

DC Water Approved FY 2024 Budget

Adopted March 2, 2023 (Fiscal year starts on October 1)

Tommy Wells, Board Chairman David L Gadis, Chief Executive Officer and GM Matthew T. Brown, Chief Financial Officer



HEALTHY, SAFE AND WELL • RELIABLE • RESILIENT • SUSTAINABLE • EQUITABLE





VISION, MISSION & VALUES

VISION

We will be known for superior service, ingenuity and stewardship to advance the health and well-being of our diverse workforce and communities.

MISSION

Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner.

VALUES

At DC Water, our values guide our actions, behaviors and decision making.

Accountability: We conduct ourselves in a manner that surpasses ordinary standards and take responsibility for our actions and their collective outcomes to our workplace, community and environment at all times.

Trust: We strive to achieve the highest standards of professionalism and ethical behavior by always seeking to be open, honest, fair and respectful.

Teamwork: We approach all we do in a collaborative way, delivering superior service and outcomes through enthusiasm, helpfulness, positivity, skills, knowledge and a collective commitment to excellence.

Customer Focus: We see every engagement with our customers as an opportunity to deliver an exceptional customer experience that improves customer satisfaction and the overall perception of DC Water among the communities we serve.

Safety: We are uncompromising in our commitment to the health and safety of our employees, customers, and community. We require individual accountability, expecting all employees to strictly adhere to our safety standards, and actively participate in and support the advancement of our safety practices.

Well-being: We recognize DC Water's number one resource is our people. We are committed to seeing that our team thrives physically, mentally and emotionally by endeavoring to create a culture that increases awareness, inspires individual responsibility, promotes healthy choices and encourages work/ life balance.

STRATEGIC PLAN – BLUEPRINT 2.0

The Blueprint guides DC Water in setting priorities, focusing energy and resources, and strengthening operations. The strategic plan adopted by the Board on October 4, 2018 ensures employees and stakeholders are working towards common goals and aiming to accomplish the vision of DC Water.


“Blueprint 2.0 will accentuate our standing in the water and wastewater industry, ensure we continue to deliver unparalleled water services to our community and position the organization to address the needs of the future.”

David L. Gadis, CEO


ORGANIZATIONAL IMPERATIVES


Blueprint 2.0 sets out five Organizational Imperatives, which are defined outcomes essential to achieving our strategic ambition over the next five years and beyond. The Imperatives have been developed through engagement with a cross section of key stakeholders and are used to frame our strategy and address our upcoming challenges.




 **Healthy, Safe and Well:** Water is the life source of our community, and the essential services we provide at DC Water must be world-class. Our fundamental priority has to be ensuring DC Water is safe for all – for our customers, our communities, our employees and our contractors.

 **Reliable:** A high performing network of systems and assets is critical to reliability, using real-time monitoring to inform better decision making. Our aim is to continue to deliver an excellent service for customers and ensure we minimize service disruption. This is enabled by ensuring we adopt an integrated and enterprise-wide approach in order to deliver services efficiently.

 **Resilient:** In order to adapt to shocks and stresses to our system, we must secure assets through proactive maintenance and value-driven asset management.

 **Sustainable:** Sustainability is about balancing the economic and social value we create with the environmental impact of doing so. Ensuring that we make efficient use of economic resources through operating efficiency and resource recovery and reuse is key.

 **Equitable:** DC Water’s desire to be an equitable organization touches on all parts of the Authority, starting with the decisions we make around infrastructure. Carefully considered infrastructure projects have the ability to greatly empower vulnerable communities and ensure that work happens in the areas where the negative impact of not doing it may be most felt.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**District of Columbia Water & Sewer Authority
District of Columbia**

For the Fiscal Year Beginning

October 01, 2022

Christopher P. Morill

Executive Director

dc

Executive Budget Summary

Approved FY 2024 • Adopted March 2, 2023

(Fiscal year starting October 1)

Tommy Wells, Chairman of the Board

David L. Gadis, Chief Executive Officer and General Manager

Matthew T. Brown, Chief Financial Officer and Executive Vice President, Finance, Procurement, and Compliance

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY



ACCOUNTABILITY • TRUST • TEAMWORK • CUSTOMER FOCUS • SAFETY • WELLBEING



DC Water provides clean drinking water to residents of the District of Columbia, and wastewater treatment services to both residents of the District of Columbia and wholesale customers in Maryland and Virginia.

This executive budget summary is both an introduction to the FY 2024 budget and a standalone document that provides information about our budget priorities to our customers and diverse stakeholders. Additional information about our operating and capital budgets can be found in the detailed budget book, and is also available online at www.dewater.com.

DC Water continues to align our budget and strategic priorities. Our strategic plan, Blueprint 2.0, was adopted by the Board of Directors in 2021 to guide DC Water over the next five years and beyond. Detailed information about the strategic plan is available online at www.dewater.com/strategic-plan.

Blueprint 2.0 Imperatives



Vision

We will be known for superior service, ingenuity and stewardship to advance the health and well-being of our diverse workforce and communities.

