

PWD Exhibit 1 - Notification of Rate Filing

- 1. Advance Notification of Rate Filing to the Philadelphia Water, Sewer and StormWater Rate Board**
- 2. Advance Notification of Rate Filing to the Philadelphia City Council**
- 3. Public Notice of Proposed Rate Changes**
- 4. Formal Notice to the Philadelphia Department of Records of Proposed Changes in Rate and Charges**



Debra A. McCarty, Water Commissioner

February 12, 2018

Darrell L. Clarke, President
Philadelphia City Council
City Hall, Room 490
Philadelphia, PA 19107


RE: Advance Notice of Proposed Changes in Water, Sewer and Stormwater Rates and Related Charges (FY 2019-2021)

Dear President Clarke:

Pursuant to Section 13-101 of The Philadelphia Code and the Regulations of the Philadelphia Water, Sewer and Storm Water Rate Board ("Rate Board"), enclosed for filing on behalf of the Philadelphia Water Department ("Department") is the Department's Advance Notice of Proposed Change in Water, Wastewater and Stormwater Rates and Related Charges ("Advance Notice"). This Advance Notice is provided together with the proposed rates and charges and supporting written testimony and exhibits containing the engineering, financial and other data upon which the proposed rates and charges are based. An itemized list of the documents enclosed with the Advance Notice and available on the enclosed flash drive is set forth in the Filing Index attached to the Advance Notice.

As always, the Department senior staff will be available to discuss the rate filing and answer any questions you may have with regard to same.

Very truly yours,



Debra A. McCarty
Water Commissioner

Enclosures

cc: Members of City Council

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

In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Related Charges	Fiscal Years 2019-2021
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ADVANCE NOTICE

Pursuant to Section 13-101 of The Philadelphia Code and Section 2 of the Regulations of the Philadelphia Water, Wastewater and Storm Water Rate Board (the "Board"), enclosed for filing on behalf of the Philadelphia Water Department ("PWD" or the "Department") are the proposed rates and charges for supplying water, sewer and storm water service for accounts and properties located in the City of Philadelphia for Fiscal Years 2019 through 2021. Along with the proposed rates and charges, the Department is filing supporting written testimony and exhibits. A filing index of written statements and exhibits is attached. Copies of notifications of this rate filing are or will be included in PWD Exhibit 1. A summary fact sheet on the proposed rates and charges is in PWD Exhibit 2. The proposed rates and charges are in PWD Exhibits 3A, 3C and 3E, and redline versions are provided as PWD Exhibits 3B, 3D and 3F. Documents incorporated by reference are listed in PWD Exhibit 4. The Department's updated Financial Plan is attached to PWD Statement No. 2 as Schedule ML-1. Other exhibits containing additional financial, engineering and other data upon which the proposed rates and charges are based are listed in the attached filing index. The filing will be made available by posting at the Board's website. The Department also is providing copies of the filing to the Public Advocate and the Board's hearing officer and technical expert for this proceeding.

COUNSEL OF RECORD AND SERVICE OF DOCUMENTS

The Department and the Philadelphia Water Revenue Bureau will be represented by the following counsel in this proceeding:

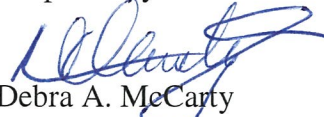
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Counsel for Philadelphia Water Revenue Bureau

The Department requests that the Board and all participants in this proceeding electronically serve copies of all documents in this proceeding to the attorneys listed above.

Respectfully Submitted



Debra A. McCarty
Water Commissioner

Dated: February 12, 2018
Enclosure and Attachment

FILING INDEX

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² An electronic copy of this document can be found at <http://www.phila.gov/investor/PDF/CAFR%202016.PDF> and at <http://www.phila.gov/finance/pdfs/2016CAFRFINAL.pdf>

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¹¹ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Book%20II14.pdf>

¹² An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Book%20II.pdf>.

