

# FACT SHEET: DC WASA Board-Approved Budget 2011

## Major Cost Drivers of Operating Budget

The Fiscal Year 2011 operating budget increased by \$25.8 million, or 6.8 percent, over the revised FY 2010 budget. The primary driver, or over half of this increase, is debt service to support the Capital Improvement Program (CIP). Other drivers include increases in personnel, utilities and chemical costs.

## Major Cost Drivers of Capital Budget

Regulatory required projects with environmental impacts account for 45 percent of the capital budget while infrastructure identified as nearing imminent failure represent 14 percent of the budget. The Capital Improvement Program incorporates costs on a 10-year spending plan, including:

1. **New Digestion Facilities-** \$400+ million “green” project to provide Class A biosolids, reducing the need for hauling away waste and generating 10 MW of electricity in the process.
2. **Enhanced Nitrogen Removal-** \$800 million to reduce the levels of nitrogen in effluent. Project to be completed in 2014 at a lifetime cost of \$950 million.
3. **Combined Sewer Overflow Long Term Control Plan-** At a lifetime cost of \$2.7 billion, this program will primarily reduce Combined Sewer Overflows (CSOs) to the Anacostia and Potomac Rivers and Rock Creek by 96 percent. The CIP budgets \$1.1 billion for this program over the 10-year period.
4. **Water and sewer infrastructure** needs as identified by system assessments- The current 10-year CIP includes \$300+ million for these projects.

## New Rates Proposed for FY 2011

If the proposed rate increase is adopted, the combined water and sewer rate increases from \$6.12 to \$6.89 per Ccf. In addition, the Payment in Lieu of Taxes (PILOT) fee will increase from \$0.43 to \$0.49 per Ccf and the Right-of-Way fee will remain the same at \$0.14 per Ccf.

## Proposed Average Monthly Residential Water and Sewer Bill for 2011

	<u>FY 2010</u>	<u>Proposed FY 2011</u>
WASA Retail Rates*	\$40.94	\$46.09
WASA Impervious Area Charge	\$2.20	\$3.45
WASA Metering Fee	\$2.01	\$3.86
<b>Subtotal WASA Rates &amp; Charges</b>	<b>\$45.15</b>	<b>\$53.40</b>
Increase Over Prior Year	\$4.37	\$8.25
District of Columbia PILOT Fee*	\$2.87	\$3.28
District of Columbia Right of Way Fee*	\$0.94	\$0.94
District of Columbia Stormwater Fee*	\$2.57	\$2.57
<b>Subtotal District of Columbia Charges</b>	<b>\$6.38</b>	<b>\$6.79</b>
<b>Total Amount Appearing on WASA Bill</b>	<b>\$51.53</b>	<b>\$60.19</b>
Increase Over Prior Year	\$4.70	\$8.66

\*Assumes average (median) monthly consumption of 6.69 Ccf or 5,004 gallons.