

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**



Randy E. Hayman, Water Commissioner

February 11, 2020

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

Attention: Daniel Cantu-Hertzler, Esq.

Re: Advance Notice of Proposed Changes in Water, Sewer and Stormwater Rates and
Related Charges (FY 2021-2022)

Dear Chairman Popowsky and Rate Board Members:

Pursuant to Section 13-101(7) of The Philadelphia Code and Section II.A.2(a) of 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 Changes 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.

Sincerely,

A handwritten signature in blue ink, appearing to be "R. Hayman", written over a blue circular stamp.

Randy E. Hayman
Water Commissioner

Enclosures



Randy E. Hayman, Water Commissioner

February 11, 2020

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 2021-2022)

Dear President Clarke:

Pursuant to Section 13-101(7) of The Philadelphia Code and Section II.A.2(a) of 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 Changes 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.

Sincerely,

A handwritten signature in blue ink, appearing to be "R. Hayman", with a long horizontal flourish extending to the right.

Randy E. Hayman
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 2021-2022
--	------------------------

ADVANCE NOTICE

Pursuant to Section 13-101 of The Philadelphia Code and Section II.A.2(a) 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 2021 through 2022. 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 Advance Notice and Formal Notice of this rate filing are or will be included in PWD Exhibit 1. A summary fact sheet on the proposed rates and charges and estimates of the proposed rate changes on customer bills are in PWD Exhibit 2. The proposed rates and charges are in PWD Exhibits 3A and 3C, and redline versions are provided as PWD Exhibits 3B and 3D. 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-2. 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 serving copies of the filing on 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:

Andre C. Dasent, Esquire
Centre Square – East Tower
1500 Market Street, 12th Floor
Philadelphia, PA 19102
andre.c.dasent@gmail.com
Counsel for Philadelphia Water Department

Scott J. Schwarz, Divisional Deputy City Solicitor
Ji Jun, Deputy City Solicitor
City of Philadelphia Law Department
1101 Market Street, 5th Floor
Philadelphia, PA 19107
scott.schwarz@phila.gov
ji.jun@phila.gov
Counsel for Philadelphia Water Department

Susan M. Crosby, Divisional Deputy City Solicitor
City of Philadelphia Law Department
Mass Litigation Tax/Water
Municipal Services Building
1401 John F. Kennedy Boulevard, 5th Floor
Philadelphia, PA 19102
susan.crosby@phila.gov
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 on the attorneys listed above.

Respectfully Submitted



Randy Hayman
Water Commissioner

Dated: February 11, 2020
Enclosures and Attachments

FILING INDEX

Philadelphia Water Department Statements and Exhibits

Statements

PWD Statement No. 1	Direct Testimony and Schedules of Randy Hayman
	<u>Schedule REH-1</u> : Resume of Randy Hayman <u>Schedule REH-2</u> : Miscellaneous Changes in Terms of Rates and Charges <u>Schedule REH-3</u> : Summary of Drinking Water Regulations <u>Schedule REH-4</u> : Green Stormwater Infrastructure Tools
PWD Statement No. 2	Direct Testimony and Schedules of Melissa La Buda
	<u>Schedule ML-1</u> : Resume of Melissa La Buda <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 and Thomas Spokas
	<u>Schedule SJF-1</u> : Resume of Stephen J. Furtek <u>Schedule SJF-1</u> : Capital Program and Budget Process <u>Schedule TS-1</u> : Resume of Thomas Spokas
PWD Statement No. 4	Direct Testimony and Schedule of Donna Schwartz and Ben Jewell
	<u>Schedule DS-1</u> : Resume of Donna Schwartz <u>Schedule BJ-1</u> : Resume of Benjamin Jewell
PWD Statement No. 5	Direct Testimony and Schedules of Michelle Bethel-Miller and RaVonne A. Muhammad
	<u>Schedule MB-1</u> : Resume of Michelle Bethel-Miller <u>Schedule RM-1</u> : Resume of RaVonne Muhammad <u>Schedule MB-2</u> : CY2018 Report to Mayor on TAP <u>Schedule MB-3</u> : TAP Survey Report 2019
PWD Statement No. 6	Direct Testimony and Schedules of Raftelis
	<u>Schedule RFC-1</u> : Resume of Jon Davis <u>Schedule RFC-2</u> : Resume of Henrietta Locklear

