

CITY OF PHILADELPHIA

WATER DEPARTMENT
JEFFERSON CENTER
1101 Market Street
Philadelphia, PA 19107-2994

BENJAMIN C. JEWELL
Water Commissioner

March 19, 2026

James P. Leonard, Esquire
Records Commissioner
City Hall, Room 158
Philadelphia, PA 19102

Re: Formal Notice of Proposed Changes in Rates and Charges; Annual Adjustment of Tiered Assistance Program Rate Rider Surcharge Rates (TAP-R); Final Proposed TAP-R Reconciliation Statement

Dear Commissioner Leonard:

The purpose of this correspondence is to provide formal notice of changes in rates and charges proposed by the Philadelphia Water Department (“Department” or “PWD”) to implement the annual adjustment to the Tiered Assistance Program Rate Rider Surcharge Rates (“TAP-R”) and to revise related water, sewer and fire service connection quantity charges. The documentation provided herewith is referred to as the Formal Notice filing. The proposed changes in rates and charges, if approved by the Philadelphia Water, Sewer and Storm Water Rate Board (“Rate Board”), will take effect on September 1, 2026. The following rates and charges will be impacted by the new TAP-R:

<u>Rate/Charge</u>	<u>Rates and Charges Section Reference</u>
Total Water Quantity Charges	Section 2.1(c)(1)
Total Sewer Quantity Charges	Section 3.3(b)(1)
Total Fire Service Quantity Charges	Section 9.1 (d)(1)
TAP-R Surcharge Rates	Section 10.3

The Formal Notice filing is being provided electronically and via the enclosed USB flash drive. The aforesaid filing will also be made available at the Rate Board’s website: <https://www.phila.gov/departments/water-sewer-storm-water-rate-board/rate-proceedings/>.

The filing includes 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 Philadelphia Code (“Code”).

¹ The proposed rates and charges will be fully vetted as part of the reconciliation process before the Rate Board.

This notice is submitted in accordance with the ratemaking authority and procedural requirements specified in Sections 5-801 and 8-407 of the Philadelphia Home Rule Charter (“Charter”), Sections 13-101 and 21-1703 of the Code, Sections II.A.2(b) and 11.C.1 of the Rate Board’s regulations, and the Rate Board’s 2018 Rate Determination. The Department’s Final Proposed TAP-R Reconciliation Statement and accompanying exhibits are enclosed together with a memorandum from the Law Department approving the aforesaid documents as to form.

Please make the aforesaid documentation, together with the Department’s proposed changes in rates and charges, available for inspection and arrange for advertising in accordance with Section 8-407 of the Charter and Section 21-1703 of the Code.² The text for the public notice to be published in the newspapers is attached. Thank you for your attention to this matter.

Sincerely,



Benjamin C. Jewell
Water Commissioner

cc: Rate Board
The Public Advocate and all Participants in the 2025 TAP-R Proceeding (w/enc.)

² See Rate Board Regulations at Section II.A.2 and II.C.1.

**PHILADELPHIA WATER, SEWER
AND STORM WATER RATE BOARD**

RECORDS DEPARTMENT

NOTICE IS HEREBY GIVEN, 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 (Rate Board), on March 19, 2026, the Philadelphia Water Department filed the Formal Notice of its Tiered Assistance Program Rate Rider Surcharge rates (TAP-R), Final Proposed Reconciliation Statement and proposed annual rate adjustments in water, sewer and fire service rates to become effective September 1, 2026. The Formal Notice can be viewed online at: www.phila.gov/water/rateboard, or may be examined at the Department of Records. Anyone wishing to be a Participant in the TAP-R proceeding should register by March 26, 2026 by sending notice to the Rate Board, c/o Khadijah A. George, City of Philadelphia Law Dept., 1515 Arch St., 17th Fl., Philadelphia PA 19102 or register via email at: WaterRateBoard@phila.gov.

James P. Leonard, Esq.
Records Commissioner



City of Philadelphia

LAW DEPARTMENT
Water Division
1101 Market Street
5th Floor
Philadelphia, PA 19107
(215) 685-6160
neal.sellersl@phila.gov

MEMORANDUM

TO: Benjamin C. Jewell, Commissioner

FROM: Laurice Smith, Divisional Deputy City Solicitor

DATE: March 19, 2026

RE: Formal Notice of Proposed Changes in Rates and Charges - Annual Adjustment of Tiered Assistance Program Rate Rider Surcharge Rates (TAP-R) - Final Proposed TAP-R Reconciliation Statement

I have reviewed the Formal Notice and the Final Proposed Reconciliation Statement with accompanying exhibits. I find these documents 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.

TAP-R Proposed Reconciliation Schedules and Exhibits - Formal Notice

Proposed Reconciliation Statement*	
Schedule PWD-1:	TAP Rider Reconciliation Calculations*
Schedule PWD-2:	Customer Impact Tables*
Schedule PWD-3:	TAP-R Reconciliation Assumptions and Calculation Methodology*
Schedule PWD-4:	Digest to Accompany Reports and Projections to Support TAP Reconcilable Rate Rider*
Schedule PWD-5:	TAP Reconcilable Rider Reports and Projection Model
Schedule PWD-6:	Consultant Resumes: Black & Veatch and Raftelis
PWD Exhibit 1A: Proposed Rates and Charges	
PWD Exhibit 1B: Proposed Rates and Charges (Redlined)	

STATEMENT OF CHANGES FROM THE ADVANCE NOTICE FILED WITH PHILADELPHIA CITY COUNCIL AND THE PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD ON FEBRUARY 17, 2026

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 filed by the Philadelphia Water Department (“PWD” or “Department”) with Philadelphia City Council and the Rate Board on February 17, 2026. The schedules and exhibits in the Filing Index that have changed are marked with an asterisk in the above table. The narrative that follows provides more detail as to the limited changes in the Formal Notice filing.

Proposed Reconciliation Statement and Schedule PWD-1 to PWD-3 - The Proposed Reconciliation Statement and Schedule PWD-1 to PWD-3 are substantively unchanged since the Advance Notice. The date and heading on the reconciliation statement and the above schedules have been revised to reflect that it is being filed with the Formal Notice.

Schedule PWD-4 - Schedule PWD-4 is substantively unchanged since the Advance Notice. References to the Advance Notice in the memo subject and Table 1 description have been removed.

Schedules PWD-5 and PWD-6 - These schedules have not been changed since the Advance Notice.

Exhibit PWD-1A and PWD-1B - These exhibits have not been changed since the Advance Notice.

TAP-R Proposed Reconciliation Filing Index

Title	PDF Page Number
Proposed Reconciliation Statement	1
Schedule PWD-1: TAP Rider Reconciliation Calculations	5
Schedule PWD-2: Customer Bill Impact Tables	13
Schedule PWD-3: TAP-R Reconciliation Assumptions and Calculation Methodology	15
Schedule PWD-4: Digest to accompany reports and projections to support TAP Reconcilable Rate Rider calculation	21
Schedule PWD-5: TAP Reconcilable Rider Reports and Projection Model	25
Schedule PWD-6: Consultant Resumes: Black & Veatch and Raftelis	39
PWD Exhibit 1A: Proposed Rates and Charges	N/A
PWD Exhibit 1B: Proposed Rates and Charges (Redline)	N/A



Philadelphia Water Department

PROPOSED RECONCILIATION STATEMENT FORMAL NOTICE

Date: March 19, 2026
To: Philadelphia Water, Sewer, and Storm Water Rate Board
From: Black & Veatch Management Consulting, LLC
CC: Philadelphia Water Department
Subject: Proposed Reconciliation Statement for the Tiered Assistance Program Rate Rider Surcharge Rates (TAP-R) - Effective September 1, 2026

Introduction

This Proposed Reconciliation Statement for the Tiered Assistance Program (TAP) Rate Rider Surcharge Rates (TAP-R) to become effective as of September 1, 2026, is submitted on behalf of the Philadelphia Water Department (Water Department or PWD). This submission is supported by the following documents: Schedules PWD-1 through PWD-6, Exhibits 1A and 1B. The reconciliation calculations, resulting bill impacts and supporting documentation including data used in completing the TAP-R reconciliation calculations were prepared with the assistance of Black & Veatch Management Consulting, LLC (Black & Veatch), and Raftelis Financial Consultants (Raftelis). Resumes of the above consultants are attached hereto for your reference.

Proposed TAP-R Rates – Effective September 1, 2026

The proposed Water TAP-R rate, effective September 1, 2026, is \$5.65 per thousand cubic feet (MCF) of water usage. The proposed Sewer TAP-R rate, effective September 1, 2026, is \$7.90 per MCF of sewer billed volume.

Rates and Charges That Will Increase or Decrease

The following rates and charges will be impacted by the new TAP-R rates:

<u>Rates/Charges</u>	<u>Rates and Charges Section Reference</u>
Total Water Quantity Charges	Section 2.1(c)(1)
Total Sewer Quantity Charges	Section 3.3(b)(1)
Total Fire Service Quantity Charges	Section 9.1(d)(1)
TAP-R Surcharge Rates	Section 10.3

PWD Exhibit No. 1B, attached hereto, shows the proposed revisions to PWD’s rates and charges, reflecting the calculated TAP-R rates effective September 1, 2026.

The calculations supporting the derivation of the proposed TAP-R rates are provided in Schedule PWD-1.

Table 1 provides an overall summary of the TAP-R reconciliation calculations presenting the water and sewer portions of Projected TAP Billing Loss (C-Factor), Experienced and Estimated Over/Under Collection of TAP costs (E-Factor), Interest on Over/Under Collection Amount (I-Factor), the resulting Net Recoverable Costs [i.e. C-(E+I)], the projected water and sewer billed volumes (S-Factor) for the Next Rate Period of September 1, 2026 through August 31, 2027 and the calculated water and sewer TAP-R rates.

Table 2 presents the calculation of the projected TAP Billing Loss or C-Factor for the Next Rate Period of September 1, 2026 through August 31, 2027 and the apportionment of the total TAP Billing Loss between water and sewer.

Tables 3-W and 3-WW present the calculation of the Experienced & Estimated Net Over/Under Collection or E-Factor for the Most Recent Period of September 1, 2025 through August 31, 2026 for water and sewer, respectively. This calculation reconciles the discounts provided to TAP Participants with the estimated TAP-R revenues collected from Non-TAP customers. In addition, the E-Factor is adjusted to:

- Account for the prior E & I Factor adjustments reflected in the 2025 Rate Adjustment. This is referred to in the tables as the “Prior E & I Factor Adjustments,” which captures the amounts of over/(under) collection and interest acknowledged in the current TAP-R rates.
- Reconcile estimated amounts of Over/Under Collection for the period of April 2025 through August 2025 included in the prior reconciliation with the actuals for the same period. Tables 3-W-A and 3-WW-A present the reconciliation of estimated amounts of Over/Under Collection for the period of April 2025 through August 2025.

Tables 4-W and 4-WW present the calculation of Interest on the Net Over/Under Collection Amount or I-Factor for the Most Recent Period of September 1, 2025 through August 31, 2026 for water and sewer, respectively. As the TAP-R rates established during the 2025 TAP-R Annual Adjustment Determination were designed to account for the under recovery of TAP discounts, Net Over/Under Collection is compared to the cumulative over/under collection relative to the revenue requirements associated with the E and I-Factors. In addition, the I-Factor is adjusted to reconcile estimated amounts of interest for the period of April 2025 through August 2025 included in the prior reconciliation based upon the actuals for the same period. Tables 4-W-A and 4-WW-A present the reconciliation of estimated amounts of interest for the period of April 2025 through August 2025.

Table 5 presents the calculation of the final water and sewer quantity charges, effective September 1, 2026, resulting from the addition of the proposed TAP-R rates to the previously approved base rates for FY 2027 (from the 2025 General Rate Proceeding).

Underlying Assumptions

The assumptions used in developing the TAP-R calculations are further discussed in Schedule PWD-3. There are three primary types of assumptions: 1) Codified Factors, 2) Estimation Assumptions and 3) Projection Assumptions.

Codified factors were established consistent with the 2025 Rate Determination and codified in Section 10.1 of the Philadelphia Water Department Rates and Charges.

Codified Factors include:

- **Allocation Factors** – used to apportion TAP Billing Losses to water and sewer
 - Water TAP Cost Allocation: 43%
 - Sewer TAP Cost Allocation: 57%
- **Collection Factor** – Used to adjust TAP Billing Loss and TAP-R billings for the Most Recent Period
 - Collection Factor: 96.93%
- **Interest Rate** - Applied to under/over collection (i.e., I-Factor). The interest rate is based upon the 1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) on January 2, 2026.
 - Interest Rate: 3.47 percent

Estimation Assumptions for the remainder of the Most Recent Period (January 2026 through August 2026) include:

- TAP Participants;
- TAP Billing Loss;
- TAP Billed Volumes; and
- Non-TAP Billed Volumes.

Schedules PWD-3 to PWD-5 provide additional details regarding the derivation of the TAP related estimation assumptions.

Projection Assumptions for the Next Rate Period include:

- **TAP Assumptions** - provided by Raftelis (refer to Schedule PWD-4 and PWD-5):
 - **TAP Participants** – An average of approximately 70,318 TAP Participants per month.
 - **TAP Billing Loss** – Estimated based upon the projected number of TAP Participants for the Next Rate Period and the average monthly discount of \$62.82 per TAP Participant. Total TAP Billing Loss for the Next Rate Period is assumed to be approximately \$53.01 million.
 - **TAP Billed Volumes** – Estimated as 661 cubic feet (cf) per month.
- **Non-TAP Billed Volumes** - Estimated based upon the average Non-TAP Billed Volumes for the 12-month period of January 2025 through December 2025 and adjusted to reflect Non-TAP Discounts (refer to Schedule PWD-3).

Methodology Used to Complete the TAP-R Reconciliation Calculations

The calculations are based upon the following equation and computation approach as currently defined in Section 10.1 of the Philadelphia Water Department Rates and Charges.

TAP Equation

$$TAP-R = \frac{(C) - (E + I)}{S}$$

C-Factor

The calculation of the C-Factor is presented in Table 2 of Schedule PWD-1. The C-Factor is calculated as the projected monthly number of TAP Participants for the Next Period multiplied by the average discount per TAP Participant as provided by Raftelis. The C-Factor is allocated to the water and sewer TAP-R based on the codified Allocation Factors.

E-Factor

The calculation of the E-Factor is presented in Tables 3-W and 3-WW of Schedule PWD-1. The E-Factor is calculated as Adjusted Actual TAP Discounts minus the Estimated Non-TAP TAP-R Revenues Experienced.

The Adjusted Actual TAP Discounts, which represents the level of TAP Discounts to be recovered by the TAP-R during Prior Rate Period, is calculated as the estimated TAP Discounts net of TAP-R billings to TAP Participants multiplied by the system codified Collection Factor.

The Estimated Non-TAP TAP-R Revenues Experienced, which represents the level of TAP-R revenue from Non-TAP Customers during the Prior Rate Period, is calculated as the product of the Non-TAP Customer Water Sales and the TAP-R rate for the Prior Rate Period multiplied by the system codified Collection Factor.

The resulting over/under collection is adjusted to account for the prior E & I Factor adjustments reflected in the 2025 Rate Adjustment and the difference in the estimated amounts of over/under collection for the period of April 2025 to August 2025 as included in the 2025 Rate Adjustment and the updated actuals for the same period.

I-Factor

The calculation of the I-Factor is presented in Tables 4-W and 4-WW of Schedule PWD-1. The I-Factor is calculated monthly as the cumulative E-Factor, adjusted for the anticipated recovery related to the E+I components of the revenue requirements, multiplied by the Interest Rate.

S-Factor

The S-Factor is presented on Line 5 of Table 1 of Schedule PWD-1. The S-Factor, which represents the projected Non-TAP customer sales volumes for the Next Rate Period, is calculated based on the average monthly Non-TAP sales volume¹ for the 12-month period of January 2025 to December 2025.

The detailed methodology used to complete the TAP-R calculations is described in Schedule PWD-3.

Effects of the Revised Rates on Bills of Typical Small User Customers

Table C-4, in Schedule PWD-2, presents a series of typical or representative combined residential water, sanitary sewer, and stormwater monthly bills for the 5/8-inch meter customers under the Department’s approved base² and proposed TAP-R rates (*effective September 1, 2026, if approved by the Rate Board*) as well as the existing base and TAP-R rates.

- A typical PWD residential customer has a 5/8-inch meter and uses about 0.43 Mcf (thousand cubic feet), approximately 430 cubic feet, monthly.
- A typical PWD senior citizen discount customer has a 5/8-inch meter and uses about 0.3 Mcf (thousand cubic feet), approximately 300 cubic feet, monthly.

Table C-5, in Schedule PWD-2, presents a series of typical or representative combined non-residential water, sanitary sewer, and stormwater monthly bills under the Department’s approved base and proposed TAP-R rates for multiple meter sizes and various parcel characteristics (i.e., gross and impervious area).

- A typical PWD small business customer has a 5/8-inch meter and uses about 0.55 Mcf (thousand cubic feet), approximately 550 cubic feet, monthly.
- A parcel with gross area of 5,500 square feet and impervious area of 4,000 square feet is assumed for development of the typical bill comparison.

Monthly bill comparisons are summarized in **Table 1**.

Table 1 - Typical Monthly Bill Comparison

Customer Type	Monthly Usage (Mcf)	Existing Bill	Proposed Bill	Dollar Increase	Percent Increase	TAP-R Increase Only
Residential	0.43	\$89.42	\$96.41	\$6.99	7.8%	\$2.10 (2.3%)
Senior Citizen*	0.30	\$54.73	\$59.02	\$4.29	7.8%	\$1.09 (2.0%)
Small Business	0.55	\$147.60	\$159.94	\$12.34	8.4%	\$2.69 (1.8%)

*Eligible Senior Citizens receive a 25% discount on their total bill.

¹ Non-TAP billed volumes are adjusted to reflect Non-TAP Discounts (refer to Schedule PWD-3 for further discussion).

² FY 2026 and FY 2027 Base rates were approved by the Rate Board in the 2025 General Rate Proceeding.

Table 1 - Calculation of TAP Rider Rates Effective September 01, 2026 (FY 2027)

	TOTAL	Water	Wastewater
	Amount	Amount	Amount
(1) C = Projected TAP Billing Loss ^a	\$ 53,006,249	\$ 22,792,687	\$ 30,213,562
(2) E = Experienced & Estimated Net Over/Under Collection ^b	\$ (14,109,978)	\$ (6,109,075)	\$ (8,000,903)
(3) I = Interest on Experienced & Estimated Net Over/Under Collection ^c	\$ (223,063)	\$ (96,929)	\$ (126,134)
(4) Net Recoverable Costs ^d : (C) - (E + I)	\$ 67,339,291	\$ 28,998,692	\$ 38,340,599
(5) S = Projected Non-TAP Sales for Next Rate Period (MCF) ^e		5,135,239	4,854,886
(6) TAP-R Surcharge^f: (4)/(5)		\$ 5.65 /MCF	\$ 7.90 /MCF

- Notes:
- ^a Recoverable TAP Billing Loss for the Next Rate Period. Refer to Table 2 for additional information.
 - ^b Actual TAP Discounts versus TAP Revenue Collection for the Most Recent Period. Refer to Tables 3-W and 3-WW for further information.
 - ^c Simple Annual Interest on Net Over/Under Collection for the Most Recent Period. Refer to Tables 4-W and 4-WW for further information. Interest rate of 3.47% as of January 02, 2026.
 - ^d Net Recoverable Costs.
 - ^e Estimated water and sewer sales for Non-TAP Customers for the Next Rate Period based upon the average monthly Non-TAP sales volume for the 12 month period of January 2025 to December 2025. Next Rate Period is assumed to be September 01, 2026 to August 31, 2027.
 - ^f TAP-R Surcharge for the Next Rate Period.

Philadelphia Water Department
Table 2 - Projected TAP Lost Revenue (C-Factor) for Next Rate Period

Period	September 01, 2026 through August 31, 2027			Water 43%	Wastewater 57%
(1)	Projected TAP Billing Loss ^a	\$	53,006,249	\$ 22,792,687	\$ 30,213,562

Notes:

^a Projected TAP Billing Loss based upon the Projected Average Monthly Number of TAP Participants of 70,318 and the Average TAP Discount per Participant of \$62.82.

^b Allocation between Water and Wastewater per PWD Regulations - Rates and Charges Effective September 1, 2025 Section 10.1(a)(i) and Section 10.1(a)(ii).

Philadelphia Water Department										
Table 3-W - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period										
Billing Period	Total Actual TAP Discounts (Credits)	Billed TAP Water Sales (Mcf)	Total TAP-R Billed to TAP Participants 3.590 96.93% (3) = (2) * \$ 3.590/Mcf	Adjusted Actual TAP Discounts (Credits) 96.93% (4) = [(1) - (3)] * 0.9693	Billed Non-TAP Water Sales (Mcf)	TAP-R Billed Non-Tap Water Sales 3.590 (6) = (5) * \$ 3.590/Mcf	Estimated TAP-R Revenues Experienced 96.93% (7) = (6) * 0.9693	Over/(Under) Collection (8) = (7) - (4)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			
								Prior E & I Factor Adjustments	\$	(3,616,542)
(a) Sep-25	\$ 1,718,770	44,416	\$ 159,452	\$ 1,511,447	458,755	\$ 1,646,932	\$ 1,596,371	\$	84,924	
(a) Oct-25	\$ 1,954,674	46,683	\$ 167,591	\$ 1,732,220	471,561	\$ 1,692,904	\$ 1,640,932	\$	(91,288)	
(a) Nov-25	\$ 1,411,639	34,021	\$ 122,134	\$ 1,249,917	357,289	\$ 1,282,668	\$ 1,243,290	\$	(6,627)	
(a) Dec-25	\$ 1,885,993	45,373	\$ 162,889	\$ 1,670,204	429,225	\$ 1,540,919	\$ 1,493,613	\$	(176,591)	
(e) Jan-26	\$ 1,836,365	44,912	\$ 161,234	\$ 1,623,704	427,937	\$ 1,536,292	\$ 1,489,128	\$	(134,577)	
(e) Feb-26	\$ 1,840,956	45,024	\$ 161,637	\$ 1,627,764	427,937	\$ 1,536,292	\$ 1,489,128	\$	(138,636)	
(e) Mar-26	\$ 1,845,558	45,137	\$ 162,041	\$ 1,631,833	427,937	\$ 1,536,292	\$ 1,489,128	\$	(142,705)	
(e) Apr-26	\$ 1,850,172	45,250	\$ 162,447	\$ 1,635,912	427,937	\$ 1,536,292	\$ 1,489,128	\$	(146,784)	
(e) May-26	\$ 1,854,798	45,363	\$ 162,853	\$ 1,640,002	427,937	\$ 1,536,292	\$ 1,489,128	\$	(150,874)	
(e) Jun-26	\$ 1,859,435	45,476	\$ 163,260	\$ 1,644,102	427,937	\$ 1,536,292	\$ 1,489,128	\$	(154,974)	
(e) Jul-26	\$ 1,864,083	45,590	\$ 163,668	\$ 1,648,212	427,937	\$ 1,536,292	\$ 1,489,128	\$	(159,085)	
(e) Aug-26	\$ 1,868,743	45,704	\$ 164,077	\$ 1,652,333	427,937	\$ 1,536,292	\$ 1,489,128	\$	(163,205)	
Total	\$ 21,791,187	532,948	\$ 1,913,283	\$ 19,267,652	5,140,323	\$ 18,453,759	\$ 17,887,229	\$	(4,996,965)	
								Adjustment for Prior Estimates	\$	(1,112,110)

From Table 3-W-A

Notes:

- (a) - Actuals
- (e) - Estimated
- (1) - TAP Actual Discounts reflect water's 43.0% allocated portion of the Total TAP Discount.
- (2) - Estimated TAP Discount per participant and estimated billed sales volume per participant reflect projections developed by Rafetis. Refer to PWD-5.
- (3) & (6) - Water TAP-R Rates per PWD Regulations - Rates and Charges Effective September 1, 2025 Section 10.3(a)(1).
- (4) & (7) - Adjusted for system-wide collection factor in accordance with PWD Regulations - Rates and Charges Effective September 1, 2025 Section 10.1(b)(3).
- (5) - Estimated Non-TAP water sales volumes for January 2026 through August 2026 are based upon average sales for prior 12 month period.
- (8) - Over/(Under) Collection is based upon Rates that are inclusive of Prior E-Factor and I-Factor. The presented "Prior E & I Factor Adjustments" includes these amounts from 2025 Annual Rate Adjustment.

Total E-Factor Recovery \$ (6,109,075)

Line 2 in Summary Table

Philadelphia Water Department										
Table 3-WW - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period										
Billing Period	Total Actual TAP Discounts (Credits)	Billed Sewer Volume TAP Participants (Mcf)	Total TAP-R Billed to TAP Participants 5.070 96.93% (3) = (2) * \$ 5.070/Mcf	Adjusted Actual TAP Discounts (Credits) 96.93% (4) = [(1) - (3)] * 0.9693	Billed Non-TAP Sewer Volume (Mcf)	TAP-R Billed Non-Tap Water Sales 5.070 (6) = (5) * \$ 5.070/Mcf	Estimated TAP-R Revenues Experienced 96.93% (7) = (6) * 0.9693	Over/(Under) Collection (8) = (7) - (4)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			
								Prior E & I Factor Adjustments	\$	(4,955,115)
(a) Sep-25	\$ 2,278,370	44,388	\$ 225,045	\$ 1,990,288	430,855	\$ 2,184,434	\$ 2,117,372	\$	127,084	
(a) Oct-25	\$ 2,591,080	46,653	\$ 236,530	\$ 2,282,265	444,079	\$ 2,251,479	\$ 2,182,359	\$	(99,907)	
(a) Nov-25	\$ 1,871,243	33,994	\$ 172,349	\$ 1,646,738	336,690	\$ 1,707,016	\$ 1,654,611	\$	7,873	
(a) Dec-25	\$ 2,500,037	45,339	\$ 229,868	\$ 2,200,474	410,857	\$ 2,083,046	\$ 2,019,096	\$	(181,378)	
(a) Jan-26	\$ 2,434,251	44,912	\$ 227,704	\$ 2,138,806	404,574	\$ 2,051,189	\$ 1,988,217	\$	(150,589)	
(a) Feb-26	\$ 2,440,337	45,024	\$ 228,273	\$ 2,144,154	404,574	\$ 2,051,189	\$ 1,988,217	\$	(155,936)	
(a) Mar-26	\$ 2,446,438	45,137	\$ 228,844	\$ 2,149,514	404,574	\$ 2,051,189	\$ 1,988,217	\$	(161,296)	
(e) Apr-26	\$ 2,452,554	45,250	\$ 229,416	\$ 2,154,887	404,574	\$ 2,051,189	\$ 1,988,217	\$	(166,670)	
(e) May-26	\$ 2,458,685	45,363	\$ 229,990	\$ 2,160,274	404,574	\$ 2,051,189	\$ 1,988,217	\$	(172,057)	
(e) Jun-26	\$ 2,464,832	45,476	\$ 230,565	\$ 2,165,675	404,574	\$ 2,051,189	\$ 1,988,217	\$	(177,457)	
(e) Jul-26	\$ 2,470,994	45,590	\$ 231,141	\$ 2,171,090	404,574	\$ 2,051,189	\$ 1,988,217	\$	(182,872)	
(e) Aug-26	\$ 2,477,171	45,704	\$ 231,719	\$ 2,176,517	404,574	\$ 2,051,189	\$ 1,988,217	\$	(188,300)	
Total	\$ 28,885,992	532,829	\$ 2,701,444	\$ 25,380,682	4,859,071	\$ 24,635,487	\$ 23,879,178	\$	(6,456,619)	
								Adjustment for Prior Estimates	\$	(1,544,284)

From Table 3-WW-A

Notes:

- (a) - Actuals
- (e) - Estimated
- (1) - TAP Actual Discounts reflects water's 57.0% allocated portion of the Total TAP Discount.
- (2) - Estimated TAP Discount per participant and estimated billed sales volume per participant reflect projections developed by Rafetis. Refer to PWD-5.
- (3) & (6) - Sewer TAP-R Rates per PWD Regulations - Rates and Charges Effective September 1, 2025 Section 10.3(b)(1).
- (4) & (7) - Adjusted for system-wide collection factor in accordance with PWD Regulations - Rates and Charges Effective September 1, 2025 Section 10.1(b)(3).
- (5) - Estimated Non-TAP water sales volumes for January 2026 through August 2026 are based upon average sales for prior 12 month period.
- (8) - Over/(Under) Collection is based upon Rates that are inclusive of Prior E-Factor and I-Factor. The presented "Prior E & I Factor Adjustments" includes these amounts from 2025 Annual Rate Adjustment.