	<p><u>Capital Budget:</u> Recommended Six Year Capital Program for Fiscal Years 2018-2023¹³</p> <p><u>Five Year Financial and Strategic Plan:</u> FY 2018-2022 Five Year Financial Plan, as revised September 2017¹⁴ FY 2018-2022 Five Year Financial Plan, as presented to City Council¹⁵ FY 2018-2022 Five Year Financial Plan, as adopted¹⁶</p> <p><u>Summary of the Operating Budgets:</u> FY 18 Budget in Brief - Adopted¹⁷ FY 17 Budget in Brief - Approved by Council¹⁸ FY 16 Budget in Brief - Approved by Council¹⁹ FY 15 Budget in Brief – Approved by Council²⁰</p> <p><u>Other City Webpages:</u> A Guide for Customers (2018), Philadelphia Water Department²¹ City of Philadelphia Municipal Energy Master Plan²²</p>
PWD Exhibit 5	Official Statement – City of Philadelphia Water and Wastewater Revenue Refunding Bonds, Series 2017B
PWD Exhibit 6	Supplemental Financial, Engineering and Other Data – Black & Veatch Workpapers
PWD Exhibit 7	Consent Order and Agreement dated June 1, 2011
PWD Exhibit 8	[Notices of Publication] ²³

¹³ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/CapitalBudget/FY18RecommendedCapitalProgramBook.pdf>

¹⁴ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY18-22%20Five%20Year%20Plan%20Adopted.pdf>.

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¹⁸ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY17FinalBudgetinBriefAdopted.pdf>.

¹⁹ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY%202016%20Budget%20in%20Brief%20as%20Approved%20-%20Final.pdf>.

²⁰ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Mayors%20Operating%20Budget%20In%20Brief%20FY%202015.pdf>.

²¹ An electronic copy of this document can be found at www.phila.gov/water/pdf/customer-guide.pdf

²² An electronic copy of this document can be found at <http://beta.phila.gov/media/20170927092513/MunicipalEnergyMasterPlan.pdf>.

²³ To be supplied upon publication of legal advertisements in connection with public and technical hearings.



Debra A. McCarty, Water Commissioner

February 12, 2018

Irwin Popowsky, Chairman
Philadelphia Water, Sewer and Storm Water Rate Board
One Parkway
1515 Arch Street, 17th Floor
Philadelphia, PA 19102

Attention: Daniel Cantu-Hertzler, Esquire

RE: Advance Notice of Proposed Changes in Water, Sewer and Stormwater Rates and
Related Charges (FY 2019-2021)

Dear Chairman Popowsky and Rate Board Members:

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Debra A. McCarty
Water Commissioner

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

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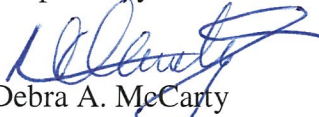
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PWD Exhibit 7	Consent Order and Agreement dated June 1, 2011
PWD Exhibit 8	[Notices of Publication] ²³

¹³ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/CapitalBudget/FY18RecommendedCapitalProgramBook.pdf>

¹⁴ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY18-22%20Five%20Year%20Plan%20Adopted.pdf>.

¹⁵ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY18-22-Five-Year-Plan.pdf>.

¹⁶ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY18-22%20Five%20Year%20Plan%20Adopted.pdf>.

¹⁷ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Operating%20Budget/FY18%20BudgetinBriefAdopted.pdf>.

¹⁸ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY17FinalBudgetinBriefAdopted.pdf>.

¹⁹ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY%202016%20Budget%20in%20Brief%20as%20Approved%20-%20Final.pdf>.

²⁰ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Mayors%20Operating%20Budget%20In%20Brief%20FY%202015.pdf>.

²¹ An electronic copy of this document can be found at www.phila.gov/water/pdf/customer-guide.pdf

²² An electronic copy of this document can be found at <http://beta.phila.gov/media/20170927092513/MunicipalEnergyMasterPlan.pdf>.

