

CITY OF PHILADELPHIA

Tiered Assistance Program (TAP)

A photograph of the Philadelphia skyline at dusk, featuring prominent skyscrapers like the Comcast Center and the Comcast Tower. In the foreground, a concrete walkway with a metal railing runs along a canal or river, with trees and streetlights visible. The sky is a deep blue.

PHILADELPHIA
WATER
— DEPARTMENT —

PWD is a Cost of Service Utility

“Cost-of-service” is a process by which total system revenue requirements are allocated to users of the system in proportion to services received.

These principles include:

- Recognize differences in customer characteristics
- Establish *reasonable nexus* between fees charged and costs incurred in providing service
- Meet Regulatory Requirements
- Establish basis for reasonable and defensible rates
- Cost Based Rates Provide Sufficient Funding to all Utilities to Build, Operate, Maintain and Reinvest in their Systems. (AWWA M1 Manual)

Assistance has always been available for those who need it.

Pre-TAP Assistance Programs Summary

Senior Citizen Discount	Homeowners Emergency Loan Program (HELP)
Charitable Organization Discount	Conservation Assistance Program (CAP)
Water Revenue Assistance Program (WRAP)	Cross Connection Abatement Program
Utility Emergency Services Fund (UESF)	Basement Protection Program (BPP)

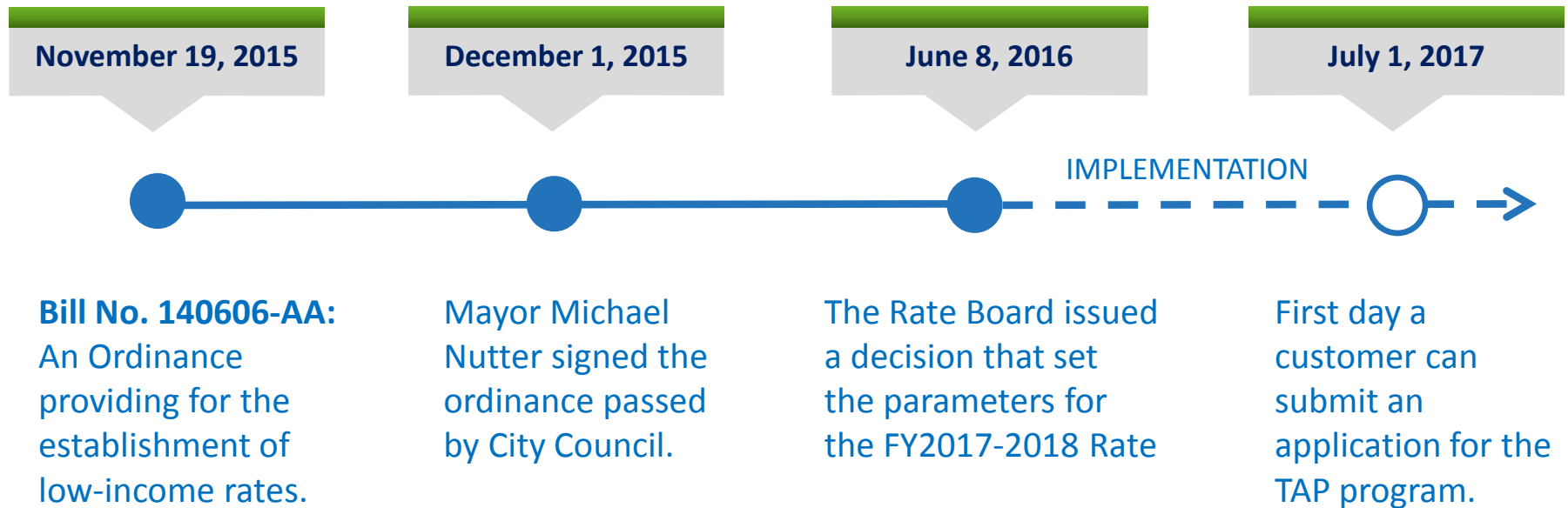


Approximate total of all assistance programs in fiscal year 2017:

Over \$34 million

The Road to Tiered Assistance Program (TAP)

A City Council Ordinance and Water, Sewer and Storm Water Rate Board Decision requires the establishment of an assistance program that allows low-income customers to pay reduced rates based upon a percentage of their household income.



