

**BEFORE THE
PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD**

In the Matter of the Philadelphia Water :
Department’s Proposed Changes in Water, Sewer : 2025 General Rate Proceeding for
and Storm Water Rates and Related Charges : Fiscal Years 2026-2027
:

**ORDER SUSTAINING IN PART AND DENYING IN PART PWD OBJECTIONS TO
HAVER SET I**

The subject of this Order is certain Information Requests served by participant Lance Haver on the Philadelphia Water Department (PWD or Department), contained in [Haver Set I](#)¹, to which PWD filed [Objections](#).²

Generally, the basis for the objections is that these Information Requests are unreasonably burdensome, seek irrelevant information, and/or are unreasonably broad. As discussed below, a number of the objections raised by the Department will be sustained, pursuant to my authority as set out in the Rate Board’s [regulations](#)³ at II.B.1(b)(4) to “Make all procedural rulings necessary to conduct a fair, impartial and expeditious hearing process, including the exclusion of irrelevant or redundant testimony or evidence” and II.B.(b)(6) to “Make rulings with regard to all objections to information requests including those related to privilege, relevance, timing, scope, expense, extent and/or unreasonable burden associated with responding to such requests.” It should be noted that despite objecting to these Information Requests, the Department did in fact make a good effort to respond to a number of the objected Information Requests and provided responses to those not objected to.

LH-1-5: Please provide a list of all PWD vendors with employees living in Philadelphia; the amount of the money spent with each of

¹ <https://www.phila.gov/media/20250324094321/Discovery-Haver-PWD-2025-1.pdf>

² <https://www.phila.gov/media/20250327102943/PWD-OBJECTIONS-TO-HAVER-SET-I-AS-FILED-Working-Links-2025.pdf>

³ <https://www.phila.gov/media/20230120160159/WRB-regulations-restated-with-amendments-2022-11-09.pdf>

those vendors and the percentage of all expenditures spent on those Philadelphia Vendors.

The Department provided a response, stating that it “does not maintain a separate list of the requested data.” It also objected by stating that that the Information Request is unduly burdensome: “The Department has literally hundreds of vendors. Confirming the locations of all vendor offices (where employees assigned to PWD projects are housed) and then undertaking a head count of vendor employees in Philadelphia would take an inordinate amount of time and to no constructive end.” It further objected that the Information Request is vague and overly broad (no time period is specified, it is not clear what is meant by “percentage of all expenditures) and is not “pertinent to the prospective rates and charges for the Rate Period (Fiscal Year 2026 and Fiscal Year 2027.”

In his [Answer to the Objections](#),⁴ Mr. Haver responded: “The idea that it is burdensome would be laughable if was not so illustrious of the lack of interest PWD has in hiring Philadelphia residents and giving contracts to Philadelphia businesses. If that were a priority for PWD, the list would already exist. To the extent it does not, as indicated by PWD's counsel, it is an indictment of the lack of concern PWD has for its own rate base. All that is needed to create the list is a computer search of the companies and their addresses. It would take a competent entity less than 15 minutes.”

The objections are sustained. As correctly noted by PWD, requiring the Department to conduct such an analysis would impose an undue burden, as the data in question are not maintained in the specified format. There is no support for the statement that “it would take a competent entity less than 15 minutes.” On the contrary, the creation of a search function tailored to what appear to be non-existent fields across hundreds of vendors (whose mailing addresses may or may not indicate a physical presence or employee location) over an unspecified timeframe would likely involve significant time and resources.

⁴ <https://www.phila.gov/media/20250331163249/LH-1-answers-to-objections.pdf>

In addition, the Information Request is vague, as it does not specify a timeframe, and is unlikely to yield probative information relevant to the subject matter of this proceeding, which are the prospective rates and charges requested for FY 2026 and FY 2027. While the City of Philadelphia itself may have a broader interest in the revenues and associated taxes generated by various vendors from a City economic policy perspective, this is outside the scope of the Water Department filing here. The sole matter before the Rate Board is the proposed rate filing, which will be examined to ensure that rates and charges for the prospective rate period are in compliance with the rate standards contained in the [Rate Ordinance](#),⁵ Phila. Code § 13-101(4), as well as any other applicable requirements or covenants. While Mr. Haver may believe that it is the responsibility of PWD to use “its buying power to create living wage jobs in the City of Philadelphia,” there is nothing in the Rate Ordinance that identifies this as a relevant factor. Indeed, it is unlikely that the Rate Board possesses the authority to require it to do so.

LH-I-9: Please explain who at PWD reviews the invoices or requests for payments made by the Water Rate Board.

LH-I-10: Please explain who at PWD evaluates the requests and how she/he decides which request should be paid and which should be rejected.

