



Pittsburgh
Water & Sewer
Authority

2023

YEAR IN REVIEW



*We're proud to feature the photography of local Pittsburgh photographer,
Carla Cardello on the cover of our 2023 Year in Review.*

TABLE OF CONTENTS

| | |
|--|-----------|
| LETTER FROM CEO WILL PICKERING | 1 |
| KEY ACCOMPLISHMENTS | 2 |
| Strengthening Water Quality & Safety | 2 |
| Building Operations Efficiency | 3 |
| Investing In Our Infrastructure | 4 |
| Improving the PWSA Customer Experience | 5 |
| PERFORMANCE METRICS | 6 |
| FINANCIAL HEALTH AND CAPITAL INVESTMENT | 8 |
| WATER RELIABILITY PLAN | 9 |
| ONGOING IMPROVEMENTS | 10 |
| AWARDS & RECOGNITIONS | 12 |

A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

The Pittsburgh Water & Sewer Authority (PWSA) works for you, our communities. It's as simple as that. Each day, our hardworking, local team of more than 400 public servants does their part to protect community health and the environment through the delivery of safe and reliable water services.

That service is essential for the health and well-being of all our neighbors. In other words, water and the infrastructure that enables its distribution are things too important to not seriously steward and protect.

At PWSA, we're modeling a clear vision for the future, and we have a plan to get there. At the end of the day, our initiatives to upgrade our infrastructure and modernize our water distribution system will provide you with more secure and reliable water services now and in the future.

"Model" is a great word to kick off this Year in Review report. A variety of recent reports, awards, kudos, and invitations to speak at industry events applaud PWSA for being a model and industry leader for our lead remediation efforts, water quality, and safety.

Last year, we replaced our 10,000th lead service line and celebrated record low levels of detection in routine lead testing. We're maintaining our goal of replacing all lead lines in our system by 2026. Our most recent Water Quality Report shows that the drinking water we produce meets and exceeds all regulatory requirements, meaning the water you use has a clean bill of health and is of the highest quality.

Since 2022, we've made continuous progress on our Water Reliability Plan – our once-in-a-generation projects that will transform Pittsburgh's water infrastructure – recently breaking ground on the Highland Reservoir Pump Station in the spring of 2024.

As we complete more of these projects, customers will experience fewer service disruptions that may have caused boil water advisories in the past.

To accelerate these critical projects while reducing the cost to ratepayers, we pursue external funding from state and federal sources. Last year, we received more than \$150 million in new low-interest loans and \$22 million in grant funding, helping us stretch ratepayer dollars and keep rates as low as possible. To help protect our most vulnerable customers, we enhanced our Customer Assistance Programs, making them available to more customers and offering expanded benefits that will help lower their water bill.

As a non-profit, publicly owned and operated water authority, every dollar we receive is reinvested back into our water system. For us at PWSA, it's about service, not profit – we don't have shareholders and we work for you.

We're proud to share with our stakeholders, customers and partners our 2023 Year in Review. I encourage you to see for yourself how we're protecting our shared resources and reaching new heights in the delivery of safe, reliable water services now and for generations.

Sincerely,

William J. Pickering

William J. Pickering
Chief Executive Officer



KEY ACCOMPLISHMENTS

STRENGTHENING WATER QUALITY & SAFETY

Pittsburgh Water & Sewer Authority (PWSA) is tasked with one, critical function: to support our region by protecting public health and the environment through the delivery of safe and reliable water services with a commitment to future generations.

You can have confidence that the water you rely on for drinking, cooking, cleaning, and personal hygiene has a clean bill of health. Our most recent round of routine lead testing at homes still served by lead service lines shows historically low detection levels, meaning that adding orthophosphate to our treatment process is effective and protects our customers from the risk of lead in drinking water.

We're on our way towards our goal of replacing all lead service lines in our water distribution system by 2026. Last year, we reached a major milestone in this priority area, celebrating the replacement of our 10,000th public lead service line. To date, we've replaced 11,000 public lead service lines and are approaching 8,000 private replacements at no direct cost to customers.



Our certified Lab meticulously examines your water and performs over 100,000 tests per year.

