

YOUR DC WATER BILL

WHAT'S NEW? WHAT CHANGES CAN YOU EXPECT IN THE FUTURE?

AOBA UTILITY COMMITTEE PRESENTATION

April 10, 2012

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CURRENT AND PROPOSED FY 2013 DC WATER RATES

DC WATER RATES		
Rate Class	Current Rates	Proposed FY 2013 Rates (Effective 10/1/2012 if adopted by the DC Water Board of Directors)
Water Rate	\$3.24/one hundred cubic feet (Ccf)	\$3.45/Ccf
Sewer Rate	\$3.96/Ccf	\$4.22/Ccf
Impervious Surface Area Charge	\$6.64/month or ERU	\$9.73/month or ERU
Right of Way (ROW)/ Payment In Lieu of Taxes Fee (PILOT)	<p style="text-align: center;">\$0.64/Ccf</p> <p style="text-align: center;">Divided as follows:</p> <p style="text-align: center;"><u>ROW</u> \$.15/Ccf</p> <p style="text-align: center;"><u>PILOT</u> \$.49/Ccf</p>	<p style="text-align: center;">\$0.68/Ccf</p> <p style="text-align: center;">Divided as follows:</p> <p style="text-align: center;"><u>ROW</u> \$.16/Ccf</p> <p style="text-align: center;"><u>PILOT</u> \$.52/Ccf</p>
Stormwater fee	\$2.67	No change proposed by the DC Department of the Environment (DDOE) this year.

Source: DC Water February 17, 2012 Notice of Proposed Rulemaking on FY 2013 Rates; 21 DCMR 112.8; 21 DCMR 4100.3, 21 DCMR 4101.1.

DC WATER RATES CONTINUED

Current Customer Metering Fee:
Monthly fees for installing, operating, and maintaining meters.

METER SIZE (INCHES)	MONTHLY FEE PER METER
5/8"	\$3.86
3/4"	\$4.06
1	\$4.56
1x1.25	\$4.83
1.5	\$6.88
1x1.5	\$6.88
2	\$7.54
2x1/2	\$8.00
2x5/8	\$8.00
3	\$76.98
3x5/8	\$77.94
3x1	\$77.94
3x3/4	\$77.94
4	\$137.37
4x3/4	\$138.15
4x1	\$138.15
4x1.5	\$138.15
4x2	\$138.15
4x2"5/8	\$181.04
6	\$268.14
6 x 1	\$272.70
6 x 1 x 1/2	\$323.09
6x1.5	\$323.09
6x3	\$323.09
6x3x1/2	\$323.09
6x3"3/4	\$323.09
8	\$323.29
8x2	\$323.29
8x4x1	\$358.26
8x4"3/4	\$358.26
10	\$317.91
10x2	\$403.62
10x6	\$403.62
10x6x1	\$403.62
12	\$329.66
12x6	\$329.66
16	\$349.45

PROPOSED CHANGES TO BILLING CYCLE FOR IMPERVIOUS ONLY PROPERTIES

DC Water issued proposed rules on February 10, 2012 to change the billing cycle for properties that do not currently have metered water/sewer service.

Currently, impervious only properties (IO) properties with more than 25 ERUs are billed monthly; those with less than 25 are billed every six months.

Beginning October 1, DC Water is proposing to bill IO properties with **three** or more ERUs monthly and those with less every six months.

See: DC Water February 10, 2012 Notice of Proposed Rulemaking for Impervious Only Properties.

DC WATER PRETREATMENT FEES

CURRENT PRETREATMENT FEES Waste Hauling - Annual Fee per Vehicle Effective October 1, 2011

Vehicles 0 - 49 gallons	\$160.00
Vehicles 50 - 799 gallons	\$2,265.00
Vehicles 800 - 1,499 gallons	\$6,170.00
Vehicles 1,500 gallons or more	\$14,640.00

See: 21 DCMR 112.6.

