



July 5, 2024

**VIA E-File Only**

Secretary Rosemary Chiavetta  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. Veolia Water Pennsylvania, Inc.  
Docket Nos. R-2024-3045192 (Water); R-2024-3045193 (Wastewater)**

*CAUSE-PA Pre-Served Testimony, Exhibit, Appendices, and Verification*

Dear Secretary Chiavetta,

In accordance with 52 Pa. Code § 5.412a and the Interim Order in this matter dated July 1, 2024, please accept for filing the following preserved written testimony of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), along with the associated exhibit, appendices, and the executed Verification of CAUSE-PA's expert witness. The following documents were admitted into the record via the Joint Stipulation for Admission of Evidence filed on June 27, 2024, and approved by the Interim Order entered on July 1, 2024.

- CAUSE-PA Statement 1, The Direct Testimony of Robert W. Ballenger, Esq., (as corrected June 7, 2024)
  - Consisting of 39 pages of testimony,
  - Exhibit 1 (as corrected June 7, 2024), Water and Wastewater Burden Tables
  - Appendix A, The Resume of Robert W. Ballenger, Esq.
  - Appendix B, Cited Discovery Responses.
- CAUSE-PA Statement 1-R (as corrected June 12, 2024), The Rebuttal Testimony of Robert W. Ballenger, Esq.
  - Consisting of 4 pages of testimony.
- CAUSE-PA Statement 1-SR, The Surrebuttal Testimony of Robert W. Ballenger, Esq.

- Consisting of 10 pages of testimony.
- The Verification of Robert W. Ballenger, Esq. to CAUSE-PA Statement 1, CAUSE-PA Statement 1-R, and CAUSE-PA Statement 1-SR.

A copy of this letter is being served on Administrative Law Judge Emily I. DeVoe and the parties of record consistent with the attached Certificate of Service. Please contact us with any questions or concerns.

Respectfully Submitted,



Ria M. Pereira, Esq.  
*Counsel for CAUSE-PA*

CC: *Certificate of Service*  
*Administrative Law Judge Emily I. DeVoe - [edevoe@pa.gov](mailto:edevoe@pa.gov) (via email only)*

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket Nos. R-2024-3045192
	:	R-2024-3045193
	:	
Veolia Water Pennsylvania, Inc.	:	

**Certificate of Service**

I hereby certify that I have this day served copies of the **CAUSE-PA Pre-Served Testimony, Exhibit, Appendices, and Verification** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

**VIA Email Only**

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Respectfully Submitted,  
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Date: July 5, 2024

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : Docket Nos. R-2024-3045193 *et al.*  
: (Wastewater)  
v. :  
: Docket Nos. R-2024-3045192, *et al.*  
Veolia Water Pennsylvania, Inc. : (Water)

DIRECT TESTIMONY OF ROBERT W. BALLENGER, ESQ.  
ON BEHALF OF  
THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

May 17, 2024

Corrected - June 7, 2024

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**CAUSE-PA STATEMENT 1**  
**PREPARED DIRECT TESTIMONY OF ROBERT W. BALLENGER, ESQ.**

1       **I.       INTRODUCTION**

2       **Q:       Please state your name, occupation, and business address.**

3       A:       Robert W. Ballenger. I am currently a Senior Supervising Staff Attorney at Community  
4       Legal Services of Philadelphia (CLS). My office is located at 1424 Chestnut Street, Philadelphia,  
5       PA 19102.

6       **Q:       Briefly outline your education and professional background.**

7       A:       I received a Bachelor's degree, Master's Degree in Social Work (concentration in social  
8       policy and practice), and Juris Doctor from the University of Pennsylvania.

9               From 2004 to 2010, I was employed as an Associate Attorney in the Employee Benefits  
10       and Executive Compensation Group at Dechert LLP. My practice involved advising employee  
11       benefit plan sponsors of Federal tax and Department of Labor requirements, evaluating and  
12       negotiating provisions in corporate transactions, and assisting with securities law disclosures and  
13       filings relevant to employee benefit plan offerings and executive compensation. In 2010, I  
14       accepted a position as a Staff Attorney in the Energy Unit at Community Legal Services. Over the  
15       past 14 years, I have provided advice and legal representation to thousands of low income  
16       customers seeking assistance with home utilities. I have litigated on behalf of individual utility  
17       consumers in local administrative proceedings, state administrative proceedings before the  
18       Pennsylvania Public Utility Commission, state trial and appellate courts, as well as the Eastern  
19       District of Pennsylvania Bankruptcy Court. Additionally, I have litigated on behalf of

1 organizations whose members are low- and moderate-income Philadelphia utility consumers in  
2 state administrative proceedings and appellate courts.

3 I also serve as lead counsel in CLS’s two contractual roles as Public Advocate, a position  
4 I have held for over a decade. Regarding the Public Advocate’s natural gas contract, I represent  
5 the interests of all residential customers in annual Philadelphia Gas Works budget oversight  
6 proceedings before the Philadelphia Gas Commission. Regarding the Public Advocate’s water  
7 contract, I represent the interests of all residential and small commercial customers in base rate  
8 proceedings, special rate proceedings, and annual reconciliation proceedings regarding the  
9 Philadelphia Water Department’s Tiered Assistance Program Rate Rider (TAP-R). I have also  
10 litigated appeals regarding Philadelphia Water rates in state courts.

11 As illustrated more thoroughly in my resume, I have written and presented extensively  
12 regarding utility affordability issues and utility consumer rights over the past fourteen years. My  
13 resume is attached as Appendix A.

14 **Q: Please describe the focus of your work over the past fourteen years, including relevant**  
15 **work experience on issues of low income families’ ability to afford essential services such as**  
16 **utilities.**

17 A: Over the last 14 years, I have focused my legal practice primarily on issues affecting the  
18 affordability, continuity, and safety of utility services provided to consumers in their homes. In  
19 my direct client practice, I primarily represent individual utility consumers with household  
20 incomes typically not exceeding 250% of the Federal Poverty Level (FPL), however the majority  
21 of my clients have incomes not exceeding 150% FPL. I have become intimately familiar with the  
22 experiences my clients face due to poverty. More specifically, due to utility insecurity, my clients  
23 frequently face loss of habitable housing, experience disruption in educational and occupational

1 activities, relate feelings of overwhelming stress and concomitant physical and mental health  
2 challenges, and risk loss of family unity and other disruptive interventions. In many cases, the  
3 laws, policies, and programs that exist to help families struggling with economic hardship are  
4 simply inadequate.

5 Through my work, I have developed extensive knowledge of the patchwork of state,  
6 federal, and utility-run programs designed to assist low-income families with maintaining essential  
7 utility services. I assisted in drafting the 2015 City Council ordinance authorizing the  
8 establishment of Philadelphia’s Tiered Assistance Program (TAP) and have worked with outside  
9 consultants to improve the operation of TAP over the seven years since the program successfully  
10 launched. I have also participated in the review of Universal Services and Energy Conservation  
11 Programs maintained by PECO Energy Company and the Philadelphia Gas Works, as well as the  
12 Pennsylvania Public Utility Commission’s (PUC) multi-year proceedings to update its Customer  
13 Assistance Program Policy Statement. I have provided testimony before state agencies and the  
14 Pennsylvania legislature and other governmental bodies on affordability of water and other home  
15 utility services.

16 **Q: Have you testified in any proceedings before the Pennsylvania PUC?**

17 A: I have not.

18 **Q. For whom are you testifying in this proceeding?**

19 A. I am testifying on behalf of the Coalition for Affordable Utility Services and Energy  
20 Efficiency in Pennsylvania (CAUSE-PA).

21 **Q: What is the purpose of your testimony?**

22 A: CAUSE-PA intervened in this proceeding to ensure that the proposed rate increase, rate  
23 design, and tariff changes will not adversely affect the ability of low income customers of Veolia

1 Water Pennsylvania, Inc. (Veolia or the Company) to connect to, maintain, and afford water and  
2 wastewater service, which is a critical component to a safe and healthy home.

3 In furtherance of these stated intentions for intervention, the purpose of my testimony is to  
4 assess Veolia’s existing and proposed rates, tariff, rules, procedures, and programs to determine  
5 whether they are just, reasonable, and appropriately designed to ensure that low income consumers  
6 within Veolia’s service territory are able to equitably access and maintain safe and affordable  
7 utility services.

8 **Q: How is your testimony organized?**

9 A: My testimony is in five sections. Following this Introduction section, section II provides  
10 background on water affordability and describes the consequences of unaffordable service  
11 (including the risk higher rates presents for customers with low income). This section also presents  
12 some basic recommendations regarding data collection and tracking in order to better assess the  
13 needs of low-income Veolia customers in the future. In section III, I discuss customer service  
14 issues affecting low income customers, including proposed low income programs, and my  
15 recommendations for modifications to Veolia’s proposals to better meet low income customers’  
16 needs in Veolia’s service territory. In section IV, I describe several provisions of Veolia’s tariff  
17 that do not align with the PUC’s regulations and recommend further review and appropriate  
18 adjustment. Finally, in section V, I provide a summary of the recommendations and proposals  
19 which I provided throughout this testimony.

1        **II.        RATE IMPACT ON LOW INCOME HOUSEHOLDS**

2        **Q:        Please summarize Veolia’s requested rate increase as it applies to residential**  
3        **customers.**

4        A:        In this proceeding, Veolia proposes to increase rates by approximately \$16 million, or  
5        approximately 26.7%, based on a fully projected future test year ending October 31, 2025.<sup>1</sup>  
6        According to the Company, if the entire rate request is approved as filed, the total bill for a typical  
7        residential water customer using an average of 3,500 gallons per month would increase from  
8        \$49.64 to \$60.97 per month, or by 22%.<sup>2</sup> The total wastewater bill for a typical residential  
9        customer would increase from a flat rate of \$56.20 to \$77.00, or by 37%.<sup>3</sup>

10        Veolia’s Main Division residential rate structure consists of a fixed monthly customer  
11        charge and a uniform (“single block”) volumetric rate.<sup>4</sup> The current residential volumetric rate for  
12        main division water customers is \$9.0510 per thousand gallons. Veolia has proposed to increase  
13        the volumetric charge to \$11.7100 per thousand gallons.<sup>5</sup> The current customer charge for main  
14        division residential water customers with a 5/8"-3/4" meter size is \$14.50 per month, which Veolia  
15        has proposed to increase to \$19.80 per month.<sup>6</sup>

16        Veolia has also proposed to consolidate Mahoning, Overbrook, and Kensington divisions  
17        to be the same as the rates proposed for the Main Division, and to bring the Bethel Division rates  
18        closer to Main Division.<sup>7</sup> These proposed consolidations will result in a steeper increase for  
19        customers in the Mahoning, Overbrook, Kensington, and Bethel Divisions.

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<sup>1</sup> Statement of Reasons, Veolia St. No. 1 at 6.

<sup>2</sup> Statement of Reasons.

<sup>3</sup> *Id.*

<sup>4</sup> Veolia St. 2 at 18.

<sup>5</sup> Veolia Ex. No. GHR-2, Sched. 11.

<sup>6</sup> *Id.*

<sup>7</sup> Veolia St. 1 at 7.

1 **Q: How do utilities typically identify the number of low income households in their**  
2 **service territory?**

3 Pennsylvania’s large electric and natural gas public utilities are required to track and report  
4 their low income customer population two ways: “estimated low income” customers and  
5 “confirmed low income” customers.<sup>8</sup> Pennsylvania’s large, regulated water companies have also  
6 begun tracking their low income customers according to these metrics.<sup>9</sup>

7 The “estimated low income” customer number is derived by the utilities using local census  
8 data compiled by Pennsylvania State University annually, utilizing a comparative methodology  
9 developed by the Bureau of Consumer Services.<sup>10</sup> The “confirmed low income” customer number  
10 is a count of those customers from whom the utility has obtained information that would  
11 reasonably place the customer in a low income designation, including but not limited to payment  
12 arrangements, low income program applications, or self-certification by the customer.<sup>11</sup>

13 **Q: How many low income customers does Veolia serve?**

14 A: Veolia estimates that approximately 32% of its residential water customers have income at  
15 or below 200% of the Federal Poverty Level (FPL), which is the maximum income level for its  
16 proposed customer assistance program (CAP).<sup>12</sup> Veolia reports having 69,061 residential

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<sup>8</sup> 52 Pa. Code §§ 62.2, 62.4, 62.5, 54.72, 54.75, 54.76.

<sup>9</sup> See *Pa. PUC v. Aqua Pennsylvania, Inc.*, R-2021-3027385, CAUSE-PA St. 1 at 13 (submitted Nov. 10, 2021). (explaining Aqua reported 106,823 estimated low income customers); *Pa. PUC v. Pa. American Water Co.*, R-2023-3043189, CAUSE-PA St. 1 at 23 (submitted Feb. 1, 2024) (explaining PAWC reported 122,379 estimated low income customers); *Pa. PUC v. Pittsburgh Water and Sewer Authority*, R-2023-3039920, CAUSE-PA St. 1 at 9 (explaining PWSA reported 20,000 estimated low income customers).

<sup>10</sup> See Pa. PUC Universal Service Programs and Collections Performance 2022 Report at 9.

<sup>11</sup> See 52 Pa. Code §§ 62.2, 54.2 (electric and gas definitions of “confirmed low income customer”).

<sup>12</sup> Veolia St. 7 at 10.

1 customers in March 2024.<sup>13</sup> Applying Veolia’s estimate, one would expect approximately 22,100  
2 customers to be potentially eligible to participate in its proposed low income programs.

3 As part of the settlement in the in the Veolia/SUEZ acquisition proceeding, Veolia agreed  
4 that after its next base rate case (i.e., the current case), it will make best efforts to begin tracking  
5 its “Number of confirmed low-income customers (defined as the number of customers for whom  
6 SUEZ has information indicating household income at or below 150% FPL).”<sup>14</sup> In response to  
7 discovery, Veolia indicates that it does not yet actively track confirmed low income customers,  
8 nor does it maintain a definition of the term for these purposes.<sup>15</sup> Veolia indicated that it does not  
9 collect income or household composition data from customers except in instances where bill  
10 payment assistance has been requested and that it “does not have ‘confirmed low income  
11 customers.’”<sup>16</sup> In response to OCA’s discovery requests, the Company indicated that it has  
12 identified approximately 662 known residential customers at 0-200% of the FPL since 2019 based  
13 on payment arrangement plans.<sup>17</sup> This is a very low number considering the number of residential  
14 customers served by Veolia and unlikely to be reflective of the actual number of low income  
15 customers in the Company’s service territory.

16 **Q: Would Veolia benefit from improved confirmed low income data tracking?**

17 **A:** Yes. In addition to fulfilling its settlement obligations, tracking low income customers will  
18 help evaluate outreach and enrollment policies for its low income programs and will help  
19 determine whether those programs are effective in reducing payment trouble and termination for

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<sup>13</sup> CAUSE-PA I-2.

<sup>14</sup> *Joint App. of Veolia North America, Inc., et seq. for all approvals for change in control of SUEZ Water PA., A-2021-3026515, A-2021-3026522, A-2021-3026523, Joint Pet. for Approval of Settlement, Append. A Stip. P. 7-8 ¶ 3.a.v.1*(submitted Oct. 27, 2021) (approved via Final Order Dec. 21, 2021).

<sup>15</sup> CAUSE-PA I-3.

<sup>16</sup> *Id.*

<sup>17</sup> OCA 5-1 (Revised).

1 participants. Data tracking will also help evaluate Veolia’s outreach efforts to identify and enroll  
2 low income customers in the appropriate programs.

3 **Q: Do you have recommendations about how Veolia can better track its confirmed low**  
4 **income customers?**

5 A: I recommend that Veolia adopt a definition of confirmed low income customers that  
6 includes any information provided by the customer that reasonably places the customer in a low  
7 income designation, consistent with the manner of identification and tracking used by other large  
8 electric, gas, and water utilities. At minimum, Veolia’s definition of confirmed low income  
9 customers should include collection of customer information through the income and CAP  
10 screening process that I recommend later in my discussion about CAP enrollment,<sup>18</sup> as well as:

- 11 • Enrollment or participation in any of Veolia’s universal service programs.
- 12 • Receipt of other utility assistance, such as a grant from a local, state, or  
13 federal water or wastewater assistance program.
- 14 • Data provided by the Department of Human Services (DHS) or another  
15 local or state agency indicating the customer is low income.
- 16 • Indication by the customer of inability to pay current bill and/or requests for  
17 income based payment arrangements.
- 18 • Self-certification of low income status by the customer.

19 Regarding my recommendation that the company accept self-certification of low income  
20 status for purposes of confirmed low income designation, which is in line with the Commission’s  
21 standards for universal service reporting,<sup>19</sup> Veolia should develop a process to routinely screen  
22 during relevant customer contacts, including contacts immediately prior to termination, medical

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<sup>18</sup> See *infra* p. 26-27.

<sup>19</sup> See 52 Pa. Code §§ 62.2, 54.2 (electric and gas definitions of “confirmed low income customer”)

1 certificate submission, and new and moving customers. I recommend that Veolia work with the  
2 LIAC to develop a list of potentially relevant customer contacts that should trigger income  
3 screening and a process for inquiring as to income status during such contacts. Any customers self-  
4 certifying as low income during these contacts should be tracked as a confirmed low income  
5 customer and referred to the low income program administrator so that they can apply for the  
6 appropriate programs for their circumstances.

7 Veolia should seek to partner with local and state agencies in its service territory that can  
8 verify the customer’s low income status and should participate in any available data sharing  
9 programs or processes to help streamline identification of low income households and enrollment  
10 in Veolia’s rate assistance program.

11 I further recommend that Veolia track and maintain confirmed low income customer  
12 information separately by income tiers ((1) at or below 50% FPL, (2) 51-100% FPL (3) 101-150%  
13 FPL, and (4) 150-200% FPL), together with data regarding terminations, payment arrangements,  
14 usage information, and participation in low income programs within each tier.

15 I note here that, for the purposes of evaluating the extent to which Veolia’s proposed  
16 Customer Assistance Program (CAP) reaches those in need of assistance, Veolia should continue  
17 utilizing the “*estimated low income customer*” count as its denominator, reflecting the number of  
18 CAP participants as the numerator. This will provide a more appropriate estimation of how those  
19 programs are serving Veolia’s low income population.