This commitment to “getting the lead out” has brought us national attention, including an invitation to speak at a White House event and lend our expertise to an initiative to help accelerate lead removal in other U.S. communities.

In addition to removing lead lines and finding record low levels of lead in Pittsburgh’s drinking water, we're also increasing education and outreach to the community about everything that goes into keeping your drinking water safe.

As stewards of an essential public resource, we operate within the strict requirements of the law and with high ethical and professional standards. Our Environmental Compliance team has grown to nine professionals from a variety of backgrounds, all led by Frank Sidari, Chief Environmental Compliance and Ethics Officer. This team is responsible for our ever-growing Environmental Compliance and Ethics Program, including the deployment of annual training and overseeing day-to-day compliance with environmental rules, regulations, and permits.



PWSA's [Community Lead Response program](#) prioritizes our most vulnerable populations when replacing lead service lines. In 2023, that team was recognized for their equity-based approach with an inaugural Environmental Justice and Equity Utility Management Award from the Association of Metropolitan Water Agencies (AMWA).

BUILDING OPERATIONS EFFICIENCY

Paramount to the safe delivery of your drinking water are the heroes in our Operations department. Each day, this group of dedicated men and women perform necessary tasks that are essential for maintaining water quality and service reliability.

At our Water Treatment Plant and in the field, they monitor water as it moves through the treatment process, perform thousands of water quality tests each month, inspect, maintain, and make repairs to our distribution system, and much more — all essential for providing Pittsburgh residents and businesses with the highest-quality water.

To ensure that proper flow and pressure are available in our distribution system, and to maintain water quality, Operations flushed nearly 2,400 fire hydrants and repaired or replaced nearly 400 hydrants in 2023. To help limit service interruptions and increase reliability, Operations exercised nearly 5,500 water valves across our service area.

Our sewers are essential in moving sewage from homes and businesses to the Allegheny County Sanitary Authority (ALCOSAN) wastewater treatment plant along the Ohio River. To extend the useful life of those sewers and identify the pipes most in need of repair, our Operations team inspected just over 31 miles of sewer pipe in 2023.



Our team of public servants and water professionals work for you, our customers. Top to bottom: An Operations crew member hauls a vactor hose, used to clean up debris from construction; a member of our Leak Repair team installs a new water valve; a Valve & Hydrant Specialist flushes a fire hydrant to check water pressure.



KEY ACCOMPLISHMENTS

INVESTING IN OUR INFRASTRUCTURE

Since 2018, we've invested more than \$700 million to renew critical drinking water infrastructure, remove lead service lines, construct new stormwater infrastructure, and rehabilitate century-old sewer mains.

To accelerate critical projects while also reducing the cost to ratepayers, PWSA is committed to the steadfast pursuit of external funding from state and federal sources.

As a result, we've secured more than \$150 million in new low-interest loans and \$22 million in grant funding in 2023 from a mix of these programs. In fact, since 2018, we've received more than \$645 million in low-interest loans and grants from one program in particular, the Pennsylvania Infrastructure Investment Authority (PENNVEST), to support our capital program.

In 2023, we received a \$52.4 million loan from the U.S. EPA for Water Reliability Plan projects, our once-in-a-generation water distribution renewal and improvement projects. Last year, we completed the rehabilitation of a large-diameter water distribution pipe known as Rising Main 4. Earlier this year, we began construction on the Highland Reservoir Pump Station – our first new major facility project in more than 20 years.

These projects will dramatically improve water service reliability for approximately two-thirds of our customers – meaning that customers can expect fewer service interruptions and low pressure that have caused precautionary boil water advisories in the past.

As a publicly owned and operated water authority, every dollar we receive is reinvested back into our water system. For all of us here at PWSA, it's about service not profit – we don't have shareholders and don't generate a profit. The improvements we're making today will provide current and future generations of customers with safe, high-quality water services.



In 2023, we received a \$52.4 million loan from the U.S. EPA for Water Reliability Plan projects, our once-in-a-generation suite of water distribution renewal and improvement projects.