Total E-Factor Recovery \$ (8,000,903)

Line 2 in Summary Table

Philadelphia Water Department										Original Estimates	
Table 3-W-A - Prior Reconciliation Adjustment - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period										Over/(Under) Collection	Adjustment
Billing Period	Prior Reconciliation Period with Updated Actuals									(9)	(10) = (8) - (9)
	Total Actual TAP Discounts (Credits)	Billed TAP Water Sales (Mcf)	Total TAP-R Billed to TAP Participants	Adjusted Actual TAP Discounts (Credits)	Billed Non-TAP Water Sales (Mcf)	TAP-R Billed Non-Tap Water Sales	Estimated TAP-R Revenues Experienced	Over/(Under) Collection			
(1)	(2)	(3) = (2) * \$ 3.080/Mcf	(4) = [(1) - (3)] * 0.9699	(5)	(6) = (5) * \$ 3.080/Mcf	(7) = (6) * 0.9699	(8) = (7) - (4)	(9)	(10) = (8) - (9)		
Prior E & I Factor Adjustments								\$ (5,189,622)	\$ (5,189,622)	\$ (0)	
Sep-24	\$ 1,337,050	42,054	\$ 129,528	\$ 1,171,175	490,922	\$ 1,512,040	\$ 1,466,527	\$ 295,352	\$ (0)		
Oct-24	\$ 1,423,249	40,944	\$ 126,106	\$ 1,258,099	458,133	\$ 1,411,049	\$ 1,368,576	\$ 110,477	\$ (0)		
Nov-24	\$ 1,251,489	35,813	\$ 110,303	\$ 1,106,836	424,734	\$ 1,308,181	\$ 1,268,804	\$ 161,968	\$ (0)		
Dec-24	\$ 1,337,359	38,296	\$ 117,952	\$ 1,182,703	428,038	\$ 1,318,356	\$ 1,278,673	\$ 95,970	\$ (0)		
Jan-25	\$ 1,531,585	43,310	\$ 133,396	\$ 1,356,103	446,982	\$ 1,376,703	\$ 1,335,265	\$ (20,839)	\$ 0		
Feb-25	\$ 1,257,333	36,414	\$ 112,155	\$ 1,110,708	389,904	\$ 1,200,903	\$ 1,164,756	\$ 54,048	\$ (0)		
Mar-25	\$ 1,295,616	37,906	\$ 116,750	\$ 1,143,382	394,954	\$ 1,216,459	\$ 1,179,843	\$ 36,462	\$ (0)		
Apr-25	\$ 1,313,904	38,235	\$ 117,765	\$ 1,160,135	399,841	\$ 1,231,511	\$ 1,194,442	\$ 34,307	\$ (220,062)		
May-25	\$ 1,362,364	39,576	\$ 121,893	\$ 1,203,133	419,824	\$ 1,293,057	\$ 1,254,136	\$ 51,003	\$ (203,367)		
Jun-25	\$ 1,464,473	41,970	\$ 129,266	\$ 1,295,018	437,386	\$ 1,347,147	\$ 1,306,598	\$ 11,581	\$ (242,789)		
Jul-25	\$ 1,481,191	42,400	\$ 130,591	\$ 1,309,947	456,809	\$ 1,406,972	\$ 1,364,622	\$ 54,675	\$ (199,694)		
Aug-25	\$ 1,586,141	45,008	\$ 138,623	\$ 1,403,948	472,710	\$ 1,455,946	\$ 1,412,122	\$ 8,174	\$ (246,196)		
Total	\$ 16,641,753	481,925	\$ 1,484,328	\$ 14,701,187	5,220,235	\$ 16,078,323	\$ 15,594,366	\$ (4,296,443)	\$ (3,184,333)	\$ (1,112,110)	
Total								\$ (4,296,443)	\$ (3,184,333)	\$ (1,112,110)	

Notes:

(1) - TAP Actual Discounts reflect water's 42.0% allocated portion of the Total TAP Discount.
 (2) - Updated TAP Discounts and billed sales volume to reflect actuals for April 2025 through August 2025 as provided by Rafetelis. Refer to Schedule PWD-5.
 (3) & (6) - Water TAP-R Rates per PWD Regulations - Rates and Charges Effective September 1, 2024 Section 10.3(a)(1).
 (4) & (7) - Adjusted for system-wide collection factor in accordance with PWD Regulations - Rates and Charges Effective September 1, 2024 Section 10.1(b)(3).
 (5) - Billed Non-TAP Water Sales, updated to reflect actual billed water sales volumes for April 2025 through August 2025.
 (8) - Updated Over/(Under) Collection
 (9) - Over/(Under) Collection for September 2024 to August 2025 as calculated during the prior TAP-R Reconciliation Determination.
 (10) - Difference between Updated Over/(Under) Collection and Original Estimates.

Philadelphia Water Department										Original Estimates	
Table 3-WW-A - Prior Reconciliation Adjustment - Experienced & Estimated Net Over/(Under) Collection (E-Factor) for Most Recent Period										Over/(Under) Collection	Adjustment
Billing Period	Prior Reconciliation Period with Updated Actuals									(9)	(10) = (8) - (9)
	Total Actual TAP Discounts (Credits)	Billed Sewer Volume TAP Participants (Mcf)	Total TAP-R Billed to TAP Participants	Adjusted Actual TAP Discounts (Credits)	Billed Non-TAP Sewer Volume (Mcf)	TAP-R Billed Non-Tap Water Sales	Estimated TAP-R Revenues Experienced	Over/(Under) Collection			
(1)	(2)	(3) = (2) * \$ 4.400/Mcf	(4) = [(1) - (3)] * 0.9699	(5)	(6) = (5) * \$ 4.400/Mcf	(7) = (6) * 0.9699	(8) = (7) - (4)	(9)	(10) = (8) - (9)		
Prior E & I Factor Adjustments								\$ (6,713,206)	\$ (6,713,206)	\$ (0)	
Sep-24	\$ 1,846,402	42,020	\$ 184,887	\$ 1,611,503	461,020	\$ 2,028,486	\$ 1,967,429	\$ 355,925	\$ 0		
Oct-24	\$ 1,965,439	40,906	\$ 179,986	\$ 1,731,711	430,672	\$ 1,894,958	\$ 1,837,920	\$ 106,209	\$ (0)		
Nov-24	\$ 1,728,247	35,778	\$ 157,425	\$ 1,523,540	401,299	\$ 1,765,716	\$ 1,712,568	\$ 189,028	\$ (0)		
Dec-24	\$ 1,846,830	38,263	\$ 168,355	\$ 1,627,953	406,659	\$ 1,789,301	\$ 1,735,443	\$ 107,490	\$ (0)		
Jan-25	\$ 2,115,046	43,280	\$ 190,431	\$ 1,866,684	424,665	\$ 1,868,527	\$ 1,812,284	\$ (54,400)	\$ (0)		
Feb-25	\$ 1,736,316	36,386	\$ 160,097	\$ 1,528,776	374,138	\$ 1,646,207	\$ 1,596,656	\$ 67,881	\$ (0)		
Mar-25	\$ 1,789,184	37,877	\$ 166,658	\$ 1,573,688	373,030	\$ 1,641,334	\$ 1,591,930	\$ 18,242	\$ (0)		
Apr-25	\$ 1,814,439	38,208	\$ 168,113	\$ 1,596,771	381,012	\$ 1,676,455	\$ 1,625,994	\$ 29,223	\$ (284,178)		
May-25	\$ 1,881,360	39,543	\$ 173,988	\$ 1,655,980	395,767	\$ 1,741,373	\$ 1,688,958	\$ 32,977	\$ (280,423)		
Jun-25	\$ 2,022,368	41,936	\$ 184,518	\$ 1,782,531	412,925	\$ 1,816,868	\$ 1,762,180	\$ (20,350)	\$ (333,751)		
Jul-25	\$ 2,045,454	42,363	\$ 186,395	\$ 1,803,101	427,530	\$ 1,881,132	\$ 1,824,510	\$ 21,409	\$ (291,991)		
Aug-25	\$ 2,190,385	44,977	\$ 197,899	\$ 1,932,512	443,338	\$ 1,950,689	\$ 1,891,973	\$ (40,539)	\$ (353,940)		
Total	\$ 22,981,469	481,535	\$ 2,118,752	\$ 20,234,749	4,932,056	\$ 21,701,046	\$ 21,047,845	\$ (5,900,110)	\$ (4,355,827)	\$ (1,544,284)	
Total								\$ (5,900,110)	\$ (4,355,827)	\$ (1,544,284)	

Notes:

(1) - TAP Actual Discounts reflects sewer's 58.0% allocated portion of the Total TAP Discount.
 (2) - Updated TAP Discounts and billed sales volume to reflect actuals for April 2025 through August 2025 as provided by Rafetelis. Refer to Schedule PWD-5.
 (3) & (6) - Sewer TAP-R Rates per PWD Regulations - Rates and Charges Effective PWD Regulations - Rates and Charges Effective September 1, 2024 Section 10.3(b)(1).
 (4) & (7) - Adjusted for system-wide collection factor in accordance with PWD Regulations - Rates and Charges Effective September 1, 2024 Section 10.1(b)(3).
 (5) - Updated to reflect actual billed water sales volumes for April 2025 through August 2025.
 (8) - Updated Over/(Under) Collection
 (9) - Over/(Under) Collection for September 2024 to August 2025 as calculated during the prior TAP-R Reconciliation Determination.
 (10) - Difference between Updated Over/(Under) Collection and Original Estimates.

Philadelphia Water Department
Table 4 -W - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Difference in Collection Water Portion From Table 3-W (1)	Billed Non-TAP Water Sales (Mcf) From Table 3-W (2)	Anticipated E+I Recovery Water Portion \$ (0.686) (3) = (2) * \$ -0.686/Mcf	Remaining E+I Recovery Water Portion (4) = (3) + (1)	Cumulative Over/(Under) Collection Relative to Revenue Requirements Water Portion (5)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Water Portion (6) = (5) * [3.47% / 12]
Sep-25	\$ 84,924	458,755	\$ (314,557)	\$ (229,633)	\$ (229,633)	\$ (664.02)
Oct-25	\$ (91,288)	471,561	\$ (323,337)	\$ (414,625)	\$ (644,258)	\$ (1,862.98)
Nov-25	\$ (6,627)	357,289	\$ (244,984)	\$ (251,611)	\$ (895,870)	\$ (2,590.56)
Dec-25	\$ (176,591)	429,225	\$ (294,309)	\$ (470,900)	\$ (1,366,770)	\$ (3,952.24)
Jan-26	\$ (134,577)	427,937	\$ (293,425)	\$ (428,002)	\$ (1,794,772)	\$ (5,189.88)
Feb-26	\$ (138,636)	427,937	\$ (293,425)	\$ (432,061)	\$ (2,226,833)	\$ (6,439.26)
Mar-26	\$ (142,705)	427,937	\$ (293,425)	\$ (436,131)	\$ (2,662,964)	\$ (7,700.40)
Apr-26	\$ (146,784)	427,937	\$ (293,425)	\$ (440,209)	\$ (3,103,173)	\$ (8,973.34)
May-26	\$ (150,874)	427,937	\$ (293,425)	\$ (444,299)	\$ (3,547,473)	\$ (10,258.11)
Jun-26	\$ (154,974)	427,937	\$ (293,425)	\$ (448,399)	\$ (3,995,872)	\$ (11,554.73)
Jul-26	\$ (159,085)	427,937	\$ (293,425)	\$ (452,510)	\$ (4,448,382)	\$ (12,863.24)
Aug-26	\$ (163,205)	427,937	\$ (293,425)	\$ (456,631)	\$ (4,905,013)	\$ (14,183.66)
Total					\$	\$ (86,232)

Adjustment for Prior Estimates \$ (10,697)

Total I-Factor Recovery \$ (96,929)

Line 3 in Summary Table

Notes:

- (1) Difference in collection from Total of Column 8 - Table 3-W.
- (2) Billed Water Sales Volume from Column 5 - Table 3-W.
- (3) Anticipated Water Portion of E+I Recovery based upon the rate component of the 2025 TAP-R Determination.
- (4) Remaining E+I to be recovered.
- (6) Interest calculated monthly based on 1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) on January 02, 2026.

Philadelphia Water Department
Table 4 -WW - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period

Billing Period	Difference in Collection Sewer Portion From Table 3-WW (1)	Billed Non-TAP Sewer Volume (Mcf) From Table 3-WW (2)	Anticipated E+I Recovery Sewer Portion \$ (0.996) (3) = (2) * \$ -0.996/Mcf	Remaining E+I Recovery Sewer Portion (4) = (3) + (1)	Cumulative Over/(Under) Collection Relative to Revenue Requirements Sewer Portion (5)	Estimated Monthly Interest Owed/ (Interest to be Recouped) Sewer Portion (6) = (5) * [3.47% / 12]
Sep-25	\$ 127,084	430,855	\$ (428,969)	\$ (301,885)	\$ (301,885)	\$ (872.95)
Oct-25	\$ (99,907)	444,079	\$ (442,135)	\$ (542,042)	\$ (843,927)	\$ (2,440.36)
Nov-25	\$ 7,873	336,690	\$ (335,216)	\$ (327,343)	\$ (1,171,270)	\$ (3,386.92)
Dec-25	\$ (181,378)	410,857	\$ (409,059)	\$ (590,437)	\$ (1,761,707)	\$ (5,094.27)
Jan-26	\$ (150,589)	404,574	\$ (402,803)	\$ (553,392)	\$ (2,315,099)	\$ (6,694.49)
Feb-26	\$ (155,936)	404,574	\$ (402,803)	\$ (558,739)	\$ (2,873,838)	\$ (8,310.18)
Mar-26	\$ (161,296)	404,574	\$ (402,803)	\$ (564,099)	\$ (3,437,937)	\$ (9,941.37)
Apr-26	\$ (166,670)	404,574	\$ (402,803)	\$ (569,473)	\$ (4,007,410)	\$ (11,588.09)
May-26	\$ (172,057)	404,574	\$ (402,803)	\$ (574,860)	\$ (4,582,270)	\$ (13,250.40)
Jun-26	\$ (177,457)	404,574	\$ (402,803)	\$ (580,261)	\$ (5,162,531)	\$ (14,928.32)
Jul-26	\$ (182,872)	404,574	\$ (402,803)	\$ (585,675)	\$ (5,748,206)	\$ (16,621.90)
Aug-26	\$ (188,300)	404,574	\$ (402,803)	\$ (591,103)	\$ (6,339,309)	\$ (18,331.17)
Total					\$	\$ (111,460)

Adjustment for Prior Estimates \$ (14,673)

Total I-Factor Recovery \$ (126,134)

Line 3 in Summary Table

Notes:

- (1) Difference in collection from Total of Column 8 - Table 3-WW.
- (2) Billed Water Sales Volume from Column 5 - Table 3-WW.
- (3) Anticipated Sewer Portion of E+I Recovery based upon the rate component of the 2025 TAP-R Determination.
- (4) Remaining E+I to be recovered.
- (6) Interest calculated monthly based on 1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) on January 02, 2026.

Philadelphia Water Department								
Table 4 - W-A - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period								
Billing Period	Prior Reconciliation Period with Updated Actuals						Original Estimates	Adjustment
	Difference in Collection Water Portion From Table 3-W-A (1)	Billed Non-TAP Water Sales (Mcf) From Table 3-W-A (2)	Anticipated E+I Recovery Water Portion (3) = (2) * \$ -0.969/Mcf (0.969)	Remaining E+I Recovery Water Portion (4) = (3) + (1)	Cumulative Over/(Under) Collection Water Portion (5)	Estimated Monthly Interest Owed/(Interest to be Recouped) Water Portion (6) = (5) * [4.17% / 12]	Estimated Monthly Interest Owed/(Interest to be Recouped) Water Portion (7)	Cumulative Over/(Under) Collection Water Portion (8) = (6) - (7)
Sep-24	\$ 295,352	490,922	\$ (475,913)	\$ (180,561)	\$ (180,561)	\$ (627.45)	\$ (627.45)	\$ (0.00)
Oct-24	\$ 110,477	458,133	\$ (444,126)	\$ (333,648)	\$ (514,209)	\$ (1,786.88)	\$ (1,786.88)	\$ (0.00)
Nov-24	\$ 161,968	424,734	\$ (411,748)	\$ (249,780)	\$ (763,989)	\$ (2,654.86)	\$ (2,654.86)	\$ (0.00)
Dec-24	\$ 95,970	428,038	\$ (414,951)	\$ (318,981)	\$ (1,082,970)	\$ (3,763.32)	\$ (3,763.32)	\$ (0.00)
Jan-25	\$ (20,839)	446,982	\$ (433,316)	\$ (454,154)	\$ (1,537,125)	\$ (5,341.51)	\$ (5,341.51)	\$ (0.00)
Feb-25	\$ 54,048	389,904	\$ (377,983)	\$ (323,935)	\$ (1,861,059)	\$ (6,467.18)	\$ (6,467.18)	\$ (0.00)
Mar-25	\$ 36,462	394,954	\$ (382,879)	\$ (346,417)	\$ (2,207,477)	\$ (7,670.98)	\$ (7,670.98)	\$ (0.00)
Apr-25	\$ 34,307	399,841	\$ (387,617)	\$ (353,309)	\$ (2,560,786)	\$ (8,898.73)	\$ (8,267.73)	\$ (631.00)
May-25	\$ 51,003	419,824	\$ (406,988)	\$ (355,985)	\$ (2,916,771)	\$ (10,135.78)	\$ (8,864.49)	\$ (1,271.29)
Jun-25	\$ 11,581	437,386	\$ (424,013)	\$ (412,432)	\$ (3,329,203)	\$ (11,568.98)	\$ (9,461.24)	\$ (2,107.74)
Jul-25	\$ 54,675	456,809	\$ (442,843)	\$ (388,167)	\$ (3,717,370)	\$ (12,917.86)	\$ (10,057.99)	\$ (2,859.87)
Aug-25	\$ 8,174	472,710	\$ (458,257)	\$ (450,083)	\$ (4,167,454)	\$ (14,481.90)	\$ (10,654.75)	\$ (3,827.16)
Total						\$ (86,315)	\$ (75,618)	\$ (10,697)

Adjustment for Prior Estimates Included in Table 4-W

- Notes:
- (1) Difference in collection from Total of Column 8 - Table 3-W-A.
 - (2) Billed Water Sales Volume from Column 5 - Table 3-W-A.
 - (3) Anticipated Water Portion of E+I Recovery based upon the rate component of the 2024 TAP-R Determination.
 - (4) Remaining E+I to be recovered.
 - (6) Interest calculated monthly based on 1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) on January 02, 2025.
 - (7) Estimated Monthly Interest Owed/(Interest to be Recouped) from Total of Column 6 - Table 4-W (Prior Reconciliation).

Philadelphia Water Department								
Table 4 - WW-A - Interest on Experienced & Estimated Net Over/(Under) Collection (I-Factor) for Most Recent Period								
Billing Period	Prior Reconciliation Period with Updated Actuals						Original Estimates	Adjustment
	Difference in Collection Sewer Portion From Table 3-WW-A (1)	Billed Non-TAP Sewer Volume (Mcf) From Table 3-WW-A (2)	Anticipated E+I Recovery Sewer Portion (3) = (2) * \$ -1.324/Mcf (1.324)	Remaining E+I Recovery Sewer Portion (4) = (3) + (1)	Cumulative Over/(Under) Collection Sewer Portion (5)	Estimated Monthly Interest Owed/(Interest to be Recouped) Sewer Portion (6) = (5) * [4.17% / 12]	Estimated Monthly Interest Owed/(Interest to be Recouped) Sewer Portion (7)	Delta Prior Period Estimates (8) = (6) - (7)
Sep-24	\$ 355,925	461,020	\$ (610,316)	\$ (254,391)	\$ (254,391)	\$ (884.01)	\$ (884.01)	\$ 0.00
Oct-24	\$ 106,209	430,672	\$ (570,142)	\$ (463,933)	\$ (718,324)	\$ (2,496.18)	\$ (2,496.18)	\$ 0.00
Nov-24	\$ 189,028	401,299	\$ (531,256)	\$ (342,228)	\$ (1,060,552)	\$ (3,685.42)	\$ (3,685.42)	\$ 0.00
Dec-24	\$ 107,490	406,659	\$ (538,352)	\$ (430,862)	\$ (1,491,414)	\$ (5,182.66)	\$ (5,182.66)	\$ 0.00
Jan-25	\$ (54,400)	424,665	\$ (562,189)	\$ (616,589)	\$ (2,108,003)	\$ (7,325.31)	\$ (7,325.31)	\$ (0.00)
Feb-25	\$ 67,881	374,138	\$ (495,299)	\$ (427,419)	\$ (2,535,421)	\$ (8,810.59)	\$ (8,810.59)	\$ (0.00)
Mar-25	\$ 18,242	373,030	\$ (493,833)	\$ (475,591)	\$ (3,011,012)	\$ (10,463.27)	\$ (10,463.26)	\$ (0.00)
Apr-25	\$ 29,223	381,012	\$ (504,400)	\$ (475,177)	\$ (3,486,189)	\$ (12,114.51)	\$ (11,282.15)	\$ (832.36)
May-25	\$ 32,977	395,767	\$ (523,932)	\$ (490,954)	\$ (3,977,144)	\$ (13,820.57)	\$ (12,101.04)	\$ (1,719.54)
Jun-25	\$ (20,350)	412,925	\$ (546,646)	\$ (566,977)	\$ (4,544,140)	\$ (15,790.89)	\$ (12,919.92)	\$ (2,870.96)
Jul-25	\$ 21,409	427,530	\$ (565,982)	\$ (544,572)	\$ (5,088,713)	\$ (17,683.28)	\$ (13,738.81)	\$ (3,944.46)
Aug-25	\$ (40,539)	443,338	\$ (586,910)	\$ (627,449)	\$ (5,716,161)	\$ (19,863.66)	\$ (14,557.70)	\$ (5,305.96)
Total						\$ (118,120)	\$ (103,447)	\$ (14,673)

Adjustment for Prior Estimates Included in Table 4-WW

- Notes:
- (1) Difference in collection from Total of Column 8 - Table 3-WW-A.
 - (2) Billed Water Sales Volume from Column 5 - Table 3-WW-A.
 - (3) Anticipated Water Portion of E+I Recovery based upon the rate component of the 2024 TAP-R Determination.
 - (4) Remaining E+I to be recovered.
 - (6) Interest calculated monthly based on 1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) on January 02, 2025.
 - (7) Estimated Monthly Interest Owed/(Interest to be Recouped) from Total of Column 6 - Table 4-WW (Prior Reconciliation).

Table 5 - Application of TAP Rate Rider Adjustment Effective September 1, 2026

		Base	TAP-R Surcharge	Total
Rates		Adopted	Proposed	Total
Water Quantity Charges		(\$/Mcf)	(\$/Mcf)	(\$/Mcf)
1	0 to 2 Mcf	\$ 73.13	\$ 5.65	\$ 78.78
2	2.1 to 100 Mcf	\$ 68.72	\$ 5.65	\$ 74.37
3	100.1 to 2,000 Mcf	\$ 53.87	\$ 5.65	\$ 59.52
4	2,000 + Mcf	\$ 52.40	\$ 5.65	\$ 58.05
Sewer Quantity Charges		(\$/Mcf)	(\$/Mcf)	(\$/Mcf)
5	Sewer Volume Rate	\$ 49.53	\$ 7.90	\$ 57.43

Notes:

Approved Base Rates reflect the FY 2027 quantity charges, per the 2025 Rate Determination.

TAP-R Rates are proposed to be effective on September 01, 2026.

The final quantity charges (including the TAP-R surcharge) will be in the final PWD Rates and Charges, if approved.

**TABLE C-4
COMBINED SYSTEM: COMPARISON OF TYPICAL
BILL FOR RESIDENTIAL CUSTOMERS
UNDER EXISTING AND PROPOSED RATES**

(1) Meter Size Inches	(2) Monthly Use Mcf	(3) FY 2026		(4)	(5)
		Existing Rates \$	Proposed Rates \$	Proposed Rates \$	% Proposed of Existing %
5/8	0.00	35.05	37.84		8.0
5/8	0.20	60.33	65.09		7.9
5/8	0.30	72.98	78.70		7.8
5/8	0.40	85.62	92.32		7.8
5/8	0.43	89.42	96.41		7.8
5/8	0.50	98.27	105.95		7.8
5/8	0.60	110.91	119.57		7.8
5/8	0.70	123.55	133.19		7.8
5/8	0.80	136.20	146.80		7.8
5/8	1.70	249.98	269.40		7.8
5/8	2.70	371.08	402.52		8.5
5/8	3.30	442.38	481.60		8.9

Typical Senior

Typical Residential

Notes:

FY 2026 figures reflect the existing base and current TAP-R rates, of \$3.59/Mcf for water and \$5.07/Mcf for sewer.

FY 2027 figures reflect the adopted base rates and proposed TAP-R rates of \$5.65/Mcf for water and \$7.90/Mcf for sewer.

The FY 2027 TAP-R rates are subject to the Rate Board's Determination in the FY 2026 TAP-R Reconciliation Proceeding.

The TAP-R Rates are subject to annual reconciliation.

Of the estimated 7.8% (\$6.99) increase in the typical residential customer's bill, 5.5% (\$4.89) is associated with the previously approved base rates for FY 2027 and 2.3% (\$2.10) is associated with the proposed TAP-R rates in this proceeding.

Typical Senior Citizen is presented prior to discount. Eligible Senior Citizen's receive a 25% discount on their total bill. The associated FY 2026 and FY 2027 bills would be \$54.73 and \$59.02, respectively.

Of the estimated 7.8% (\$4.29) increase in the typical senior customer's bill, 5.8% (\$3.20) is associated with the previously approved base rates for FY 2027 and 2.0% (\$1.09) is associated with the proposed TAP-R rates in this proceeding.

**TABLE C-5
COMBINED SYSTEM: COMPARISON OF EXAMPLE BILLS
FOR NON-RESIDENTIAL CUSTOMERS
UNDER EXISTING AND PROPOSED RATES**

(1) Meter Size Inches	(2) Monthly Use Mcf	(3) Impervious Area sf	(4) Gross Area sf	(5)		(6)	(7)
				FY 2026		FY 2027	% Proposed of Existing
				Existing Rates \$	Proposed Rates \$		%
5/8	0.0	1,794	2,110	46.88	50.81		8.4
5/8	0.2	1,794	2,110	72.16	78.06		8.2
5/8	0.3	1,794	2,110	84.81	91.67		8.1
5/8	0.4	1,794	2,110	97.45	105.29		8.0
5/8	0.5	4,000	5,500	141.28	153.13		8.4
5/8	0.55	4,000	5,500	147.60	159.94		8.4
5/8	0.6	4,000	5,500	153.92	166.75		8.3
5/8	0.7	4,000	5,500	166.56	180.37		8.3
5/8	0.8	26,000	38,000	521.23	569.28		9.2
5/8	1.7	26,000	38,000	635.01	691.88		9.0
5/8	2.7	4,000	5,500	414.09	449.70		8.6
5/8	3.3	4,000	5,500	485.39	528.78		8.9
5/8	11.0	7,000	11,000	1,448.89	1,596.96		10.2
1	1.7	7,700	7,900	359.39	389.20		8.3
1	5.0	22,500	24,000	969.30	1,061.94		9.6
1	8.0	7,700	7,900	1,110.24	1,220.86		10.0
1	17.0	22,500	24,000	2,395.14	2,643.54		10.4
2	7.6	1,063	1,250	1,005.84	1,104.85		9.8
2	16.0	22,500	24,000	2,314.83	2,553.12		10.3
2	33.0	66,500	80,000	5,002.36	5,526.28		10.5
2	100.0	7,700	7,900	12,080.19	13,387.84		10.8
4	30.0	7,700	7,900	3,891.43	4,299.70		10.5
4	170.0	10,500	12,000	19,569.56	21,755.46		11.2
4	330.0	26,000	38,000	36,550.60	40,738.10		11.5
4	500.0	140,000	160,000	56,018.36	62,471.28		11.5
6	150.0	10,500	12,000	17,661.81	19,613.88		11.1
6	500.0	41,750	45,500	54,734.20	61,057.61		11.6
6	1,000.0	26,000	38,000	106,809.95	119,292.02		11.7
6	1,500.0	140,000	160,000	160,792.41	179,618.70		11.7
8	750.0	10,500	12,000	80,632.14	90,016.08		11.6
8	1,500.0	66,500	80,000	159,918.32	178,654.36		11.7
8	2,000.0	26,000	38,000	211,616.28	236,474.22		11.7
8	3,000.0	140,000	160,000	316,543.74	353,805.90		11.8
10	600.0	22,500	24,000	65,383.44	72,949.45		11.6
10	1,700.0	41,750	45,500	180,722.24	201,912.46		11.7
10	3,300.0	26,000	38,000	346,091.99	386,880.87		11.8
10	6,000.0	140,000	160,000	626,527.45	700,528.55		11.8

(a) Examples with gross area less than 5,000 square feet reflect an impervious area of 85% of the gross area consistent with PWD Regulations section 304.3.

(b) The FY 2026 figures reflect the existing base and current TAP-R rates, of \$3.59/Mcf for water and \$5.07/Mcf for sewer.

(c) FY 2027 figures reflect the adopted base and proposed TAP-R rates, of \$5.65/Mcf for water and \$7.90/Mcf for sewer.

(d) The FY 2027 TAP-R rates are subject to the Rate Board's Determination in the 2026 TAP-R Reconciliation Proceeding.

The TAP-R Rates are subject to annual reconciliation.

(e) Of the estimated 8.4% (\$12.34) increase in the example small business customer's bill, 6.5% (\$9.65) is associated with the previously approved base rates for FY 2027 and 1.8% (\$2.69) is associated with the proposed TAP-R rates in this proceeding.

To: Philadelphia Water Department	From: Black & Veatch Management Consulting, LLC
Task Name: TAP Rider Reconciliation	Schedule: PWD-3
Document: TAP-R Reconciliation Assumptions and Calculation Methodology	Date: March 19, 2026

This document summarizes the assumptions and calculation methodology used in developing the Tiered Assistance Program (TAP) Rate Rider reconciliation calculations for September 1, 2026 to August 31, 2027 (the Next Rate Period), as it relates to the Philadelphia Water Department’s (PWD) TAP-R surcharge rates.

