

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

REBUTTAL TESTIMONY OF

BETH DUTTON

ON BEHALF OF
THE PITTSBURGH WATER
AND SEWER AUTHORITY

Docket Nos.

R-2020-3017951 (Water)
R-2020-3017970 (Wastewater)
P-2020-3019019 (DSIC)

TOPICS:

STORMWATER

August 18, 2020

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND CURRENT POSITION WITH PWSA.**

3 A. My name is Beth Dutton. I am the Senior Project Manager, Stormwater for The
4 Pittsburgh Water and Sewer Authority (“PWSA” or “Authority”).

5 **Q. HAVE YOU PREVIOUSLY PROVIDED TESTIMONY IN THIS PROCEEDING?**

6 A. Yes, I submitted Direct Testimony on March 6, 2020 which accompanied the rate filing
7 package. I also submitted Supplemental Direct Testimony on May 15, 2020.

8 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT TESTIMONY?**

9 A. The purpose of this testimony is to respond to the direct testimony of OCA witnesses
10 Scott D. Rubin and Barbara Alexander regarding stormwater issues.

11 **II. RESPONSE TO OCA DIRECT TESTIMONY**

12 **A. Response to OCA witness Rubin**

13 **Q. PLEASE SUMMARIZE MR. RUBIN’S TESTIMONY REGARDING**
14 **STORMWATER.**

15 A. Mr. Rubin testified that PWSA should delay implementing stormwater rates. He
16 recommended that the Commission decline to rule on the proposed stormwater tariff filed
17 by PWSA in this proceeding, and that PWSA should delay its stormwater rate filing until
18 after the conclusion of this rate case such that stormwater rates would become effective in
19 January 2022. OCA St. 1 at 52-56.

20 **Q. DO YOU AGREE WITH THESE RECOMMENDATIONS?**

21 A. PWSA maintains that its proposed timeline for stormwater rate implementation is
22 appropriate. PWSA acknowledges the concerns raised by Mr. Rubin, including the
23 impact of the COVID-19 pandemic on residents and businesses. However, the recent
24 trend of increased rainfall requires us to continue to move forward with our construction
25 programs and maintenance for stormwater management. In addition, PWSA has

1 regulatory requirements that it must comply with for compliance with our MS4 permit, as
 2 mandated by the Pennsylvania Department of Environmental Protection. PWSA has
 3 significant stormwater costs that must continue to be recovered in wastewater rates until
 4 the PUC approves a separate stormwater rate.

5 **Q. DOES MR. RUBIN BELIEVE IT IS REASONABLE TO CONSIDER**
 6 **STORMWATER ISSUES IN THIS CASE?**

7 A. No, Mr. Rubin believes that it is not reasonable to consider stormwater-related issues in
 8 this case. First, he states that PWSA anticipates having 8,000 stormwater-only customer
 9 who did not receive notice of this filing. Additionally, he says there is insufficient
 10 information available to draw conclusions about the reasonableness of PWSA’s
 11 stormwater allocation factors or other costs. OCA St. 1 at 54-56.

12 **Q. WHY DID PWSA PROPOSE A STORMWATER TARIFF AS PART OF THIS**
 13 **BASE RATE CASE?**

14 A. As I explained in my direct testimony, the Commission’s Final Implementation Order
 15 (“FIO”) required that PWSA file a stormwater tariff as part of this base rate proceeding.¹
 16 However, PWSA’s stormwater program is still being developed, so PWSA has filed a
 17 stormwater tariff but has not proposed stormwater rates as part of this base rate case.

18 **Q. IN LIGHT OF THIS, HOW DO YOU RESPOND TO MR. RUBIN’S ARGUMENT**
 19 **THAT IT IS NOT REASONABLE TO CONSIDER STORMWATER ISSUES IN**
 20 **THIS CASE?**

21 A. PWSA filed a stormwater tariff in this proceeding in order to comply with the FIO’s
 22 directive. PWSA sees this as the first step in a process of developing stormwater rates.
 23 We anticipate further developing the program and refining the associated costs before

¹ *Implementation of Chapter 32 of the Public Utility Code Re Pittsburgh Water and Sewer Authority*, Final Implementation Order (entered Mar. 15, 2018), Docket Nos. M-2018-2640802 (water) and M-2018-2640803 (wastewater), at 31 (directing PWSA to file a stormwater tariff and compliance plan no later than the next wastewater base rate filing after its July 2018 base rate filing).

1 filing for stormwater rates. We also understand that, even if the stormwater tariff is
2 approved in this case, it is subject to further review and modification as part of our
3 stormwater rate filing. Additionally, all customers would receive notice of the
4 anticipated stormwater rate filing, including anticipated new customers. These customers
5 will have sufficient notice of the rate filing before a new stormwater rate is implemented.

6 **B. Response to OCA witness Alexander**

7 **Q. PLEASE SUMMARIZE MS. ALEXANDER'S TESTIMONY REGARDING THE**
8 **STORMWATER TARIFF.**

9 A. Ms. Alexander testified that the stormwater tariff includes provisions that should only be
10 considered in the context of a fully developed proposal. She raises concerns with specific
11 tariff provisions that she believes require further review. Ms. Alexander also questions
12 how PWSA's customer bill will be modified to reflect stormwater charges, and notes that
13 the stormwater tariff will require significant customer education and outreach. OCA St. 7
14 at 22-24.

