

Settlement Agreement

This Agreement is made on October 12, 2022 between **the Public Advocate** (“Public Advocate”) (currently Community Legal Services, Inc.), and **The City of Philadelphia** (“City”), together, “Parties.”

1. The Parties desire to enter into this Agreement and resolve the disputes and controversies between them arising from and relating to the “2018 Rate Proceeding,” which for purposes of this Agreement means the 2018 General Rate Proceeding and Rate Determination of the Philadelphia Water, Sewer and Storm Water Rate Board (“Rate Board,” a City agency) and appeals to the Court of Common Pleas for the First Judicial District (Docket No. 180800527), Commonwealth Court (Docket No. 1070 CD 2019), and Supreme Court (Allocatur Dockets 453 EAL 2021 and 483 EAL 2021).

2. The Parties agree that the basis of rate determinations by the Rate Board must be transparent and clear and that it should be reasonably practicable for the City Water Department, the Public Advocate, and other participants in a general rate proceeding, as well as the Rate Board itself, to verify that a rate increase or decrease mandated by the Rate Board is consistent with the various Rate Board determinations of issues in that rate proceeding. To that end:

a. At a public meeting during the fall of 2022, the Rate Board will adopt a policy or promulgate a regulation that, in its general rate determinations, the Rate Board shall utilize its own model financial spreadsheet (“Model”) in calculating the overall effects of potential determinations of issues in a proceeding, the Rate Board shall continue to make the Model available for use by participants, and the Rate Board shall utilize the Model to show the calculated amount of overall change in revenues authorized to be sought from retail customers via Water Department rates and charges.

b. The policy or regulation will permit the Rate Board in its discretion also to cite to tables prepared by a Water Department consultant, and will permit the Water Department to reproduce such tables in its submissions to the Rate Board or in its compliance filings with the City’s Department of Records.

c. The Rate Board’s current Model was prepared by its technical consultant, Amawalk Consulting Group LLC. The Rate Board remains free to modify or replace the Model as it deems appropriate.

3. The Parties agree that, in determining rates and charges for retail customers of the Water Department, members of the Rate Board must conduct themselves fairly and impartially and should reasonably be seen as doing so. To that end, at a public meeting during the fall of 2022, the Rate Board shall adopt a policy or

promulgate a regulation requiring Rate Board members to acknowledge their obligation to comply with all applicable law concerning ethics and related matters, and requiring members to disclose any financial or official relationships with any participant that could reasonably be seen as affecting their position on any material issue in a rate proceeding.

4. This Agreement does not prevent the Rate Board from modifying any policy or regulation proposed or implemented pursuant to Sections 2 and 3 above after soliciting and considering input from the Public Advocate, so long as the modifications do not vitiate the intent of this Agreement.

5. Nothing in this Agreement shall be construed or deemed to be evidence of a presumption, concession, admission by either Party of liability or wrongdoing, or waiver of any defense. All liability and wrongdoing are expressly denied.

6. Neither Party shall seek or owe damages, attorneys' fees or costs in connection with the 2018 Rate Proceeding.

7. This Agreement shall be binding upon the Parties and shall inure to the benefit of their respective representatives, successors and assigns.

8. Within 30 days after the execution of this Agreement, the Public Advocate shall file an appropriate praecipe with the Court of Common Pleas to mark its appeal of the 2018 Rate Proceeding settled, discontinued and ended.

9. Prior to promulgating a regulation or adopting a policy pursuant to Section 2 and Section 3 of this Agreement, the Board will provide a draft of such regulation or policy to the Public Advocate and the Water Department, and will afford both the reasonable opportunity to review and provide comments for the Board's consideration.

10. This Agreement, and all claims and disputes arising in connection with this Agreement, shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania. Venue for any legal dispute shall lie exclusively in a court of jurisdiction sitting within the City of Philadelphia.

11. This Agreement shall be made and documented electronically, and shall be effective as of the date set forth in the first line above.

[The remainder of this page has been left blank intentionally. Signature page follows.]

Intending to be legally bound, each Party hereby enters into this Agreement by and through its authorized representative:

THE CITY OF PHILADELPHIA
by and through its Law Department

DocuSigned by:

Daniel W. Cantú-Hertzler

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Daniel W. Cantú-Hertzler, Senior Attorney

THE PUBLIC ADVOCATE
by Community Legal Services, Inc.

DocuSigned by:

Robert W. Ballenger

ED85C70779CB480...

Robert W. Ballenger, Esq.
Community Legal Services, Energy Unit Director

Certificate Of Completion

Envelope Id: B432F6CE4D5B47B986F7E9CD063D3ECC	Status: Completed
Subject: Complete with DocuSign: 2018 Settlement Agreement 20221012 final.docx	
Source Envelope:	
Document Pages: 3	Signatures: 2
Certificate Pages: 3	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	City of Philadelphia Law Department - Commercial L
Time Zone: (UTC-05:00) Eastern Time (US & Canada)	1234 Market Street
	Suite 1800
	Philadelphia, PA 19107
	commercial.law@phila.gov
	IP Address: 170.115.248.25


Record Tracking

Status: Original	Holder: City of Philadelphia Law Department - Commercial L	Location: DocuSign
10/12/2022 1:01:15 PM	commercial.law@phila.gov	

Signer Events

Robert W. Ballenger
 rballenger@clsphila.org
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

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 Signature Adoption: Pre-selected Style
 Using IP Address: 73.141.175.230

Timestamp

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Electronic Record and Signature Disclosure:
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Daniel W. Cantú-Hertzler
 daniel.cantu-hertzler@phila.gov
 Senior Attorney
 Security Level: Email, Account Authentication (None)

DocuSigned by:

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 Using IP Address: 170.115.248.24

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Electronic Record and Signature Disclosure:
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps

Envelope Summary Events	Status	Timestamps
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Signing Complete	Security Checked	10/12/2022 3:21:23 PM
Completed	Security Checked	10/12/2022 3:21:23 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

This Electronic Records and Signature Disclosure is provided by the City of Philadelphia in connection with a pending electronic transaction. Any party proceeding with such electronic transaction is deemed to have consented i) to conduct the transaction by electronic means; and ii) where execution of an agreement is required, to the use of electronic signatures using the method provided in the agreement. Questions regarding this Electronic Records and Signature Disclosure should be addressed to econtractphilly@phila.gov.