TAP-R Overview

The Water Department implemented TAP, effective July 1, 2017, to assist low-income water customers with their water, sewer, and stormwater utility bills. PWD recovers the costs associated with the TAP from water and sewer customers via Water and Sewer surcharge rates. The Water and Sewer surcharge rates are embedded in the Water and Sewer Quantity charges, respectively.

The TAP-R Surcharge Rate Rider is a revenue true-up mechanism designed to enable PWD to (i) reconcile the actual costs of the TAP incurred in the *Most Recent Period* with the TAP-R surcharge revenues estimated for that period, and (ii) determine the TAP-R for the *Next Rate Period*.

TAP-R consists of two sub-components:

- The “Water TAP-R” which is added to each block rate of the water quantity “base rate;” and
- The “Sewer TAP-R” which is added to the sewer quantity “base rate.”

TAP-R Assumptions and Calculation Methodology

Determination of the TAP-R surcharge relies on a mathematical equation defined and approved by the Rate Board, effective September 1, 2025. As stated in *Section 10 of PWD Rates and Charges* (currently in effect), the equation consists of certain variables that require updating during the reconciliation process. Other variables within the equation were established by the Rate Board in a prior General Rate Proceeding and will remain in effect until they are revised under a subsequent Rate Board determination.

The TAP-R Equation

$$TAP-R = \frac{(C) - (E + I)}{S}$$

Table 1 presents a description of each of the components in the TAP-R equation, the associated assumptions and the methodology applied in the development of the reconciliation calculations.

Other Key Terms

Beyond the equation components defined in Table 1, the following is a list of key terms used in this document:

- **Current TAP-R Rates** - The current TAP-R rates, as stated in Section 10 of *PWD Rates and Charges Effective September 1, 2025*, were utilized in the TAP-R reconciliation calculations for the Most Recent Period:
 - **Water TAP-R:** \$3.59 per MCF
 - **Sewer TAP-R:** \$5.07 per MCF
- **Most Recent Period** - The Current Fiscal Year and/or the period for which TAP-R reconciliation is performed.
 - For this reconciliation filing, the Most Recent Period comprises September 1, 2025 to August 31, 2026.
 - Actual data was available for September 2025 through December 2025, and estimates were developed to cover the months of January 2026 through August 2026.
 - Applicable assumptions and sources are summarized in Table 1.
- **Next Rate Period** – The fiscal year and/or the period that immediately follows the Most Recent Period, and in which the proposed TAP-R is effective. Also referred to as the Projected Period.
 - For this reconciliation filing, the Next Rate Period comprises September 1, 2026 to August 31, 2027.
 - Applicable assumptions and sources are summarized in Table 1.
- **TAP Participants** – The number of unique customers that were issued a TAP bill during the period in question.
- **CCF** – Hundred cubic feet
- **MCF** – Thousand cubic feet

Table 1 – TAP-R Reconciliation Assumptions and Calculation Methodology

Component	Definition	Key Assumptions / Codified Factors	Methodology
TAP-R	TAP Rider Surcharge Rate (\$ per MCF).	$TAP-R = \frac{(C) - (E + I)}{S}$	<p>For the Next Rate Period, the water and sewer TAP-R Surcharge are determined as follows:</p> <ol style="list-style-type: none"> Using the results of the C-Factor, E-Factor and I-Factor calculations, as outlined below, calculate the total Net Recoverable Costs using the equation: $(C) - (E + I)$ as presented in Line 4 of Table 1. Calculate the TAP-R Surcharge for water and sewer by dividing the Net Recoverable Costs from the previous step by the respective S-Factor (i.e., Projected Non-TAP Sales for the Next Rate Period) in MCF.
C	Cost in dollars of the estimated TAP Billing Loss for the Next Rate Period (i.e., discounts provided to TAP participants).	<p>Average Monthly TAP Participants¹: 70,318</p> <p>Average Monthly TAP Discount¹: \$62.82 per Participant</p> <p>Allocation Factors²:</p> <ul style="list-style-type: none"> Water: 43% Sewer: 57% 	<p>For the Next Rate Period, the C-Factor is calculated as follows:</p> <ol style="list-style-type: none"> The Total Reconcilable TAP costs for the Next Rate Period, is estimated by multiplying the monthly Projected Number of TAP Participants (for the Next Rate Period) by the Average Discounts provided per TAP Participant. The water and sewer share of the Total Reconcilable TAP costs is then calculated by applying the respective water and sewer allocation factors.
E	The net over or under collection of the TAP-R surcharge amount for the Most Recent Period. The net over or under collection is calculated by comparing the actual TAP Revenue Loss (resulting from discounts provided to TAP participants) with the actual TAP-R surcharge amounts billed to Non-TAP Customers.	<p>Allocation Factors:</p> <ul style="list-style-type: none"> Most Recent Rate Period²: <ul style="list-style-type: none"> Water: 43% Sewer: 57% Prior Most Recent Period³: <ul style="list-style-type: none"> Water: 42% Sewer: 58% <p>Collection Factors:</p> <ul style="list-style-type: none"> Most Recent Rate Period⁴: 96.93% Prior Most Recent Period⁵: 96.99% <p>Estimated Non-TAP Monthly Billed Water Volume⁶: 427,937 MCF</p>	<p>Tables 3-W and 3-WW of Schedule PWD-1 present the calculation of the E-Factor.</p> <p>For the Most Recent Period⁶, the E-Factor is determined based on the following multi-step process:</p> <ol style="list-style-type: none"> Apportion the reported monthly Total Actual TAP Discounts provided to TAP Participants to water and sewer by applying the respective allocation factors. Determine the monthly Total Amount of TAP-R Billed to TAP Participants⁷, by multiplying the monthly billed volume by the applicable surcharge rate (i.e., water or sewer TAP-R). Determine the Adjusted⁸ Actual TAP Discounts for the Most Recent Period by: <ul style="list-style-type: none"> Subtracting the surcharge portion determined in Step 2 above from the reported monthly Total Actual TAP Discounts provided; and Applying the system-wide collection factor of 96.93%. Determine the monthly Non-TAP customers' TAP-R billings by multiplying the monthly sales volumes by the applicable TAP-R rate⁹. For the months of January 2026 to August 2026, sales volumes are estimated based upon the average monthly sales for prior 12-month period (January 2025 to December 2025). Determine the estimated amount of TAP-R Revenues from Non-TAP customers by applying the system-wide collection factor of 96.93% to the Non-TAP customers' TAP-R billings determined in Step 4. Determine the net over/under collection of TAP-R as the difference between the TAP-R revenues recovered from Non-TAP customers (Step 5) and Adjusted Actual TAP Discounts (revenue loss) from TAP Participants (Step 3).

¹ See Schedule PWD-4.

² See PWD Rates and Charges Effective September 1, 2025 – Section 10.1(a)(i) and (ii)

³ See PWD Rates and Charges Effective September 1, 2024 – Section 10.1(a)(i) and (ii)

⁴ See PWD Rates and Charges Effective September 1, 2025 – Section 10.1(b)(3)

⁵ See PWD Rates and Charges Effective September 1, 2024 – Section 10.1(b)(3)

⁶ For the Most Recent Period, actual data was available for September 2025 through December 2025 and estimates were developed to cover the months of January 2026 through August 2026. Estimates used for the period of January 2026 through August 2026 will be reconciled with the next TAP-R Reconciliation filing. Refer to Schedule PWD-4 for additional information regarding TAP related assumptions and projections.

⁷ Due to billing system constraints, the TAP-R surcharge is included in the TAP participants billings prior to TAP discounts when monthly bills are processed.

⁸ The adjusted Actual TAP Discount takes into account the TAP-R surcharge billed to TAP participants and adjusts for collections.

⁹ Non-TAP billed volumes are adjusted to account for Non-TAP Discounts related to Senior Citizen, Philadelphia Housing Authority (PHA) and Non-PHA Discount customers, by applying reductions of 25%, 5% and 25%, respectively. As these discounts directly impact the Water Department's ability to recover TAP discounts, billed volumes are adjusted to account for reduction in TAP-R related revenues that occurs in actual Non-TAP discount customer bills.

		<p>Estimated Non-TAP Monthly Billed Sewer Volume⁶: 404,574 MCF</p>	<p>7. Adjust the resulting water and sewer over/under collection to account for the prior E & I Factor adjustments reflected in the 2025 TAP-R Rate Adjustment and the difference in the estimated amounts of over/under collection for the period of April 2025 through August 2025 as included in the 2025 TAP-R Rate Adjustment and the updated actuals for the same period.</p> <ul style="list-style-type: none"> ○ The process to adjust for the prior E-Factor estimates uses the same methodology outlined in Steps 1-6 and compares the results against the monthly over/under collection as reflected in the FY 2025 TAP-R Reconciliation. These calculations utilize the water and sewer allocation factors (i.e., 42% and 58%) and the system-wide collection factor (i.e., 96.99%) that were adopted and utilized at the time the prior E-Factor TAP-R rates were determined. ○ The adjustment is derived in Tables 3-W-A and 3-WW-A.
I	<p>Interest on any over or under-recovery (i.e. collection) of the TAP-R for the <i>Most Recent Period</i>. Interest is determined on an annual basis using the yield to maturity 52-week interest rate of United States Treasury Securities with constant maturities as compiled and published in the Federal Reserve Statistical Release H.15 (519), as it exists each year as of the first day of the month, preceding the month of the corresponding annual reconciliation submission to the Rate Board.</p>	<p>Interest Rate:</p> <ul style="list-style-type: none"> • Most Recent Rate Period¹⁰: 3.47% • Prior Most Recent Period¹¹: 4.17% 	<p>Tables 4-W and 4-WW of the TAP-R Reconciliation Filing present the calculation of the I-Factor. The I-Factor interest on a monthly basis per the methodology utilized in the FY 2025 Annual Rate Adjustment.</p> <p><u>For the Most Recent Period</u>, the I-Factor is determined as follows:</p> <ol style="list-style-type: none"> 1. Determine the E+I Factor component for water and sewer by dividing the sum of the prior year reconciliation amounts for E+I adjustments divided by S-Factor (MCF) for each service (as presented in Table 1 of the 2025 TAP-R Adjustment Determination). 2. Determine the anticipated E+I recovery portion for each service by multiplying the monthly water and sewer Billed Non-TAP Volume (Tables 3-W and 3-WW) by the corresponding E+I Factor Component. 3. Determine the remaining E+I Recovery water and sewer portions by adding the difference in collections (Tables 3-W and 3-WW) to the anticipated recovery portion. 4. Calculate the cumulative over/(under) collection relative to the E+I revenue requirements. 5. Multiply the cumulative monthly water and sewer over/(under) recovery of the E+I related revenue requirements, as outlined above, by the identified interest rate of 3.47% and divide by twelve to calculate the monthly interest. 6. Adjust the resulting water and sewer interest to account for the difference in the estimated amounts of interest for the period of April 2025 through August 2025 as included in the prior reconciliation and the updated actuals for the same period. <ul style="list-style-type: none"> ○ The process to adjust for the prior I-Factor estimates uses the same methodology outlined in in the 2024 TAP-R Rate Adjustment and compares the results against the actual monthly interest. These calculations utilize the monthly interest rate utilized at the time of the 2025 Annual Rate Adjustment for prior I-Factor determination (i.e., 4.17%). ○ The adjustment is derived in Tables 4-W-A and 4-WW-A.
S	<p><u>Projected</u> sales in MCF for <i>Non-TAP</i> customers during the Next Rate Period.</p>	<p>Monthly Billed Water Volume: 427,937 MCF</p> <p>Monthly Billed Sewer Volume: 404,574 MCF</p>	<p>The S-Factor reflects the projected sales volume in thousands of cubic feet (MCF) of the Non-TAP customers for the Next Rate Period and is found on Line 5 of Table 1 of Schedule PWD-1.</p> <p><u>For the Next Rate Period</u>, the S-Factor is determined as follows: Overall Non-TAP Billed Sales Volumes are estimated based upon the actual billed sales volume for Non-TAP customers from January 2025 to December 2025 (i.e., prior twelve months of actuals) and adjusted to account for Non-TAP discounts¹². The S-Factor is the sum of the projected Non-TAP sales for each month during the Next Rate Period.</p>

¹⁰ Downloaded from [Federal Reserve Board - H.15 - Selected Interest Rates \(Daily\)](#) on January 5, 2026 - See Appendix A.

¹¹ Interest rate utilized in the 2025 Annual Rate Adjustment Proceeding - See 2025 TAP-R Reconciliation Proceeding.

¹² Non-TAP billed volumes are adjusted to account for Non-TAP Discounts related to Senior Citizen, Philadelphia Housing Authority (PHA) and Non-PHA Discount customers, by applying reductions of 25%, 5% and 25%, respectively. As these discounts directly impact the Water Department's ability to recover TAP discounts, billed volumes are adjusted to account for reduction in TAP-R related revenues that occurs in actual Non-TAP discount customer bills.

APPENDIX A

1-year interest rate for constant maturity U.S. Treasury Securities as published in the Federal Reserve Statistical Release H.15 (519) and downloaded on January 5, 2026

Instruments	2025 Dec 30	2025 Dec 31	2026 Jan 2	2026 Jan 3	2026 Jan 4
Treasury Constant Maturities (yields in percent per annum)					
1-Year	3.47	3.48	3.47	3.47	3.47

Accessed via: <https://www.federalreserve.gov/releases/h15/>

MEMO

To: Lawrence Yangalay – Philadelphia Water Department

From: Jon Davis, Henrietta Locklear, Jennifer Tavantzis – Raftelis Financial Consultants

Date: February 17, 2026

Re: PWD-4 Digest to accompany reports and projections to support 2026 TAP Reconcilable Rate Rider calculation

Introduction

Raftelis developed reports and projections to support the TAP Reconcilable Rate Rider calculation performed by Black and Veatch Management Consulting, LLC (Black & Veatch) for the Philadelphia Water Department (PWD) for the rate year beginning in September 2026. Raftelis delivered the final reports and projections on January 31, 2026 in a single workbook with multiple worksheets, one for summary report data, one for key subsets of data, and others for calculations and explanatory information. These worksheets are attached as Schedule PWD-5.

Reports

Raftelis developed one consolidated report, which was previously provided as four reports: DR-1, DR-2, DR-3, and DR-4. The reports were developed in accordance with specifications agreed upon by PWD, Black & Veatch and Raftelis. The reports cover actual data for months contained in two periods:

- *Reconciled Period* (April 2025 to August 2025)
- *Most Recent Period* (September 2025 to December 2025)

Projections

Raftelis projected TAP participants, TAP discounts, TAP water consumption and TAP sewer consumption for the *Most Recent Period* months January 2026 to August 2026 and the *Next Rate Period* months September 2026 to August 2027.

TAP participation is projected to increase 0.25% per month, on average, over the projection period. These modest monthly increases are expected owing to small monthly increases in IDEA pre-qualified candidates and traditional enrollment candidates, and align with the recent trend in participation, notwithstanding the historical variation in billing and related discounts based on the length of the month and number of business days. This projection does not anticipate additional enrollment caused by a change to underlying TAP eligibility requirements, such as those in a recent proposed City Council bill.

Projected usage and TAP discounts per participant are based on the average actual usage and average actual discount from the Most Recent Period, September 2025 to December 2025.

Important Information and Definitions Used in Reports and Projections

Data Source – Reporting was run on a snapshot of basis2, WRB’s billing system. In this case, the snapshot is dated December 31, 2025.

Reconciled Period – The period of April 2025 to August 2025 that was projected for the prior TAP Reconcilable Rate Rider (TAP-R) calculation during the 2025 Annual TAP Adjustment.

Most Recent Period – The anticipated period during which the TAP-R adopted in the last annual rate proceeding is effective. The Most Recent Period comprises September 2025 to August 2026. Within the Most Recent Period as presented in this filing, September 2025 to December 2025 numbers are actuals, while January 2026 to August 2026 are projections.

Next Rate Period – The fiscal year and/or the period that immediately follows the Most Recent Period, and in which the TAP-R presented in this rate proceeding is effective. In this case, the Next Rate Period comprises September 2026 to August 2027 and the entire period is projected data.

TAP Participants – The number of unique customers that were issued a TAP bill during the period in question. Customers issued more than one TAP bill during a calendar month were counted once. Customers not issued a TAP bill during a calendar month were not counted during the month in question. Note that depending on a customer's billing cycle, a customer enrolled in one month is first included in this number in the month in which they receive their first bill, which may not be the same month that customer is enrolled.

TAP Discount Amount – The total dollar amount of TAP discounts associated with TAP bills. TAP discount amount does not include non-TAP discounts issued to TAP customers, if any. TAP Discounts are stored in the TAP_DISC_AMNT field of the PHL_TAP_ADJUSTMENT_DETAILS table. This does not include arrearage or penalty forgiveness.

For use in projections, the average of actual TAP discounts from the Most Recent Period is used as it most accurately reflects the most recent base rates and TAP participant profile.

Billed Water Usage (Consumption) – Billed water usage is developed from the debit lines table (CIS_DEBIT_LINES.tran_qty) in basis2 for records associated with water usage. Quantities in this field are stored in CCF units and are multiplied by 100 to convert to cubic feet.

Billed Sewer Usage – Billed sewer usage is developed from the debit lines table (CIS_DEBIT_LINES.tran_qty) in basis2 for records associated with sewer usage. Quantities in this field are stored in CCF units and are multiplied by 100 to convert to cubic feet.

Cost per Participant – Dollars of TAP discounts issued (TAP Discount Amount) divided by the number of TAP participants based on the most recent period actual data.

Consumption per Participant – Total water consumption (Billed Water Usage (Consumption)) divided by the number of TAP participants based on the most recent period actual data.

Results

Results from the analysis are summarized in table 1 below.

Table 1. Summary of Results

		Average Monthly Number of TAP Participants	Total Number of TAP Participants*	Total TAP Discount	Total TAP Water Consumption (CCF)	Total TAP Sewer Consumption (CCF)
Reconciled Period - Actual	April 2025 -Aug. 2025	65,476	327,379	\$17,162,078	2,071,880	2,070,258
Most Recent Period - Actual	Sept. 2025 -Dec. 2025	64,520	258,078	\$16,211,806	1,704,919	1,703,730
Most Recent Period - Projected	Jan. 2026 – Aug. 2026	68,582	548,659	\$34,465,373	3,624,560	3,624,560
Most Recent Period - Entire	Sept. 2025 -Aug. 2026	67,228	806,737	\$50,677,178	5,329,479	5,328,290
Next Rate Period	Sept. 2026 – Aug. 2027	70,318	843,814	\$53,006,249	5,574,417	5,574,417

*This counts the number of monthly participants during the period. Most participants are the same from month to month, so this does not count unique participants.

2026 TAP Reconcilable Rider Reports and Projection Model - FINAL STATIC Dec 2025

For: **Philadelphia Water Department**



<u>Sheet Name</u>	<u>Description</u>
Table of Contents	List of each sheet in the workbook
TRR_Summary	Summary of assumptions and results by period of major variables requested of Raftelis
TRR_Projections	Results by month of major variables requested of Raftelis
Data Source	Description of data source for Combined Data and reports DR-1, DR-2

<u>Assumptions used to develop the Results below</u>							
Assumption or scenario type	Scenario						
TAP Subscription Projection	Increasing	due to continued prequalification					
Monthly Cost per TAP Participant*	\$	62.82 and projected to be stable over time					
Monthly Consumption per TAP Participant*		661 CF and projected to be stable over time					
<i>*Per Participant Data (Most Recent Period - Actual Data)</i>							
			Average Monthly Number of TAP Participants	Total Number of TAP Participants	Total TAP Discount	Total TAP Water Consumption (CCF)	Total TAP Sewer Consumption (CCF)
Reconciled Period - Actual	April 2025 to	August 2025	65,476	327,379	\$ 17,162,078	2,071,880	2,070,258
Most Recent Period - Actual	September 2025 to	December 2025	64,520	258,078	\$ 16,211,806	1,704,919	1,703,730
Most Recent Period - Projected	January 2026 to	August 2026	68,582	548,659	\$ 34,465,373	3,624,560	3,624,560
Most Recent Period - Entire	September 2025 to	August 2026	67,228	806,737	\$ 50,677,178	5,329,479	5,328,290
Next Rate Period	September 2026 to	August 2027	70,318	843,814	\$ 53,006,249	5,574,417	5,574,417

	Reconciled Period				
Data Type	Actual	Actual	Actual	Actual	Actual
Projected Increase in Participants					
	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025
Total Participants	64,762	65,114	65,257	65,853	66,393
Discount	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025
Total Discounts	\$ 3,128,342.41	\$ 3,243,724.07	\$ 3,486,841.07	\$ 3,526,644.22	\$ 3,776,526.48
Water Consumption	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025
Total TAP Water Consumption (CCF)	382,353	395,758	419,696	423,997	450,076
Sewer Consumption	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025
Total TAP Sewer Consumption (CCF)	382,075	395,427	419,359	423,626	449,771

	Most Recent Period				
Data Type	Actual	Actual	Actual	Actual	Projected
Projected Increase in Participants					0.25%
	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
Total Participants	66,827	67,155	56,281	67,815	67,985
Discount	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
Total Discounts	\$ 3,997,140.20	\$ 4,545,754.26	\$ 3,282,881.90	\$ 4,386,029.19	\$ 4,270,616.26
Water Consumption	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
Total TAP Water Consumption (CCF)	444,157	466,827	340,206	453,729	449,121
Sewer Consumption	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
Total TAP Sewer Consumption (CCF)	443,876	466,528	339,938	453,388	449,121

Data Type	Projected	Projected	Projected	Projected	Projected
Projected Increase in Participants	0.25%	0.25%	0.25%	0.25%	0.25%
	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Total Participants	68,154	68,325	68,496	68,667	68,839
Discount	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Total Discounts	\$ 4,281,292.80	\$ 4,291,996.03	\$ 4,302,726.02	\$ 4,313,482.83	\$ 4,324,266.54
Water Consumption	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Total TAP Water Consumption (CCF)	450,243	451,369	452,497	453,629	454,763
Sewer Consumption	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Total TAP Sewer Consumption (CCF)	450,243	451,369	452,497	453,629	454,763

	Next Rate Period					
Data Type	Projected	Projected	Projected	Projected	Projected	Projected
Projected Increase in Participants	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026
Total Participants	69,011	69,183	69,356	69,530	69,703	69,878
Discount	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026
Total Discounts	\$ 4,335,077.21	\$ 4,345,914.90	\$ 4,356,779.69	\$4,367,671.64	\$4,378,590.82	\$4,389,537.29
Water Consumption	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026
Total TAP Water Consumption (CCF)	455,900	457,039	458,182	459,327	460,476	461,627
Sewer Consumption	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026
Total TAP Sewer Consumption (CCF)	455,900	457,039	458,182	459,327	460,476	461,627

Data Type	Projected	Projected	Projected	Projected	Projected	Projected
Projected Increase in Participants	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
Total Participants	70,052	70,227	70,403	70,579	70,756	70,932
Discount	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
Total Discounts	\$4,400,511.14	\$4,411,512.41	\$4,422,541.20	\$4,433,597.55	\$4,444,681.54	\$4,455,793.25
Water Consumption	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
Total TAP Water Consumption (CCF)	462,781	463,938	465,098	466,261	467,426	468,595
Sewer Consumption	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
Total TAP Sewer Consumption (CCF)	462,781	463,938	465,098	466,261	467,426	468,595

Data Type	Projected	Projected
Projected Increase in Participants	0.25%	0.25%
	Jul 2027	Aug 2027
Total Participants	71,110	71,288
Discount	Jul 2027	Aug 2027
Total Discounts	\$4,466,932.73	\$4,478,100.06
Water Consumption	Jul 2027	Aug 2027
Total TAP Water Consumption (CCF)	469,766	470,941
Sewer Consumption	Jul 2027	Aug 2027
Total TAP Sewer Consumption (CCF)	469,766	470,941

DR-1: Water Billed Volume						
		2025	2025	2025	2025	2025
		4	5	6	7	8
Customer Group	Discount Group	April 2025 Water Billed Volume (CCF)	May 2025 Water Billed Volume (CCF)	June 2025 Water Billed Volume (CCF)	July 2025 Water Billed Volume (CCF)	August 2025 Water Billed Volume (CCF)
TAP	All Groups	382,353	395,758	419,696	423,997	450,076
Non-TAP	Senior Discount*	47,494	47,241	47,522	47,557	49,689
Non-TAP	PHA Discount	103,127	120,137	106,380	112,691	113,145
Non-TAP	Non-PHA Discount (Other discount)	128,264	141,544	151,644	157,139	167,773
Non-TAP	No Additional Discount	3,768,623	3,942,518	4,123,420	4,307,512	4,456,512
PWD (not subject to reconciliation)	PWD	199,603	200,095	190,575	207,729	231,646

Water Billed Volume Subtotals, by Customer Group						
Customer Group		April 2025 Water Billed Volume (CCF)	May 2025 Water Billed Volume (CCF)	June 2025 Water Billed Volume (CCF)	July 2025 Water Billed Volume (CCF)	August 2025 Water Billed Volume (CCF)
TAP		382,353	395,758	419,696	423,997	450,076
Non-TAP		4,047,508	4,251,440	4,428,966	4,624,899	4,787,119
PWD (not subject to reconciliation)		199,603	200,095	190,575	207,729	231,646

*Senior Citizen Discount figures represent only those Senior Citizen Discount customers not enrolled in TAP. Senior Citizen Discount customers enrolled in TAP are included in the TAP Customer Group.

DR-1: Water Billed Volume		2025	2025	2025	2025
		9	10	11	12
Customer Group	Discount Group	September 2025 Water Billed Volume (CCF)	October 2025 Water Billed Volume (CCF)	November 2025 Water Billed Volume (CCF)	December 2025 Water Billed Volume (CCF)
TAP	All Groups	444,157	466,827	340,206	453,729
Non-TAP	Senior Discount*	47,307	49,343	34,367	47,086
Non-TAP	PHA Discount	111,990	107,777	98,283	106,611
Non-TAP	Non-PHA Discount (Other discount)	162,033	181,080	131,467	139,021
Non-TAP	No Additional Discount	4,324,158	4,440,404	3,355,146	4,051,393
PWD (not subject to reconciliation)	PWD	244,653	352,472	68,383	241,737

Water Billed Volume Subtotals, by Customer Group		September 2025 Water Billed Volume (CCF)	October 2025 Water Billed Volume (CCF)	November 2025 Water Billed Volume (CCF)	December 2025 Water Billed Volume (CCF)
Customer Group					
TAP		444,157	466,827	340,206	453,729
Non-TAP		4,645,488	4,778,604	3,619,263	4,344,111
PWD (not subject to reconciliation)		244,653	352,472	68,383	241,737

*Senior Citizen Discount figures represent only those Senior Citizen Discount customers not enrolled in TAP. Senior Citizen Discount customers enrolled in TAP are included in the TAP Customer Group.

		2025	2025	2025	2025	2025
		4	5	6	7	8
Customer Group	Discount Group	April 2025 Sewer Billed Volume (CCF)	May 2025 Sewer Billed Volume (CCF)	June 2025 Sewer Billed Volume (CCF)	July 2025 Sewer Billed Volume (CCF)	August 2025 Sewer Billed Volume (CCF)
TAP	All Groups	382,075	395,427	419,359	423,626	449,771
Non-TAP	Senior Discount*	47,466	47,208	47,485	47,519	49,640
Non-TAP	PHA Discount	103,076	120,074	106,299	112,615	113,065
Non-TAP	Non-PHA Discount (Other discount)	127,647	140,608	150,750	155,946	166,612
Non-TAP	No Additional Discount	3,580,867	3,702,734	3,879,586	4,015,717	4,163,784
PWD (not subject to reconciliation)	PWD	199,603	200,095	190,575	207,729	231,646

Sewer Billed Volume Subtotals, by Customer Group						
Customer Group	April 2025 Sewer Billed Volume (CCF)	May 2025 Sewer Billed Volume (CCF)	June 2025 Sewer Billed Volume (CCF)	July 2025 Sewer Billed Volume (CCF)	August 2025 Sewer Billed Volume (CCF)	
TAP	382,075	395,427	419,359	423,626	449,771	
Non-TAP	3,859,056	4,010,624	4,184,120	4,331,797	4,493,101	
PWD (not subject to reconciliation)	199,603	200,095	190,575	207,729	231,646	

*Senior Citizen Discount figures represent only those Senior Citizen Discount customers not enrolled in TAP. Senior Citizen Discount customers enrolled in TAP are included in the TAP Customer Group.

		2025	2025	2025	2025
		9	10	11	12
Customer Group	Discount Group	September 2025 Sewer Billed Volume (CCF)	October 2025 Sewer Billed Volume (CCF)	November 2025 Sewer Billed Volume (CCF)	December 2025 Sewer Billed Volume (CCF)
TAP	All Groups	443,876	466,528	339,938	453,388
Non-TAP	Senior Discount*	47,240	49,276	34,334	47,051
Non-TAP	PHA Discount	111,914	107,701	98,204	106,537
Non-TAP	Non-PHA Discount (Other discount)	161,087	177,711	130,613	138,255
Non-TAP	No Additional Discount	4,045,984	4,168,231	3,149,891	3,868,382
PWD (not subject to reconciliation)	PWD	244,653	352,472	68,383	241,737

Sewer Billed Volume Subtotals, by Customer Group					
Customer Group		September 2025 Sewer Billed Volume (CCF)	October 2025 Sewer Billed Volume (CCF)	November 2025 Sewer Billed Volume (CCF)	December 2025 Sewer Billed Volume (CCF)
TAP		443,876	466,528	339,938	453,388
Non-TAP		4,366,225	4,502,919	3,413,042	4,160,225
PWD (not subject to reconciliation)		244,653	352,472	68,383	241,737

*Senior Citizen Discount figures represent only those Senior Citizen Discount customers not enrolled in TAP. Senior Citizen Discount customers enrolled in TAP are included in the TAP Customer Group.