IMPROVING THE PWSA CUSTOMER EXPERIENCE

PWSA is a local leader in providing our customers with a variety of financial assistance options through our slate of Customer Assistance Programs. Led by our PGH2O Cares team – the education and outreach professionals who work directly with our most vulnerable customers – PWSA made great progress in this key area.

In 2023, we enrolled our 7,000th customer in the Bill Discount program. We also maximized the federal Low Income Household Water Assistance Program (LIHWAP) and, since January 2022, have helped customers claim more than \$2.1 million in assistance to erase the debt of past-due bills. Finally, in September we launched an innovative pilot program to pay for plumbers to help income-qualified customers make repairs in their homes to save water and lower their bills. In the first four months of the pilot program, we assisted 47 customers, who on average reduced their monthly consumption by 33%.

As part of our new, recently approved rate structure, we're expanding eligibility and increasing benefits for our most vulnerable customers.

Income eligibility for the Bill Discount Program increased from 150% of the federal poverty level to 200%, making this essential program available to even more customers. The current 50% volumetric discount for very low-income customers increased to 60%, and the monthly credit for those enrolled in the Arrearage Forgiveness Program increased from \$30 to \$40 provided customers make on-time payments.

Customers will also benefit from an expansion of our Hardship Grant Program. It now includes two separate annual grants – one to be distributed to eligible drinking water customers and another to eligible wastewater (sewer) customers. Customers receiving both drinking water and wastewater services from us can benefit from both grants simultaneously. The maximum grant increased from \$300 to \$450 and is applied as a credit to your PWSA bill.

For additional information about our Customer Assistance Programs, please visit www.pgh2o.com/CAP.

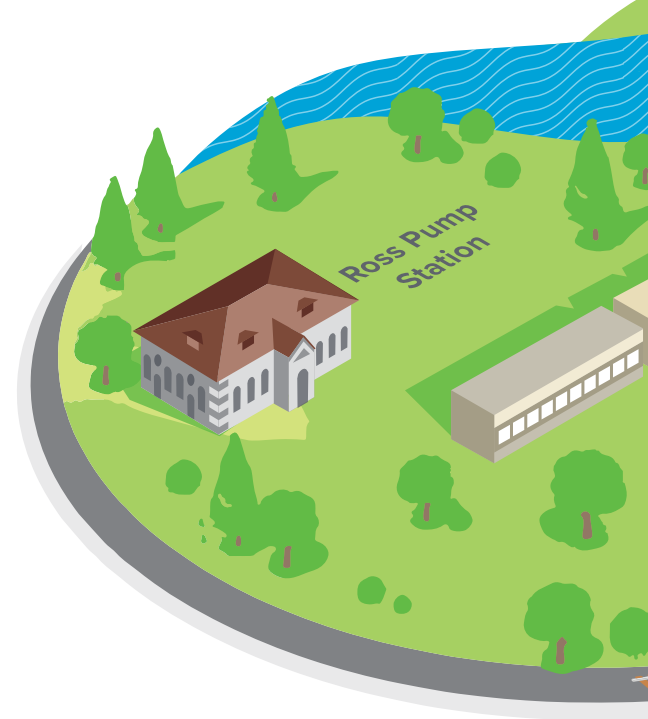


To boost awareness of PWSA's Customer Assistance Programs, our PGH2O Cares team attended 63 community events in 2023.



Last year we released an improved service outages web map. This new map, available at www.pgh2o.com/service-outages, provides customers with greater accuracy and more immediate notification around water service interruptions.

