

**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 Charges	Fiscal Years 2026-2027
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**SECOND JOINT PETITION FOR PARTIAL SETTLEMENT**

The Philadelphia Water Department (“PWD” or “Department”),<sup>1</sup> the Philadelphia Large Users Group (“PLUG”), and the Public Advocate (“Advocate” or “PA”) (collectively, “Joint Petitioners”)<sup>2</sup> submit this Second Joint Petition for Partial Settlement (“Second Joint Petition” or “Second Partial Settlement”) of the above-described general rate proceeding and request that (1) Hearing Officer Marlane Chestnut (“Hearing Officer”) issue a report recommending that the [Partial Settlement](#) (dated May 30, 2025) **as well as** the Second Partial Settlement (sometimes collectively referred to as, the “Settlement”) be approved, without modification, by the Philadelphia Water, Sewer and Storm Water Rate Board (“Rate Board”); and, (2) the Rate Board (a) issue a Rate Determination consistent with the Settlement and (b) authorize the Department to file modified Rates and Charges to become effective on September 1, 2025 (for FY 2026) and September 1, 2026 (for FY 2027), consistent with the terms and conditions set forth in the Settlement and herein.

In support of the proposed Second Partial Settlement, the Joint Petitioners state the following:

**I. BACKGROUND**

1. The Department and the Advocate entered into the [Partial Settlement](#) (dated May 30, 2025) to resolve the issues raised by the Advocate.
2. The Departments’ supporting documentation for the Partial Settlement was provided in Appendix A to the Department’s Main Brief. The rates and charges based on the Partial Settlement were attached to the Department’s Reply Brief.

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<sup>1</sup> As used herein in Part II (Terms and Conditions), “PWD” means and includes the Philadelphia Water Department and/or the Philadelphia Water Revenue Bureau, as the context may require, whereas “Department” refers exclusively to the Philadelphia Water Department.

<sup>2</sup> The individual (pro se) participants, Lance Haver and Michael Skiendzielewski have not indicated their position on the Second Partial Settlement.

3. PLUG opposed the Partial Settlement.
4. The Department and PLUG reached an agreement to resolve the cost of service and rate design issues presented by PLUG in this proceeding by modifying the 3<sup>rd</sup> and 4<sup>th</sup> blocks in the Department's water rate design. This resolution is revenue-neutral to the Department and to the Small User Customers as compared to the terms and conditions in the Partial Settlement.
5. The resolution between the Department and PLUG will change the supporting rates and charges and associated bill impacts from those presented in the Department's Reply Brief (Appendix A thereto).
6. The Advocate joins the Second Partial Settlement so that all of the disputes by and between the Advocate and PLUG in this proceeding are also resolved by this Second Partial Settlement except as explained below.<sup>3</sup>

## **II. TERMS AND CONDITIONS**

7. The Joint Petitioners hereby respectfully request that the Hearing Officer recommend, and the Rate Board approve, the following additional modifications to the Department's general rate proceeding for FY 2026 and FY 2027:

This Second Partial Settlement resolves the cost of service and rate design issues presented by PLUG in this proceeding by modifying the 3<sup>rd</sup> and 4<sup>th</sup> blocks in the Department's water rate design. The supporting documents as well as the final rates and charges for the Second Partial Settlement are to be provided by PWD consistent with the provisions of Section V hereof. Table C-10 (Water - Proposed Rates for General Service) is provided in Appendix A. Joint Petitioners agree that rates are subject to Participants' review and comment in connection with the future PWD Compliance Filing.

This Second Partial Settlement does not resolve issues related to the Charity Rates Regulation which PLUG wishes to litigate. All other PLUG issues are addressed in the First Partial Settlement, the Second Partial Settlement, or withdrawn.

This Second Partial Settlement does not resolve any issues raised by Mr. Haver or by Mr. Skiendzielewski.

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<sup>3</sup> PLUG wishes to litigate issues related to the Charity Rates Regulation. This matter is currently pending before the Department of Records.

### **III. THE SECOND PARTIAL SETTLEMENT IS REASONABLE**

8. The Joint Petitioners submit that this Second Partial Settlement is reasonable and in the public interest for the following reasons:

(a) This Second Partial Settlement supplements the Partial Settlement (dated May 30, 2025) and resolves cost of service and rate design issues raised by PLUG. As stated above, the Charity Rates Regulation is the only issue being litigated by PLUG.

(b) Acceptance of the Second Partial Settlement will avoid the necessity of court proceedings at substantial cost to Joint Petitioners, other participants and the Department's ratepayers.

(c) The Joint Petitioners arrived at terms for this Second Partial Settlement after review of: (i) the rate filing for 2025 general rate proceeding submitted by the Department; (ii) extensive discovery responses; (iii) the direct and rebuttal testimony and related exhibits proffered by the participants; and following (iv) settlement negotiations. The terms and conditions of the Second Partial Settlement constitute a carefully negotiated package representing reasonable compromises as to the majority of issues presented in the rate case.

