



Business



Philadelphia water bills will go up Wednesday. Here's why, and how it could have been worse.

Though the rates are rising, they're still cheap compared to rates paid by suburban customers of Aqua Pennsylvania.



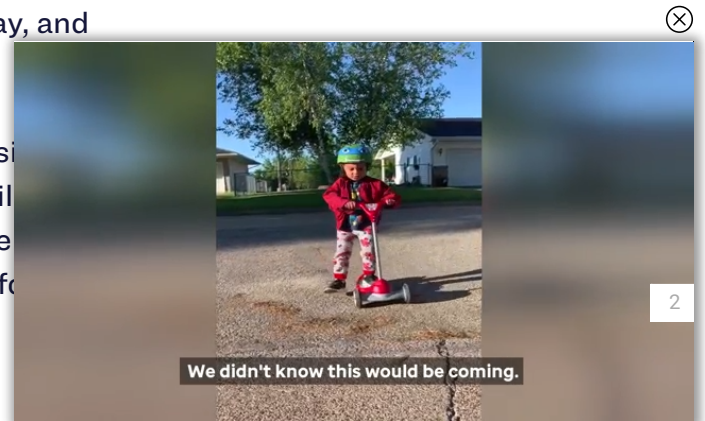
Philadelphia Water Department barricades surround the site of a water main break at the intersection of Bainbridge and South 6th Streets last month. Paying for such repairs has helped fuel rate increases. ALEJANDRO A. ALVAREZ / Staff Photographer

by Andrew Maykuth
Published Aug 31, 2021

Philadelphia's 496,000 water customers will see their **monthly bills increase** about 3.6% starting Wednesday, and by a larger amount a year from now.

The water, sewer and storm water bill for a typical residential customer using 500 cubic feet of water per month will increase from \$66.73 to \$69.15 on Wednesday. Those will increase \$4.43 more to \$73.58 on Sept. 1, 2022, for a total of 10.3% over two years.

It could be worse.





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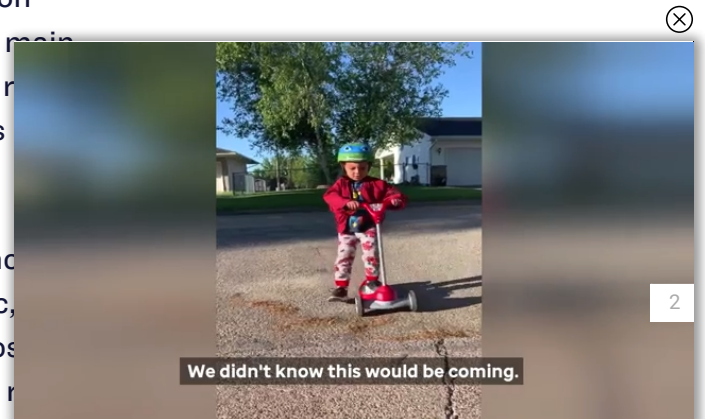


The private Bryn Mawr water utility, a subsidiary of Essential Utilities Inc., recently asked state regulators to increase its bills by 17.9%, to about \$155 a month for customers getting both water and sewer service. (By comparison, the city's combined rate would reach \$73.58 by 2022.) The Aqua rates are quoted for customers who use 4,000 gallons a month, or about 7% more than the metric the city uses.

» **READ MORE: Aqua Pa., big buyer of town utilities, seeks to boost suburban water bills 17% — and sewer charges far more**

“Water and sewer rates are rising within our region and across the nation as utilities are faced with maintaining and upgrading aging infrastructure,” Philadelphia Water Commissioner Randy E. Hayman said in a statement on Monday. “We only need to look at recent major water main breaks to see the importance of having a sustainable infrastructure that allows us to make needed investments in our system.”

The Water Department, which had delayed its rate-increase request for a year because of the COVID-19 pandemic, asked the independent Water Rate Board in February to boost rates by 17.6% in two steps, to \$78.45 a month. That initial r





Philadelphia’s finance department then recalculated the annual amount the water department would contribute to the city’s pension plan, reducing it by \$25 million a year. That savings allowed the water department to shrink its rate hike request.

The timing of the city’s recalculation seemed opportune, coming several weeks after Council members protested the water rate increase. But a city spokeswoman said the analysis of the allocation of city pension costs had been underway because of changing makeup of city employees before the water rate increase was announced.

“Because of that changing distribution of employees, we determined that it was appropriate to ask our actuary to analyze whether it made sense to change the allocation of pension costs among funds,” Joy Huertas, a city spokeswoman, said in an email.

Under a settlement negotiated between the city and consumer advocates, the rate increase approved in June by the Water Rate Board will generate \$57 million more a year for the water department in 2022, compared with \$14 million in the original request.

