



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

*Tuesday, December 19th, 2023
9:30 a.m.*

Microsoft Teams

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Meeting ID: 292 920 763 896

Passcode: N23yx3

Or call in (audio only)

[+1 202-753-6714,,201068040#](#)

Phone Conference ID: 201 068 040#

- 1. **Call to Order**Howard Gibbs, Chairperson
- 2. **Roll Call**.....Michelle Rhodd
- 3. [Monthly Report to DC Retail Water & Sewer Rates Committee \(Attachment A\)](#) Matthew Brown
- 4. [DC Water Cares Program Update \(Attachment B\)](#)Meisha Thomas
- 5. [DC Water’s new Merchant Card Fee \(Attachment C\)](#).....Ivan Boykin
- 6. **Action Item 1** (Attachment D) Matthew Brown
 - [Proposal to approve Notice of Final Rulemaking \(NOFR\) to Extend DC Water Cares: Residential Assistance Program for FY 2024](#)
- 7. **DC Retail Water and Sewer Rates Committee Workplan** (Attachment E) Matthew Brown
 - [FY 2024 Proposed DC Retail Water and Sewer Rates Committee Workplan](#)
- 8. [Agenda for January 23, 2024, Committee Meeting \(Attachment F\)](#).....Howard Gibbs, Chairperson
- 9. **Other Business**..... Matthew Brown
- 10.**Executive Session***
- 11.**Adjournment**Howard Gibbs, Chairperson

*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2- 575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

ATTACHMENT A



Fiscal Year 2024

Monthly Report to DC Retail Water and Sewer Rates Committee

Period Ending November 30, 2023

DEPARTMENT OF FINANCE

Matthew T. Brown, CFO & Executive Vice President, Finance, Procurement and Compliance

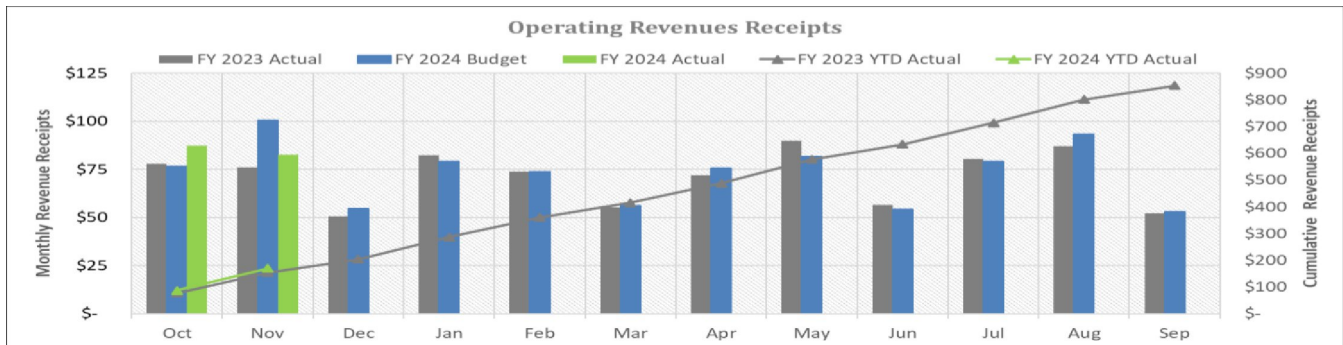
Syed Khalil, Vice President, Rates & Revenue

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of November 30, 2023

Operating Revenues (\$000's)

FY 2023		CATEGORY	FY 2024					
Actual			Year-to-Date Performance					
Total Annual	YTD November		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$490,822	\$84,597	Residential / Commercial / Multi-Family*	\$501,251	\$83,542	\$90,590	18.1%	\$7,048	8.4%
83,839	20,960	Federal	89,987	22,496	23,497	26.1%	1,001	4.5%
21,495	1,711	Municipal (DC Govt.)	25,121	4,187	2,965	11.8%	(1,222)	(29.2%)
15,801	2,629	DC Housing Authority	14,722	2,454	2,712	18.4%	258	10.5%
24,104	4,097	Metering Fee	24,083	4,143	4,183	17.4%	40	1.0%
42,407	7,395	Water System Replacement Fee (WSRF)	39,717	7,091	7,616	19.2%	525	7.4%
105,250	22,361	Wholesale	106,519	26,630	25,837	24.3%	(793)	(3.0%)
23,760	4,474	PILOT/ROW	23,430	4,158	4,588	19.6%	430	10.3%
45,856	5,640	All Other	53,685	9,912	7,875	14.7%	(2,037)	(20.6%)
\$853,333	\$153,863	TOTAL	\$878,515	\$164,613	\$169,863	19.3%	\$5,250	3.2%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of November 2023, cash receipts totaled \$169.9 million, or 19.3 percent of the FY 2024 Budget. The total receipts budgeted for November were \$164.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their first quarterly payment in October), and wholesale customers (who made their first quarterly payment in November 2023).

Areas of Over-collection	Areas of Under-collection
<p><u>Residential, Commercial and Multi-Family</u> – Receipts for this category are higher at \$90.6 million or 18.1 percent of the budget. The higher receipts are mainly due to higher consumption as compared to the budget. The November 2023 receipts were slightly lower by \$0.7 million, or 1.8 percent as compared to the monthly budget of \$41.8 million.</p> <p><u>Federal</u> - Actual receipts through November 2023 total \$23.5 million or 26.1 percent of the budget. The Federal government made its first quarter payment in October 2023.</p> <p><u>DC Housing Authority</u> – Receipts are higher at \$2.7 million or 18.4 percent of the budget. The November 2023 receipts are slightly higher by \$0.1 million as compared to the monthly budget of \$1.2 million.</p> <p><u>PILOT/ROW</u> – The receipts for PILOT/ROW are slightly higher at \$4.6 million or 19.6 percent of the budget. The November 2023 receipts are slightly higher by \$0.2 million as compared to the monthly budget of \$1.7 million.</p>	<p><u>Other Revenue</u> - Receipts are lower at \$7.9 million or 14.8 percent of the budget mainly due to lower System Availability Fee and Washington Aqueduct Backwash as compared to the budget.</p> <p><u>District Government</u> – Receipts are lower at \$3.0 million or 11.8 percent of the budget. The November 2023 receipts are lower by \$1.4 million as compared to the monthly budget of \$2.1 million, because the District Government made partial payment. They have paid the balance in December, which will be reflected in the next month's report.</p> <p><u>Wholesale</u> – Actual receipts for this category total \$25.8 million or 24.3 percent of the budget. The wholesale customers made their first quarter payment in November 2023.</p>