²³ To be supplied upon publication of legal advertisements in connection with public and technical hearings.

Public Notice Of Proposed Water Rate Changes

To Philadelphia Water Department Customers:

On February 12, 2018, the Philadelphia Water Department (“Department”) filed an advanced notice with the Philadelphia Water Department, Sewer and Stormwater Rate Board (“Rate Board”) of the Department’s intent to propose an increase in water, sewer and stormwater rates effective September 1, 2018. The proposal is subject to the review and authorization of the Rate Board.

The Department is requesting an overall rate increase of approximately \$116 million over two fiscal years. If the Department’s proposal is approved, the monthly bill for a residential customer using 5 ccf of water per month would increase by 1.1% on September 1, 2018, by an additional 5.0% on September 1, 2018, and finally by 4.5% on September 1, 2020. Nonresidential increases vary widely based on meter size, the amount of water consumed and the gross and impervious area of each parcel. A sample monthly bill for a small business customer using a 5/8 inch meter and using 6 ccf of water per month and having a 5,500 square foot lot with 4,000 square feet of impervious area will increase by 4.1% on September 1, 2018, 5.7% on September 1, 2019 and 4.8% on September 1, 2020. Examples of changes in customer bills are shown below:

Monthly water bills for different customer types				
Customer Type (Water meter size, monthly usage)	Current Typical monthly bill	Proposed September 1, 2018 monthly bill	Proposed September 1, 2019 monthly bill	Proposed September 1, 2020 monthly bill
Residential (5/8" meter, 500 cubic feet)	\$66.50	\$67.24	\$70.60	\$73.79
Senior Citizen with Discount ¹ (5/8" meter, 300 cubic feet)	\$38.54	\$39.07	\$41.11	\$43.02
Non-Residential (5/8" meter, 600 cubic feet)	\$108.48	\$112.90	\$119.29	\$125.02

1. Typical rate for an income-eligible senior citizen residing on Residential Property as defined in the regulations and using 6 ccf of water per month.

The Department’s Statement of Reasons explaining why the rate increase has been proposed and regulations impacted by the proposed rate change may be viewed by visiting the Rate Board’s website at: www.phila.gov/water/rateboard

Rate Board Role

The Rate Board is the local agency authorized to approve rate changes for the Department. The Rate Board will review and investigate the proposed rate increase. The Department must prove that the proposed rates are reasonable. After examining the rate filing, related testimony and exhibits, as well as the submissions of the Public Advocate and other parties, the Rate Board will decide the merits of the application for rate relief. As a result of this investigation, the final effect on customer bills may be different than that proposed in the Department’s rate filing.

Actions You Can Take

You may challenge the Department’s proposed rate changes by:

- 1. Sending a letter to the Rate Board.** You can tell the Rate Board why you object to the proposed rate increase in your letter. This information can be helpful to the Rate Board in investigating the rate change.
- 2. Attending or presenting testimony at Public Input Hearings.** You can attend or be a witness at a Rate Board public hearing. The Rate Board holds public input hearings as a part of its investigation of the rate request. At these hearings, you may present your views in person to the hearing officer and Rate Board. Your testimony becomes a part of the record of the proceeding. Public Input Hearings will be scheduled by the Rate Board around the City at venues and times to be announced by the Rate Board. A schedule for the public hearings will be posted on the Rate Board website. There is no filing requirement to participate in Public Input Hearings.
- 3. File a notice to participate and present testimony at Technical Hearings.** If you want to participate in Technical Hearings, you must file a notice to participate with the Rate Board, consistent with their requirements, by March 21, 2018, unless an extension is granted. Such notice can be a letter addressed to the Rate Board and timely filed at the below address indicating your objections to the requested rate increase and your interest in participating in Technical Hearings. Upon filing the above notice, you then have the opportunity to participate in all hearings concerning the proposed rate increase. You can also receive all documents filed by other participants in the rate proceeding.

