

Deanne M. O'Dell
717.255.3744
dodell@eckertseamans.com

February 27, 2026

Via Electronic Filing

Matthew L. Homsher, Secretary
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: The Pittsburgh Water and Sewer Authority d/b/a Pittsburgh Water
Water and Wastewater Annual Asset Optimization Plan for Calendar Year 2025
Docket No. P-2022-3035953 (water) and P-2022-3035956 (wastewater)

Dear Secretary Homsher:

In accordance with 52 Pa. Code § 121.6 and on behalf of Pittsburgh Water and Sewer Authority d/b/a "Pittsburgh Water," enclosed for electronic filing please find the Annual Asset Optimization Plan ("AAOP") for the 12-Month Period Ended December 31, 2025 regarding the combined water and wastewater conveyance Long-Term Infrastructure Improvement Plan ("LTIIP") approved on January 23, 2023 at Docket Numbers P-2022-3035953 (Water) and P-2022-3035956 (Wastewater) for the plan period of January 1, 2023 through December 31, 2027. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,



Deanne M. O'Dell

Enclosure

cc: Ken Shaffer, Bureau of Technical Utility Services (kennshaffe@pa.gov)
Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of Pittsburgh Water Sewer and Authority d/b/a Pittsburgh Water Annual Asset Optimization Plan for water and wastewater, upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email Only

Office of Consumer Advocate
555 Walnut St., 5th Fl., Forum Place
Harrisburg, PA 17101-1923
Ra-oca@paoca.org

Office of Small Business Advocate
Forum Place Building
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
Ra-sba@pa.gov

Allison C. Kaster, Esq.
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North St., 2nd Floor West
Harrisburg, PA 17120
akaster@pa.gov

Paul T. Diskin, Director
PA Public Utility Commission
Bureau of Technical Utility Services
400 North Street, 3 West
Harrisburg, PA 17120
pdiskin@pa.gov



Dated: February 27, 2026

Deanne M. O'Dell, Esq.

The Pittsburgh Water and Sewer Authority

Annual Asset Optimization Plan for Year Ended December 31, 2025

1 BACKGROUND

Created by the City of Pittsburgh in 1984 pursuant to the Municipality Authorities Act,¹ the Pittsburgh Water and Sewer Authority (“Pittsburgh Water” or “Authority”) operates the largest combined water and sewer authority in Pennsylvania producing an average of 70 million gallons of treated water daily and providing service to more than 300,000 residents as well as up to 520,000 people during working hours in total throughout the City of Pittsburgh and surrounding communities. Pittsburgh Water’s water treatment system consists of a 117 million gallon per day conventional flocculation, sedimentation and rapid sand process treatment plant; 949 miles of water mains and approximately 81,000 service lines; just over 27,000 line valves; approximately 7,560 fire hydrants; 11 pumping stations (one raw water, two finished water, one pressure booster, and seven distribution); nine chlorine booster stations; three covered finished water reservoirs; and 13 storage tanks. Pittsburgh Water’s wastewater collection and conveyance system consists of 1,200 miles of sewer lines, approximately 25,000 stormwater catch basins and four pump stations that are designed to carry both storm and sanitary flows.

Effective April 1, 2018, the Pittsburgh Water became subject to the Commission’s jurisdiction. Pittsburgh Water filed a combined water and sewer Long-Term Infrastructure Plan (“LTIIIP”) on September 28, 2018, which was approved by Commission Order entered on August 27, 2020. By Commission Orders entered on January 12, 2023, Pittsburgh Water received approval of its Second LTIIIP covering Pittsburgh Water’s projected spending from 2023-2027. ¹ Pursuant to these LTIIIP approval orders, Pittsburgh Water submits this Annual Asset Optimization Plan (“AAOP”) on the reporting period ending December 31, 2025 and projections for the upcoming year ending December 31, 2026, which is required by 52 Pa. Code § 121.6.