PERFORMANCE METRICS



ADMINISTRATION

CUSTOMER SERVICE

Handled **151,042** customer calls

Achieved an average answer speed of **53 seconds**

Actual water meter reading rate: **97%**

Increased enrollment in Bill Discount Program to **7,063 customers**



HUMAN RESOURCES

Hired **62** new employees

Promoted **49** current employees

Realized a **32% reduction** in our annual average **vacancy rate**

Saw a **29% reduction** in our annual average **turnover rate**

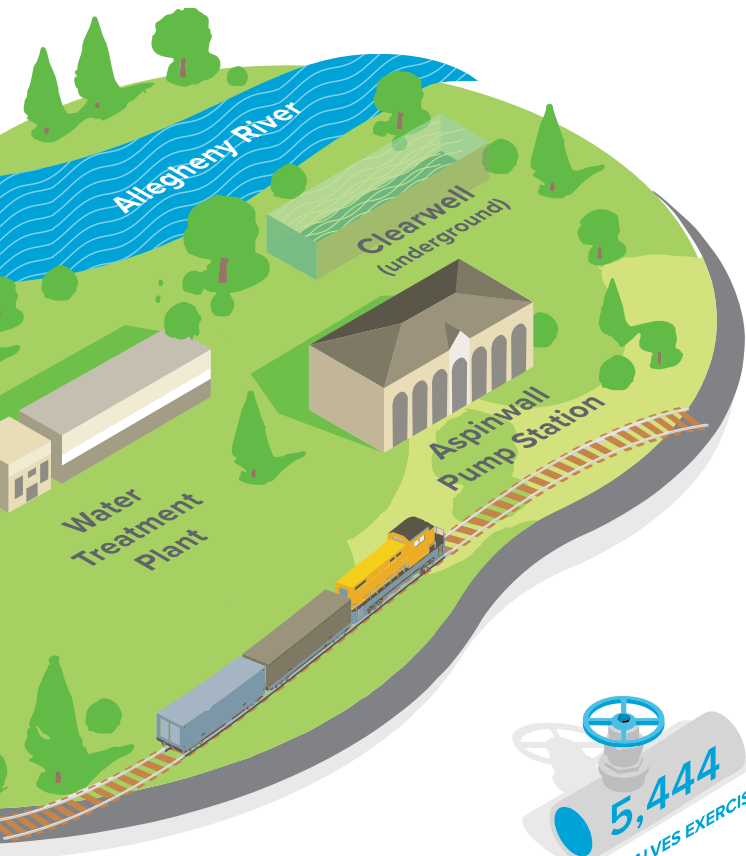


PUBLIC AFFAIRS

Hosted or attended **109** public meetings

Reached **17,100** followers to our social media accounts and email subscriber list





ENGINEERING, OPERATIONS & CONSTRUCTION

WATER

Replaced **5.24 miles** of water main

Replaced **826 public-side lead service lines**

Replaced **753 private-side lead service lines**

Flushed & inspected **2,385 fire hydrants**

Repaired **270 fire hydrants**

Exercised **5,444 water valves**

Replaced **290 water valves**



**2,385
FLUSHED &
INSPECTED**

SEWER

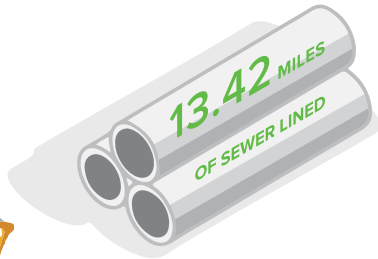
Removed **570 tons of debris** from storm drains

Lined **13.42 miles** of sewer

Reconstructed **0.7 miles** of sewer

Installed **75 manholes**

Replaced **715 storm drains**



WATER TREATMENT PLANT

Produced an average of **63.2 million gallons** of drinking water each day

Performed **2,785 different water quality tests**, totaling more than **100,000 tests**

Provided water for around **520,000 consumers**



100,000+
WATER QUALITY TESTS



FINANCIAL HEALTH AND CAPITAL INVESTMENT

PWSA MAINTAINS A STRONG FINANCIAL OUTLOOK, AIDED IN PART BY OUR STRATEGIC PURSUIT OF STATE AND FEDERAL FUNDING

Our Core Value of Stewardship extends to our responsibility as stewards of your ratepayer dollars.