All correspondence for the Rate Board may be addressed to:

Philadelphia Water Department, Sewer and Stormwater Rate Board
City of Philadelphia Law Department
Attn: Cody Williams
1515 Arch Street, 17th Floor
Philadelphia, PA 19102–1595



Debra A. McCarty, Water Commissioner

March 14, 2018

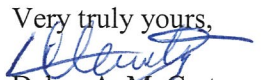
James P. Leonard, Esq.
Records Commissioner
City Hall, Room 158
Philadelphia, PA 19102

RE: Formal Notice of the Philadelphia Water Department's Proposed Changes in Water, Wastewater and Stormwater Rates and Charges (FY 2019-2021)

The enclosed rate filing is submitted on behalf of the Philadelphia Water Department ("Department" or "PWD") in support of its proposed change in rates and charges for water, sewer (wastewater) and storm water services consistent with (i) Section 5-801 of the Philadelphia Home Rule Charter ("Charter"), (ii) Section 13-101 of The Philadelphia Code ("Code"), and (iii) the Regulations of the Philadelphia Water, Sewer and Storm Water Rate Board ("Rate Board"). The above referenced filing is transmitted in the attached binders, as well as electronically in the enclosed USB flash drive. Also enclosed with this filing are the proposed rates and charges, which are subject to review and authorization by the Rate Board.¹ The Rate Board will schedule public hearings on the proposed rates and charges, as required by Section 13-101(3)(f) of the Code.

This submission is the formal notice required to be filed with the Department of Records pursuant to Section 13-101(7)-(8) of the Code and Section II.2(b) of the Rate Board's regulations. Included with this submission are various statements and exhibits (identified in the attached Filing Index) that will be proffered for inclusion in the record during hearings before the Rate Board. Also attached and incorporated by reference is the Statement of Changes from the Advance Notice filed with City Council and the Rate Board on February 12, 2018. Finally, attached please find the memorandum from the Law Department approving this Formal Notice and the accompanying documents as to form.

Please make the aforesaid documentation, together with the Department's proposed changes in rates and charges, available for inspection consistent with the aforesaid legal requirements and arrange for advertising in accordance with Section 8-407 of the Charter and Section 21-1703 of the Code.² Text for the public notice to be published in the newspapers is attached. Thank you for your attention to this matter.

Very truly yours,

Debra A. McCarty
Water Commissioner

cc: Rate Board

¹ The proposed rates and charges are set forth in PWD Exhibit 3A through 3F. These proposed rates and charges will be fully vetted as a part of the rate process before the Rate Board.

² See Rate Board Regulation Section 2(d), which provides that the Rate Board, by itself or through the Department of Records, shall provide public notice by advertising in accordance with Section 8-407 of the Charter and Section 21-1703 of the Code. We request that the notice be published in The Philadelphia Inquirer, The Philadelphia Daily News, The Legal Intelligencer, Al Dia and The Tribune.

FILING INDEX

Philadelphia Water Department Statements and Exhibits

Water Department Statements

PWD Statement No. 1	Direct Testimony and Schedules of Debra A. McCarty
	<u>Schedule DM-1</u> : Resume of Debra A. McCarty <u>Schedule DM-2</u> : Green Stormwater Infrastructure Tools <u>Schedule DM-3</u> : Philadelphia Renewable Biofuels <u>Schedule DM-4</u> : Drinking Water Quality Report (2016) <u>Schedule DM-5</u> : Delaware Valley Early Warning System <u>Schedule DM-6</u> : Customer Information <u>Schedule DM-7</u> : Utility Wide Strategic Energy Plan <u>Schedule DM-8</u> : Climate Change Adaption Program
PWD Statement No. 2	Direct Testimony and Schedules of Melissa LaBuda
	<u>Schedule ML-1</u> : Resume of Melissa LaBuda <u>Schedule ML-2</u> : Financial Plan <u>Schedule ML-3</u> : Bond Counsel Memorandum <u>Schedule ML-4</u> : Rating Agency Reports <u>Schedule ML-5</u> : Water Fund Projection Summary <u>Schedule ML-6</u> : Financial Advisor Memorandum
PWD Statement No. 3	Direct Testimony and Schedule of Stephen J. Furtek
	<u>Schedule SJF-1</u> : Resume of Stephen J. Furtek
PWD Statement No. 4	Direct Testimony and Schedule of Donna Schwartz
	<u>Schedule DS-1</u> : Resume of Donna Schwartz
PWD Statement No. 5	Direct Testimony and Schedules of Joanne Dahme
	<u>Schedule JD-1</u> : Resume of Joanne Dahme
PWD Statement No. 6	Direct Testimony and Schedules of Erin Williams
	<u>Schedule EW-1</u> : Resume of Erin Williams