20 **Q: What level of income qualifies a household as a “low income”?**

21 A: With some exceptions, most utility assistance programs in Pennsylvania require  
22 households to have income that is not greater than 150% FPL to qualify. Veolia’s proposed low

1 income programming will serve customers up to 200% FPL.<sup>20</sup> The FPL is a measure of poverty  
2 based exclusively on income and household size, but not the composition of the household (i.e.,  
3 whether the household consists of adults or children) or geography. As a baseline, in 2024, a family  
4 of four at 150% FPL has a gross annual income of just \$46,800.<sup>21</sup> This is insufficient income to  
5 support a family of this size and is substantially less than the household needs to meet their basic  
6 expenses in Pennsylvania.<sup>22</sup>

7         Defining low income by FPL fails to capture all customers residing in Veolia’s service  
8 territory whose income is inadequate to afford basic needs. To assess actual levels of economic  
9 hardship across a given region, poverty experts often use the Self Sufficiency Standard which is a  
10 benchmark developed to determine how much income a household needs to afford life’s most  
11 basic necessities (food, rent, clothing, medicine/medical care, childcare, utilities, transportation,  
12 and taxes) without assistance.<sup>23</sup> The Self Sufficiency Standard is a better measure because it  
13 adjusts based on average costs at the county level. In 2024, the average Self Sufficiency Standard  
14 for a family of four (two adults and two school-aged children) living in the counties served by  
15 Veolia was \$81,606.<sup>24</sup> This requires income of \$34,806 more per year than a four-person  
16 household with income at 150% FPL makes. In other words, a family of four at 150% FPL will  
17 be expected to have a household budget deficit, below the Self Sufficiency Standard, of  
18 approximately \$2,900 per month.

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<sup>20</sup> Veolia St. 7 at 10.

<sup>21</sup> U.S. Dept. of Health and Human Services, *2024 U.S. Federal Poverty Guidelines*, available at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

<sup>22</sup> Self Sufficiency Standard, <http://www.selfsufficiencystandard.org/Pennsylvania>.

<sup>23</sup> *Id.*

<sup>24</sup> *See id.* (2024 Pennsylvania Data Set).

1 **Q: What are the income levels of low income households identified by Veolia?**

2 A: As I explained above, Veolia does not actively track income levels or number of confirmed  
3 low income households. However, in response to discovery, Veolia was able to provide  
4 information about a limited number of households from which it has received income information.  
5 These low income customers have income levels far below both the Self Sufficiency Standard and  
6 the Commission’s low income threshold of 150% FPL. The average annual income for Veolia’s  
7 currently identified confirmed low income customers is \$20,999 per year.<sup>25</sup>

8 **Q: What are the usage levels for Veolia’s low income customers?**

9 A: Veolia has only provided very limited data about the usage levels for low income  
10 customers. However, the limited data provided shows that the low income customers identified  
11 have had substantially higher average usage than residential customers generally. From March  
12 2021 to February 2024, on a monthly basis, the average (mean) usage for residential customers  
13 ranged from a low of 3,200 gallons to a high of 4,000 gallons (rounded).<sup>26</sup> Over that same period,  
14 the average (mean) usage for identified low income customers ranged from a low of 5,300 gallons  
15 to a high of 8,500 gallons (rounded).<sup>27</sup>

16 While this is a relatively small sample size for low income usage (which underscores the  
17 need for Veolia to begin actively tracking confirmed low income customer usage), the contrast in  
18 usage is quite stark with the lowest months of average usage among low income customers  
19 exceeding even the highest months of average usage among residential customers generally. It is  
20 difficult to determine the exact cause of the large discrepancy in usage rates among low income  
21 customers. However, Veolia indicates it could be partially attributable to leaks, number of

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<sup>25</sup> CAUSE-PA I-6.

<sup>26</sup> OCA 5-26 A.

<sup>27</sup> OCA 5-26 C.

1 household occupants, usage patterns of this group of customers, and the limited sample size.<sup>28</sup>

2 Another likely cause is the discrepancy in housing stock among low income customers, who more  
3 frequently live in older housing with aging and less efficient fixtures and plumbing.

4 **Q: How should water and wastewater affordability be measured?**

5 A: Individualized affordability of water and wastewater service is most accurately measured  
6 as a percentage of adult household income, known as a household’s water or wastewater burden.<sup>29</sup>

7 This is consistent with the methodology commonly used to determine housing affordability, which  
8 dictates that consumers should spend no more than 30% of their income on housing expenses,  
9 including utilities.<sup>30</sup> While Pennsylvania has not adopted statewide combined water and  
10 wastewater burden standards, it is generally accepted that to be affordable, a household’s combined  
11 water and wastewater burden should not exceed 4% of household income.<sup>31</sup> As I will explain in  
12 more detail below, Veolia’s proposed rates would impose combined water and wastewater  
13 household bill burdens that exceed these levels of affordability for many customers, especially  
14 those at the lowest levels of income. It is therefore critical that Veolia take necessary steps to  
15 address this affordability gap. I will discuss recommended improvements to Veolia’s proposed  
16 low income programing later in my testimony.

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<sup>28</sup> OCA 12-2.

<sup>29</sup> See also Roger Colton, *The Affordability of Water and Wastewater Service in Twelve U.S. Cities: A Social, Business and Environmental Concern*, The Guardian, (May 2020), available at:

<https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation>.

<sup>30</sup> See National Foundation for Credit Counseling, *How Much of Your Income Should Be Spent on Housing?*, (Aug. 3, 2023) available at: <https://www.nfcc.org/blog/how-much-of-your-income-should-be-spent-on-housing/>

<sup>31</sup> NRDC, *Water Affordability Toolkit: Affordability and Assistance Programs*, at 73, available at: <https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-8.pdf>; Roger Colton, *The Affordability of Water and Wastewater Service in Twelve US Cities*, The Guardian (May 2020), available at: <https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation>; NAACP Legal Defense and Educational Fund, Inc., *Water/Color: A Study of Race & The Water Affordability Crisis in America’s Cities* (2019), available at: [https://www.naacpldf.org/wp-content/uploads/Water\\_Report\\_FULL\\_5\\_31\\_19\\_FINAL\\_OPT.pdf](https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf).

1 **Q: What are the water burdens for Veolia’s low income customers at current versus**  
2 **proposed rates?**

3 A: Even at current rates, Veolia’s lowest income customers are subject to unaffordable water  
4 and wastewater burdens. CAUSE-PA Exhibit 1, attached to my testimony, provides a snapshot of  
5 the applicable water and wastewater burdens for low income customers in Veolia’s Main Division,  
6 both at present and proposed rates. CAUSE-PA Exhibit 1 breaks down the relative water and  
7 wastewater burden for households at different income and usage levels. For example, at current  
8 rates, a two-person household at 50% FPL using 4,000 gallons of water each month has a water  
9 burden of 6%. A four person household at 50% FPL using 8,000 gallons of water each month has  
10 a water burden of 7%. If Veolia’s rate increase proposal is approved, the relative burden of these  
11 households would increase to 8% and 8%, respectively. These levels far exceed accepted  
12 affordability standards, leaving very little income for families to pay for other basic necessities.

13 **Q: What are the wastewater burdens for Veolia’s low income customers at current**  
14 **versus proposed rates?**

15 A: Veolia charges wastewater customers a flat fee, thus customers’ water burdens are not  
16 affected by usage. Nonetheless, the current wastewater burdens for Veolia’s lowest income  
17 customers are not affordable and this unaffordability will be worsened if the proposed rate increase  
18 is approved. For example, as shown in Exhibit 1, at current rates, a two-person household at 50%  
19 FPL has a wastewater burden of 7%, and a four-person household at 50% FPL has a wastewater  
20 burden of 4%. If Veolia’s rate increase were approved as proposed, the relative wastewater burden  
21 for these households would increase to 9% and 6%, respectively.

1 **Q: Do you have concerns about the water and wastewater burdens for Veolia’s low**  
2 **income customers?**

3 A: Yes. As I explained above, to be considered affordable, a household’s *combined* water and  
4 wastewater burden should be no more than 4%. Using the above examples, at Veolia’s proposed  
5 rates for water and wastewater services, a 2 person household at 50% FPL using an average of  
6 4,000 gallons a month would face a combined 15% water and wastewater burden, while a 4 person  
7 household at 50% FPL using an average of 8,000 gallons a month would face a combined water  
8 and wastewater burden of 12%. As discussed more fully below, these excessive water/wastewater  
9 burdens pose significant obstacles for low income families to afford their monthly bills and stay  
10 connected to essential and life-sustaining water services in their homes. My testimony provides  
11 several recommendations about how Veolia can adjust its low income programs to properly assist  
12 these customers.

13 **Q: Aside from high water and wastewater burdens, is there other evidence that low**  
14 **income customers struggle to afford service?**

15 A: Yes. Although Veolia does not separately track its low income terminations, it has provided  
16 some limited data about the arrearages held by low income customers. The average arrears for  
17 Veolia’s low income customers are higher than those of residential customers generally. In 2023,  
18 the average arrears among residential customers generally was \$81.25. In contrast, the average  
19 arrears for households identified as low income was \$127.63 and the average arrears for Veolia  
20 Cares recipients was \$144.57.<sup>32</sup>

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<sup>32</sup> CAUSE-PA II-16.

1 **Q: How would Veolia’s proposed rate increase impact low income households?**

2 A: The substantial rate increase proposed by Veolia is likely to exacerbate unaffordability of  
3 water and wastewater services for low income customers, leading those customers to either  
4 experience increased payment trouble or forgo other critical life necessities such as healthy food,  
5 medicine, and other essential goods and services. The inability to afford to maintain water and  
6 wastewater services is one form of water insecurity.

7 **Q: How does water insecurity affect low income households?**

8 A: Water security is defined as the ability to reliably access and benefit from safe and  
9 accessible water and has been recognized by the Pennsylvania Constitution<sup>33</sup> and the United  
10 Nations as a human right.<sup>34</sup> In contrast, the inability to reliably access and benefit from safe and  
11 acceptable water services, whether based on unaffordability, access impediments, poor water  
12 quality or insufficient quantity, is referred to as water insecurity.<sup>35</sup> Large disparities in water  
13 security exist across racial and ethnic groups, regions, and socioeconomic status. Black and  
14 Hispanic households are less likely to have piped water, and lower income households are more  
15 likely to experience water contamination.<sup>36</sup>

16 The inability to maintain water service adversely impacts the affected household, causing  
17 missed school, missed work, and potential loss of housing. Water termination can also be  
18 detrimental to mental and physical health of the entire family.<sup>37</sup> The loss of water service means  
19 people can’t wash their hands or their dishes, or prepare their food, and have limited use of toilets

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<sup>33</sup> Pennsylvania Constitution, Article 1, Section 27.

<sup>34</sup> Laura A. Gibson, PhD, Eliza Kinsey, PhD, Christina A. Roberto, PhD, & Louise Russell, PhD, *The Costs of Water Insecurity in Philadelphia*, Perelman School of Medicine, University of Pennsylvania (May 2022), available at: [https://peachlab.org/wp-content/uploads/2022/06/PennAltarumPhillyWaterInsecurityReport\\_2022-05-04.pdf](https://peachlab.org/wp-content/uploads/2022/06/PennAltarumPhillyWaterInsecurityReport_2022-05-04.pdf)

<sup>35</sup> *Id.*

<sup>36</sup> *Id.* at 2.

<sup>37</sup> *Id.*

1 and bathing.<sup>38</sup> Water shutoffs can disrupt family unity, as unaffordable utility bills resulting in  
2 involuntary service terminations are frequently cited as the identified bases for children to be  
3 removed from a home and placed in foster care.<sup>39</sup> As debt accumulates from water shutoffs, it can  
4 lead to financial ruin and a downward spiral to long-term housing insecurity and homelessness.  
5 Utility indebtedness can disqualify a household from public and private subsidized housing  
6 options.

7 **Q: How do water terminations affect the community?**

8 A: Water terminations pose a serious threat to public health and human dignity. Without  
9 access to running water, families are unable to cook, bathe, clean, or flush the toilet.<sup>40</sup> As explained  
10 above, access to water service is tied directly to the health and well-being of the household, and  
11 the habitability of the home.<sup>41</sup> Water terminations are akin to eviction from a home, as the home  
12 may be considered uninhabitable or unsafe following termination of water service, forcing families  
13 to vacate.<sup>42</sup> Termination of service to the home can also jeopardize a parent’s custody of their  
14 children, can result in the loss of housing assistance, and is often cited as a catalyst for  
15 homelessness.<sup>43</sup>

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<sup>38</sup> Christina A. Roberto, PhD Laura Gibson, PhD Robert W. Ballenger, *Water is a Basic Human Right. So Why is Philly Resuming Shutoffs*, Philadelphia Inquirer, (May 16, 2023) available at: <https://ldi.upenn.edu/our-work/research-updates/water-is-a-basic-human-right-so-why-is-philly-resuming-shutoffs-may-24/>

<sup>39</sup> *Id.*

<sup>40</sup> Coty Montag, *Water/Color: A Study of Race and the Water Affordability Crisis in America’s Cities*, NAACP Legal Defense and Educational Fund, Inc, May 2019, at p. 28, (hereinafter “Water/Color Report”) available at: [https://www.naacpldf.org/wp-content/uploads/Water\\_Report\\_FULL\\_5\\_31\\_19\\_FINAL\\_OPT.pdf](https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf) Water/Color Report at 28.

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> See Joint State Government Commission, Pa. General Assembly, *Homelessness in Pennsylvania: Causes, Impacts, and Solutions: A Task Force and Advisory Committee Report* (2016), available at: <http://jsg.legis.state.pa.us/resources/documents/ftp/documents/HR550%201%20page%20summary%204-6-2016.pdf>.

1 A recent study<sup>44</sup> of the impacts of water shut offs in Philadelphia identified and began to  
2 quantify the associated social costs of involuntary termination, including:

- 3 • Financial and employment costs (mental/physical health care costs, cost of buying  
4 water, time and missed work)
- 5 • Family/Educational costs (children removed, missed school, poor hygiene)
- 6 • Physical and Mental costs (increased stress, decreased mental health, dehydration,  
7 disease)
- 8 • Housing costs (relocation, water liens)
- 9 • Community costs (vacant homes, homelessness, legal services)
- 10 • City costs (staff/labor, childcare, public safety)
- 11 • Water utility costs (loss of revenues from off customers)

12 Notably, recognizing the various social costs associated with shut offs, particularly in the context  
13 of the COVID-19 pandemic, at least five major U.S. cities (Chicago, Buffalo, Oakland, Detroit,  
14 Phoenix) decided to permanently ban payment-based water terminations.<sup>45</sup>

15 Even before COVID-19 and recent historically high levels of inflation, approximately one-  
16 third of households experienced income volatility.<sup>46</sup> Analysis of material hardship for low and  
17 moderate income consumers experiencing income volatility found much higher rates of inability

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<sup>44</sup> *The Costs of Water Insecurity in Philadelphia* at 5.

<sup>45</sup> *Id.* at 2.

<sup>46</sup> Daniel Schneider and Kristen Harknett, *Income Volatility in the Service Sector: Contours, Causes and Consequences* (July 2017) at p.3, (hereinafter “Income Volatility in the Service Sector”) available at: [https://www.aspeninstitute.org/wp-content/uploads/2017/07/ASPEN\\_RESEARCH\\_INCOME\\_VOLATILITY\\_WEB.pdf](https://www.aspeninstitute.org/wp-content/uploads/2017/07/ASPEN_RESEARCH_INCOME_VOLATILITY_WEB.pdf); Board of Governors of the Federal Reserve, *Report on the Economic Well-Being of U.S. Households in 2018* (May 2019) at p.2, , available at: <https://www.federalreserve.gov/consumerscommunities/files/2018-report-economic-well-being-us-households-201905.pdf>.

1 to afford bills, medical care, housing payments and food,<sup>47</sup> and a higher likelihood of use of  
2 expensive payday loans to pay for basic living expenses.<sup>48</sup> Even at Veolia’s current rates, many  
3 families already must make difficult choices between paying for utility services and other basic  
4 necessities – raising rates for such consumers will make their ability to afford and/or obtain and  
5 retain such necessities more difficult.

6 **III. LOW INCOME CUSTOMER SERVICE ISSUES**

7 **a. *Low Income Programs***

8 **Q: Please describe Veolia’s existing and proposed low income programs.**

9 A: Veolia currently offers its Veolia Cares program, which is a hardship fund that is available  
10 to customers that are experiencing a job loss, illness, or unforeseen circumstance that prevents a  
11 customer from paying their water and/or wastewater bills.<sup>49</sup> Additionally, as a result of the  
12 settlement approved by the Commission in the Veolia/SUEZ acquisition proceeding,<sup>50</sup> Veolia has  
13 proposed a number of improvements to its low income programs as part of this base rate case.  
14 Veolia has proposed a program that is akin to the PUC approved comprehensive universal service  
15 programs operated by electric and natural gas utilities, which it has labeled as its Customer  
16 Assistance Program (CAP). Veolia’s proposed CAP includes a bill discount component, an

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<sup>47</sup> Stephen Roll, David S. Mitchell, Krista Holub et al., *Responses to and Repercussions from Income Volatility in Low- and Moderate-Income Households: Results from a National Survey*, Aspen Institute EPIC, Center for Social Development, Intuit Tax & Financial Center (Dec. 2017) at pp 6-7, available at: <https://www.aspeninstitute.org/publications/responses-repercussions-income-volatility-low-moderate-income-households-results-national-survey/>.

<sup>48</sup> *Income Volatility in the Service Sector* at p. 9 (almost a quarter of consumers reporting week-to-week volatility report using payday lenders).

<sup>49</sup> Veolia St. 7 at 5.

<sup>50</sup> *Joint Application of Veolia Environment S.A., Veolia North America, Inc., SUEZ S.A., SUEZ Water Pennsylvania Inc. and SUEZ Water Bethel Inc. for all approvals for the change in control of SUEZ Water Pennsylvania Inc. and SUEZ Water Bethel Inc.*; Docket Nos. A-2021-3026515, A-2021-3026522 and A-2021-3026523, Joint Petition for Approval of Settlement (submitted Oct. 27, 2021) (approved via Final Order Dec. 21, 2021).