	<p><u>Schedule RFC-3</u>: Resume of Jennifer Tavantzis</p> <p><u>Schedule RFC-4</u>: FY 2019 Service Usage and Billing</p> <p><u>Schedule RFC-5</u>: FY 2019 Water Usage and Billing</p> <p><u>Schedule RFC-6</u>: FY 2019 Payment Patterns</p> <p><u>Schedule RFC-7</u>: Typical Residential Customer Consumption Memorandum</p> <p><u>Schedule RFC-8</u>: Typical Small Commercial Consumption Memorandum</p> <p><u>Schedule RFC-9</u>: FY 2019 Low Income Billing & Payments Report</p>
PWD Statement No. 7A	Direct Testimony and Schedules of Black & Veatch Management Consulting
	<p><u>Schedule BV-1</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-2</u>: Summary Tables - Allocation of Wholesale Wastewater Costs</p> <ul style="list-style-type: none"> • <u>Tables WH-1 through WH-30</u>: Allocable Test Year Plant Investment and O&M expense; Allocation of Test Year System Investment; Allocation of Test Year O&M Expense; and Summary of Allocated Cost of Service <p><u>Schedule BV-3</u>: Summary Tables – Stormwater Rates</p> <p><u>Schedule BV-4</u>: Summary Tables - Miscellaneous Fees</p> <p><u>Schedule BV-5</u>: Cost of Service Summary Report</p> <p><u>Schedule BV-6</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>: Stormwater Units of Service • <u>WP-3</u>: Cost Recovery of Discounts, Credits, Grants and TAP • <u>WP-4</u>: Senior Citizen Discount Threshold Amount <p><u>Schedule BV-7</u>: Resumes</p>

PWD Statement No. 7B	Supplemental Direct Testimony of Black & Veatch Management Consulting
	Schedule BV-S1: White Paper – TAP Lost Revenue Adjustment Factor

Exhibits

PWD Exhibit 1	Notification of Rate Filing – Advance Notice to Rate Board and Philadelphia City Council; Formal Notice to the Department of Records
PWD Exhibit 2	Summary Fact Sheet
PWD Exhibit 3A	FY2021 Proposed Rates and Charges
PWD Exhibit 3B	FY2021 Proposed Rates and Charges (Redline)
PWD Exhibit 3C	FY2022 Proposed Rates and Charges
PWD Exhibit 3D	FY2022 Proposed Rates and Charges (Redline)
PWD Exhibit 4	<p>Documents Incorporated by Reference Pursuant to Rate Board Rule II.A.2(f):</p> <p><u>Summary of the Operating Budgets:</u> FY 20 Budget in Brief – as proposed to the Council¹ FY 20 Budget in Brief – as approved by the Council²</p> <p><u>Budget Detail</u> FY20 Operating Budget Detail, Book I³ FY20 Operating Budget Detail, Book II⁴</p> <p><u>Capital Budget:</u> Six Year Capital Program for Fiscal Years 2020-2025, Capital Budget for Fiscal Year 2020m per Council Approved Capital Program and Budget⁵</p>

¹ An electronic copy of this document can be found at
https://www.phila.gov/finance/pdfs/CapitalBudget/FY20%20Budget%20in%20Brief_All_Proposed.pdf

² An electronic copy of this document can be found at
https://www.phila.gov/finance/pdfs/Operating%20Budget/FY20%20BudgetinBrief_Adopted.pdf

³ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/budgetdetail/Mayor's%20FY%202020%20Operating%20Budget%20Detail%20-%20Book%20I.pdf>

⁴ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/budgetdetail/Mayor's%20FY%202020%20Operating%20Budget%20Detail%20-%20Book%20II.pdf>

⁵ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/FY%2020-25%20Capital%20Program%20Book.pdf>