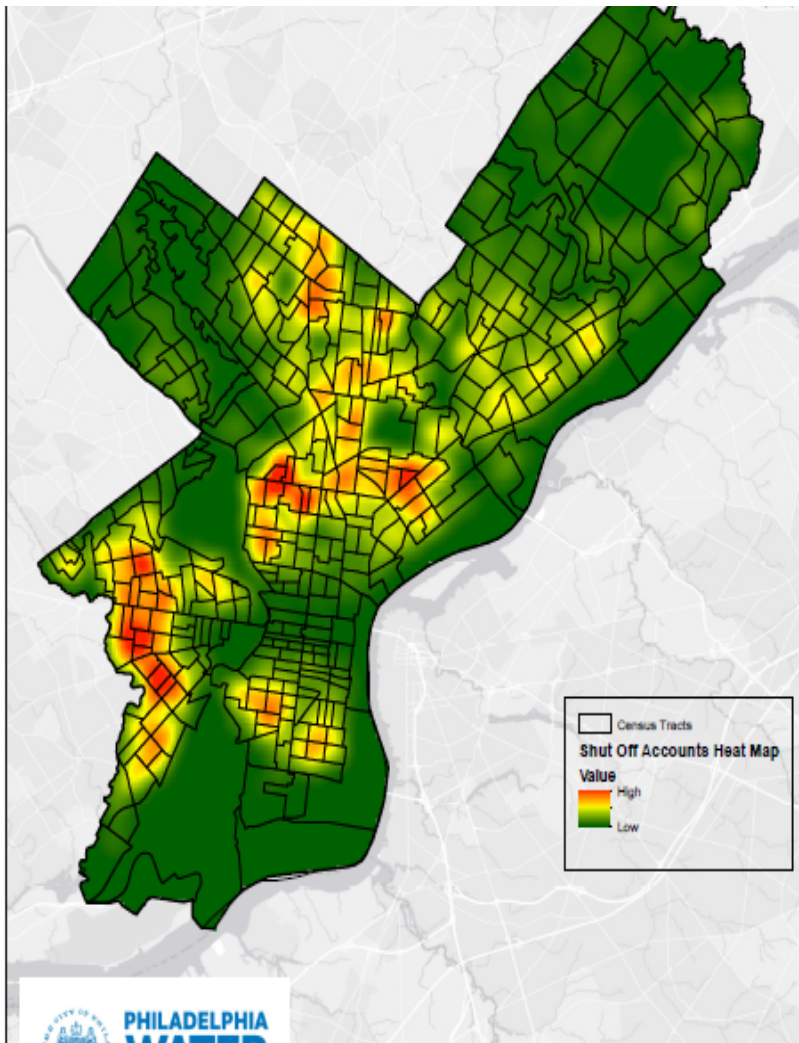
What is Different About TAP?

- **Monthly bills based on income which can range from 2-4% of a customer's total household income. Lowest income bracket may have a minimum bill of \$12 per month.**
- **Customers do not have to be delinquent or behind on their bill to enter the program. This allows us to be proactive with assistance as opposed to reactive.**
- **Program is income-based and not a payment agreement, making bills more predictable and affordable.**
- **Bills do not go up based on usage. Customers pay a set amount.**
- **Customers who may have a higher income, but have experienced a hardship, such as a loss of job, death of primary wage earner or serious illness, may still be eligible.**
- **Past due amounts are suspended and not enforced upon while successfully enrolled in the program, preventing debt from increasing.**
- **Earned forgiveness of prior penalties after 24 months of on-time payments**

Top TAP Messages

- **If you're struggling to pay your water bill, don't wait until it's overdue to take action.** PWD/WRB offers a variety of billing assistance programs to help you maintain water, sewer and stormwater services for your home.
- **You do not need to be delinquent** as this program is designed to keep customers in good standing with continued access to water and sewer services.
- **Eligible customers will pay a percentage of their bill based on their income.** Customers in the lowest income bracket will pay a bill equivalent to 2% of their monthly income for a minimum of \$12/month. Bill is capped as a percentage of income and is constant each month.
- **Outstanding balances accrued prior to TAP enrollment are put on hold.**
- **Earned forgiveness of prior penalties after 24 months of on-time payments.**

