



July 31, 2020

NOTICE OF PROPOSED RATE CHANGES

TO OUR CUSTOMERS:

The City of Bethlehem is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your water rates as of September 29, 2020. This notice describes the City's rate request, the PUC's role, and what actions you can take.

The City of Bethlehem has requested an overall rate increase of \$908,421 per year. If the City's entire request is approved, the total bill for a residential customer using 12,000 gallons per quarter with a 5/8-inch meter would increase from \$75.94 to \$85.55 per quarter or by 12.7%.

The total bill for a commercial customer using 65,000 gallons per month with a 2-inch meter would increase from \$301.93 to \$349.57 per month or by 15.8%.

Rates for an industrial customer using 228,000 gallons per month with a 1 1/2-inch meter would increase from \$812.96 to \$980.09 per month or by 20.6%.

To find out your customer class or how the requested increase may affect your water bill, contact the City of Bethlehem at (610) 865-7070. The rates requested by the City may be found in Supplement No. 15 to Tariff Water-Pa. P.U.C. No. 6. You may examine the material filed with the PUC which explains the requested increase and the reasons for it. A copy of this material is kept at the City of Bethlehem's office and also can be accessed via the City's website at <https://www.bethlehem-pa.gov/>. Upon request, the City will send you the Statement of Reasons for Supplement No. 15 to Tariff Water-Pa. P.U.C. No. 6, explaining why the rate increase has been requested.

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The City must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the City and shown above.

There are three ways to challenge the City's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before September 29, 2020. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
2. You can send us a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes us aware of problems with the City's service or management. This information can be helpful when we investigate the rate request.

Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, P.O. Box 3265, Harrisburg, PA 17105-3265.

3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the City's rate increase request and if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and the City representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the City.

Edward J. Boscola, PE
Director, Water and Sewer Resources
City of Bethlehem