2 INTRODUCTION

Under Commission regulations, a utility with an approved Distribution System Improvement Charge (DSIC) shall file an AAOP with the Commission. The AAOP shall be filed annually, 60 days after the fiscal year. An AAOP must include the following:

- A description that specifies all the eligible property repaired, improved, and replaced in the prior 12-month period under its LTIIIP and prior year’s AAOP.
- A description of the eligible property to be repaired, improved, and replaced in the upcoming 12-month period.

¹ *Petition of Pittsburgh Water and Sewer Authority for Approval of its Second Long-Term Infrastructure Improvement Plan*, Orders entered January 12, 2023 at Docket No. P-2022-3035953 (Water) and P-2022-3035956 (Wastewater).

3 ELIGIBLE PROPERTY REPAIRED, IMPROVED AND REPLACED IN THE PRIOR 12-MONTH PERIOD

In the following section, Pittsburgh Water has included the actual expenditures and quantities of eligible property for the prior 12-month period ending December 31, 2025.

| Table 3-1: Actual Expenditures for Eligible Property for Water | | | | |
|---|---------------------|--|-------------------------|----------------------------|
| Project Group | 2025 Actuals | 2025 Actuals Funded by Water DSIC | 2025 Projections | Funding Source(s) |
| 2023 Urgent Lead Service Line Replacement | \$682,226 | \$592,122 | - | Revenue Bonds / Water DSIC |
| 2024 Urgent Lead Service Line Replacement | - | - | \$729,872 | Revenue Bonds / Water DSIC |
| 2025 Urgent Lead Service Line Replacement | \$157,890 | \$148,737 | \$940,214 | |
| 2021 Small Diameter Water Main Replacement ^{1 2} | \$282,190 | - | - | PENNVEST/ Water DSIC |
| 2022 Small Diameter Water Main Replacement ¹ | \$22,658,309 | \$1,842,228 | - | PENNVEST/ Water DSIC |
| 2023 Small Diameter Water Main Replacement ¹ | \$19,164,575 | \$6,410,226 | \$8,701,346 | PENNVEST/ Water DSIC |
| 2024 Small Diameter Water Main Replacement ¹ | \$1,840,707 | - | \$37,846,331 | PENNVEST/ Water DSIC |
| 2025 Small Diameter Water Main Replacement ¹ | - | - | \$10,109,849 | PENNVEST/ Water DSIC |
| 2026 Small Diameter Water Main Replacement ¹ | - | - | \$1,105,441 | PENNVEST/ Water DSIC |
| 2023 Water Relay Replacement | \$2,280,159 | \$2,207,337 | - | Revenue Bonds / Water DSIC |

| | | | | |
|------------------------------|---------------------|---------------------|---------------------|----------------------------|
| 2024 Water Relay Replacement | \$768,929 | \$741,966 | \$1,720,000 | Revenue Bonds / Water DSIC |
| 2025 Water Relay Replacement | - | - | \$992,308 | Revenue Bonds / Water DSIC |
| 2022 Valve Replacement | - | - | - | Revenue Bonds / Water DSIC |
| 2023 Valve Replacement | \$665.17 | - | \$1,166,667 | Revenue Bonds / Water DSIC |
| 2024 Valve Replacement | \$2,641,023 | \$1,903,635.71 | \$1,507,692 | Revenue Bonds / Water DSIC |
| Total | \$50,476,673 | \$13,846,251 | \$64,819,720 | |

3.1 WATER

Pittsburgh Water’s actual expenditures for the eligible property for Water for the period ending December 31, 2025 are included in Table 3-1 below.

¹ Includes lead service line replacements performed during small diameter water main replacement.

² The amount funded by the DSIC was not also funded by PENNVEST.

