

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

<p>In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Related Charges</p>	<p>Fiscal Years 2019-2021</p>
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**SUMMARY OF PUBLIC ADVOCATE ADJUSTMENTS ACCEPTABLE TO
PHILADELPHIA WATER DEPARTMENT**

<u>Adjustment</u>	<u>Description of Adjustment</u>	<u>Citation to Record</u>
Adjustments to Expenses		
Additional Staffing Operating Labor Expense (Actual/Budget Factor) ¹	Application of Actual to Budget Factor consistent with cost classification	PA Statement 1 at 20, Lines 6-7
Debt Interest Rate ²	Use of 5.25 percent interest rate for debt issuance in FY 2019 and FY 2020	PA Statement 1 at 27, Lines 15 - 16
Capacity to Pay Energy Costs	(\$1,493,250) - FY 2019 (\$1,493,250) - FY 2020	PA Statement 1 at 31, Schedule LKM-2, line 14

¹ This Public Advocate adjustment relates to the actual-to-budget factor to be applied for this expense for FY 2019-2021. PWD maintains its position that planned expenditures for Additional Employees should be approved for FY 2021.

² This Public Advocate adjustment reflects a 5.25% interest rate for planned issuances in FY 2019 and 2020 – which is acceptable to the Department. PWD maintains its position for FY 2021. See, PWD Statement 9A at 39.