Mission

Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner.

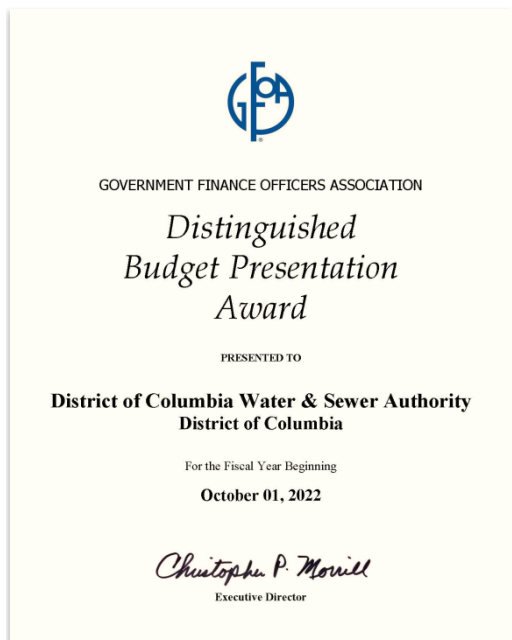
Imperatives

- Healthy, Safe and Well**
Is everybody we impact healthy, safe and well?
- Reliable**
Can we deliver our agreed service level in an efficient and effective manner?
- Resilient**
Are we able to cope with and recover from disruption, anticipating shocks and stressors to maintain service?

- Sustainable**
Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?
- Equitable**
Are we operating in an equitable manner to enable our employees, partners, customers, and communities to prosper?

Inside

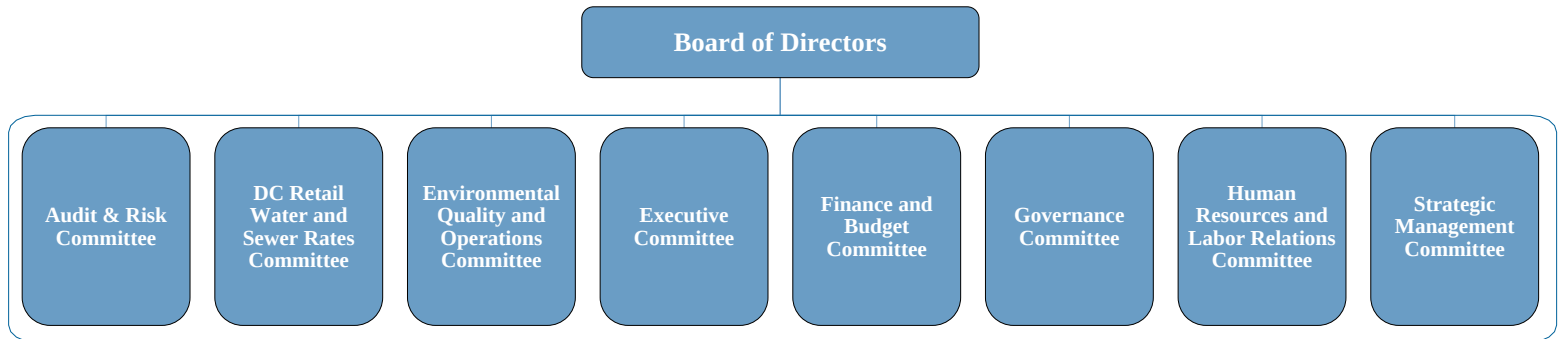
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Organizational Governance and Structure

DC Water is an independent authority of the District of Columbia, established under District of Columbia and Federal law, and is governed by 11 principals and 11 alternate members of the Board of Directors. The members of the Board of Directors also serve on various Committees.

DC Water Board Committees



DC Water Organizational Leadership





CEO / General Manager's Message



In September 2022, I was honored to be named to President Biden's National Infrastructure Advisory Council (NIAC) as the sole expert from the wastewater sector. My service on the Council will benefit and impact not just DC Water and this region, but also utilities across the country and our collective communities. Water utility leaders have frontline knowledge and insight into the needs of our water systems and the challenges in

addressing these issues. Our specific expertise, combined with the unprecedented commitment in the Bipartisan Infrastructure Act, has the power to guide this country towards a more sustainable, equitable and resilient future.

I serve that post with the same values that guide us at DC Water, where we have tackled many complex policy issues, ranging from environmental justice to water equity. Our budgets allocate funds to support projects that align with these values and protect public health.

Today's budgets must invest in the projects, people and technology to meet today's needs, while simultaneously strengthening infrastructure and supporting long-term, impactful initiatives. Three distinct visions for the future embody our core values.

Lead Free DC by 2030

No one should drink water from lead service lines, particularly children and pregnant women, as high levels of lead have a significant negative impact on developing brains and bodies. It is our imperative to protect the most vulnerable by developing an action plan to remove lead service lines from those communities first, and eliminate them from the District of Columbia entirely, by 2030.