TAP Goals and Statistics at a Glance



- **Program Goals:**
 - An affordable monthly bill
 - Protection against shut off
 - Encouragement for timely payments
- **40,000 residential properties in shut off status as of April 30, 2018**
- **Philadelphia poverty rate 26% of the population**
- **Estimated Revenue Impact of New Program was \$18 million for FY18. Actual cost much lower in the first year of the program**
- **Implementation Costs approximately \$2 million**

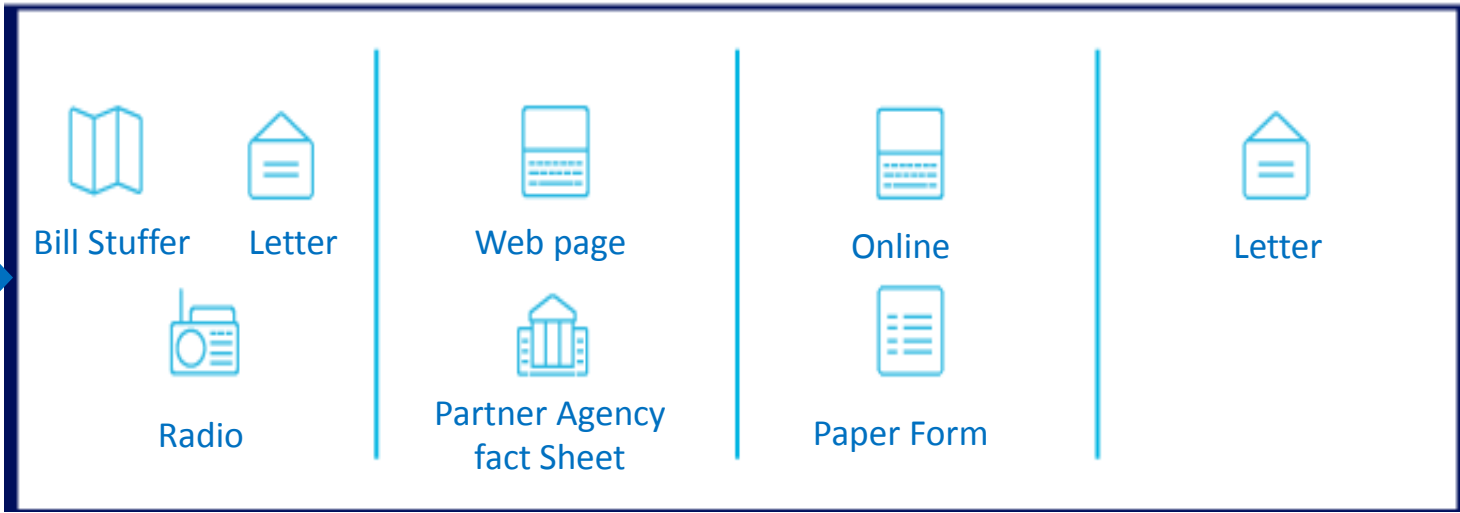
Eligibility by Income at a Glance

Income 0-50% FPL	Income 51-100% FPL	Income 101-150% FPL	Income \geq 151% FPL & Special Hardship	Income 151-250% FPL
<p>Monthly bill capped at 2% of monthly income</p> <p>No payments toward arrears required</p>	<p>Monthly bill capped at 2.5% of monthly income</p> <p>No payments toward arrears required</p>	<p>Monthly bill capped at 3% of monthly income</p> <p>No payments toward arrears required</p>	<p>Monthly bill capped at 4% of monthly income</p> <p>No payments toward arrears required</p>	<p>Monthly payments toward arrears set so that total monthly bill is about 4% of monthly income</p>

Using Customer Journey to Define Communications Scope



Sample Comm. Scope Items



Framework to unify communications across channels and across partners at every stage.

Customer Stories: Promoting eligibility and benefits

In Philadelphia,
we estimate
approximately
60,000 customers
are now eligible for
assistance.



*Amanda's household
of 5 people
could lower their
monthly bill from
\$89 to \$58.*

Sample amounts shown.
Savings amounts will vary based on
individual customers' information.

Based on \$28,000 annual household income,
with customer water usage history of 8 CCF/month.