DC WATER PROPOSED NEW PRETREATMENT FEES

Projected effective date: October 1, 2012

Waste Hauling - Annual Fee per Vehicle

Vehicles 0 - 49 gallons	\$160.00
Vehicles 50 - 799 gallons	\$2,265.00
Vehicles 800 - 1,499 gallons	\$6,170.00

Industrial User Permitting Fee

Permit Initial Fee	\$2,000.00
Permit Renewal Fee	\$600.00

Industrial User Annual Compliance Fees

Significant or Non-Significant Categorical Industrial User

1 Outfall	\$2,500.00
2 or more Outfalls	\$3,500.00

Significant Non-Categorical Industrial User

1 Outfall	\$2,500.00
2 or more Outfalls	\$3,500.00

Non-Significant Non-Categorical User

1 Outfall	\$550.00
2 or more Outfalls	\$700.00

IAC OVERVIEW

HISTORY OF THE IAC

The charge was previously embedded in the sewer rate. On May 1, 2009, DC Water unbundled the sewer rate and listed the IAC as a separate line item on the customer bill.

WHY IS THE IAC NECESSARY?

DC Water implemented the IAC charge in 2009 to recover the cost of the \$2.6 billion federally-mandated Combined Sewer Overflow Long Term Control Plan (CSO LTCP) to control overflow into the local waterways. This includes building large metro-sized tunnels to store overflow until it can be treated at the Blue Plains Wastewater Treatment Plant.

IAC RATE STRUCTURE

Non-Residential Customers: The fee is based upon the total amount of impervious surface area at a property. The total amount of impervious area will be converted into ERUs, reduced to the nearest 100 square feet.

Residential Customers: DC Water has adopted a six-tier rate structure for residential customers. Previously, these customers paid a flat fee. Residential customers ONLY include:

- Condominium or apartment units where each unit is served by a separate line and is individually metered;
- Multifamily structures of less than four units where all units are served by a single service line that is master-metered; and
- Single-family dwellings.