	<p><u>Financial Reports:</u> Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2018⁶</p> <p><u>Five Year Financial and Strategic Plan:</u> Five Year Financial and Strategic for Fiscal Years 2020-2024, presented to Council⁷</p> <p>FY2020-FY20204 Five Year Financial Plan, per Council Approved Budget⁸</p>
PWD Exhibit 5	Official Statement – City of Philadelphia Water and Wastewater Revenue Bonds, Series 2019B
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	Proposed Matrix of Issues in the 2020 General Rate Proceeding

⁶ An electronic copy of this document can be found at [https://www.phila.gov/finance/pdfs/2018%20Comprehensive%20Annual%20Financial%20Report%20\(CAFR\)%20with%20GAAS%20Opinion.pdf](https://www.phila.gov/finance/pdfs/2018%20Comprehensive%20Annual%20Financial%20Report%20(CAFR)%20with%20GAAS%20Opinion.pdf)

⁷ An electronic copy of this document can be found at https://www.phila.gov/finance/pdfs/CapitalBudget/FY20-24%20FYP_FINAL.pdf

⁸ An electronic copy of this document can be found at <https://www.phila.gov/finance/pdfs/CapitalBudget/FY20-24%20Five%20Year%20Plan%20Adopted.pdf>

PROPOSED CHANGES IN WATER, SEWER AND STORMWATER RATES AND CHARGES

On February 11, 2020, the Philadelphia Water Department ("Department") filed an Advance Notice with City Council and the Philadelphia Water, Sewer, and Storm Water Rate Board (Rate Board) of the Department's intent to propose an increase in water, sewer, and stormwater rates effective September 1, 2020. The proposal is subject to the review and authorization of the Rate Board.

The proposed changes in water, sewer and stormwater rates and related charges provide for a two-phase rate increase. The first phase is proposed to become effective on September 1, 2020. The second phase will be implemented on September 1, 2021. The effect of the proposed increase on a typical residential and small business customer bill, if approved by the Rate Board, would be as follows:

Residential Account Effective Date	Percentage Increase
September 1, 2020	8.4%
September 1, 2021	6.2%
 Small Business Account Effective Date	 Percentage Increase
September 1, 2020	4.4%
September 1, 2021	6.6%

The Department's Summary Fact Sheet 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.

Anyone wishing to be a participant in the Rate Proceeding to consider those changes should register with the Board:

Water, Sewer and Storm Water Rate Board,
c/o Steven Liang, City Law Department
1515 Arch St., 17th Fl.
Philadelphia, PA 19102
WaterRateBoard@phila.gov

**PHILADELPHIA
WATER**
— DEPARTMENT —



Randy E. Hayman, Water Commissioner

March 12, 2020

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 2021-2022)

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, wastewater (sanitary sewer) and stormwater 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.A.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 11, 2020. 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,

A handwritten signature in black ink, appearing to read "R. Hayman", followed by a horizontal line.

Randy E. Hayman
Water Commissioner

cc: Rate Board

¹ The proposed rates and charges are set forth in PWD Exhibit 3A through 3D. 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 II.A.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.

RECORDS DEPARTMENT

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 Storm Water Rate Board (Board), the Philadelphia Water Department filed proposed changes to the rates and charges on March 12, 2020. The filing is available online at: www.phila.gov/water/rateboard or may be examined at the Department of Records. Anyone wishing to be a Participant in the rate change proceeding should send notice to Water, Sewer and Storm Water Rate Board, c/o Steven Liang, City of Philadelphia Law Department, 1515 Arch St., 17th Fl., Philadelphia, PA 19102 WaterRateBoard@phila.gov.