Monthly Report to DC Retail Water and Sewer Rates Committee

As of November 30, 2023

Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2024 Budget	YTD Budget	Actual	Variance		Actual % of Budget
				Favorable / (Unfavorable)		
Residential, Commercial, and Multi-family	\$501.3	\$83.5	\$90.6	\$7.0	8.4%	18.1%
Federal	90.0	\$22.5	23.5	1.0	4.5%	26.1%
District Government	25.1	\$4.2	3.0	(1.2)	-29.2%	11.8%
DC Housing Authority	14.7	\$2.5	2.7	0.3	10.5%	18.4%
Customer Metering Fee	24.1	\$4.1	4.2	0.0	1.0%	17.4%
Water System Replacement Fee (WSRF)	39.7	\$7.1	7.6	0.5	7.4%	19.2%
Wholesale	106.5	\$26.6	25.8	(0.8)	-3.0%	24.3%
Right-of-Way Fee/PILOT	23.4	\$4.2	4.6	0.4	10.3%	19.6%
Subtotal (before Other Revenues)	\$824.8	\$154.7	\$162.0	\$7.3	4.7%	19.6%
IMA Indirect Cost Reimb. For Capital Projects	5.2	0.9	\$1.3	0.4	44.4%	25.0%
DC Fire Protection Fee	11.5	2.9	2.9	0.0	0.0%	25.2%
Stormwater (MS4)	1.1	0.2	0.2	0.0	0.0%	18.2%
Interest	8.1	1.3	1.8	0.5	38.5%	22.2%
Developer Fees (Water & Sewer)	8.0	1.3	0.8	(0.5)	-38.5%	10.0%
System Availability Fee (SAF)	7.7	1.3	0.6	(0.7)	-53.8%	7.8%
Washington Aqueduct Backwash	4.6	0.8	0.0	(0.8)	-100.0%	0.0%
Others	7.4	1.2	0.3	(0.9)	-75.0%	6.5%
Subtotal	\$53.7	\$9.9	\$7.9	(\$2.0)	-20.2%	14.8%
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$53.7	\$9.9	\$7.9	(\$2.0)	-20.1%	14.7%
Grand Total	\$878.5	\$164.6	\$169.9	\$5.3	3.2%	19.3%

BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY (\$ in 000's)

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	\$7,855.75	\$12,391.03	\$4,755.37	\$1,812.66	\$1,616.12	\$28,430.94
Commercial	15,687	17,760	5,670	1,208	2,851	43,175
Multi-family	9,576	14,729	2,165	591	1,322	28,383
Federal	8,617	9,796	5,084	389	1,415	25,302
District Govt	670	906	1,390	139	344	3,448
DC Housing Authority	1,018	1,508	186	43	68	2,824
Total:	\$43,424	\$57,090	\$19,250	\$4,183	\$7,616	\$131,563

Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences

Clean Rivers IAC - Actual vs Budget (\$ in 000's)

Customer Category	FY2024 Budget	Year-To-Date Budget	Actual Received	Variance		Actual % of Budget
				Favorable / <Unfavorable>	Variance % of YTD Budget	
Residential	\$29,527	\$4,921	\$4,755	(166)	-3%	16%
Commercial	35,697	5,950	5,670	(279)	-5%	16%
Multi-family	14,433	2,406	2,165	(240)	-10%	15%
Federal	20,052	5,013	5,084	71	1%	25%
District Govt	9,255	1,543	1,390	(153)	-10%	15%
DC Housing Authority	1,212	202	186	(16)	-8%	15%
Total:	\$110,176	\$20,034	\$19,250	-\$783	-4%	17%

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of November 30, 2023

Retail Accounts Receivable (Delinquent Accounts)

The following tables show retail accounts receivable over 90 days (from the billing date) including a breakdown by customer class.

Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
September 30, 2022	\$29.1	12,168
September 30, 2023	\$28.0	10,420
October 31, 2023	\$28.3	10,540
November 30, 2023	\$28.5	10,099

Greater Than 90 Days by Customer

Notes: The increase in the accounts receivable over 90 days (from the billing date) is due to the temporary suspension of collections procedures because of the new billing system VertexOne, which was implemented in December 2017. The increase in accounts receivable from March 2020 to September 2022 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

	Number of Accounts			Month of Nov (All Categories)				Total Delinquent				
	W & S		Total No. of	Active		Inactive		Oct		Nov		
	a/c	Impervious Only		No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
Commercial	9,035	2,028	11,063	890	5,750,115	86	\$332,205	1,003	\$6,021,286	976	\$6,082,320	21%
Multi-family	8,693	315	9,008	1,162	14,509,712	26	\$103,737	1,205	\$14,274,934	1,188	\$14,613,449	51%
Single-Family Residential	107,250	2,134	109,384	7,774	7,567,311	161	\$197,953	8,332	\$7,983,420	7,935	\$7,765,264	27%
Total	124,978	4,477	129,455	9,826	\$27,827,138	273	\$633,895	10,540	\$28,279,640	10,099	\$28,461,033	100%

Notes: Included in the above \$28.5M (or 10,099 accounts) of the DC Water Over 90 days delinquent accounts, \$4,913,092.99 (or 1,026 accounts) represents Impervious only

- Reportable delinquencies do not include balances associated with a long-standing dispute between DC Water and a large commercial customer.
- Delinquent accounts (10,099) as a percentage of total accounts (129,455) is 8.0 percent.
- Delinquent impervious only accounts (1,026) as a percentage of total accounts (129,455) is 1.0 percent.
- Delinquent impervious only accounts (1,026) as a percentage of total delinquent accounts (10,099) are 10.2 percent.
- Delinquent impervious only accounts (1,026) as a percentage of total impervious only accounts (4,477) are 22.9 percent.