3.1.1 Lead Service Line Replacement

Pursuant to the responses presented in “TUS Data Request 1, Petition of The Pittsburgh Water and Sewer Authority to the Public Utility Commission for approval of its Second Long-Term Infrastructure Improvement Plan”, Pittsburgh Water envisioned replacing 1,846 public lead service lines in 2025 and 2,065 private lead service lines. These numbers were based on reduced funding and work continuing into 2027. Pittsburgh Water has recently revised its goal for replacing all residential LSLs to the end of 2027. In 2025, Pittsburgh Water was successful in replacing 1,842 public lead service lines, which was almost equal to the 1,846 planned public service line replacements. Additionally, 1,763 private lead service lines were replaced, 15 percent less than the planned quantity of 2,065. Lower private-side service line replacement numbers are based on less private-side lead than anticipated being encountered during the LSLR and corresponding small diameter water main replacement (SDWMR) work.

Pittsburgh Water completed the 2023B and 2024A Neighborhood Lead Service Line Replacement (LSLR) Projects and initiated the 2024B and 2025A Neighborhood LSLR projects in 2025. In addition, the 2023 Urgent LSLR contract was completed and the 2025 Urgent LSLR Project (two year contract duration) was initiated in 2025. The Neighborhood Projects complete neighborhood-wide service line replacements, and the Urgent Project completes private LSLR work at specific sites as an emergency repair. Data regarding service lines replaced in 2025 can be seen in Table 3-2 below. Note that the Neighborhood Projects were not included in the LTIP and are therefore not eligible to be funded by the DSIC. However,

lead replacement statistics achieved through these Projects are included in this document to be transparent about all ongoing projects that are replacing lead lines.

3.1.2 Small Diameter Water Main Replacement

Pursuant to Table 4 titled “Quantities of Small Diameter Water Main Replacement (Miles)” presented in the approved second LTIP, Pittsburgh Water envisioned replacing 8.6 miles of water main by the end of 2025 under the Small Diameter Water Main Replacement (SDWMR) Program. Pittsburgh Water constructed several projects in 2025 that fall under the umbrella of SDWMR projects. Each of these projects is summarized in Table 3-2 below. The lower than expected number for the mileage of water main installed (7.1 miles) can be attributed to the timing of the work. The contractor for 2022 SDWMR – Contracts A1 and A2, initiated in 2024 and completed in 2025, progressed at a higher than anticipated rate in 2024. These projects started in August of 2024 and the contractor constructed 97% of the pipe in FY 2024. This subsequently left less water main to construct in 2025. Pittsburgh Water continues to pursue PENNVEST funding as an additional financing source for the SDWMR Program. DSIC Water revenue is excluded from funding SDWMR projects that receive PENNVEST funding unless the total amount of PENNVEST funding is less than the total project cost.

It should be noted that the lead service lines replaced under the SDWMR projects is accounted for in the total lead service lines replaced as summarized in Section 3.1.1 above.

| Table 3-2: Small Diameter Water Main Replacement Program | | | | | | |
|---|------------------------|------------------------------------|-------------------------------|--------------------------------|-----------------|---------------|
| Project | Water Main (MI) | Public LSLR (Lead/Non-Lead) | Public SLR (Lead Only) | Private SLR (Lead Only) | Hydrants | Valves |
| 2023 SDWMR – Contract A1 | 2.9 | 373 | 114 | 75 | 25 | 192 |
| 2023 SDWMR – Contract B1 | 1.1 | 148 | 56 | 49 | 13 | 65 |
| 2023 SDWMR – Contract B2 | 3.0 | 247 | 67 | 49 | 20 | 102 |
| 2022 SDWMR – Contract A1 | .1 | 114 | 52 | 57 | 11 | 25 |
| 2022 SDWMR – Contract A2 | 0 | 185 | 73 | 65 | 2 | 9 |
| Total | 7.1 | 1,067 | 362 | 295 | 71 | 393 |