Clean Rivers Project

By 2030, we will have substantially completed a generational project 30 years in the making. The \$2.99 billion Clean Rivers Project is significantly reducing combined sewer overflows to the Anacostia River. We will commission the 13.1 mile Anacostia Tunnel System later in 2023 and continue funding projects to protect Rock Creek and the Potomac River. Green and gray infrastructure provide many benefits in addition to healthier waterways.

Second Source of Drinking Water

We are on track to develop a truly second source of water for the District, which is both critical and urgent to maintain resilience and accountability.

As a team and an organization, we prioritize our goals and our needs, determine how to raise the monies to meet these goals and how to allocate the funds. Part of the complexity of running a utility is that as public servants, we answer many different stakeholders, from government officials, Board members, ratepayers, residents, advocacy groups, environmentalists, to employees and many others. Balancing the needs of each stakeholder with limited resources puts us to the test every year.

Each year, I challenge our Chief Financial Officer Matthew Brown and his team to beat the proposed budget and rate increase. Every year, they rise to the challenge. This is our imperative. This year's operating and capital budget needs are supported by the previously adopted rates and fees. We continue to keep affordability and equity top of mind. To that end, we continue to fund one of the most robust customer assistance programs in the water sector. We have created innovative programs including a multifamily housing assistance program and in 2023 launched a Catch Up Offer to help customers with past due balances get current.

As the region and the nation begin to move past the pandemic era, I want to again express my gratitude to our employees for not missing a beat and continuing to deliver critical services to our customers. I am proud that our leadership team led with empathy and compassion and fulfilled a mission to keep everyone in a job. We did not have one layoff. I am continually impressed and proud that this utility is taking care of business, taking care of people, taking care of the environment, and taking care of our team.

David L. Gadis

DC Water Budget Overview

FY 2024 Operating Budget of \$737.6 million

\$201.6 million

Pays the salaries, benefits and overtime of 1342 employees, including **17 new positions** (to maintain our increased assets, provide customer engagement, and support recruitment, and Employee Development), 17 apprentices, and Summer Internship Program



\$1.3 million

Expands various initiatives to improve customer engagement and stakeholder communication and provide support for the Building Information Management (BIM), Per- and Polyfluoroalkyl Substances (PFAS) monitoring, innovation, and strategic programs



\$23.4 million

PILOT & ROW payments to the District



\$91.0 million

Funds core operations including critical infrastructure and facilities maintenance and repairs, software technology, legal, compliance, insurance, credit card fees, audit services, biosolids hauling services, government affairs, and workforce development



Continues the Leak Assistance Program for customers to repair property side leaks impacting water bills and expands the Backwater Valve Program to install backwater valves on private properties impacted by storm events in the District

\$0.9 million



\$280.2 million

Other non-operational needs for debt service and Paygo for the capital program

paygo



\$1.4 million

Funds the maintenance of the Green Infrastructure (GI) facilities to manage stormwater

\$137.8 million



Funds fixed and nondiscretionary costs for chemicals & supplies, water purchase, and utilities

FY 2023-2032 Capital Investments of \$6.95 billion

\$1.06 billion



Fully Funds DC Clean Rivers and other CSO projects to meet Consent Decree requirements



\$347 million

Invests in process equipment, specialized vehicles, and information technology infrastructure

Invests in the Aqueduct's capital infrastructure

\$338 million



\$612 million to remove all lead service lines by **2030**

Continues investment in Water & Sewer Infrastructure



\$1.40 billion

Ramps up to 1.5% replacement for small diameter water mains per year in FY 2028 and beyond



\$1.80 billion

Ramps up to 1.0% rehabilitation for small sewer lines per year in FY 2024 and beyond



\$72 million

Improves stormwater pump stations to relieve local flooding

\$141 million



Constructs the new Fleet and Sewer Facilities, renovates the Historic Main Pump Station, and restores the Main & O campus seawall

\$1.18 billion



Funds rehabilitation and upgrades at Blue Plains



Water is Life. Everything that we do – and every dollar that we spend – is in support of our customers. I am pleased to present our fiscal year 2024 budget, which balances customer rates with the necessary investments in people, infrastructure, and operations to provide essential water and sewer services to Washington, DC, and the region.

Investments in Aging Infrastructure

Our \$6.95 billion ten-year Capital Improvement Program (CIP) invests in the infrastructure needed to deliver reliable, resilient, and sustainable services to our customers. The CIP funds critical projects like the DC Clean Rivers Program, investments at the Blue Plains Wastewater Treatment Plant, and the Lead-Free DC program. The CIP also funds new fleet equipment, water and sewer infrastructure upgrades, and our share of the Washington Aqueduct's capital program.

Funding Operations

The approved FY 2024 operating budget of \$737.6 million invests in DC Water and our community. DC Water continues to be impacted by rising inflation, supply chain constraints and cost pressures in chemicals and energy. This year's budget prioritizes funds for rising costs due to external factors such as chemicals, energy, and insurance premiums and funds new initiatives to improve customer engagement and stakeholder communications.