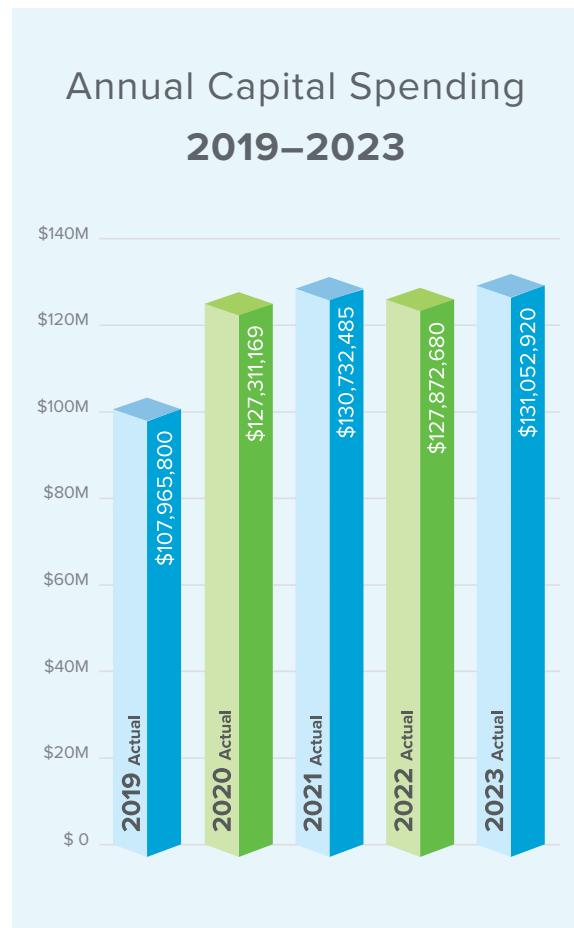
Our standing as a publicly owned and operated utility means that every dollar we receive from ratepayers is invested back into our water systems. At PWSA, it's about service, not profit – we don't have shareholders and don't generate a profit.

For the fifth consecutive year, capital spending exceeded \$100,000,000. To ensure financial flexibility, we continue to boost our reserve funding, which will help us in the long term reduce costs.

Now and into the near future, we'll responsibly be making unprecedented levels of investment in critical water, sewer, and stormwater infrastructure. Our ambitious \$1.8 billion Capital Improvement Plan (CIP) will, over the next five years, add needed redundancy, improve service reliability, and help us continue to protect water quality and public health. Projects benefitting from this investment include lead service line and water main replacements, Water Treatment Plant improvements and upgrades, and projects in our once-in-a-generation Water Reliability Plan.

Our strategy for capital investment is detailed in our 2024 – 2028 Capital Improvement Plan, which can be found on our Finance webpage.

To accelerate these projects while reducing the cost to ratepayers in 2023, we continued our pursuit of external funding from state and federal sources. Last year, we received more than \$150 million in new low-interest loans and \$22 million in grant funding, helping us stretch ratepayer dollars and keep rates as low as possible. In fact, since 2018, we've received more than \$645 million in low-interest loans and grants from one program in particular, the Pennsylvania Infrastructure Investment Authority (PENNVEST), to support our capital program.



WATER RELIABILITY PLAN

WHAT'S DONE & WHAT'S TO COME...

The projects that make up our Water Reliability Plan will provide our customers with a more resilient and redundant water system for generations to come.

We've completed lining and cover work at our covered Highland Reservoir, the restoration of two large-diameter water mains, and the construction of a large supply main in Highland Park. Earlier this year, we started constructing the new Highland Reservoir Pump Station – our first new building in 20 years.