1 arrearage forgiveness component, a conservation component, and a service line repair  
2 component.<sup>51</sup>

3 Veolia indicates that it developed its proposals based on a review of CAPs provided by  
4 other Commission-regulated water utilities in the state and with input from its Low Income  
5 Advisory Committee (LIAC).<sup>52</sup> Veolia indicates that it limited its CAP proposal to water service  
6 customers, and explains that the Company’s intention is to implement a program successfully  
7 before expanding it to wastewater services.<sup>53</sup> Veolia will continue to provide hardship fund grants  
8 to wastewater customers.

9 **Q: Please describe Veolia’s existing hardship fund.**

10 A: Veolia’s hardship fund, also known as Veolia Cares, is funded by Veolia shareholders and  
11 provides assistance to customers having difficulty paying their bills for a variety of reasons. There  
12 are no income qualifications, as the program is focused on providing assistance to customers that  
13 are experiencing a hardship such as job loss or illness or an unforeseen circumstance.<sup>54</sup> Veolia  
14 Cares provides qualifying customers with grants of up to \$300.00 annually toward their water bills  
15 and up to \$150.00 annually toward their wastewater bills. As a result of the settlement in the  
16 Veolia/SUEZ acquisition proceeding, Veolia committed to contributing \$50,000 to the SUEZ  
17 Pennsylvania Utilities’ Cares grant program annually until its next base rate case (i.e. the current  
18 case).<sup>55</sup> Thereafter, Veolia committed to contributing a minimum of \$20,000 annually, though a

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<sup>51</sup> Veolia St. 7 at 6-7.

<sup>52</sup> *Id.*

<sup>53</sup> *Id.*

<sup>54</sup> Veolia St. 7 at 6.

<sup>55</sup> *Joint App. of Veolia North America, Inc., et seq. for all approvals for change in control of SUEZ Water PA., A-2021-3026515, A-2021-3026522, A-2021-3026523, Joint Pet. for Approval of Settlement, Append. at Stip. P.8 ¶ 3.b* (submitted Oct. 27, 2021) (approved via Final Order Dec. 21, 2021).

1 higher annual contribution level may be established as part of this proceeding.<sup>56</sup> All unspent funds  
2 will be rolled over and added to the budget for the Cares program in the following year.

3 **Q: Do you have recommendations to make Veolia’s hardship fund more effective?**

4 A: Yes. First, I recommend that Veolia maintain its \$50,000 per year Cares contribution, with  
5 unspent funds rolling over to the following year. Veolia rolled out its updated Cares budget in the  
6 October 2021-September 2022 fiscal year.<sup>57</sup> First year participation was relatively low with most  
7 of the funds rolling over, likely due to the continuation of COVID-19 era utility assistance.<sup>58</sup>  
8 However, in the 2022-2023 program year, once that assistance had largely expired, Cares program  
9 participation grew substantially with Veolia providing over \$40,000 in grants to 181 households  
10 in need. This demonstrates a substantial need for assistance, justifying continued funding at the  
11 current level of \$50,000 per year.<sup>59</sup>

12 Second, I recommend that Veolia work with its LIAC to establish objective criteria for  
13 program eligibility to guide disbursement of these limited funds. While I recommend that back  
14 balances held by low income customers are best resolved through the newly proposed CAP, there  
15 should be some guidelines and screening to ensure that the funds are allocated to customers with  
16 the most need who are incapable of utilizing other resources or quickly rebounding from a  
17 hardship. Specifically, the Company should prioritize resolving large balances and helping  
18 customers who are off or at imminent risk of termination, have medical needs, or have members  
19 who are survivors of domestic violence.

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<sup>56</sup> *Id.*

<sup>57</sup> I&E RE-40.

<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

1 **Q: Please describe the components of Veolia’s proposed CAP program.**

2 A: Consistent with other Pennsylvania utility CAPs that provide monthly rate assistance and  
3 debt forgiveness over time, Veolia’s proposed CAP program has a bill discount component and an  
4 arrearage management component.<sup>60</sup> The Company also lists its conservation and leak repair  
5 components as part of its proposed CAP.<sup>61</sup>

6 **Q: Please describe the bill discount component of the Company’s CAP proposal.**

7 A: Veolia proposes a tiered monthly bill discount program, with various levels of rate  
8 discounts based on the income level of a participating household. Pursuant to Veolia’s proposal,  
9 all participants (those with income up to 200% FPL) will receive a 100% discount on the fixed  
10 residential customer charge.<sup>62</sup> Additionally, customers with income between 101-150% FPL will  
11 not be charged for their first 1,000 gallons of usage, and customers with income at or below 100%  
12 FPL will not be charged for their first 2,000 gallons. Veolia witness Judith Jordan’s testimony  
13 provides the following chart showing the discounts:

14 **Table 1: Veolia Proposed Bill Discounts**<sup>63</sup>

Poverty Level	Service Charge Discount	Volumetric Discount
0-100% FPL	\$0 fixed charge	First 2,000 gallons
101-150 % FPL	\$0 fixed charge	First 1,000 gallons
151-200% FPL	\$0 fixed charge	none

15 Veolia proposes that participants in the discount program be required to recertify their eligibility  
16 every two years.

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<sup>60</sup> Veolia St. 7 at 7-8.

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

<sup>63</sup> *Id.*

1 **Q: Will Veolia’s discounts provide affordable rates to low income households?**

2 A: While there is limited data available regarding the specific usage levels for low income  
3 households, the available data indicates that Veolia’s proposed discounts will bring the water  
4 service portion of the household’s water and wastewater burden for most groups of participants  
5 within the zone of affordability, delivering bills at or below 2% of income. However, the data  
6 indicates that high usage households with income at or below 50% FPL will continue to have  
7 higher than affordable water service bills. For example, a family of four who enrolls in Veolia’s  
8 CAP with income at or below 50% FPL, and an average usage of 8,000 gallons per month, would  
9 have a water burden of 5%. With 10,000 gallons of usage, this same household would face a 7%  
10 burden, just for water charges. Thus, at Veolia’s proposed rates, the water burden alone would  
11 exceed the maximum affordable combined water and wastewater burden of 4% for some low  
12 income Veolia CAP participants – especially those at the lowest end of the poverty scale having  
13 high usage.

14 While Veolia’s water customers largely receive only water service from the Company, the  
15 bill discount needs to be structured to provide customers with a water bill that is substantially less  
16 than 4% of household income to leave room for wastewater costs. Based on the data provided, and  
17 not considering any potential changes in household income, household composition, or water  
18 consumption, the proposed discounts may be expected to deliver affordable bills effectively for  
19 many customers, with the notable exception of very low income, high usage households.

20 **Q. Why do you say the discounts “may be expected” to deliver affordable bills?**

21 A. I am mindful that as a new program, Veolia’s CAP design has not been implemented and  
22 its results have not been measured. With limited data, I can only express my preliminary

1 conclusion that this program design may effectively produce affordable water bills for many CAP  
2 participants.

3 **Q: Do you have recommendations about how to improve Veolia’s discount program?**

4 A: Yes. I believe Veolia’s proposal will substantially improve rate affordability for most low  
5 income program participants. However, poverty and water use are not constants and Veolia’s  
6 proposed CAP will not provide predictable monthly bill amounts for all customers, as both usage  
7 and income can fluctuate over time. Bill discount program designs, like the one Veolia proposes,  
8 provide meaningful assistance and reduce the amount of the water bill. But, unlike a percentage  
9 of income based program, tiered discount programs like the one Veolia proposes to implement do  
10 not provide precisely and consistently affordable bills. Because of this limitation, Veolia should  
11 utilize the data I recommend be collected above (i.e., confirmed low income customers by FPL  
12 tier, comparing terminations, payment arrangements, and usage information disaggregated based  
13 on whether the customers participate in CAP or not ) to perform periodic analysis of the impacts  
14 of its CAP on low income households. Veolia should review and analyze this data at least annually  
15 and should share its data and analysis with its LIAC. Doing so will enable Veolia, with the  
16 assistance of its LIAC, to assess whether other program designs or adjustments to the bill discounts  
17 should be adopted.

18 In the meantime, to address concerns about persistent unaffordability for very low income  
19 households, I recommend Veolia extend the discount for customers at or below 50% FPL to the  
20 first 3,000 gallons of water per month. This will reduce bills for these very low income customers,  
21 resulting in appropriate water burdens for many more households, with the exception of very high  
22 usage customers for whom I make additional recommendations, below. Table 2 shows the revised  
23 discounts.

**Table 2: CAUSE-PA Proposed Changes to Veolia Bill Discounts**

Poverty Level	Service Charge Discount	Volumetric Discount
0-50% FPL	\$0 fixed charge	First 3,000 gallons
51-100% FPL	\$0 fixed charge	First 2,000 gallons
101-150 % FPL	\$0 fixed charge	First 1,000 gallons
151-200% FPL	\$0 fixed charge	None

Additionally, because application of the volumetric discounts proposed by Veolia, as well as the modified volumetric discounts I propose, would result in some low income, low usage CAP participants having no billed charges, I propose a minimum bill amount of \$6 per month, which is approximately half of the volumetric charge for 1,000 gallons. This ensures that all low income customers have some payment responsibility which aligns with the incentive to earn forgiveness of arrears, discussed below.

**Q: Do you agree with Veolia’s proposal to limit its CAP bill discounts to water customers only?**

A: No. Veolia is proposing a substantial increase in residential wastewater rates, which it proposes to recover through a fixed monthly fee that cannot be mitigated through conservation. Accordingly, to provide a discount on wastewater fees, Veolia’s CAP would need to utilize a different approach. As I explained above, and as illustrated in Exhibit 1, Veolia’s proposed wastewater rate increase will result in unaffordable wastewater burdens, especially for customers in the lowest income tier with income at or below 50% FPL, who would have a proposed bill burden of 9% for wastewater alone. As a result, I believe it is appropriate to extend Veolia’s CAP to wastewater bills now, rather than waiting until after assessing initial CAP performance. Considering the limited number of Veolia’s wastewater customers and the fact that they are generally billed a flat rate, the implementation of a discount does not need to be overly complex.

1 I recommend that the Company provide a 50% discount to wastewater customers with  
2 income from 51% to 200% FPL and 75% discount for customers at or below 50% FPL. Using  
3 Veolia’s proposed rates, this would bring the monthly bill down from \$77.00 per month to \$38.50  
4 and \$19.25, respectively. As Exhibit 1 shows, this level of discount would bring the wastewater  
5 burden for all bill discount rate for all participants within the 2% range of affordability.

6 **Q: What is Veolia’s projected enrollment for its bill discount program?**

7 A: Veolia estimates that up to 32% of customers may be eligible for its program. However,  
8 based on the number of customers who have payment agreements, Veolia estimates that only 3%  
9 of eligible customers will participate.<sup>64</sup> As I explained above, Veolia reported 69,061 residential  
10 customers as of March 2024, of which approximately 22,100 are estimated to be at or below 200%  
11 FPL. This means approximately 663 customers would participate based on Veolia’s projections.

12 **Q: Do you agree with Veolia’s projections?**

13 A: While I understand that enrollment during the initial rollout of the program may be low,  
14 3% enrollment of estimated customers is an extremely low number. I believe if Veolia properly  
15 establishes and promotes the program, enrollment will increase beyond this enrollment projection  
16 within the first year.

17 As a point of comparison, in their most recent rate cases, Pennsylvania American Water  
18 Company and Pittsburgh Water and Sewer Authority each indicated that had approximately 24%  
19 of estimated low income customers enrolled in CAP.<sup>65</sup> Veolia’s projected 3% enrollment of

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<sup>64</sup> Veolia St. 7 at 10.

<sup>65</sup> See *Pa. PUC v. Pa. American Water Co.*, R-2023-3043189, CAUSE-PA St. 1 at 23, 46 (submitted Feb. 1, 2024) (explaining PAWC reported 122,379 estimated low income customers and 28,844 customers were enrolled in the BDP); *Pa. PUC v. Pittsburgh Water and Sewer Authority*, R-2023-3039920, CAUSE-PA St. 1 at 9, 15 (explaining PWSA reported 20,000 estimated low income customers and 4,751 BDP customers).

1 estimated low income customers is an untenably low projection and Veolia should strive to reach  
2 as close as possible to full enrollment of the estimated low income population.

3 **Q: What are your recommendations for improving program enrollment?**

4 A: First, Veolia should follow my recommendations above to actively screen for and track its  
5 confirmed low income customers. While the estimated low income count is the best way to  
6 measure the need for assistance, screening and tracking confirmed low income customers is the  
7 best way to identify specific customers in need of assistance. At a minimum, all customers  
8 requesting payment arrangements should be screened for income eligibility and referred to the  
9 program. This is not only good policy, but also a statutory requirement imposed by the Public  
10 Utility Code.<sup>66</sup>

11 Second, and importantly, I recommend that Veolia focus its outreach on high usage  
12 households with histories of late or missed payments. These customers have a demonstrated need  
13 for assistance due to unaffordable bills resulting from high usage and are more likely to suffer  
14 termination if that need goes unaddressed. Thus, targeting high usage payment troubled customers  
15 for bill discount assistance, in combination with conservation and leak repair measures, will be  
16 effective at helping reduce terminations and payment trouble among these groups of customers.

17 Veolia should also work with the LIAC to develop affirmative customer outreach for the  
18 purpose of identifying and enrolling low income customers in the bill discount program. This  
19 affirmative outreach should include telephone contacts, mailings, and forms of electronic  
20 communication (with customer consent). Veolia should use census data to directly target areas  
21 with higher percentages of low income and otherwise vulnerable populations. Veolia should also

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<sup>66</sup> 66 Pa. C.S. § 1410.1.

1 track and report relevant data regarding its progress to its LIAC to help refine outreach efforts  
2 based on LIAC feedback.

3 **Q: Please describe the proposed arrearage forgiveness component of Veolia’s CAP.**

4 A: Pursuant to Veolia’s proposal, customers who enter CAP with a back balance will be  
5 “eligible for flexible payment arrangements” that would enable them to earn \$25 per month in debt  
6 forgiveness each time the customer “pays their current monthly bill by the due date.”<sup>67</sup> Bills are  
7 due 20 days after the date the bill is mailed to residential customers and the Company will allow a  
8 five day grace period for timely payments.<sup>68</sup>

9 **Q: Will Veolia’s proposed arrearage forgiveness structure resolve customer arrearages  
10 within a reasonable timeframe?**

11 A: Based on the available data, Veolia’s \$25 monthly arrearage forgiveness proposal appears  
12 likely to resolve the arrearages held by most currently identified low income customers within a  
13 reasonable timeframe. Though, I again note the limited data available regarding the arrearage  
14 levels of Veolia’s low income customers. Based on the limited information provided in discovery,  
15 in 2023, the average arrears for households identified as low income was \$127.63 and the average  
16 arrears for Veolia Cares recipients was \$144.57.<sup>69</sup> Thus, at \$25 per month, these levels of arrears  
17 would be resolved in five to six months, on average.

18 However, some customers, particularly those who have been terminated, have much higher  
19 balances. In 2023, the average arrears for low income customers at the time of termination was  
20 nearly \$1100 in some months.<sup>70</sup> These balances would take approximately 44 months to resolve

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<sup>67</sup> Veolia St. 7 at 8.

<sup>68</sup> *Id.*

<sup>69</sup> CAUSE-PA II-16.

<sup>70</sup> OCA 5-29 (Revised).

1 using Veolia’s approach. As these are only average numbers based on a limited sample of low  
2 income households, I am concerned that customers with even higher balances due to leaks or  
3 extended payment trouble may have balances even greater that would not be resolved within a  
4 reasonable period.

5 **Q: Do you have any concerns about the structure of the arrearage forgiveness**  
6 **component?**

7 A: I am concerned that Veolia is proposing that participants enter into payment arrangements  
8 in order to access arrearage forgiveness, requiring additional payment over and above the  
9 participant’s discounted CAP bill. While Veolia does not specify what the terms of the “flexible  
10 payment arrangement” will be, I am concerned that Veolia will require applicants to agree to make  
11 additional payments towards their arrearage balance, analogous to what is often referred to as a  
12 ‘co-pay’ amount. This structure would require a CAP participant to pay both the CAP rate as well  
13 as a payment arrangement installment in order to earn forgiveness on their arrears. This concerns  
14 me because any amount charged above the CAP discounted bill rate will negatively impact the  
15 customer’s ability to afford their bill, thus undercutting the effectiveness of the bill discount to  
16 improve payment frequency and coverage rates and making it more likely the customer will fall  
17 further behind.

18 **Q: Do you have recommendations to improve the arrearage forgiveness component?**

19 A: Yes. Primarily, I recommend that customers only be required to pay their discounted CAP  
20 bill to be credited for arrearage forgiveness. They should not be charged any co-pay or installment  
21 toward their arrears to earn forgiveness credit. This will preserve the levels of affordability  
22 provided by the bill discount component and help ensure that customers can afford their monthly  
23 payments and earn forgiveness over time.

1 I also recommend that each payment (or payments, in the case of partial payments)  
2 sufficient to satisfy a monthly CAP bill earn credit for forgiveness of arrears, even if payment is  
3 not made within the five-day grace period. Low income consumers may receive income irregularly  
4 or inconsistently and lack reserve funds to cover their bills. Providing additional flexibility will  
5 help customers continue to resolve their debts and provide a meaningful incentive to catch up with  
6 their CAP bills even if they miss the deadline or fall behind. In turn, I note that payments made on  
7 behalf of a customer, including grant assistance from a local, state, or federal assistance program,  
8 should be treated the same as a direct customer payment for purposes of arrearage forgiveness.

9 Also, though Veolia’s proposed arrearage forgiveness structure will help some customers  
10 resolve balances within a reasonable period, customers with higher balances will not be able to  
11 resolve their arrears over an appropriate time frame. I recommend that Veolia convert to time-  
12 based arrearage forgiveness that will eliminate arrears ratably, in 1/24 increments, over a  
13 maximum of 24 bill payments, with \$25 set as the minimum monthly arrearage forgiveness.  
14 Ratable monthly arrearage forgiveness is provided by electric and natural gas CAPs as well as the  
15 Philadelphia Water Department’s Tiered Assistance Program. I note that my proposed 24-monthly  
16 bill forgiveness period aligns with Veolia’s proposed recertification timing.