Advancing Equitable Outcomes

DC Water provides water and sewer services to all, and our commitment is to ensure equitable outcomes. Every year we invest in vital infrastructure renewal projects that are expensive, but necessary to provide our services to all. Much of this construction work is done by contractors, and it is our duty to work with local and minority-owned contractors to perform this work. Through procurement initiatives and programs like DC Water Works, we find creative ways to advance businesses and people in Washington, DC and our service area.

We are also working to advance sustainability, and this means investing in projects that reduce the impact of our operations on the environment. Through our solar projects we are reducing the amount of carbon in the air, making it cleaner for all. We work to treat wastewater as a resource – producing biosolids that enrich the soil and implementing sewer heat recovery technology projects that can heat and cool buildings.

Customer Assistance

DC Water supports our customers every day by operating efficiently, but we know that some cannot afford the vital services that we provide. DC Water is proud to offer some of the most robust customer service programs in the nation. Our three tiers of Customer Assistance Programs (CAP) provide assistance to families with incomes up to the area's median income. We have also launched innovative programs to assist customers during COVID including one of the first multi-family assistance programs in the nation and a new "Catch-Up" incentive that will waive late fees and ten percent of past due amounts.

Team Blue

Every member of DC Water's Team Blue plays a vital role in the delivery of our services. This includes employees on the front lines operating machinery and maintaining our assets, those ensuring people and vendors are paid accurately and on time, and those improving our infrastructure. Every day we focus on providing superior service to all our customers. We will continue this vital work in Fiscal Year 2024 and beyond.

Matthew T. Brown

Budget at a Glance

Operating Expenditures (\$ Thousands)

Category	FY 2023 Revised	FY 2024 Approved
Authorized Headcount	1315	1342
Personnel Services	\$ 186,223	\$ 201,581
Chemicals	45,004	44,094
Supplies	9,624	10,474
Utilities	37,799	39,233
Contractual Services	88,504	93,070
Water Purchases	40,334	44,039
Small Equipment	1,108	1,437
Total Non-Personnel Services	\$ 222,373	\$ 232,347
Total Operations and Maintenance	\$ 408,596	\$ 433,928
Debt Service	231,232	231,953
PILOT & ROW	23,070	23,430
Payment in Lieu of Taxes	17,970	18,330
Right of Way	5,100	5,100
Cash Financed Capital Improvements	23,505	48,256
Total Debt Service/PILOT/ROW/CFCI	277,807	303,639
Total Operating Expenditure	\$ 686,403	\$ 737,567
Less: Capital Labor	(30,435)	(31,974)
Total Net Operating Expenditure	\$ 655,968	\$ 705,593

Capital Disbursements (\$ Thousands)

Service Areas	FY 2023 Revised	FY 2024 Approved
Non-Process Facilities	\$ 22,104	\$ 24,614
Wastewater Treatment	71,907	84,442
Clean Rivers	104,558	100,329
Combined Sewer	3,473	9,927
Stormwater	7,509	12,839
Sanitary Sewer	68,031	118,457
Water	108,909	188,371
Capital Projects	\$ 386,492	\$ 538,981
Capital Equipment	47,421	30,535
Washington Aqueduct	67,523	35,155
Additional Capital Programs	\$ 114,944	\$ 65,690
Total CIP	\$ 501,437	\$ 604,671

Operating Revenues (\$ Thousands)

Category	FY 2023 Revised	FY 2024 Approved
Residential	\$ 130,840	\$ 138,719
Commercial	197,558	208,553
Multi-family	148,058	153,979
Federal Government	84,768	89,987
Municipal & Housing	37,411	39,843
Water System Replacement Fee	39,717	39,717
Metering Fee	24,083	24,083
Wholesale	104,560	106,519
Other Revenue	75,447	77,115
Total Operating Revenue	\$ 842,442	\$ 878,515



The Potomac Interceptor

Capital Revenues (\$ Thousands)

Source	FY 2023 Revised	FY 2024 Approved
Wholesale Capital Payments	\$ 75,288	\$ 84,142
Federal Grants & CSO Appropriations	33,685	70,651
Interest Income on Bond Proceeds	15,169	10,621
Pay-Go Financing	173,365	194,222
Debt Proceeds	38,211	180,488
System Availability Fee	7,700	7,700
Curing Pad and Solar	-	3,009
Total Capital Revenue	\$ 343,418	\$ 550,833



Strategic Plan & Budget Process

The Strategic Plan

DC Water's five year strategic plan, called Blueprint 2.0, demonstrates the commitment of our Board of Directors, management team, and workforce to meet our challenges head on and to exceed ratepayer expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner, while positioning DC Water for success in the coming years.

DC Water's budget is prepared through a collaborative and decentralized process, guided by its strategic plan. The Blueprint 2.0 includes five interconnected imperatives and lays out defined outcomes essential to achieving the strategic goals over the next five years and beyond. Detailed information about the strategic plan is available online at www.dewater.com/strategic-plan.

The Blueprint 2.0 Imperatives



Healthy, Safe and Well

Is everybody we impact healthy, safe and well?



Reliable

Can we deliver our agreed service level in an efficient and effective manner?



Resilient

Are we able to cope with and recover from disruption, anticipating shocks and stressors to maintain service?