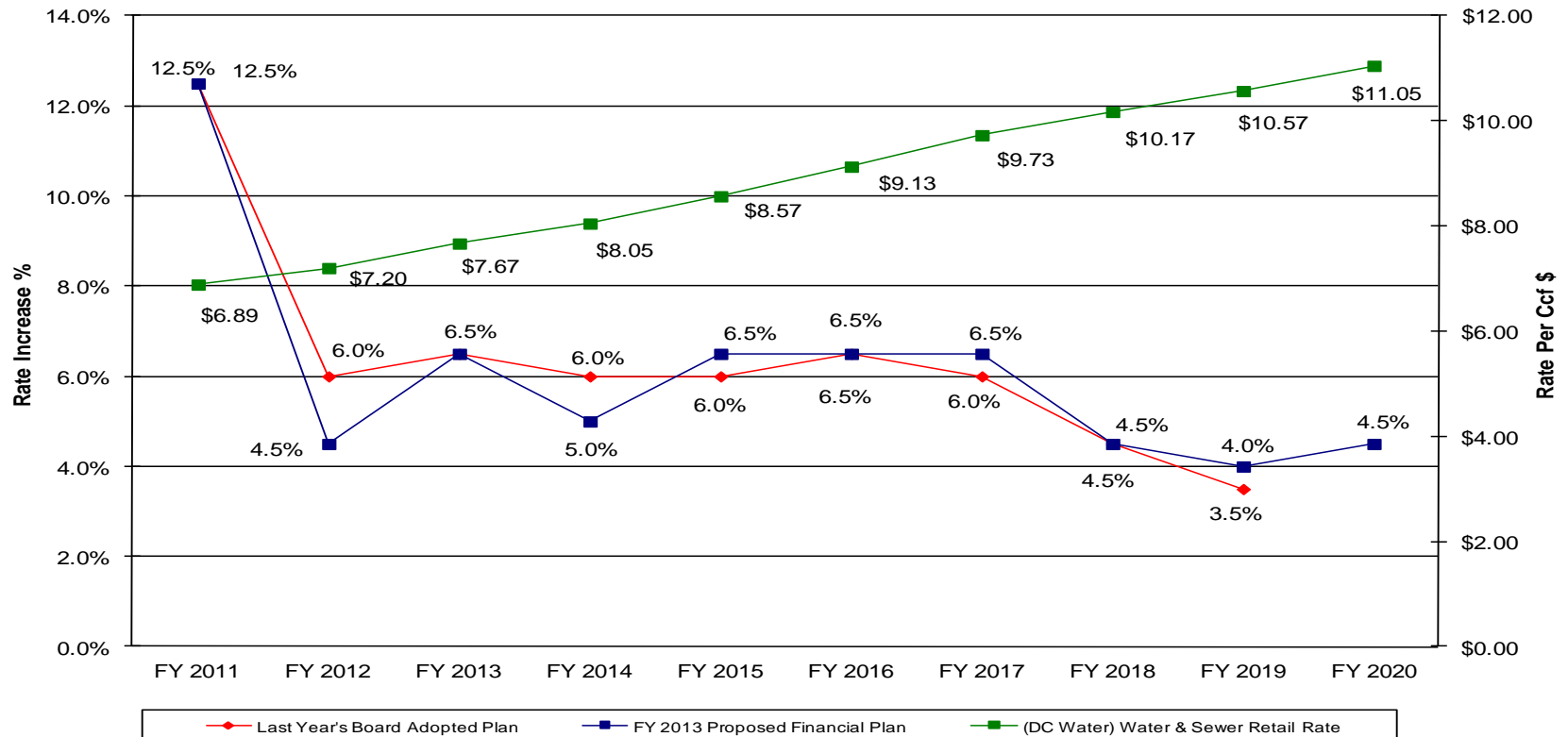
DC WATER'S SIX-TIER RESIDENTIAL RATE STRUCTURE FOR THE IAC							
Tier	Size of Impervious Area (Square Feet)	Equivalent Residential Unit (ERU)	FY 2012 ERU Rate	Monthly Cost	Proposed FY 13 ERU Rate (Projected Eff. 10/1)	Monthly Cost	# of properties
Tier 1	100 - 600	0.6	\$6.64	\$3.98	\$9.73	\$5.83	18,563
Tier 2	700 - 2000	1.0	\$6.64	\$6.64	\$9.73	\$9.73	77,514
Tier 3	2,100 - 3,000	2.4	\$6.64	\$15.93	\$9.73	\$23.35	5,736
Tier 4	3,100 - 7,000	3.8	\$6.64	\$25.23	\$9.73	\$36.97	2,499
Tier 5	7,100 - 11,000	8.6	\$6.64	\$57.10	\$9.73	\$83.67	124
Tier 6	11,100 and more	13.5	\$6.64	\$89.64	\$9.73	\$131.35	47

Source: 21 DCMR 4101.3 , 4104.1; DC Water Board of Directors September 2, 2010 Resolution adopting FY 2011 rates.

PLANNING FOR THE FUTURE:

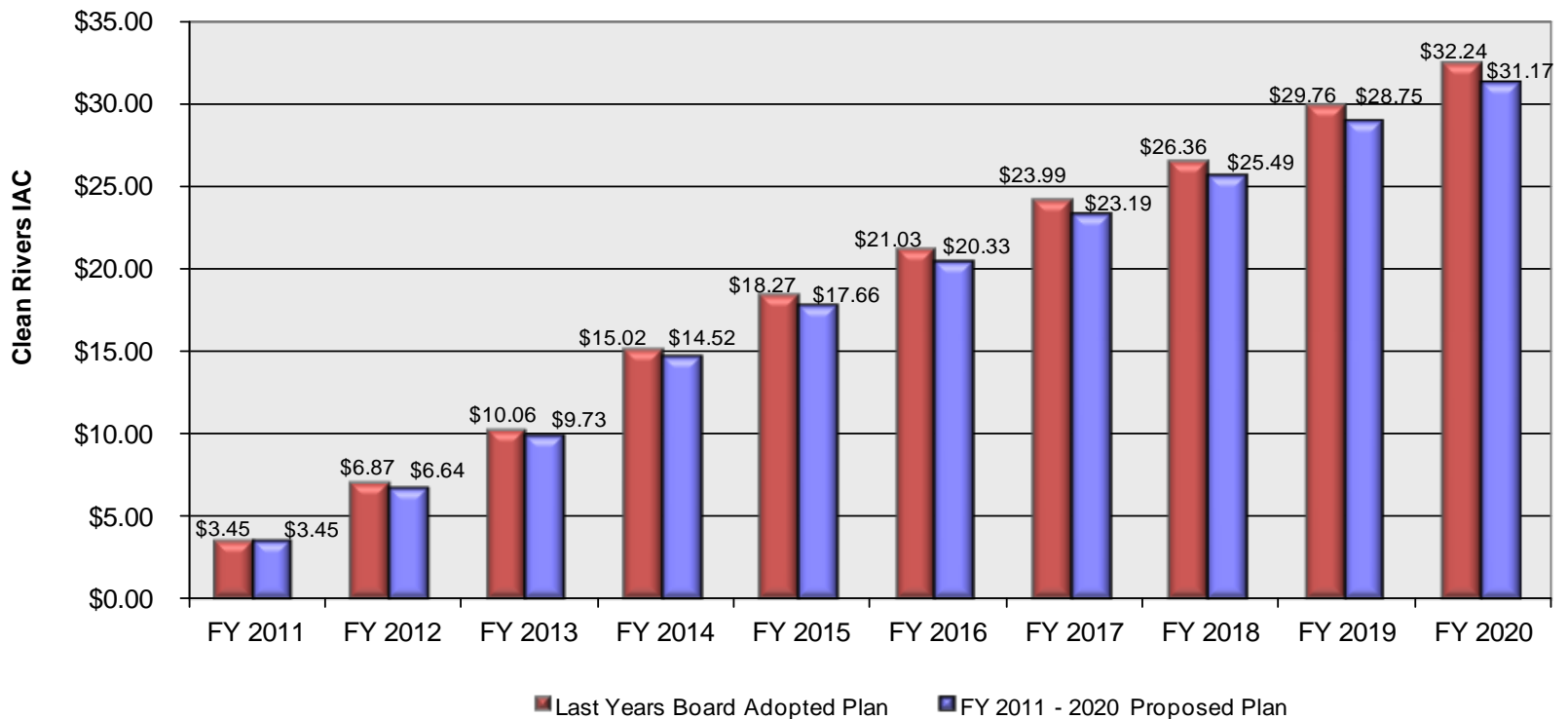
PROJECTED INCREASES TO WATER & SEWER RATES

FY 2011 – FY 2020



Source: DC Water March 21, 2012 Presentation to AOBA.

