

**CITY OF PHILADELPHIA
MAYOR'S OFFICE OF COMMUNICATIONS**

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Contact: Mike Dunn, 215-686-6210, mike.dunn@phila.gov

Water Rate Board Announces the Release of Its Rate Determination

(Philadelphia, June 8) -- Chairman Bernard Brunwasser announced today that the recently-formed Water, Sewer and Stormwater Rate Board has issued its Rate Determination governing water, sewer, and stormwater rates in Philadelphia for the next two years (Fiscal Years 2017 and 2018).

Beginning July 1, 2016, a typical residential customer's monthly bill will increase by an additional \$3.44 a month to \$70.87. On July 1, 2017 the typical customer will see an additional monthly increase of \$3.18 to \$74.05. The Water Department has not raised rates since July 1, 2014.

This determination represents a reduction of approximately \$16 million to the Water Department's two-year total request of an additional \$105 million. The Rate Board has approved a total revenue increase of \$89 million.

In addition to the approval of new rates, the Board also took steps to implement an ordinance approved by City Council in 2015 to allow eligible low-income water customers to pay reduced rates based on a percentage of their household income. This new program, called "Income-based Water Rate Assistance Program," or "IWRAP," is scheduled to begin taking applications by late spring of 2017. The program will require the Water Department to offer payment plans based on income level. The logistics and details of this new program to help the city's neediest citizens are currently being worked on by both the Water Department and the Water Revenue Bureau.

The creation of the new Rate Board goes back to November 2012 when Philadelphians went to the polls and voted in favor of a ballot question to create an independent five-person volunteer Rate Board. The Board's mandate is to regulate water, sewer, and stormwater rates for the city. Board members were appointed by the Mayor and confirmed by City Council.

As part of the rate determination process, the Board hired an Independent Hearing Officer, a Public Advocate to represent residential and small meter commercial customers, and a water utility rate expert to assist the Board. The Hearing Officer scheduled and conducted public and technical hearings and collected and organized the voluminous record for the Board. All hearings and Board meetings were advertised and open to the public. After the Board deliberated and voted on

the many issues before it, the Hearing Officer drafted the Final Rate Determination based on the Board members' input.

The Rate Determination document is being released today. It is the culmination of the last six months of extensive work by the Water Department, the Public Advocate, other formal parties to the rate case, the Independent Hearing Officer, and the Board itself. All of the documentation, including the public's emails and testimony can be found on the Rate Board's website at <http://www.phila.gov/water/rateboard>.

Board Chairman Brunwasser expressed his appreciation for all of the participants in the rate case, particularly his fellow Board members, who as volunteers gave many hours to conscientiously review the record, attend hearings, ask important questions, and took their roles very seriously. Brunwasser also recognized the many citizens from neighborhoods throughout Philadelphia who took the time to attend public meetings and write or email the Board to share their own thoughts and recommendations.

Board Members:

Michael D. Chapman
Lee Huang
Folasade Olanipekun-Lewis
Irwin (Sonny) Popowsky
Nancy Winkler (term ended in 2015)
Bernard Brunwasser, Chair

Marie McNeill, Staff to the Board