Sustainable

Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?



Equitable

Are we operating in an equitable manner to enable our employees, partners, customers, and communities to prosper?






































The Budget Process

DC Water's budget is the fiscal roadmap that allocates and aligns spending plan with the imperatives and goals of the strategic plan. The rigorous budget process balances the level of infrastructure investments and operational requirements with customer rates. The budget process encourages ideas to be brought forward by all departments with detailed workplans that incorporate the imperatives, goals and workstreams of Blueprint 2.0. The strategic plan serves as the primary lens through which budget requests are evaluated against established prioritization criteria and final budget decisions are made. The budget proposals are reviewed with the various Board Committees and subsequently adopted by the full Board of Directors.



The budget submissions are reviewed and prioritized to balance what we ask from our customers with the Board-adopted multi-year retail rates. In an effort to align the budget with the imperatives and goals of the strategic plan, all budget requests for existing and new programs were evaluated and scored against established prioritization criteria. These criteria include regulatory requirements/mandates, health and safety, Board policy, process improvements and new revenue generation. Additionally, Equity Approach was incorporated into the CIP decision-making process. This provides consideration for communities through equitable projects to ensure inclusive and diverse representation, a sustainable operating and delivery model, and efficient use of economic resources.

Below are some of the major programs included in DC Water's operating and capital budgets and how they align with the various connected imperatives of Blueprint 2.0.

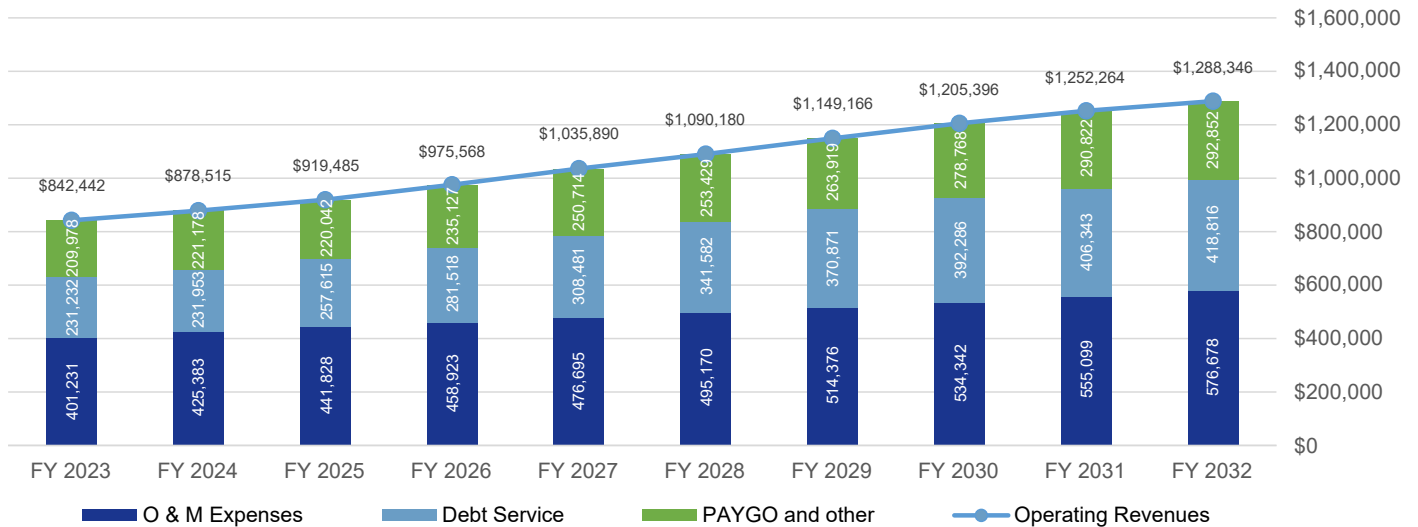
Blueprint 2.0 Imperatives	Program Description
    	Complete the Clean Rivers Program by 2030 to reduce Combined Sewer Overflows (CSO) and meet the District's water quality standard. Achieve 96 percent system-wide capture mandate for removal of trash, debris etc. from the Anacostia and Potomac Rivers and Rock Creek.
   	Complete the Lead Free DC program to remove all lead lines by 2030, promote equity and leverage external funding.
   	Expand training and learning opportunities for operational crews including "Hazard Awareness Training" and "Hands on Drills" etc. Expand the Apprenticeship Program to provide learning and job opportunities to residents in the metro region.
   	Continue proactive and predictive maintenance programs to assure equipment availability and value-driven Asset Management Operator Driven Reliability program.
  	Increase collaborative efforts between operations and engineering departments to ensure process enhancements and support the delivery of capital projects.
   	Safeguard the resilience of water supply, secure the assets of DC Water and prepare for and learn from emergency responses and adapt to the impacts of climate change.
  	Support development of high performing teams to increase resiliency and ensure safety of the operational crews that provide water and wastewater treatment services.
  	Enhance preparedness for tackling contaminants of emerging concern through research and (regulatory driven) monitoring.
 	Increase marketing and sales of Bloom products and Renewable Energy Credits (RECs). Complete the construction and registration of Brentwood and Fort Stanton Reservoirs for SRECs.
Legend:  Healthy, Safe and Well  Reliable  Resilient  Equitable  Sustainable	