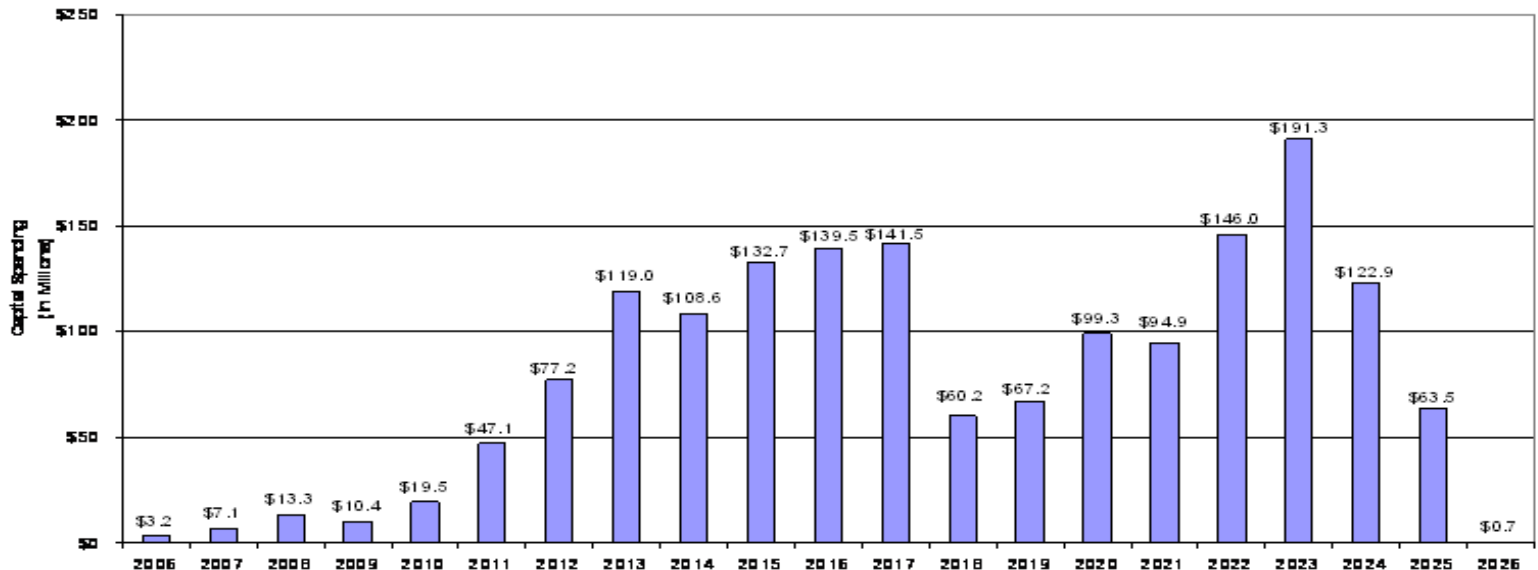
RECENT AND PROPOSED CHANGES TO THE IAC: PROJECTED MONTHLY IAC CHANGES FY 2011 – FY 2020



Source: DC Water March 21, 2012 Presentation to AOB.

POTENTIAL IMPACT OF CSO LONG-TERM CONTROL PLAN ON RATES

CSO LTCP Spending by Year



In December 2004, the DC Water Board reached an agreement with the federal government on the CSO LTCP and entered into a related consent decree in March 2005.

Projected disbursements by fiscal year for the LTCP portion are shown in the chart above and are the drivers for changes in the IAC over the ten-year plan.

Life time capital costs for the plan total approximately \$2.6 billion, and this year’s proposed ten-year plan includes \$1.1 billion of projected CSO LTCP disbursements. As the total project spending increases, so does the projected impervious area rate.

Source: DC Water Budget, Section III – Financial Plan p. III-36 to III-37; DC Water April 15, 2011 Presentation to AOPA.

FUTURE PROPOSED INCREASES TO IAC: SAMPLE BILL

Based on a building with 50,000 square feet of impervious surface area.

FY 2012	October 1, 2011 (approved)	50 x \$6.64	=	\$ 332.00
FY 2013	October 1, 2012 (proposed)	50 x \$9.73	=	\$ 486.50
FY 2014	October 1, 2013	50 x \$14.52	=	\$ 726.00
FY 2015	October 1, 2014	50 x \$17.66	=	\$ 883.00
FY 2016	October 1, 2015	50 x \$20.33	=	\$1,016.50
FY 2017	October 1, 2016	50 x \$23.19	=	\$1,159.50
FY 2018	October 1, 2017	50 x \$25.49	=	\$1,274.50
FY 2019	October 1, 2018	50 x \$28.77	=	\$1,438.50
FY 2020	October 1, 2019	50 x \$31.17	=	\$1,558.50

DC WATER IAC DISCOUNT PROGRAM

DC Official Code § 34-2202.16a

Low-impact design incentive program and fee discounts

- (a) Within one year of March 25, 2009, the Authority shall establish, together with the District Department of the Environment ("DDOE"), a low-impact design incentive program within the DDOE, to reduce the surface area that either prevents or retards the entry of water into the ground as occurring under natural conditions, or that causes water to run off the surface in greater quantities or at an increased rate of flow, relative to the flow present under natural conditions.
- (b) The Authority and the DDOE will continue to collect and document the effects of the low-impact design techniques throughout the District on reducing stormwater runoff and the possible implications of how proven, long-term reductions in stormwater runoff may be used to renegotiate the consent decree and reduce the cost and size of the Long-Term Control Plan.
- (c) Impervious surface fee discounts approved by the Authority shall be retroactive to no earlier than the date of the implementation of the impervious surface fee. A property owner may not qualify for an impervious surface fee discount until the stormwater management measures for which the property owner seeks a discount are demonstrated to be fully functional.

