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June 3, 2020

The Honorable Gladys Brown, Chair Pennsylvania Public Utility Commission Keystone Building 400 North Street Harrisburg, PA 17120

Dear Chairman Brown,

Philadelphia cannot afford any rate increase at this time. The COVID-19 pandemic has forced everyone to recognize just how deep poverty is in Philadelphia and how easily moderate income families can slip into it. While there are programs to assist the city's most vulnerable, there are thousands of people who survive on tight margins and the slightest increase in living costs could send them over the edge. I certainly understand PGW's desire to modernize its infrastructure and maintain sufficient cash reserves to meet its financial obligations. However, the people of Philadelphia are struggling to meet their own financial obligations during this unprecedented time. PGW passes its operating costs to ratepayers, but ratepayers cannot presently afford the cost of expansion. Instead, I submit that PGW must seek an alternative approach that allows it to continue its work without further destabilizing Philadelphia's fragile workforce.

PGW is requesting an increase in its annual base rate operating revenues of \$70 million, or 10.3% percent on a total revenue basis. This represents a significant increase in utility costs for constituents that consistently contact my office in dire straits. And, beyond that, we cannot definitively tell ratepayers the percentage by which their bills will actually increase. All we know is that the fixed monthly cost would increase from \$13.75 to \$19.25, a 40% increase, and would leave moderate income families with a difficult decision to make regarding their most basic needs.

The Pennsylvania Consumer Advocate, authorized to represent the interests of consumers before the Public Utility Commission in matters involving PGW, has studied this matter and concluded that the proposed changes would result in unjust and unreasonable rates. This situation would violate 66 Pa. C.S. §§1301, *et seq.* and 2212. The Consumer Advocate has also alleged that PGW's proposed base rates may be excessive, discriminatory or otherwise contrary to the Public Utility Code. My request is that you reject any increase or change in PGW's rates that is unjust, unreasonable, unduly discriminatory or inconsistent with the Public Utility Code, sound ratemaking principles, and public policy. To permit anything contrary would be unconscionable.

Thank you for your attention in this important matter.

Sincerely,

Senator Anthony H. Williams

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