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of November 30, 2023

Arrears by Customer Category

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Commercial	2,064	\$ 9,238,952.84	1,284	\$ 6,872,770.25	976	\$ 6,082,320.29
Multi-family	2,017	\$ 19,603,446.11	1,426	\$ 16,729,875.17	1,188	\$ 14,613,449.01
Residential	19,187	\$ 10,978,030.15	11,641	\$ 8,949,651.42	7,935	\$ 7,765,263.95

Arrears by WARD for Residential Category

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Ward 1	1,206	\$ 717,004.75	686	\$ 575,108.81	446	\$ 500,911.93
Ward 2	469	\$ 170,024.07	247	\$ 125,025.31	155	\$ 98,843.26
Ward 3	594	\$ 313,550.22	286	\$ 229,532.64	164	\$ 186,994.69
Ward 4	3,456	\$ 1,786,619.47	1,890	\$ 1,397,901.74	1,182	\$ 1,191,916.94
Ward 5	3,853	\$ 1,915,655.75	2,335	\$ 1,531,715.29	1,596	\$ 1,312,036.91
Ward 6	1,505	\$ 743,288.26	924	\$ 614,993.61	611	\$ 514,981.62
Ward 7	5,219	\$ 3,420,004.07	3,339	\$ 2,890,136.19	2,344	\$ 2,570,017.54
Ward 8	2,885	\$ 1,911,883.56	1,934	\$ 1,585,237.83	1,437	\$ 1,389,561.06
Total	19,187	\$ 10,978,030.15	11,641	\$ 8,949,651.42	7,935	\$ 7,765,263.95

CAP, CAP2 and CAP3 Customers in Arrears*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
CAP	309	\$ 179,266.31	172	\$ 148,158.54	104	\$ 132,201.40
CAP2	12	\$ 2,462.20	7	\$ 1,066.78	2	\$ 461.95
CAP3	0	\$ -	0	\$ -	0	\$ -

*Based on number of accounts that have been given credit in Nov 2023.

Monthly Report to DC Retail Water and Sewer Rates Committee

Customer Arrears Data

CAP Customer Arrears by Ward*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Ward 1	15	\$ 22,434.11	8	\$ 16,560.32	5	\$ 15,452.82
Ward 2	0	\$ -	0	\$ -	0	\$ -
Ward 3	0	\$ -	0	\$ -	0	\$ -
Ward 4	35	\$ 11,828.50	18	\$ 8,979.90	12	\$ 8,265.51
Ward 5	59	\$ 21,055.96	27	\$ 15,882.56	16	\$ 13,978.98
Ward 6	24	\$ 12,149.47	15	\$ 10,889.87	11	\$ 10,039.37
Ward 7	105	\$ 50,203.98	57	\$ 41,391.31	33	\$ 34,981.93
Ward 8	71	\$ 61,594.29	47	\$ 54,454.58	27	\$ 49,482.79
Total	309	\$ 179,266.31	172	\$ 148,158.54	104	\$ 132,201.40

*Based on number of accounts that have been given credit in Nov 2023.

CAP2 Customer Arrears by Ward*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Ward 1	0	\$ -	0	\$ -	0	\$ -
Ward 2						
Ward 3	0	\$ -	0	\$ -	0	\$ -
Ward 4	0	\$ -	0	\$ -	0	\$ -
Ward 5	1	\$ 844.39	1	\$ 263.20	1	\$ 263.20
Ward 6	0	\$ -	0	\$ -	0	\$ -
Ward 7	9	\$ 1,416.37	5	\$ 754.06	1	\$ 198.75
Ward 8	2	\$ 201.44	1	\$ 49.52	0	\$ -
Total	12	\$ 2,462.20	7	\$ 1,066.78	2	\$ 461.95

*Based on number of accounts that have been given credit in Nov 2023.

CAP3 Customer Arrears by Ward*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Ward 1						
Ward 2						
Ward 3	0	\$ -	0	\$ -	0	\$ -
Ward 4	0	\$ -	0	\$ -	0	\$ -
Ward 5	0	\$ -	0	\$ -	0	\$ -
Ward 6	0	\$ -	0	\$ -	0	\$ -
Ward 7	0	\$ -	0	\$ -	0	\$ -
Ward 8	0	\$ -	0	\$ -	0	\$ -
Total	0	\$ -	0	\$ -	0	\$ -

*Based on number of accounts that have been given credit in Nov 2023.

Monthly Report to DC Retail Water and Sewer Rates Committee

Developer Deposits

Developer Deposits are funds paid to DC Water for plans that are approved by the Permit Operations Department. They include:

- Flat fees for taps, abandonments, sewer connections, etc.
- Reimbursable fees for inspection labor hours charged to the account.
- Deposits held as security against damage and uncharged accounts.
- Miscellaneous non-commercial account items (hydrant use, groundwater dewatering, waste hauler fees, etc.)
- As of November 30, 2023, developer deposits had \$44.9 million in credit balances (liability) and \$11.11 million in debit balances (receivable).

Balances by Year as of November 30, 2023

Year	Credit Balances (Liability)		Debit Balances (Receivables)		Net Balance
	\$44.9 million	\$11.11 million			
Year	Credit Balances	Number of Accounts with Credit Balances	Debit Balances	Number of Accounts with Debit Balances	Net Balance
2001	\$ -	-	\$ 960,164.05	1	\$ 960,164.05
2002	\$ -	-	\$ 1,836.00	2	\$ 1,836.00
2004	\$ (749.61)	1	\$ 9,066.08	6	\$ 8,316.47
2005	\$ (389,745.13)	90	\$ 268,327.91	89	\$ (121,417.22)
2006	\$ (283,990.18)	32	\$ 284,522.42	78	\$ 532.24
2007	\$ (151,559.96)	31	\$ 150,176.99	50	\$ (1,382.97)
2008	\$ (348,658.90)	41	\$ 192,079.13	49	\$ (156,579.77)
2009	\$ (167,624.41)	26	\$ 193,567.45	46	\$ 25,943.04
2010	\$ (288,303.30)	44	\$ 164,022.92	40	\$ (124,280.38)
2011	\$ (475,505.51)	88	\$ 438,309.53	55	\$ (37,195.98)
2012	\$ (1,187,681.48)	247	\$ 458,685.75	89	\$ (728,995.73)
2013	\$ (1,782,428.07)	277	\$ 257,250.40	80	\$ (1,525,177.67)
2014	\$ (1,792,831.94)	271	\$ 954,712.29	61	\$ (838,119.65)
2015	\$ (1,620,073.50)	294	\$ 264,777.95	37	\$ (1,355,295.55)
2016	\$ (3,030,145.67)	349	\$ 544,278.50	62	\$ (2,485,867.17)
2017	\$ (2,314,260.07)	429	\$ 503,775.08	118	\$ (1,810,484.99)
2018	\$ (4,358,726.99)	513	\$ 1,390,891.18	120	\$ (2,967,835.81)
2019	\$ (6,793,305.64)	452	\$ 1,653,767.28	171	\$ (5,139,538.36)
2020	\$ (4,685,075.84)	315	\$ 605,848.45	141	\$ (4,079,227.39)
2021	\$ (4,754,201.78)	331	\$ 605,822.38	153	\$ (4,148,379.40)
2022	\$ (6,106,427.98)	332	\$ 633,547.37	163	\$ (5,472,880.61)
2023	\$ (4,369,322.07)	201	\$ 578,571.42	156	\$ (3,790,750.65)
Total	\$ (44,900,618.03)	4,364	\$ 11,114,000.53	1,767	\$ (33,786,617.50)

