

For Immediate Release:

**City's Water Commissioner Announces
New Rates To Take Effect In August**

Philadelphia Water Commissioner Bernard Brunwasser today announced new rates and charges for water and sewer services that will take effect August 1. According to Commissioner Brunwasser, the new rates and charges will enable the Philadelphia Water Department (PWD) to meet its obligations under the City Charter of having a balanced budget for the next three years.

The last rate increase of 12.8 percent went into effect on February 1, 2005.

The new rates and charges are the result of a careful review and hearing process.

For the typical PWD residential customer, today's rate revision means an increase of 1.9 percent, or a \$0.88 monthly increase starting August 1, 2005; 6.7 percent or a \$3.20 monthly increase starting July 1, 2006; 4.2 percent or a \$2.14 monthly increase starting July 1, 2007. The increase for a typical senior citizen household is an average of 4.2 percent annually for three years.

Some commercial customers will see slightly different rate increases due to varying increases in the cost of service for water and wastewater and stormwater collection, treatment, and disposal costs.

This decision is a culmination of a process that began in January 2004 with the announcement of the proposed rate increase to City Council. In December 2004, PWD filed revised rate regulations with the Department of Records. Then Mayor Street, in conjunction with City Council President Verna and City Controller Saidel, appointed a Public Advocate and an Independent Hearing Officer. Formal and informal discovery periods followed during January 2005 through March 2005. In March and April the Hearing Officer held three technical and five public hearings to give the public an opportunity to express its opinion. In May and June, initial and reply briefs were submitted to the Hearing Officer for his review. Finally, on June 17th, the Hearing Officer delivered his report to the Water Commissioner. The following week, the formal parties to the hearing filed exceptions to the Hearing Officer's report, which assisted the commissioner in making his decision on the new rates announced today.

For more details of the Water Commissioner's rate decision, see the attached report.

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