	<p><u>Schedule EW-2</u>: Stormwater Management Service Charge Credits and Appeals Manual</p> <p><u>Schedule EW-3</u>: Stormwater Incentives Grants Manual and Fact Sheets</p>
PWD Statement No. 7	Direct Testimony and Schedules of Michelle Bethel and RaVonne A. Muhammad
	<p><u>Schedule MB-1</u>: Resume of Michelle Bethel</p> <p><u>Schedule RM-1</u>: Resume of RaVonne Muhammad</p>
PWD Statement No. 8	Direct Testimony and Schedules of Raftelis Financial Consultants
	<p><u>Schedule RFC-1</u>: Resume of Jon Davis</p> <p><u>Schedule RFC-2</u>: Resume of Henrietta Locklear</p> <p><u>Schedule RFC-3</u>: Resume of Jennifer Fitts</p> <p><u>Schedule RFC-4</u>: TAP Baseline Revenue Loss Memorandum</p> <p><u>Schedule RFC-5</u>: FY 2016 Service Usage and Billing</p> <p><u>Schedule RFC-6</u>: FY 2016 Water Usage and Billing</p> <p><u>Schedule RFC-7</u>: FY 2016 Payment Patterns</p> <p><u>Schedule RFC-8</u>: Typical Residential Customer Consumption Memorandum</p> <p><u>Schedule RFC-9</u>: Small Commercial Consumption Memo</p>
PWD Statement No. 9A	Direct Testimony and Schedules of Black & Veatch Management Consulting
	<p><u>Schedule BV-E1</u>: Summary Tables – Cost of Service and Rate Study</p> <ul style="list-style-type: none"> • <u>Tables C-1 through C-9</u>: Combined Projections of Revenue Requirements; Projection of Typical Retail Bills • <u>Tables W-1 through W-12</u>: Projection of Water Revenues under Existing Rates; Allocation of Test Year Cost of Service; Projection of Water Retail Units of Service • <u>Tables 13A through W-19A</u>: Projection of Aqua PA Cost of Service; Projection of Water Retail Cost of Service; Projected Water Retail Rates for General Service and Fire Protection • <u>Tables WW-1 through WW-18</u>: Projection of Wastewater Revenues under Existing Rates; Allocation of Test Year Cost of Service to Retail and Wholesale Customers; Proposed Wastewater Service Charge and Quantity Charge for General Service <p><u>Schedule BV-E2</u>: Summary Tables - Allocation of Wholesale Wastewater Costs</p>