17 **Q: Please describe Veolia’s proposed conservation component.**

18 A: In 2023, Veolia began sending conservation kits to hardship fund grant recipients to assist  
19 in reducing their monthly water consumption. These kits include devices such as a low flow  
20 shower head, faucet aerators, a toilet fill cycle diverter, dye tablets (toilet leak detection tablets),  
21 and a shower timer.<sup>71</sup> Through its conservation program, Veolia proposes to expand the program

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<sup>71</sup> Veolia St. 7 at 9-10.

1 to CAP participants with income at or below 150% FPL. CAP participants in this income bracket  
2 will receive conservation education and conservation kits. Seniors (65 and older) and those with  
3 a disability will also receive assistance with direct installation of measures included in the kit.<sup>72</sup>

4 Veolia indicates that the goal of this element of the program is to provide suggestions and  
5 tools to assist customers save money and water. Veolia does not formally measure water and bill  
6 savings achieved through the program; however, Veolia has reviewed a few customer accounts  
7 where conservation kits were distributed to review water usage patterns.<sup>73</sup>

8 **Q: Do you have recommendations about the conservation program?**

9 A: I recommend that the conservation program work in tandem with the internal line repair  
10 program to address the underlying causes of high usage among low income customers. Households  
11 that have persistent high usage after the initial provision of the conservation kits and measures  
12 should be provided a plumbing inspection to see if leaks can be identified and, if so, should be  
13 referred to the leak repair program. I also recommend that Veolia review pretreatment and post  
14 treatment usage data to determine the effectiveness of the conservation measures.

15 **Q: Please discuss Veolia’s proposed service line repair program.**

16 A: Veolia proposes that the Company hire contractors to provide plumbing repairs of up to  
17 \$1,500 (for each occurrence) to eligible low income residential customers at or below 150% FPL.  
18 To be eligible, the customer must be in threat of termination, or have been terminated, and the leak  
19 must occur on an exposed internal line and/or consist of minor plumbing repairs such as faucets  
20 and toilets. External customer service side leaks will be repaired from the curb box to the face of

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<sup>72</sup> *Id.*

<sup>73</sup> OCA 8-3

1 the customer’s home. The Company proposes that this program will be budgeted for up to  
2 \$100,000.<sup>74</sup>

3 **Q: What do you recommend?**

4 A: The company should develop separate budgets for the program to perform internal repairs  
5 (from and after the meter) and external repairs (before and to the meter). Internal leaks may be  
6 hard to detect and lead to unexpectedly high bills for consumers in the period before the consumer  
7 can identify and repair the leak. External leaks often do not lead to bill spikes to consumers because  
8 the water is lost before registering on the meter, however, external repairs can be more costly than  
9 interior plumbing repairs due to the necessity of excavation, and customers are typically  
10 disconnected until the repair is performed. A separate allocation of funds should be set aside for  
11 external repairs.

12 Internal repairs should run in conjunction with the conservation program, as internal leaks  
13 can lead to uncontrolled metered usage and should be addressed as part of a comprehensive usage  
14 reduction strategy to complement bill discounts. Indeed, it is to be anticipated that customers with  
15 internal leaks will not receive adequate CAP bill discounts unless and until unnecessarily high  
16 water usage associated with a leak is rectified.

17 Providing this level of comprehensive usage reduction strategy along with the bill discount  
18 and arrearage management components of the program will help provide affordable bills and  
19 address low income customer arrearages, while addressing the root causes that lead to high bills  
20 and arrearages in the first place.

21 Also, the Company does not specifically indicate whether tenants who are Veolia  
22 customers will be eligible to participate in the line repair program. I recommend that customers

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<sup>74</sup> Veolia St. 7 at 9.

1 who are tenants and who are experiencing high bills due to leaks they cannot afford to repair, or  
2 who are at risk of termination due to external leaks, should be eligible to receive leak repairs.

3 **Q: What are Veolia’s plans for administration of its expanded universal service**  
4 **programs?**

5 A: Veolia has not yet identified an administrator, but states that it expects to select an  
6 administrator that would provide quality customer service, timely deliverables, and monthly  
7 reporting with key indicators demonstrating effective company, customer and community  
8 partnership and outreach.<sup>75</sup> Veolia indicates that it will look for a vendor or administrator that  
9 comes highly qualified to work with utility companies to support customers who are in need of  
10 maintaining their utility services by receiving assistance with their utility bill.<sup>76</sup> Veolia also  
11 indicates that it will evaluate a variety of factors, including benefits, cost, and ease of  
12 implementation and integration of required systems.<sup>77</sup> Veolia plans to establish monthly reporting  
13 to determine the continual needs and success of the program as well as any regulatory  
14 requirements.<sup>78</sup>

15 **Q: Do you have recommendations about the administrator?**

16 A: Veolia should select a contractor through a robust RFP process and should work with its  
17 LIAC to seek input on the parameters for its RFP. I recommend that Veolia’s RFP specifically  
18 seek trusted community-based non-profit program administrators that have experience working  
19 with low income families. Use of community based partners in the delivery of services can help  
20 ensure the availability of wrap-around services that can help resolve other intersectional issues  
21 impacting the customer’s financial stability. In turn, in addition to the monitoring Veolia has

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<sup>75</sup> CAUSE-PA II-9.

<sup>76</sup> CAUSE-PA II-5.

<sup>77</sup> *Id.*

<sup>78</sup> *Id.*

1 proposed, I recommend Veolia take steps to ensure that the administrator’s policies, procedures,  
2 and training materials related to its administration of Veolia’s assistance programming support the  
3 data collection and review recommendations made in my testimony and do not impose additional  
4 administrative or programmatic barriers to CAP access.

5 **Q: Has Veolia provided a timeline for the launching of its proposed universal service**  
6 **programs?**

7 A: Veolia has not provided a timeline for implementation of the program. I recommend that  
8 Veolia begin the process of selecting an administrator as soon as possible, with the goal of  
9 launching the program within six months of a final decision in this proceeding. During this process,  
10 Veolia should provide monthly status updates to its LIAC.

11 **Q: Do you have any recommendations about the operation of the LIAC?**

12 A: Yes. In the Veolia/SUEZ acquisition settlement, where Veolia agreed to establish the  
13 LIAC, Veolia agreed that the LIAC would meet semiannually until the filing of its next rate case  
14 (i.e. the current case), during which the frequency of future meetings would be determined. I  
15 support continuing the ongoing meetings between Veolia and LIAC. Such meetings provide an  
16 opportunity for exchanging important information that can help ensure the effectiveness of low  
17 income programs, as discussed herein. Thus, I recommend that they continue to meet, at a  
18 minimum, on a semi-annual basis.

19 **IV. TARIFF ISSUES**

20 **Q: Do you have any concerns with Veolia’s proposed tariff?**

21 A: Yes. Based on my brief review of Veolia’s proposed tariff, I believe the tariff includes a  
22 number of provisions that are inconsistent with the Commission’s regulations. Some of the

1 discrepancies may be due to reliance upon outdated regulations while others may reflect company  
2 policies that are out of alignment with Commission guidance.

3 **Q: Please provide some examples.**

4 A Given the time constraints in this proceeding, I cannot be certain that the examples I  
5 identify constitute the full range of potential differences or discrepancies between Veolia’s tariff  
6 language and Commission regulations. However, I believe the following examples illustrate the  
7 basis for my concern:

8 - The Company’s proposed definition of “customer” states that it means “a customer of  
9 record, or end user, or both” and appears to include some typographical errors. For residential  
10 customers, in contrast, Commission regulations define the customer as “a natural person at least  
11 18 years of age in whose name a residential service account is listed and who is primarily  
12 responsible for payment” as well as “an adult occupant whose name appears on the mortgage, deed  
13 or lease of the property” where service is requested.

14 - Paragraph 28(4) of the tariff authorizes estimated billing “so long as the Company has  
15 undertaken reasonable alternative measures to obtain a meter reading.” Section 56.12 of the  
16 Commission’s regulations permits estimated billing every other month, and only if the utility  
17 provides the customer the opportunity to read the meter and report the quantity of usage registered.

18 - Paragraph 33 of the tariff, titled “Procedures Upon Customer or Occupant Prior to  
19 Termination,” appears intended to align with Section 56.97 of the Commission’s regulations,  
20 “Procedures upon customer or occupant **contact** prior to termination.” However, there are several  
21 notable differences, including the tariff’s omission of the ability to avoid termination by catching  
22 up on a prior payment arrangement and the tariff’s omission of the requirement to provide  
23 information about universal services programs. The tariff also describes explanation of procedures

1 for “information complaints,” which appears to be a typographical error since the Commission’s  
2 regulations require explanation of procedures for “informal complaints.”

3 - Paragraph 41 of the tariff, under the heading “Emergency Provisions” appears intended to  
4 incorporate the Commission’s medical certification regulation but fails to authorize the provision  
5 of a medical certificate by a physician assistant or nurse practitioner as provided in Regulation  
6 56.111. Paragraph 41 appears to rely upon 76 P.R.M.D.-10, the Commission’s Consumer  
7 Standards and Billing Practices for Residential Service, adopted in April 1978. Standards and  
8 billing practices were subsequently adopted as formal Commission regulations in Title 52, Chapter  
9 56 of the Pennsylvania Code and amended multiple times thereafter.

10 - Paragraph 42 of the tariff, entitled “Termination At Any Premises Than the Customer  
11 Residence,” appears intended to incorporate the requirements of Subchapter B of Chapter 15 of  
12 the Public Utility Code (Discontinuance of Service to Leased Premises) as well as the 10 day notice  
13 required when the customer requests discontinuance at a dwelling other than the customer’s  
14 residence as provided by Commission Regulation 56.72(2). However, among other things, this  
15 tariff provision fails to address obligations under both laws to post notice conspicuously and fails  
16 to explicitly apply to nonpayment terminations and voluntary relinquishment of service. Finally,  
17 this tariff provision fails to address the requirements of 66 Pa. C.S. § 1529.1 in their entirety.

18 - The tariff makes no mention whatsoever of the statutory and regulatory provisions  
19 extending additional protections to survivors of domestic violence. 66 Pa. C.S. § 1417;  
20 Pennsylvania Code Title 52, Chapter 56 (Subchapters L-U).

21 **Q. What do you recommend?**

22 A. I recommend the Company carefully review the provisions of its tariff to ensure that its  
23 language does not conflict with, or authorize Company actions in violation of, the applicable

1 Commission customer service Regulations in Chapter 56 of Title 52 of the Pennsylvania Code. In  
2 many instances, it may be appropriate to simply incorporate, by reference, the applicable  
3 provisions of Chapter 56.

4 **V. CONCLUSION**

5 **Q: Please summarize your recommendations.**

6 A: I have made several recommendations throughout my testimony, each with the goal of  
7 improving the services provided to low income households and ensuring that Veolia’s low income  
8 customers can reasonably afford service in the face of the proposed rate increase. Specifically, I  
9 recommend that the Commission order Veolia to:

- 10 • Begin actively tracking confirmed low income customers and screening for income levels  
11 during the contact points that I describe in my testimony.<sup>79</sup>
- 12 • Work with the LIAC to develop a process to routinely screen during relevant customer  
13 contacts, mark any customers identified as low income during these contacts as a  
14 confirmed low income customer, and refer the customer to the universal service program  
15 administrator.
- 16 • Maintain its \$50,000 dollar per year contributions to Veolia Cares program, with unspent  
17 funds rolling over to the following year.
- 18 • Work with its LIAC to establish objective criteria for Cares program eligibility that guide  
19 disbursement of hardship funds.
- 20 • Target Cares funds to help resolve large balances, bill spikes due to leaks, customers who  
21 are off, customers with medical needs, and customers suffering domestic violence issues.
- 22 • Provide an additional discount tier for customers at or below 50% FPL, discounting an  
23 additional 1,000 gallons, and incorporate a minimum bill requirement of \$6.
- 24 • Provide a 50% discount to wastewater customers with income between 51% and 200%  
25 FPL, and 75% discount to wastewater customers with income at or below 50% FPL.
- 26 • Screen all customers requesting payment arrangements for income eligibility and refer  
27 potentially eligible customers to the CAP program.

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<sup>79</sup> See p. 9-10 *supra*.

- 1 • Perform a periodic analysis of the impacts of its CAP on low income households, review  
2 and analyze this data at least annually, and share the data and analysis with LIAC.
- 3 • Treat payments made on behalf of a customer, including grant assistance from a local,  
4 state, or federal assistance program, the same as a direct customer payments for purposes  
5 of arrearage forgiveness.
- 6 • Focus CAP outreach on high usage households with histories of late or missed payments.
- 7 • Work with the LIAC to design affirmative customer outreach for the purpose of  
8 identifying and enrolling low income customers in the bill discount program.
- 9 • Adopt ratable arrearage forgiveness, in 1/24 increments, with a minimum of \$25 per  
10 month, for each full payment (or partial payments) on the discounted CAP bill, without  
11 imposing an additional co-payment or payment arrangement installment.
- 12 • Operate the conservation program in tandem with the internal line repair program to  
13 address the underlying causes of high usage among low income customers.
- 14 • Provide households that have persistent high usage after the initial provision of the  
15 conservation kits and measures a plumbing inspection to see if leaks can be identified and  
16 referred to the leak repair program component.
- 17 • Obtain pretreatment and post treatment usage data to determine the effectiveness of the  
18 usage reduction services and track that data according to the type of measure provided.
- 19 • Develop separate budgets for the program to internal repairs (from and after the meter)  
20 and external repairs (before and to the meter).
- 21 • Run the internal repairs program in conjunction with the conservation program as these  
22 repairs should reduce metered usage to complement CAP discounts and promote  
23 affordability.
- 24 • Take steps to ensure that the administrator’s policies, procedures, and training materials  
25 related to its administration of Veolia’s assistance programming support the data  
26 collection and review recommendations made in my testimony and do not create  
27 additional administrative barriers to enrollment.
- 28 • Seek trusted community-based non-profit program administrators that have experience  
29 working with low income families.
- 30 • Begin the process of selecting an administrator as soon as possible with the goal of  
31 launching the program within six months of a final decision in this proceeding and  
32 provide monthly status updates to its LIAC.
- 33 • Continue semi-annual meetings of the LIAC.
- 34 • Revise its tariff to reflect the language in the Commission’s regulations at 52 Pa. Code  
35 Ch. 56.

1 **Q: Does that conclude your direct testimony?**

2 **A: Yes.**

**THE COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY  
EFFICIENCY IN PENNSYLVANIA**

**EXHIBIT 1**

**WATER AND WASTEWATER BURDEN CHARTS**

**Corrected - June 7, 2024**

CAUSE-PA Exhibit 1 - a

Water - Current Full Tariff, Proposed Full Tariff, and Veolia Proposed BDP, CAUSE-PA Proposed BDP

\*Income levels represent 50%, 100%, 150%, and 200% FPL, using 2024 federal poverty guidelines.  
See HHS Poverty Guidelines for 2024, <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

2 Person Household													
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly BDP PROPOSED	Annual BDP PROPOSED	Burden - BDP PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
2000 Gal.													
50% FPL	\$ 10,220	\$ 32.60	\$ 391.20	4%	\$ 43.22	\$ 518.64	5%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	1%
100% FPL	\$ 20,440	\$ 32.60	\$ 391.20	2%	\$ 43.22	\$ 518.64	3%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	0%
150% FPL	\$ 30,660	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	2%	\$ 11.71	\$ 140.52	0%	\$ 11.71	\$ 140.52	0%
200% FPL	\$ 40,880	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	1%	\$ 23.42	\$ 281.04	1%	\$ 23.42	\$ 281.04	1%
4000 Gal.													
50% FPL	\$ 10,220	\$ 50.70	\$ 608.40	6%	\$ 66.64	\$ 799.68	8%	\$ 23.42	\$ 281.04	3%	\$ 11.70	\$ 140.40	1%
100% FPL	\$ 20,440	\$ 50.70	\$ 608.40	3%	\$ 66.64	\$ 799.68	4%	\$ 23.42	\$ 281.04	1%	\$ 23.42	\$ 281.04	1%
150% FPL	\$ 30,660	\$ 50.70	\$ 608.40	2%	\$ 66.64	\$ 799.68	3%	\$ 35.12	\$ 421.44	1%	\$ 35.12	\$ 421.44	1%
200% FPL	\$ 40,880	\$ 50.70	\$ 608.40	1%	\$ 66.64	\$ 799.68	2%	\$ 46.84	\$ 562.08	1%	\$ 46.84	\$ 562.08	1%
6000 Gal.													
50% FPL	\$ 10,220	\$ 68.81	\$ 825.72	8%	\$ 90.06	\$ 1,080.72	11%	\$ 46.84	\$ 562.08	5%	\$ 35.13	\$ 421.56	4%
100% FPL	\$ 20,440	\$ 68.81	\$ 825.72	4%	\$ 90.06	\$ 1,080.72	5%	\$ 46.84	\$ 562.08	3%	\$ 46.84	\$ 562.08	3%
150% FPL	\$ 30,660	\$ 68.81	\$ 825.72	3%	\$ 90.06	\$ 1,080.72	4%	\$ 58.55	\$ 702.60	2%	\$ 58.55	\$ 702.60	2%
200% FPL	\$ 40,880	\$ 68.81	\$ 825.72	2%	\$ 90.06	\$ 1,080.72	3%	\$ 70.26	\$ 843.12	2%	\$ 70.26	\$ 843.12	2%
8000 Gal.													
50% FPL	\$ 10,220	\$ 86.91	\$ 1,042.92	10%	\$ 100.97	\$ 1,211.64	12%	\$ 70.26	\$ 843.12	8%	\$ 58.55	\$ 702.60	7%
100% FPL	\$ 20,440	\$ 86.91	\$ 1,042.92	5%	\$ 100.97	\$ 1,211.64	6%	\$ 70.26	\$ 843.12	4%	\$ 70.26	\$ 843.12	4%
150% FPL	\$ 30,660	\$ 86.91	\$ 1,042.92	3%	\$ 100.97	\$ 1,211.64	4%	\$ 81.97	\$ 983.64	3%	\$ 81.97	\$ 983.64	3%
200% FPL	\$ 40,880	\$ 86.91	\$ 1,042.92	3%	\$ 100.97	\$ 1,211.64	3%	\$ 93.68	\$ 1,124.16	3%	\$ 93.68	\$ 1,124.16	3%
10,000 Gal.													
50% FPL	\$ 10,220	\$ 105.01	\$ 1,260.12	12%	\$ 137.00	\$ 1,644.00	16%	\$ 93.68	\$ 1,124.16	11%	\$ 81.97	\$ 983.64	10%
100% FPL	\$ 20,440	\$ 105.01	\$ 1,260.12	6%	\$ 137.00	\$ 1,644.00	8%	\$ 93.68	\$ 1,124.16	5%	\$ 93.68	\$ 1,124.16	5%
150% FPL	\$ 30,660	\$ 105.01	\$ 1,260.12	4%	\$ 137.00	\$ 1,644.00	5%	\$ 105.39	\$ 1,264.68	4%	\$ 105.39	\$ 1,264.68	4%
200% FPL	\$ 40,880	\$ 105.01	\$ 1,260.12	3%	\$ 137.00	\$ 1,644.00	4%	\$ 117.10	\$ 1,405.20	3%	\$ 117.10	\$ 1,405.20	3%