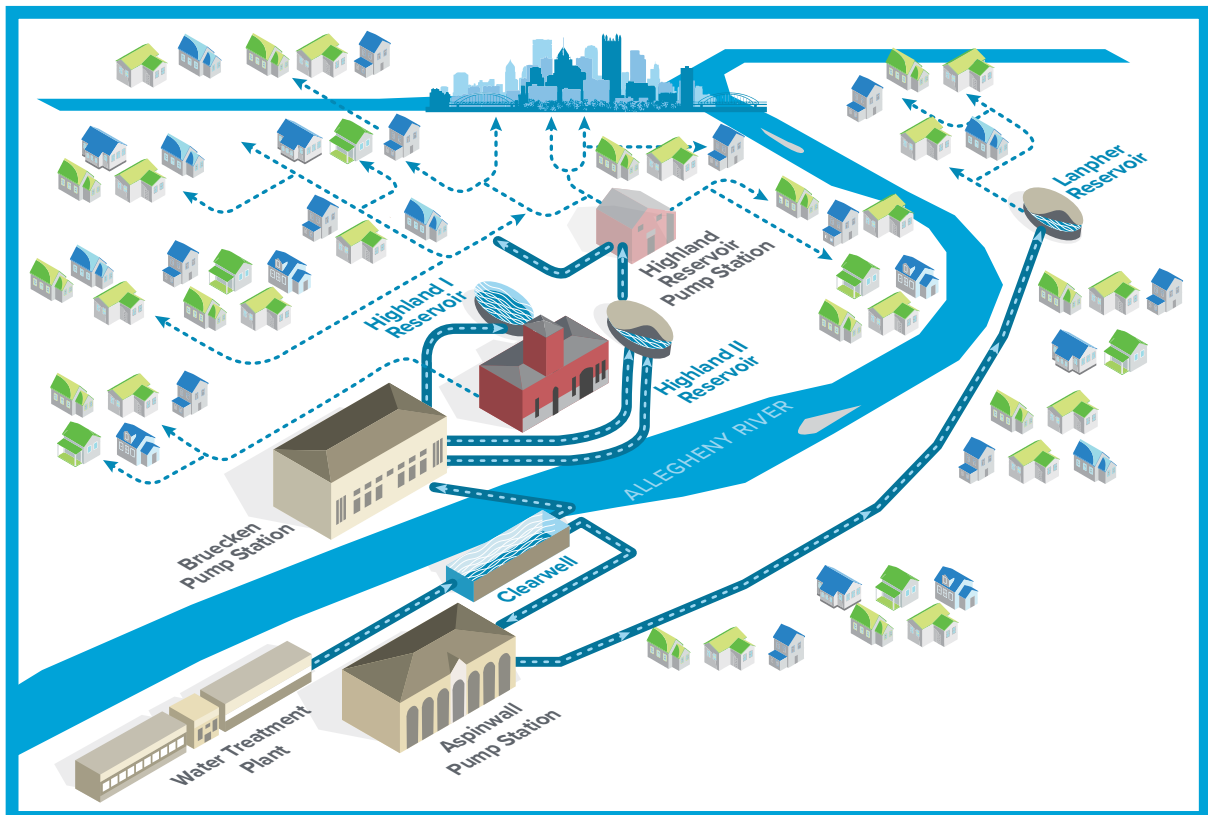
Still to come is the major rehabilitation of the Aspinwall Pump Station, the replacement of the Bruecken Pump Station, the construction of a bypass around the existing Clearwell, and the centerpiece of the entire plan: the complete



Construction worker adding new liner to the Highland II Reservoir.

restoration of the Clearwell. This estimated \$57 million project will replace the century-old, 44-million-gallon drinking water disinfection and storage tank at the Water Treatment Plant.

The Clearwell, originally constructed in 1912, was an engineering marvel in its time. Once replaced, the new Clearwell will be equally remarkable, incorporating redundancy and operational efficiency to ensure secure and reliable water services for the next century.



ONGOING IMPROVEMENTS

FOSTERING SUPPLIER DIVERSITY

We're committed to providing meaningful contracting opportunities to a broad range of diverse vendors through our Supplier Diversity Program. These partnerships are a win for all parties, helping us expand our vendor network, supporting our vendors in gaining experience in government contracts, and bolstering our local economy by keeping dollars in our region and communities.

In 2023, we accomplished several goals set forth as part of that program, helping us to attract and establish partnerships with talented small businesses and those owned by veterans, women, minorities, the LGBT community, and the disabled – or what are referred to as MWDBEs.

To build awareness around contracting opportunities, we hosted three Supplier Diversity Program events in 2023. The most well-attended event was our On-Call Engineering Services Outreach Event, which was held in November. In all, more than 80 attendees from almost 60 individual firms – 27 of which were small or diverse businesses – heard directly from our Procurement and Engineering departments on expectations.

Our efforts produced results. In 2023, we did business with 61 MWDBEs, resulting in \$37,758,694, or 23% of board-approved contracts, being paid to diverse businesses. Specifically, \$13,761,385 was paid to women-owned enterprises, \$4,956,113 to minority-owned businesses, and \$19,041,196 to veteran-owned businesses.

