

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

	<b>TOTAL</b>	<b>Water</b>	<b>Wastewater</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
(1) C = Projected TAP Billing Loss <sup>a</sup>	\$ 50,672,716	\$ 21,789,268	\$ 28,883,448
(2) E = Experienced & Estimated Net Over/Under Collection <sup>b</sup>	\$ (13,968,735)	\$ (6,069,222)	\$ (7,899,512)
(3) I = Interest on Experienced & Estimated Net Over/Under Collection <sup>c</sup>	\$ (229,257)	\$ (99,918)	\$ (129,339)
(4) Net Recoverable Costs <sup>d</sup> : (C) - (E + I)	\$ 64,870,708	\$ 27,958,409	\$ 36,912,299
(5) S = Projected Non-TAP Sales for Next Rate Period (MCF) <sup>e</sup>		5,165,721	4,885,802
(6) <b>TAP-R Surcharge<sup>f</sup>: (4)/(5)</b>		<b>\$ 5.41 /MCF</b>	<b>\$ 7.56 /MCF</b>

- Notes:
- <sup>a</sup> Recoverable TAP Billing Loss for the Next Rate Period. Refer to Table 2 for additional information.
  - <sup>b</sup> Actual TAP Discounts versus TAP Revenue Collection for the Most Recent Period. Refer to Tables 3-W and 3-WW for further information.
  - <sup>c</sup> 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.
  - <sup>d</sup> Net Recoverable Costs.
  - <sup>e</sup> 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 April 2025 to March 2026. Next Rate Period is assumed to be September 01, 2026 to August 31, 2027.
  - <sup>f</sup> 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 <sup>a</sup>	\$ 50,672,716	\$ 21,789,268	\$ 28,883,448

Notes:

<sup>a</sup> Projected TAP Billing Loss based upon the Projected Average Monthly Number of TAP Participants of 69,055 and the Average TAP Discount per Participant of \$61.15.

<sup>b</sup> 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 (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)	
<b>Prior E &amp; I Factor Adjustments</b>								<b>\$ (3,616,542)</b>
(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)
(a) Jan-26	\$ 2,026,695	47,483	\$ 170,465	\$ 1,799,244	442,485	\$ 1,588,521	\$ 1,539,753	\$ (259,490)
(a) Feb-26	\$ 1,783,602	42,359	\$ 152,069	\$ 1,581,445	397,512	\$ 1,427,070	\$ 1,383,259	\$ (198,186)
(a) Mar-26	\$ 1,944,472	46,464	\$ 166,806	\$ 1,723,092	422,324	\$ 1,516,143	\$ 1,469,597	\$ (253,494)
(e) Apr-26	\$ 1,792,094	44,573	\$ 160,018	\$ 1,581,971	430,477	\$ 1,545,412	\$ 1,497,968	\$ (84,003)
(e) May-26	\$ 1,794,334	44,629	\$ 160,218	\$ 1,583,949	430,477	\$ 1,545,412	\$ 1,497,968	\$ (85,981)
(e) Jun-26	\$ 1,796,577	44,685	\$ 160,418	\$ 1,585,929	430,477	\$ 1,545,412	\$ 1,497,968	\$ (87,961)
(e) Jul-26	\$ 1,798,823	44,741	\$ 160,619	\$ 1,587,911	430,477	\$ 1,545,412	\$ 1,497,968	\$ (89,943)
(e) Aug-26	\$ 1,801,071	44,796	\$ 160,819	\$ 1,589,897	430,477	\$ 1,545,412	\$ 1,497,968	\$ (91,929)
<b>Total</b>	<b>\$ 21,708,745</b>	<b>530,222</b>	<b>\$ 1,903,498</b>	<b>\$ 19,197,226</b>	<b>5,131,536</b>	<b>\$ 18,422,217</b>	<b>\$ 17,856,655</b>	<b>\$ (4,957,113)</b>
<b>Adjustment for Prior Estimates</b>								<b>\$ (1,112,110)</b>

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 as reflected in the Joint Settlement.

(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 April 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 \$ (6,069,222)**

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 (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)	
<b>Prior E &amp; I Factor Adjustments</b>								<b>\$ (4,955,115)</b>
(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	\$ 2,686,549	47,446	\$ 240,549	\$ 2,370,908	421,384	\$ 2,136,415	\$ 2,070,827	\$ (300,081)
(a) Feb-26	\$ 2,364,310	42,327	\$ 214,595	\$ 2,083,718	378,909	\$ 1,921,071	\$ 1,862,094	\$ (221,624)
(a) Mar-26	\$ 2,577,556	46,426	\$ 235,382	\$ 2,270,269	402,457	\$ 2,040,457	\$ 1,977,815	\$ (292,454)
(e) Apr-26	\$ 2,375,567	44,573	\$ 225,986	\$ 2,083,588	407,150	\$ 2,064,251	\$ 2,000,878	\$ (82,710)
(e) May-26	\$ 2,378,536	44,629	\$ 226,269	\$ 2,086,192	407,150	\$ 2,064,251	\$ 2,000,878	\$ (85,314)
(e) Jun-26	\$ 2,381,509	44,685	\$ 226,551	\$ 2,088,801	407,150	\$ 2,064,251	\$ 2,000,878	\$ (87,922)
(e) Jul-26	\$ 2,384,486	44,741	\$ 226,835	\$ 2,091,411	407,150	\$ 2,064,251	\$ 2,000,878	\$ (90,533)
(e) Aug-26	\$ 2,387,467	44,796	\$ 227,118	\$ 2,094,026	407,150	\$ 2,064,251	\$ 2,000,878	\$ (93,147)
<b>Total</b>	<b>\$ 28,776,708</b>	<b>529,995</b>	<b>\$ 2,687,077</b>	<b>\$ 25,288,680</b>	<b>4,860,981</b>	<b>\$ 24,645,173</b>	<b>\$ 23,888,566</b>	<b>\$ (6,355,229)</b>
<b>Adjustment for Prior Estimates</b>								<b>\$ (1,544,284)</b>

