

PWD EXHIBIT 2 SUMMARY FACT SHEET

On January 15, 2021, the Philadelphia Water Department (“Department” or “PWD”) filed a request with the Philadelphia Water, Sewer and Storm Water Rate Board (“Rate Board”) to increase water, sewer and stormwater rates and charges over two successive years, effective on September 1, 2021¹. The Department is requesting annual revenue increases to generate approximately \$48.864 million in FY 2022 and an additional \$31.543 million in a FY 2023 with proposed effective dates of September 1, 2021 and September 1, 2022, respectively.

If the Department’s request is approved, the total monthly bill for a residential customer using 5 hundred cubic feet (“ccf”) of water per month would increase by 11.6% on September 1, 2021 and an additional 5.3% on September 1, 2022. Non-residential increases vary widely based on meter size, the amount of water consumed and the gross and impervious areas of each parcel. A sample monthly bill for a small business customer with a 5/8-inch meter and using 6 ccf of water per month and having a 5,500 square foot lot with 4,000 square feet of impervious area will increase by 7.2% on September 1, 2021 and an additional 5.7% on September 1, 2022. Examples of changes in customer bills are shown below:

Customer Type	Current Typical Monthly Bill	Proposed Monthly Bill (Sept. 1, 2021)	Proposed Monthly Bill (Sept. 1, 2022)
Residential (5/8” meter, 500 cubic feet)	\$66.73	\$74.47	\$78.45
Senior Citizen with Discount (5/8” meter, 300 cubic feet)	\$38.43	\$42.94	\$45.13
Non-Residential (5/8” meter, 600 cubic feet)	\$112.13	\$120.24	\$127.03

The Department is requesting rate relief because it needs additional revenues to: address changes in consumption patterns and collection rates, replenish the Department’s depleted financial reserves, maintain existing service levels and fund its ongoing capital improvement program. Absent relief, the Department’s financial results would deteriorate. This would jeopardize the Department’s ability to appropriately invest in critical infrastructure improvements related to water and wastewater treatment plant upgrades, clean water storage tanks, pumping stations, and water main and sewer replacements, as necessary to maintain system reliability and customer service levels.

The Department has filed the proposed new rates and charges with the Rate Board, together with written statements of witnesses and numerous schedules and exhibits containing the supporting data required by the Board’s regulations. Such documentation includes the financial, engineering and other data upon which the proposed rates and charges are based and evidence demonstrating that such rates and charges: (i) were developed in accordance with sound utility ratemaking practices; (ii) are consistent with current industry standards for such rates and charges; and (iii) are consistent with the Department’s bond covenants and other legal requirements.

The proposed rates and charges and the supporting documentation may be viewed by visiting the Rate Board’s website at: <https://beta.phila.gov/departments/water-sewer-storm-water-rate-board/>.

¹ PWD previously filed a request in February 2020 but withdrew it in light of the COVID-19 pandemic. As a result, the Department relied on reserves, temporary budget cuts and delayed construction projects to manage through the end of FY 2020 and through FY 2021.