BUILDING AWARENESS THROUGH COMMUNITY ENGAGEMENT

Engaging with our communities and those we serve is a priority at PWSA. From Board of Directors meetings to neighborhood project updates to special community events and media engagement opportunities, it's our goal to meaningfully connect with those we serve. Throughout 2023, we hosted or participated in more than 100 community events or meetings to build awareness and educate customers about essential water services, Customer Assistance Programs, and the investments we're making to modernize our water systems.

NOTEWORTHY HIGHLIGHTS INCLUDE:

- 6 Stormwater Conversations – community workshops designed to gather feedback around our stormwater strategic planning initiatives and hear firsthand how stormwater impacts residents
- 11 school and library visits, where we introduced young learners to the basic science of water quality, testing, and treatment
- Attendance at five of Mayor Ed Gainey's City in the Streets events, which brought together local government and the residents we serve
- PGH2O Cares presence at a variety of city farmer's markets and other events to raise awareness and bolster enrollment in our Customer Assistance Programs

Our media partners were also instrumental in helping us tell our story. We hosted several media events in 2023 to highlight project milestones and share our key accomplishments broadly with the communities we serve.



The largest and most well-attended Supplier Diversity Program session in 2023 was our On-Call Engineering Services Outreach Event, held in November.

BUILDING AWARENESS THROUGH COMMUNITY ENGAGEMENT *continued*

Early in the year, we celebrated the replacement of our 10,000th lead service line with local officials, community leaders, and members of the community in Hazelwood. In the summer, we were joined by U.S. EPA Assistant Administrator for Water, Radhika Fox, to celebrate a \$52.4 million loan PWSA received from the federal government agency for Water Reliability Plan projects.

These events generated news coverage throughout our local market and led to more awareness about the investment we're making to improve water service for current and future generations of customers.



PEOPLE NEWS: HIRING, WORKFORCE DEVELOPMENT, BENEFITS, AND MORE

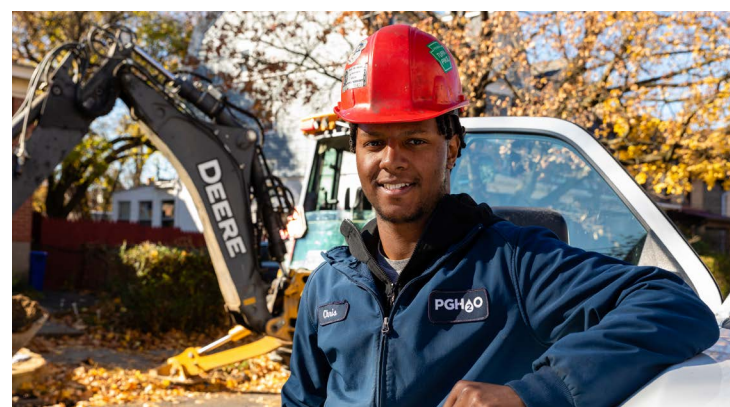
Our most valuable asset is our people. The extent to which our employees feel supported, engaged, and fulfilled at work has a direct impact on our ability to execute our goals and drive our mission. We strive to create a workplace culture that supports our employees in their professional development, fosters and preserves a culture of diversity, equity, and inclusion (DEI), and reflects and provides opportunities to the communities we serve.

Last year, we welcomed 62 new employees and promoted 49 internal employees, indicative of our commitment to help our employees grow. Compared to last year, 2023 saw a 32% decrease in our annual average vacancy rate and a 28% reduction in our annual average turnover rate. We also attended 13 recruitment events to help build out our talent pipeline for the upcoming years.

In support of our DEI efforts and the development of our current employees, we continued to expand our Workforce Development initiatives. Last year, we successfully concluded the first cohort of our job shadowing initiative in collaboration with workforce development non-profit Landforce. We also conducted

the first Explore & Tour a Career in Water program with students from Pittsburgh Public School's Office of Career and Technical Education at our Water Treatment Plant.