3.1.3 Water Relay Replacement

Pursuant to the responses presented in “TUS Data Request 1, Petition of The Pittsburgh Water and Sewer Authority to the Public Utility Commission for approval of its Second Long-Term Infrastructure Improvement Plan”, Pittsburgh Water envisioned replacing 0.4 miles of water main in 2025 the Water Relay Replacement Program. Table 3-3 set forth below, shows the sites, including valves and lead service line replacements, replaced under the yearly Water Relay Indefinite Delivery Indefinite Quantity (IDIQ) contracts in 2025. The actual total of 0.3 miles of water main is due to delays in obtaining the required easements from the City of Pittsburgh for one of the sites that was planned for this program.

| Table 3-3: Water Relay Replacement Program | | | | | |
|---|------------------------|-------------------------------|--------------------|-----------------|---------------|
| Project | Water Main (MI) | Public SLR (Lead Only) | Private SLR | Hydrants | Valves |
| 2024 Water Relay | 0.2 | 0 | 7 | 2 | 11 |
| 2023 Water Relay | 0.1 | 1 | 0 | 3 | 16 |
| Total | 0.3 | 1 | 7 | 5 | 27 |

3.1.4 Valve Replacement

Pursuant to the responses presented in “TUS Data Request 1, Petition of The Pittsburgh Water and Sewer Authority to the Public Utility Commission for approval of its Second Long-Term Infrastructure Improvement Plan”, Pittsburgh Water envisioned replacing 70 valves under the Valve Replacement Project, an Indefinite Quantity, Indefinite Delivery (IDIQ) contract. In 2025, Pittsburgh Water replaced 19 valves. Fewer valves than proposed were installed under this IDIQ contract due to the replacement of more large diameter valves than expected, one of which was not installed until January 2026. It should be noted that the priority of annual Valve Replacement projects have shifted toward larger diameter valve because Pittsburgh Water Operations crews have increased efforts and replaced a significant number of 6-inch and 8-inch valves than would normally be slated for replacement under this project. Additionally, another 484 valves were completed under other projects. The project exhausted the entire construction budget and required an additional \$795,500 to complete the valve replacements identified. Valves replaced under the Small Diameter Water Main Replacement and Water Relay Replacement Programs are summarized in Section 3.1.2. and 3.1.3, respectively.

In addition, 152 linear feet of water main were replaced in this Program.

3.2 SEWER

Pittsburgh Water’s actual expenditures for the eligible property for Sewer for the period ending December 31, 2025, are included in Table 3-4 below.

| Table 3-4: Actual Expenditures for Eligible Property for Sewer | | | | |
|---|---------------------|--|-------------------------|---------------------------------|
| Project Group | 2025 Actuals | 2025 Actuals Funded by Water DSIC | 2025 Projections | Funding Source(s) |
| 2024 Small Diameter Sewer Rehabilitation | \$387,111 | \$331,774 | \$1,055,000 | Revenue Bonds / Wastewater DSIC |
| 2025 Small Diameter Sewer Rehabilitation | \$2,125,464 | \$2,058,785 | \$2,272,500 | Revenue Bonds / Wastewater DSIC |
| 2022 Sewer Reconstruction | \$101,109 | \$101,109 | - | Revenue Bonds / Wastewater DSIC |
| 2023 Sewer Reconstruction | \$9,378 | \$5,520 | - | Revenue Bonds / Wastewater DSIC |
| 2024 Sewer Reconstruction | \$574,876 | \$571,441 | \$775,080 | Revenue Bonds / Wastewater DSIC |
| 2025 Sewer Reconstruction | \$651,841 | \$651,841 | \$1,034,920 | Revenue Bonds / Wastewater DSIC |
| Total | \$3,849,778 | \$3,720,470 | \$5,137,500 | |

