

DEP Proposes FY 2019 Water Rate, Announces Rate Hearing Schedule

The New York City Department of Environmental Protection (DEP) today proposed a 2.36% increase in the Fiscal Year 2019 (FY19) water rate to the New York City Water Board. Highlights of the proposal include:

- A 2.36% proposed increase to help fund critical drinking water and wastewater projects as part of DEP’s Fiscal Year 2019 ten-year capital budget of \$19.1 billion
- Typical customer would see a monthly increase of \$1.35 - \$2.17; As many as 65,000 low-income, senior, and disabled customers to receive financial assistance
- Minimum charge to be frozen for the fifth consecutive year at \$1.27 per day, resulting in roughly 25% of all single-family homeowners, many of whom are seniors, seeing no rate increase

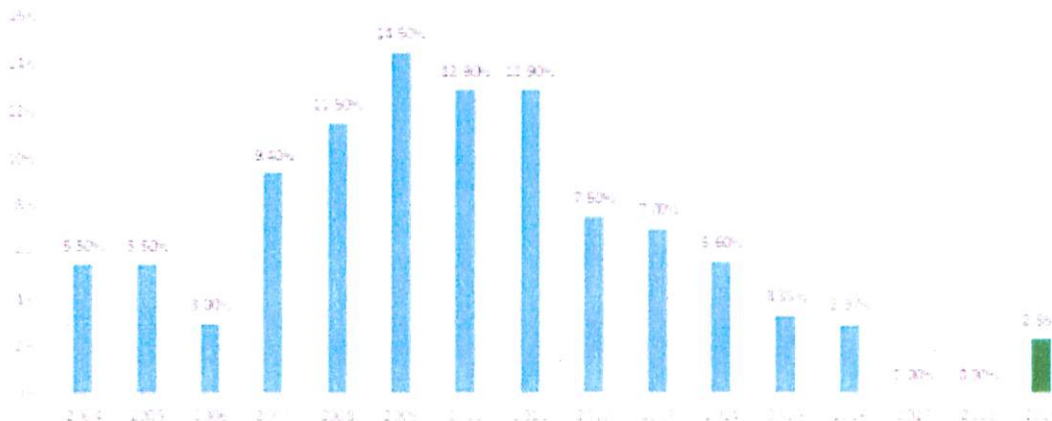
More details on the proposed rate increase and the schedule of rate hearings follow below. Please help us spread the word to your constituents, and let us know if you have any questions.

Thank you,

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FY19 Water Rate Proposal:

The proposal, if approved by the Water Board, would represent the first rate change since Fiscal Year 2016. The proposal maintains existing affordability programs for low-income homeowners and multi-family housing properties that are expected to benefit as many as 65,000 customers and 40,000 units, respectively. In addition, the proposal recommends freezing the minimum charge at \$1.27 per day for the fifth consecutive year for those customers who use fewer than 95 gallons per day.



What The Proposed Rate would mean for an average customer:

If the 2.36% water rate increase is adopted by the Board:

A typical single-family homeowner will see an increase from \$1,055/year to \$1,081/year for water and sewer bills – an increase of \$2.17/month (based on an average consumption of 80,000 gallons of water per year).

A typical multi-family unit with metered billing will see an increase from \$686/year/unit to \$702/year/unit – an increase of \$1.35/month (based on an average consumption of 52,000 gallons of water per year).

Continuing Emphasis On Affordability:

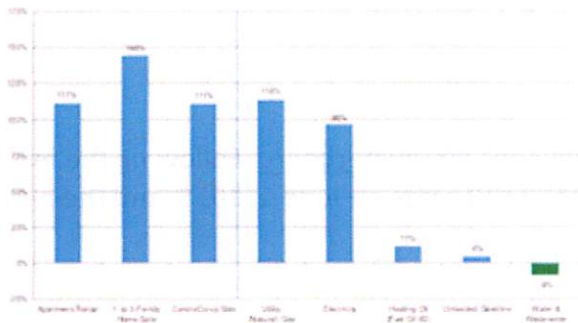
DEP is focused on maintaining a package of rates and billing policies that keep rates at a reasonable level for customers facing affordability challenges. A number of billing policies emphasizing rate affordability are expected to be reauthorized for FY19:

- **The Home Water Assistance Program** provides a bill credit of \$115 to 65,000 low income households. Income verification is performed by other governmental agencies, and eligible property lists are provided to DEP and the Water Board – customers do not need to apply or take other action to receive the credit. The program was first introduced for FY 2015, and is expected to be reauthorized for FY19.
- **The Multifamily Water Assistance Program** provides a bill credit of \$250 per affordable residential unit to up to 40,000 units located in multifamily properties with at least fifteen years remaining on a rental affordability agreement with either the NYC Department of Housing Preservation and Development or the NYC Housing Development Corporation. The program was first implemented for FY 2018, and is expected to be reauthorized for FY19. One program modification is expected in FY19, which would involve allocating credits to applicants based on a ranking that assigns preference to the most affordable units, based on area median income, rather than on a first-come, first-served basis.
- **Freezing the minimum charge.** Customers who use less than 95 gallons per day are billed at the minimum water charge of \$1.27 per day, including wastewater charges. DEP proposes to freeze the minimum charge for the fifth consecutive year at the FY 2014 rate, benefitting many single family homeowners, including many seniors citizens. For customers billed based on the minimum charge, the annual water and sewer bill is \$464 per year.

In addition, Mayor de Blasio is not requesting a Rental Payment from the water system for FY19.

NYC water rates are below the average of large U.S. cities

While other costs in NYC are higher for residents, NYC water rates are below the average for the thirty largest U.S. cities, and NYC’s relative affordability compared to the thirty largest cities continues to improve, based on 2017 cost data.



	New York City	30 Large City Average	NYC vs. Average
2013	\$939	\$943	-0.4%
2014	\$992	\$987	0.5%
2015	\$1,025	\$1,048	-2.2%
2016	\$1,055	\$1,101	-4.2%
2017	\$1,055	\$1,156	-8.7%
2018	\$1,081	\$1,205	-10.4%

Rate Hearing Schedule

The Water Board is responsible for considering and adopting water and wastewater rates following the proposal and subsequent public hearings. The New York City Water Board has scheduled five public hearings for the upcoming FY19 water rate proposal:

Brooklyn

Monday, May 21 at 7:00 p.m.
 St. Francis College, Founders Hall
 180 Remsen Street

Queens

Tuesday, May 22 at 7:00 p.m.
 John F. Kennedy, Jr. School (P721Q)
 57-12 94th Street

Bronx

Tuesday, May 29 at 7:00 p.m.
 Hostos Community College, Savoy Building, 2nd Floor
 120 East 149th Street

Staten Island

Wednesday, May 30 at 7:00 p.m.

Joan & Alan Bernikow Jewish Community Center
1466 Manor Road

Manhattan

Thursday, May 31 at 10:00 a.m.

22 Reade Street

Spector Hall, 1st Floor

Information on the hearings can also be found by visiting www.nyc.gov/waterboard. Following the five public hearings, the Water Board will consider and vote on the FY19 rates on June 1, 2018, and the new rates will become effective on July 1, 2018.