15 **Q. WHAT IS YOUR OVERALL RESPONSE TO MS. ALEXANDER?**

16 A. As I explained above in response to Mr. Rubin, PWSA sees this stormwater tariff filing
17 as the first step in a process of developing stormwater rates, and PWSA filed the
18 stormwater tariff in this proceeding to begin the discussion and in order to comply with
19 the FIO's directive. PWSA anticipates filing for a separate stormwater rate in the near
20 future which will provide a more fully developed proposal. Additionally, I would note
21 that the proposed stormwater tariff was based on both the model stormwater tariff
22 provided by Commission staff, as well as PWSA's current approved wastewater tariff.

1 **Q. MS. ALEXANDER RAISES CONCERNS ABOUT SPECIFIC STORMWATER**
 2 **TARIFF PROVISIONS THAT SHE BELIEVES REQUIRE FURTHER REVIEW.**
 3 **PLEASE RESPOND.**

4 A. In developing the stormwater tariff, PWSA attempted to maintain consistency with its
 5 current approved wastewater tariff while also incorporating provisions of the
 6 Commission staff model stormwater tariff. A number of the tariff provisions that Ms.
 7 Alexander says require additional investigation are already included in PWSA’s approved
 8 wastewater tariff or are based on the Commission staff model tariff (Exh. BD-4).

- 9 • Proposed Stormwater Tariff, Part I, Section H – Ms. Alexander states that this
 10 provision includes “specific fees and charges ... for a variety of services that
 11 have not yet been document as reasonable and without any evidence to support
 12 the proposed amounts.” OCA St. 7 at 23. However, Section H.1 is identical to
 13 the corresponding Section H in PWSA’s current approved wastewater tariff.
- 14 • Proposed Stormwater Tariff, Part I, Section H.2 – Ms. Alexander claims that
 15 this section “appears to allow PWSA to order the ‘discontinuance’ of any
 16 system to prevent waste discharge, an action that calls into question the
 17 Chapter 56 termination of service policies and requirements...” OCA St. 7 at
 18 23. However, this term is directly from the Staff Model Tariff (see Exh. BD-4
 19 at Part I, Section C.3).
- 20 • Proposed Stormwater Tariff, Part II, Section E.5 – Ms. Alexander is concerned
 21 with the order of application of payments proposed in this section. OCA St. 7
 22 at 24. PWSA has proposed that any partial remittance to the Authority be
 23 applied first to the stormwater service charge. This proposal reflects the fact
 24 that, practically speaking, it is not possible to terminate stormwater service for
 25 non-payment.
- 26 • Proposed Stormwater Tariff, Part III, Section L – Ms. Alexander states that this
 27 section includes a list of “prohibited conduct” that “has implications for
 28 PWSA’s enforcement policies that need further consideration...” OCA St. 7 at
 29 24. However, this language is already included in PWSA’s current approved
 30 wastewater tariff in the corresponding Section L (with some modification to
 31 reflect the stormwater-specific context. See PWSA St. No. 9-SD, Exh. BD-5.).
- 32 • Proposed Stormwater Tariff, Part IV – Ms. Alexander states that Part IV
 33 includes “a variety of compliance requirements for the sale or transfer of
 34 property that arguably belong in the City of Pittsburgh’s ordinances rather than
 35 PWSA’s tariffs.” OCA St. 7 at 24. However, this same language is already
 36 included in PWSA’s current approved wastewater tariff in the corresponding
 37 Part IV.

1 **Q. PLEASE RESPOND TO MS. ALEXANDER REGARDING CUSTOMER**
2 **EDUCATION AND OUTREACH ON THE STORMWATER TARIFF.**

3 A. I agree with Ms. Alexander that, once the stormwater rate has been fully developed, there
4 will be a need for significant customer education and outreach. As I stated in my direct
5 testimony, customer input and education will be a very important aspect of the process of
6 implementing a stormwater rate. Customers need to first understand stormwater runoff
7 and the benefits of a separate fee. PWSA will also be seeking to engage public support by
8 devising strategies that can be used by customers to reduce their costs as a system of
9 credits. Once designed, we will also need time to explain the actual fees to the public.
10 See PWSA St. No. 9 at 28.

11 PWSA has already provided a significant amount of outreach and education to the
12 public and important stakeholders in the non-residential community regarding stormwater
13 problems that the region and PWSA need to address. This outreach and education has
14 included the need for an equitable stormwater fee to cover the cost of stormwater
15 management that is based on impervious surface area rather than water consumption.
16 PWSA has received feedback that has been used to help refine the program and to
17 optimize customer satisfaction and equity. PWSA anticipates additional outreach
18 associated with the stormwater rate filing, to provide both notice of rates and to educate
19 customers (including new stormwater-only customers) about the program.

20 PWSA did not provide a specific customer education plan as part of this
21 proceeding because the stormwater program is still in development. PWSA will continue
22 to work with community stakeholders and anticipates conducting significant community
23 outreach and education once the program is fully developed.

24

1 **III. CONCLUSION**

2 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

3 **A. Yes. However, I reserve the right to supplement this testimony as may be appropriate.**

VERIFICATION

I, Beth Dutton, hereby state that: (1) I am the Senior Project Manager, Stormwater for The Pittsburgh Water and Sewer Authority (“PWSA”); (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: August 18, 2020



Beth Dutton
Senior Project Manager, Stormwater
The Pittsburgh Water and Sewer Authority