3.2.1 Small Diameter Sewer Rehabilitation Program

Pursuant to the responses presented in “TUS Data Request 1, Petition of The Pittsburgh Water and Sewer Authority to the Public Utility Commission for approval of its Second Long-Term Infrastructure Improvement Plan”, Pittsburgh Water envisioned rehabilitating 95,000 linear feet of sewer mains utilizing cured-in-place pipe lining (CIPP) in 2025. Pittsburgh Water constructed several projects in 2025 that fall under the umbrella of Small Diameter Sewer Rehabilitation Program; however, all projects except for the Indefinite Delivery Indefinite Quantity (IDIQ) projects were funded through PENNVEST. While not guaranteed, it is expected that PENNVEST will continue to fund non-IDIQ Small Diameter Sewer Rehabilitation projects for the foreseeable future. Table 3.5 below reflects Small Diameter Sewer Rehabilitation work not funded by PENNVEST. Values lower than projected numbers are a result of a majority of the Small Diameter Sewer Rehabilitation Program being funded through PENNVEST. The 2025 AAOP stated, “It is estimated that approximately 17,750 linear feet will be lined under the 2024 and 2025 Small Diameter Sewer Rehabilitation IDIQ contracts in 2025.”

| Table 3-5: Small Diameter Sewer Rehabilitation | |
|---|---|
| Project | Actual Linear Feet Rehabilitated in 2025 |
| 2024 Small Diameter Sewer Rehabilitation - IDIQ | 1,166 |
| 2025 Small Diameter Sewer Rehabilitation - IDIQ | 17,724 |
| Total | 18,890 |

3.2.2 Sewers Reconstruction Program

The Sewer Reconstruction Program is an Indefinite Quantity, Indefinite Delivery (IDIQ) Contract where combined, sanitary, and dedicated storm sewer mains, which do not meet the criteria for eligible property, are reconstructed or newly installed from manhole to manhole. Sites are not defined at the time of bidding and are prioritized based off pipe condition or compliance requirements. Pursuant to the responses presented in “TUS Data Request 1, Petition of The Pittsburgh Water and Sewer Authority to the Public Utility Commission for approval of its Second Long-Term Infrastructure Improvement Plan”, Pittsburgh Water envisioned replacing 750 linear feet of combined and/or sanitary sewer mains in 2025 and replaced 336 linear feet of sewer main. Pittsburgh Water constructed several projects in 2025 that fall under the umbrella of the Sewers Reconstruction Program. Each of these projects is summarized in Table 3-6 below. Note that on top of the 336-feet of reconstructed sewer, an additional 1,138 linear feet of sewer was able to be cured-in-place pipe lining (CIPP) lined within these project sites. This work was done under to the 2025 Sewer Reconstruction project to complete sites in the most cost-effective manner possible.

| Table 3-6: Sewer Reconstruction Program | |
|--|---|
| Project | Actual Linear Feet Reconstructed in 2025 |
| 2024 Sewer Reconstruction | 135 |
| 2025 Sewer Reconstruction | 201 |
| Total | 336 |

4 ELIGIBLE PROPERTY TO BE REPAIRED, IMPROVED AND REPLACED IN THE UPCOMING 12-MONTH PERIOD

In the following section, Pittsburgh Water has included its projections for expenditures and quantities of eligible property for the upcoming 12-month period ending December 31, 2026.

4.1 WATER

Pittsburgh Water’s projected expenditures for the eligible property for Water for the period ending December 31, 2026 are included in Table 4-1 below.

| Table 4-1 | |
|--|------------------------|
| Project Group | 2026 Projection |
| 2021 Small Diameter Water Main Replacement | \$1,656,010 |
| 2022 Small Diameter Water Main Replacement | \$3,737,927 |
| 2023 Small Diameter Water Main Replacement | \$30,293,951 |
| 2024 Small Diameter Water Main Replacement | \$7,954,885 |
| 2025 Small Diameter Water Main Replacement | \$7,668,742 |
| 2025 Urgent Lead Service Line Replacement | \$1,197,349 |
| 2024 Valve Replacement | \$955,879 |
| 2025 Valve Replacement | \$3,197,821 |
| 2024 Water Relay | \$1,400,766 |
| 2025 Water Relay | \$2,810,266 |
| Total | \$60,873,596 |