3 Person Household													
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly BDP PROPOSED	Annual BDP PROPOSED	Burden - BDP PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
2000 Gal.													
50% FPL	\$ 12,910	\$ 32.60	\$ 391.20	3%	\$ 43.22	\$ 518.64	4%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	1%
100% FPL	\$ 25,820	\$ 32.60	\$ 391.20	2%	\$ 43.22	\$ 518.64	2%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	0%
150% FPL	\$ 38,730	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	1%	\$ 11.71	\$ 140.52	0%	\$ 11.71	\$ 140.52	0%
200% FPL	\$ 51,640	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	1%	\$ 23.42	\$ 281.04	1%	\$ 23.42	\$ 281.04	1%
4000 Gal.													
50% FPL	\$ 12,910	\$ 50.70	\$ 608.40	5%	\$ 66.64	\$ 799.68	6%	\$ 23.42	\$ 281.04	2%	\$ 11.70	\$ 140.40	1%
100% FPL	\$ 25,820	\$ 50.70	\$ 608.40	2%	\$ 66.64	\$ 799.68	3%	\$ 23.42	\$ 281.04	1%	\$ 23.42	\$ 281.04	1%
150% FPL	\$ 38,730	\$ 50.70	\$ 608.40	2%	\$ 66.64	\$ 799.68	2%	\$ 35.12	\$ 421.44	1%	\$ 35.12	\$ 421.44	1%
200% FPL	\$ 51,640	\$ 50.70	\$ 608.40	1%	\$ 66.64	\$ 799.68	2%	\$ 46.84	\$ 562.08	1%	\$ 46.84	\$ 562.08	1%
6000 Gal.													
50% FPL	\$ 12,910	\$ 68.81	\$ 825.72	6%	\$ 90.06	\$ 1,080.72	8%	\$ 46.84	\$ 562.08	4%	\$ 35.13	\$ 421.56	3%
100% FPL	\$ 25,820	\$ 68.81	\$ 825.72	3%	\$ 90.06	\$ 1,080.72	4%	\$ 46.84	\$ 562.08	2%	\$ 46.84	\$ 562.08	2%
150% FPL	\$ 38,730	\$ 68.81	\$ 825.72	2%	\$ 90.06	\$ 1,080.72	3%	\$ 58.55	\$ 702.60	2%	\$ 58.55	\$ 702.60	2%
200% FPL	\$ 51,640	\$ 68.81	\$ 825.72	2%	\$ 90.06	\$ 1,080.72	2%	\$ 70.26	\$ 843.12	2%	\$ 70.26	\$ 843.12	2%
8000 Gal.													
50% FPL	\$ 12,910	\$ 86.91	\$ 1,042.92	8%	\$ 100.97	\$ 1,211.64	9%	\$ 70.26	\$ 843.12	7%	\$ 58.55	\$ 702.60	5%
100% FPL	\$ 25,820	\$ 86.91	\$ 1,042.92	4%	\$ 100.97	\$ 1,211.64	5%	\$ 70.26	\$ 843.12	3%	\$ 70.26	\$ 843.12	3%
150% FPL	\$ 38,730	\$ 86.91	\$ 1,042.92	3%	\$ 100.97	\$ 1,211.64	3%	\$ 81.97	\$ 983.64	3%	\$ 81.97	\$ 983.64	3%
200% FPL	\$ 51,640	\$ 86.91	\$ 1,042.92	2%	\$ 100.97	\$ 1,211.64	2%	\$ 93.68	\$ 1,124.16	2%	\$ 93.68	\$ 1,124.16	2%
10,000 Gal.													
50% FPL	\$ 12,910	\$ 105.01	\$ 1,260.12	10%	\$ 137.00	\$ 1,644.00	13%	\$ 93.68	\$ 1,124.16	9%	\$ 81.97	\$ 983.64	8%
100% FPL	\$ 25,820	\$ 105.01	\$ 1,260.12	5%	\$ 137.00	\$ 1,644.00	6%	\$ 93.68	\$ 1,124.16	4%	\$ 93.68	\$ 1,124.16	4%
150% FPL	\$ 38,730	\$ 105.01	\$ 1,260.12	3%	\$ 137.00	\$ 1,644.00	4%	\$ 105.39	\$ 1,264.68	3%	\$ 105.39	\$ 1,264.68	3%
200% FPL	\$ 51,640	\$ 105.01	\$ 1,260.12	2%	\$ 137.00	\$ 1,644.00	3%	\$ 117.10	\$ 1,405.20	3%	\$ 117.10	\$ 1,405.20	3%

4 Person Household													
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly BDP PROPOSED	Annual BDP PROPOSED	Burden - BDP PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
2000 Gal.													
50% FPL	\$ 15,600	\$ 32.60	\$ 391.20	3%	\$ 43.22	\$ 518.64	3%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	0%
100% FPL	\$ 31,200	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	2%	\$ -	\$ -	0%	\$ 6.00	\$ 72.00	0%
150% FPL	\$ 46,800	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	1%	\$ 11.71	\$ 140.52	0%	\$ 11.71	\$ 140.52	0%
200% FPL	\$ 62,400	\$ 32.60	\$ 391.20	1%	\$ 43.22	\$ 518.64	1%	\$ 23.42	\$ 281.04	0%	\$ 23.42	\$ 281.04	0%
4000 Gal.													
50% FPL	\$ 15,600	\$ 50.70	\$ 608.40	4%	\$ 66.64	\$ 799.68	5%	\$ 23.42	\$ 281.04	2%	\$ 11.70	\$ 140.40	1%
100% FPL	\$ 31,200	\$ 50.70	\$ 608.40	2%	\$ 66.64	\$ 799.68	3%	\$ 23.42	\$ 281.04	1%	\$ 23.42	\$ 281.04	1%
150% FPL	\$ 46,800	\$ 50.70	\$ 608.40	1%	\$ 66.64	\$ 799.68	2%	\$ 35.12	\$ 421.44	1%	\$ 35.12	\$ 421.44	1%
200% FPL	\$ 62,400	\$ 50.70	\$ 608.40	1%	\$ 66.64	\$ 799.68	1%	\$ 46.84	\$ 562.08	1%	\$ 46.84	\$ 562.08	1%
6000 Gal.													
50% FPL	\$ 15,600	\$ 68.81	\$ 825.72	5%	\$ 90.06	\$ 1,080.72	7%	\$ 46.84	\$ 562.08	4%	\$ 35.13	\$ 421.56	3%
100% FPL	\$ 31,200	\$ 68.81	\$ 825.72	3%	\$ 90.06	\$ 1,080.72	3%	\$ 46.84	\$ 562.08	2%	\$ 46.84	\$ 562.08	2%
150% FPL	\$ 46,800	\$ 68.81	\$ 825.72	2%	\$ 90.06	\$ 1,080.72	2%	\$ 58.55	\$ 702.60	2%	\$ 58.55	\$ 702.60	2%
200% FPL	\$ 62,400	\$ 68.81	\$ 825.72	1%	\$ 90.06	\$ 1,080.72	2%	\$ 70.26	\$ 843.12	1%	\$ 70.26	\$ 843.12	1%
8000 Gal.													
50% FPL	\$ 15,600	\$ 86.91	\$ 1,042.92	7%	\$ 100.97	\$ 1,211.64	8%	\$ 70.26	\$ 843.12	5%	\$ 58.55	\$ 702.60	5%
100% FPL	\$ 31,200	\$ 86.91	\$ 1,042.92	3%	\$ 100.97	\$ 1,211.64	4%	\$ 70.26	\$ 843.12	3%	\$ 70.26	\$ 843.12	3%
150% FPL	\$ 46,800	\$ 86.91	\$ 1,042.92	2%	\$ 100.97	\$ 1,211.64	3%	\$ 81.97	\$ 983.64	2%	\$ 81.97	\$ 983.64	2%
200% FPL	\$ 62,400	\$ 86.91	\$ 1,042.92	2%	\$ 100.97	\$ 1,211.64	2%	\$ 93.68	\$ 1,124.16	2%	\$ 93.68	\$ 1,124.16	2%
10,000 Gal.													
50% FPL	\$ 15,600	\$ 105.01	\$ 1,260.12	8%	\$ 137.00	\$ 1,644.00	11%	\$ 93.68	\$ 1,124.16	7%	\$ 81.97	\$ 983.64	6%
100% FPL	\$ 31,200	\$ 105.01	\$ 1,260.12	4%	\$ 137.00	\$ 1,644.00	5%	\$ 93.68	\$ 1,124.16	4%	\$ 93.68	\$ 1,124.16	4%
150% FPL	\$ 46,800	\$ 105.01	\$ 1,260.12	3%	\$ 137.00	\$ 1,644.00	4%	\$ 105.39	\$ 1,264.68	3%	\$ 105.39	\$ 1,264.68	3%
200% FPL	\$ 62,400	\$ 105.01	\$ 1,260.12	2%	\$ 137.00	\$ 1,644.00	3%	\$ 117.10	\$ 1,405.20	2%	\$ 117.10	\$ 1,405.20	2%

CAUSE-PA Exhibit 1 - b

Wastewater - Current Full Tariff, 2024 Proposed Full Tariff, and CAUSE-PA Proposed BDP

\*income levels represent 50%, 100%, 150%, and 200% FPL, using 2024 federal poverty guidelines.

See HHS Poverty Guidelines for 2024, <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

2 Person Household										
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
50% FPL	\$ 10,220	\$ 56.20	\$ 674.40	7%	\$ 77.00	\$ 924.00	9%	\$ 19.25	\$ 231.00	2%
100% FPL	\$ 20,440	\$ 56.20	\$ 674.40	3%	\$ 77.00	\$ 924.00	5%	\$ 38.50	\$ 462.00	2%
150% FPL	\$ 30,660	\$ 56.20	\$ 674.40	2%	\$ 77.00	\$ 924.00	3%	\$ 38.50	\$ 462.00	2%
200% FPL	\$ 40,880	\$ 56.20	\$ 674.40	2%	\$ 77.00	\$ 924.00	2%	\$ 38.50	\$ 462.00	1%

5

3 Person Household										
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
50% FPL	\$ 12,910	\$ 56.20	\$ 674.40	5%	\$ 77.00	\$ 924.00	7%	\$ 19.25	\$ 231.00	2%
100% FPL	\$ 25,820	\$ 56.20	\$ 674.40	3%	\$ 77.00	\$ 924.00	4%	\$ 38.50	\$ 462.00	2%
150% FPL	\$ 38,730	\$ 56.20	\$ 674.40	2%	\$ 77.00	\$ 924.00	2%	\$ 38.50	\$ 462.00	1%
200% FPL	\$ 51,640	\$ 56.20	\$ 674.40	1%	\$ 77.00	\$ 924.00	2%	\$ 38.50	\$ 462.00	1%

4 Person Household										
	Income	Monthly Full Tariff CURRENT	Annual Full Tariff CURRENT	Burden - Full Tariff CURRENT	Monthly Full Tariff PROPOSED	Annual Full Tariff PROPOSED	Burden - Full Tariff PROPOSED	Monthly -- CAUSE-PA Recommended BDP	Annual -- CAUSE-PA Recommended BDP	Burden - CAUSE-PA Recommended BDP
50% FPL	\$ 15,600	\$ 56.20	\$ 674.40	4%	\$ 77.00	\$ 924.00	6%	\$ 19.25	\$ 231.00	1%
100% FPL	\$ 31,200	\$ 56.20	\$ 674.40	2%	\$ 77.00	\$ 924.00	3%	\$ 38.50	\$ 462.00	1%
150% FPL	\$ 46,800	\$ 56.20	\$ 674.40	1%	\$ 77.00	\$ 924.00	2%	\$ 38.50	\$ 462.00	1%
200% FPL	\$ 62,400	\$ 56.20	\$ 674.40	1%	\$ 77.00	\$ 924.00	1%	\$ 38.50	\$ 462.00	1%

**THE COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY  
EFFICIENCY IN PENNSYLVANIA**

**APPENDIX A**

**RESUME OF ROBERT W. BALLENGER, ESQ.**

1424 Chestnut Street  
Philadelphia, PA 19102

**Robert W. Ballenger (he/him)**

*Admissions: Pennsylvania, Eastern District of PA,  
Third Circuit Court of Appeals*

(215) 981-3788  
rballenger@clsphila.org

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**Legal Experience**

**Community Legal Services, Inc., *Energy Unit Attorney***

**July 2010 - Present**

**Senior Supervising Attorney, Director**

- Service as Public Advocate, represent all Philadelphia residential utility customers in:
  - Philadelphia Water Department Water and Wastewater Rate Increase Proceeding, FY 2024-2025 (fully litigated, obtained approximately \$50 million in downward adjustments and customer service improvements)
  - Philadelphia Gas Works annual Capital and Operating Budget proceedings before the Philadelphia Gas Commission (FY 2012-2024)
  - Philadelphia Water Department Water and Wastewater Rate Increase Proceeding, FY 2022-2023 (settled, in part, saving customers \$87 million in higher rates)
  - Philadelphia Water Department Water and Wastewater Rate Increase Proceeding, FY 2019-2020 (settled following Commonwealth Court decision affirming, vacating, and remanding, in part)
  - Philadelphia Water Department Water and Wastewater Rate Increase Proceeding, FY 2017-2018 (obtained more than \$16 million in adjustments and favorable low income program design, approved by Philadelphia Water, Sewer and Storm Water Rate Board)
  - Philadelphia Water Department Water and Wastewater Rate Increase Proceeding, FY 2013-2016 (settlement reached that saved customers approximately \$100 million)
- Represent low-income Philadelphians to maintain or restore essential utility service by:
  - Negotiating affordable payment agreement terms with utilities serving Philadelphia
  - Advocating in Public Utility Commission rate cases and regulatory proceedings to ensure the continuation of consumer protection provisions in utility tariffs
  - Direct representation in PUC formal and informal complaint proceedings
  - Direct representation in local court litigation
  - Providing testimony before City and State lawmakers to promote affordable utility service. Examples include:
    - Testimony Before City Council Special Committee on Poverty Reduction and Prevention, Resolution No. 190239 (regarding implementation of water debt forgiveness and increasing tenant access to affordable water).
    - Testimony in Support of Water Affordability Legislation, Bill 140607, April 9, 2015 (<http://clsphila.org/learn-about-issues/testimony-support-water-affordability-philadelphia-city-council-bill-no-140607>)
    - Testimony in Opposition to HB 1047 and to Amend HB 939, House Consumer Affairs Committee (<http://clsphila.org/learn-about-issues/cls-urges-pa-house-reps-vote-no-hb-1047-and-amend-hb-939>)
    - Testimony on Philadelphia Water Ratemaking Board (<http://clsphila.org/learn-about-issues/testimony-bill-no-130251-water-rate-board>)

## Robert W. Ballenger

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- Select Cases and Matters:
  - *Purnell v. GoodLeap LLC, et al.*, Phila CCP Docket No. 220601757 (co-counseled; remanded from Federal District Court, achieved settlement concerning solar panel financing claims of fraud, unfair trade practices, trespass and conversion).
  - *Cena v. Philadelphia Gas Works*, F-2022-3033740 (confidential settlement of alleged theft of service).
  - *Butterly v. Philadelphia Gas Works*, F-2022-3030705 (confidential settlement of alleged meter programming error).
  - *Petitions of PECO Energy Company for Approval of its Default Service Plans*, PUC Dockets No. P-2012-2283641, P-2020-3019290 (maintaining CAP customer protections from excessively priced electricity from 2016-2022).
  - *Petition to Amend Philadelphia Gas Works Universal Service and Energy Conservation Plan*, PUC Docket No. 2020-3018867 (following Commonwealth Court remand, took primary responsibility for direct and rebuttal testimony, negotiating settlement to maintain affordable energy burdens and improve customer access to CRP).
  - *Johnson v. Philadelphia Gas Works*, C-2019-3017147 (confidential settlement of alleged theft of service).
  - *Public Advocate v. Philadelphia Water, Sewer and Storm Water Rate Board*, 1070 C.D. 2019, allocatur denied (obtained Commonwealth Court opinion, remanding for consideration of bias of Board member, effect of incomplete Hearing Officer Report; affirming local agency standard of review applicable to rate determinations).
  - *Review of Universal Service and Energy Conservation Programs*, Docket No. M-2017-2596907 (co-counseling with PULP; obtaining PUC policy setting affordable electric and gas at combined 6%-10% of household income).
  - *CAUSE-PA, et al. v. Pa. PUC*, 445 C.D. 2014 (obtained Commonwealth Court reversal of PUC determination; verifying that Public Utility Code permits the PUC to protect low-income PECO customers from higher prices in competitive market for electricity supply).
  - *Hess v. Philadelphia Gas Works*, C-2016-2565499 (obtained favorable settlement, protected tenant's right to continued service).
  - *McMillan v. Exelon*, Adv. No. 11-00855-ELF; Bkr. No. 11-16702-ELF, E.D. Pa. Bkr. (obtained favorable class action settlement for bankruptcy debtors).
  - *Foggy v. Philadelphia Gas Works*, C-2010-2196672 (obtained favorable settlement, eliminating nearly \$6,000 in utility charges from client's bill).
  - *Lopez v. Philadelphia Gas Works*, C-2010-2198297 (obtained favorable settlement of alleged gas theft charges, enabling client to restore utility service).
  - *City of Philadelphia v. Canning*, Phila. CCP No. 110900737 (obtained favorable settlement, eliminating nearly \$5,000 in water charges).
  - *Standards and Billing Practices for Residential Utility Services of the Public Utility Commission*, Pennsylvania Independent Regulatory Review Commission, Regulation #57 – 265, IRRC Docket No. 2743 (co-authored comments available at [http://www.irrc.state.pa.us/regulation\\_details.aspx?IRRCNo=2743](http://www.irrc.state.pa.us/regulation_details.aspx?IRRCNo=2743)).