Because employee retention is critical to driving our mission, our HR team also made a variety of enhancements to our benefits programs, all of which are sure to keep our employees engaged with the critical work of providing our region with safe, high-quality water services.



AWARDS AND RECOGNITIONS

WE'RE PROUD OTHERS ARE RECOGNIZING OUR PROGRESS.

U.S. Environmental Protection Agency
2023 AQUARIUS Recognition Program:
*Excellence in Public Health Protection,
Lead Service Line Replacement Program*

**Association of Metropolitan
Water Agencies (AMWA)**
**Inaugural Environmental Justice & Equity
Utility Management Award:**
PWSA's Community Lead Response Program

US Water Alliance
US Water Prize for Outstanding Public Official:
*Erika Strassburger, PWSA Board Member &
Pittsburgh City Councilperson*

March of Dimes Pittsburgh
2023 Industry Leader of the Year:
Will Pickering, Chief Executive Officer, PWSA

**American Society of Civil Engineers
Pittsburgh Section (ASCE)**
2023 Award of Merit:
*Highland II Reservoir
Liner and Cover Replacement project*

**American Council of Engineering Companies
of Pennsylvania (ACEC/PA)**
Diamond Awards for Engineering Excellence:
*Client of Distinction Award (nominated by GPD Group)
— AND —
Waste & Stormwater Project Award for PWSA's
Large-Diameter Sewer Rehabilitation Project*

Water Environment Federation
Utility of the Future Today

2023 PWSA BOARD

Alex Sciulli, Chair
Erika Strassburger, Vice Chair
BJ Leber, Secretary & Treasurer
Michael Domach, Assistant Secretary & Treasurer
Jamil Bey, Board Member
Rosamaria Cristello, Board Member
James Martin, Board Member
Margaret (Peg) McCormick Barron, Board Member
Audrey Murrell, Board Member

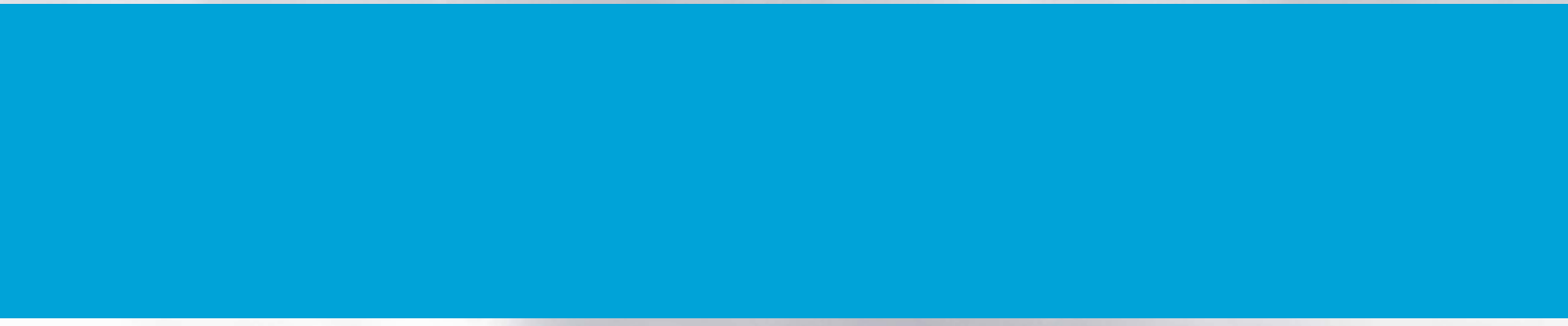
EXECUTIVE LEADERSHIP

Will Pickering, Chief Executive Officer
Rachael Beam, Chief Engineering Officer
Logan Carmichael, Chief People & Culture Officer
Lee Haller, Chief Information & Performance Officer
Jennifer Presutti, Chief Operating Officer & Chief Financial Officer
Frank Sidari, Chief Environmental Compliance & Ethics Officer
Monica Walaan, Chief Legal Officer



From bringing stormwater projects to life to advocating for the removal of lead lines, US Water Alliance Outstanding Public Official awardee Erika Strassburger (second from right) is a champion for water equity and public health in Pittsburgh.





PGH₂O

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