



Questions and Answers *about your new water and sewer charges*

Effective November 1, 2008

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Beginning November 1, 2008, your water and sewer bill will reflect new rates for water and wastewater services for the period November 1, 2008 to June 30, 2009.

These new rates are the first of a four-phase change to rates to be spread over a three and a half-year period.

A typical residential customer's monthly bill will increase to \$52.84, an increase of \$3.49. A typical residential customer uses 700 cubic feet of water monthly and has a 5/8" meter.

What's in my bill?

Your bill includes a usage charge for treatment and delivery of drinking water, the collection and treatment of sewage, and related environmental services. Each bill also includes a service charge for stormwater collection, inflow into sewers and for costs associated with metering, billing and collection operations.

Most customers, including households and small businesses, have a 5/8-inch size meter.

Sample of Current Typical Monthly Bill for Homeowners

Usage Charge + Service Charge = Monthly Bill

If a customer uses 700 cubic feet (cf) or 5,236 gallons of water as measured by the meter, the usage charge would equal:

Water Usage 700 cf x \$24.49/1000 cf = \$17.14
 Wastewater Usage 700 cf x \$19.73/1000 cf = \$13.81
 Total Usage Charge \$30.95

The service charge for a 5/8-inch meter would equal:
 (See table below for allocation between water and sewer charges.)

Stormwater Collection and Treatment \$10.18
 Billing and Collecting Costs \$ 8.94
 Metering Costs \$ 2.43
 Industrial Waste Control \$ 0.34
 Total Service Charge \$21.89

Total Monthly Bill \$30.95 + \$21.89 = \$52.84
 (includes Usage and Service Charges)

Quantity Charges

Monthly Water Charge	Water Service Charge per Mcf	Monthly Water Usage	Wastewater Services Charge per Mcf
First 2 Mcf	\$24.49	All billable water usage	\$19.73
Next 98 Mcf	\$19.72		
Next 1,900 Mcf	\$18.13		
Next 2,000 Mcf	\$13.79		

Monthly Service Charges

Meter Size (Inches)	Meter Code	Monthly Water Charge	Monthly Sewer Charge	Combined Monthly Charge
5/8	R	\$ 5.15	\$ 16.74	\$ 21.89
3/4	Z	\$ 5.95	\$ 78.54	\$ 84.49
1	Q	\$ 7.91	\$ 127.86	\$ 135.77
1-1/2	P	\$ 12.27	\$ 250.31	\$ 262.58
2	X	\$ 18.14	\$ 398.23	\$ 416.37
3	O	\$ 31.14	\$ 742.29	\$ 773.43
4	W	\$ 54.27	\$ 1,240.76	\$ 1,295.03
6	N	\$ 104.98	\$ 2,476.13	\$ 2,581.11
8	V	\$ 163.71	\$ 3,955.34	\$ 4,119.05
10	E	\$ 237.54	\$ 5,689.17	\$ 5,926.71
12	T	\$ 415.56	\$10,592.89	\$11,008.45

Wastewater Surcharges

Biochemical Oxygen Demand = \$0.291 per pound of Biochemical Oxygen Demand in excess of 250 mg/l

Suspended Solids = \$0.306 per pound of suspended solids in excess of 350 mg/l

1 Mcf = 1,000 cubic feet = 7,480 gallons

mg/l = milligrams per liter

Typical Residential Customer Monthly Billings

Period	Percentage Increase of Monthly Bill	Additional Monthly Water & Sewer Charge	Total Monthly Bill
First Phase: 11/1/08 to 6/30/09	7.1	\$3.49	\$52.84
Second Phase: 7/1/09 to 6/30/10	6.4	\$3.40	\$56.24
Third Phase: 7/1/10 to 6/30/11	5.7	\$3.20	\$59.44
Fourth Phase: 7/1/11 to 6/30/12	5.9	\$3.49	\$62.93

Are discounts still available?

Yes. Qualifying seniors, 65 years of age or older, can receive a 25 percent discount, and the income test to qualify for this discount is now \$29,800 annually. The same 25% discount is available to charities, churches, non-profit hospitals, schools and universities.

Why the Change in Rates?