CURRENT STATUS OF THE IAC DISCOUNT PROGRAM

DC WATER and DDOE plan to create one discount program. DDOE will administer the application process and make the determination as to whether a stormwater retention practice qualifies for a discount.

OUTSTANDING ISSUES

- ❖ **Maximum allowable discount:** The cap may differ for the IAC discount program.
- ❖ **Retroactive period:** Uncertainty regarding DC Water's position on retroactive provision. However, the law mandates retroactive application of the discount for qualifying properties.

ADDITIONAL INFORMATION

DC WATER RATES

General Overview of Rates: [DC Water Overview of Customer Rates](#)

Calculating the IAC for a Commercial Property:

1. Amount of impervious area at a property/1000 Square feet (I ERU) = X
2. Multiply X by \$6.64 = IAC
3. **Example** - using 50,000 square feet of impervious surface area
 $50,000/1000 = 50 \times \$6.64 = \$332/\text{month}$ impervious surface area charge

IAC Information: [DC Water Overview of Impervious Surface Area Charge](#)

DC Water Contact – Impervious Surface Area Charge

Name	Email	Phone
Customer Service	imperviousbilling@dcwater.com	(202) 354-3600

Public Hearing on the Proposed FY 2013 Rate Increases

Public Hearing

Wednesday, May 9, 2012, 6:30 p.m.

**Metropolitan Washington Council of Governments
777 North Capitol Street, NE**

E-mail: info@dcwater.com

Fax: (202) 787-2795

Mail to: **Board Secretary**
5000 Overlook Ave., SW,
Washington, DC 20032

**DISTRICT OF COLUMBIA
DEPARTMENT OF THE ENVIRONMENT (DDOE)
STORM WATER FEE**

DC STORMWATER FEE NOW IN EFFECT

As of Nov. 1, 2010, the stormwater fee is \$2.67/ERU.

HISTORY OF THE STORMWATER FEE

Previously, the stormwater fee was based on a percentage of the water and sewer charges.

FISCAL YEAR 2009 STORMWATER FEE RATES

MULTIFAMILY: 4.4% of water and sewer charges

OTHERS/EX. COMMERCIAL: 6.3% of water and sewer charges

Source: 21 DCMR 556.5; DDOE October 29, 2010 Notice of Final Rulemaking (establishing \$2.67/ERU rate).

In May 2009, DDOE began assessing the stormwater fee based on the amount of impervious surface area at a property. At that time, DDOE established a rate of \$2.57/ERU. DDOE increased the rate on November 1, 2010 to the current rate of \$2.67/ERU.

WHY IS THE STORMWATER FEE NECESSARY?

DDOE is responsible for ensuring the District's compliance with the District's separate storm sewer system (MS-4) permit, which accounts for roughly two-thirds of the city's storm water control infrastructure. DDOE periodically adjusts the stormwater fee to generate any additional revenue needed to meet increased federal requirements for controlling stormwater pollution. The fee generates approximately \$13.2 million.

Source: 21 DCMR 556.5; DDOE October 29, 2010 Notice of Final Rulemaking (establishing \$2.67/ERU rate); DDOE April 24, 2009 Notice of Final Rulemaking (establishing \$2.57/ERU rate); [DDOE Website—Stormwater Management Division—Stormwater Management History](#).

STORMWATER FEE RATE STRUCTURE

Non-Residential Customers: The fee is based upon the total amount of impervious surface area at a property. The total amount of impervious area will be converted into ERUs, reduced to the nearest 100 square feet.