Ten-Year Financial Outlook / Debt Management

DC Water's ten-year financial plan provides a strong financial framework to support implementation of the Board strategic plan, policies, priorities, and guidance in several key financial areas. This financial plan serves as one of management's key tools to monitor progress in meeting financial goals and to proactively address future financial and operational issues. Given DC Water's substantial borrowing needs over the next ten years, adherence to these Board policies is crucial to cost-effectively access the capital markets and retain our credibility with customers and regulators. The ten-year financial plan encompasses annual projected revenue requirements, operating expenditures, debt service costs, coverage ratios for indenture requirements, and sufficient liquidity to meet all the Authority's financial obligations.

FY 2023 - FY 2032 Financial Plan (\$ Thousands)



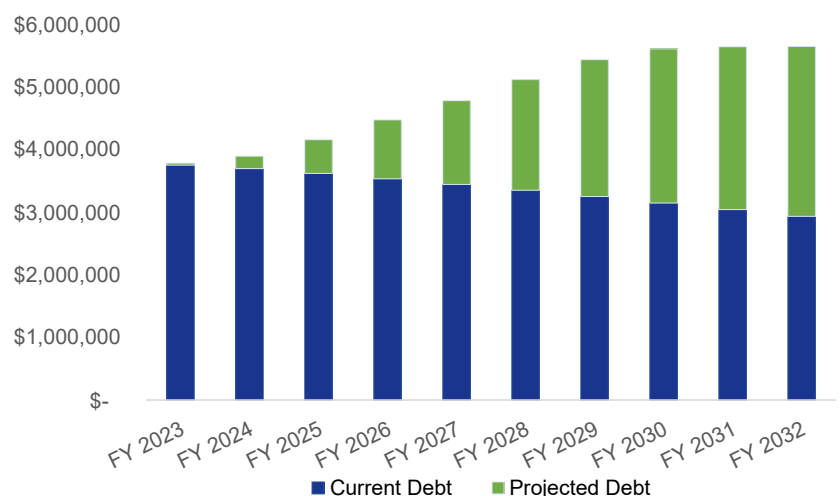
Debt Management

DC Water continues to maintain strong financial performance and bond ratings. The credit ratings on our senior lien bonds remain at AAA/Aa1/AA+ ratings by Standard and Poor's Ratings Services, Moody's Investors Service and Fitch Ratings, respectively. This allows DC Water to have a lower borrowing cost which in turn reduces ratepayer cost in the long run. These notable results are due to the Authority's solid financing team, outstanding financial performance, and management of our capital program. Additional information for current and future investors is available at www.dewater.com and www.dewaterbonds.com.

The Authority uses debt to finance its capital program and refund existing debt in the best interest of DC Water to obtain debt service savings. Debt management consists of managing funds borrowed through revenue bonds, commercial paper, and other short-term notes. Currently, debt financing represents approximately 40 percent of the funding in the ten-year financial plan and 34 percent of the FY 2023 operating budget. In FY 2023, DC Water began to draw on the 2021 Federal loan under the Water Infrastructure and Finance Innovation Act (WIFIA).

As of December 31, 2022, DC Water had an outstanding WIFIA loan amount of \$20.5 million. The Authority's total long-term debt, including current maturities was \$3.7 billion at the end of FY 2022, and is projected to increase over the next ten years primarily due to continuous investment in our ageing infrastructure.

FY 2023 - FY 2032 Current and Projected Debt

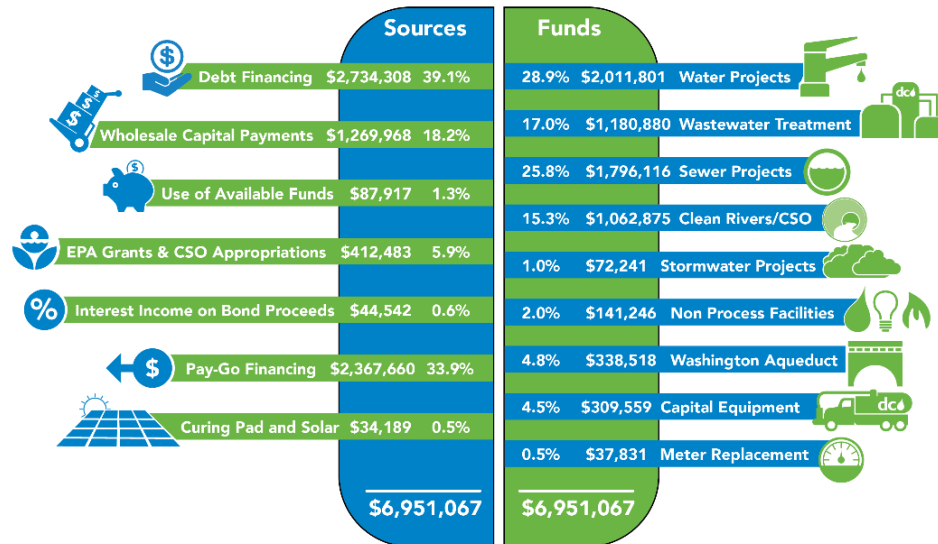


Sources & Uses of Funds

DC Water is a cost-recovery organization that does not make a profit. The Authority requires a reliable and predictable revenue stream to pay for capital investments and forecasted operating expenditures as well as meet or exceed our Board policies and other financial metrics.