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The agreement includes an unusual caveat: Next year’s rate increase may go down if customers secure more federal pandemic relief support than anticipated, or if the department’s financial reserves exceed certain levels. The Water Rate board will revisit the rate decision next year. Under no circumstances will next year’s rate increase be greater than the agreed amount.

“We are very very pleased not just to be able to significantly reduce the projected bill impacts on residential and small commercial customers in Philadelphia, but also to be able to reach an agreement with the city that creatively resolves a lot of the questions that were raised in the case,” said Robert W. Ballenger, the head of the Community Legal Services energy unit, which acts as a consumer advocate in water rate cases.

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The Water Rate Board, which is chaired by retired Pennsylvania Consumer Advocate Irwin “Sonny” Popowsky, also approved an increase in the amount assessed on all water customers to pay for the city’s [Tiered Assistance Program](#), a novel plan the city launched in 2017 to provide low-income customers with discounted bills linked to household income. The program also allows the city to forgive debts of customers who stay current with the bill payments.

The cost to a typical residential customer not participating in the low-income assistance program will increase 21 cents per month to 89 cents, or slightly more than 1% of a customer’s bill.

The city [last increased water rates in 2018](#), when the water rate board allowed water bills to increase only about 1%



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generous policy than that which applies to state regulated utilities, which resumed service terminations in April of 2021.

Though residential water customers can't be shut off until next year, the city did resume assessing penalties for overdue water bills on May 1, and on Aug. 2 began referring the unpaid balances of customers who are not in assistance programs to collection agencies.

Published Aug. 31, 2021



Andrew Maykuth

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

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News





Philadelphia makes Target pay workers \$22,000 for violating city's Fair Workweek law

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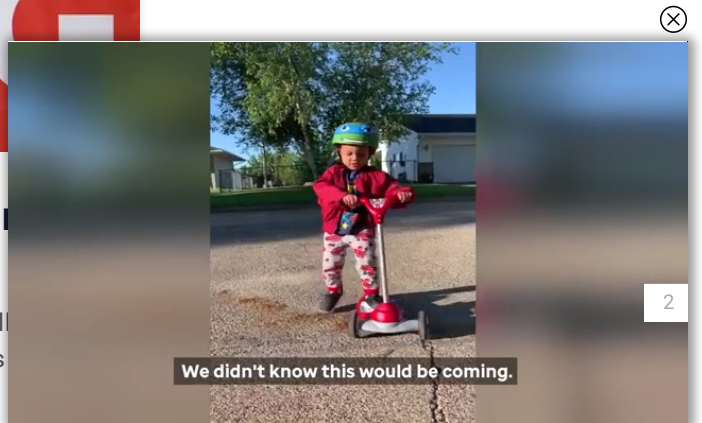
Juliana Feliciano Rey... 2 hours ago

Economy



U.S. unemployment claims reached a pandemic low of 340,000 last week

The pace of weekly applications for unemployment aid is still below historic standards. Before COVID-19 hit the United States in March 2020, the number averaged around 220,000 a week.





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Fishtown's Bottle Bar East agrees to pay workers \$520K in back wages, damages

The agreement comes after a federal investigators found the popular Fishtown bar/retailer had violated multiple requirements of the Fair Labor Standards Act.

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Education





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At least 3 dead from Ida in Philly region; storm brings extensive tornado damage and record flooding, with long cleanup expected

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Retail



Irish retailer Primark will open in Philly's Fashion District on Sept. 16

The new store at 11th and Market Streets will employ up to 350 people.

Erin Arvedlund Sep 1, 2021

News



We didn't know this would be coming.





to city offices.

Laura McCrystal Sep 1, 2021

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Healthcare



New Penn Medicine and Wharton fund will invest \$5M in firms that improve health of low-income Philadelphians

The Fund for Health's investment committee picked three companies because of their potential to have a significant impact on people's health and other factors.



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Horse deaths at Parx Racing are on pace to surpass 2019's fatalities

Thirty-one horses died at Parx during the first six months of the year.

