

PWD EXHIBIT 2

## Summary Fact Sheet

On February 18, 2025, the Philadelphia Water Department (“Department” or “PWD”) filed a request with the Philadelphia Water, Sewer, and Storm Water Rate Board (“Rate Board” or “Board”) to increase water, sewer and stormwater rates and charges over two successive years. The Department is requesting annual base rate revenue increases to generate approximately \$73.630 million in FY 2026 and an additional \$58.858 million in FY 2027 with proposed effective dates of September 1, 2025 and September 1, 2026, respectively. Also, on February 18, 2025, the Department filed its proposed Annual TAP-R Reconciliation.

The adjustments resulting from both the general rate proceeding and the TAP-R Reconciliation, as proposed by the Department, are included in the typical monthly bill impacts shown below.

If both of the above PWD filings are approved, the total monthly bill for a residential customer using 4.3 hundred cubic feet (“ccf”) of water per month would increase by 11.7% on September 1, 2025 and an additional 5.9% on September 1, 2026.

Non-residential increases vary widely based on meter size, the amount of water consumed and the gross area and impervious areas of each parcel. If both of the above filings are approved, a sample monthly bill for a small business customer with a 5/8-inch meter, using 5.5 ccf of water per month and having a 5,500 square foot lot with 4,000 square feet of impervious area would increase by 9.5% on September 1, 2025, and an additional 6.9% on September 1, 2026.

Examples of changes in typical customer bills, if new rates and reconciliation are approved as proposed by the Department, are shown below:

| Customer Type   | Current Typical Monthly Bill | Proposed Monthly Bill (Sept. 1, 2025) | Proposed Monthly Bill (Sept. 1, 2026) |
|---|------------------------------|---------------------------------------|---------------------------------------|
| <b>Residential</b><br>(5/8” meter, 430 cubic feet)                  | \$81.77                      | \$91.31                               | \$96.68                               |
| <b>Senior Citizen with Discount</b><br>(5/8” meter, 300 cubic feet) | \$50.32                      | \$55.87                               | \$59.35                               |
| <b>Small Commercial</b><br>(5/8” meter, 550 cubic feet)             | \$137.38                     | \$150.49                              | \$160.92                              |

The Department is requesting rate relief because it will face an operating deficit in FY 2026 and FY 2027 (Rate Period). The need for rate relief is caused by a combination of the following (a) a significant decline in operating revenues compared with prior projections; (b) unavoidable increases in operating costs (e.g., work force costs, contract services, materials/equipment, power) and (c) the need to replenish financial reserves and meet mandatory financial metrics.



The Department has filed proposed new rates and charges with the Rate Board, together with written statements from witnesses and numerous schedules and exhibits containing the supporting data required by the Board's regulations. Such documentation includes the financial, engineering and other data upon which the proposed rates and charges are based and evidence demonstrating that such rates and charges are: (i) in accordance with sound utility ratemaking practices; (ii) aligned with current industry standards for such rates and charges; and (iii) are consistent with the Department's bond covenants and other legal requirements.

The proposed rates and charges and the supporting documentation may be viewed by visiting the Rate Board's website at: <https://www.phila.gov/departments/water-sewer-storm-water-rate-board/rate-proceedings/>.