Forfeiture Action

Accounts Forfeited on August 16, 2021	(4,838,938.52)	1,011
Accounts Forfeited on September 23, 2022	(1,286,705.10)	348
Accounts pending forfeiture determination and execution.	(5,076,246.55)	877

Monthly Report to DC Retail Water and Sewer Rates Committee

Developer Deposits

Customer Communication

Statements are provided to customers when there is activity on the account. To ensure that all customers are aware of the balances, statements are also mailed annually irrespective of whether there is an activity on the account. For the last three years, annual statements were mailed to customers on April 28, 2023, January 25, 2022, and February 25, 2021.

By law, refunds are to be requested by the account owner within two years of completion (DC Code § 34–2401.10). If not requested in that time frame, these accounts can be forfeited and closed. DC Water has placed a statement on invoices beginning in November 2019 notifying customers of the District law and that funds would be forfeited unless a refund is requested within two years of project completion or account inactivity. A notification to customers that is posted on our website indicates that unless a refund was requested, funds would be forfeited for projects without activity for ten years. AOBA and DCBIA have been asked to notify their membership to examine the invoices.

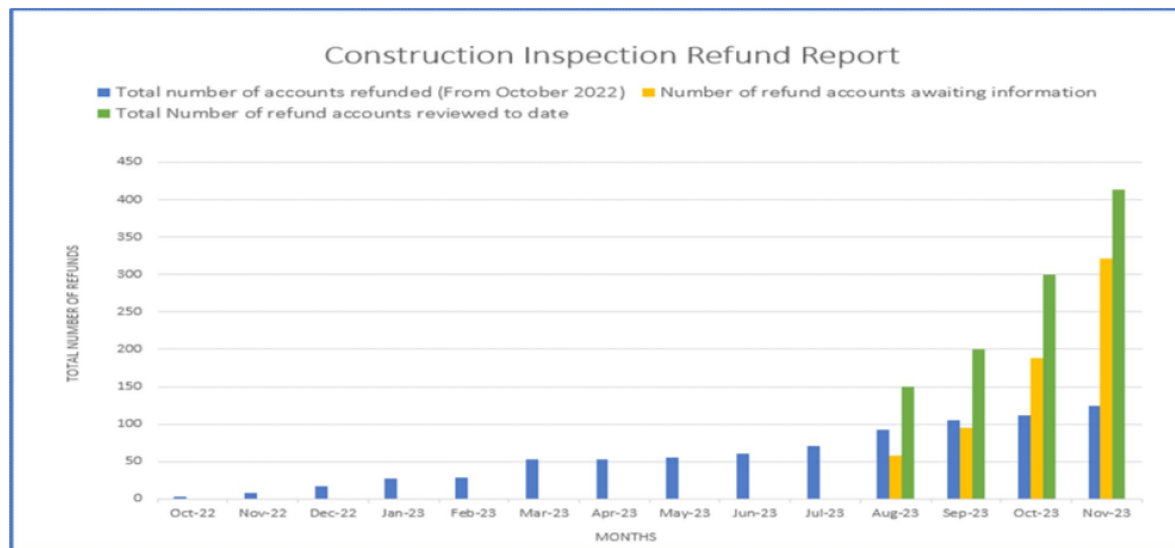
For accounts that were forfeited, zero balance statements were mailed out on Monday, August 16, 2021, and September 21, 2022.

Refund Requests

In response to the annual account statements provided to customers in April 2023, it has been determined that refund requests submitted impact 1295 accounts. This is lower than the 1321 accounts previously reported due to duplication of requests submitted. The table below shows a breakdown of the work performed to date.

Construction Inspection Refund Data starting from October 2022

	Number of Accounts	Amount (\$)
Account refund request received	1295	
Accounts refunded since June 2023	68	\$891,136.08
Total number of accounts refunded since October 2022	124	\$2,128,776.33
Account refund requests reviewed	413	
Account refund request awaiting information	321	
% of accounts refunded from June to date	55%	



Monthly Report to DC Retail Water and Sewer Rates Committee

Payment Plan and Disconnection Report

Fiscal Year-to-Date
As of November 30, 2023

Number of Active Accounts by Zip Code & Customer Class
As of Nov 30, 2023

Zip Code	Residential					Commercial					Multifamily				
	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.*
Total	11,548	1,736	634	480	614	1,239	100	31	23	41	1,411	265	46	62	
20000	1														
20001	482	73	21	13	32	104	14	7	6	5	25	2			
20002	1,166	154	41	43	101	192	13	4	6	7	222	40	9	14	
20003	342	43	17	7	5	85	3	2	1	2	19	7	2	1	
20004						2	1								
20005	3				1	18	1				2	1			
20006						7									
20007	180	13	1	2	4	40	5			1	15				
20008	55	6	3	1		33	4				5				
20009	184	17	2	2	16	39	5	1		2	41	8			1
20010	341	48	12	17	19	41	5	1		4	17	2			
20011	1,673	268	103	75	83	128	12	5	5	5	102	18	4		5
20012	316	66	20	19	22	35	4	1		3	10	2			
20015	91	11	4	4	18	4			1	1	1				
20016	131	21	5		19	79	3	1		1	3	1			
20017	597	96	39	30	30	34	3		1	2	26	5	2		
20018	791	123	50	37	33	102	5	3		1	25	11	2		1
20019	2,628	393	156	92	127	129	6	2	2	2	310	56	14		13
20020	1,626	214	90	83	61	58	5			1	355	72	8		25
20024	47	7	4	1		17	1				13				
20032	878	182	66	54	42	71	3	1	1	2	215	40	5		2
20036	4				1	16	5	1		1	2				
20037	11	1				5	2	2		1	3				
20770	1														