Catherine Dunn and Craig R. ... Sep 1, 2021

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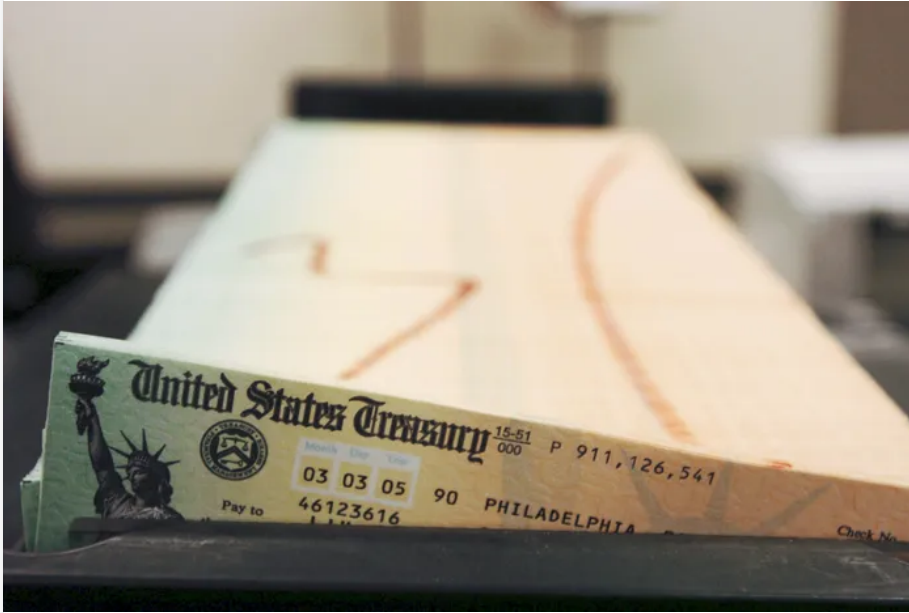


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Charlotte Keith and Bob Fern... Aug 31, 2021

National Politics



Social Security fund now expected to be depleted sooner, program's trustees say

Social Security and Medicare, the government's two biggest benefit programs, remain under intense financial pressure with the retirement of millions of baby boomers and a devastating pandemic putting increased pressures on the two programs' finances

Ricardo Alonso-Zaldivar and Martin Cru... Aug 31, 2021

Energy



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Solar projects are lining up in Pa. The dos and don'ts of leasing your land.

There's an urgent need to educate landowners before a wave of land agents with solar leases in hand come knocking, said Dan Brockett, a Penn State Extension educator.

Anya Litvack, Pittsburgh Post-... Aug 31, 2021

Megan Griffith-Greene
@griffithgreene



If you experienced a flood after #HurricaneIda, here's how to stay safe, and what to do first.
inquirer.com/philly-tips/fl... via [@phillyinquirer](https://twitter.com/phillyinquirer)



What to do after a flood in the Philly area

Grace Dickinson Aug 23, 2021

Residential Real Estate





U.S. home prices soared at a record pace in June

There are signs that the high prices are cooling sales a bit. Sales of existing homes rose 1.5% in July from a year earlier, a separate report showed last week.

Christopher Rugaber, The Associat... Aug 31, 2021

Home & Design



Renovation creates space to entertain beach in Ocean City

"The name of the house is Panacea, as in a cure for all ills," said owner Tom Londres of Moorestown, who works in commercial estate.

Terri Akman, For The Inqu... Aug 31, 2021



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Business owners can handle inflation by watching these 7 little-known metrics

You can't just take the world's biggest economy offline and then expect it to reboot without hiccups.

Gene Marks, For The Inqu... Aug 31, 2021

Business



Comcast Spectacor plans to sell share of venue management and concessions unit Spectra



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Business



How to get a Wawa gift card or cash if you were affected by the data breach

Here's what you need to know about the proposed settlement, including who qualifies for payment, how to request a gift card or cash, and whether this is a good deal for consumers.

Christian Hetrick Aug 30, 2021

Opinion





Why the lack of workers? Blame lack of child care, COVID illnesses, and the economy reopening all at once

Businesses will need to pay their workers more and improve productivity so they can continue to deliver their products and services using fewer workers. This includes offering hybrid and remote work.

Mark Zandi, For The Inquirer | Col... Aug 30, 2021

Opinion



Auction revives small vegetable farms in Chester County — and helps build Amish communities





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Business



Warby Parker plans IPO, looking to future growth in eyeglasses

Founded by two Wharton grads, the company's long-awaited public offering could happen this year. But it's not just about profits.

Erin Arvedlund Aug 28, 2021

Healthcare



2



home executives say Medicaid rates won't support it.

Harold Brubaker Aug 28, 2021

Business



GOPUFF DRIVERS ARE DEMANDING BETTER PAY AND WORK CONDITIONS

Complaints spilled into public view last month when Gopuff drivers released a petition with their demands.

Christian Hetrick Aug 28, 2021

National Politics





The Federal Reserve is on track to slow aid for the economy beginning later this year

Fed Chair Jerome Powell stressed that the Fed's tapering of its bond purchases does not signal that it plans soon to start raising its benchmark short-term rate.

Christopher Rugaber, The Associat... Aug 27, 2021

Opinion



2021 Volkswagen Golf shifts us back to better times

The 2021 Volkswagen Golf TSI will be discontinued after this year. So here's a chance to enjoy a last ride in a bare-bones manual stick shift and all.



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