



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 120276

Introduced April 12, 2012

**Councilmembers Henon, Green, Quiñones Sánchez, Goode, Kenney,
Jones, Blackwell, Greenlee, Oh, O'Brien, Squilla, Johnson, Council
President Clarke and Councilmember O'Neill**

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Title 13 of The Philadelphia Code, entitled "Water and Sewer," by amending Section 13-201, which provides standards for the setting of sewer rates and charges, by further providing with respect to standards for the setting of stormwater rates and charges, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 13 of The Philadelphia Code is hereby amended to read as follows:

TITLE 13. WATER AND SEWER

* * *

CHAPTER 13-200. SEWER RATES

§ 13-201. Standards.

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(2) Standards for Rates and Charges. Pursuant to Section 5-801 of the Charter, the Water Department shall fix and regulate rates and charges for supplying sewage disposal services, without further authorization of Council, in accordance with the following standards:

City of Philadelphia

BILL NO. 120276 continued

(a) The rates and charges shall be such as shall yield to the City at least an amount equal to operating expenses, including interest and sinking fund charges on all obligations of the City in respect of the sewer system, and, in respect of water and sewer revenue obligations of the City, such additional amounts as, together with additional amounts charged in respect of the City's water system, may be required to comply with any rate covenant and sinking fund reserve requirements approved by ordinance of Council in connection with the authorization or issuance of water and sewer revenue bonds, and proportionate charges for all services performed for the Water Department by all officers, departments, boards or commissions of the City.

(b) The rates and charges shall yield not more than the total appropriation from the Sewer Fund to the Water Department and all other departments, boards or commissions, plus a reasonable sum to cover unforeseeable or unusual expenses or diminutions in expected revenue, less the cost of supplying sewage disposal service to City facilities and, in addition, such amounts as, together with additional amounts charged in respect of the City's water system, shall be required to comply with any rate covenant and sinking fund reserve requirements approved by ordinance of Council in connection with the authorization or issuance of water and sewer bonds. Such rates and charges may provide for sufficient revenue to stabilize them over a reasonable number of years.

(c) The rates and charges shall be equitably apportioned among the various classes of consumers.

(d) The rates and charges shall be just, reasonable and nondiscriminatory as to the same class of consumers.

(.1) Stormwater. In setting rates and charges for the recovery of costs associated with stormwater, the Department shall distribute no less than ___ percent of the total cost so that all customers within each class pay the same base amount, provided that different classes may have different base amounts. With respect to each class, the Department may distribute the balance of the total cost, if any, pursuant to a property-based formula that reflects the actual additional burden on the sewer system over and above the burden reflected in the base amount. The formula shall include, and the calculation of the base amount for each class shall take into account, a "circuit-breaker" component such that the total charge on any property shall not exceed ___ percent of the amount that would have been due by application to the property of the rates and charges in effect on June 30, 2010.

(.a) The stormwater standard set forth herein shall take effect 90 days after the enactment of this Ordinance. Accordingly, the Department shall expeditiously develop stormwater rates and charges that are consistent with this standard, prepare to suspend stormwater rates and charges not consistent with this

City of Philadelphia

BILL NO. 120276 continued

standard as of the effective date of the standard, and, to the fullest extent possible, take this standard into account in revising its rate proposal submitted to the Council on February 3, 2012 and any changes in stormwater rates and charges adopted pursuant thereto.

(.b) No change in stormwater rates and charges first proposed after January 1, 2013 shall take effect unless the Department shall have first secured from the City's Department of Commerce an Economic Impact Statement ("Statement"). The Statement shall describe the likely impact that such proposed change will have on residential, commercial and industrial customers currently owning property in the City, and shall include an analysis of the likely effect of the proposed change on the City's ability to retain and attract commercial and industrial firms. The Statement shall be made a part of the Department's official submission to Council of any proposed increase in stormwater rates and charges. Upon making such a submission, the Department shall simultaneously publish the Statement as a separate document on its website and on the Commerce Department's website, along with an explanation of how affected customers may participate in the rate proposal process. Any published notice of the rate proposal shall explicitly refer to the Statement and shall provide the Statement's website address.

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Explanation:

Italics indicate new matter added.

City of Philadelphia

BILL NO. 120276 continued