	<ul style="list-style-type: none"> • <u>Tables WH-1 through WH-32</u>: Allocable Test Year Plant Investment and O&M expense; Allocation of Test Year System Investment; Allocation of Test Year O&M Expense; Summary of Allocated Cost of Service and Proposed Test Year Charges <p><u>Schedule BV-E3</u>: Summary Tables – Stormwater Rates</p> <p><u>Schedule BV-E4</u>: Summary Tables - Miscellaneous Fees</p> <p><u>Schedule BV-E5</u>: Assumptions and White Papers</p> <ul style="list-style-type: none"> • <u>WP-1</u>: Financial Plan – Revenue and Revenue Requirement Assumptions • <u>WP-2</u>: Public Fire Protection Costs in Rates and Charges • <u>WP-3</u>: Capitol Account Deposit • <u>WP-4</u>: Cost of Service Analysis Overview • <u>WP-5</u>: Wholesale Cost of Service Analysis • <u>WP-6</u>: Cost Recovery of Discounts, Credits, Grants and TAP • <u>WP-7</u>: Senior Citizen Discount Threshold Amount <p><u>Schedule BV-E6</u>: Resumes</p>
PWD Statement No. 9B	Supplemental Direct Testimony of Black & Veatch Management Consulting
	Schedule BV-S-1: White Paper – Proposed TAP Rider

Water Department Exhibits

PWD Exhibit 1	Notification of Rate Filing – Advance Notice to Rate Board, Advance Notice to Philadelphia City Council; Public Notice with Estimates of Effects on Typical Customer Bills and Formal Notice to the Department of Records;
PWD Exhibit 2	Summary Fact Sheet on proposed rates and charges; the need for rate relief; and the information relied upon in the development of proposed rates and charges
PWD Exhibit 3A	FY2019 Proposed Rates and Charges
PWD Exhibit 3B	FY2019 Proposed Rates and Charges (Redline)
PWD Exhibit 3C	FY2020 Proposed Rates and Charges
PWD Exhibit 3D	FY2020 Proposed Rates and Charges (Redline)

PWD Exhibit 3E	FY2021 Proposed Rates and Charges
PWD Exhibit 3F	FY2021 Proposed Rates and Charges (Redline)
PWD Exhibit 4	<p>Documents Incorporated by Reference Pursuant to Rate Board Rule 2(f):</p> <p><u>Financial Reports:</u> Annual Financial Report for Fiscal Year Ended June 30, 2017¹ Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016²</p> <p><u>Official Statements:</u> City of Philadelphia Water and Wastewater Revenue Bonds, Series 2017A; ³ City of Philadelphia Water and Wastewater Revenue Refunding Bonds, Series 2016.⁴</p> <p><u>Budget Detail</u> Most Recent Report for Fiscal Year 2018, Book I⁵ Most Recent Report for Fiscal Year 2018, Book II⁶ Mayor's Operating Budget for Fiscal Year 2017, Book I⁷ Mayor's Operating Budget for Fiscal Year 2017, Book II⁸ Mayor's Operating Budget for Fiscal Year 2016, Book I⁹ Mayor's Operating Budget for Fiscal Year 2016, Book II¹⁰ Mayor's Operating Budget for Fiscal Year 2015, Book I¹¹ Mayor's Operating Budget for Fiscal Year 2015, Book II¹²</p> <p><u>Capital Budget:</u></p>

¹ An electronic copy of this document can be found at <http://www.phila.gov/investor/PDF/FY17%20AFR.pdf>.

² An electronic copy of this document can be found at <http://www.phila.gov/investor/PDF/CAFR%202016.PDF> and at <http://www.phila.gov/finance/pdfs/2016CAFRFINAL.pdf>

³ An electronic copy of this document can be found at [http://www.phila.gov/investor/PDF/WATER%20and%20Wastewater %20Revenue%20Bonds% 20Series%202017. pdf](http://www.phila.gov/investor/PDF/WATER%20and%20Wastewater%20Revenue%20Bonds%20Series%202017.pdf).

⁴ An electronic copy of this document can be found at [http://www.phila.gov/investor/PDF/2016_philadelphiacity_ wastewater _os.pdf](http://www.phila.gov/investor/PDF/2016_philadelphiacity_wastewater_os.pdf).

⁵ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Mayor's%20FY%202018%20Operating%20Budget%20Detail%20-%20Book%201.pdf>.

⁶ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Mayor's%20FY%202018%20Operating%20Budget%20Detail%20-%20Book%202.pdf>.