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 as reflected in the Joint Settlement.

(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 April 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 \$ (7,899,512)**

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										Adjustment	
Prior Reconciliation Period with Updated Actuals										Over/(Under) Collection	Delta
Billing Period	Total Actual TAP Discounts (Credits)	Billed TAP Water Sales (Mcf)	Total TAP-R Billed to TAP Participants \$ 3,080	Adjusted Actual TAP Discounts (Credits) 96.99%	Billed Non-TAP Water Sales (Mcf)	TAP-R Billed Non-Tap Water Sales	Estimated TAP-R Revenues Experienced 96.99%	Over/(Under) Collection		(9)	(10) = (8) - (9)
	(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)			
<b>Prior E &amp; I Factor Adjustments</b>									\$ (5,189,622)		
Sep-24	\$ 1,337,050	42,054	\$ 129,528	\$ 1,171,175	490,922	\$ 1,512,040	\$ 1,466,527	\$ 295,352	\$	\$ 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	\$	\$ 110,478	\$ (0)
Nov-24	\$ 1,251,489	35,813	\$ 110,303	\$ 1,106,836	424,734	\$ 1,308,181	\$ 1,268,804	\$ 161,968	\$	\$ 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	\$	\$ 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)	\$	\$ (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	\$	\$ 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	\$	\$ 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	\$	\$ 254,370	\$ (220,062)
May-25	\$ 1,362,364	39,576	\$ 121,893	\$ 1,203,133	419,824	\$ 1,293,057	\$ 1,254,136	\$ 51,003	\$	\$ 254,370	\$ (203,367)
Jun-25	\$ 1,464,473	41,970	\$ 129,266	\$ 1,295,018	437,386	\$ 1,347,147	\$ 1,306,598	\$ 11,581	\$	\$ 254,370	\$ (242,789)
Jul-25	\$ 1,481,191	42,400	\$ 130,591	\$ 1,309,947	456,809	\$ 1,406,972	\$ 1,364,622	\$ 54,675	\$	\$ 254,370	\$ (199,694)
Aug-25	\$ 1,586,141	45,008	\$ 138,623	\$ 1,403,948	472,710	\$ 1,455,946	\$ 1,412,122	\$ 8,174	\$	\$ 254,370	\$ (246,196)
<b>Total</b>	\$ 16,641,753	481,925	\$ 1,484,328	\$ 14,701,187	5,220,235	\$ 16,078,323	\$ 15,594,366	\$ (4,296,443)	\$	\$ 2,437,757	\$ (1,112,110)
<b>Total</b>									\$ (4,296,443)	\$ 2,437,757	\$ (6,734,200)