*Note: inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 359, Com. 115 and MF 89

*Note: Disconnect Work Orders for Multi-Family Properties were created and not assigned for field completion but are manually managed for further collection actions

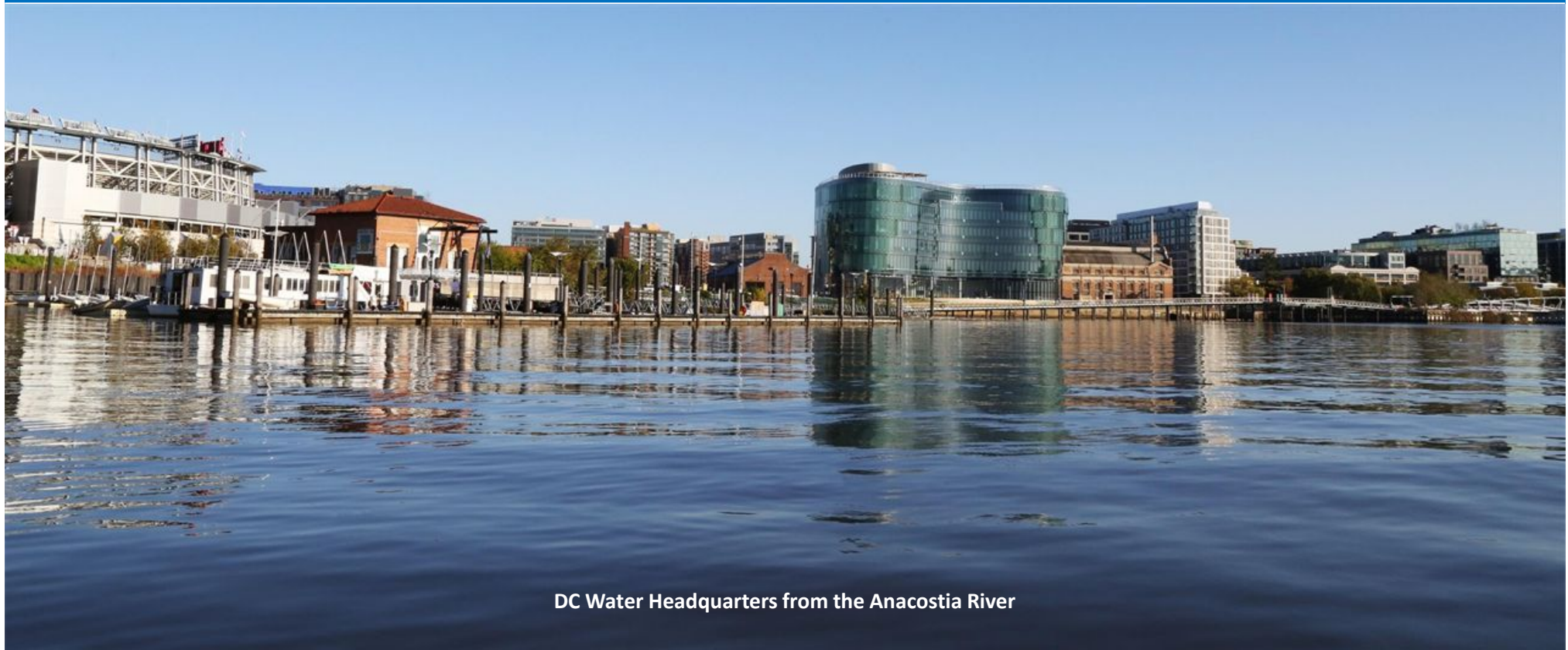


DC Water Cares Program Update

Attachment B

Presentation: Final Proposal to Extend RAP into FY24, December 19, 2023
Meisha Thomas, Director of Customer Care

District of Columbia Water and Sewer Authority



DC Water Headquarters from the Anacostia River



Purpose

💧 On Tuesday, December 5, 2023, a public hearing was held to share and receive public testimony on DC Water's proposed rulemaking to:

- I. Extend the DC Water Cares Residential Assistance Program (RAP) to FY 2024.



FY24 Program Funding

FY23 Program Balance	
RAP Balance	\$849,347.06
MAP Balance	\$107,365.94
Admin Cost Balance*	\$168,422.04
TOTAL FY23 Balance	\$1,125,135.04

Funds Transfer	RAP
Unexpended RAP and MAP Balance FY23	\$956,713.00
Admin Costs Funding Transfer*	\$148,422.00
Total FY24 RAP funding – FY24**	\$1,105,135.00

*FY24 Admin Costs for CAP and RAP - \$20,000.04. The remaining balance was transferred to RAP.

**RAP remaining balance (Nov 2023) - \$837,896



Public Comments

- 💧 There was no public testimony at the public hearing.
- 💧 DC Water did not receive any public comments as of the close of the public comment period on December 12, 2023.



DC Water Cares RAP Program Rulemaking Timeline

Date	Action
9/26/2023	Presentation to RRC on proposal to amend Customer Assistance Program (CAP) regulations for DC Water Cares Residential Assistance Program extension to FY 2024
9/26/2023	RRC recommends Board approval to amend the CAP regulations for DC Water Cares Residential Program extension
10/5/2023	Board approval and adoption Notice of Emergency and Proposed Rulemaking (NOEPR) to amend the CAP regulations for DC Water Cares Residential Assistance Program extension to FY 2024
10/20/2023	Publish NOEPR in D.C. Register
10/20/2023	Public comment period begins
12/5/2023	Public Hearing
12/12/2023	Public comment period closes
12/19/2023	RRC approves final proposal to amend CAP regulations for DC Water Cares Residential Assistance Program extension
1/04/2024	Board approval and adoption of Notice of Final Rulemaking (NOFR) for publication in D.C. Register
1/19/2024	Publish NOFR in D.C Register



Management Recommendation

Management requests the DC Retail Water and Sewer Rates Committee recommend Board approval of the final proposal to amend CAP regulations for DC Water Cares Residential Assistance Program extension.

- 💧 Adopt Notice of Final Rulemaking (NOFR) for publication in D.C. Register:
 - I. Extends the Residential Assistance Program (RAP) into 2024 until funds are exhausted.