### **IV. ADDITIONAL TERMS AND CONDITIONS**

9. This Second Partial Settlement is proposed by Joint Petitioners to resolve the cost of service and rate design issues presented by PLUG in this proceeding and is made without admission against or prejudice to any position which any Joint Petitioner has taken in this case, might adopt during subsequent litigation or in further litigation of this case, or in future cases.

10. Each term and condition set forth in this Second Joint Petition, whether or not set out in a numbered paragraph, shown in a table or other graphic presentation, bolded, italicized or otherwise emphasized, or set forth in the body, a footnote, or parenthetical, or appendix, is material consideration to the entry into this Second Partial Settlement by the participants signing below. Any proposal by the Department that is not specifically modified by the terms and conditions in the Partial Settlement and/or this Second Joint Petition continues as proposed by the Department.

11. This Second Partial Settlement is conditioned upon the Rate Board's approval of the terms and conditions contained herein without modification. If the Rate Board disapproves the Second Partial Settlement or modifies the terms and conditions herein, the Second Partial Settlement may be withdrawn by a Joint Petitioner, upon written notice to the Rate Board and all active participants in this proceeding communicated

within three business days of the entry of a final order of the Rate Board in this proceeding and, in such event, the Second Partial Settlement shall be of no force and effect. In the event the Rate Board disapproves the Second Partial Settlement, or any Joint Petitioner elects to withdraw as provided above, the Joint Petitioners reserve their respective rights to fully litigate this case, including, but not limited to, cross-examination and legal argument through submission of Briefs and Exceptions. Joint Petitioners agree that while the Second Partial Settlement, upon Rate Board approval, will be fully enforceable according to its terms, the Second Joint Petition does not expressly or implicitly represent approval of any specific claims made in this proceeding and the Joint Petitioners agree not to contend otherwise in future proceedings.

12. Joint Petitioners will make reasonable, good faith efforts to obtain approval of the Second Partial Settlement by the Rate Board without modification. If the Hearing Officer recommends that the Rate Board adopt the Second Partial Settlement, as proposed herein, the Joint Petitioners agree to waive filing exceptions. Joint Petitioners, however, do not waive their rights to file exceptions with respect (a) to any modification of the terms and conditions of this Second Partial Settlement or any additional matter proposed by the Hearing Officer in her report, (b) to correct an error or misstatement in the Hearing Officer's report, or (c) to any recommendations of the Hearing Officer on any issue other than cost of service and rate design issues raised by PLUG are not being resolved by this Second Partial Settlement.

## V. CONCLUSION

WHEREFORE, Joint Petitioners, by their respective counsel, request the following:

1. That the Hearing Officer recommend the approval of the Partial Settlement **as well as** the Second Partial Settlement by the Rate Board, as described herein.

2. That the Rate Board approve the Partial Settlement **as well as** the Second Partial Settlement, consistent with the terms and conditions in the Partial Settlement and the Second Partial Settlement.

3. That the Rate Board direct the Department to file modified rates and charges to become effective on September 1, 2025 (for FY 2026) and on September 1, 2026 (for FY 2027) and to provide by July 1, 2025 tables showing rates and charges and typical monthly bill impacts associated with the Second Partial Settlement.

3. That the Rate Board enter its final Rate Determination in this matter consistent with the terms and conditions of the Partial Settlement **as well as** this Second Partial Settlement and mark this proceeding closed.

As of June 20, 2025, the signatories to this Second Joint Petition for Partial Settlement indicate their acceptance of its terms and request the relief stated above.

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**TABLE C-10  
WATER: PROPOSED RATES FOR  
GENERAL SERVICE**

		(1)	(2)
SERVICE CHARGE			
Line No.	Meter Size	FY 2026 Monthly	FY 2027 Monthly
	Inches	\$	\$
1	5/8	5.96	6.17
2	3/4	6.93	7.18
3	1	9.28	9.62
4	1-1/2	14.53	15.09
5	2	21.55	22.40
6	3	37.16	38.64
7	4	64.60	67.17
8	6	125.19	130.19
9	8	195.49	203.33
10	10	283.52	294.88
11	12	497.73	517.98

  

QUANTITY CHARGE			
Line No.	Monthly Water Usage	FY 2026 Charge per Mcf	FY 2027 Charge per Mcf
		\$	\$
12	First 2 Mcf	71.22	73.13
13	Next 98 Mcf	63.61	68.72
14	Next 1,900 Mcf	49.38	53.87
15	Over 2,000 Mcf	48.03	52.40

Note: During the 2021 Rate Proceeding this was labeled Table W-18.

Mcf - Thousand cubic feet