Data in reporting are from reports run on static copy of basis2 dated 12/31/2025

Schedule PWD-6: Consultant Resumes

Ann Bui

Senior Managing Director

Ms. Bui is a Senior Managing Director at Black & Veatch, leading the company's Rates & Regulatory practice and Sustainability, Planning, & Optimization solution portfolio. Besides providing clients with strategic management strategies, her responsibilities include driving growth and innovation to utilities in the areas of financial and advisory planning, resource optimization, resiliency and sustainability, and asset integrity.

Ann has more than 30 years of experience with clients in North and South America, Europe, and Asia gained through more than 525 engagements for public and investor-owned utilities of all sizes. Her recent assignments have focused on reducing carbon footprints for energy-intensive activities, water insecurity, addressing affordability and assistance program needs, developing innovative approaches for structuring alternative delivery projects using private and public financing instruments, and driving resource and organizational effectiveness.

She has prepared financial feasibility reports supporting more than \$16 billion of revenue bond sales, \$8 billion in state revolving fund loans, and over \$1 billion in grant applications.

Ms. Bui has completed due diligence engagements for entities of many internationally well-established companies such as KKR, Macquarie Capital, Credit Suisse, Morgan Stanley, J.P. Morgan, Goldman Sachs, Bank of America Merrill Lynch, Rothschild, Canada Pension Plan Investment Board, Barclays, Fiera Infrastructure, Alma Global, and PGGM. Her work on due diligence efforts has supported utility infrastructure assets totaling over \$60 billion.

Over the past two decades, Ms. Bui has provided expert witness testimony in front of the California Public Utilities Commission, the Indiana Utilities Regulatory Commission, the Idaho Public Utilities Commission, and the Kentucky Public Service Commission (PSC). She has also filed testimony supporting rate actions with the Delaware PSC, West Virginia PSC, NJ PSC, and Maryland PSC. Ms. Bui has provided expert witness testimony supporting rate litigation matters for the City of San Diego, CA, City of Cincinnati, OH, and the City of Atlanta, GA.

An active proponent of advancing the industry, Ms. Bui is a long-standing member of several industry associations. She is a past Chair of the American Water Works Association (AWWA) Finance, Accounting, and Management Controls Committee and is involved with AWWA's Rates and Charges Committee, the National Association of Clean Water Agency's Utility

EDUCATION

Masters, Business Administration, Finance, University of California – Davis, 1995

MS, Chemical Engineering, University of California Los Angeles, 1989

BS, Chemical Engineering, University of British Columbia, 1986, Canada

YEARS EXPERIENCE

36

PROFESSIONAL REGISTRATION

License, Engineer-In-Training, #XE094654, California, 1995

PROFESSIONAL ASSOCIATIONS

AWWA

Past Chair - AWWA's Finance, Accounting & Management Controls Committee

Member – AWWA's Rates & Charges

WEF

NACWA's Utility Management Committee

Western Energy Institute/Women in Energy

SPECIALIZATIONS AND SKILLS

Financial & Management Consulting Services; Debt Issuance Support; Elasticity Studies; Cost of Service & Rate Design; Institutional & Organizational Studies; Alternative Financing; Valuations/M&A

Management Committee, the Water Environment Federation (WEF), and Western Energy Institute's Women in Energy.

Ann serves as an author, editor, and peer reviewer for many of the rate-making industry's manuals of practice, including AWWA's M1 – Principles of Water Rates, Fees and Charges, the current update to M1, the current update of WEF's Manual of Practice 27, Financing and Charges for Wastewater Systems, and WEF's User-Fee Funded Stormwater Program. She is the lead author and editor of AWWA's book *Financial Management for Water Utilities: Principles of Finance, Accounting and Management Controls*.

SELECT PROJECT EXPERIENCE

COST-OF-SERVICE, RATE FILING SUPPORT, & VALUATION STUDIES

- Citizens Energy Group, IN – Fair Market Valuation and COS Rate Filing.
- Charleston Water Systems, SC – COS Studies, Sell-side asset valuation.
- Los Angeles Department of Water & Power, CA – Retail Rate Action (Electric)
- Los Angeles Department of Water & Power, CA – Water Rate Action
- Peoples Gas, OH – Cost of Service and Rate Design Studies
- City of Los Angeles, Bureau of Sanitation, CA – Clean Water Rate Action
- Enbridge Gas, NB – Total Factor Productivity Studies
- Liberty Utilities New Brunswick – COS and Rate Design
- City of Philadelphia Water Department, PA – Rate Case and Related Financial Services
- Columbia Gas, OH – COS and Rate Design
- Greater Cincinnati Water Works, OH – Rate Studies and Miscellaneous Studies.
- Sewerage and Water Board of New Orleans, LA – COS Studies and Bond Feasibility Reports.
- First Energy – Administrative and General (A&G) Time Study
- First Energy – Site Evaluation and Owner's Engineering Services for Simple Combined Cycle Generator, WV
- National Water Commission, Jamaica – Water Depreciation Study
- JEA, FL – Water, Wastewater, Electric, and Chilled Water Depreciation Studies
- Santee Cooper, FL – Multi-Utility Depreciation Studies
- Confidential Client – Asset Condition Review/Market Valuations for 2 municipal systems in New Jersey
- Hetch Hetchy Water and Power – Electric Risk-Based Capital Planning & Condition Assessment
- Northern Kentucky Water District – Water Depreciation Study
- Confidential Clients – Over 30 Water & Wastewater Fair Market System Valuations in Colorado, Tennessee, and Texas
- Confidential Client – Income Valuation of System Facilities, Pennsylvania
- Confidential Client – Original Cost for 3 Systems, Pennsylvania
- Condition Assessments and Capital Prioritization Studies for City of Santa Ana, CA, City of Henderson, NV; San Joaquín County (CA) & Louisville Water Company (KY).
- City of Norfolk, VA – Fixed Asset Records Review and Development of Fixed Asset Accounting System
- City of San Marcos, TX – Electric Distribution System Valuation

Dave Jagt

Principal Consultant

Mr. Dave Jagt has served as a manager on a variety of projects, including utility revenue forecasting, estimation and projection of revenue requirements, financial planning and rate design, capital improvement program review and financing, computer rate modeling, fixed-asset record keeping and present worth analyses.

Mr. Jagt also has experience with civil engineering projects, such as hydraulic design, computer hydraulic modeling, structural design, building plan review, and preparation of specifications and bid documents.

SELECT PROJECT EXPERIENCE

Philadelphia Water Department; Water and Wastewater Financial Rate Study; Philadelphia, Pennsylvania; 2007-Present

Project Manager/Task Lead. Mr. Jagt has performed comprehensive studies of revenue requirements, costs of service and rates for water and wastewater utilities. The cost of service studies involved allocation of costs of service and determination of charges for 9 municipal wholesale wastewater customers and one wholesale water customers in accordance with the terms of wholesale service contractual agreements with these customers. He assisted with the development of the Tiered Assistance Program Rate Rider Surcharge (TAP-R), a rate rider concept to recover costs related to the PWD's Tiered Customer Assistance Program (TAP), and supported the TAP-R reconciliation. He assisted with contract negotiations with municipal wholesale customers, including the development of exceedance charges. He assisted with issuance of revenue bonds, including preparation of required engineering and financial feasibility studies, presentations before bond rating agencies and preparation of official statements.

Mr. Jagt has participated in enhancements to stormwater cost allocation and rate methodologies and the impacts of the alternative rates on various representative customers. The City's evolving geographic information system network and new billing system facilitated the establishment of stormwater charges based upon the customer's impervious and gross property area.

Mr. Jagt served as a task lead for the Water Department's Alternative Rate Structure study, which consisted of a review of the existing water and stormwater rate structures, supporting policies and programs, as well as an evaluation of a potential rider for pension expenses. The study also included discussions with various stakeholders and prior rate proceeding participants to gather feedback on potential alternatives. A report was issued to the Rate Board in the Fall of 2019.

Harford County; Comprehensive Revenue Analysis and Rate Study; Harford County, Maryland; 2019-2020

Task Leader. Mr. Jagt was a task leader for a water/sewer Operating Fund revenue reconciliation and a comprehensive financial planning study (FY 2021 – FY 2025) for the County. The five-year financial plan involved the projection of revenue and revenue requirements, cash flow analysis, and recommendations

EDUCATION

BS, Civil Engineering, Virginia Polytech Inst St U, 1987

YEARS EXPERIENCE

37

ADDITIONAL CREDENTIALS

American Water Works Association (AWWA) – Rates and Charges Committee

SPECILIZATIONS AND SKILLS

Financial Planning; Cost of Service; Rate Design; Bond Feasibility; Computer Modeling; Fixed Asset Recordkeeping

on a series of annual revenue adjustments for the Operating Fund. In addition, the study involved a review of the County's system development charge and basic wholesale water municipality rate.

[DC Water; Financial Plan Model and Construction Cost Model Development; Washington DC, District of Columbia; 2019-2020](#)

Technical Advisor. As Technical Advisor, Mr. Jagt assisted the development of an Excel-based Water/Sewer Financial Plan model for DC Water's Operations group. The objective of this project is to provide a robust yet user-friendly model that could help the leadership within DC Water Operations assess the financial impact of any potential changes in operating and capital expenditure assumptions and revenue assumptions.

[City of Norfolk; Water Utility Wholesale Contract True-up Calculations; 1995–2003 and 2010–Present](#)

Project Manager/Project Advisor. Mr. Jagt managed and assisted with the preparation of biennial rate projections and revenue true-up calculations during the period of 1995 to 2003 and 2010 to 2025 for Norfolk's wholesale water contracts with the City of Virginia Beach and the U.S. Navy. A Black & Veatch-developed computer model facilitated the comparisons of adopted rates (using budget projections) with recalculated rates (using actual costs) to determine amounts of revenue to be reserved for use by the annual audit and to meet the contract-specified two-year, or biennial true-up periods.

As stipulated by the contracts, adopted wholesale rates were based on budget projections and specified formulas recognizing the utility basis of cost allocations. The true-up comparisons revealed actual costs of wholesale service based on audited financial results.

[City of Atlanta; Water and Wastewater Differential Study; Atlanta, Georgia; 2024](#)

Project Manager. Mr. Jagt managed the update of the Water and Wastewater Differential Study for the City of Atlanta's Department of Watershed Management (DWM). The purpose of the study was to determine the appropriate differential between inside City and outside City rates for water and sewer services provided by DWM.

[City of Columbia – Department of Utilities & Engineering; Water, Sewer and Stormwater Rate Studies; City of Columbia, South Carolina; 2017–2021](#)

Task Leader/Project Advisor. Mr. Jagt assisted with the comprehensive study of water and sewer utility rates for FY 2018, FY 2019, FY 2020 and FY 2021. The annual studies covered multi-year projections of revenue and revenue requirements, cost of service by customer class, design rate schedules of rates for the sale of water to retail and wholesale service customers, and sewer service. Additionally, Mr. Jagt provided support to the City during public sessions related to educating and informing existing stakeholders about the City's FY 2018 water and sewer financial plan and rates.

PRESENTATIONS & PUBLICATIONS

Jagt, David. "Rate Rider Mechanisms – An Effective and Efficient Cost Recovery Tool for Water and Wastewater Utilities," 2021 Utility Management Conference. August 2021.

Jagt, David. "Building Financial Resiliency: The Critical Role of Establishing and Adhering to Financial Performance Metrics." 2014 Tri-Association Conference. August 2014.

Brian Merritt

Principal Consultant

Mr. Brian Merritt is a Principal Consultant with Black & Veatch's Rates and Regulatory Practice. With a background in civil and water resources, he brings more than 23 years of experience in the engineering and consulting industry.

Mr. Merritt has extensive experience in project management, stormwater fee implementation and development, cost of service, financial planning and rate design, wholesale rate and contract support, engineering design, permitting, public outreach, program evaluations and planning, and funding strategy implementation.

SELECT PROJECT EXPERIENCE

Philadelphia Water Department, City of Philadelphia, Pennsylvania; Financial Planning and Cost of Service Study; 2019-Present

Project Manager. Mr. Merritt serves as Black & Veatch's Project Manager for the Water Department's Cost of Service Consulting contract. Mr. Merritt served as project manager for the Water Department's Alternative Rate Structure study, which consisted of a review of the existing water and stormwater rate structures, supporting policies and programs. The study's current focus is on the evaluation of potential alternative stormwater rate structures for residential customers. Current work includes financial planning, wholesale contract negotiation support, stormwater cost of service analysis, and rate study update for the Philadelphia Water Department (PWD). The study involves a six-year financial planning, cost of service analysis, cost allocation analysis, policy issues review, rate design, and rate case support.

City of Charleston, SC; Stormwater Utility Account Management System Update; 2024-Present

Project Manager. Mr. Merritt serves as Black & Veatch's Project Manager for the City of Charleston, SC's Stormwater Department Account Management System Update project. The initial phase of work included evaluation of existing billing data, billing policies, associated account management systems, data transfer and maintenance, policy review and exploration of billing mechanism alternatives. Current work includes development of updated stormwater billing data, review of rate structure alternatives, billing system updates, refresh of data management process and procedures, collection and enforcement policy review, among other tasks.

Stormwater Rate Structure and Tax Roll Update Services; City of Delray Beach, FL; 2021 - Present

Project Manager. Mr. Merritt is managing the implementation of a tiered residential stormwater rates along with the preparation of the updated stormwater fee assessment for all parcels to be billed via the Palm Beach County Assessor's tax assessment system. Phase 1, work included development of City-wide impervious area mapping; updated stormwater classifications, multi-year financial plan; rate

EDUCATION

MS, Civil & Environmental Engineering, Lehigh University, 2007

BS, Civil & Environmental Engineering, Lehigh University, 2000

YEARS EXPERIENCE

23

ADDITIONAL CREDENTIALS

Stormcon – Advisory Board

SPECIALIZATIONS AND SKILLS

Stormwater Fee and Utility Implementation; Stormwater Management; Strategic Planning; Hydraulics; Hydrology; Credit Program Development; Rate Structure Analysis and Design; Stormwater Financial Planning; Public Outreach and Stakeholder Engagement; Stormwater Needs Assessments.

structure updates and engagement with City Council. Phase 2 included the preparation of updated stormwater non-ad valorem tax assessment data and delivery of a master account file to the City as well as the Palm Beach County Tax Assessor's office to enabling billing. Phase 3 work includes policy refinement and business process documentation and related support services.

[City of Hoboken, New Jersey; Stormwater Utility Feasibility Study; 2022- Present](#)

Project Manager. Mr. Merritt serves as Black & Veatch's Project Manager for a Stormwater Utility Feasibility Study for the City of Hoboken, New Jersey. The project involves a review of the City's current stormwater management program, identification of program improvements and level of service enhancements, as well as capital improvements needs. Work also includes impervious area development, customer classification, rate structure development, policy development including credits. Recommendations were provided to City leadership in late-2022.

[City of Myrtle Beach, South Carolina; Stormwater Management Fee and Level of Service Analysis Rate Study; 2020-2021](#)

Project Manager. Mr. Merritt served as Black & Veatch's project manager, as a subconsultant, working with the City of Myrtle Beach to complete a comprehensive review of their stormwater rates. Work included the creation of stormwater financial and rate model, projecting detailed revenue requirements, modeling the impact of the level of service alternatives, developing capital financing mix, identifying the City's fiscal position and required financial metrics. Anticipated revenue increases were developed along with the associated rate schedules to support the increase in stormwater operational and capital program needs. City leadership approved the request revenue adjustment in the Spring of 2021.

[City of Columbia, South Carolina – Department of Utilities & Engineering; Stormwater Bond Feasibility Study; 2018](#)

Project Support. Mr. Merritt worked with the City of Columbia, South Carolina to perform a five-year financial feasibility analysis of the City's Stormwater System operating results associated with the issuance of Stormwater System Revenue Bonds. The analysis included a forecast of revenues and revenue requirements, to determine the financial feasibility of the City issuing the Series 2018 Bonds.

[City of Newark, New Jersey; Stormwater Utility Feasibility Study; 2017-2019](#)

Project Support. Mr. Merritt assisted in the evaluation of a stormwater utility for the City of Newark, New Jersey. The project involved a review of the City's current stormwater management program, identification of program improvements and level of service enhancements, as well as capital improvements needs. This included the allocation of combined sewer related costs between sewer and stormwater revenue requirements, impervious area development, customer classification, rate structure development, policy development including credits, appeals, as well as billing and enforcement.

SELECTED PUBLICATIONS AND PRESENTATIONS

Co-Author for Chapter 9 – "Wet Weather Financing and Cost Recovery." Wastewater Financing and Charges, Manual of Practice 27, 5th Edition. (2025). Water Environment Federation, Alexandria, VA.

Co-presenter, "Stormwater Utility Reboot: The Need to Maintain Equity in Stormwater Cost Recovery," StormCon, September 2022.

Co-Author "Rate Rider Mechanisms – An Effective and Efficient Cost Recovery Tool for Water and Wastewater Utilities," 2021 Utility Management Conference in Atlanta, GA., August 2021

Jon Davis

Senior Principal

PROFILE

Jon joined Raftelis in 2000 and currently serves the firm as a Senior Principal Consultant. Jon has extensive experience in financial forecasting and modeling and has led projects to apply advanced risk analysis techniques to rate and financial planning studies for the water and wastewater industry. Jon is an active member of the Water Environment Federation (WEF) Utility Management Committee where he chairs the subcommittee on Finance and Administration. He also serves on the WEF Technical Practices Committee (WEFTEC) and the WEFTEC Planning Committee. Jon has presented at many industry conferences, co-authored a chapter entitled, “Financial Capability and Affordability,” for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*, and led the 2018 update of WEF’s *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*. Prior to joining Raftelis, Jon worked in water resource recovery facility management and capital projects engineering.

KEY PROJECT EXPERIENCE

Philadelphia Water Department (PA): Wholesale Rate Arbitration and Customer Service Strategic Review

Jon is serving as project manager on a long-term contract to provide financial and management consulting services for the Philadelphia Water Department (PWD). The services involve debt issuance support, financial forecasting, service affordability review, customer service program support, reporting, and strategic planning assistance. In addition, Jon served as project manager for a management audit of customer service functions for PWD and the Water Revenue Bureau (WRB).

DC Water (DC): Economic Development/Service Extension Policy

Jon currently serves as project manager for an ongoing engagement with DC Water. Raftelis is working under a long-term contract to provide financial planning and rate consulting services. This has recently included a cost-of-service (COS) study with four major project deliverables: assure the sufficiency of projected revenue to cover projected expenditures; calculate cost-of-service-based rates and compare them to projected rates; review miscellaneous fees and charges; and, recommend rate structure alternatives that enhance priority pricing objectives of DC Water.

City of Baltimore (MD): Cost-of-service Rate Study, Financial Planning, Interjurisdictional Contract Negotiation Support, Stormwater Utility Implementation, and Organizational Optimization

Jon serves as project manager on a multi-year cost-of-service, rate, and financial consulting contract for the City of Baltimore (City). As part of the contract, Raftelis is performing cost-of-service and rate design studies for the water and wastewater utilities. The contract also calls for assistance with long-term fiscal planning and development of financial plans for utility capital programs. Since the City provides wholesale and retail utility service for



Specialties

- Utility cost-of-service & rate structure studies
- Development impact fee studies
- Affordability program development
- Long-range financial planning & feasibility studies
- Cost analysis & cost allocation

Professional History

- Raftelis: Senior Principal (2025-present); Executive Vice President (2019-2024); Vice President (2013-2018); Senior Manager (2009-2012); Manager (2005-2009); Senior Consultant (2000-2004)
- Lance, Incorporated: Director of Energy & Environment, Projects Manager, Financial Analyst (1992-2000)

Education

- Master of Business Administration - Queens College (1998)
- Bachelor of Science, Physics & Mathematics - Wake Forest University (1990)

Certifications

- Series 50 Municipal Advisor Representative

Professional Memberships

- AWWA: Virginia Section; Chesapeake Section; Pennsylvania Section; North Carolina Section
- WEF: Utility Management Committee; Utility Management Finance & Administration Subcommittee (Past Chair); Finance & Administration Subcommittee (Past Chair); Utility Management Conference Planning Committee (Past Chair); Technical Practices Committee (Chair)

surrounding counties, the engagement includes inter-jurisdictional contract negotiation support and rate setting. Jon is responsible for project administrative functions such as invoicing and sub-consultant coordination over the term of the engagement.

Washington Suburban Sanitary Commission (MD): Financial Services and Development/Impact Fee Study

Jon served as project manager on an engagement with Washington Suburban Sanitary Commission (WSSC) in Laurel, Maryland. WSSC is looking at alternatives to fund infrastructure renewal and AMR/AMI. The Raftelis Team is identifying and evaluating revenue enhancement opportunities to help fund approximately \$2.1 billion in incremental capital projects over the next 10 years. As part of our assistance, the Raftelis Team is helping to build the business case for monthly customer billing facilitated by AMR/AMI. WSSC has looked into automated meter reading for at least 12 years but has run into challenges with cost justification; their system contains over 440,000 customer accounts and almost 1,000 square miles. The Raftelis Team, led by Jon, will help to justify the investment in AMR/AMI through placing a value on its intangible benefits: more frequent pricing communication with customers, reduced delinquency, and reduced unaccounted for water.

City of San Diego Metro Wastewater Department (CA)

Jon served as lead consultant for a sewer cost-of-service and rate design study for the City of San Diego (City) Metro Wastewater Department. The study was conducted with extensive stakeholder group involvement and included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, an analysis of cost-of-service and rate design for City users. Rate design included evaluation of rate structure alternatives with emphasis on incorporating a uniform monthly base fee in conjunction with volume rates. The study also included a review of the City's capacity charges.

Charlotte Water (NC): Conservation Pricing, Reclaimed Water Program Feasibility, and Billing and Collections Costs Analysis and Allocation Study

Jon has assisted on several financial services engagements for Charlotte Water. Originally, Raftelis assisted the utilities in developing a water financial planning and rate model and related user manual. The rate model has been used to update rates and assist with financial planning. Since the original model development, Raftelis has provided assistance in updating and refining the rate model. In addition, Jon and Raftelis have provided assistance in conservation-based rate development, industrial waste charge methodology, recycled water rate setting, managed competition, and utility billing system cost allocation. Raftelis is currently assisting with developing stronger conservation-based water rates, while trying to maintain revenue sufficiency and stability.

Richmond Department Public Utilities (VA)

Jon currently serves as project director for our engagement with the Richmond Department Public Utilities (DPU). Raftelis is developing a financial planning model that incorporates all utility systems: water, wastewater, natural gas, street lighting and stormwater. DPU will use the model to set rates in addition to determining financial condition.

PUBLICATIONS

- *Financing and Charges for Wastewater Systems – WEF Manual of Practice No. 27, Fourth Edition, 2018*
- *Water and Wastewater Financing and Pricing – The Changing Landscape, Fourth Edition, CRC Press, 2014*
- “Is Our Water Affordable?” *AWWA Journal*, 2014

Henrietta Locklear MPA

Senior Vice President & Group Lead

PROFILE

Henrietta has 20 years of experience in local government finance and stormwater management. She is Raftelis' group lead for three national practices – stormwater, data services, and solid waste. She specializes in working with local government staff, stakeholders, and elected officials to identify solutions and implement programs to meet environmental and public health challenges. Henrietta is experienced in governmental financial analysis and planning, particularly in stormwater utility implementation and rate studies. She is also experienced in all aspects of utility implementation, with particular focus on policy analysis and development, and data and billing system implementation. Henrietta has worked with more than 50 local governments on stormwater funding analyses, fee feasibility, or implementation projects and has served as project manager for more than 20 stormwater utility fee implementation projects. She was a member of the working group that developed the certification test for American Public Works Association's (APWA) Stormwater Manager Certification. She was also a reviewer for the Water Environment Federation's Special Publication entitled, *User-Fee-Funded Stormwater Programs*, 2nd Edition. In addition, Henrietta co-authored two chapters in the industry guidebook *Water and Wastewater Finance and Pricing: The Changing Landscape*, which are entitled, "Public Outreach and Gaining Stakeholder Commitment" and "Expanding Financing and Pricing Concepts into Stormwater." Henrietta has a wealth of experience with public input processes. On a variety of projects, she has developed and facilitated public stakeholder processes, outreach strategies, and education campaigns for programs ranging from stormwater utilities and National Pollutant Discharge Elimination System (NPDES) compliance efforts to brownfields, on-site wastewater, and hazard mitigation programs. She was a chapter lead author for WEF's updated Manual of Practice 27 *Wastewater Pricing and Financing*. She convened Raftelis' Affordability Community of Practice, a group of firm professionals focusing on thought leadership in the affordability arena. She is a Municipal Advisor Representative, having passed the Series 50 exam.

KEY PROJECT EXPERIENCE

Philadelphia Water Department (PA): Affordability Analysis and Customer Assistance Program Implementation and Support, and Management Study and Rate Case Support

Henrietta manages several efforts for Raftelis' engagements with Philadelphia Water Department (City). These include the development of the City's affordability program and a management study of the utility's meter-to-cash operation and annual reporting efforts to support the



Specialties

- Stormwater program planning & development
- Stormwater finance & utility development
- Stormwater rate structure analysis & cost allocation
- Affordability program analysis, development & implementation
- Billing & information systems
- Meter technology modernization (AMI/AMR)
- Public involvement & stakeholder facilitation
- Management policy & practice
- Technical writing
- Business process development & improvement
- Data & systems integration
- Database architecture & analysis

Professional History

- Raftelis: Senior Vice President (2025-present); Vice President and Director of Stormwater Management Consulting (2021-2024); Vice President (2019-2021); Senior Manager (2015-2018); Manager (2013-2014); Senior Consultant (2011-2012)
- AMEC Morrisville, NC: Team Leader/Project manager (2009-2011)
- AMEC Raleigh, NC: Supervisor/Project manager (2008-2009); project manager (2006-2008)
- AMEC Nashville, TN: Public Affairs Coordinator (2004-2006)
- Wake County Government: Planning Technician (2003-2004); Intern (2003)
- School of Government, University of North Carolina at Chapel Hill: Research Assistant (2004)

Education

- Master of Public Administration - University of North Carolina at Chapel Hill (2004); Deil S. Wright Award for Outstanding Capstone Paper
- Bachelor of Arts in Political Science - University of North Carolina at Chapel Hill (2002); Phi Beta Kappa; Order of the Golden Fleece

Certifications

- Series 50 Municipal Advisor Representative

Professional Memberships

- WEF
- US Water Alliance (One Water Council)

department's financial planning and cost-of-service studies. For the management audit, she oversaw the review of customer service and billing processes as well as a detailed analysis of the utility's billing system. She is also assistant project manager for Raftelis' multi-year engagement with the Department to provide financial consulting services. Henrietta has led the development of the City's affordability program, the Tiered Assistance Program, which launched July 1, 2017.

Philadelphia Water Department (PA): Stormwater Rate Structure Analysis and Credits Study

Henrietta served as project key lead for a study assessing potential changes to Philadelphia Water Department's (PWD) stormwater fee rate structure, credits regulations, and green infrastructure incentives. The project involved a detailed assessment of the Department's then current rate structure and program, a national credit and incentives study of comparable utilities, as well as an intensive stakeholder input process. Henrietta led the national credits study and coordinated the stakeholder process, including policy development and assessment. Henrietta also oversaw data analysis inputs into the stakeholder process.

City of Providence (RI): Sustainable Stormwater and Sewer Assessment

The City of Providence (City) manages a complex conveyance system that comprises both combined and some separated sewers. This system connects to a larger network of combined sewers that is managed by the Narragansett Bay Commission (NBC), which treats wastewater for the City and several adjacent municipalities. Providence sewer users pay a sewer fee to NBC that covers that entity's conveyance and treatment services. The City's portion of the conveyance system is currently funded via the general fund. The current level of funding is proving to be insufficient to meet the City's obligations under the consent agreement with the US EPA and to achieve the City's climate justice goals in relation to flood mitigation. The City is looking to establish sustainable funding sources to support its stormwater and sewer infrastructure operations by exploring the feasibility of stormwater and sewer utilities or related tax increases. Raftelis has worked with staff to assess the future needs of both grey and green infrastructure, project 10-year overall system costs, and allocate costs between the two systems. Raftelis is focused on developing long-term funding options for the stormwater system and program while Moonshot Missions will perform similar tasks for the sewer system and program. Raftelis developed impervious area data to support the analysis of a potential stormwater utility and is working on a stormwater rate model and 10-year financial plan. Raftelis is also working on developing an administrative framework for the implementation of the stormwater billing option selected by the City. Henrietta serves as project director on this ongoing project.

American Water Works Association: Thinking Outside the Bill Publication

Henrietta was project manager and lead author for a project for the AWWA to create the third edition of the Thinking Outside the Bill publication on best practices for water utilities looking to address affordability in their communities. The new publication updates text with recent research and information on factors that impact water affordability including demographic data, COVID-19 impacts, and new recommended metrics to identify affordability issues. New publication sections include guidance on researching affordability, community information gathering, types of custom assistance programs and their costs and benefits, and ways to select a solution that meets the needs of the community. The publication also includes best practices in customer assistance programs and gleaned from case studies throughout the text, with data taken from interviews with utility program leaders. The project was completed on a short timeframe and resulted in a high-quality publication in a short timeframe and included input from a steering committee from AWWA.