4.1.1 Lead Service Line Replacement

The Authority filed a Petition for approval of its Lead Service Line Replacement Program on February 15, 2024. The purpose of the Petition was to comply with statutory changes to the Public Utility Code through Act 120 of 2018 (66 Pa.C.S. § 1311(b)) and subsequent Commission regulations at 52 Pa. Code Chapter 65, and also to reflect the requirements of the U.S. Environmental Protection Agency’s Lead and Copper Rule Revisions (“LCRR”) with which the Authority is required to comply. Simultaneously with the Petition, the Authority filed a separate petition seeking a waiver of certain provisions of the Commission’s regulations to permit it to continue its existing income-based lead service line replacement reimbursement program. PUC The Commission approved a Joint Petition for Settlement without modification on July 24, 2025, and referred the Lead Service Line Replacement Plan, Long-Term Infrastructure Improvement Plan and tariff supplement to technical staff for final review. Pursuant to the proposed Lead Service Line Replacement Program Plan, Pittsburgh Water envisions replacing 2,000 public lead service lines and 3,100 private lead service lines by the end of 2026.

4.1.2 Small Diameter Water Main Replacement

Pursuant to Table 4 titled “Quantities of Small Diameter Water Main Replacement (Miles)” presented in the approved second LTIP, Pittsburgh Water envisions replacing 6.6 miles of water main by the end of 2026.

4.1.3 Water Relay Replacement

Pittsburgh Water will continue with its small water main and service line replacement projects under the 2025 Water Relay project. These projects typically entail short segments (1 – 3 City blocks) of water main replacement in areas with a history of water main breaks or where the water main is undersized

for current service needs. Pursuant to Table 7 titled “Quantities Water Relay Replacement (Miles)” presented in the approved second LTIP, Pittsburgh Water envisions replacing 0.4 miles of water main by the end of 2026.

4.1.4 Valve Replacement

Pittsburgh Water maintains an annual IDIQ contract to replace broken or inoperable valves. The valves that will be replaced under this contract have not yet been identified, however existing maintenance reports will be used to select the valves to be replaced. Pursuant to Table 8 titled “Quantities of Valve Replacements” presented in the approved second LTIP, Pittsburgh Water envisioned replacing 70 valves in 2026; however, since Pittsburgh Water Operations addresses small diameter valves, Pittsburgh Water envisions replaces 25 large diameter valves in 2026.

4.2 SEWER

Pittsburgh Water’s projected expenditures for the eligible property for Sewer for the period ending December 31, 2026 are included in Table 4-2 below.

| Table 4-2 | |
|---|------------------------|
| Project Group | 2026 Projection |
| 2025 Small Diameter Sewer Rehabilitation IDIQ | \$773,571 |
| 2026 Small Diameter Sewer Rehabilitation IDIQ | \$2,226,429 |
| 2023 Sewer reconstruction | \$8,407 |
| 2025 Sewer Reconstruction | \$1,775,107 |
| 2026 Sewer Reconstruction | \$1,724,893 |
| Total | \$6,508,407 |

4.2.1 Small Diameter Sewer Rehabilitation Program

Pursuant to Table 4 titled “Quantities of Eligible Property to be Replaced by Category” presented in the approved second LTIP, Pittsburgh Water proposes to rehabilitate 95,000 linear feet of sewer mains utilizing CIPP in 2026. Note: This does include quantities that will be performed under the 2024, 2025, and 2026 Small Diameter Sewer Rehabilitation Projects that are currently being funded through PENNVEST. It is estimated that approximately 17,750 linear feet will be lined under the 2025 and 2026 Small Diameter Sewer Rehabilitation IDIQ contracts in 2026.

4.2.2 Sewers Reconstruction Program

Pursuant to Table 4 titled “Quantities of Eligible Property to be Replaced by Category” presented in the approved second LTIP, Pittsburgh Water proposes to replace 750 linear feet of sewer mains in 2026.