

City of Lancaster – Bureau of Water
Filing of Rate Increase for Water Service to Properties Outside of the City

FREQUENTLY ASKED QUESTIONS

Q. 1.: Why is the City increasing my water rates?

There are several reasons that Lancaster determined that a request for a rate increase was necessary to recover the cost of water services provides to customers located outside the City’s municipal boundaries.

The City’s last rate increase for water customers outside of the City was in 2021. Since then, the City has made significant capital improvements in the overall water system and has filed for a rate increase in part to cover the cost of these capital improvements.

Second, Lancaster seeks to recover a more reasonable rate of return on its investment in its water system than are being recovered under current rates.

Third, it has been approximately four (4) years since Lancaster’s rates for customers outside of the City have been increased. During that period, Lancaster has experienced many increased costs associated with operating the water system, including costs for employee salaries and wages, employee benefits, insurance, treatment chemicals, testing, other operating expenses, and debt service. Lancaster seeks to recover those increases in costs through proper rates established to recover the actual costs expended in providing water services to its customers located outside of the City’s municipal boundaries.

Finally, Lancaster seeks to promote the financial integrity of the water system and to place it on more sound financial footing, from the perspective of both present operations and future needs, including consideration by lenders of the water system’s internal financial conditions for future borrowings, which will be necessary to fund capital additions and improvements.

Q. 2.: Who will be affected by this rate increase?

A: This specific filing applies only to City of Lancaster Water customers whose properties are outside of the City limits. Rates for these customers must be approved by the Pennsylvania Public Utility Commission (PUC). The City’s rate increase filing with the PUC is the first step in this rate approval process. This increase is proposed to take effect on November 29, 2025. It is likely that the PUC will take action to review the City’s rate increase request that will result in any rate increase going into effect later than the proposed effective date of November 29, 2025.

Q. 3.: I live inside the City. Will my water rate increase also?

A: No, the City’s inside rates were previously increased and no additional increases are currently proposed.

Q. 4: I live outside of the City. How much can I expect to pay if the City’s rate request is approved?

A: Water bills can vary greatly from customer to customer and are based on a customer’s metered water usage. An average residential household using 4,500 gallons of water per month with a 5/8-inch meter will see their monthly water bill increase from \$29.53 to \$38.32.

Even with the proposed rate increase, the cost of City water service will remain at a reasonable rate for our customers when compared to comparable water services provided throughout Lancaster County.

Commercial and industrial water customers will also see an increase in their water bills. More information about the impact of the proposed rate increase on these customers can be found in the City’s [Notice of Proposed Rate Changes](#) and in the City’s revised water tariff at [Supplement No. 49 to Tariff Water-Pa. P.U.C. No. 6](#).

Q. 5.: How do the City’s proposed rates compare to other water rates in Lancaster County?

A: Below is a chart showing the rates for residential water service in various Lancaster County communities. The rates shown in this chart are based on a residential property using 13,000 gallons/quarter.

Lancaster County Water Rate Survey

Water Rate Survey	
Usage = 13,000 Gallons/Quarter	
Aqua American (PA) (Rate Zone 3)	\$297.67
Aqua American (PA) (Rate Zone 1 & 2)	\$299.29
PA American Water (Current) - Not including DSIC	\$300.42
York Water Company (Repumped)	\$242.67
Etown Borough, Mount Joy Twp & West Donegal Twp.	\$144.38
East Petersburg	\$136.25
Columbia Water Company (Columbia district)	\$138.20
Lancaster City Inside	\$116.22
Mount Joy Borough	\$129.61
York Water Company (Gravity)	\$170.33
East Earl Township	\$110.15
Denver Borough	\$107.25
Columbia Water Company (Marietta district)	\$138.20

Lancaster City Outside (Proposed)	\$112.00
Penn Township	\$121.95
Ephrata	\$102.18
Warwick Township	\$90.36
New Holland Borough	\$71.49
Lititz Borough	\$43.73

The rates for the above authorities and municipalities are based on their 2025 rates.

6.: How can I find out more about the City’s rate filing?

A: More detail about the rate increase filing is included in a document titled [Supplement No. 49 to Tariff Water-Pa. P.U.C. No. 6](#). This document provides detailed information about the proposed rates, including customer and consumption charges. The Tariff also provides rules and regulations for, among other things, dealing with disputed accounts and discontinuance of service.

For more detailed information on your rights relating to the City’s filing, please refer to the City’s [Notice of Proposed Rate Changes](#). One can also contact the City of Lancaster’s Customer Service office at (717) 735-3425 or go to the City Treasury office to view a copy of the filing.