Jennifer Tavantzis

Vice President



PROFILE

Jennifer has a strong background in water resources and utility management and possesses extensive data management and analytical skills. Her educational background lies in the areas of water quality, hydrology, and resource conservation. In her ten years with Raftelis, she has consulted with numerous local governments on projects related to stormwater program development and review, and stormwater utility feasibility, development, implementation, and reorganization studies. Jennifer has also worked with water and sewer utilities on a wide variety of projects - from rate development and affordability analysis to revenue loss investigations - all with the common thread of being driven by existing utility data and designed to positively impact utility performance and management. Jennifer has worked extensively with GIS data and systems and with relational databases in association with water, wastewater, and stormwater utility projects. In addition to her analytical work, she has a strong knowledge of municipal finance, and serves as a Municipal Advisor Representative, which ensures her fiduciary responsibility to clients. Jennifer was also a contributing editor of the WEF's 2025 *Manual of Practice No. 27: Financing and Charges for Wastewater Systems*.

KEY PROJECT EXPERIENCE

City of Philadelphia (PA): Water Department Management Assessment, Customer Assistance Program Implementation

Based on an intimate knowledge of the City's utility billing system and related practices and policies from a prior management audit, Raftelis was further engaged in 2016 to develop and implement a cutting-edge affordability program consistent with direction from a recent rate case and a recently passed legislation out of City Council. Jennifer was involved in the Tiered Assistance Program (or TAP) from the outset, playing a significant role in development of program requirements and facilitation of policy and process design. She trained customer service staff on the new program, including program features, but also new software, processes, and procedures put in place to support it. Early on, Jennifer oversaw much of the reporting developed to track key program metrics and drive program administration, and she continues to manage program reporting, well into the eighth year of the program being live. Jennifer has recently led efforts to document program challenges and successes at the five-year mark, which included extensive benchmarking of peer or geographically relevant assistance programs and recommendations to be leveraged in strategic planning efforts that are anticipated in the near future. In addition to work with TAP, Jennifer continues to oversee annual financial reporting (based on full copies of the billing system), to support financial planning efforts.

Arlington County (VA): Stormwater Utility Feasibility Study and Implementation

Raftelis has long served as Arlington County's water and sewer utility rate advisor. In 2019, the County also asked Raftelis to evaluate the feasibility of funding their stormwater program through a user fee (more closely aligned with properties' impacts on the drainage system and program) instead of the existing tax rate. Jennifer played an integral role in the analysis, presentation of results to staff and leadership, and development of rate structure and rate

Specialties

- Stormwater finance & utility development
- Management policy & practice
- Utility rate studies
- Stakeholder engagement
- Organizational assessments

Professional History

- Raftelis: Vice President (2024-present); Senior Manager (2022-2023); Manager (2018-2021); Senior Consultant (2016-2017); Consultant (2013-2016); Associate Consultant (2012-2013)
- Colorado Department of Public Health & Environment (2011-2012)

Education

- Master of Environmental Management - Duke University (2011)
- Bachelor of Arts in Environmental Studies & Urban Planning - University of Richmond (2009)

Certifications

- Series 50 Municipal Advisor Representative

recommendations. Key to this analysis was detailed consideration of the impacts owners and tenants of different styles of residential properties throughout the County. At present, the County implementing the fee. Jennifer is overseeing aspects of the project, including data maintenance software development, financial modeling, and process development.

City of Vancouver (BC): Healthy Waters Plan Financial Modeling and Support

The City of Vancouver, BC is developing a large-scale, long-range approach to adapt and improve sewage and rainwater management in the City's five basins – the Healthy Waters Plan. As part of a complex team led by Brown & Caldwell, Raftelis is providing financial planning and support throughout the phases of the project, from establishing baseline conditions to providing key inputs to a multi-criteria decision analysis exercise, and ultimately to developing a long-term financial planning tool that will allow the City to track and plan for ongoing system operation and extensive upgrades to support compliance with regulatory requirements and adaptations necessitated by climate change. Jennifer is leading this effort for Raftelis, coordinating with the project team and working closely with the City's technical working group.

Western Intake Partnership (NC): Regional Water Supply Project Financial Analysis and Implementation Support

Jennifer served as an analyst of economic feasibility and financial impacts for a group of four jurisdictions, the Western Intake Partnership, as they plan for long-term water supply solutions. Each jurisdiction varies in its growth projections, near- and long-term needs for enhanced water supply, alternative water supply options, and customer base, and as such, the financial implications of embarking on a joint venture varied from one partner to the next. In the project's early stages, Jennifer and the Raftelis team built a model and facilitated data gathering and output review meetings to establish a project timeframe optimal for the partnership. As the group moved forward with the project on that timeframe, Raftelis was engaged again to facilitate decision-making around project and partnership governance as well as establishing a fair approach to capital project and ongoing operations funding. At this stage the decisions are being incorporated into interlocal agreements that will govern the next phase of project execution.

Pittsburgh Water and Sewer Authority (PA): Stormwater Utility Implementation and Program Support

Pittsburgh Water and Sewer Authority (Pittsburgh Water) engaged Raftelis to provide a broad set of services related to water, sewer, and stormwater financial planning, ratemaking, and support for PUC proceedings. As part of this set of services, Raftelis assisted Pittsburgh Water with all aspects of stormwater utility implementation, including development of a stormwater billing information management software, impervious area data and parcel-to-account relationships, billing policies and processes, credit program, customer outreach materials and website content. Jennifer played a critical role in all these areas. She also served as the primary trainer to customer service, engineering, and management staff on stormwater utility implementation, data maintenance, and use of the new software tool. Trainings were so well received that she and her team have been invited to provide more trainings as part of the utility's recent CIS conversion project. Jennifer continues to support Pittsburgh Water with stormwater utility administration when needed. She is also supporting the utility in the upcoming PUC proceedings.

Carlisle Borough (PA): Stormwater Utility Feasibility Study and Implementation

Raftelis was engaged by the Borough of Carlisle (Borough) to provide assistance in assessing the financial needs of its growing stormwater program and evaluating the feasibility of a fee as the most appropriate funding mechanism. Jennifer served as project manager during this successful effort. Jennifer coordinated and oversaw a comprehensive review of all operating and capital costs, specifically identifying and quantifying costs related to existing stormwater program elements, which at that time were primarily categorized as Streets-related costs. Jennifer was also the primary developer of a flexible financial planning and rate model. Subsequent to the feasibility study, Raftelis was engaged by the Borough to implement the stormwater fee based on implementation and data maintenance

considerations and recommendations made during the feasibility phase. After a great deal of outreach led by Raftelis, the Borough implemented the new utility fee in 2019.

PHILADELPHIA WATER DEPARTMENT

RATES AND CHARGES

Effective: September 1, 2026.

1.0 DEFINITIONS.

(a) **Condominium Properties:** Real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership by the owners of those portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

(b) **Customer:** An owner, Tenant or occupant who by operation of law or agreement is responsible for payment of the charges for water/sewer/stormwater service at a Residential, Non-residential or Condominium Property.

(c) **Department:** The Philadelphia Water Department is the operating department of the City of Philadelphia with the duties, powers and obligations set forth in the Home Rule Charter and the Philadelphia Code.

(d) **Dwelling Unit:** A single unit within a building providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

(e) **Home Rule Charter:** The Philadelphia Home Rule Charter, as codified in Pennsylvania First Class City Home Rule Act, April 21, 1949 P.L. 665, 351 Pa. Code §1-100 et seq.

(f) **Mcf:** Thousand cubic feet. The quantity charges in Sections 2, 3, 9 and 10 are expressed in Mcf.

1 Mcf = 1,000 cubic feet = 7,480 gallons

(g) **Municipal Stormwater System:** City owned and maintained real property, infrastructure or natural feature used and/or constructed for purposes of transporting, conveying, retaining, detaining, or discharging stormwater runoff.

(h) **Non-residential Property:** Real estate which cannot be classified as either Residential or Condominium. Real estate used exclusively as a cemetery shall not be considered Non-residential property.

(i) **Philadelphia Code:** The body of laws and regulations enacted by the Philadelphia City Council.

(j) Philadelphia Department of Records: An operating department of the City of Philadelphia with the duties, powers and obligations set forth in the Home Rule Charter and the Philadelphia Code.

(k) Property: Any parcel of real estate identified in the records of the Philadelphia Department of Records.

(l) Property Owner: The owner of the particular parcel of real estate identified in the records of the Philadelphia Department of Records, or the grantee in a land transfer of record.

(m) Residential Property: Real estate used exclusively for residential purposes with at least one and no more than four Dwelling Units and which cannot be classified as Condominium Property. Property adjacent to Residential Property owned and utilized exclusively by the Residential Property owner for residential uses. Upon proof submitted to the Department, said properties shall be deemed by the Department to form one Residential parcel comprised of the Property and the Residential Property.

(n) Stormwater Management Practice (SMP): Any man-made structure that is designed and constructed to detain, infiltrate, or otherwise control stormwater runoff quality, rate, or quantity.

(o) Surface Discharge: The discharge of stormwater runoff from a property to an adjacent surface water body, without the use of City infrastructure.

(p) Undeveloped Property: Property classified by the Board of Revision of Taxes as SB, SC, SI, SR, or SS; Undeveloped refers to the status of the property as having no structures and is not related to whether the property has ever been developed.

(q) Water Commissioner: The Water Commissioner of the City of Philadelphia who performs the duties and obligations as set forth in the Philadelphia Home Rule Charter and the Philadelphia Code.

(r) Utility Plan: A plan that shows water, sewer, and/or stormwater connections and sizes, utility locations, and impacts to rights-of-way, the approval of which is required under the Administrative Code Section A-305.2.1.6.

1.1 Conformity with Existing Law.

Nothing contained herein shall be deemed to overrule or annul any existing provisions of the Home Rule Charter or the Philadelphia Code.

1.2 Severability.

If any provision, paragraph, word or sections herein is invalidated by any court of competent jurisdiction, the remaining provisions, paragraphs, words and sections shall not be affected and shall continue in full force and effect.

2.0 WATER CHARGES

Charges for water service supplied by the City of Philadelphia shall be effective on September 1, 2026, as follows:

2.1 General Customers.

Charges for the supplying of water shall be determined and billed as follows:

(a) Charges and billing in general.

(1) Water charges shall consist of a service charge and quantity charge.

(2) A service charge shall be billed monthly.

(3) As set forth in Section 2.1(b), the type and size of the meter shall determine the service charge.

(4) In addition, there shall be a quantity charge as provided herein for water used in a monthly billing cycle, either as metered or as estimated.

(5) Quantity charges shall be billed for monthly cycles as provided herein. The cycle shall be the period between the dates of scheduled metered readings, actual or estimated.

(b) Monthly service charges.

(1) Effective September 1, 2026 and thereafter, the monthly service charge for the various types and sizes of meters shall be as follows:

<u>Size</u>	<u>Code</u>	<u>Charge</u>
5/8	R	\$ 6.17
3/4	Z	7.18
1	Q	9.62
1 -1/2	P	15.09
2	X	22.40
3	O	38.64
4	W	67.17
6	N	130.19
8	V	203.33
10	E	294.88
12	T	517.98

Residential Fire Sprinkler System Meters

<u>Size</u>	<u>Code</u>	<u>Charge</u>
3/4	Z	13.86
1	Q	16.30
1 -1/2	P	21.77
2	X	29.08

(c) Quantity charges

In addition to the service charge, the quantity charge portion of each bill is determined by applying the quantity charge set forth below to all water use. In addition, the quantity charge will also include a Tiered Assistance Program (TAP) Rate Rider Surcharge, as set forth in Section 10.

(1) Effective September 1, 2026 and thereafter, the quantity charge portion of each bill shall be as follows:

1 Mcf = 1,000 cubic feet = 7,480 gallons.

<u>Monthly Water Usage</u>	<u>Base Charge Per Mcf</u>	<u>TAP-R Per Mcf</u>	<u>Total Charge Per Mcf</u>
First 2 Mcf (0 to 2 Mcf)	\$73.13	\$5.65	\$78.78
Next 98 Mcf (2.1 to 100 Mcf)	68.72	5.65	74.37
Next 1,900 Mcf (100.1 to 2,000 Mcf)	53.87	5.65	59.52
Over 2,000 Mcf	52.40	5.65	58.05

Note: Actual TAP-R rates are subject to Annual Reconciliation and the determination of the Rate Board.

(d) Temporary Transitional Provisions: Some special customers whose charges are now based on meter size may find that they are in fact 'over-metered' - their metered service is too large for their actual requirements and results in excessive bills. They may apply for a downward revision in the size of their meters. After the approval of the Department, the revision of plumbing arrangements and the installation of smaller meter, the lower charge by meter size shall apply.

3.0 SEWER CHARGES

Charges for sewer service supplied by the City of Philadelphia shall be effective on September 1, 2026, as follows:

3.1 General Customers.

(a) All customers discharging wastewater into the City's wastewater system shall pay sewer charges as set forth in Section 3.3. In addition to the charges set forth in Section 3.3, all customers discharging wastewater whose pollutant content is greater than the pollutant content of Normal Wastewater, as defined below in Section 3.1(b), shall pay an additional surcharge as set forth in Section 3.4.

(b) Normal Wastewater subject to the regular sewer charges set forth in Section 3.3 is that wastewater which contains 250 milligrams per liter or less of five day biochemical oxygen demand (BOD₅) and 350 milligrams or less per liter or less of suspended solids (SS).

(c) Wastewater subject to the surcharge set forth in Section 3.4 is that wastewater which contains either more than 250 milligrams per liter of BOD₅ or more than 350 milligrams per liter of SS, or both.

3.2 Charges.

(a) Sewer charges shall consist of a service charge and a quantity charge.

(b) A service charge shall be billed monthly.

(c) As set forth in Section 3.3(a), the size of the meter shall determine the service charge.

(d) In addition, as set forth in Section 3.3(b), there shall be a quantity charge for sewer service in a monthly billing cycle, either as metered or as estimated.

(e) Quantity charges shall be billed for monthly cycles as provided herein. The cycle shall be between the dates of scheduled metered readings, actual or estimated. Quantity charges imposed shall be based on the water usage of the Property served.

3.3 Regular Sewer Charges.

(a) Monthly service charges shall be determined and billed as follows:

(1) Effective September 1, 2026 and thereafter, the monthly service charge for the various sizes of meters shall be as follows:

<u>Size</u>	<u>Code</u>	<u>Charge</u>
-------------	-------------	---------------

5/8	R	\$8.62
3/4	Z	11.09
1	Q	16.39
1 -1/2	P	29.09
2	X	44.99
3	O	81.37
4	W	138.08
6	N	272.48
8	V	431.54
10	E	622.64
12	T	1,134.43

Residential Fire Sprinkler System Meters

Size Code Charge

3/4	Z	8.62
1	Q	8.62
1 -1/2	P	8.62
2	X	8.62

(b) Quantity charge

In addition to the service charge, the quantity charge portion of each sewer bill is determined by applying the quantity charge rate shown below to all water use. In addition, the quantity charge will also include a TAP Rate Rider Surcharge, as set forth in Section 10.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

(1) Effective September 1, 2026 and thereafter, the quantity charge shall be:

<u>Base Charge</u>	<u>TAP-R</u>	<u>Total Charge</u>
<u>Per Mcf</u>	<u>Per Mcf</u>	<u>Per Mcf</u>
\$49.53	\$7.90	\$57.43

3.4 Surcharge.

(a) Effective September 1, 2026 and thereafter, the surcharge for wastewater by definition in excess of Normal Wastewater shall be fixed at fifty-two and three tenths cents (\$0.523) per pound of pollutants received into the wastewater system in excess of 250 milligrams

per liter of BOD₅ and fifty-four cents (\$0.540) per pound of pollutants received into the wastewater system in excess of 350 milligrams per liter of SS.

(b) The BOD₅ and SS of wastewater shall be determined from samples taken on the Customer's Property at any period or time and of such duration and in such manner as the Department may prescribe or at any place mutually agreed upon between the Customer and the Department. With prior written approval of the Department, the results of routine sampling and analyses by the Customer may be used in determining the amount of the surcharge.

(c) If, in the Department's judgment, sampling of wastewater is neither feasible nor practical, the Department, for billing purposes, may base BOD₅ and SS of the wastewater on sampling results for similar discharge and/or values obtained from technical literature.

(d) Customers discharging wastewater subject to the surcharge shall, as prescribed by the Department:

(1) Install and maintain such facilities for sampling and measuring the wastewater discharged from their properties; and

(2) Maintain such records and information deemed necessary for the determination of the surcharge.

(e) Customers, as required from time to time, shall file with the Department responses to a questionnaire establishing or revising pertinent information on the quantity of flow and the quality of wastewater and other data deemed necessary for the determination of the surcharge.

(f) Measurements, tests and analyses of the characteristics of wastewater subject to surcharge shall be determined in accordance with the latest edition of *Standard Methods for the Examination of Water and Wastewater*, published jointly by the American Public Health Association, the American Water Works Association (AWWA) and the Water Environment Federation (WEF).

(g) The surcharge shall be applied to the total wastewater discharged less any portion excluded by the Department.

3.5 Sewer Credits.

Pursuant to Section 13-101(6) of the Philadelphia Code, the method of crediting water users' sewer bills for City water used but not discharged into the wastewater disposal system shall be as follows.

(a) Eligibility. Where commercial and industrial facilities that use City water do not discharge all of such water into the wastewater system, the quantity of such water may be excluded in determining the proper sewer charge, provided that:

- (1) at least 5% of water used, or
 - (2) 225,000 cubic feet per year, whichever is less, is not discharged into the wastewater system.
- (b) Determination of the Amount of Exclusion. To determine the amount of such exclusion the Customer shall install a meter or measuring device satisfactory to the Department provided that, if in the opinion of the Department, it is not feasible to install a meter or measuring device, some other satisfactory method of measuring (“credit factor”) may be designated by the Department on application of the Customer.
- (c) Fee for Application. When the Customer applies to the Department for a determination on the quantity of water to be excluded by some method other than metering of the sewer, or re-applies for a revised method measuring a larger quantity of water to be excluded, there shall be charge of one thousand seven hundred dollars (\$1,700) for the review of such application.
- (d) Effective Date of Credits and Approved Credit Factors. Credits on a water user’s sewer bills for quantities of water used but not discharged into the wastewater disposal system shall be effective from the submission date of an approved application. In order to be reviewed for approval, applications shall be complete, submitted on forms provided by the Department and shall be accompanied by a check payable to the City of Philadelphia in the amount required in Section 3.5(c). No credits shall be made retroactively.
- (e) Review of Approved Credit Factors. The Department reserves the right to review approved credit factors. Customers may, from time to time, be required to submit current water use and sewer discharge information. Customers may also be required to submit new applications for the credit factor. Failure to comply with the Department’s requests for information or new applications may result in termination of the Customer’s credit factor.
- (f) Failure to Inform the Department of Increased Sewer Use. Customers with credit factors who fail to inform the Department of increased discharges to the wastewater system shall be subject to the imposition of the full charges for sewer use based on total water usage from the most recent application date, with applicable interest. In addition, the Department may impose a fine of six hundred and twenty dollars (\$620) for each billing period from the application date.

4.0 STORMWATER MANAGEMENT SERVICE CHARGES

Charges for Stormwater Management Services (SWMS) supplied by the City of Philadelphia shall be effective September 1, 2026 as follows:

4.1 Charges.

All properties within the City shall be billed a SWMS charge.

4.2 Residential Properties.

All Residential Properties shall be charged a monthly SWMS charge and a monthly Billing and Collection charge as follows:

(a) Effective September 1, 2026 and thereafter all Residential Properties shall be charged the rates listed below:

<u>SWMS</u>	<u>Billing & Collection</u>
\$20.89	\$2.16

(b) Residential Properties which do not have sewer service and which also have previously been charged only for water service shall be charged the rates shown above at 4.2 (a).

4.3 Non-Residential Properties.

Non-Residential Properties shall be charged a monthly SWMS charge and a monthly Billing and Collection charge as follows:

(a) Non-residential Properties shall be charged based on the Gross Area (GA) of the Property and the Impervious Area (IA) of the Property.

(1) GA includes all of the Property area within the legally described boundaries except streets, medians, and sidewalks in the public right-of-way and railroad tracks and station platforms in the railroad right-of-way.

(2) IA includes surfaces which are compacted or covered with material that restricts infiltration of water, including semi-pervious surfaces such as compacted clay, most conventionally hard-scaped surfaces such as streets, driveways, roofs, sidewalks, parking lots, attached and detached structures, and other similar surfaces.

(i) For Non-residential Properties with less than 5,000 square feet GA, the IA shall be estimated as a percentage of GA.

(A) For Undeveloped Property as defined in Section 1.0, the IA shall be 25% of the GA.

(B) For other Properties, the IA shall be 85% of the GA.

(3) In determining the GA Factor and IA Factor of a Property for the SWMS charge, the Department shall use increments of 500 square feet rounding up to the next highest increment.

(4) Calculating the Monthly SWMS charge. The monthly SWMS charge for each Non-residential Property is calculated by:

(i) dividing the GA in square feet by 500 and rounding up to the next whole unit to determine the GA Factor, then multiplying the GA Factor by the GA Rate to determine the GA charge;

(ii) dividing the IA in square feet by 500 and rounding up to the next whole unit to determine the IA Factor, then multiplying the IA Factor by the IA Rate to determine the IA charge;

(iii) the addition of the GA charge and the IA Charge equals the SWMS charge; and

(iv) the addition of the SWMS charge and the Billing and Collection charge together equals the total monthly stormwater charge.

(5) Rates for GA, IA and Billing and Collection.

(i) Effective September 1, 2026 and thereafter, the Rates shall be as follows:

<u>GA</u> (\$/500 s.f.)	<u>IA</u> (\$/500 s.f.)	<u>Billing & Collection</u>
1.003	7.048	\$2.81

(6) Minimum Monthly Charges. Non-residential Properties shall be subject to a minimum monthly charge. If the monthly charge calculated in Section 4.3(a)(4) is less than the monthly charges listed below then the monthly charges below shall be billed to the Property.

<u>SWMS</u>	<u>Billing & Collection</u>
\$20.89	\$2.81

(7) Adjustment Appeal Procedure.

(i) Customers may appeal the GA and/or IA calculations, property classification, or charge distribution of their property.

(ii) Adjustments shall be made using forms and procedures as defined by the Credits and Adjustment Appeals Manual and sent to:

Philadelphia Water Department
SWMS Charge Appeals
1101 Market Street
4th Floor
Philadelphia, PA 19107-2994

(iii) Adjustments to the GA and/or IA determination are separate and distinct from the billing review procedures established by Section 19-1702 of the Philadelphia Code.

(iv) The grounds supporting the adjustment shall be stated in writing, and include any exhibits, such as photographs, drawings or maps, site plans, and affidavits that support the claim. In addition, a land survey prepared by a registered surveyor shall be attached showing all Dwelling Units, total property area, type of surface material and impervious area, as appropriate, and any other information requested in writing by the Department. The Department may waive the submission of a land survey, if the Department determines that the survey is not necessary to make a determination on the appeal.

(v) The Customer filing the appeal is solely responsible to demonstrate, by clear and convincing evidence, that the GA and/or IA square footage information used by the Department, from which the adjustment appeal is being taken, is erroneous.

(vi) The filing of a notice of an adjustment appeal shall not stay the imposition, calculation or duty to pay the SWMS charge.

(vii) If the adjustment appeal results in a revised GA and/or IA calculation, correction of property classification, correction of parcel identification, or revisions to the default charge allocation, then the adjusted SWMS Charge will be effective from the date of receipt of the Adjustment Appeals Application; except that the Department may authorize WRB to credit accounts for adjustments to the GA and/or IA calculation for a period not to exceed three years prior to receipt of the Adjustment Appeals Application if the Customer filing the appeal demonstrates, by clear and convincing evidence, that it was eligible for and qualified to receive the adjustment during the three year period prior to the receipt of the Adjustment Appeals Application was incorrect.

(8) Multiple Accounts Serving One Property. Where there are multiple water accounts on a single Property, the entire SWMS charge of that Property shall be divided

equally among the accounts. Each account shall also be billed a Billing and Collection charge. Property Owners shall have the opportunity to request an alternative allocation of the SWMS Charge.

4.4 Condominium Properties.

(a) Condominium Properties shall be charged SWMS and Billing and Collection charges on the same terms as Non-residential Properties under Section 4.3, but shall be billed as follows:

(1) Condominium Properties with a single water meter account shall be billed such that the entire SWMS charge of the condominium complex property plus a Billing and Collection Charge are billed to that single account.

(2) Condominium Properties with individual water meter accounts for each unit shall be billed such that the entire SWMS charge of the condominium complex property shall be divided and billed equally to each individual account. In addition, each account shall be billed a Billing and Collection Charge.

(3) Condominium Properties with more than one water meter, but without individual water meters for each unit, shall be billed such that the entire SWMS charge of the condominium complex property shall be divided equally among the accounts. Each account shall also be billed a Billing and Collection Charge. The Condominium Owner's Association shall have the opportunity to request an alternative allocation of the SWMS charge.

4.5 SWMS Credits

(a) Eligibility.

(1) Accounts on Non-residential and Condominium properties must be current to be eligible for credits.

(2) The Customer shall make the Property available for inspection by the Department and provide all necessary documentation for purposes of verifying the appropriateness of a SWMS credit(s).

(3) The Customer shall fulfill credit requirements, as described in Section 4.5(c) below, in accordance with the maintenance guidelines as prescribed by the Department, including any and all inspection and reporting obligations.

(b) Classes of Credits. There are three classes of credits: IA Credit, GA Credit, and NPDES Credit. The IA Credit provides a reduction to the IA Charge; the GA Credit provides a reduction to GA Charge; and the NPDES Credit provides reduction to the total SWMS Charge. A Property may be approved for credits from each of the three classes;

however, if the resulting SWMS Charge after the application of any credits is less than the Non-residential minimum monthly charge, then the minimum monthly charge will apply.

(c) Credit Requirements.

(1) IA Credit. IA Credit is available for the portion of IA on a property where stormwater runoff is managed (IA Managed). IA Managed is achieved as follows:

(i) For areas of the property that meet the requirements of the following Impervious Area Reductions (IAR), as described in the Stormwater Credits and Adjustment Appeals Manual, a direct reduction in the billable IA may be applied:

- (A) Rooftop disconnection,
- (B) Pavement disconnection, or
- (C) Tree canopy coverage.

(ii) For Properties with PWD-approved Stormwater Management Practices constructed per Chapter 6 of the Department's regulations, the customer must demonstrate compliance with the regulations, including management of the first 1.5 inches of runoff and any and all required reporting, inspection and maintenance activities, except as otherwise provided in 4.5(c)(1)(iv).

(iii) For properties with PWD-approved Stormwater Management Practices, including those constructed with Department stormwater grant funds, the customer must demonstrate management of the first 1.5" of runoff and SMP compliance per the approved record drawing and any and all reporting, inspection and maintenance activities, except as otherwise provided in 4.5(c)(1)(iv).

(iv) The Department may approve a Property for IA credit for Non-Surface Water Discharges under the credit requirements in effect before September 1, 2021, if the Department receives a credit application for that Property on or before September 1, 2021. Such Properties property receiving credit under the credit requirements in effect before September 1, 2021 may continue to receive the credit under those requirements until the credit expires. Upon expiration of the credit, the current or future Property Owners of such Properties may renew the credit under the credit requirements in effect before September 1, 2021 by submitting a renewal application(s) in accordance with Subsection 4.5(f)(4) unless and until this section is modified.¹

(v) For Surface Discharges, the Customer must demonstrate that a portion or all of the impervious area discharges directly to a surface water body.

¹ Prior to September 1, 2021, Customers of Properties with non-Surface Discharges were required to demonstrate management of the first inch of stormwater runoff in one of the three following ways: (1) infiltration, (2) detention and slow release, and/or (3) routing through an approved volume -reducing SMP.

(2) GA Credit.

(i) Impervious area only. Impervious area shall receive a GA credit based on the criteria defined in Section 4.5(c)(1)(ii), (iii), (iv) and (v) herein.

(ii) Open Space area only. Open Space area is non-impervious area and is calculated as GA minus IA. The Customer must demonstrate a Natural Resource Conservation Service Curve Number (NRCS-CN) below a certain value as described in the Credits and Adjustment Appeals Manual.

(3) National Pollutant Discharge Elimination System (NPDES) Credit. The Customer must demonstrate the property is subject to and in compliance with a NPDES Permit for industrial stormwater discharge activities.

(d) Credit Maximum.

(1) IA Credit Maximum. IA Credit maximums shall apply as follows:

(i) All Non-residential and Condominium properties are eligible for a maximum of 80% IA Credit for the IA Managed.

(ii) A Non-residential or Condominium property with Surface Discharge is eligible for a maximum of 90% IA credit for the IA Managed.

(2) GA Credit Maximum. GA Credit maximums shall apply as follows:

(i) All Non-residential and Condominium properties are eligible for a maximum of 80% GA Credit.

(ii) A Non-residential or Condominium property with Surface Discharge is eligible for a maximum of 90% GA credit.

(3) NPDES Credit Maximum. Eligible properties shall receive a maximum of 7% NPDES credit as described in the Credit and Adjustment Appeals Manual.

(e) Application of Credits

The application of the three classes of credits in calculating a property's monthly SWMS charge shall be described in the Credits and Adjustment Appeals Manual.

(f) Administration of Credits.

(1) A Customer shall apply for credits using application forms and submitting the required documentation as defined in the Credits and Adjustment Appeals Manual.

(2) Any engineering or other costs incurred in completing the application shall be borne by the Customer.