## Robert W. Ballenger

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- Recognitions:
  - Best Attorney Advocate Award 2023, Pennsylvania Legal Aid Network 50<sup>th</sup> Anniversary Gala.
  - Equal Justice Award 2020 (with Josie B.H. Pickens), CLS Breakfast of Champions
- Publications and Presentations:
  - Virtual Presentation: Advancing Universal Service: Affordability in Pennsylvania & Philadelphia (to Prichard Water) (February 2024)
  - Virtual Presentation: Alternatives to PUC Complaint Proceedings for Door-to-Door Energy Scams (February 2024)
  - Virtual Presentation: Water Affordability in Philadelphia: Litigation, Legislation, and Implementation (April 2023)
  - Virtual Presentation: Tenants' Utilities Rights/Limits/Issues (September 2022).
  - Virtual Presentation: Transitioning from Grant-Based Assistance to True Water Affordability in Philadelphia, Maryland Advisory Committee to U.S. Commission on Civil Rights (November 2021).
  - Virtual Presentation (with Rebecca McCord): Keeping Your Utilities On: Affordable Energy and Water Service in Philadelphia (September 2021).
  - Virtual Presentation (with Cassidy Gruber-Baruth): CLS, Utilities and PGW (January, 2021).
  - Contributing author, Pennsylvania Real Estate Tax Sales and Municipal Claims, 4<sup>th</sup> Ed. (Bisel, 2021; 5<sup>th</sup> Ed. in process).
  - Author, *Chapter 9: Residential Utility Service*, Pennsylvania Consumer Law (Carolyn Carter, 2<sup>nd</sup> ed. 2002; updated annually).
  - Virtual Presentation (with John Sweet, Daniel Vitek): Water Affordability and Dealing with Unregulated Utilities, PLAN 2020 Conference (September 2020).
  - Co-author, with Josie B.H. Pickens, *This Pa. law on utility shutoffs unfairly impacts Black and Brown people. It must be repealed*, Penn. Capital-Star, available at <https://www.penncapital-star.com/civil-rights-social-justice/this-puc-rule-on-utility-shutoffs-unfairly-impacts-black-and-brown-people-it-must-be-repealed-opinion/> (August, 2020).
  - Virtual Presentation (with Mary Grant, Food & Water Watch): New Programs to Address Water Affordability: Lessons from Philadelphia and Baltimore (July 2020).
  - Presentation: Water Affordability and Energy Advocacy, Benefits Access Coalition (October 2018).
  - Presentation: Workshop About Water Affordability and Access, Mid-Atlantic Regional Conference of the National Lawyers Guild, Baltimore (April 2018).
  - Presentation: Working Toward Safe, Affordable Water Service, with Roger Colton, NEUAC Annual Conference (June 2017).
  - Presentation: Philadelphia Water Affordability Program, Second Legal and Legislative Summit on Water, Detroit, MI (June 2017).
  - Presentation: The Right to Water: Using Human Rights Tools to Address Basic Needs, with Kevin Murray, Risa Kaufman, NLADA Annual Conference (November 2016).

## Robert W. Ballenger

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- Presentation: Practical Strategies for Addressing Your Client's Utility Issues, with Elizabeth Marx, PLAN Utility Law Group (March 2017).
- Presentation: Utility Law Updates, with Joline Price, PLAN Conference (September 2016).
- Co-author, with Thu B. Tran, *Uncharted Waters: The Emergence of Low-Income Water Affordability in Philadelphia*, Clearinghouse Community (February 2016).
- Co-author, with Thu B. Tran, *Out in the Cold: Record Numbers of Pennsylvanians are Living with Utility Shutoffs*, October 2014 (<http://clsphila.org/learn-about-issues/out-cold-record-numbers-pennsylvanians-are-living-utility-shut-offs>).
- Presentation: Municipal Claims, Property Tax Liens and Local Strategies, with Montgomery Wilson and Roger Colton, PLAN Conference (May 2014).
- Co-author, *Select Utility Law Issues Affecting Landlords and Tenants*, PBI (2012, 2016, 2024 (forthcoming)).
- PBI, *Representing Residential Landlords and Tenants*, CLE panelist, 2012, 2016, 2024 (forthcoming) (Pittsburgh and Philadelphia).
- Tenant Union Representative Network 4<sup>th</sup> Annual Conference, *Keeping the Utilities On*, panelist, 2012.

Dechert LLP, Associate Attorney

September 2004 – June 2010

### Employee Benefits and Executive Compensation Group

- Represent current and former employees, shareholders and employers regarding employee compensation, incentive, severance, pension, retirement, disability, life insurance, medical benefits (including post-termination medical benefits) and other benefits, including:
  - Drafting and negotiating contracts for employee benefits
  - Advising clients regarding tax strategies in structuring compensation and benefits
  - Ensuring compliance with ERISA, COBRA, HIPAA and nondiscrimination requirements applicable to employee benefits
- Negotiate all aspects of employee benefits in corporate transactions, including private equity, debt financing and ERISA controlled group liability
- Negotiate settlements of UMWA Coal Act liability, tax controversies and IRS voluntary corrections, DOL fee assessments, multiemployer (union) plan liabilities
- Develop practice to advise and represent public companies regarding SEC-required compensation disclosures
- Draft client educational materials on SEC disclosure requirements, the Genetic Information Nondiscrimination Act of 2008, accounting for compensation, automatic 401(k) rollover requirements, Medicare Part D (co-authored two installments, published by BNA), phased retirement and HIPAA wellness programs
- Presenter at labor law symposium regarding COBRA subsidies under American Recovery and Reinvestment Act of 2009
- Pro bono representation of disabled former police officer to obtain disability and health benefits from former employer
- Pro bono representation in Pennsylvania Commonwealth and Supreme Court of retiree widow in claim against State Employee Retirement System

## Robert W. Ballenger

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- Developed pro bono legislative advocacy project to require spousal consent to state and municipal employee pension benefit elections

**Community Legal Services, Inc., *Public Benefits Intern* September 2003 – May 2004**

- Legal and statistical analysis of Department of Public Welfare welfare-to-work policy
- Produced educational materials on welfare sanctions for state and federal officials
- Successfully represented individual clients to reinstate benefits terminated due to missed work for legitimate health, family, and educational exceptions

**Dechert LLP, *Summer Associate* May 2003 – August 2003**

- Conducted legal research and drafted memoranda for attorneys and clients on a variety of legal matters such as tax, employee benefits, labor and other matters

**Education Law Center, *Summer Intern* May 2002 – August 2002**

- Revised two chapters entitled “Court Proceedings” and “The Right to Special Education in Pennsylvania” for Pennsylvania Bar Association Manual
- Drafted legal memoranda on student suspension/expulsion issues, school demands for medication of students with ADHD and sunshine laws in Pennsylvania

**Guild Food Stamp Clinic, *Director, Legal Advocate* May 2001 – May 2003**

- Managed caseload for approximately 40 student advocates
- Represented individual clients in claims for benefits

## Education

***Concurrent Graduate Degrees in Law and Social Work* May 2004**

**University of Pennsylvania Law School, *Juris Doctor***

- Law Review: Comment Editor, 2003-2004, Associate Editor, 2002-2003
- Sparer Public Interest Fellowship, 2001 & 2002
- Public Interest Recognition Award

**University of Pennsylvania School of Social Work, *Master of Social Work* May 2004**

- Concentration in social policy and practice

**Other Graduate Education Activities**

- Research Assistant to Professor Louis Rulli, 2003-2004
- Equal Justice Foundation: fundraiser, webmaster
- Council of Student Representatives: Communications/web committee member

***Bachelor of Arts in Cultural Anthropology and Religious Studies* May 1998**

**University of Pennsylvania**

- *Cum laude*, departmental distinction in both majors, Dean’s List 1997-1998

**THE COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY  
EFFICIENCY IN PENNSYLVANIA**

**APPENDIX B**

**CITED DISCOVERY RESPONSES**

**Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA) to Veolia Water Pennsylvania, Inc. (Veolia)**

- CAUSE-PA I-2.
- CAUSE-PA I-3.
- CAUSE-PA I-6.
- CAUSE-PA II-5.
- CAUSE-PA II-9.
- CAUSE-PA II-16.

**Office of Consumer Advocate (OCA) to Veolia Water Pennsylvania, Inc. (Veolia)**

- OCA 5-1 (Revised)
- OCA 5-26 A.
- OCA 5-26 C.
- OCA 5-29 (Revised).
- OCA 8-3
- OCA 12-2.

**Bureau of Investigation and Enforcement (I&E) to Veolia Water Pennsylvania, Inc. (Veolia)**

- I&E RE-40.

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET I**

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**CAUSE-PA I-2** From January 2018 to present, how many residential customers does/did Veolia serve? Please disaggregate this data by service type (i.e. water only, wastewater only, combined), month, and year as of the last day of the month.

Please provide this data in a live Excel spreadsheet.

**Answer:** Please see the attached excel file “CAUSE-PA 1-2” which shows the residential customers by service type and month.

Answer provided by: Larry Finnicum

Title: Vice President & General Manager

Address: 6310 Allentown Blvd, Suite 104, Harrisburg, PA 17112

Date: April 9, 2024

**CAUSE-PA 1-2 Attachment**

**Number of Residential Customers - PA Water**

Customers		Customers		Customers		Customers	
Jan-18	57,188	Jan-19	57,642	Jan-20	59,284	Jan-21	60,219
Feb-18	57,230	Feb-19	57,711	Feb-20	59,371	Feb-21	60,374
Mar-18	57,278	Mar-19	57,755	Mar-20	59,408	Mar-21	60,459
Apr-18	57,303	Apr-19	58,943	Apr-20	59,437	Apr-21	60,587
May-18	57,296	May-19	58,932	May-20	59,435	May-21	60,596
Jun-18	57,259	Jun-19	58,897	Jun-20	59,490	Jun-21	60,604
Jul-18	57,274	Jul-19	58,919	Jul-20	59,577	Jul-21	60,600
Aug-18	57,346	Aug-19	59,025	Aug-20	59,671	Aug-21	60,690
Sep-18	57,433	Sep-19	59,060	Sep-20	59,725	Sep-21	60,750
Oct-18	57,549	Oct-19	59,117	Oct-20	59,781	Oct-21	60,828
Nov-18	57,607	Nov-19	59,167	Nov-20	59,859	Nov-21	60,883
Dec-18	57,659	Dec-19	59,223	Dec-20	59,884	Dec-21	60,927

**Number of Residential Customers - PA Wastewater**

Customers		Customers		Customers		Customers	
Jan-18	-	Jan-19	-	Jan-20	1,340	Jan-21	1,335
Feb-18	-	Feb-19	-	Feb-20	1,339	Feb-21	1,335
Mar-18	-	Mar-19	-	Mar-20	1,340	Mar-21	1,337
Apr-18	-	Apr-19	1,388	Apr-20	1,342	Apr-21	1,338
May-18	-	May-19	1,384	May-20	1,342	May-21	1,337
Jun-18	-	Jun-19	1,369	Jun-20	1,340	Jun-21	1,339
Jul-18	-	Jul-19	1,365	Jul-20	1,340	Jul-21	1,334
Aug-18	-	Aug-19	1,362	Aug-20	1,340	Aug-21	1,339
Sep-18	-	Sep-19	1,353	Sep-20	1,345	Sep-21	1,342
Oct-18	-	Oct-19	1,356	Oct-20	1,343	Oct-21	1,341
Nov-18	-	Nov-19	1,343	Nov-20	1,338	Nov-21	1,340
Dec-18	-	Dec-19	1,347	Dec-20	1,338	Dec-21	1,338

**Number of Residential Customers - PA Water, PA Wastewater Combined**

Customers		Customers		Customers		Customers	
Jan-18	57,188	Jan-19	57,642	Jan-20	60,624	Jan-21	61,554
Feb-18	57,230	Feb-19	57,711	Feb-20	60,710	Feb-21	61,709
Mar-18	57,278	Mar-19	57,755	Mar-20	60,748	Mar-21	61,796
Apr-18	57,303	Apr-19	60,331	Apr-20	60,779	Apr-21	61,925
May-18	57,296	May-19	60,316	May-20	60,777	May-21	61,933
Jun-18	57,259	Jun-19	60,266	Jun-20	60,830	Jun-21	61,943
Jul-18	57,274	Jul-19	60,284	Jul-20	60,917	Jul-21	61,934
Aug-18	57,346	Aug-19	60,387	Aug-20	61,011	Aug-21	62,029
Sep-18	57,433	Sep-19	60,413	Sep-20	61,070	Sep-21	62,092
Oct-18	57,549	Oct-19	60,473	Oct-20	61,124	Oct-21	62,169
Nov-18	57,607	Nov-19	60,510	Nov-20	61,197	Nov-21	62,223
Dec-18	57,659	Dec-19	60,570	Dec-20	61,222	Dec-21	62,265

Customers	
Jan-22	61,003
Feb-22	61,074
Mar-22	61,168
Apr-22	61,264
May-22	61,288
Jun-22	61,336
Jul-22	61,377
Aug-22	61,462
Sep-22	61,570
Oct-22	61,589
Nov-22	61,677
Dec-22	61,716

Customers	
Jan-23	61,727
Feb-23	61,788
Mar-23	61,808
Apr-23	61,842
May-23	61,846
Jun-23	61,878
Jul-23	61,908
Aug-23	61,926
Sep-23	61,957
Oct-23	62,023
Nov-23	62,058
Dec-23	62,100

Customers	
Jan-24	69,879
Feb-24	69,171
Mar-24	69,061
Apr-24	
May-24	
Jun-24	
Jul-24	
Aug-24	
Sep-24	
Oct-24	
Nov-24	
Dec-24	

Customers	
Jan-22	1,336
Feb-22	1,337
Mar-22	1,336
Apr-22	1,337
May-22	1,337
Jun-22	1,335
Jul-22	1,336
Aug-22	1,333
Sep-22	1,337
Oct-22	1,337
Nov-22	1,335
Dec-22	1,337

Customers	
Jan-23	1,339
Feb-23	1,340
Mar-23	1,340
Apr-23	1,340
May-23	1,337
Jun-23	1,339
Jul-23	1,336
Aug-23	1,338
Sep-23	1,335
Oct-23	1,335
Nov-23	1,334
Dec-23	1,335

Customers	
Jan-24	1,334
Feb-24	1,335
Mar-24	1,341
Apr-24	
May-24	
Jun-24	
Jul-24	
Aug-24	
Sep-24	
Oct-24	
Nov-24	
Dec-24	

Customers	
Jan-22	62,339
Feb-22	62,411
Mar-22	62,504
Apr-22	62,601
May-22	62,625
Jun-22	62,671
Jul-22	62,713
Aug-22	62,795
Sep-22	62,907
Oct-22	62,926
Nov-22	63,012
Dec-22	63,053

Customers	
Jan-23	63,066
Feb-23	63,128
Mar-23	63,148
Apr-23	63,182
May-23	63,183
Jun-23	63,217
Jul-23	63,244
Aug-23	63,264
Sep-23	63,292
Oct-23	63,358
Nov-23	63,392
Dec-23	63,435

Customers	
Jan-24	71,213
Feb-24	70,506
Mar-24	70,402
Apr-24	-
May-24	-
Jun-24	-
Jul-24	-
Aug-24	-
Sep-24	-
Oct-24	-
Nov-24	-
Dec-24	-

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET I**

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**CAUSE-PA I-3** Please identify all categories or identifiers that Veolia includes when calculating its “confirmed low income customer” count.

**Answer:** The term “confirmed low income customer” is not defined. The Company interprets the term as meaning a residential customer where VWPA has obtained information that would reasonably place the customer in a low-income definition. This information may include self certified or validated income and occupant information. For purposes of the company’s proposed Customer Assistance Program (CAP) the “low income definition” means that the residential customer’s gross household income is at or below 200% of Federal poverty guidelines.

The Company does not collect income or number of household member data from customers except in instances where bill payment assistance has been requested. The company does not attain proof or confirmation of income. Thus, the Company does not have “confirmed low income customers,” as it does not currently have a Customer Assistance Program (“CAP”) for which verified income data is collected or Federal Poverty Levels computed. See also, VWPA Statement No. 7, Direct Testimony of Judith McCoy Jordan and also OCA 5-1.

Answer provided by: Judith McCoy Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd. Harrisburg, PA 17112

Date: 4/10/24

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET I**

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**CAUSE-PA I-6**      What is the average annual income of Veolia' current identified confirmed low income customers?

**Answer:**              The average annual income of Veolia's current identified customers is \$20,999.00. Please refer to CAUSE-PA I-3 and OCA 5-1.

Answer provided by:      Judith McCoy Jordan

Title:                      Director of Programs

Address:                    6310 Allentown Blvd. Harrisburg, PA 17112

Date:                        4/11/2024

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET II**

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**CAUSE-PA II-5** Please describe Veolia's plan for a CAP administrator, including:

- a. How will the third-party administrator be selected?
- b. What specific tasks will the third-party administrator be responsible for?

Please provide copies of any and all documents, reports, and/or communications utilized in the selection process.

**Answer:**

- a. VWPA will look for a vendor or administrator that comes highly qualified to work with utility companies to support customers who are in need of maintaining their utility services by receiving assistance to their utility bill. VWPA will evaluate a variety of factors which include benefits, cost, and ease of implementation and integration of required systems.
- b. VWPA will look for the administrator to process applications to determine the eligibility of customers for VWPA's CAP program. Customers will have the ability to utilize self-service options and/or in person options with the assistance of utility partners and/or access by phone, mail; etc.

This vendor will provide reporting associated with those that meet the established qualifications and those that are rejected from the program. There must be integration of systems for electronic processing of customer data and funding distribution. In addition, monthly reporting will be established to determine the continual needs and success of the program as well as any PUC regulation requirements.