PWD objected to these Information Requests on the grounds that responding would require an unreasonable burden and expense since the period of time is undefined, and that these information requests are unrelated to the Department’s request for rate relief and therefore will not lead to the production of admissible evidence.

To some extent, the Department is correct that, as propounded, these Information Requests are vague in that no time period is specified. However, the inartful

⁵ https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-286498

phrasing of LH-I-9 and LH-1-10 can be interpreted as being directed to the prospective rate period.

Clearly, the Information Requests, since they are not directed to specific items in the rate filing, need to establish that in fact there is anyone at PWD who reviews “invoices or payments made by the Water Rate Board,” or that there are such invoices or requests for payments from the Water Rate Board which are part of these rate proceeding. These requests clearly lack a foundation, but that is not a sufficient reason in itself to sustain the objections.

While the Department claimed that responding would be unduly burdensome, it failed to provide an explanation detailing the nature or scope of the efforts required. It does not appear to me that determining whether a PWD employee, as opposed to a City or Law Department employee, is responsible for making these decisions would constitute an unreasonable burden. Accordingly, PWD is directed to make a good faith effort to respond to requests LH-I-9 and LH-I-10.

- LH-I-10a:** Please list all the outside legal counsels PWD contracts with, by name and for how many years PWD has contracted with those lawyers.
- LH-I-11:** Please explain who at PWD decides which lawyers to contract with and what criteria she/he uses to decide which lawyers.
- LH-I-12:** Please list all lawyers PWD is using who have represented clients opposing rate increases.
- LH-I-13:** Please list the amounts paid to each law firm and/or lawyer for legal fees budgeted for this rate increases; and the amount spent in the last rate case.
- LH-I-14:** Please list the name of and the amount of the contributions given to federal and/or state and/or political action committees given by any of the lawyers, law firms or consultants.

LH-I-20: Please provide a list of all rate cases PWD consultants participated in where the consultant recommended against a rate increase, the case and the year in which the consultant found ways to make a rate increase unneeded and unwarranted.

The objections raised by PWD are sustained, other than as to LH-I-13. The Department clarified that “lawyers and law firms are engaged by the City’s Law Department, not PWD,” and that it does not “maintain a separate list of the requested data.” It provided links addressing various aspects relating to procurement but objected on the grounds that responding to the Information Requests as presented would pose an unreasonable burden and expense. Furthermore, PWD asserted that the information sought is “neither relevant nor material to the 2025 rate case and will not lead to the production of admissible evidence.” Additionally, the Department noted the absence of a defined timeframe, further complicating the response.

In his Answer, Mr. Haver responded that, “PWD owners/ratepayers also have a right to know if the current legal counsel has purchased their contracts via funding political action committees or state and federal candidates. This and the prior proceedings have been used to fund the self-serving cottage rate proceeding industry. PWD’s lawyers prepare rate requests seeking more funds than what is needed. They then hire consultants who inform the public that PWD is doing everything it can. Community Legal Services purposely divorces itself from the public by refusing to establish a client committee or seek public input on CLS’s positions. CLS then hires consultants who inform the public that CLS is doing everything it can. The rate board then hires the same hearing examiner year after year ensuring the rate board has a settlement agreement before it that will keep the cottage industry well funded, the preferred contractors with expansive contracts all at the expense of the rate paying public.”

Having considered the Objections and Answer, I find that the objections should be sustained, other than as to LH-I-13. As the Department accurately noted, “A list of contracts with multiple law firms that provide services to the Department, how long such firms have been engaged and how much each firm has been paid over an

unspecified period is not relevant and not material to the PWD proposed changes in rates and charges as set forth in the rate filing.”

Moreover, inquiries into who “has represented clients opposing rate increases,” as well as the requested lists of political contributions and cases where PWD consultants “recommended against a rate increase” are vague, unduly burdensome as well as irrelevant to the issues presented here.⁶

With respect to LH-I-13, the Objection is denied. To the extent that the rate filing contains an expense item specifically directed to the recovery of legal expenses relating to this particular proceeding, PWD is directed to provide a response that directs Mr. Haver to that reference. Further, if PWD is able to provide a response with respect to legal expense incurred and recovered through rates in connection with the most recent general rate proceeding, then it is directed to do so.

Marlane R. Chestnut
Hearing Officer

March 31, 2025

⁶ It should be noted that to address the concern that contracts are awarded on the basis of political contributions (LH-1-14), the Philadelphia Code, Sections [17-1402\(1\)\(b\)\(.1\)\(.b\)](#) and [17-1402\(1\)\(e\)\(.2\)](#), requires that, in cases without competitive sealed bids, potential contractors must disclose all political contributions to City elected officials and candidates, committees organized to support them, and any political committee in the City, and provides that in the case of contributions at specified levels, there are specific contracting limitations. Sections [17-1404](#) and [17-1405](#).