James P. Leonard, Esq.
Records Commissioner

FILING INDEX

Philadelphia Water Department Statements and Exhibits

Statements

PWD Statement No. 1	Direct Testimony and Schedules of Randy Hayman
	<u>Schedule REH-1</u> : Resume of Randy Hayman <u>Schedule REH-2</u> : Miscellaneous Changes in Terms of Rates and Charges <u>Schedule REH-3</u> : Summary of Drinking Water Regulations <u>Schedule REH-4</u> : Green Stormwater Infrastructure Tools
PWD Statement No. 2	Direct Testimony and Schedules of Melissa La Buda
	<u>Schedule ML-1</u> : Resume of Melissa La Buda <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 and Thomas Spokas
	<u>Schedule SJF-1</u> : Resume of Stephen J. Furtek <u>Schedule SJF-1</u> : Capital Program and Budget Process <u>Schedule TS-1</u> : Resume of Thomas Spokas
PWD Statement No. 4	Direct Testimony and Schedule of Donna Schwartz and Ben Jewell
	<u>Schedule DS-1</u> : Resume of Donna Schwartz <u>Schedule BJ-1</u> : Resume of Benjamin Jewell
PWD Statement No. 5	Direct Testimony and Schedules of Michelle Bethel-Miller and RaVonne A. Muhammad
	<u>Schedule MB-1</u> : Resume of Michelle Bethel-Miller <u>Schedule RM-1</u> : Resume of RaVonne Muhammad <u>Schedule MB-2</u> : CY2018 Report to Mayor on TAP <u>Schedule MB-3</u> : TAP Survey Report 2019
PWD Statement No. 6	Direct Testimony and Schedules of Raftelis
	<u>Schedule RFC-1</u> : Resume of Jon Davis <u>Schedule RFC-2</u> : Resume of Henrietta Locklear

	<p><u>Schedule RFC-3</u>: Resume of Jennifer Tavantzis</p> <p><u>Schedule RFC-4</u>: FY 2019 Service Usage and Billing</p> <p><u>Schedule RFC-5</u>: FY 2019 Water Usage and Billing</p> <p><u>Schedule RFC-6</u>: FY 2019 Payment Patterns</p> <p><u>Schedule RFC-7</u>: Typical Residential Customer Consumption Memorandum</p> <p><u>Schedule RFC-8</u>: Typical Small Commercial Consumption Memorandum</p> <p><u>Schedule RFC-9</u>: FY 2019 Low Income Billing & Payments Report</p>
PWD Statement No. 7A	Direct Testimony and Schedules of Black & Veatch Management Consulting
	<p><u>Schedule BV-1</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-2</u>: Summary Tables - Allocation of Wholesale Wastewater Costs</p> <ul style="list-style-type: none"> • <u>Tables WH-1 through WH-30</u>: Allocable Test Year Plant Investment and O&M expense; Allocation of Test Year System Investment; Allocation of Test Year O&M Expense; and Summary of Allocated Cost of Service <p><u>Schedule BV-3</u>: Summary Tables – Stormwater Rates</p> <p><u>Schedule BV-4</u>: Summary Tables - Miscellaneous Fees</p> <p><u>Schedule BV-5</u>: Cost of Service Summary Report</p> <p><u>Schedule BV-6</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>: Stormwater Units of Service • <u>WP-3</u>: Cost Recovery of Discounts, Credits, Grants and TAP • <u>WP-4</u>: Senior Citizen Discount Threshold Amount <p><u>Schedule BV-7</u>: Resumes</p>

PWD Statement No. 7B	Supplemental Direct Testimony of Black & Veatch Management Consulting
	Schedule BV-S1: White Paper – TAP Lost Revenue Adjustment Factor

Exhibits

PWD Exhibit 1	Notification of Rate Filing – Advance Notice to Rate Board and Philadelphia City Council; Formal Notice to the Department of Records
PWD Exhibit 2	Summary Fact Sheet
PWD Exhibit 3A	FY2021 Proposed Rates and Charges
PWD Exhibit 3B	FY2021 Proposed Rates and Charges (Redline)
PWD Exhibit 3C	FY2022 Proposed Rates and Charges
PWD Exhibit 3D	FY2022 Proposed Rates and Charges (Redline)
PWD Exhibit 4	<p>Documents Incorporated by Reference Pursuant to Rate Board Rule II.A.2(f):</p> <p><u>Summary of the Operating Budgets:</u> FY 20 Budget in Brief – as proposed to the Council¹ FY 20 Budget in Brief – as approved by the Council²</p> <p><u>Budget Detail</u> FY20 Operating Budget Detail, Book I³ FY20 Operating Budget Detail, Book II⁴</p> <p><u>Capital Budget:</u> Six Year Capital Program for Fiscal Years 2020-2025, Capital Budget for Fiscal Year 2020m per Council Approved Capital Program and Budget⁵</p> <p><u>Financial Reports:</u></p>