Answer provided by: Judith Jordan  
Title: Director of Programs  
Address: 6310 Allentown Blvd. Harrisburg, Pa 17112  
Date: 4/18/24

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET II**

---

**CAUSE-PA II-9** Regarding the third party administrator:

- a. Please describe Veolia's plan for oversight and reporting on the performance of the administrator.
- b. Please explain how the administrator will access Veolia customer information.

**Answer:**

- a. VWPA has not yet selected a vendor; however, our expectation would be quality customer service, timely deliverables, monthly reporting with key indicators demonstrating company, customer and community partnership and outreach.
- b. This administrator access will be determined once a vendor has been selected and the VWPA can determine methods of integration.

Answer provided by: Judith Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd. Harrisburg, PA 17112

Date: 4/18/24

**INTERROGATORIES OF THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) TO  
VEOLIA WATER PENNSYLVANIA, INC.**

**SET II**

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**CAUSE-PA II-16** From January 2019 to present, please provide the median and mean arrearages for customers:

- a. Residential customers,
- b. Confirmed low income customers,
- c. Veolia Cares recipients.

**Answer:**

- a. Please refer to CAUSE-PA II-16 Attachment A.
- b. Please refer to CAUSE-PA I-3 and CAUSE-PA II-16 Attachment B.
- c. Please refer to CAUSE-PA II-16 Attachment C.

Answer provided by: Judith Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd. Harrisburg, PA 17112

Date: 4/18/24





Mean Arrears of Low Income Customers	
Reporting Year	Mean Arrears Each Month
2019	\$ 78.48
2020	\$ 108.67
2021	\$ 159.70
2022	\$ 127.11
2023	\$ 127.63
2024	\$ 125.00

Median Arrears of Low Income Customers	
Reporting Year	Median Arrears Each Month
2019	\$ 44.10
2020	\$ 57.94
2021	\$ 62.47
2022	\$ 59.61
2023	\$ 57.28
2024	\$ 50.46

Veolia Water Pennsylvania, Inc.  
 Docket No. R-2024-3045192 3045193

1 of 2

Mean Arrears of Veolia Care Customers	
Reporting Year	Mean Arrears Each Month
2019	\$ 85.57
2020	\$ 104.51
2021	\$ 115.58
2022	\$ 83.99
2023	\$ 144.57
2024	\$ 128.29

Median Arrears of Veolia Care Customers	
Reporting Year	Median Arrears Each Month
2019	\$ 43.98
2020	\$ 66.09
2021	\$ 57.04
2022	\$ 56.76
2023	\$ 60.17
2024	\$ 55.32

Veolia Water Pennsylvania, Inc.  
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Mean Arrears of Veolia Care Customers	
Reporting Year	Mean Arrears Each Month
2023	\$ 132.70
2024	\$ 42.69

Median Arrears of Veolia Care	
Reporting Year	Median Arrears Each Month
2023	\$ 29.89
2024	\$ 21.74

**Pa. P.U.C. v. Veolia Water Pennsylvania, Inc.**  
**Docket Nos. R-2024-3045192 (Water) R-2024-3045193 (Wastewater)**  
**Interrogatories of the Office of Consumer Advocate**  
**Set 5 to Veolia**

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**REVISED**

**OCA-5-1** Please provide the Company's total known number of recorded customers from 200% of poverty to 0% of poverty broken down into increments of 50% of FPL.

**Answer:** The Company does not collect income or number of household member data from customers except in instances where bill payment assistance has been requested. Additionally, the Company does not currently have a Customer Assistance Program ("CAP") for which income data is collected or Federal Poverty Levels computed. As stated in VWPA Statement No. 7, Direct Testimony of Judith McCoy Jordan, currently less than one percent of all residential customers are on a payment plan. The Company has, however, identified approximately 662 known residential customers at 0 to 200% of the Federal Poverty Level since 2019 based on payment arrangement plans. The Company has used this limited dataset, which varies based on number of active accounts, to estimate known poverty levels of our customers.

Answer provided by: Judith McCoy Jordan  
Title: Director of Programs  
Address: 6310 Allentown Blvd. Harrisburg, PA 17112  
Date: 3/13/2024

**Pa. P.U.C. v. Veolia Water Pennsylvania, Inc.**  
**Docket Nos. R-2024-3045192 (Water) R-2024-3045193 (Wastewater)**  
**Interrogatories of the Office of Consumer Advocate**  
**Set 5 to Veolia**

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**OCA-5-26** Please provide by month for the most recent 36 months available:

- a. The mean residential water usage (in gallons);
- b. The median residential water usage (in gallons);
- c. The mean low-income water usage (in gallons); and
- d. The median low-income water usage (in gallons)

**Answer:** Please see response to OCA-5-1. The requested data can be found in OCA-5-26 a Attachment.xlsx, OCA-5-26 b Attachment.xlsx, and OCA-5-26 c&d Attachment.xlsx

Answer provided by: Judith McCoy Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd Suite 104 Harrisburg, PA 17112

Date: 3/12/24

Veolia Water Pennsylvania, Inc.  
 Docket No. R-2024-3045192 / 3045193

Mean Residential Water Usage for the most recent 36 months available:

<b>2024</b>	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mean Residential Water Usage (000's Gallons)	3.4	3.4										
<b>2023</b>	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mean Residential Water Usage (000's Gallons)	3.5	3.2	3.2	3.4	3.3	3.9	3.9	3.6	3.7	3.6	3.3	3.6
<b>2022</b>	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mean Residential Water Usage (000's Gallons)	3.6	3.3	3.3	3.3	3.4	3.6	3.7	3.9	3.9	3.6	3.3	3.3
<b>2021</b>	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Mean Residential Water Usage (000's Gallons)			3.2	3.4	3.7	3.6	3.8	4.0	3.7	3.6	3.4	3.3

Veolia Water Pennsylvania, Inc.  
 Docket No. R-2024-3045192 / 3045193

Month/Year	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Median Consumption MGL	3.1	3	2.7	2.9	3.1	3	3.1	3.2	2.9	2.9	2.8	2.8

Month/Year	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Median Consumption MGL	3.1	2.7	2.7	2.7	2.9	2.9	2.9	3	3	2.9	2.7	2.7

Month/Year	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Median Consumption MGL	3	2.6	2.7	2.8	2.7	3.1	3	2.8	2.9	2.8	2.7	3

Month/Year	Jan-24	Feb-24
Median Consumption MGL	2.9	2.8

Veolia Water Pennsylvania, Inc.  
 Docket No. R-2024-3045192 / 3045193

(000's Gallons)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>2024</b>												
Mean Low-Income Residential Water Usage	6.4	6.2										
Median Low-Incom Residential Water Usage	5.6	5.2										
<b>2023</b>												
Mean Low-Income Residential Water Usage	5.95	5.20	6.0	6.2	6.4	7.0	7.2	7.0	6.6	5.9	6.1	6.3
Median Low-Incom Residential Water Usage	5.21	4.81	4.9	5.2	5.2	5.6	5.7	5.5	5.5	4.9	5.3	5.3
<b>2022</b>												
Mean Low-Income Residential Water Usage	7.4	6.2	5.3	5.5	5.9	6.8	6.8	6.7	6.8	6.4	5.9	5.6
Median Low-Incom Residential Water Usage	5.3	4.9	4.9	4.9	5.1	5.5	5.2	5.5	5.3	5.1	4.8	4.9
<b>2021</b>												
Mean Low-Income Residential Water Usage			6.8	7.1	6.9	7.3	7.4	8.5	7.4	7.5	6.7	6.9
Median Low-Incom Residential Water Usage			5.2	5.3	5.6	5.6	5.6	5.6	5.3	5.6	5.3	5.6

**Pa. P.U.C. v. Veolia Water Pennsylvania, Inc.**  
**Docket Nos. R-2024-3045192 (Water) R-2024-3045193 (Wastewater)**  
**Interrogatories of the Office of Consumer Advocate**  
**Set 5 to Veolia**

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**REVISED**

- OCA-5-29** By month for the most recent 36 months available, in Excel format:
- a. The total number of nonpayment disconnections for residential customers;
  - b. The total number of nonpayment disconnections for low-income customers;
  - c. The average arrears at the time of disconnection for residential customers;
  - d. The average arrears at the time of disconnection for low-income customers.

**Answer:** Due to COVID-19 customer protections, Veolia did not disconnect customers for nonpayment for the full 36 months requested. Accordingly, data has been provided for the months that disconnections resumed beginning in May of 2021. Please refer to the attached documents that provide a response to Data Request OCA-5-29 Attachment.xlsx. Regarding low-income customer data, please also refer to the written response to OCA-5-1.

Answer provided by: Judith McCoy Jordan  
Title: Director of Programs  
Address: 6310 Allentown Blvd. Harrisburg, PA 17112  
Date: 3/18/2024

	a. The total number of nonpayment disconnections for residential customers	c. The average arrears at the time of disconnection for residential customers		b. The total number of nonpayment disconnections for low-income customers	d. The average arrears at the time of disconnection for low-income customers
<b>Residential customers</b>			<b>Low IncomeCustomers</b>		
<b>Month</b>	<b>Disconnections</b>	<b>Average Arrears</b>	<b>Month</b>	<b>Disconnections</b>	<b>Average Arrears</b>
<b>2021</b>			<b>2021</b>		
May	60	\$ 988.05	May	9	\$ 868.32
Jun	33	\$ 718.87	Jun	9	\$ 678.55
Jul	48	\$ 425.55	Jul	7	\$ 498.01
Aug	57	\$ 557.15	Aug	6	\$ 1,287.35
Sep	29	\$ 536.94	Sep	9	\$ 690.52
Oct	55	\$ 455.66	Oct	11	\$ 800.51
Nov	42	\$ 459.67	Nov	11	\$ 812.27
Dec	21	\$ 231.43	Dec		
<b>2022</b>			<b>2022</b>		
Jan	33	\$ 376.01	Jan	8	\$ 523.43
Feb	19	\$ 341.46	Feb	6	\$ 801.40
Mar	25	\$ 370.85	Mar	7	\$ 622.98
Apr	37	\$ 317.04	Apr	10	\$ 687.74
May	49	\$ 233.10	May	5	\$ 650.69
Jun	57	\$ 282.18	Jun	8	\$ 565.45
Jul	47	\$ 240.68	Jul	6	\$ 466.52
Aug	73	\$ 308.34	Aug	17	\$ 754.59
Sep	62	\$ 272.37	Sep	16	\$ 323.89
Oct	55	\$ 199.13	Oct	8	\$ 341.92
Nov	80	\$ 240.02	Nov	12	\$ 488.06
Dec	25	\$ 243.02	Dec	5	\$ 440.76
<b>2023</b>			<b>2023</b>		
Jan	44	\$ 251.07	Jan	8	\$ 571.78
Feb	19	\$ 252.71	Feb	3	\$ 427.41
Mar	36	\$ 471.21	Mar	10	\$ 1,082.45
Apr	65	\$ 291.99	Apr	9	\$ 460.62
May	67	\$ 223.79	May	10	\$ 251.34
Jun	91	\$ 309.22	Jun	14	\$ 870.92
Jul	67	\$ 305.87	Jul	12	\$ 679.66
Aug	85	\$ 297.36	Aug	10	\$ 1,014.53
Sep	67	\$ 322.75	Sep	13	\$ 806.78
Oct	70	\$ 365.51	Oct	10	\$ 951.89
Nov	70	\$ 241.06	Nov	6	\$ 138.70
Dec	16	\$ 518.71	Dec	2	\$ 767.85
<b>2024</b>			<b>2024</b>		
Jan	29	\$ 280.64	Jan	6	\$ 559.48
Feb	24	\$ 378.79	Feb	4	\$ 333.68

**Pennsylvania Public Utility Commission**

**v.**

**Veolia Water Pennsylvania, Inc.  
Docket No. R-2024-3045192 (Water)  
R-2024-3045193 (Wastewater)**

**Interrogatories of the Office of Consumer Advocate  
Set 8**

**Water Operations**

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**OCA-8-3** Please provide a detailed description of how, if at all, Veolia follows-up after conservation kits are distributed to determine which, if any, of the components of the kit were actually installed or used.

**Answer:** At this time, Veolia does not directly follow up with the customer; however, Veolia has randomly reviewed a few customer accounts where conservation kits were distributed to review water usage patterns.

Answer provided by: Judith Jordan  
Title: Director of Programs  
Address: 6310 Allentown Blvd. Harrisburg, PA 17112  
Date: 3/20/24

**Pa. P.U.C. v. Veolia Water Company**  
**Docket Nos. R-2024-3045192 (Water)**  
**R-2024-3045193 (Wastewater)**  
**Interrogatories of the Office of Consumer Advocate**  
**Set 12 to Veolia**

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**OCA-12-2** Noting the Company's response to OCA-5-1, why is the low-income usage rate (see Company response to OCA-5-26 attachments A,B,C,D) so much higher than that of the average residential customer usage rate?

**Answer:** Please refer to OCA-12-1. It is difficult, if not impossible, to know concretely why the low-income usage rate in OCA-5-26 is higher than the residential rate due to the universe of factors at play. The observed difference could possibly be attributable to a variety of factors such as, but not limited to, the limited data set (i.e., small number of observations), leaks, number of household occupants, usage patterns of this group of customers, etc.

Answer provided by: Judith Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd. Harrisburg, PA 17112

Date: 4/4/2024

**BUREAU OF INVESTIGATION AND ENFORCEMENT DATA REQUESTS**

**VEOLIA WATER PENNSYLVANIA INC.**

**Docket Nos. R-2024-3045192 and R-2024-3045193**

**I&E-RE-40** Reference VWPA Statement No. 7, p. 5 concerning the Veolia Cares program:

- A. Provide budgeted spending versus actual spending for the HTY and the years preceding the HTY.
- B. Indicate cash contributions and any rollover amounts each year.
- C. Indicate the number of accounts receiving grants in each year.
- D. Confirm whether the funding for this program will remain separate from the funding for the proposed Customer Assistance Program (CAP).

**Answer:**

A, B, C:

Years	Budgeted Spending	Actual Spending	# of accounts	Rollover Amount
10/1/2019 to 9/30/2020	Unbudgeted	\$5,378	43	
10/1/2020 to 9/30/2021	Unbudgeted	\$15,245	110	
10/1/2021 to 9/30/2022	\$50,000	\$6,277	35	\$43,723
10/1/22 to 9/30/23 HTY	\$50,000	\$40,465	181	\$53,258

- D. The Funding for this program will remain separate from the funding for the proposed Customer Assistance Program (CAP).

Answer provided by: Judith Jordan

Title: Director of Programs

Address: 6310 Allentown Blvd. Harrisburg, PA 17112

Date: 4/2/2024

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : Docket Nos. R-2024-3045193 *et al.*  
 : (Wastewater)  
 v. :  
 : Docket Nos. R-2024-3045192, *et al.*  
 Veolia Water Pennsylvania, Inc. : (Water)

REBUTTAL TESTIMONY OF ROBERT W. BALLENGER, ESQ.  
ON BEHALF OF  
THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

June 7, 2024

Corrected - June 12, 2024

**CAUSE-PA STATEMENT 1-R  
PREPARED REBUTTAL TESTIMONY OF ROBERT W. BALLENGER, ESQ.**

1 **Q: Please state your name, occupation, and business address.**

2 A: Robert W. Ballenger. I am currently a Senior Supervising Staff Attorney at Community  
3 Legal Services of Philadelphia (CLS). My office is located at 1424 Chestnut Street, Philadelphia,  
4 PA 19102.

5 **Q: Did you previously submit testimony in this proceeding?**

6 A: Yes. I submitted direct testimony pre-marked as CAUSE-PA Statement 1 on behalf of the  
7 Coalition for Affordability Utility Services and Energy Efficiency in Pennsylvania (CAUSE-  
8 PA).

9 **Q: What is the purpose of your rebuttal testimony?**

10 A: My rebuttal testimony responds to the direct testimony of Office of Consumer Advocate  
11 (OCA) witness Nicholas A. DeMarco regarding the accepted standards of water and wastewater  
12 affordability.<sup>1</sup>

13 **Q: Please summarize the testimony you wish to address.**

14 A: In Mr. DeMarco's testimony, he analyzes the water burdens produced by Veolia's  
15 proposed bill discount program.<sup>2</sup> He concludes that while Veolia's proposed plan would reduce  
16 water burdens and promote affordability, even with the proposed discounts, "households would  
17 still be paying bills that are outside of recognized guidelines for affordability."<sup>3</sup> In support of this

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<sup>1</sup> OCA St. 6.

<sup>2</sup> *Id.* at 11-19.

<sup>3</sup> *Id.* at 12.

1 premise he cites the Federal Environmental Protection Agency’s (EPA) guidelines for  
2 affordability.<sup>4</sup>

3 **Q: What is your response to Mr. Demarco’s testimony?**

4 A: I agree with Mr. Demarco’s conclusion. However, I note that in his testimony he cites the  
5 EPA’s guidance on water standards, which to my understanding is not targeted to analyze or  
6 achieve affordability in the context of low income customer assistance programs. The EPA  
7 guidance is a population based methodology which applies *median income* for use in making  
8 decisions about water quality standards deviations. It is not an effort to determine the affordable  
9 water burden for a *low income* household participating in a Customer Assistance Program.

10 As I explained in my direct testimony, while Pennsylvania has not adopted statewide  
11 combined water and wastewater burden standards, the generally accepted standard of  
12 affordability is that a household’s *combined* water and wastewater burden should not exceed 4%  
13 of household income.<sup>5</sup> The 4% standard, as a general rule for the maximum affordable household  
14 bill burden for water and wastewater service for low-income households, has been maintained  
15 for many years by my colleague Roger Colton, who testified in support of Philadelphia’s  
16 income-based water bill program in 2016.<sup>6</sup> In that case, the Philadelphia Water, Sewer and

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<sup>4</sup> *Id.*

<sup>5</sup> CAUSE-PA St. 1 at 13; see also NRDC, *Water Affordability Toolkit: Affordability and Assistance Programs*, at 73, available at: <https://www.nrdc.org/sites/default/files/water-affordability-toolkit-section-8.pdf>; Roger Colton, *The Affordability of Water and Wastewater Service in Twelve US Cities*, *The Guardian* (May 2020), available at: <https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation>; NAACP Legal Defense and Educational Fund, Inc., *Water/Color: A Study of Race & The Water Affordability Crisis in America’s Cities* (2019), available at: [https://www.naacpldf.org/wp-content/uploads/Water\\_Report\\_FULL\\_5\\_31\\_19\\_FINAL\\_OPT.pdf](https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf).