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 Raftelis. 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										Adjustment	
Prior Reconciliation Period with Updated Actuals										Over/(Under) Collection	Delta
Billing Period	Total Actual TAP Discounts (Credits)	Billed Sewer Volume TAP Participants (Mcf)	Total TAP-R Billed to TAP Participants \$ 4,400	Adjusted Actual TAP Discounts (Credits) 96.99%	Billed Non-TAP Sewer Volume (Mcf)	TAP-R Billed Non-Tap Water Sales	Estimated TAP-R Revenues Experienced 96.99%	Over/(Under) Collection		(9)	(10) = (8) - (9)
	(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)			
<b>Prior E &amp; I Factor Adjustments</b>									\$ (6,713,206)		
Sep-24	\$ 1,846,402	42,020	\$ 184,887	\$ 1,611,503	461,020	\$ 2,028,486	\$ 1,967,429	\$ 355,925	\$	\$ 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	\$	\$ 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	\$	\$ 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	\$	\$ 107,490	\$ -
Jan-25	\$ 2,115,046	43,280	\$ 190,431	\$ 1,866,684	424,665	\$ 1,868,527	\$ 1,812,284	\$ (54,400)	\$	\$ (54,399)	\$ (0)
Feb-25	\$ 1,736,316	36,386	\$ 160,097	\$ 1,528,776	374,138	\$ 1,646,207	\$ 1,596,656	\$ 67,881	\$	\$ 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	\$	\$ 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	\$	\$ 313,401	\$ (284,178)
May-25	\$ 1,881,360	39,543	\$ 173,988	\$ 1,655,980	395,767	\$ 1,741,373	\$ 1,688,958	\$ 32,977	\$	\$ 313,401	\$ (280,423)
Jun-25	\$ 2,022,368	41,936	\$ 184,518	\$ 1,782,531	412,925	\$ 1,816,868	\$ 1,762,180	\$ (20,350)	\$	\$ 313,401	\$ (333,751)
Jul-25	\$ 2,045,454	42,363	\$ 186,395	\$ 1,803,101	427,530	\$ 1,881,132	\$ 1,824,510	\$ 21,409	\$	\$ 313,401	\$ (291,991)
Aug-25	\$ 2,190,385	44,977	\$ 197,899	\$ 1,932,512	443,338	\$ 1,950,689	\$ 1,891,973	\$ (40,539)	\$	\$ 313,401	\$ (353,940)
<b>Total</b>	\$ 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)
<b>Total</b>									\$ (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 Raftelis. 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	\$ (259,490)	442,485	\$ (303,401)	\$ (562,891)	\$ (1,929,661)	\$ (5,579.94)
Feb-26	\$ (198,186)	397,512	\$ (272,564)	\$ (470,750)	\$ (2,400,411)	\$ (6,941.19)
Mar-26	\$ (253,494)	422,324	\$ (289,577)	\$ (543,071)	\$ (2,943,482)	\$ (8,511.57)
Apr-26	\$ (84,003)	430,477	\$ (295,167)	\$ (379,170)	\$ (3,322,653)	\$ (9,608.00)
May-26	\$ (85,981)	430,477	\$ (295,167)	\$ (381,148)	\$ (3,703,801)	\$ (10,710.16)
Jun-26	\$ (87,961)	430,477	\$ (295,167)	\$ (383,128)	\$ (4,086,929)	\$ (11,818.04)
Jul-26	\$ (89,943)	430,477	\$ (295,167)	\$ (385,110)	\$ (4,472,039)	\$ (12,931.65)
Aug-26	\$ (91,929)	430,477	\$ (295,167)	\$ (387,096)	\$ (4,859,135)	\$ (14,051.00)
<b>Total</b>						\$ (89,221)

Adjustment for Prior Estimates \$ (10,697)

**Total I-Factor Recovery \$ (99,918)**

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	\$ (300,081)	421,384	\$ (419,539)	\$ (719,620)	\$ (2,481,327)	\$ (7,175.17)
Feb-26	\$ (221,624)	378,909	\$ (377,251)	\$ (598,875)	\$ (3,080,202)	\$ (8,906.92)
Mar-26	\$ (292,454)	402,457	\$ (400,696)	\$ (693,150)	\$ (3,773,352)	\$ (10,911.28)
Apr-26	\$ (82,710)	407,150	\$ (405,368)	\$ (488,078)	\$ (4,261,431)	\$ (12,322.64)
May-26	\$ (85,314)	407,150	\$ (405,368)	\$ (490,682)	\$ (4,752,113)	\$ (13,741.53)
Jun-26	\$ (87,922)	407,150	\$ (405,368)	\$ (493,291)	\$ (5,245,403)	\$ (15,167.96)
Jul-26	\$ (90,533)	407,150	\$ (405,368)	\$ (495,901)	\$ (5,741,304)	\$ (16,601.94)
Aug-26	\$ (93,147)	407,150	\$ (405,368)	\$ (498,516)	\$ (6,239,820)	\$ (18,043.48)
<b>Total</b>						\$ (114,665)

Adjustment for Prior Estimates \$ (14,673)

**Total I-Factor Recovery \$ (129,339)**

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 \$ (0.969) (3) = (2) * \$ 0.969/Mcf	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)	
<b>Total</b>						\$ (86,315)	\$ (75,618)	\$ (10,697)	
<b>Total</b>							\$ (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 \$ (1.324) (3) = (2) * \$ 1.324/Mcf	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)	\$ -2,496.175353	\$ 0.00	
Nov-24	\$ 189,028	401,299	\$ (531,256)	\$ (342,228)	\$ (1,060,552)	\$ (3,685.42)	\$ (3,685)	\$ 0.00	
Dec-24	\$ 107,490	406,659	\$ (538,352)	\$ (430,862)	\$ (1,491,414)	\$ (5,182.66)	\$ (5,183)	\$ 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)	\$ (566,997)	\$ (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)	
<b>Total</b>						\$ (118,120)	\$ (103,447)	\$ (14,673)	
<b>Total</b>							\$ (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	\$ 5.41	\$ 78.54
2	2.1 to 100 Mcf	\$ 68.72	\$ 5.41	\$ 74.13
3	100.1 to 2,000 Mcf	\$ 53.87	\$ 5.41	\$ 59.28
4	2,000 + Mcf	\$ 52.40	\$ 5.41	\$ 57.81
Sewer Quantity Charges		(\$/Mcf)	(\$/Mcf)	(\$/Mcf)
5	Sewer Volume Rate	\$ 49.53	\$ 7.56	\$ 57.09

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.