*Hector, a senior
with some unpaid
bills, could lower his
monthly bill from
\$72 to \$33.*

Based on primary account holder 65+ yrs, \$16,000 annual household
income, with customer water usage history of 6 CCF/month, and
\$200 arrears w/payment charges of \$16.67/month.

Pre-Launch Informational Campaign

New ways to get help with your water bill
 Having a hard time paying your water bill? Philadelphia is helping more people get lower bills.

What's new?

- Expanded eligibility through the new Tiered Assistance Program (TAP)
- You don't need to be behind on your bill to apply for help—so don't wait for a shutoff!
- One application to find the best program for you
- Get a more predictable bill every month making it easier to budget and plan
- More ways to apply: online, in-person and by mail
- We get the process started for you by filling in your customer information when you request the application

Who should apply?
 If you are having trouble paying your water bill, fill out our one-stop application. We have assistance for people with lower incomes or those experiencing special hardships. We also have senior discounts and other ways to help. If we have a program that can help, we'll let you know and help you get signed up!

In Philadelphia, we estimate approximately 60,000 customers are now eligible for assistance.

Amanda's household of 5 people could lower their monthly bill from \$89 to \$58.

Hector is a senior with some unpaid bills. He and his wife could lower their monthly bill from \$72 to \$33.

Based on an annual household income of \$24,000 and a household size of 5 people, Amanda's household could save up to \$31 per month on their water bill.

Based on an annual household income of \$18,000 and a household size of 2 people, Hector's household could save up to \$39 per month on their water bill.

WATER
 Sign up now to be notified when the new customer assistance application is available in July 2017!

Enter your contact information at www.phila.gov/water-bill-help

TIP: For the application, you'll need to show proof of monthly income for all members of your household. Be prepared to submit a month's worth of your household's most recent pay stubs, or the previous year's tax returns. Gather copies of that info ahead of time so you're ready to fill out the form.

A full checklist of required documents will be posted at www.phila.gov/water-bill-help.

PHILADELPHIA WATER DEPARTMENT OF PHILADELPHIA WATER REVENUE BUREAU

¿Tiene problemas con su factura de agua?

Filadelfia se está preparando para ayudar a que más personas reciban facturas con montos más bajos.

¿CUÁLES SON LAS NOVEDADES?

- Principio de la elegibilidad a través del nuevo Tiersed Asistancia Program (Programa de Asistencia en Nivelos, TAP)
- No es necesario que se atrasen en el pago de su factura para solicitar la asistencia, así que no espere a que le corten el servicio
- Una aplicación para encontrar el mejor programa
- Reciba una factura más predecible cada mes, facilitando la elaboración de presupuestos y planes
- Más vías para aplicar: en línea, personalmente y por correo
- Mejores descuentos al pagar por adelantado llenando la planilla de información del cliente cuando solicita una aplicación

¿QUIÉN PUEDE SOLICITAR AYUDA?

Puede solicitar ayuda cualquier persona que tenga problemas para pagar su factura de servicio de agua. Ayudamos a personas con ingresos más bajos o personas de la tercera edad y otras maneras de ayudar. Si contamos con un programa que pueda ayudar, ¡nos lo informaremos y lo ayudaremos a inscribirse en él!

En Filadelfia, se estima que unos **60,000 clientes** son elegibles en este momento para la asistencia.

El grupo familiar de **Amanda**, integrado por 5 personas, podría reducir su factura mensual de **\$89 a \$58**.

Héctor, un señor de la tercera edad con algunas facturas impagas, podría reducir su factura mensual de **\$72 a \$33**.

SIGUIENTE PASO
 Inscríbese ahora para que le avisen cuando la nueva aplicación esté disponible en julio de 2017:
www.phila.gov/water-bill-help

PHILADELPHIA WATER DEPARTMENT OF PHILADELPHIA WATER REVENUE BUREAU

- Flyers
- Poster
- Website
- Advisory Com. (UESF, CLS, ECA, Drexel Center for Hunger Free Communities)
- Town Hall and Public Meetings
- City Council Constituent Staff with UESF
- Stakeholder Trainings