Residential Customers: DDOE has adopted a six-tier rate structure for assessing residential customers the stormwater fee.

HOW DOES DDOE DEFINE RESIDENTIAL CUSTOMERS?

21 DCMR 556.2 *A residential customer means a single-family dwelling used for domestic purposes, a condominium or apartment unit where each unit is served by a separate service line and is individually metered and the unit is used for domestic purposes, or a multifamily structure of less than four apartment units where all the units are served by a single service line that is master metered.*

Residential customers shall be assessed ERUs for the square feet of impervious surface on the property, as follows:

- (a) 0.6 ERUs for 100 to 600 square feet of impervious surface;
- (b) 1.0 ERU for 700 to 2,000 square feet of impervious surface;
- (c) 2.4 ERUs for 2,100 to 3,000 square feet of impervious surface;
- (d) 3.8 ERUs for 3,100 to 7,000 square feet of impervious surface;
- (e) 8.6 ERUs for 7,100 to 11,000 square feet of impervious surface; and
- (f) 13.5 ERUs for 11,100 square feet or more of impervious surface.

Source: 21 DCMR 556.2.

**DC STORMWATER FEE:
PROJECTED INCREASES TO THE RATE**

**NO INCREASE
THIS YEAR!**



STORMWATER DISCOUNT PROGRAM

District law directs DDOE and DC Water to develop a discount program for those property owners that implement measures to manage stormwater runoff from their properties.

The discount program, once in place, will be retroactive to May 1, 2009.

In order to qualify for a discount, the stormwater management measures at a property must be fully operational.

On July 29 DDOE published proposed draft regulations for the discount program. AOBA members can view the DDOE proposal by clicking on the following site: [Proposed Regulations for Stormwater Fee Discount Program](#).

DDOE plan to issue a second Notice of Proposed Rulemaking to reflect comments submitted on the July 29 NOPR by stakeholders, including AOBA.

Source: Comprehensive Stormwater Management Enhancement Amendment Act of 2008, effective March 25, 2009 (D.C. Law 17-371); Water and Sewer Authority Equitable Ratemaking Amendment Act of 2008, effective March 25, 2009 (D.C. Law 17-370).

DC Official Code § 8-152.03

Stormwater User Fee Discount Program

- (a) Within one year of the enactment of an impervious area stormwater user fee by DC WASA, the Mayor shall establish a Stormwater User Fee Discount Program to be coordinated between DC WASA and the Administration.
- (b) The program shall allow property owners who implement measures to manage stormwater runoff from their properties to receive a discount on the stormwater user fee assessed to them under § 34-2202.16.
- (c) Stormwater user fee discounts approved by the Mayor shall be retroactive to no earlier than the date of the implementation of the impervious area stormwater fee. A property owner may not qualify for a stormwater user fee discount until the stormwater management measures for which they seek a discount are demonstrated to be fully functional.
- (d) Any discount earned under this section will be revocable upon a finding by the Mayor of non-performance. Upon a finding of non-performance, the Mayor may require reimbursement of any portion of fees discounted to date.
- (e) Findings of non-performance by the Mayor may be appealed by an applicant pursuant to rules established by the Mayor.
- (f) Failure to reimburse may result in a lien being placed upon the property without further notice to the owner. The Mayor may enforce the lien in the same manner as in § 34-2407.02.

ADDITIONAL INFORMATION

DDOE STORMWATER FEE AND DISCOUNT PROGRAM

General Overview of Stormwater Fee: For additional information please visit the following link: [District Stormwater Fee and Stormwater Fee Discount Program.](#)

Calculating the stormwater fee for a commercial property:

1. Amount of impervious area at a property/1000 Square feet (1 ERU) = X
2. Multiply X by \$2.67 = Stormwater fee
3. **Examples:** Buildings with 10,000 and 50,300 square feet of impervious surface area.

Building A: $10,000/1000 = 10 \times \$2.67 = \$26.70/\text{month stormwater fee}$
Building B: $50,300/1000 = 50.3 \times \$2.67 = \$134.30/\text{month stormwater fee}$

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