water Company

Docket Nos. R-2023-3043189 (Water)  
R-2023-3043190 (Wastewater)

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**VERIFICATION**

I, Teri Ooms, Executive Director of the Institute, hereby state that the facts set forth in my Direct Testimony, C.O.S. St. 2, in the above-captioned proceedings are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to sworn falsification to authorities).



Date: February 1, 2024

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**Teri Ooms, Executive Director**

**The Institute [for Public Policy & Economic  
Development]**