New rates are required so that the Department can pay for all costs associated with operating a safe, reliable and economic water and wastewater system. Some of the key costs are associated with:

- New environmental regulatory requirements
- Increase in employee health care benefit costs
- Mitigation of localized flooding
- Higher costs associated with funding our capital program
- Decrease in interest income
- Decrease in customer base
- Inflation

Under the Philadelphia City Charter and various bond covenants with investors, the Water Department is not allowed to operate with a deficit. Our rates and revenues must be sufficient to enable us to meet all of our financial requirements. Without these new rates, we would be unable to meet our legal requirements.

What has the Department done to improve service and minimize costs?

The Department has initiated numerous measures to improve service, reduce operating costs and enhance revenues which include the following:

- Rebuilding water mains and sewers saves money in the long-run by preventing water main breaks and leaks which cause loss of water and damage to property. During the past decade, the department has strived to annually replace approximately 22 miles of water and sewer mains. Also rebuilding sewers prevents costly collapses and the accidental discharge of sewage into properties and waterways.
- Since the Water Department and the Water Revenue Bureau launched the Automatic Meter Reading (AMR) project in 1997, virtually all residential and most commercial properties have been retrofitted with AMR. Customers have benefitted by having accurate meter readings and bills, while the Department has greatly reduced its meter reading costs. AMR is projected to save \$25 million over the 20 year useful life of the system.
- The Water Department is expanding its wholesale services to communities beyond the city's borders. While Philadelphia already sells approximately \$7.0 million in water services and over \$28 million in wastewater services to its neighbors, the department is looking to market its high quality drinking water even further.
- The Water Department refinanced \$345 million of debt as part of a November 2007 bond issue, saving \$14.7 million. This brought the net present value savings of bonds refinanced to \$107 million since 1993.
- A Revenue Protection Unit, created in Fiscal Year 2000, has investigated more than 13,000 customer accounts and recovered more than \$19 million in revenue to date.

If you would like more information about other Water Department projects, please call us at 215-685-6300 or visit our website at www.phila.gov/water.

How do Philadelphia's rates compare locally?

Our rates will still be among the lowest in the region after the rate change.

How are water and sewer rates set?

The mayor, city council president and city controller appoint an independent hearing officer who presides over the hearings and sets the time, place and number of hearings. The public hearings for the current rate changes were held this summer. The public was invited to attend the public input hearings held last July, and offer comments at that time. The hearing officer submitted his report and recommendations to the water commissioner who determines the rates. The hearing officer can also recommend that the department take specific actions. The hearing officer recommended a two-phase rate increase followed by a possible additional two-phase increase. The water commissioner adopted a four-phase change to rates over the approximate three-and-a-half-year period, from November 1, 2008 to June 30, 2012.

Why is the Water Commissioner responsible for setting rates?

The Water Commissioner is required by the City Home Rule Charter to set water rates to ensure that the Department is operated in a financially sound manner and by bond covenant, which requires that revenues must meet expenses and all other requirements.

Are assistance programs still available for customers who can't afford to pay their water and sewer bills?

Low-income customers in danger of shut-off can still apply to the Water Revenue Bureau for the Water Revenue Assistance Program "WRAP". Eligible customers can receive grants up to \$200 to pay water bills and get help in obtaining federal energy assistance.

For more information about the Water Revenue Assistance Program, please call 215-686-6880.

Other Resources

For more information about your water and sewer bill and payment assistance programs, call Monday through Friday, 8:00 a.m. to 5:30 p.m.: 215-686-6880.

To order a copy of "Know Your Rights as a Residential Water and Sewer Customer": please call 215-686-6880.

All residential properties must have an automatic meter reading device. If an automatic meter reading device has not been installed in your home, please call: 215-685-6300.

FOR WATER AND SEWER EMERGENCIES, call 24 hours a day: 215-685-6300. After December 31, 2008, callers should dial "3-1-1" for water/sewer emergencies.

Payment and Customer Service Locations

Payments by Mail

Water Revenue Bureau
P.O. Box 41469
Phila., PA 19101-1496

In-Person Authorized Payment Centers*

Center City Philadelphia
Municipal Services Building
1401 John F. Kennedy Blvd., Concourse Level
Office Hours: Monday through Friday,
8:00 a.m. to 5:00 p.m.

For a current list of all In-Person Authorized Payment Centers, please call 215-686-6880.

*The Water Revenue Bureau is not responsible for payments made at any location other than the authorized payment locations listed above.