(3) Credits shall be effective upon receipt of a complete application.

(4) All credits shall expire four (4) years from the effective date of the credit. A Customer may renew credits by submitting a renewal application, documentation required by the Department as defined in the Credits and Adjustment Appeals Manual, and paying a renewal fee of seven hundred and eighty dollars (\$780).

(g) Termination of Credits.

(1) The Department may review any approved credit at any time to verify its continued applicability. Customers may from time to time be asked to submit documentation and/or grant access to the Property receiving the credit. Failure to comply with such requests may result in the termination of the credit(s).

(2) The Customer's failure to meet credit requirements or comply with inspection and reporting obligations, in accordance with Section 4.5(a)(3), shall result in a suspension or revocation of all affected credits pursuant to the procedures issued by the Department.

(h) The Department may, at its sole discretion, issue stormwater credits to individual parcels where stormwater management is being implemented on a shared, collective basis by an organization representing different parcel owners within a defined geographic area.

5.0 BILLING FOR WATER, SEWER AND STORMWATER SERVICE

5.1 Billing.

(a) Estimated Usage and Billing. When an accurate meter reading cannot be obtained at the time of a scheduled meter reading or when necessary for administrative purposes, the quantity of water used may be estimated for billing purposes. Estimated usage will be based upon actual meter readings from prior cycles or by such other fair and reasonable methods as shall be approved by the Water Commissioner. Where the water usage is estimated because of inability to read the meter, any necessary corrections shall be made at the time of the next actual meter reading, or when appropriate.

(b) Charges to be Combined. At the discretion of the Water Commissioner, each bill may combine in one amount the service charge and any quantity charges for water, sewer and stormwater, if applicable.

(c) Bills Due and Payable. All bills are due and payable when rendered.

(d) Penalties for Late Payments.

(1) If current water, sewer, and stormwater bills are not paid within thirty (30) days from the date indicated on the bill, a penalty of five percent (5%) shall be imposed.

(2) An additional penalty of one half of one percent (0.5%) shall be imposed and added to water, sewer, and stormwater bills on the due date of the bill of each succeeding cycle, except that a period of thirty (30) days shall elapse before the first additional penalty is imposed.

(3) If any water, sewer, and stormwater bill remains unpaid for two cycles after the bill has been rendered, the Revenue Department shall serve a notice of termination upon the delinquent Property Owner and, if the charge, with penalties thereon, is not paid within ten (10) days after such service of notice, the Department, in its discretion, may suspend water service to the Property until the charge with penalties is paid. Penalties for late payment are set by ordinance, not by regulation, and any amendments to the current ordinance shall apply as provided therein.

(e) Balance Due. Each bill shall include any balances due for bills issued from October 1, 2000, including penalties.

(f) Changes in Meter Size. When a change in meter size is made, the charge for the new meter size shall become effective on the date of such change.

(g) Unmetered Customers.

(1) Unmetered Customers shall be billed the same charges established for metered Customers. The water and sewer service charges will be determined by the size of the meter which would be installed for an equivalent service at a similar property. The SWMS charges will be determined based on Section 4.0. The Revenue Department shall estimate the quantity of water used and bill accordingly using the applicable water and sewer quantity charges.

(2) Where unmetered wastewater is discharged to the sewer system without adequate sewer metering, the Department reserves the right to bill the amount of flow based upon its engineering judgment of a reasonable estimate of unmetered usage.

(h) Unoccupied Property.

The billing of unoccupied Properties for water and sewer shall be discontinued only on issuance of a Discontinuance of Water permit. Nothing in this Section shall relieve a Property Owner of his responsibility for maintaining a service line unless a Discontinuance of Water permit has been secured. Under no circumstances will the stormwater service charge be terminated.

(i) Extraordinary Uses or Appliances.

In the event that extraordinary or peculiar uses or appliances, in the opinion of the Water Commissioner, warrant a special charge not provided herein, such charges shall be as fixed by the Water Commissioner in writing.

5.2 Special Customers.

The water, sewer and stormwater management service charges established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq. shall be applied to all general Customers, except the following groups of special Customers:

(a) GROUP I

(1) Public and private schools which provide instruction up to or below the twelfth grade but not beyond that grade, and excluding service to any separate or adjoining facilities or structures not used exclusively for educational or instructional purposes.

(2) Institutions of “purely public charity”, as defined by the Charity Water Rates and Charges Program Regulations in Chapter 2 of the Department’s regulations, except universities and colleges and excluding service to any separate or adjoining facilities or structures not used exclusively for the principal purpose of the charity.

(3) Places used for actual religious worship.

(b) GROUP II

(1) Residences of eligible senior citizens provided that the senior citizen shall:

(i) Make application for such reduction to the Revenue Department within the first billing period for which reduction is sought; and

(ii) Submit satisfactory proof that the applicant is 65 years of age or older and that he or she makes payment directly to the City for water, sewer, and stormwater service to his or her residence which is located in the City of Philadelphia; and

(iii) Submit satisfactory proof to the Revenue Department that the applicant does not exceed the household income limitation of \$42,100 per year established by the Department. The above income limitation shall apply to those applying for this discount subsequent to June 30, 1982.

(iv) Effective with each subsequent general rate change in the water/sewer/stormwater charges, the Department shall adjust the Senior Citizen Income Limitation using the latest Consumer Price Index data available, as defined in the Philadelphia Code at Section 19-1901.

(c) GROUP III

(1) Universities and colleges, excluding service to any separate or adjoining facilities or structures not used exclusively for educational or instructional purposes.

(d) GROUP IV

(1) Public housing properties of the Philadelphia Housing Authority.

(e) GROUP V

(1) Group V Customers are Customers enrolled in the Income-Based Water Revenue Assistance Program (IWRAP) described in Section 19-1605 of the Philadelphia Code after the Water Revenue Bureau begins to issue IWRAP bills. Monthly bills for a Customer enrolled in IWRAP will be determined based on the Customer's family size and household income and will be charged in lieu of the service, usage and stormwater charges established in Sections 2.0 et seq., 3.0 et seq. and 4.0 et seq. for general Customers. Group V Customers will pay a percentage of his/her household income depending on where that Customer falls within the Federal Poverty Guidelines (FPL), subject to a minimum bill amount of \$12 per month.

(2) For determining the amount of service, usage and stormwater charges on monthly bills, Group V Customers will be defined according to three income tiers as follows:

(i) Group V-A. Group V Customers whose gross household income has been verified as being from 0% of FPL and up to and including 50% of FPL

(ii) Group V-B. Group V Customers whose gross household income has been verified as being greater than 50% of FPL and up to and including 100% of FPL.

(iii) Group V-C. Group V Customers whose gross household income has been verified as being greater than 100% of FPL and up to and including 150% of FPL.

(f) GROUP VI

(1) Customers with parcels eligible for a discount from the stormwater management service charge as a qualified Community Garden pursuant to Section 19-1603 of the Philadelphia Code and regulations promulgated by the Water Department under that Section.

(g) GROUP VII

(1) All unoccupied properties of the Philadelphia Land Bank.

(h) Charges for Special Customers

(1) As of September 1, 2021, the charges to Groups I, II, and III of special Customers listed above shall be seventy-five percent (75%) of the charges as established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq., including both the water and sewer service and quantity charges, and the SWMS charges. The charges to Group IV Customers shall be ninety-five percent (95%) of the charges as established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq., including both the water and sewer service and quantity charges, and the SWMS charges.

(2) Group V Customers enrolled in IWRAP after the Water Revenue Bureau begins to issue IWRAP bills will be responsible for paying the following charges for service, usage and stormwater charges, or \$12 per month, whichever is greater:

(i) Group V-A: 2.0% of household income.

(ii) Group V-B: 2.5% of household income.

(iii) Group V-C: 3% of household income.

(3) Group VI: Effective with bills issued on or after January 1, 2017, Group VI special Customers will receive a 100% discount on the stormwater management service charges for parcels classified by the Department as Community Gardens upon approval of an application for a discount consistent with Section 19-1603 of the Philadelphia Code and regulations promulgated by the Department under that Section.

(4) Group VII: Effective with bills issued on or after September 1, 2018, Group VII special Customers are fully exempt from all water, sewer and stormwater management rates and charges.

(i) All of these special Customers shall meter all water connections and they shall be subject to all provisions herein not inconsistent with Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq.

(j) All special Customers are subject at any time to review as to their special charges by the Department or the Water Revenue Bureau and may be required to furnish adequate evidence supporting the continuance of such charges to the Department or the Water Revenue Bureau upon written notice to do so. Failure to furnish such evidence shall be sufficient ground for denial or termination of such special charges.

(k) Special charges may be granted subject to the Department's review and approval of the size of the meter installed.

(l) When the special use for which the special charge is granted ceases, the special charge ceases and the charges for general Customers shall apply thereafter.

(m) When any vacant or unoccupied premises are acquired by the City, charges for water and sewer, including charges relating to storm water management and disposal, shall terminate on the date that such premises are acquired.

(n) When any property is acquired or held by the Philadelphia Housing Development Corporation or acquired or held by the City or the Redevelopment Authority pursuant to Chapters 16-400 or 16-500 of the Philadelphia Code, charges for water and sewer, including charges relating to storm water management and disposal, shall be abated.

5.3 Eligibility for Charity Rates and Charges.

The Department has promulgated regulations to manage the eligibility for and administration of Charity Rates and Charges.

5.4 Account Review.

The Department, from time to time, may review the status of organizations receiving Charity Rates and Charges. During this review, eligible organizations may be required to submit new applications.

5.5 No Waiver.

Nothing herein shall limit the Department on its own findings or at the request of another City agency from suspending Charity Rates and Charges from organizations which have violated City law or regulations and thereby under such City law or regulations have forfeited such privileges as the Charity Rates and Charges.

6.0 MISCELLANEOUS WATER CHARGES

Charges for miscellaneous water services supplied by the City of Philadelphia shall become effective September 1, 2026 as follows:

6.1 Meter Test Charges.

(a) A Customer may apply to the Department for a test of the accuracy of the registration of a water meter (Meter Test). At the Customer's request, the Department shall notify the Customer of the time and place of the test so that the Customer may be present.

(b) In testing, meters may be removed from the line and replaced by a tested meter. If removed, the meter shall be tested at the Department's Meter Shop. Meters may also be tested and recalibrated in place without removal and replacement.

(c) All meters shall be removed, replaced, tested or calibrated during the Department's regular business hours (9:00 a.m. to 4:45 p.m.).

(d) A Customer may request a Meter Test to be performed outside the regular business hours of the Department under the following conditions:

(1) the Department has staff available and agrees to a time outside the regular business hours of the Department; and,

(2) the Customer agrees to pay the overtime and added expenses, whether the meter passes or fails the test.

(e) If the register on the meter is found upon testing to be registering within two percent (2%) of the actual volume of water passing through the meter, or registering in favor of the Customer, the Customer will be assessed a Meter Test Charge as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$170
1", 1-1/2", 2"	\$230
3", 4", 6", 8", 10", 12"	\$440

Field Tests, 3" and above	\$440

(plus any charges and/or expenses incurred for work performed outside the regular hours of business, if requested by the Customer).

(f) If the meter is found upon testing to be registering in excess of 102% of the actual volume of water passing through the meter, the Customer shall not be assessed a Meter Test charge as provided for in subsection (e); and, WRB shall review the billing history of the tested meter for a period not to exceed three years on the basis of the corrected registration and revise it as necessary.

(g) The Department will, at the request of a Customer, test his or her meter at no charge once every twenty years. Additional tests are subject to the charges listed in Section 6.1(e).

6.2 Charges for Furnishing and Installation of Water Meters.

The charges for furnishing and installing water meters are as follows.

(a) For work which involves the furnishing and setting of a water meter and meter interface unit (MIU), the following charges are hereby established:

PWD Exhibit 1A - Proposed Rates and Charges (Clean)

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$360
3/4 RFSS	610
1"	510
1" RFSS	630
1 1/2"	1,385
1 1/2" RFSS	1,180
2"	1,385
2" RFSS	1,430
3" Compound	4,730
3" Turbine	2,315
3" Fire Series	4,680
4" Compound	6,280
4" Turbine	3,720
4" Fire Series	6,190
4" Fire Assembly	8,720
6" Compound	9,410
6" Turbine	7,070
6" Fire Series	8,245
6" Fire Assembly	13,730
8" Turbine	8,430
8" Fire Series	10,810
8" Fire Assembly	17,700
10" Turbine	12,135
10" Fire Series	13,355
10" Fire Assembly	25,655
12" Turbine	12,985
12" Fire Series	16,970
12" Fire Assembly	27,340

(b) For work which involves only the furnishing and setting of an MIU, the following charges are hereby established:

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$ 105
3/4" RFSS	105
1"	155
1 " RFSS	155
1 1/2"	155
1 1/2" RFSS	155
2"	155
2" RFSS	155
3" Compound	355
3" Turbine	355

4" Compound	355
4" Turbine	355
6" Compound	355
6" Turbine	355
8"	355
10"	355

(c) If extraordinary work is required in connection with the installation of a water meter or the replacement of a damaged meter, additional charges shall be computed using actual salaries and materials expended, plus applicable overhead costs.

(d) The Property Owner shall be responsible for safeguarding the meter and seals and shall pay for necessary repairs and replacements due to his/her failure to provide adequate protection to the meter and seals from theft, vandalism, freezing, tampering or other damage. The Property Owner shall also be responsible for the repair and maintenance of the plumbing accessory to the meter, such as inoperable valves, weakened service pipes and fittings, etc. and shall provide and pay for such plumbing, repair and maintenance as City metering needs may require.

6.3 Tampering of Meter.

(a) In the event that an investigation indicates that tampering of a meter has occurred, the following charges to the Customer shall be assessed:

<u>Meter Size</u>	<u>Charge</u>
5/8" or 3/4"	\$ 120
1", 1½", 2"	170
3" and larger	390

6.4 Shut-Off and Restoration of Water Service.

(a) If the Department is required to visit a Property to shut off service for non-payment; and, payment is tendered at the time of the shut-off, a charge of one hundred dollars (\$105) will be assessed, with the exception stated in Section 6.4(e).

(b) A one hundred dollar (\$105) charge will be assessed if shut-off of the water service is required as a result of non-compliance with a Notice of Defect and/or metering non-compliance.

(c) After termination of water service for non-payment or violation of service requirements, restoration of water service will not be made until the following charges have been paid in full or payment arrangements satisfactory to the Revenue Department have been made.

(1) Where the only work required is operating the service valve:

- (i) service lines 2” and smaller.....\$105
with the exception stated in Section 6.4(e)

- (ii) service lines larger than 2”\$400

- (2) Where the curb stop is obstructed, the access box missing or otherwise requires excavation\$825

- (3) Where the curb stop is inoperable and a new curb stop must be installed...\$865

- (4) Where the curb stop is obstructed, the access box missing, or otherwise requires excavation, and replacement of footway paving is required.....\$835

- (5) Where the curb stop is inoperable and a new curb box must be installed and replacement of footway paving is required.....\$875

- (6) Where excavation and shut-off of the ferrule at the water main is required\$1,680

- (d) If the Department is required to remove concrete footway paving in order to perform the shut-off and/or restoration, the footway will be replaced by the Department and the preceding charges applied unless proof has been provided to the Department that some other qualified person will replace the paving.

- (e) A charge of \$12 will be assessed if a Customer is enrolled in IWRAP and the Department is required to visit the Property to:
 - (1) shut off service for non-payment; and, payment is tendered at the time of the shut-off; or
 - (2) restore water service after termination of water service for non-payment or violation of service requirements.

6.5 Pumping of Properties.

The following charges shall apply for the pumping of water from properties when the condition requiring such service is not caused by the Department.

(a) Occupied Properties

- (1) Pumping of water from occupied Properties may be done at the Property Owner's request and expense.

(2) Pumping of other Properties due to the failure of a Property Owner's piping may be performed by the Department and be charged to the Property Owner of the Property at which the failure occurred.

(3) Charges for pumping shall be calculated at actual salaries and materials expended, plus applicable overhead costs.

(b) Unoccupied Properties

The Department may, at its sole and exclusive discretion, pump water from unoccupied properties if it is determined that a serious condition exists. The charges for pumping shall be as specified in Section 6.5(a).

6.6 Charges for Water Main Shutdown.

(a) The Department of Licenses and Inspections shall issue permits for the temporary shutdown of a water main to allow a registered plumber to make immediate repairs to a broken water service and to avoid the necessity of opening the street.

(b) Permits shall be issued after:

(1) Certification by the Department that the shutdown will not seriously inconvenience other Customers; and

(2) The applicant has paid a three hundred and sixty dollar (\$375) service charge.

(c) In an emergency or when responsibility for a leak is in doubt, the Department may make the shutdown before the permit is obtained. If the Department determines that the leak was not the Department's responsibility, the owner shall obtain a permit and pay the above stated service charge and any other costs incurred by the Department in conducting the emergency shut down.

6.7 Water Connection Charges.

(a) Permits. Permits for connections to the City's water supply system shall be issued by the Water Permit section of the Department of Licenses and Inspections.

(b) Ferrule Connections.

(1) Connections between 3/4 inch and two inches (2") in diameter shall be made by a ferrule installed by the Department. The owner, at his own expense, shall excavate for the connection, install all piping and appurtenances after the ferrule and fill the excavation. The owner thereafter shall be responsible for maintaining this piping and appurtenance.

(2) The charges for such ferrule connections, with the exception stated in Section 6.7(b)(3), shall be as follows:

<u>Size</u>	<u>Charge</u>
¾"	\$245
1"	280
1½"	345
2"	455

(3) The charges for such ferrule connections, when the work performed at the Customer's request is not during the Department's regular business hours (9:00 a.m. to 4:45 p.m.), shall be as follows:

<u>Size</u>	<u>Charge</u>
¾"	\$270
1"	305
1½"	370
2"	480

(c) Valve Connections. Connections three inches (3") and larger shall be made by a valve installed by the Department. This valve installation shall include, but shall not necessarily be limited to, the connection to the main, the valve, valve box, necessary piping after the valve from the main in the street to one foot inside the curb, backfill and repaving. The Department shall thereafter be responsible for maintaining this valve and piping, unless the associated meter has been reduced at the Property Owner's request to a two inch (2") or smaller meter, in which case the Property Owner shall be responsible for valve and piping maintenance.

(1) The charges for valve connections shall, with the exceptions stated in Section 6.7(c)(2), shall be as follows:

<u>Size</u>	<u>Charge</u>
3" & 4"	\$14,950
6" & 8"	16,205
10" & 12"	19,890

(2) The charge for such valve connections, when the work is performed at the Customer's request is during other than normal work hours or the work is performed in an area designated by the Streets Department as a special work zone, shall be as follows:

<u>Size</u>	<u>Charge</u>
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Except as otherwise provided, no Customer shall be relieved of the obligation to pay water and sewer charges unless a permit for the discontinuance of water and sewer has been obtained from the Department of Licenses and Inspections pursuant to the provisions of Philadelphia Code section 19-1601. When a permit is granted to discontinue water and sewer service, charges shall terminate on the date of removal of the meter by the Department. The charge for a permit for discontinuance of water is one hundred dollars (\$100), regardless of service size. A validly issued permit to discontinue water and sewer does not terminate the obligation to pay for stormwater management services.

6.9 Hydrant Permits.

(a) A permit shall be obtained from the Water Permit section of the Department of Licenses and Inspections before a hydrant can be used. The permit shall contain the terms and conditions that are required of the Customer in order for the Customer to use the hydrant.

(b) The costs for obtaining a permit shall be as follows.

- (1) One Week Permit for use of standard pressure hydrant.....\$ 2,300
- (2) Six Month Permit for use of standard pressure hydrant.....\$ 17,285

6.10 Flow Tests.

When a Customer requests the Department to conduct a flow test on a fire hydrant to determine the volume and residual pressure available on a domestic or fire connection, or at a specific location, the charge shall be six hundred and eighty-five dollars (\$685) for each flow test.

6.11 Water Service Line Investigations and/or Inspections

When a Customer or a duly authorized representative of a Customer requests the Department to conduct an investigation to locate and/or to inspect the water service line at a specific location, the charge shall be one hundred and seventy-five dollars (\$175) for each investigation or inspection. The charge shall be assessed regardless of the result of the investigation or inspection.

6.12 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

7.0 MISCELLANEOUS SEWER CHARGES

Charges for miscellaneous sewer services supplied by the City of Philadelphia shall be effective September 1, 2026, as follows.

7.1 Sewer Charges for Groundwater.

(a) Sewer charges for groundwater discharged to the City's sewer system shall be as follows:

(1) Effective September 1, 2026 and thereafter, the rate shall be \$17.10 per 1,000 cubic feet.

(b) To determine the quantity of such discharged groundwater, the Customer shall install a meter or measuring device satisfactory to the Department. If, in the opinion of the Department, it is not feasible to install a meter or measuring device, the Department may designate some other method of measuring or estimating the quantity of discharged groundwater.

7.2 Charges for Wastewater Service.

(a) The charge for sanitary type wastewater delivered to any of the City's Water Pollution Control Plants shall be as follows.

(1) Effective September 1, 2026 and thereafter, the rate shall be \$77.12 per 1,000 gallons.

(b) Where accurate quantities of wastewater delivered cannot be determined, such quantities shall be estimated for billing purposes by such fair and reasonable methods as shall be approved by the Water Commissioner.

(c) The locations, times, delivery procedures and exact nature of the pollution characteristics of the delivered wastewater shall be determined by the Department.

(d) From time to time, Customers shall be required to file with the Department a questionnaire establishing or revising information on the quantity and quality of wastewater delivered and other pertinent data deemed necessary by the Department. Failure to furnish such information shall be sufficient grounds for denial or termination of delivery privileges.

(e) Measurements, tests and analyses of the characteristics of delivered wastewater shall be determined in accordance with the latest edition of *Standard Methods for the Examination of Water and Wastewater*, published jointly by the American Public Health Association, the American Water Works Association (AWWA) and the Water Environment Federation (WEF).

(f) If any bill for the above services shall remain unpaid for more than sixty (60) days from date rendered, the Department may refuse acceptance of additional wastewater until all unpaid balances, with late charges, are paid in full.

7.3 Wastewater Discharge Permit.

All Industrial Users contributing wastewater to the City's sewer system must obtain a permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is six thousand and twenty-five dollars (\$6,025).

7.4 Groundwater Discharge Permit.

All Industrial Users contributing groundwater to the City's sewer system must obtain a permit from the Department pursuant to the Wastewater Control Regulations contained in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is three thousand three hundred and sixty-five dollars(\$3,365).

7.5 Manhole Pump-out Permit

(a) Any non-domestic User discharging wastewater from underground structures to the City's sewer system must obtain a manhole pump-out permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is three thousand two hundred and ninety dollars (\$3,290).

(b) In the event a User requests discharge locations in the City's separate sewer areas under this permit, the City may assess additional fees for any work associated with the review of this request and the identification of the discharge locations.

7.6 Trucked or Hauled Wastewater Permit

Any person trucking or hauling wastewater to the POTW must first obtain a septage discharge permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit shall be two thousand five hundred and eighty-five dollars (\$2,585).

7.7 PHOTOGRAPHIC & VIDEO INSPECTION

When a Customer or a duly authorized representative of a Customer requests the Department to conduct a photographic or video inspection of a private sewer line at a specific location, the charge shall be two hundred and seventy five dollars (\$275) for each photographic or video inspection. The charge shall be assessed regardless of the result of the photographic or video inspection.

7.8 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

8.0 MISCELLANEOUS PLAN REVIEW AND INSPECTION CHARGES

8.1 Stormwater Plan Review and Inspection Fees.

All Development plans submitted to the Department under Chapter 6 of the Department's regulations for stormwater management approvals shall be subject to a plan review fee.

(a) Fees.

(1) A fee of one thousand seven hundred and ninety-five dollars (\$1,795) shall be due upon submission of the Conceptual Stormwater Management Plan for review.

(2) A fee of two hundred and sixty dollars (\$260) per hour of review time shall be due prior to issuance of the Post-Construction Stormwater Management Plan approval.

(i) Review time shall be based on the City's tabulation of actual hours expended by Department employees or consultants reviewing the plans associated with a particular development project for compliance with Chapter 6 of the Department's regulations.

(3) A fee of four hundred and twenty dollars (\$420) for the final inspection of a development project to confirm compliance with Chapter 6 of the Department's regulations shall be due prior to issuance of the Post-Construction Stormwater Management Plan approval.

(4) A fee is applicable when a reinspection of a site determines that a previously found violation of Erosion and Sediment (E&S) control requirements has not been corrected. Fees for subsequent inspections for a site found to be in continuing non-compliance shall be assessed as follows:

- (i) Second Reinspection - one hundred and ten dollars (\$110)
- (ii) Third Reinspection - two hundred and twenty dollars (\$220),
- (a) Fourth and Any Subsequent Reinspection – three hundred and twenty-five dollars (\$325).

(b) Refund of fees. The Department shall refund any fees specified above if a plan submittal is not approved or denied within 21 days for conceptual site plans and within 45 days for technical site plans.

8.2 Stormwater Management Fee in Lieu.

The fee in lieu shall be calculated as follows:

- (a) For an exemption to only the Water Quality Requirement of Chapter 6 of the Department's regulations the fee in lieu shall be forty dollars (\$40.00) per square foot based on the total Directly Connected Impervious Area within the limit of Earth Disturbance.

8.3 Utility Plan Review Fees.

All Utility Plans submitted to the Department to receive building permit approval in accordance with Administrative Code Section A-305.2.1.6 shall be subject to a plan review fee.

- (a) A fee of three hundred and sixty-five dollars (\$365) shall be due upon submission of the Utility Plan for review.
- (b) Parcels that qualify as Community Garden pursuant to Section 19-1603 of the Philadelphia Code are exempt from the Utility Plan Review Fee.

9.0 FIRE SERVICE CONNECTIONS

Fire service connection charges shall consist of a monthly service charge and a quantity charge and shall be effective September 1, 2026, as follows.

9.1 Charges.

- (a) Monthly Service Charges.

(1) The monthly service charges for the furnishing of water for the purpose of fire protection effective September 1, 2026 and thereafter, shall be as follows:

<u>Connection Size</u>	<u>Service Charge</u>
Up through 4-inch	\$ 38.44
6-inch	72.74
8-inch	111.43
10-inch	162.76
12-inch	270.99

- (b) The City may permit fire service connections to its water system outside the City of Philadelphia only in properties contiguous to the City where in the opinion of the Water

Commissioner water service for fire protection may be furnished without interference with water service to properties within the City.

(c) Pipe connections to the Philadelphia water system, meters and other service requirements shall be in accordance with the standard fire service requirements of the Department.

(d) Quantity Charges.

(1) In addition to the service charge, the quantity charge portion of each bill is determined by applying the quantity charge rate shown below to all water use. In addition, the quantity charge will also include a TAP Rate Rider Surcharge, as set forth in Section 10.

Effective September 1, 2026 and thereafter, the quantity charge shall be as follows:

1 Mcf = 1,000 cubic feet = 7,480 gallons

<u>Monthly Water Usage</u>	<u>Base Charge Per Mcf</u>	<u>TAP-R Per Mcf</u>	<u>Total Charge Per Mcf</u>
First 2 Mcf (0 to 2 Mcf)	\$73.13	\$5.65	\$78.78
Next 98 Mcf (2.1 to 100 Mcf)	68.72	5.65	74.37
Next 1,900 Mcf (100.1 to 2,000 Mcf)	53.87	5.65	59.52
Over 2,000 Mcf	52.40	5.65	58.05

Note: Actual TAP-R rates are subject to Annual Reconciliation and the determination of the Rate Board.

(e) The provisions in this Section apply to all fire service connections.

9.2 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

10.0 PROVISIONS FOR RECOVERY OF THE TIERED ASSISTANCE PROGRAM (TAP) COSTS

The lost revenue related to TAP (the “TAP Costs”) will be recovered via a separate TAP Rate Rider Surcharge Rate (TAP-R), which would be added to the water, fire service and sewer quantity charge rate schedules. This TAP-R shall be increased or decreased for the next rate period to reflect changes in TAP costs, and will be calculated and reconciled on an annual basis in the manner set forth below.

10.1 Computation of the TAP-R

(a) The TAP-R Equation

The TAP-R shall be computed to the nearest one-hundredth of a dollar per MCF (\$0.01/MCF) in accordance with the formula set forth below:

$$\text{TAP-R} = \frac{(C) - (E + I)}{S}$$

The TAP-R so computed, shall be applied as an adder to the water, fire service connection and sewer quantity charge base rate schedules set forth for water in Section 2.1 (c); sewer in Section 3.3 (b); and fire service in Section 9.1 (d), of these Rates and Charges. As a result, the TAP-R shall consist of two sub-components:

- (1) A “Water TAP-R” added to the water and fire service quantity “base rate” (\$/MCF); and
- (2) A “Sewer TAP-R” added to the sewer quantity “base rate” (\$/MCF).

During the rate periods that TAP-R is effective, to recover the TAP Costs through Water TAP-R and the Sewer TAP-R respectively, the total TAP Costs determined for a given rate period will be apportioned between water and wastewater utilities based on the proportion of water and wastewater net revenue requirement respectively to total net revenue requirement. The percent allocation of TAP Costs between water and wastewater utilities will be as follows:

- (i) Water TAP Cost Allocation: 43%
- (ii) Sewer TAP Cost Allocation: 57%

(b) Definitions

In computing the TAP-R pursuant to the formula above, the following definitions shall apply:

- (1) **TAP-R** - TAP Rate Rider Surcharge Rate (\$/MCF).