¹ An electronic copy of this document can be found at
https://www.phila.gov/finance/pdfs/CapitalBudget/FY20%20Budget%20in%20Brief_All_Proposed.pdf

² An electronic copy of this document can be found at
https://www.phila.gov/finance/pdfs/Operating%20Budget/FY20%20BudgetinBrief_Adopted.pdf

³ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/budgetdetail/Mayor's%20FY%202020%20Operating%20Budget%20Detail%20-%20Book%20I.pdf>

⁴ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/budgetdetail/Mayor's%20FY%202020%20Operating%20Budget%20Detail%20-%20Book%20II.pdf>

⁵ An electronic copy of this document can be found at
<https://www.phila.gov/finance/pdfs/FY%2020-25%20Capital%20Program%20Book.pdf>

	<p>Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2018⁶</p> <p><u>Five Year Financial and Strategic Plan:</u> Five Year Financial and Strategic for Fiscal Years 2020-2024, presented to Council⁷</p> <p>FY2020-FY20204 Five Year Financial Plan, per Council Approved Budget⁸</p>
PWD Exhibit 5	Official Statement – City of Philadelphia Water and Wastewater Revenue Bonds, Series 2019B
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	Proposed Matrix of Issues in the 2020 General Rate Proceeding

⁶ An electronic copy of this document can be found at [https://www.phila.gov/finance/pdfs/2018%20Comprehensive%20Annual%20Financial%20Report%20\(CAFR\)%20with%20GAAS%20Opinion.pdf](https://www.phila.gov/finance/pdfs/2018%20Comprehensive%20Annual%20Financial%20Report%20(CAFR)%20with%20GAAS%20Opinion.pdf)

⁷ An electronic copy of this document can be found at https://www.phila.gov/finance/pdfs/CapitalBudget/FY20-24%20FYP_FINAL.pdf

⁸ An electronic copy of this document can be found at <https://www.phila.gov/finance/pdfs/CapitalBudget/FY20-24%20Five%20Year%20Plan%20Adopted.pdf>

**PHILADELPHIA WATER DEPARTMENT RATE PROCEEDING
(FY 2021-2022)**

**STATEMENT OF CHANGES FROM THE ADVANCE NOTICE
FILED WITH CITY COUNCIL AND
THE WATER, SEWER AND STORMWATER RATE BOARD ON FEBRUARY 11, 2020**

Pursuant to Section II.A.2(b) 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 Rate Board on February 11, 2020. The changes and the rationale for the changes are provided below.

- PWD Exhibit-1 has been supplemented with the Public Notice of Proposed Changes in Rates and Charges and the Formal Notice with the accompanying attachments in accordance with Section II.A.2(b) and (e) of the Rate Board’s regulations.
- PWD Exhibit 8 has been revised to change the reference for the schedule showing Miscellaneous Changes in Terms of Rates and Charges from Schedule REH-4 to Schedule REH-2. The prior reference to the schedule was included in error.
- PWD Statement 2, page 28. The reference to 1.4% on line 13 was an error and has been changed to 2.4% to correct the error. The reference in footnote 2 to PUC Docket No. R-2018-3003068 has been changed to PUC Docket No. R-2018-3003558. While the first docket numbers appeared on the cover letter from Aqua for the initial filing, the PUC appears to have assigned the second docket number to this case.



City of Philadelphia

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

MEMORANDUM

TO: Randy E. Hayman, Commissioner
FROM: Scott J. Schwarz, Divisional Deputy City Solicitor
DATE: March 12, 2020
SUBJECT: In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Charges (FY 2021-2022)

A handwritten signature in black ink, appearing to read "Scott J. Schwarz".

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.