DC Water's New Merchant Card Fees

ATTACHMENT C

Presentation to the D.C. Retail Water and Sewer Rates Committee, December 19, 2023
Vice President, Finance - Ivan A. Boykin

District of Columbia Water and Sewer Authority





Purpose

- Update the Committee about the merchant card fees to be charged to customers and to discuss the communications plan



Merchant Card Fee Timeline

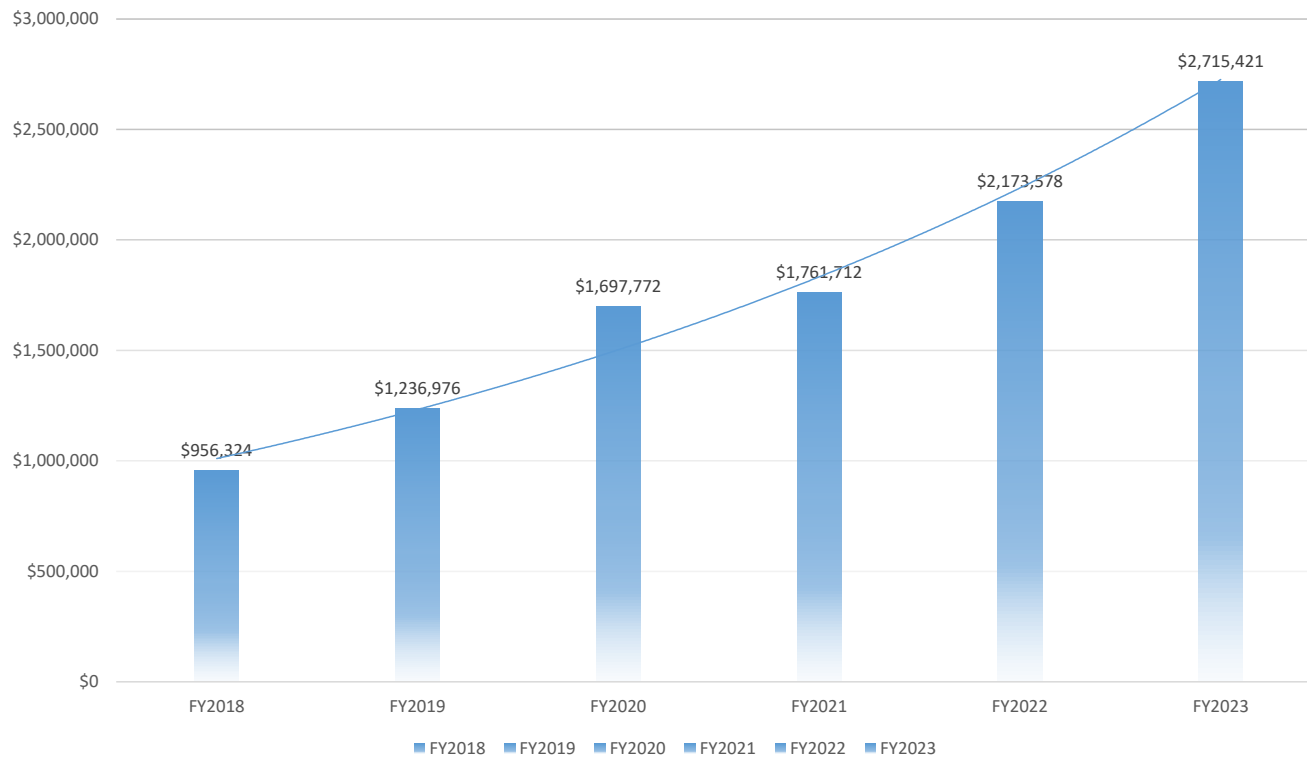
- DC Water has worked to understand cost drivers and structures, and address rising credit card processing costs; fees were \$2.7 million in FY2023

Dates	Description
Oct 2017 – Sept 2018	WEB credit card fees increased from \$26k per month in FY2017 to \$46k in FY2018
May 2019 – Sept 2019	Met with 10+ payment gateway vendors after introduction at GFOA Conference
Oct 2019	<u>Presented increased credit card fee history to F&B committee</u>
Nov 2019	<u>Presented credit card financial analysis to F&B committee</u>
Feb 2020	<u>Presented RFP option for new payment gateway to F&B committee</u>
Mar 2020	<i>DC Water placed a pause on efforts due to COVID-19</i>
Oct 2021	Met with customer information system partner to assist with payment gateway options
Mar 2022	Interviewed two payment gateway partners to pass fees (excludes incumbent vendor)
June 2022	<u>Presented merchant card fee update to F&B committee</u>
Oct 2022	<u>Presented merchant card fee update to F&B committee</u>



Merchant Card Fee Growth

TOTAL CC FEE AMOUNT



Costs have increased from \$1.0 million in FY2018 to \$2.7 million in FY2023, increasing by approximately by 26% per year



Merchant Card Fee Options for Retail Customers

💧 Credit Card fees for customers beginning February 2024:

- Residential credit card fee is \$1.95
 - *No credit card fee for CAP and CAP2 customers*
- Non-Residential credit card fee is 2.65%

💧 *Free payment option: ACH payments are \$0.00*

Credit Card Fee Charge for Residential Customers

Customer Type	Fee	Max Amount
Residential CC Fee	\$1.95	Up to \$500

**No CC Fee for CAP1 and CAP2 Customers*

Credit Card Fee Charge for Non-Residential Customers

Customer Type	Fee	Max Amount
Non-Residential CC Fee (Com/MF)	2.65%	Up to \$100,000

***Non-Residential customers include Commercial and Multi-Family customers*

ACH Fee Charge for Residential and Non-Residential Customers

Customer Type	Fee	Max Amount
Residential ACH Fee	\$0.00	Up to \$100,000
Non-Residential ACH Fee	\$0.00	Up to \$100,000



Communications Plan for Merchant Card Fees



Online Payment Changes

DC Water offers a number of convenient options for paying your bill online. Create an account at mydcwater.com and use your credit card, checking or savings account to make a one-time payment. You can also sign up for recurring payment options using a credit card or your checking or savings account.

Beginning in February of this year, we will be switching to a new platform to process payments. The Paymentus interface will have a different look and feel, and some new features, but otherwise the switch should be relatively seamless for customers.