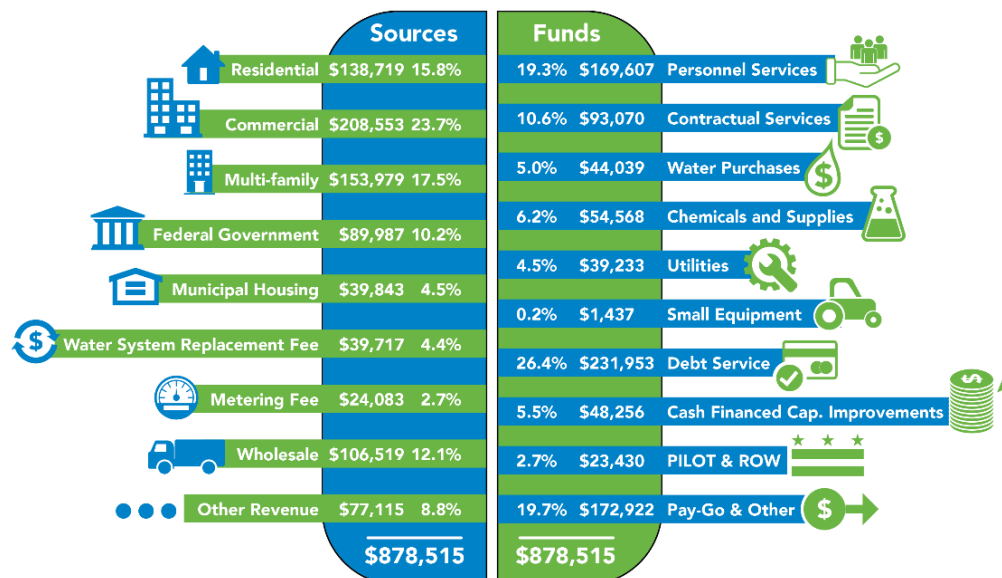
DC Water relies on several funding sources to finance its capital program and cash flow needs. Over the ten-year period, 73 percent is funded by debt and pay-go financing, 18.2 percent is capital payment from our Wholesale customers, 5.9 percent is from grant funding and federal appropriations and the remaining 3.1 percent is from interest income and other available funds.

FY 2023 – FY 2032 CIP Sources & Uses of Funds (\$ Thousands)



DC Water has a diverse customer base and thus receives cash from a variety of sources. This diversity mitigates reliance on any single customer category and provides a level of revenue stability. Our customers are classified as retail (residential, multi-family and non-residential) and wholesale customers only. DC Water uses these receipts to pay the salaries, overtime and benefits for its workforce, meet the financial obligations necessary to operate and maintain assets and facilities, purchase drinking water from the Washington Aqueduct and pay the debt service costs to support the capital program.

FY 2024 Operating Sources & Uses of Funds (\$ Thousands)





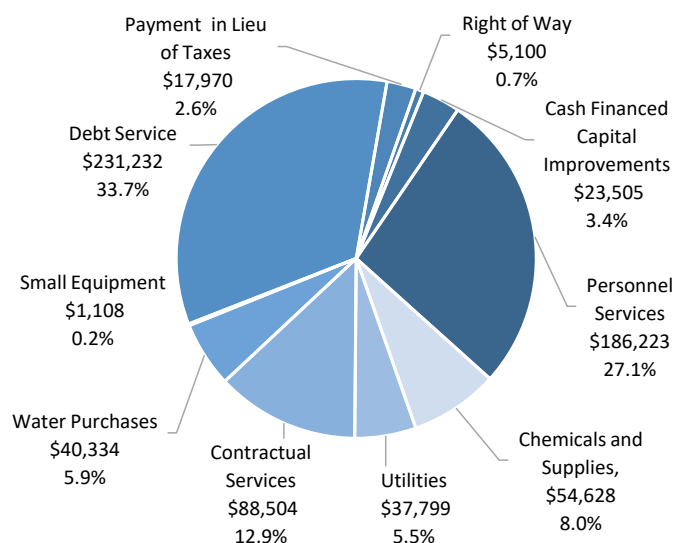
DC Water's annual operating budgets provide the resources necessary to sustain a multi-billion-dollar water distribution, sewage collection and treatment system. The Authority continues to deliver clean water, collect, and treat the sewage before returning clean water to the local waterways and repair water main and sewer breaks as needed. The budget reflects management's focus on supporting the most important asset with core values of reflecting people, pay and place while maintaining customer affordability and providing a high level of customer service.