⁷ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/MayorsFiscalYear2017OperatingBudgetBookI.pdf>.

⁸ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/MayorsFiscalYear2017OperatingBudgetBookII.pdf>.

⁹ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/FY2016Book%201.pdf>.

¹⁰ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Book%20II15.pdf>.

¹¹ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Book%20II14.pdf>

¹² An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/Book%20II.pdf>.

	<p>Recommended Six Year Capital Program for Fiscal Years 2018-2023¹³</p> <p><u>Five Year Financial and Strategic Plan:</u> FY 2018-2022 Five Year Financial Plan, as revised September 2017¹⁴ FY 2018-2022 Five Year Financial Plan, as presented to City Council¹⁵ FY 2018-2022 Five Year Financial Plan, as adopted¹⁶</p> <p><u>Summary of the Operating Budgets:</u> FY 18 Budget in Brief - Adopted¹⁷ FY 17 Budget in Brief - Approved by Council¹⁸ FY 16 Budget in Brief - Approved by Council¹⁹ FY 15 Budget in Brief – Approved by Council²⁰</p> <p><u>Other City Webpages:</u> A Guide for Customers (2018), Philadelphia Water Department²¹ City of Philadelphia Municipal Energy Master Plan²²</p>
PWD Exhibit 5	Official Statement – City of Philadelphia Water and Wastewater Revenue Refunding Bonds, Series 2017B
PWD Exhibit 6	Supplemental Financial, Engineering and Other Data – Black & Veatch Workpapers
PWD Exhibit 7	Consent Order and Agreement dated June 1, 2011
PWD Exhibit 8	[Notices of Publication] ²³

¹³ An electronic copy of this document can be found at <http://www.phila.gov/finance/pdfs/CapitalBudget/FY18RecommendedCapitalProgramBook.pdf>

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²³ To be supplied upon publication of legal advertisements in connection with public and technical hearings.

**PHILADELPHIA WATER DEPARTMENT RATE PROCEEDING
(FY 2019-2021)**

**STATEMENT OF CHANGES FROM THE ADVANCE NOTICE
FILED WITH CITY COUNCIL AND
THE WATER, SEWER AND STORMWATER RATE BOARD ON FEBRUARY 12, 2018**

Pursuant to Section 2 of the Regulations of the Philadelphia Water, Sewer and Storm Water Rate Board (“Rate Board”), this statement highlights changes from the Advance Notice of proposed changes in rates and charges filed by the Philadelphia Water Department (PWD) with City Council and the Board on February 12, 2018. The changes and the rationale for the changes are provided below.


- PWD Exhibit-1 has been supplemented with the Formal Notice and the accompanying attachments to comply with Section 2 of the Board’s regulations. It has also been revised to reflect changed impervious area and gross area square footage.
- PWD Exhibit-2 has been revised to reflect changed impervious area and gross area square footage.
- PWD Exhibit 4 has been revised to remove the draft watermark. The draft watermark was included with the prior version of this exhibit in error.
- PWD Exhibit-8 has been supplemented with additional notices of publication. The additional notices were not yet available at the time of the Advance Notice.



City of Philadelphia

LAW DEPARTMENT
Water Division
1101 Market Street
5th Floor
Philadelphia, PA 19107

MEMORANDUM

TO: Debra McCarty, Commissioner
FROM: Scott J. Schwarz, Divisional Deputy City Solicitor 
DATE: March 14, 2018
SUBJECT: In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Charges (FY 2019-2021)

I have reviewed the Formal Notice of Proposed Rates and Charges (Formal Notice) and the documents shown on the index attached to the Formal Notice. I find the Formal Notice and the documents shown on the index to be legal and in proper form.

In accordance with Section 5-801 of the Philadelphia Home Rule Charter, Section 13-101 of the Philadelphia Code and the Regulations of the Philadelphia Water, Sewer and Stormwater Rate Board, you may forward the Formal Notice and the referenced documents to the Department of Records where they will be available for public inspection.