- (2) **C** – Cost in dollars of the estimated TAP Billing Loss for the projected period.
- (3) **E** - The net over or under collection of the TAP-R surcharge amount for the Most Recent Period. The net over or under collection will be calculated by comparing the actual TAP Revenue Loss (resulting from discounts provided to TAP Customers) with the actual TAP-R surcharge amounts billed to Non-TAP Customers. Both the TAP Revenue Loss and the TAP-R billings, that are determined for the rate periods, will be adjusted for collections by applying the Department’s system-wide collection factor of 96.93%.
- (4) **I** - Interest on any over or under recovery of the TAP-R for the Most Recent Period. Interest will be computed on a monthly basis using a simple annual interest rate. The interest rate will be based upon the yield to maturity of a particular date of United States Treasury securities with a constant maturity for a 1-year Treasury as compiled and published in the Federal Reserve Statistical Release H.15 (519) for the United States Treasury¹, as it exists each year as of the first day of the month, preceding the month of the annual reconciliation submission to the Rate Board.
- (5) **S** - Projected sales in MCF for Non-TAP customers.
- (6) **Most Recent Period** – The Current Fiscal Year and/or the period for which TAP-R reconciliation is performed.
- (7) **Next Rate Period** – The fiscal year and/or the period that immediately follows the Most Recent Period, and in which the TAP-R is effective.

10.2 Filing with the Philadelphia Water, Sewer and Storm Water Rate Board

The Water Department shall initiate the annual TAP Rate Rider Reconciliation by filing an advance notice with the Philadelphia Water, Sewer and Storm Water Rate Board (the “Rate Board”) and City Council in accordance with the procedures and standards established by the Rate Board through its regulations.

10.3 TAP-R Surcharge Rates

(a) Water TAP-R

The Water TAP-R portion of each water bill is determined by applying the Water TAP-R surcharge rate shown below to all water use.

¹ Currently available at <https://www.federalreserve.gov/releases/h15/>.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

- (1) Effective September 1, 2026 and thereafter, the Water TAP-R surcharge shall be \$5.65 per Mcf as determined by the annual reconciliation filing.

(b) Sewer TAP-R

The Sewer TAP-R portion of each sewer bill is determined by applying the Sewer TAP-R surcharge rate shown below to all water use.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

- (1) Effective September 1, 2026 and thereafter, the Sewer TAP-R surcharge shall be \$7.90 per Mcf as determined by the annual reconciliation filing.

PHILADELPHIA WATER DEPARTMENT

RATES AND CHARGES

Effective: September 1, 2026.

1.0 DEFINITIONS.

(a) **Condominium Properties:** Real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership by the owners of those portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

(b) **Customer:** An owner, Tenant or occupant who by operation of law or agreement is responsible for payment of the charges for water/sewer/stormwater service at a Residential, Non-residential or Condominium Property.

(c) **Department:** The Philadelphia Water Department is the operating department of the City of Philadelphia with the duties, powers and obligations set forth in the Home Rule Charter and the Philadelphia Code.

(d) **Dwelling Unit:** A single unit within a building providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

(e) **Home Rule Charter:** The Philadelphia Home Rule Charter, as codified in Pennsylvania First Class City Home Rule Act, April 21, 1949 P.L. 665, 351 Pa. Code §1-100 et seq.

(f) **Mcf:** Thousand cubic feet. The quantity charges in Sections 2, 3, 9 and 10 are expressed in Mcf.

1 Mcf = 1,000 cubic feet = 7,480 gallons

(g) **Municipal Stormwater System:** City owned and maintained real property, infrastructure or natural feature used and/or constructed for purposes of transporting, conveying, retaining, detaining, or discharging stormwater runoff.

(h) **Non-residential Property:** Real estate which cannot be classified as either Residential or Condominium. Real estate used exclusively as a cemetery shall not be considered Non-residential property.

(i) **Philadelphia Code:** The body of laws and regulations enacted by the Philadelphia City Council.

(j) Philadelphia Department of Records: An operating department of the City of Philadelphia with the duties, powers and obligations set forth in the Home Rule Charter and the Philadelphia Code.

(k) Property: Any parcel of real estate identified in the records of the Philadelphia Department of Records.

(l) Property Owner: The owner of the particular parcel of real estate identified in the records of the Philadelphia Department of Records, or the grantee in a land transfer of record.

(m) Residential Property: Real estate used exclusively for residential purposes with at least one and no more than four Dwelling Units and which cannot be classified as Condominium Property. Property adjacent to Residential Property owned and utilized exclusively by the Residential Property owner for residential uses. Upon proof submitted to the Department, said properties shall be deemed by the Department to form one Residential parcel comprised of the Property and the Residential Property.

(n) Stormwater Management Practice (SMP): Any man-made structure that is designed and constructed to detain, infiltrate, or otherwise control stormwater runoff quality, rate, or quantity.

(o) Surface Discharge: The discharge of stormwater runoff from a property to an adjacent surface water body, without the use of City infrastructure.

(p) Undeveloped Property: Property classified by the Board of Revision of Taxes as SB, SC, SI, SR, or SS; Undeveloped refers to the status of the property as having no structures and is not related to whether the property has ever been developed.

(q) Water Commissioner: The Water Commissioner of the City of Philadelphia who performs the duties and obligations as set forth in the Philadelphia Home Rule Charter and the Philadelphia Code.

(r) Utility Plan: A plan that shows water, sewer, and/or stormwater connections and sizes, utility locations, and impacts to rights-of-way, the approval of which is required under the Administrative Code Section A-305.2.1.6.

1.1 Conformity with Existing Law.

Nothing contained herein shall be deemed to overrule or annul any existing provisions of the Home Rule Charter or the Philadelphia Code.

1.2 Severability.

If any provision, paragraph, word or sections herein is invalidated by any court of competent jurisdiction, the remaining provisions, paragraphs, words and sections shall not be affected and shall continue in full force and effect.

2.0 WATER CHARGES

Charges for water service supplied by the City of Philadelphia shall be effective on September 1, 2026, as follows:

2.1 General Customers.

Charges for the supplying of water shall be determined and billed as follows:

(a) Charges and billing in general.

(1) Water charges shall consist of a service charge and quantity charge.

(2) A service charge shall be billed monthly.

(3) As set forth in Section 2.1(b), the type and size of the meter shall determine the service charge.

(4) In addition, there shall be a quantity charge as provided herein for water used in a monthly billing cycle, either as metered or as estimated.

(5) Quantity charges shall be billed for monthly cycles as provided herein. The cycle shall be the period between the dates of scheduled metered readings, actual or estimated.

(b) Monthly service charges.

(1) Effective September 1, 2026 and thereafter, the monthly service charge for the various types and sizes of meters shall be as follows:

<u>Size</u>	<u>Code</u>	<u>Charge</u>
5/8	R	\$ 6.17
3/4	Z	7.18
1	Q	9.62
1 -1/2	P	15.09
2	X	22.40
3	O	38.64
4	W	67.17
6	N	130.19
8	V	203.33
10	E	294.88
12	T	517.98

Residential Fire Sprinkler System Meters

<u>Size</u>	<u>Code</u>	<u>Charge</u>
3/4	Z	13.86
1	Q	16.30
1 -1/2	P	21.77
2	X	29.08

(c) Quantity charges

In addition to the service charge, the quantity charge portion of each bill is determined by applying the quantity charge set forth below to all water use. In addition, the quantity charge will also include a Tiered Assistance Program (TAP) Rate Rider Surcharge, as set forth in Section 10.

(1) Effective September 1, 2026 and thereafter, the quantity charge portion of each bill shall be as follows:

1 Mcf = 1,000 cubic feet = 7,480 gallons.

<u>Monthly Water Usage</u>	<u>Base Charge Per Mcf</u>	<u>TAP-R Per Mcf</u>	<u>Total Charge Per Mcf</u>
First 2 Mcf (0 to 2 Mcf)	\$73.13	\$3.59 <u>5.65</u>	\$76.72 <u>78.78</u>
Next 98 Mcf (2.1 to 100 Mcf)	68.72	3.59 <u>5.65</u>	72.31 <u>74.37</u>
Next 1,900 Mcf (100.1 to 2,000 Mcf)	53.87	3.59 <u>5.65</u>	57.46 <u>59.52</u>
Over 2,000 Mcf	52.40	3.59 <u>5.65</u>	55.99 <u>58.05</u>

Note: Actual TAP-R rates are subject to Annual Reconciliation and the determination of the Rate Board.

(d) Temporary Transitional Provisions: Some special customers whose charges are now based on meter size may find that they are in fact 'over-metered' - their metered service is too large for their actual requirements and results in excessive bills. They may apply for a downward revision in the size of their meters. After the approval of the Department, the revision of plumbing arrangements and the installation of smaller meter, the lower charge by meter size shall apply.

3.0 SEWER CHARGES

Charges for sewer service supplied by the City of Philadelphia shall be effective on September 1, 2026, as follows:

3.1 General Customers.

(a) All customers discharging wastewater into the City's wastewater system shall pay sewer charges as set forth in Section 3.3. In addition to the charges set forth in Section 3.3, all customers discharging wastewater whose pollutant content is greater than the pollutant content of Normal Wastewater, as defined below in Section 3.1(b), shall pay an additional surcharge as set forth in Section 3.4.

(b) Normal Wastewater subject to the regular sewer charges set forth in Section 3.3 is that wastewater which contains 250 milligrams per liter or less of five day biochemical oxygen demand (BOD₅) and 350 milligrams or less per liter or less of suspended solids (SS).

(c) Wastewater subject to the surcharge set forth in Section 3.4 is that wastewater which contains either more than 250 milligrams per liter of BOD₅ or more than 350 milligrams per liter of SS, or both.

3.2 Charges.

(a) Sewer charges shall consist of a service charge and a quantity charge.

(b) A service charge shall be billed monthly.

(c) As set forth in Section 3.3(a), the size of the meter shall determine the service charge.

(d) In addition, as set forth in Section 3.3(b), there shall be a quantity charge for sewer service in a monthly billing cycle, either as metered or as estimated.

(e) Quantity charges shall be billed for monthly cycles as provided herein. The cycle shall be between the dates of scheduled metered readings, actual or estimated. Quantity charges imposed shall be based on the water usage of the Property served.

3.3 Regular Sewer Charges.

(a) Monthly service charges shall be determined and billed as follows:

(1) Effective September 1, 2026 and thereafter, the monthly service charge for the various sizes of meters shall be as follows:

<u>Size</u>	<u>Code</u>	<u>Charge</u>
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5/8	R	\$8.62
3/4	Z	11.09
1	Q	16.39
1 -1/2	P	29.09
2	X	44.99
3	O	81.37
4	W	138.08
6	N	272.48
8	V	431.54
10	E	622.64
12	T	1,134.43

Residential Fire Sprinkler System Meters

Size Code Charge

3/4	Z	8.62
1	Q	8.62
1 -1/2	P	8.62
2	X	8.62

(b) Quantity charge

In addition to the service charge, the quantity charge portion of each sewer bill is determined by applying the quantity charge rate shown below to all water use. In addition, the quantity charge will also include a TAP Rate Rider Surcharge, as set forth in Section 10.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

(1) Effective September 1, 2026 and thereafter, the quantity charge shall be:

<u>Base Charge</u>	<u>TAP-R</u>	<u>Total Charge</u>
<u>Per Mcf</u>	<u>Per Mcf</u>	<u>Per Mcf</u>
\$49.53	\$5.07 <u>7.90</u>	\$54.60 <u>57.43</u>

3.4 Surcharge.

(a) Effective September 1, 2026 and thereafter, the surcharge for wastewater by definition in excess of Normal Wastewater shall be fixed at fifty-two and three tenths cents (\$0.523) per pound of pollutants received into the wastewater system in excess of 250 milligrams

per liter of BOD₅ and fifty-four cents (\$0.540) per pound of pollutants received into the wastewater system in excess of 350 milligrams per liter of SS.

(b) The BOD₅ and SS of wastewater shall be determined from samples taken on the Customer's Property at any period or time and of such duration and in such manner as the Department may prescribe or at any place mutually agreed upon between the Customer and the Department. With prior written approval of the Department, the results of routine sampling and analyses by the Customer may be used in determining the amount of the surcharge.

(c) If, in the Department's judgment, sampling of wastewater is neither feasible nor practical, the Department, for billing purposes, may base BOD₅ and SS of the wastewater on sampling results for similar discharge and/or values obtained from technical literature.

(d) Customers discharging wastewater subject to the surcharge shall, as prescribed by the Department:

(1) Install and maintain such facilities for sampling and measuring the wastewater discharged from their properties; and

(2) Maintain such records and information deemed necessary for the determination of the surcharge.

(e) Customers, as required from time to time, shall file with the Department responses to a questionnaire establishing or revising pertinent information on the quantity of flow and the quality of wastewater and other data deemed necessary for the determination of the surcharge.

(f) Measurements, tests and analyses of the characteristics of wastewater subject to surcharge shall be determined in accordance with the latest edition of *Standard Methods for the Examination of Water and Wastewater*, published jointly by the American Public Health Association, the American Water Works Association (AWWA) and the Water Environment Federation (WEF).

(g) The surcharge shall be applied to the total wastewater discharged less any portion excluded by the Department.

3.5 Sewer Credits.

Pursuant to Section 13-101(6) of the Philadelphia Code, the method of crediting water users' sewer bills for City water used but not discharged into the wastewater disposal system shall be as follows.

(a) Eligibility. Where commercial and industrial facilities that use City water do not discharge all of such water into the wastewater system, the quantity of such water may be excluded in determining the proper sewer charge, provided that:

- (1) at least 5% of water used, or
 - (2) 225,000 cubic feet per year, whichever is less, is not discharged into the wastewater system.
- (b) Determination of the Amount of Exclusion. To determine the amount of such exclusion the Customer shall install a meter or measuring device satisfactory to the Department provided that, if in the opinion of the Department, it is not feasible to install a meter or measuring device, some other satisfactory method of measuring (“credit factor”) may be designated by the Department on application of the Customer.
- (c) Fee for Application. When the Customer applies to the Department for a determination on the quantity of water to be excluded by some method other than metering of the sewer, or re-applies for a revised method measuring a larger quantity of water to be excluded, there shall be charge of one thousand seven hundred dollars (\$1,700) for the review of such application.
- (d) Effective Date of Credits and Approved Credit Factors. Credits on a water user’s sewer bills for quantities of water used but not discharged into the wastewater disposal system shall be effective from the submission date of an approved application. In order to be reviewed for approval, applications shall be complete, submitted on forms provided by the Department and shall be accompanied by a check payable to the City of Philadelphia in the amount required in Section 3.5(c). No credits shall be made retroactively.
- (e) Review of Approved Credit Factors. The Department reserves the right to review approved credit factors. Customers may, from time to time, be required to submit current water use and sewer discharge information. Customers may also be required to submit new applications for the credit factor. Failure to comply with the Department’s requests for information or new applications may result in termination of the Customer’s credit factor.
- (f) Failure to Inform the Department of Increased Sewer Use. Customers with credit factors who fail to inform the Department of increased discharges to the wastewater system shall be subject to the imposition of the full charges for sewer use based on total water usage from the most recent application date, with applicable interest. In addition, the Department may impose a fine of six hundred and twenty dollars (\$620) for each billing period from the application date.

4.0 STORMWATER MANAGEMENT SERVICE CHARGES

Charges for Stormwater Management Services (SWMS) supplied by the City of Philadelphia shall be effective September 1, 2026 as follows:

4.1 Charges.

All properties within the City shall be billed a SWMS charge.

4.2 Residential Properties.

All Residential Properties shall be charged a monthly SWMS charge and a monthly Billing and Collection charge as follows:

(a) Effective September 1, 2026 and thereafter all Residential Properties shall be charged the rates listed below:

<u>SWMS</u>	<u>Billing & Collection</u>
\$20.89	\$2.16

(b) Residential Properties which do not have sewer service and which also have previously been charged only for water service shall be charged the rates shown above at 4.2 (a).

4.3 Non-Residential Properties.

Non-Residential Properties shall be charged a monthly SWMS charge and a monthly Billing and Collection charge as follows:

(a) Non-residential Properties shall be charged based on the Gross Area (GA) of the Property and the Impervious Area (IA) of the Property.

(1) GA includes all of the Property area within the legally described boundaries except streets, medians, and sidewalks in the public right-of-way and railroad tracks and station platforms in the railroad right-of-way.

(2) IA includes surfaces which are compacted or covered with material that restricts infiltration of water, including semi-pervious surfaces such as compacted clay, most conventionally hard-scaped surfaces such as streets, driveways, roofs, sidewalks, parking lots, attached and detached structures, and other similar surfaces.

(i) For Non-residential Properties with less than 5,000 square feet GA, the IA shall be estimated as a percentage of GA.

(A) For Undeveloped Property as defined in Section 1.0, the IA shall be 25% of the GA.

(B) For other Properties, the IA shall be 85% of the GA.

(3) In determining the GA Factor and IA Factor of a Property for the SWMS charge, the Department shall use increments of 500 square feet rounding up to the next highest increment.

(4) Calculating the Monthly SWMS charge. The monthly SWMS charge for each Non-residential Property is calculated by:

(i) dividing the GA in square feet by 500 and rounding up to the next whole unit to determine the GA Factor, then multiplying the GA Factor by the GA Rate to determine the GA charge;

(ii) dividing the IA in square feet by 500 and rounding up to the next whole unit to determine the IA Factor, then multiplying the IA Factor by the IA Rate to determine the IA charge;

(iii) the addition of the GA charge and the IA Charge equals the SWMS charge; and

(iv) the addition of the SWMS charge and the Billing and Collection charge together equals the total monthly stormwater charge.

(5) Rates for GA, IA and Billing and Collection.

(i) Effective September 1, 2026 and thereafter, the Rates shall be as follows:

<u>GA</u> (\$/500 s.f.)	<u>IA</u> (\$/500 s.f.)	<u>Billing & Collection</u>
1.003	7.048	\$2.81

(6) Minimum Monthly Charges. Non-residential Properties shall be subject to a minimum monthly charge. If the monthly charge calculated in Section 4.3(a)(4) is less than the monthly charges listed below then the monthly charges below shall be billed to the Property.

<u>SWMS</u>	<u>Billing & Collection</u>
\$20.89	\$2.81

(7) Adjustment Appeal Procedure.

(i) Customers may appeal the GA and/or IA calculations, property classification, or charge distribution of their property.

(ii) Adjustments shall be made using forms and procedures as defined by the Credits and Adjustment Appeals Manual and sent to:

Philadelphia Water Department
SWMS Charge Appeals
1101 Market Street
4th Floor
Philadelphia, PA 19107-2994

(iii) Adjustments to the GA and/or IA determination are separate and distinct from the billing review procedures established by Section 19-1702 of the Philadelphia Code.

(iv) The grounds supporting the adjustment shall be stated in writing, and include any exhibits, such as photographs, drawings or maps, site plans, and affidavits that support the claim. In addition, a land survey prepared by a registered surveyor shall be attached showing all Dwelling Units, total property area, type of surface material and impervious area, as appropriate, and any other information requested in writing by the Department. The Department may waive the submission of a land survey, if the Department determines that the survey is not necessary to make a determination on the appeal.

(v) The Customer filing the appeal is solely responsible to demonstrate, by clear and convincing evidence, that the GA and/or IA square footage information used by the Department, from which the adjustment appeal is being taken, is erroneous.

(vi) The filing of a notice of an adjustment appeal shall not stay the imposition, calculation or duty to pay the SWMS charge.

(vii) If the adjustment appeal results in a revised GA and/or IA calculation, correction of property classification, correction of parcel identification, or revisions to the default charge allocation, then the adjusted SWMS Charge will be effective from the date of receipt of the Adjustment Appeals Application; except that the Department may authorize WRB to credit accounts for adjustments to the GA and/or IA calculation for a period not to exceed three years prior to receipt of the Adjustment Appeals Application if the Customer filing the appeal demonstrates, by clear and convincing evidence, that it was eligible for and qualified to receive the adjustment during the three year period prior to the receipt of the Adjustment Appeals Application was incorrect.

(8) Multiple Accounts Serving One Property. Where there are multiple water accounts on a single Property, the entire SWMS charge of that Property shall be divided

equally among the accounts. Each account shall also be billed a Billing and Collection charge. Property Owners shall have the opportunity to request an alternative allocation of the SWMS Charge.

4.4 Condominium Properties.

(a) Condominium Properties shall be charged SWMS and Billing and Collection charges on the same terms as Non-residential Properties under Section 4.3, but shall be billed as follows:

(1) Condominium Properties with a single water meter account shall be billed such that the entire SWMS charge of the condominium complex property plus a Billing and Collection Charge are billed to that single account.

(2) Condominium Properties with individual water meter accounts for each unit shall be billed such that the entire SWMS charge of the condominium complex property shall be divided and billed equally to each individual account. In addition, each account shall be billed a Billing and Collection Charge.

(3) Condominium Properties with more than one water meter, but without individual water meters for each unit, shall be billed such that the entire SWMS charge of the condominium complex property shall be divided equally among the accounts. Each account shall also be billed a Billing and Collection Charge. The Condominium Owner's Association shall have the opportunity to request an alternative allocation of the SWMS charge.

4.5 SWMS Credits

(a) Eligibility.

(1) Accounts on Non-residential and Condominium properties must be current to be eligible for credits.

(2) The Customer shall make the Property available for inspection by the Department and provide all necessary documentation for purposes of verifying the appropriateness of a SWMS credit(s).

(3) The Customer shall fulfill credit requirements, as described in Section 4.5(c) below, in accordance with the maintenance guidelines as prescribed by the Department, including any and all inspection and reporting obligations.

(b) Classes of Credits. There are three classes of credits: IA Credit, GA Credit, and NPDES Credit. The IA Credit provides a reduction to the IA Charge; the GA Credit provides a reduction to GA Charge; and the NPDES Credit provides reduction to the total SWMS Charge. A Property may be approved for credits from each of the three classes;

however, if the resulting SWMS Charge after the application of any credits is less than the Non-residential minimum monthly charge, then the minimum monthly charge will apply.

(c) Credit Requirements.

(1) IA Credit. IA Credit is available for the portion of IA on a property where stormwater runoff is managed (IA Managed). IA Managed is achieved as follows:

(i) For areas of the property that meet the requirements of the following Impervious Area Reductions (IAR), as described in the Stormwater Credits and Adjustment Appeals Manual, a direct reduction in the billable IA may be applied:

- (A) Rooftop disconnection,
- (B) Pavement disconnection, or
- (C) Tree canopy coverage.

(ii) For Properties with PWD-approved Stormwater Management Practices constructed per Chapter 6 of the Department's regulations, the customer must demonstrate compliance with the regulations, including management of the first 1.5 inches of runoff and any and all required reporting, inspection and maintenance activities, except as otherwise provided in 4.5(c)(1)(iv).

(iii) For properties with PWD-approved Stormwater Management Practices, including those constructed with Department stormwater grant funds, the customer must demonstrate management of the first 1.5" of runoff and SMP compliance per the approved record drawing and any and all reporting, inspection and maintenance activities, except as otherwise provided in 4.5(c)(1)(iv).

(iv) The Department may approve a Property for IA credit for Non-Surface Water Discharges under the credit requirements in effect before September 1, 2021, if the Department receives a credit application for that Property on or before September 1, 2021. Such Properties property receiving credit under the credit requirements in effect before September 1, 2021 may continue to receive the credit under those requirements until the credit expires. Upon expiration of the credit, the current or future Property Owners of such Properties may renew the credit under the credit requirements in effect before September 1, 2021 by submitting a renewal application(s) in accordance with Subsection 4.5(f)(4) unless and until this section is modified.¹

(v) For Surface Discharges, the Customer must demonstrate that a portion or all of the impervious area discharges directly to a surface water body.

¹ Prior to September 1, 2021, Customers of Properties with non-Surface Discharges were required to demonstrate management of the first inch of stormwater runoff in one of the three following ways: (1) infiltration, (2) detention and slow release, and/or (3) routing through an approved volume -reducing SMP.

(2) GA Credit.

(i) Impervious area only. Impervious area shall receive a GA credit based on the criteria defined in Section 4.5(c)(1)(ii), (iii), (iv) and (v) herein.

(ii) Open Space area only. Open Space area is non-impervious area and is calculated as GA minus IA. The Customer must demonstrate a Natural Resource Conservation Service Curve Number (NRCS-CN) below a certain value as described in the Credits and Adjustment Appeals Manual.

(3) National Pollutant Discharge Elimination System (NPDES) Credit. The Customer must demonstrate the property is subject to and in compliance with a NPDES Permit for industrial stormwater discharge activities.

(d) Credit Maximum.

(1) IA Credit Maximum. IA Credit maximums shall apply as follows:

(i) All Non-residential and Condominium properties are eligible for a maximum of 80% IA Credit for the IA Managed.

(ii) A Non-residential or Condominium property with Surface Discharge is eligible for a maximum of 90% IA credit for the IA Managed.

(2) GA Credit Maximum. GA Credit maximums shall apply as follows:

(i) All Non-residential and Condominium properties are eligible for a maximum of 80% GA Credit.

(ii) A Non-residential or Condominium property with Surface Discharge is eligible for a maximum of 90% GA credit.

(3) NPDES Credit Maximum. Eligible properties shall receive a maximum of 7% NPDES credit as described in the Credit and Adjustment Appeals Manual.

(e) Application of Credits

The application of the three classes of credits in calculating a property's monthly SWMS charge shall be described in the Credits and Adjustment Appeals Manual.

(f) Administration of Credits.

(1) A Customer shall apply for credits using application forms and submitting the required documentation as defined in the Credits and Adjustment Appeals Manual.

(2) Any engineering or other costs incurred in completing the application shall be borne by the Customer.

(3) Credits shall be effective upon receipt of a complete application.

(4) All credits shall expire four (4) years from the effective date of the credit. A Customer may renew credits by submitting a renewal application, documentation required by the Department as defined in the Credits and Adjustment Appeals Manual, and paying a renewal fee of seven hundred and eighty dollars (\$780).

(g) Termination of Credits.

(1) The Department may review any approved credit at any time to verify its continued applicability. Customers may from time to time be asked to submit documentation and/or grant access to the Property receiving the credit. Failure to comply with such requests may result in the termination of the credit(s).

(2) The Customer's failure to meet credit requirements or comply with inspection and reporting obligations, in accordance with Section 4.5(a)(3), shall result in a suspension or revocation of all affected credits pursuant to the procedures issued by the Department.

(h) The Department may, at its sole discretion, issue stormwater credits to individual parcels where stormwater management is being implemented on a shared, collective basis by an organization representing different parcel owners within a defined geographic area.

5.0 BILLING FOR WATER, SEWER AND STORMWATER SERVICE

5.1 Billing.

(a) Estimated Usage and Billing. When an accurate meter reading cannot be obtained at the time of a scheduled meter reading or when necessary for administrative purposes, the quantity of water used may be estimated for billing purposes. Estimated usage will be based upon actual meter readings from prior cycles or by such other fair and reasonable methods as shall be approved by the Water Commissioner. Where the water usage is estimated because of inability to read the meter, any necessary corrections shall be made at the time of the next actual meter reading, or when appropriate.

(b) Charges to be Combined. At the discretion of the Water Commissioner, each bill may combine in one amount the service charge and any quantity charges for water, sewer and stormwater, if applicable.

(c) Bills Due and Payable. All bills are due and payable when rendered.

(d) Penalties for Late Payments.

(1) If current water, sewer, and stormwater bills are not paid within thirty (30) days from the date indicated on the bill, a penalty of five percent (5%) shall be imposed.

(2) An additional penalty of one half of one percent (0.5%) shall be imposed and added to water, sewer, and stormwater bills on the due date of the bill of each succeeding cycle, except that a period of thirty (30) days shall elapse before the first additional penalty is imposed.

(3) If any water, sewer, and stormwater bill remains unpaid for two cycles after the bill has been rendered, the Revenue Department shall serve a notice of termination upon the delinquent Property Owner and, if the charge, with penalties thereon, is not paid within ten (10) days after such service of notice, the Department, in its discretion, may suspend water service to the Property until the charge with penalties is paid. Penalties for late payment are set by ordinance, not by regulation, and any amendments to the current ordinance shall apply as provided therein.

(e) Balance Due. Each bill shall include any balances due for bills issued from October 1, 2000, including penalties.

(f) Changes in Meter Size. When a change in meter size is made, the charge for the new meter size shall become effective on the date of such change.

(g) Unmetered Customers.

(1) Unmetered Customers shall be billed the same charges established for metered Customers. The water and sewer service charges will be determined by the size of the meter which would be installed for an equivalent service at a similar property. The SWMS charges will be determined based on Section 4.0. The Revenue Department shall estimate the quantity of water used and bill accordingly using the applicable water and sewer quantity charges.

(2) Where unmetered wastewater is discharged to the sewer system without adequate sewer metering, the Department reserves the right to bill the amount of flow based upon its engineering judgment of a reasonable estimate of unmetered usage.

(h) Unoccupied Property.

The billing of unoccupied Properties for water and sewer shall be discontinued only on issuance of a Discontinuance of Water permit. Nothing in this Section shall relieve a Property Owner of his responsibility for maintaining a service line unless a Discontinuance of Water permit has been secured. Under no circumstances will the stormwater service charge be terminated.

(i) Extraordinary Uses or Appliances.

In the event that extraordinary or peculiar uses or appliances, in the opinion of the Water Commissioner, warrant a special charge not provided herein, such charges shall be as fixed by the Water Commissioner in writing.

