

Thursday, May 13, 2021

SUBSCRIBE

Today's Paper



Sign In / Sign Up | Support
Local News
SIGN IN / SIGN UP



NEWS

SPORTS

BUSINESS

OPINION

POLITICS

ENTERTAINMENT

LIFE

SIGN IN / SIGN UP

ADVERTISEMENT

Business



Philadelphia scales back requested water rate increase, to 10.2%

The Philadelphia Water Department said a reduction in pension costs would allow it cut its rate increase request to about 10% over two years.



ADVERTISEMENT

Faucet



by Andrew Maykuth

Published May 3, 2021

The Philadelphia Water Department scaled back its [requested 17.6% two-year rate increase](#) after City Hall reduced the amount the department contributes to the city's pension plan.

At a City Council budget hearing, Water Commissioner Randy E. Hayman told councilmembers that his agency had reduced its proposed rate increase to about 10.2% over the next two years — 3.6% this September, and 6.4% in September 2022. Over two years, average bills would increase by \$6.82, from \$66.73 to \$73.55, or 10.2%.

The five-member [Water, Sewer, and Storm Water Rate Board](#) is expected to make a decision on the rate proposal by June 16. Hayman said the water department submitted its pared-down request to the rate board on Friday. A negotiated settlement with consumer advocates is expected.

Hayman said the city notified the water department that its contribution to the city pension plan will shrink by about \$25 million a year. The cut in its pension load will reduce, but not eliminate the need for higher rates.

ADVERTISEMENT

Council members on Monday told Hayman they welcomed the rollback, but they still opposed any boost in rates. “I want to tell you we’re still going to fight a rate increase,” Council President Darrell Clarke said.

Councilwoman Cindy Bass said the pandemic was no time to raise rates, citing a [March 17 Inquirer article](#) reporting that about 154,000 customers have fallen behind on payments, or nearly a third of the Water Department’s 496,000 accounts. She urged Hayman

to find “internal efficiencies” to reduce the need for an increase.

All 17 Council members wrote to the rate board on March 18, asking it to reject the rate increase, suggesting that an influx of federal stimulus money to the city might reduce the water department’s needs.

But Mayor [Jim Kenney’s administration plans to use the \\$1.4 billion Philadelphia](#) is receiving from the federal stimulus package in the next two years to balance the city’s budget, not help out the water department, which generates revenue independently of the city’s general fund.

Hayman said the water department needed additional money last year to meet increasing costs and the constant need to upgrade and repair the city’s aging water, wastewater and stormwater systems. The Water Department withdrew its rate increase request last year amid the pandemic, but reinstated the request this year.

The city did not indicate how the revised rate request would impact customer bills. But based upon previous data, a typical residential bill for a customer using 500 cubic feet of water a month (3, 740 gallons) would increase about \$2.40 a month to \$69.13, or 3.6%, on Sept. 1. Bills would increase an additional \$4.42 to \$73.55 on Sept. 1, 2022, or 6.4%.

Over two years, average bills would increased by \$6.82, from \$66.73 to \$73.55, or 10.2%.

Published May 3, 2021



Andrew Maykuth [✉](#) [🐦](#)

I cover how we produce and use energy, as well as its impact on the economy and the environment.

About Us

[About The Inquirer](#)
[Advertise](#)
[Contact Us](#)
[Licensing & Permissions](#)
[Photo Reprints](#)
[Newspapers in Education](#)
[Jobs & Internships](#)
[Inquirer Events](#)
[Acel Moore Workshops](#)
[Newsroom Staff](#)

News & Info

[News](#)
[Sports](#)
[Entertainment](#)
[Business](#)
[Health](#)
[Food](#)
[Life](#)
[Opinion](#)
[Archives](#)
[Special Reports](#)

Marketplace

[Subscribe](#)
[Inquirer Store](#)
[Job Listings](#)
[All Classifieds](#)
[Gift Subscriptions](#)

e-Editions

[The Inquirer](#)
[The Daily News](#)

Mobile Apps

[Apple iOS](#)
[Google Android](#)

© 2021 The Philadelphia Inquirer, LLC
[Terms of Use](#) / [Privacy Policy](#) / [Cancellation Policy](#) / [California Notice](#) / [California residents do not sell my data request](#)
[California residents do not sell my data request](#)