<sup>6</sup> Philadelphia Water, Sewer and Stormwater Rate Board, *Re: Application of the Philadelphia Water Department for Increased Rates and Related Charges, Fiscal Years 2017-2018*, Public Advocate St. 3 at 27-29, available at: <https://www.phila.gov/media/20200127143129/PA-St3-Colton.pdf>; see also Roger D. Colton, *Water Affordability Plan City of Toledo (Ohio)*, at vii, 33 (identifying maximum affordable household water and wastewater burden of 4%), available at: <https://cdn.toledo.oh.gov/uploads/documents/Public-Utilities/Toledo-Water-Affordability-Plan-Final-10-13-21.pdf>.

1 Storm Water Rate Board adopted a range of monthly assistance bills calculated at 2-4% of adult  
2 household members' income. These burdens are also consistent with international standards  
3 applicable to a combined water and wastewater burdens.<sup>7</sup> While the percentages cited by Mr.  
4 Demarco vary only slightly from the accepted standards cited in my direct testimony, it is  
5 important that the combined water and wastewater burden be considered in the overall context of  
6 housing affordability specifically for low income consumers.

7         Aside from this datapoint, I agree with Mr. Demarco's conclusion that Veolia's proposed  
8 discounts would improve affordability for many households but would still render bills for some  
9 households that are above the accepted standards for affordability. It is thus important that  
10 Veolia adjust its discounts to provide affordable bills for more qualifying households - and, in  
11 turn, to adopt my recommendations for helping high usage customers with conservation and leak  
12 repair measures.

13 **Q: Does that conclude your rebuttal testimony?**

14 **A: Yes.**

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<sup>7</sup> United Nations Development Program, *Beyond Scarcity: Power, Poverty and the Global Water Crisis*, at 97 (3% affordable standard appropriate).

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : Docket Nos. R-2024-3045193 *et al.*  
: (Wastewater)  
v. :  
: Docket Nos. R-2024-3045192, *et al.*  
Veolia Water Pennsylvania, Inc. : (Water)

SURREBUTTAL TESTIMONY OF ROBERT W. BALLENGER, ESQ.  
ON BEHALF OF  
THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

June 21, 2024

**CAUSE-PA STATEMENT 1-SR  
PREPARED SURREBUTTAL TESTIMONY OF ROBERT W. BALLENGER, ESQ.**

1 **Q: Please state your name, occupation, and business address.**

2 A: Robert W. Ballenger. I am currently a Senior Supervising Staff Attorney at Community  
3 Legal Services of Philadelphia (CLS). My office is located at 1424 Chestnut Street, Philadelphia,  
4 PA 19102.

5 **Q: Did you previously submit testimony in this proceeding?**

6 A: Yes. I submitted direct testimony and rebuttal testimony, pre-marked as CAUSE-PA  
7 Statement 1 and CAUSE-PA Statement 1-R, on behalf of the Coalition for Affordability Utility  
8 Services and Energy Efficiency in Pennsylvania (CAUSE-PA).

9 **Q: What is the purpose of your surrebuttal testimony?**

10 A: My surrebuttal testimony responds to the rebuttal testimony of Veolia Water Pennsylvania,  
11 Inc. (Veolia) witness Judith Jordan.<sup>1</sup>

12 **Q: Please summarize the portions of Ms. Jordan's testimony you wish to address.**

13 A: In response to my testimony regarding the accepted standards for water and wastewater  
14 affordability, Ms. Jordan argues that the Commission has not adopted a water affordability  
15 standard, expressing her preference for a statewide proceeding if one is to be considered.<sup>2</sup> She also  
16 argues that the data and recommendations in my testimony were skewed because of limited sample  
17 size of confirmed low income customers.<sup>3</sup>

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<sup>1</sup> Veolia St. 7-R.

<sup>2</sup> *Id.* at 7.

<sup>3</sup> *Id.* at 8-9

1           Regarding my recommendations to improve the Company’s proposed customer assistance  
2 program (CAP), Ms. Jordan asserts that it is premature to add an additional income tier and that I  
3 did not calculate the cost impacts of additional tier.<sup>4</sup> She also opposes my recommendation that  
4 the Company provide arrearage forgiveness for all payments, including those made after the five-  
5 day grace period, and my recommendation that the Company consider a time-based arrearage  
6 forgiveness structure.<sup>5</sup> Regarding my recommendations to improve the Company’s proposed Line  
7 Repair and Conservation programs, Ms. Jordan argues that my recommendations are based on  
8 electric and gas Low Income Usage Reduction Programs (LIURP), which does not apply to water  
9 utilities and that I do not provide cost estimates for my recommendations.<sup>6</sup>

10           Ms. Jordan appears to have misunderstood my testimony concerning the proposed  
11 involvement of Veolia’s Low Income Advisory Committee (LIAC) in selecting a CAP program  
12 administrator. She asserts the selection of a CAP administrator is a “legitimate business decision”  
13 within the sole discretion of the Company.<sup>7</sup> Regarding my recommendations that the Company  
14 improve its low income customer data collection processes to better evaluate the performance of  
15 its proposed low income programs, she argues that the Commission should allow the Company to  
16 implement the programs and decide what data is necessary later.<sup>8</sup>

17           Regarding my recommendations to improve the Company’s hardship fund, Ms. Jordan  
18 argues that the hardship fund is shareholder funded and it is therefore “inappropriate for the  
19 Commission to direct how these funds are administered.”<sup>9</sup> Regarding my recommendation that the  
20 Company expand its CAP program to include wastewater customers, Ms. Jordan argues that

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<sup>4</sup> *Id.* at 13.

<sup>5</sup> *Id.* at 16-17

<sup>6</sup> *Id.* at 18.

<sup>7</sup> *Id.* at 18-19.

<sup>8</sup> *Id.* at 19.

<sup>9</sup> *Id.* at 27.

1 establishing a wastewater CAP program is premature, and points out that the Company has  
2 relatively few wastewater customers and that, to date, no customer has requested a Veolia Cares  
3 wastewater hardship grant.<sup>10</sup>

4 **Q: What is your response to Ms. Jordan’s argument that there is no formal water**  
5 **affordability standard in Pennsylvania, and that Commission should adopt a standard**  
6 **through a statewide proceeding applied to all utilities?**<sup>11</sup>

7 A: As I acknowledged in my direct testimony, Pennsylvania has not adopted statewide  
8 combined water and wastewater burden standards; however, it is generally accepted that, to be  
9 affordable, a household’s combined water and wastewater burden should not exceed 4% of  
10 household income.<sup>12</sup> While this standard has not been formally adopted by the Commission on a  
11 statewide basis, it has nonetheless been applied in the evaluation of water rates and the design of  
12 water and wastewater affordability programs in Pennsylvania and throughout the country.<sup>13</sup>

13 Regarding Ms. Jordan’s assertion that the Commission should adopt an affordability  
14 standard through a statewide proceeding that applies to all utilities, I generally agree that the  
15 Commission should implement a statewide standard. However, Veolia has proposed a new  
16 customer assistance program in this proceeding. It is appropriate, therefore, to examine whether  
17 Veolia’s proposal will result in bills that are affordable for low income households. For purposes  
18 of this proceeding, I maintain that combined water and wastewater charges should not exceed 4%  
19 of household income to be considered affordable for low income customers.

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<sup>10</sup> Veolia St. 7-R at 28.

<sup>11</sup> *Id.* at 7.

<sup>12</sup> CAUSE-PA St. 1 at 13.

<sup>13</sup> *See Id.* fn. 29-31.

1 **Q: How do you respond to Ms. Jordan’s argument that the data and recommendations**  
2 **in your testimony were skewed because of limited sample size of confirmed low income**  
3 **customers?**<sup>14</sup>

4 A: First, it should be noted that the majority of my analysis and recommendations in my direct  
5 testimony were based on the *estimated* low income customer count provided by Veolia, which was  
6 based on census data proportionate to Veolia’s residential customer base.<sup>15</sup> As I explained in my  
7 direct testimony, “the estimated low income count is the best way to measure the need for  
8 assistance, screening and tracking confirmed low income customers is the best way to identify  
9 specific customers in need of assistance.”<sup>16</sup> In my direct testimony, I also recommended that for  
10 the purposes of evaluating the effectiveness of Veolia’s CAP outreach, the Company should utilize  
11 the estimated low income customer count, which will “provide a more appropriate estimation of  
12 how those programs are serving Veolia’s low income population.”<sup>17</sup>

13 The limited sample size of low income customers identified by Veolia to date underscores  
14 the importance of my recommendation that the Company begin tracking confirmed low income  
15 customer data related to usage, terminations, and arrearages.<sup>18</sup> As I explained in my direct  
16 testimony, while Veolia provided only very limited data, that limited data shows that the low  
17 income customers identified have substantially higher average usage and higher average arrearages  
18 than residential customers generally.<sup>19</sup> I continue to recommend that Veolia improve its low  
19 income data tracking to help evaluate outreach and enrollment policies for its low income

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<sup>14</sup> Veolia St. 7-R at 8-9

<sup>15</sup> CAUSE-PA St. 1 at 7, 10, 26-27,

<sup>16</sup> *Id.* at 27.

<sup>17</sup> *Id.* at 10.

<sup>18</sup> *Id.* at 8-9.

<sup>19</sup> *Id.* at 12, 23, 28.

1 programs and whether those programs are effective in reducing payment trouble and termination  
2 for participants.<sup>20</sup>

3 **Q: How do you respond to Ms. Jordan's assertion that you did not provide cost estimates**  
4 **for your recommendations to improve Veolia's proposed CAP and its line repair and**  
5 **conservation programming?**<sup>21</sup>

6 A: Ms. Jordan is correct. I did not provide cost projections for my recommendations. These  
7 programs have not been implemented and Veolia does not have data upon which reasonable  
8 projections could be made. This is especially true considering the very limited sample size of low  
9 income data that Veolia was able to provide. My recommendations about the programs are targeted  
10 to ensure that the programs are implemented in a just and reasonable manner and that they are  
11 effective at providing the benefits that they are targeted to achieve. It is important that Veolia track  
12 its low income data and program costs and that such information be reviewed with the LIAC on  
13 an ongoing basis to ensure that the programs are effective.

14 **Q: How do you respond to Ms. Jordan's opposition to your recommendation that the**  
15 **Company grant arrearage forgiveness for every in-full payment, regardless of whether the**  
16 **payment is within the grace period?**

17 A: I recognize Ms. Jordan's concerns that accepting late payments can be administratively  
18 burdensome. However, as I explained in my direct testimony, low income consumers are likely to  
19 receive income irregularly or inconsistently and lack reserve funds to cover their bills in the  
20 meantime. Accepting all in-full payments (or *payments*, in the case of partial payments) for debt  
21 forgiveness will help customers to timely resolve their debts and provide a meaningful incentive

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<sup>20</sup> *Id.* at 37-38

<sup>21</sup> Veolia St. 7-R at 13, 18.

1 to catch up with their CAP bills if they miss the deadline.<sup>22</sup> Ms. Jordan acknowledges that  
2 customers with income instability face challenges to paying bills on time, but argues that it would  
3 be “unreasonable to expect the Company to accommodate every individual circumstance.”<sup>23</sup> My  
4 recommendation is not for the Company “to accommodate every individual circumstance;” but,  
5 rather, that the Company implement program rules that reflect the common circumstances and  
6 challenges facing low-income customers. The objective of enabling catch-up payments is to  
7 encourage payment, even if late, and to promote consistent payment patterns, when possible. Plans  
8 designed to achieve these objectives benefit CAP customers, non-CAP customers, and the  
9 Company as a whole and are eminently reasonable.

10 **Q: How do you respond to Ms. Jordan’s argument that the Commission should reject**  
11 **your recommendation that the Company used a time-based arrearage forgiveness construct**  
12 **(ratable forgiveness in 1/24 increments), which allows debt to be forgiven within two years?**<sup>24</sup>

13 A: It is important that any arrearage forgiveness component of a properly functioning CAP  
14 provide arrearage forgiveness within a reasonable amount of time for CAP participants to see the  
15 proverbial “light” at the end of the tunnel. As I explained in my direct testimony, while the very  
16 limited available data indicates that Veolia’s proposed \$25 per payment arrearage forgiveness  
17 would likely resolve the arrearages held by most currently identified low income customers within  
18 a reasonable timeframe, the very limited sample size of low income data makes it difficult to  
19 determine whether that will hold true on a larger scale.<sup>25</sup> As I also noted, some customers,  
20 particularly those who have been terminated, have much higher balances that would take much

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<sup>22</sup> CAUSE-PA St. 1 at 29.

<sup>23</sup> *Id.* at 16.

<sup>24</sup> Veolia St. 7-R at 16-17.

<sup>25</sup> CAUSE-PA St. 1 at 28.

1 longer to resolve under Veolia's proposed structure. I remain concerned that customers with high  
2 balances due to leaks or extended payment trouble may have balances that would not be resolved  
3 within a reasonable period.<sup>26</sup> Providing arrearage forgiveness ratably as I propose would ensure  
4 that CAP participants act upon the meaningful payment incentive to eliminate water debt over a  
5 period of time that is reasonable and within a CAP customer's planning horizon.

6 **Q: What is your response to Ms. Jordan's argument that your line repair and**  
7 **conservation recommendations are based on Low Income Usage Reduction Programs**  
8 **(LIURP) that are not applicable to water utilities?**<sup>27</sup>

9 A: While water utilities are not explicitly required to provide LIURP, these programs provide  
10 a time-tested model upon which to base effective usage reduction and conservation programs and  
11 are a critical component to an effective and balanced universal service program portfolio. My  
12 recommendations were meant to use the existing models as a resource for best practices for  
13 Veolia's proposed Conservation and Line Repair programs.

14 **Q: How do you respond to Ms. Jordan's opposition to the LIAC's involvement in**  
15 **selecting a CAP administrator?**<sup>28</sup>

16 A: My testimony recommends that LIAC be involved in providing RFP parameters for the  
17 CAP administrator and I offer some advance recommendations to guide the Company's selection  
18 efforts.<sup>29</sup> I do not recommend that LIAC be involved in the Company's procurement process,  
19 contrary to Ms. Jordan's statement.<sup>30</sup> I am advised by counsel that the Commission is obligated

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<sup>26</sup> *Id.* at 28-29.

<sup>27</sup> Veolia St. 7-R at 18.

<sup>28</sup> *Id.* at 19.

<sup>29</sup> CAUSE-PA St. 1 at 33-34.

<sup>30</sup> Veolia St. 7-R at 19.

1 to ensure that even voluntary programs operate in a just and reasonable manner. Furthermore, it is  
2 my understanding that members of the LIAC have experience with low income programming  
3 throughout Veolia’s service territory as well as knowledge of various CAP administrators  
4 throughout the state. That experience can be helpful to the Company in setting out to identify  
5 appropriate criteria for selecting a suitable program administrator and reaching an expanded pool  
6 of qualified community based organizations and other entities.

7 Ms. Jordan also appears to oppose my recommendation regarding the CAP administrator’s  
8 role in data collection and analysis (namely, that the CAP administrator functionally support the  
9 data collection and review processes I recommend).<sup>31</sup> She asserts that the Company “should be  
10 afforded an opportunity to establish the program, develop some experience, and then assess  
11 opportunities for improvements and best-practices.”<sup>32</sup> Absent meaningful data collection and  
12 analysis, the Company will be unable to evaluate the program and conduct the assessment.  
13 Accordingly, the Company should undertake the data collection and analysis efforts described in  
14 my testimony and ensure that its CAP administrator supports such efforts.

15 **Q: What is your response to Ms. Jordan’s assertion that because Veolia Cares hardship**  
16 **fund is shareholder funded, it would be inappropriate for the Commission to direct how**  
17 **these funds are administered?**

18 A: Again, I am advised by counsel that it is the Commission’s obligation to ensure that  
19 customer programs, including voluntary programs, are operated in a just and reasonable manner  
20 and this is true regardless of the way in which any specific program is funded.

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<sup>31</sup> CAUSE-PA St. 1 at 34.

<sup>32</sup> *Id.*

1 **Q: What is your response to Ms. Jordan’s argument that establishing a wastewater**  
2 **program is premature?**<sup>33</sup>

3 A: I stand by my recommendation that Veolia should establish a wastewater CAP program,  
4 especially considering the impact that the proposed rate increase will have on customers who  
5 receive both water and wastewater service from Veolia. I acknowledge Ms. Jordan’s testimony  
6 that there is a relatively small number of wastewater customers in comparison to the Company’s  
7 overall number of water customers.<sup>34</sup> However, it is nonetheless important to ensure that all Veolia  
8 customers are able to afford water and wastewater service. As I explained in my direct testimony,  
9 water and wastewater service should cost no more than 4% of household income to be affordable  
10 to low income customers.<sup>35</sup> A water discount alone will not achieve affordability for combined  
11 water and wastewater or wastewater only customers.

12 **Q: Does that conclude your rebuttal testimony?**

13 A: Yes.

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<sup>33</sup> *Id.* at 29.

<sup>34</sup> Veolia St. 7-R at 29.

<sup>35</sup> CAUSE-PA St. 1 at 13.

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission : Docket Nos. R-2024-3045193 *et al.*  
 : (Wastewater)  
 v. :  
 :  
 Veolia Water Pennsylvania, Inc. : Docket Nos. R-2024-3045192, *et al.*  
 : (Water)

**VERIFICATION**

I, Robert W. Ballenger, Esq., verify that the following testimony was prepared by me or under my direct supervision, and are true and correct to the best of my knowledge, information, and belief:

- CAUSE-PA Statement 1 (Corrected), The Direct Testimony of Robert W. Ballenger, Esq.; CAUSE-PA Exhibit 1 (Corrected); and Appendices A and B.
- CAUSE-PA Statement 1-R, The Rebuttal Testimony of Robert W. Ballenger, Esq.
- CAUSE-PA Statement 1-SR, The Surrebuttal Testimony of Robert W. Ballenger, Esq.

I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



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