

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Public Utility Service Termination :  
Moratorium Proclamation of Disaster : Docket No. M-2020-3019244  
Emergency-COVID-19 Emergency Order :

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**COMMENTS OF THE PITTSBURGH WATER AND SEWER AUTHORITY  
IN RESPONSE TO CHAIRMAN GLADYS BROWN DUTRIEUILLE’S LETTER  
DATED AUGUST 10, 2020**

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**I. INTRODUCTION**

On March 6, 2020, Governor Tom Wolf issued a Proclamation of Disaster Emergency (Proclamation) that identified the COVID-19 pandemic as a disaster emergency affecting the entire Commonwealth. On March 13, 2020, Public Utility Commission (“Commission”) Chairman Gladys Brown Dutrieuille (“Chairman Brown Dutrieuille”) issued an Emergency Order establishing a prohibition on the termination of public utility service and directing the reconnection of service to customers previously terminated, to the extent it could be done safely, for the duration of the Proclamation, or until a time otherwise established by the Commission. The Proclamation was extended on June 3, 2020 for another ninety days and, therefore, the current moratorium on utility terminations continues to remain in effect through September 2, 2020, unless either the Proclamation is cancelled or the Commission takes further action.

On August 10, 2020, Chairman Brown Dutrieuille issued a Letter seeking comments from interested persons and organizations about the Commission’s current moratorium on utility terminations, and requesting input regarding protections for at-risk consumers, should the Commission’s moratorium on all utility terminations be lifted. In her Letter, Chairman Brown Dutrieuille suggested that maintaining a moratorium for a lengthy time-period may not be

sustainable and may accelerate the accrual of arrearages for utility customers and frustrate customer placement in assistance programs. Chairman Brown Dutrieuille emphasized the importance of consumer protections, customer outreach, and the availability of timely payment options.

As explained more fully below, The Pittsburgh Water and Sewer Authority (“PWSA”) supports lifting the current moratorium on utility service terminations. PWSA has taken proactive measures to address the negative financial impacts of the pandemic for its consumers; however, the inability to terminate service for those failing to pay for services rendered is not a sustainable way for PWSA to continue to operate effectively. PWSA will be particularly impacted by a long-term decrease in revenues for services rendered, because it is required – both by this Commission and other regulatory mandates – to undertake substantial construction and infrastructure projects to modernize its aged system and to address the presence of lead in its service lines. Rather than continuing to impose a blanket moratorium on service terminations, the Commission should permit PWSA the flexibility to best determine how to balance the need to invest in its system (to benefit all ratepayers), while also providing reasonable assistance for consumers with an inability to pay.

## **II. COMMENTS**

In compliance with the Commission’s Emergency Order, PWSA has extended its Winter Shut Off Moratorium and waived the income eligibility requirement to ensure that customers do not go without water during this critical time; PWSA has not shut off service since before March 13, 2020. PWSA, however, supports lifting the current moratorium on utility service terminations and agrees with the concerns raised by Chairman Brown Dutrieuille related to continuing a total moratorium for a lengthy period of time.

An inability to terminate service for those failing to pay for services rendered is not a sustainable way for PWSA to continue to operate effectively. Even with the current pandemic, PWSA continues to need financial resources to repair and replace aging water and wastewater infrastructure and to address the presence of lead in its service lines. These infrastructure investments are required by the Commission and other regulatory mandates and are necessary for the health and safety of PWSA's customers. PWSA relies on revenues received through rates paid by its customers to finance these capital projects.

PWSA's ability to collect payment for services rendered, however, has been impacted during the moratorium on terminations. PWSA projects that its collections will be 11% down from anticipated revenues if it is unable to resume collections next month. In PWSA's experience, service disconnection is an important collection tool that is necessary to ensure that consumers with the financial means to pay for services will do so. Without the ability to terminate service, PWSA's debts continue to age and increase in amount, and there is no certainty as to when – or if – PWSA will receive payment.

PWSA recognizes the current challenges that the pandemic has created, and PWSA has taken efforts to assist consumers with the financial impacts of the current crisis in terms of their PWSA charges. However, these issues need to be balanced with the ability of PWSA to continue to operate with the needed financial resources. As a cash flow entity, payments that are not received from consumers need to be paid by other consumers to continue to keep PWSA as a viable utility. If, over the long term, PWSA does not receive payment for the services rendered (either from the ratepayers using those services or as socialized by PWSA's other ratepayers), then PWSA will lack the revenues needed to continue to provide adequate, efficient, safe and reasonable service.

For these reasons, PWSA submits that it is not only appropriate, but critical, to lift the total moratorium at this time. Rather than continuing to impose a blanket moratorium on service terminations, the Commission should permit PWSA the flexibility to best determine how to balance the need to invest in its system (to benefit all ratepayers), while also providing reasonable assistance for consumers with an inability to pay.

PWSA also recognizes and agrees with Chairman Brown Dutrieuille that consumer protection is vital and that it is especially important during these difficult times for utilities to communicate with customers and to make timely payment options available. As noted, PWSA has undertaken a number of efforts intended to assist its customers during the pandemic. For example, PWSA has waived the annual recertification requirement for its Bill Discount Program through December 31, 2020. Regarding PWSA's Hardship Grant Program, PWSA has made available cash grants of up to \$300 per year for qualifying customers who are at or below 150% of the Federal Poverty Level. PWSA has also waived, through December 31, 2020, the requirement of eligibility that applicants make a sincere effort to pay their utility bills within three months of applying for the Hardship Grant. Finally, PWSA continues to offer free private side lead service line replacements for customers who are at or below 300% of the Federal Poverty Level.

PWSA is proud to provide these resources and has engaged in outreach to make its customers aware of these options. In this regard, PWSA has continued (and even increased) customer outreach efforts in response to the COVID-19 pandemic. Specifically, PWSA has continued to include information about its Customer Assistance Programs as a bill insert, and PWSA has rolled out a newly redesigned bill that contains a description of the assistance

programs, as well as the telephone number of the administrator, Dollar Energy Fund. PWSA has also issued press releases about the continued suspension of water shut-offs, developed informational videos to direct low income customers to assistance during the pandemic, and continued to utilize social media with new content to regularly inform consumers about its programs. Moreover, as part of PWSA's free private lead service line replacement project, PWSA has mailed letters, contacted customers via telephone, and left doorhangers with program information on customers' properties. Additionally, PWSA has provided information about PWSA and its customer service offerings to State Representatives, City Council offices, and every community group contact in the city of Pittsburgh. PWSA representatives have participated in virtual town hall meetings, where they had the opportunity to respond to questions regarding customer assistance. PWSA has developed and circulated flyers regarding its assistance programs. Recently, PWSA has paired with local food assistance groups to include its program flyers in food boxes prior to distribution to needy customers. Finally, PWSA has placed on the front page of its website information about its customer assistance programs.

PWSA continues to mail Friendly Reminders to customers with unpaid charges, without the threat of termination, in an attempt to engage them in resolving their delinquencies through payment in full or income based payment plans. PWSA has also assigned its Collections staff to actively reach past due customers via telephone daily, in an effort to negotiate a payment arrangement with them sooner rather than later.

### **III. CONCLUSION**

For the reasons explained above, PWSA submits that it is not only appropriate, but critical, to lift the total moratorium at this time. Rather than continuing to impose a blanket moratorium on service terminations, the Commission should permit PWSA the flexibility to best

determine how to balance the need to invest in its system (to benefit all ratepayers), while also providing reasonable assistance for consumers with an inability to pay.

Respectfully Submitted,



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