



CITY OF PHILADELPHIA
CITY COUNCIL

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2ND DISTRICT COUNCILMAN

Philadelphia Water, Sewer, and Stormwater Rate Board
c/o Marie McNeill
Philadelphia Water Department
Finance Division
1101 Market Street, 5th Floor
Philadelphia, PA 19107

April 7th, 2016

Dear Chairman Brunwasser and Members of the Water Rate Board,

I am writing today to share the concerns of my constituents in Philadelphia's 2nd Council District about the Water Rate Board's proposed rate increases. While I support the Water Department's efforts to modernize the city's infrastructure, I do not believe that Philadelphia's citizens, particularly those already struggling to make ends meet, should be forced to bear the burden for this initiative directly.

After an assessment of PWD's Rate Stabilization Fund, it seems clear that rate increases would not be the most appropriate means by which to ensure funding for infrastructure modernization. The Fund was originally established to prevent rate increases like the one being proposed and current Fund balances show a sizable surplus over previously-projected levels. In testimony supporting a previous rate increase, PWD projected that the Fund would operate with a \$74.5 million balance. Now, with a balance in excess of \$200 million, the Rate Stabilization Fund ought to fulfill its designated role.

There should be no doubt that an increase in utility rates will disproportionately affect low-income families, many of whom already struggle to pay their bills on time. With a well-funded mechanism designed to prevent rate increases already in place, this current proposal does not

seem to take the concerns of these citizens into consideration. Moving forward, I urge you to reject any proposed rate increases, and instead to seek funds for new PWD initiatives primarily from the Rate Stabilization Fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenyatta Johnson", with a long, sweeping horizontal flourish extending to the right.

Kenyatta Johnson
Councilman - 2nd District