CALL TO ACTION:
Sign up for notification and more info

Post-Launch Promotional Campaign



SEPTA Campaign

Timeframe: Mid-July to end of August; Post Labor Day till mid-October

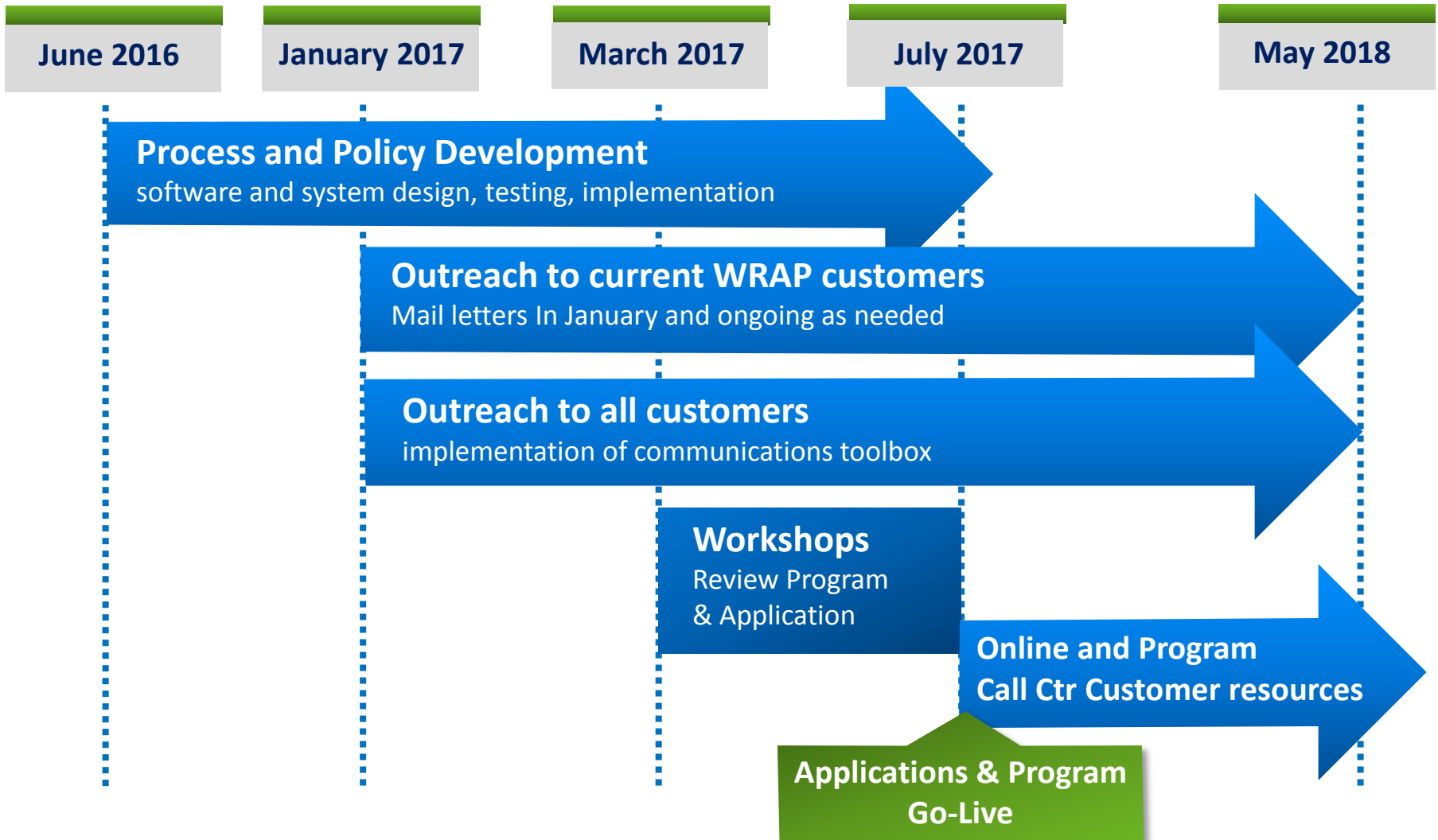
Ads:

- Radio
- Interior subway ads
- Buses (interior/exterior)
- Subway platform ads

CALL TO ACTION:

Apply and we'll find the best program for you

Implementation Timeline:



Questions?

Thank you!