

TIERED ASSISTANCE
PROGRAM (TAP)

Proposed TAP-R Reconciliation



MARCH 2022

What is the Tiered Assistance Program (TAP)?

The Tiered Assistance Program (TAP) allows low-income customers served by the Philadelphia Water Department to pay reduced bills based upon a percentage of their household income.

INCOME 0-50% FPL	INCOME 50-100% FPL	INCOME 101-150% FPL	INCOME >151% FPL + SPECIAL HARDSHIP	INCOME 151-250% FPL
Monthly bill capped at 2% of monthly income	Monthly bill capped at 2.5% of monthly income	Monthly bill capped at 3% of monthly income	Monthly bill capped at 4% of monthly income	Monthly payments toward arrears set so that total monthly bill is about 4% of monthly income
No payments toward arrears required	No payments toward arrears required	No payments toward arrears required	No payments toward arrears required	

FPL = Federal Poverty Level

Enrolled customers pay bills based on their income.

TAP bills do not go up based on usage. Enrolled customers pay a fixed amount. Bills are capped as a percentage of income and are constant each month. TAP participants in the lowest income bracket pay a bill equivalent to 2% of their monthly income or a minimum of \$12/month.

What is the TAP Rate Rider?

The TAP Rate Rider helps PWD recover (or reimburse) TAP program costs through rates. PWD reviews and adjusts the TAP Rate Rider on an annual basis to account for changes in TAP costs.

The cost of TAP may change over time due to:

- the number of PWD customers that enroll in the program; and/or
- the level of discounts needed to provide affordable bills to TAP customers

	Updated Estimate FY 2022	Projection FY 2023	Difference
Projected Monthly TAP Participants	15,403	28,731	+13,328
Projected Monthly Discount	\$51.04	\$48.36	-\$2.68

Increased TAP participation levels are anticipated based upon new City initiatives.

A Customer-First Approach

The City is working to make TAP more accessible for all qualifying customers through the following methods:

- **Expedited Enrollment:** The City is developing a pilot with LIHWAP¹ grant recipients that will allow them to enroll in TAP without a separate application.
- **Coordinated Citywide approach:** PWD is working with peer city agencies, other utilities and state agencies to make program improvements.



1. LIHWAP – Low-Income Household Water Assistance Program administered by the Pennsylvania State Department of Human Services

FY 2022 TAP-R Rate Adjustments

Based upon reconciliation results, **the Water Department is proposing to increase the TAP-R rates effective September 1, 2022.**

TAP-R Rates	Current	Proposed	Difference
Water (\$/ccf)	\$0.69	\$1.23	+\$0.54
Sewer (\$/ccf)	\$1.09	\$1.95	+\$0.86

The proposed increase is designed to cover the projected cost of increased enrollment and expanded assistance to low-income customers.

Typical Customer Bill Impacts

This year, the Department is pursuing its base rate adjustment at the same time as its TAP-R Reconciliation. The table below shows the monthly typical bill impact of proposed rates on typical bill types:

	Current	Proposed ⁴	Total Change in Bill
Residential ¹	\$69.15	\$74.29	\$5.14
Senior Citizen Discount ²	\$39.80	\$42.64	\$2.84
Small Business ³	\$111.59	\$120.12	\$8.53

¹ Reflects a 5/8" meter with 5 ccf of water consumption.

² Reflects a 5/8" meter with 3 ccf of water consumption. Includes Senior Citizen discount of 25%.

³ Reflects a 5/8" meter with 6 ccf water consumption, and Parcel gross area of 5,500 sq. ft. and impervious area of 4,000 sq. ft.

⁴ Subject to approvals by the Rate Board in the 2022 Rate Adjustment and 2022 Special Rate proceedings.



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