Please note that if you use a credit card to pay online, DC Water will begin assessing a processing fee in 2024 to cover the rising costs of offering this service. The fee will be \$1.95 per transaction for residential customers (2.65% for non-residential). We will continue to accept E-Check payments at no additional charge. DC Water is also phasing out its mobile app. Instead, you can access the My DC Water portal on your web browser or your mobile device. Visit dcwater.com/paying-your-bill for more payment options.

• Communications plan to DC Water's customers include:

- What's on Tap insert scheduled for January 2024
- Updated website information regarding payment options



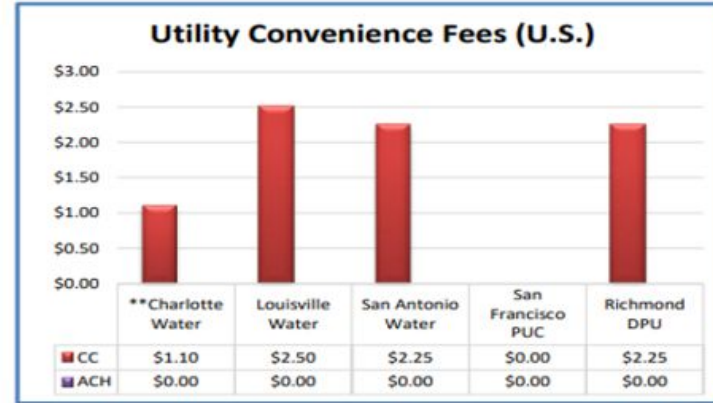
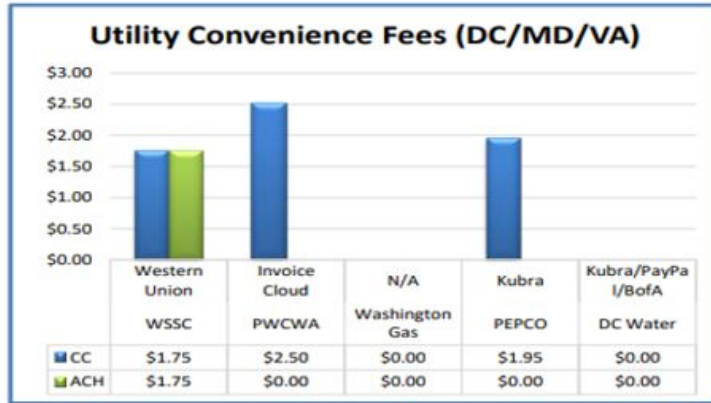
Merchant Card Fee Summary

- 💧 DC Water's absorbed fees that grew 26% per year, from \$1.0 million in FY2018 to \$2.7 million in FY2023
 - Going forward, customers who choose to make payments will bear the costs of those transactions
- 💧 Residential customers to pay \$1.95 flat fee up to \$500 per transaction
- 💧 Non-Residential customers to pay 2.65% up to \$100,000 per transaction
- 💧 *There will be a free option for customers:*
 - ACH transactions will be free (\$0.00) for both Residential and Non-Residential customers paying via electronic check (E-Check/ACH)
- 💧 Anticipated go-live date is February 2024

Appendix



Local and U.S. Credit Card Fee Benchmarks



As of Sept 2023	WSSC	PWCWA	Washington Gas	PEPCO
ACH Fee	\$ 1.69	\$ -	\$ -	\$ -
CC Fee	\$ 1.69	\$ 2.75	\$ -	\$ 1.95
CC Fee Cap	\$ 750.00	\$ -	\$ -	\$ -

CC Fee 2	\$ -	
CC Fee Cap	\$ -	

As of Sept 2023	Charlotte	Louisville	San Antonio	San Fran PUC	Richmond DPU
ACH Fee	\$ -	\$ -	\$ -	\$ -	
CC Fee 1	\$ 1.10	\$ 2.50	\$ 1.75	\$ -	\$ 2.25
CC Fee Cap	\$ 999.99	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 500.00
CC Fee 2	\$ 55.00		\$ 2.25		
CC Fee Cap	\$1,000.00		\$ 500.00		

Charlotte Water charges \$1.10 fee up to \$999.99 and \$55 for any charge over \$1,000

San Antonio Water \$1.75 debit / \$2.25 credit

SFPUC - 1985 California Law that does not allow prohibited merchants from adding a surcharge (an extra fee) when customers pay by credit card instead of cash.

Action Item 1

Attachment D

Recommend Board Approval for Notice of Final Rulemaking as Proposed to: Extend DC Water Cares: Residential Assistance Program for FY 2024

Chapter 41, RETAIL WATER AND SEWER RATES AND CHARGES, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

1. Subsection 4102.9 of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.9 DC Water Cares Emergency Relief Program for Low-Income Residential Customers:

- (a) Participation in the DC Water Cares Emergency Relief Program (DC Water Cares) shall be limited to a single-family or individually metered low-income Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services; and
 - (2) DOEE has determined that the applicant's annual household income is equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved customer shall receive the following benefits:
 - (1) Credit of one hundred percent (100%) off of the past due water and sewer bill balance; and
 - (2) The total amount of credits provided shall not exceed Two Thousand (2,000) dollars during Fiscal Year 2024, subject to the availability of budgeted funds.
- (c) Upon DC Water's receipt of notice from DOEE that the applicant meets the financial eligibility requirements and subject to the availability of budgeted funds, DC Water shall provide the credits to the customer's account from the date that DOEE accepts a completed application and for future qualifying events that may lead to collection activities to the end of the fiscal year in which the application was submitted.

- (d) The DC Water Cares Emergency Relief Program for Low-Income Residential Customers shall terminate on September 30, 2024 or as provided in § 4102.9(f).
- (e) Customer that received DC Water Cares benefits in FY 2023 must submit a renewal CAP or CAP2 application to DOEE to receive DC Water Cares benefits in Fiscal Year 2024.
- (f) If DC Water determines that the remaining budgeted funds are insufficient to provide DC Water Cares for Low-Income Residential Customers benefits, DC Water may:
 - (1) Suspend the process for accepting DC Water Cares applicants; or
 - (2) Suspend or adjust providing DC Water Cares benefits to eligible recipients.