5.2 Special Customers.

The water, sewer and stormwater management service charges established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq. shall be applied to all general Customers, except the following groups of special Customers:

(a) GROUP I

(1) Public and private schools which provide instruction up to or below the twelfth grade but not beyond that grade, and excluding service to any separate or adjoining facilities or structures not used exclusively for educational or instructional purposes.

(2) Institutions of “purely public charity”, as defined by the Charity Water Rates and Charges Program Regulations in Chapter 2 of the Department’s regulations, except universities and colleges and excluding service to any separate or adjoining facilities or structures not used exclusively for the principal purpose of the charity.

(3) Places used for actual religious worship.

(b) GROUP II

(1) Residences of eligible senior citizens provided that the senior citizen shall:

(i) Make application for such reduction to the Revenue Department within the first billing period for which reduction is sought; and

(ii) Submit satisfactory proof that the applicant is 65 years of age or older and that he or she makes payment directly to the City for water, sewer, and stormwater service to his or her residence which is located in the City of Philadelphia; and

(iii) Submit satisfactory proof to the Revenue Department that the applicant does not exceed the household income limitation of \$42,100 per year established by the Department. The above income limitation shall apply to those applying for this discount subsequent to June 30, 1982.

(iv) Effective with each subsequent general rate change in the water/sewer/stormwater charges, the Department shall adjust the Senior Citizen Income Limitation using the latest Consumer Price Index data available, as defined in the Philadelphia Code at Section 19-1901.

(c) GROUP III

(1) Universities and colleges, excluding service to any separate or adjoining facilities or structures not used exclusively for educational or instructional purposes.

(d) GROUP IV

(1) Public housing properties of the Philadelphia Housing Authority.

(e) GROUP V

(1) Group V Customers are Customers enrolled in the Income-Based Water Revenue Assistance Program (IWRAP) described in Section 19-1605 of the Philadelphia Code after the Water Revenue Bureau begins to issue IWRAP bills. Monthly bills for a Customer enrolled in IWRAP will be determined based on the Customer's family size and household income and will be charged in lieu of the service, usage and stormwater charges established in Sections 2.0 et seq., 3.0 et seq. and 4.0 et seq. for general Customers. Group V Customers will pay a percentage of his/her household income depending on where that Customer falls within the Federal Poverty Guidelines (FPL), subject to a minimum bill amount of \$12 per month.

(2) For determining the amount of service, usage and stormwater charges on monthly bills, Group V Customers will be defined according to three income tiers as follows:

(i) Group V-A. Group V Customers whose gross household income has been verified as being from 0% of FPL and up to and including 50% of FPL

(ii) Group V-B. Group V Customers whose gross household income has been verified as being greater than 50% of FPL and up to and including 100% of FPL.

(iii) Group V-C. Group V Customers whose gross household income has been verified as being greater than 100% of FPL and up to and including 150% of FPL.

(f) GROUP VI

(1) Customers with parcels eligible for a discount from the stormwater management service charge as a qualified Community Garden pursuant to Section 19-1603 of the Philadelphia Code and regulations promulgated by the Water Department under that Section.

(g) GROUP VII

(1) All unoccupied properties of the Philadelphia Land Bank.

(h) Charges for Special Customers

(1) As of September 1, 2021, the charges to Groups I, II, and III of special Customers listed above shall be seventy-five percent (75%) of the charges as established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq., including both the water and sewer service and quantity charges, and the SWMS charges. The charges to Group IV Customers shall be ninety-five percent (95%) of the charges as established in Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq., including both the water and sewer service and quantity charges, and the SWMS charges.

(2) Group V Customers enrolled in IWRAP after the Water Revenue Bureau begins to issue IWRAP bills will be responsible for paying the following charges for service, usage and stormwater charges, or \$12 per month, whichever is greater:

(i) Group V-A: 2.0% of household income.

(ii) Group V-B: 2.5% of household income.

(iii) Group V-C: 3% of household income.

(3) Group VI: Effective with bills issued on or after January 1, 2017, Group VI special Customers will receive a 100% discount on the stormwater management service charges for parcels classified by the Department as Community Gardens upon approval of an application for a discount consistent with Section 19-1603 of the Philadelphia Code and regulations promulgated by the Department under that Section.

(4) Group VII: Effective with bills issued on or after September 1, 2018, Group VII special Customers are fully exempt from all water, sewer and stormwater management rates and charges.

(i) All of these special Customers shall meter all water connections and they shall be subject to all provisions herein not inconsistent with Sections 2.0 et seq., 3.0 et seq., and 4.0 et seq.

(j) All special Customers are subject at any time to review as to their special charges by the Department or the Water Revenue Bureau and may be required to furnish adequate evidence supporting the continuance of such charges to the Department or the Water Revenue Bureau upon written notice to do so. Failure to furnish such evidence shall be sufficient ground for denial or termination of such special charges.

(k) Special charges may be granted subject to the Department's review and approval of the size of the meter installed.

(l) When the special use for which the special charge is granted ceases, the special charge ceases and the charges for general Customers shall apply thereafter.

(m) When any vacant or unoccupied premises are acquired by the City, charges for water and sewer, including charges relating to storm water management and disposal, shall terminate on the date that such premises are acquired.

(n) When any property is acquired or held by the Philadelphia Housing Development Corporation or acquired or held by the City or the Redevelopment Authority pursuant to Chapters 16-400 or 16-500 of the Philadelphia Code, charges for water and sewer, including charges relating to storm water management and disposal, shall be abated.

5.3 Eligibility for Charity Rates and Charges.

The Department has promulgated regulations to manage the eligibility for and administration of Charity Rates and Charges.

5.4 Account Review.

The Department, from time to time, may review the status of organizations receiving Charity Rates and Charges. During this review, eligible organizations may be required to submit new applications.

5.5 No Waiver.

Nothing herein shall limit the Department on its own findings or at the request of another City agency from suspending Charity Rates and Charges from organizations which have violated City law or regulations and thereby under such City law or regulations have forfeited such privileges as the Charity Rates and Charges.

6.0 MISCELLANEOUS WATER CHARGES

Charges for miscellaneous water services supplied by the City of Philadelphia shall become effective September 1, 2026 as follows:

6.1 Meter Test Charges.

(a) A Customer may apply to the Department for a test of the accuracy of the registration of a water meter (Meter Test). At the Customer's request, the Department shall notify the Customer of the time and place of the test so that the Customer may be present.

(b) In testing, meters may be removed from the line and replaced by a tested meter. If removed, the meter shall be tested at the Department's Meter Shop. Meters may also be tested and recalibrated in place without removal and replacement.

(c) All meters shall be removed, replaced, tested or calibrated during the Department's regular business hours (9:00 a.m. to 4:45 p.m.).

(d) A Customer may request a Meter Test to be performed outside the regular business hours of the Department under the following conditions:

(1) the Department has staff available and agrees to a time outside the regular business hours of the Department; and,

(2) the Customer agrees to pay the overtime and added expenses, whether the meter passes or fails the test.

(e) If the register on the meter is found upon testing to be registering within two percent (2%) of the actual volume of water passing through the meter, or registering in favor of the Customer, the Customer will be assessed a Meter Test Charge as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$170
1", 1-1/2", 2"	\$230
3", 4", 6", 8", 10", 12"	\$440

Field Tests, 3" and above	\$440

(plus any charges and/or expenses incurred for work performed outside the regular hours of business, if requested by the Customer).

(f) If the meter is found upon testing to be registering in excess of 102% of the actual volume of water passing through the meter, the Customer shall not be assessed a Meter Test charge as provided for in subsection (e); and, WRB shall review the billing history of the tested meter for a period not to exceed three years on the basis of the corrected registration and revise it as necessary.

(g) The Department will, at the request of a Customer, test his or her meter at no charge once every twenty years. Additional tests are subject to the charges listed in Section 6.1(e).

6.2 Charges for Furnishing and Installation of Water Meters.

The charges for furnishing and installing water meters are as follows.

(a) For work which involves the furnishing and setting of a water meter and meter interface unit (MIU), the following charges are hereby established:

PWD Exhibit 1B - Proposed Rates and Charges (Redline)

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$360
3/4 RFSS	610
1"	510
1" RFSS	630
1 1/2"	1,385
1 1/2" RFSS	1,180
2"	1,385
2" RFSS	1,430
3" Compound	4,730
3" Turbine	2,315
3" Fire Series	4,680
4" Compound	6,280
4" Turbine	3,720
4" Fire Series	6,190
4" Fire Assembly	8,720
6" Compound	9,410
6" Turbine	7,070
6" Fire Series	8,245
6" Fire Assembly	13,730
8" Turbine	8,430
8" Fire Series	10,810
8" Fire Assembly	17,700
10" Turbine	12,135
10" Fire Series	13,355
10" Fire Assembly	25,655
12" Turbine	12,985
12" Fire Series	16,970
12" Fire Assembly	27,340

(b) For work which involves only the furnishing and setting of an MIU, the following charges are hereby established:

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$ 105
3/4" RFSS	105
1"	155
1 " RFSS	155
1 1/2"	155
1 1/2" RFSS	155
2"	155
2" RFSS	155
3" Compound	355
3" Turbine	355

4" Compound	355
4" Turbine	355
6" Compound	355
6" Turbine	355
8"	355
10"	355

(c) If extraordinary work is required in connection with the installation of a water meter or the replacement of a damaged meter, additional charges shall be computed using actual salaries and materials expended, plus applicable overhead costs.

(d) The Property Owner shall be responsible for safeguarding the meter and seals and shall pay for necessary repairs and replacements due to his/her failure to provide adequate protection to the meter and seals from theft, vandalism, freezing, tampering or other damage. The Property Owner shall also be responsible for the repair and maintenance of the plumbing accessory to the meter, such as inoperable valves, weakened service pipes and fittings, etc. and shall provide and pay for such plumbing, repair and maintenance as City metering needs may require.

6.3 Tampering of Meter.

(a) In the event that an investigation indicates that tampering of a meter has occurred, the following charges to the Customer shall be assessed:

<u>Meter Size</u>	<u>Charge</u>
5/8" or 3/4"	\$ 120
1", 1½", 2"	170
3" and larger	390

6.4 Shut-Off and Restoration of Water Service.

(a) If the Department is required to visit a Property to shut off service for non-payment; and, payment is tendered at the time of the shut-off, a charge of one hundred dollars (\$105) will be assessed, with the exception stated in Section 6.4(e).

(b) A one hundred dollar (\$105) charge will be assessed if shut-off of the water service is required as a result of non-compliance with a Notice of Defect and/or metering non-compliance.

(c) After termination of water service for non-payment or violation of service requirements, restoration of water service will not be made until the following charges have been paid in full or payment arrangements satisfactory to the Revenue Department have been made.

(1) Where the only work required is operating the service valve:

- (i) service lines 2” and smaller.....\$105
with the exception stated in Section 6.4(e)

- (ii) service lines larger than 2”\$400

- (2) Where the curb stop is obstructed, the access box missing or otherwise requires excavation\$825

- (3) Where the curb stop is inoperable and a new curb stop must be installed...\$865

- (4) Where the curb stop is obstructed, the access box missing, or otherwise requires excavation, and replacement of footway paving is required.....\$835

- (5) Where the curb stop is inoperable and a new curb box must be installed and replacement of footway paving is required.....\$875

- (6) Where excavation and shut-off of the ferrule at the water main is required\$1,680

- (d) If the Department is required to remove concrete footway paving in order to perform the shut-off and/or restoration, the footway will be replaced by the Department and the preceding charges applied unless proof has been provided to the Department that some other qualified person will replace the paving.

- (e) A charge of \$12 will be assessed if a Customer is enrolled in IWRAP and the Department is required to visit the Property to:
 - (1) shut off service for non-payment; and, payment is tendered at the time of the shut-off; or

 - (2) restore water service after termination of water service for non-payment or violation of service requirements.

6.5 Pumping of Properties.

The following charges shall apply for the pumping of water from properties when the condition requiring such service is not caused by the Department.

(a) Occupied Properties

- (1) Pumping of water from occupied Properties may be done at the Property Owner's request and expense.

(2) Pumping of other Properties due to the failure of a Property Owner's piping may be performed by the Department and be charged to the Property Owner of the Property at which the failure occurred.

(3) Charges for pumping shall be calculated at actual salaries and materials expended, plus applicable overhead costs.

(b) Unoccupied Properties

The Department may, at its sole and exclusive discretion, pump water from unoccupied properties if it is determined that a serious condition exists. The charges for pumping shall be as specified in Section 6.5(a).

6.6 Charges for Water Main Shutdown.

(a) The Department of Licenses and Inspections shall issue permits for the temporary shutdown of a water main to allow a registered plumber to make immediate repairs to a broken water service and to avoid the necessity of opening the street.

(b) Permits shall be issued after:

(1) Certification by the Department that the shutdown will not seriously inconvenience other Customers; and

(2) The applicant has paid a three hundred and sixty dollar (\$375) service charge.

(c) In an emergency or when responsibility for a leak is in doubt, the Department may make the shutdown before the permit is obtained. If the Department determines that the leak was not the Department's responsibility, the owner shall obtain a permit and pay the above stated service charge and any other costs incurred by the Department in conducting the emergency shut down.

6.7 Water Connection Charges.

(a) Permits. Permits for connections to the City's water supply system shall be issued by the Water Permit section of the Department of Licenses and Inspections.

(b) Ferrule Connections.

(1) Connections between 3/4 inch and two inches (2") in diameter shall be made by a ferrule installed by the Department. The owner, at his own expense, shall excavate for the connection, install all piping and appurtenances after the ferrule and fill the excavation. The owner thereafter shall be responsible for maintaining this piping and appurtenance.

(2) The charges for such ferrule connections, with the exception stated in Section 6.7(b)(3), shall be as follows:

<u>Size</u>	<u>Charge</u>
¾"	\$245
1"	280
1½"	345
2"	455

(3) The charges for such ferrule connections, when the work performed at the Customer's request is not during the Department's regular business hours (9:00 a.m. to 4:45 p.m.), shall be as follows:

<u>Size</u>	<u>Charge</u>
¾"	\$270
1"	305
1½"	370
2"	480

(c) Valve Connections. Connections three inches (3") and larger shall be made by a valve installed by the Department. This valve installation shall include, but shall not necessarily be limited to, the connection to the main, the valve, valve box, necessary piping after the valve from the main in the street to one foot inside the curb, backfill and repaving. The Department shall thereafter be responsible for maintaining this valve and piping, unless the associated meter has been reduced at the Property Owner's request to a two inch (2") or smaller meter, in which case the Property Owner shall be responsible for valve and piping maintenance.

(1) The charges for valve connections shall, with the exceptions stated in Section 6.7(c)(2), shall be as follows:

<u>Size</u>	<u>Charge</u>
3" & 4"	\$14,950
6" & 8"	16,205
10" & 12"	19,890

(2) The charge for such valve connections, when the work is performed at the Customer's request is during other than normal work hours or the work is performed in an area designated by the Streets Department as a special work zone, shall be as follows:

<u>Size</u>	<u>Charge</u>
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PWD Exhibit 1B - Proposed Rates and Charges (Redline)

3" & 4"	\$17,115
6" & 8"	18,370
10" & 12"	22,055

(d) Attachment to a Transmission Main

(1) There shall be no connection to a transmission main without Department approval. Such approval shall be requested by application forms and procedures issued by the Department.

(2) Where a connection is made to a water main larger than 12 inches in diameter, with the exceptions stated in Sections 6.7(d)(3)&(4), the charges will be a follows:

SLEEVE 3" & 4"

MAIN

16"	\$26,060
20"	29,370
24"	32,590
30"	50,110
36"	60,180

SLEEVE 6" & 8"

MAIN

16"	\$26,365
20"	28,880
24"	32,590
30"	53,005
36"	66,855

SLEEVE 10" & 12"

MAIN

16"	\$26,430
20"	30,225
24"	32,590
30"	54,075
36"	71,005

(3) The charges for such connections, when the work performed at the Customer's request is not during the Department's regular business hours (9:00 a.m. to 4:45 p.m.), or

Except as otherwise provided, no Customer shall be relieved of the obligation to pay water and sewer charges unless a permit for the discontinuance of water and sewer has been obtained from the Department of Licenses and Inspections pursuant to the provisions of Philadelphia Code section 19-1601. When a permit is granted to discontinue water and sewer service, charges shall terminate on the date of removal of the meter by the Department. The charge for a permit for discontinuance of water is one hundred dollars (\$100), regardless of service size. A validly issued permit to discontinue water and sewer does not terminate the obligation to pay for stormwater management services.

6.9 Hydrant Permits.

(a) A permit shall be obtained from the Water Permit section of the Department of Licenses and Inspections before a hydrant can be used. The permit shall contain the terms and conditions that are required of the Customer in order for the Customer to use the hydrant.

(b) The costs for obtaining a permit shall be as follows.

- (1) One Week Permit for use of standard pressure hydrant.....\$ 2,300
- (2) Six Month Permit for use of standard pressure hydrant.....\$ 17,285

6.10 Flow Tests.

When a Customer requests the Department to conduct a flow test on a fire hydrant to determine the volume and residual pressure available on a domestic or fire connection, or at a specific location, the charge shall be six hundred and eighty-five dollars (\$685) for each flow test.

6.11 Water Service Line Investigations and/or Inspections

When a Customer or a duly authorized representative of a Customer requests the Department to conduct an investigation to locate and/or to inspect the water service line at a specific location, the charge shall be one hundred and seventy-five dollars (\$175) for each investigation or inspection. The charge shall be assessed regardless of the result of the investigation or inspection.

6.12 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

7.0 MISCELLANEOUS SEWER CHARGES

Charges for miscellaneous sewer services supplied by the City of Philadelphia shall be effective September 1, 2026, as follows.

7.1 Sewer Charges for Groundwater.

(a) Sewer charges for groundwater discharged to the City's sewer system shall be as follows:

(1) Effective September 1, 2026 and thereafter, the rate shall be \$17.10 per 1,000 cubic feet.

(b) To determine the quantity of such discharged groundwater, the Customer shall install a meter or measuring device satisfactory to the Department. If, in the opinion of the Department, it is not feasible to install a meter or measuring device, the Department may designate some other method of measuring or estimating the quantity of discharged groundwater.

7.2 Charges for Wastewater Service.

(a) The charge for sanitary type wastewater delivered to any of the City's Water Pollution Control Plants shall be as follows.

(1) Effective September 1, 2026 and thereafter, the rate shall be \$77.12 per 1,000 gallons.

(b) Where accurate quantities of wastewater delivered cannot be determined, such quantities shall be estimated for billing purposes by such fair and reasonable methods as shall be approved by the Water Commissioner.

(c) The locations, times, delivery procedures and exact nature of the pollution characteristics of the delivered wastewater shall be determined by the Department.

(d) From time to time, Customers shall be required to file with the Department a questionnaire establishing or revising information on the quantity and quality of wastewater delivered and other pertinent data deemed necessary by the Department. Failure to furnish such information shall be sufficient grounds for denial or termination of delivery privileges.

(e) Measurements, tests and analyses of the characteristics of delivered wastewater shall be determined in accordance with the latest edition of *Standard Methods for the Examination of Water and Wastewater*, published jointly by the American Public Health Association, the American Water Works Association (AWWA) and the Water Environment Federation (WEF).

(f) If any bill for the above services shall remain unpaid for more than sixty (60) days from date rendered, the Department may refuse acceptance of additional wastewater until all unpaid balances, with late charges, are paid in full.

7.3 Wastewater Discharge Permit.

All Industrial Users contributing wastewater to the City's sewer system must obtain a permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is six thousand and twenty-five dollars (\$6,025).

7.4 Groundwater Discharge Permit.

All Industrial Users contributing groundwater to the City's sewer system must obtain a permit from the Department pursuant to the Wastewater Control Regulations contained in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is three thousand three hundred and sixty-five dollars(\$3,365).

7.5 Manhole Pump-out Permit

(a) Any non-domestic User discharging wastewater from underground structures to the City's sewer system must obtain a manhole pump-out permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit is three thousand two hundred and ninety dollars (\$3,290).

(b) In the event a User requests discharge locations in the City's separate sewer areas under this permit, the City may assess additional fees for any work associated with the review of this request and the identification of the discharge locations.

7.6 Trucked or Hauled Wastewater Permit

Any person trucking or hauling wastewater to the POTW must first obtain a septage discharge permit from the Department pursuant to the Wastewater Control Regulations in Chapter 5 of the Department's regulations. The fee for each new or renewal permit shall be two thousand five hundred and eighty-five dollars (\$2,585).

7.7 PHOTOGRAPHIC & VIDEO INSPECTION

When a Customer or a duly authorized representative of a Customer requests the Department to conduct a photographic or video inspection of a private sewer line at a specific location, the charge shall be two hundred and seventy five dollars (\$275) for each photographic or video inspection. The charge shall be assessed regardless of the result of the photographic or video inspection.

7.8 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

8.0 MISCELLANEOUS PLAN REVIEW AND INSPECTION CHARGES

8.1 Stormwater Plan Review and Inspection Fees.

All Development plans submitted to the Department under Chapter 6 of the Department's regulations for stormwater management approvals shall be subject to a plan review fee.

(a) Fees.

(1) A fee of one thousand seven hundred and ninety-five dollars (\$1,795) shall be due upon submission of the Conceptual Stormwater Management Plan for review.

(2) A fee of two hundred and sixty dollars (\$260) per hour of review time shall be due prior to issuance of the Post-Construction Stormwater Management Plan approval.

(i) Review time shall be based on the City's tabulation of actual hours expended by Department employees or consultants reviewing the plans associated with a particular development project for compliance with Chapter 6 of the Department's regulations.

(3) A fee of four hundred and twenty dollars (\$420) for the final inspection of a development project to confirm compliance with Chapter 6 of the Department's regulations shall be due prior to issuance of the Post-Construction Stormwater Management Plan approval.

(4) A fee is applicable when a reinspection of a site determines that a previously found violation of Erosion and Sediment (E&S) control requirements has not been corrected. Fees for subsequent inspections for a site found to be in continuing non-compliance shall be assessed as follows:

- (i) Second Reinspection - one hundred and ten dollars (\$110)
- (ii) Third Reinspection - two hundred and twenty dollars (\$220),
- (a) Fourth and Any Subsequent Reinspection – three hundred and twenty-five dollars (\$325).

(b) Refund of fees. The Department shall refund any fees specified above if a plan submittal is not approved or denied within 21 days for conceptual site plans and within 45 days for technical site plans.

8.2 Stormwater Management Fee in Lieu.

The fee in lieu shall be calculated as follows:

- (a) For an exemption to only the Water Quality Requirement of Chapter 6 of the Department's regulations the fee in lieu shall be forty dollars (\$40.00) per square foot based on the total Directly Connected Impervious Area within the limit of Earth Disturbance.

8.3 Utility Plan Review Fees.

All Utility Plans submitted to the Department to receive building permit approval in accordance with Administrative Code Section A-305.2.1.6 shall be subject to a plan review fee.

- (a) A fee of three hundred and sixty-five dollars (\$365) shall be due upon submission of the Utility Plan for review.
- (b) Parcels that qualify as Community Garden pursuant to Section 19-1603 of the Philadelphia Code are exempt from the Utility Plan Review Fee.

9.0 FIRE SERVICE CONNECTIONS

Fire service connection charges shall consist of a monthly service charge and a quantity charge and shall be effective September 1, 2026, as follows.

9.1 Charges.

- (a) Monthly Service Charges.

(1) The monthly service charges for the furnishing of water for the purpose of fire protection effective September 1, 2026 and thereafter, shall be as follows:

<u>Connection Size</u>	<u>Service Charge</u>
Up through 4-inch	\$ 38.44
6-inch	72.74
8-inch	111.43
10-inch	162.76
12-inch	270.99

- (b) The City may permit fire service connections to its water system outside the City of Philadelphia only in properties contiguous to the City where in the opinion of the Water

Commissioner water service for fire protection may be furnished without interference with water service to properties within the City.

(c) Pipe connections to the Philadelphia water system, meters and other service requirements shall be in accordance with the standard fire service requirements of the Department.

(d) Quantity Charges.

(1) In addition to the service charge, the quantity charge portion of each bill is determined by applying the quantity charge rate shown below to all water use. In addition, the quantity charge will also include a TAP Rate Rider Surcharge, as set forth in Section 10.

Effective September 1, 2026 and thereafter, the quantity charge shall be as follows:

1 Mcf = 1,000 cubic feet = 7,480 gallons

<u>Monthly Water Usage</u>	<u>Base Charge Per Mcf</u>	<u>TAP-R Per Mcf</u>	<u>Total Charge Per Mcf</u>
First 2 Mcf (0 to 2 Mcf)	\$73.13	\$3.59 5.65	\$76.72 78.78
Next 98 Mcf (2.1 to 100 Mcf)	68.72	3.59 5.65	72.31 74.37
Next 1,900 Mcf (100.1 to 2,000 Mcf)	53.87	3.59 5.65	57.46 59.52
Over 2,000 Mcf	52.40	3.59 5.65	55.99 58.05

Note: Actual TAP-R rates are subject to Annual Reconciliation and the determination of the Rate Board.

(e) The provisions in this Section apply to all fire service connections.

9.2 Payment.

All billings for the above services are due and payable when rendered, unless stated otherwise herein, and are subject to such penalties for late payment as is prescribed by current ordinance or as may be amended. Payments for permits shall be made in full prior to any permit being issued.

10.0 PROVISIONS FOR RECOVERY OF THE TIERED ASSISTANCE PROGRAM (TAP) COSTS

The lost revenue related to TAP (the “TAP Costs”) will be recovered via a separate TAP Rate Rider Surcharge Rate (TAP-R), which would be added to the water, fire service and sewer quantity charge rate schedules. This TAP-R shall be increased or decreased for the next rate period to reflect changes in TAP costs, and will be calculated and reconciled on an annual basis in the manner set forth below.

10.1 Computation of the TAP-R

(a) The TAP-R Equation

The TAP-R shall be computed to the nearest one-hundredth of a dollar per MCF (\$0.01/MCF) in accordance with the formula set forth below:

$$\text{TAP-R} = \frac{(C) - (E + I)}{S}$$

The TAP-R so computed, shall be applied as an adder to the water, fire service connection and sewer quantity charge base rate schedules set forth for water in Section 2.1 (c); sewer in Section 3.3 (b); and fire service in Section 9.1 (d), of these Rates and Charges. As a result, the TAP-R shall consist of two sub-components:

- (1) A “Water TAP-R” added to the water and fire service quantity “base rate” (\$/MCF); and
- (2) A “Sewer TAP-R” added to the sewer quantity “base rate” (\$/MCF).

During the rate periods that TAP-R is effective, to recover the TAP Costs through Water TAP-R and the Sewer TAP-R respectively, the total TAP Costs determined for a given rate period will be apportioned between water and wastewater utilities based on the proportion of water and wastewater net revenue requirement respectively to total net revenue requirement. The percent allocation of TAP Costs between water and wastewater utilities will be as follows:

- (i) Water TAP Cost Allocation: 43%
- (ii) Sewer TAP Cost Allocation: 57%

(b) Definitions

In computing the TAP-R pursuant to the formula above, the following definitions shall apply:

- (1) **TAP-R** - TAP Rate Rider Surcharge Rate (\$/MCF).

- (2) **C** – Cost in dollars of the estimated TAP Billing Loss for the projected period.
- (3) **E** - The net over or under collection of the TAP-R surcharge amount for the Most Recent Period. The net over or under collection will be calculated by comparing the actual TAP Revenue Loss (resulting from discounts provided to TAP Customers) with the actual TAP-R surcharge amounts billed to Non-TAP Customers. Both the TAP Revenue Loss and the TAP-R billings, that are determined for the rate periods, will be adjusted for collections by applying the Department’s system-wide collection factor of 96.93%.
- (4) **I** - Interest on any over or under recovery of the TAP-R for the Most Recent Period. Interest will be computed on a monthly basis using a simple annual interest rate. The interest rate will be based upon the yield to maturity of a particular date of United States Treasury securities with a constant maturity for a 1-year Treasury as compiled and published in the Federal Reserve Statistical Release H.15 (519) for the United States Treasury¹, as it exists each year as of the first day of the month, preceding the month of the annual reconciliation submission to the Rate Board.
- (5) **S** - Projected sales in MCF for Non-TAP customers.
- (6) **Most Recent Period** – The Current Fiscal Year and/or the period for which TAP-R reconciliation is performed.
- (7) **Next Rate Period** – The fiscal year and/or the period that immediately follows the Most Recent Period, and in which the TAP-R is effective.

10.2 Filing with the Philadelphia Water, Sewer and Storm Water Rate Board

The Water Department shall initiate the annual TAP Rate Rider Reconciliation by filing an advance notice with the Philadelphia Water, Sewer and Storm Water Rate Board (the “Rate Board”) and City Council in accordance with the procedures and standards established by the Rate Board through its regulations.

10.3 TAP-R Surcharge Rates

(a) Water TAP-R

The Water TAP-R portion of each water bill is determined by applying the Water TAP-R surcharge rate shown below to all water use.

¹ Currently available at <https://www.federalreserve.gov/releases/h15/>.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

- (1) Effective September 1, 202~~6~~⁵ and thereafter, the Water TAP-R surcharge shall be \$~~3.59~~5.65 per Mcf as determined by the annual reconciliation filing.

(b) Sewer TAP-R

The Sewer TAP-R portion of each sewer bill is determined by applying the Sewer TAP-R surcharge rate shown below to all water use.

1 Mcf = 1,000 Cubic Feet = 7,480 gallons

- (1) Effective September 1, 202~~6~~⁵ and thereafter, the Sewer TAP-R surcharge shall be \$~~5.07~~7.90 per Mcf as determined by the annual reconciliation filing.