2. Subsection 4102.10 of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is deleted in its entirety and renamed to read as follows:

4102.10 [RESERVED]

Attachment E

FY 2024 Proposed RRC Committee Workplan

Objective/ <i>Activities</i> /Task	Date of Activity	Completed	Responsible Department
1. 2023 COS for Engineering Inspection			
<i>a. Present 2023 Cost of Service Study for Engineering Inspection for FY 2024 – FY 2028 to the Board</i>	September 7, 2023	√	Engineering
<i>b. Post Final COS on DC Water’s website</i>	October 31, 2023	√	
2. 2023 COS for Stormwater Charges and Recovery Methodology			
<i>a. Present 2023 Cost of Service Study for Stormwater Charges and Recovery Methodology to RRC</i>	October 24, 2023	√	Rates and Revenue
<i>b. Post Final COS on DC Water’s website</i>	November 30, 2023		
3. DC Water Cares RAP Program Extension to FY 2024			
<i>a. Presentation to RRC on proposal to amend (CAP) regulations for DC Water Cares RAP extension to FY 2024</i>	9/26/2023	√	Rates and Revenue
<i>b. RRC recommends Board approval to amend the CAP regulations for RAP extension</i>	9/26/2023	√	
<i>c. F&B Recommends Board approval to (1) Rollover the FY 2023 RAP and MAP Program’s year-end balance ~\$924,942.94 to the budget for the FY 2024 RAP Program</i>	9/28/2023	√	
<i>d. Board approval and adoption of Notice of Emergency and Proposed Rulemaking (NOEPR) to amend the CAP regulations for extension to FY 2024</i>	10/5/2023	√	
<i>e. DC Cares RAP for FY 24 – Go-Live</i>	10/5/2023	√	
<i>f. Publish NOEPR in D.C. Register</i>	10/20/2023	√	DGLA
<i>g. Public comment period begins</i>	10/20/2023	√	Marketing & Comm.
<i>h. Public Hearing</i>	12/5/2023	√	
<i>i. Public comment period closes</i>	12/12/2023	√	
<i>j. RRC recommends to board final proposal to amend CAP regulations for extension</i>	12/19/2023		Board Secretary Rates and Revenue
<i>k. Board approval of Notice of Final Rulemaking (NOFR) for publication in D.C. Register</i>	1/04/2024		
<i>l. Publish NOFR in the D.C Register</i>	1/19/2024		DGLA
<i>m. DC Cares RAP Program continues</i>			

FY 2024 Proposed RRC Committee Workplan

4. Propose and Establish Retail Rates for FY 2025 & FY 2026	Date of Activity	Completed	Responsible Department
<i>a. Present FY 25 & FY 26 Budget to Board</i>	January 4, 2024		Rates and Revenue
<i>b. Present FY 25 & FY 26 Proposed Rates, Fees & Charges to RRC</i>	January 23, 2024		
<i>c. Independent Review of Rates- Presentation by Consultants</i>	February 27, 2024		
<i>d. RRC recommendation on Proposed FY 25 & FY 26 Rates, Fees & Charges</i>	February 27, 2024		Rates and Revenue
<i>e. Submit Independent Review of Proposed Rates and 2023 Cost of Service Study to Mayor and Council and post both on DC Water's website</i>	March 4, 2024		
<i>f. Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 25 & FY 26 Rates, Fees & Charges</i>	March 7, 2024		
<i>g. Publish NOPR in D.C. Register for Proposed FY 25& FY 26 Rates, Fees & Charges</i>	March 22, 2024		DGLA
<i>h. Outreach and Public Comment Period</i>	March 22 - May 16, 2024		Marketing & Comm.
<i>i. Public Hearing</i>	May 9, 2024		
<i>j. Public Hearing Record Closes</i>	May 16, 2024		
<i>k. Submit Response to Public Comments report to Board and post on DC Water website and respond to OPC Comments, if applicable</i>	May 31, 2024		
<i>l. Present final FY 25 & FY 26 Rates, Fees & Charges to RRC for recommendation to Board</i>	June 25, 2024		Rates and Revenue
<i>m. Board approves Notice of Final Rulemaking (NOFR) for FY 25 & FY 26 Rates, Charges & Fees</i>	July 3, 2024		
<i>n. Publish NOFR in D.C. Register for Amended Rates, Fees & Charges</i>	July 19, 2024		DGLA
<i>o. Amended Rates, Fees & Charges Go-Live</i>	October 1, 2024 (FY '25) October 1, 2025 (FY '26)		

5. 2023 COS for Water, Sewer and CRIAC			
<i>a. Present 2023 Cost of Service Study for Water, Sewer and CRIAC to RRC</i>	January 23, 2024		Rates and Revenue
<i>b. Post Final COS on DC Water's website</i>	February 27, 2024		

Attachment E

6. Fire Protection Service Fee for FY 2025, FY 2026, and FY 2027			
a. <i>RRC recommend proposal for Fire Protection Service Fee</i>	March 26, 2024		Rates and Revenue
b. <i>Board approval of Notice of Proposed Rulemaking (NOPR)</i>	April 4, 2024		
c. <i>Publish NOPR in D.C Register</i>	April 23, 2024		DGLA
d. <i>Public Comment and Outreach</i>	April 23 – May 24, 2024		Marketing & Comm.
e. <i>RRC approval of final proposed Fire Protection Service Fee</i>	June 25, 2024		Rates and Revenue
f. <i>Board approval of Notice of Final Rulemaking (NOFR)</i>	July 3, 2024		
g. <i>Publish NOFR in D.C. Register</i>	July 19, 2024		DGLA
h. <i>Fire Protection Service Fee Go-Live</i>	October 1, 2024 (FY '25)		Rates & Revenue
6. Delinquent Accounts			
a. <i>Soldiers Home Negotiations</i>	Monthly, as needed		DGLA

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e. DC Cares RAP for FY 24 – Go-Live	10/5/2023	√	DGLA Marketing & Comm.
f. Publish NOEPR in D.C. Register	10/20/2023	√	
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6. Delinquent Accounts			
<i>a. Soldiers Home Negotiations</i>	Monthly, as needed		DGLA



Attachment F

**D.C. WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS
RETAIL WATER & SEWER RATES
COMMITTEE MEETING**

**Tuesday, January 23, 2024; 9:30 a.m.
AGENDA**

Call to Order	Committee Chairperson
Monthly Updates	Chief Financial Officer
Committee Workplan	Chief Financial Officer
Agenda for February 20, 2024 Committee Meeting	Committee Chairman
Other Business	Chief Financial Officer
Adjournment	

*Detailed agenda can be found on DC Water's website at www.dewater.com/about/board_agendas.cfm