The approved FY 2024 budget totals \$737.6 million, an increase of \$51 million or approximately 7.5 percent compared to the revised FY 2023 budget. The increase is mainly for the operations and maintenance (O&M) costs, and the debt service and Pay-Go financing requirements to support the Authority's Capital Improvement Program. The O&M budget includes projected increases in personnel services for 17 new positions and other fixed costs such as chemicals, utilities, and water purchases. This budget funds increased costs in the areas of professional services to meet our maintenance needs. DC Water has increased investment in our human capital (which includes our Apprenticeship Program), and are also expanding our Backwater Valve Program, Leak Detection Program, and our Customer Assistance Programs (CAP & CAP2) in FY 2024.

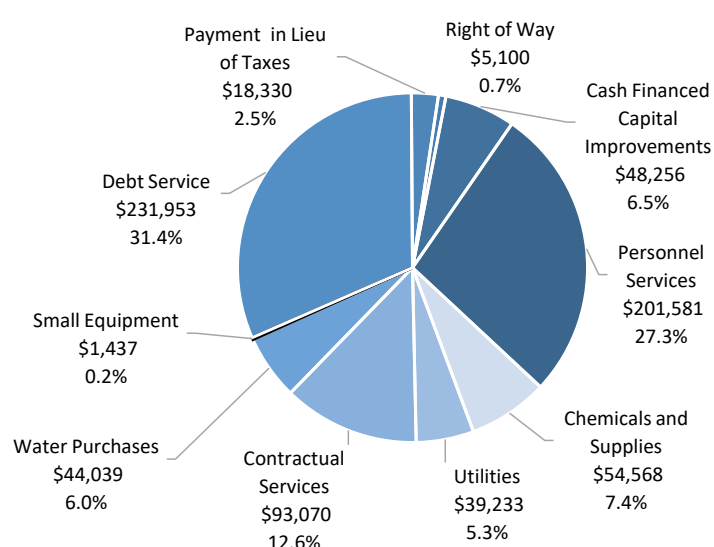
Detailed descriptions of the FY 2023 and FY 2024 operating budgets are available online at www.dewater.com.

Comparative Operating Budgets by Category (\$ Thousands)

Revised FY 2023 \$686,403



Approved FY 2024 \$737,567



DC Water's organizational structure is a key tool for ensuring that the organizational mission is achieved. The structure consists of various departments that are defined primarily along functional roles and further grouped along service lines (Operational or Administrative) or reporting clusters of authority to ensure accountability and to enhance efficiency and delivery of various services.

Authorized Headcount and Budget by Department (\$ Thousands)

Authorized Headcount	FY 2023 Revised Budget	Department	FY 2024 Approved Budget	Authorized Headcount
2	\$635	Secretary to the Board	\$584	2
6	2,772	Office of the CEO	2,954	6
	745	Internal Audit	805	
5	1,432	Office of the Chief Operating Officer	1,764	4
13	\$5,585	Independent Offices	\$6,107	12
14	\$3,243	Marketing & Communications	\$4,793	18
6	1,669	Office of Emergency Management	1,659	6
10	7,504	Fleet Management	7,626	9
17	2,622	Occupational Safety & Health	3,589	19
53	9,781	Facilities Management	10,500	53
7	8,651	Security	9,245	7
93	\$30,227	Shared Services	\$32,619	94
60	25,329	Finance	26,951	60
42	7,488	Procurement and Compliance	8,138	42
	1,000	Non-Ratepayer Revenue Fund	500	
102	\$33,817	Finance, Procurement & Compliance	\$35,589	102
10	\$2,856	Strategy & Performance	\$3,609	11
34	\$9,928	People & Talent	\$9,919	34
123	\$21,080	Customer Care	\$21,201	122
37	\$10,252	Information Technology	\$11,271	37
14	\$8,351	Government & Legal Affairs	\$8,345	14
136	23,336	Engineering & Technical Services	23,349	141
31	5,034	CIP Infrastructure Management	5,549	32
21	3,432	Wastewater Engineering	3,746	21
29	4,428	Permit Operations	5,475	29
217	\$36,230	Engineering	\$38,119	223
258	134,352	Wastewater	139,117	266
221	72,195	Water Operations	76,317	214
178	37,421	Pumping & Sewer Operations	42,703	183
657	\$243,968	Operations	\$258,136	663
11	\$4,118	Watershed Management	\$4,219	12
1325	\$409,655	Total Operations and Maintenance	\$433,928	1342
	230,173	Debt Service	231,953	
	23,070	PILOT&ROW	23,430	
	23,505	Cash Financed Capital Improvements	48,256	
	276,748	Total Debt Service, PILOT & ROW, CFCI	303,639	
1325	\$686,403	Total Operating Expenditure	\$737,567	1342
	(30,435)	Less: Capital Labor	(31,974)	
	\$655,968	TOTAL NET OPERATING EXPENDITURE	\$705,593	



Capital Improvement Program (CIP)

DC Water's ten-year Capital Improvement Program (CIP) provides the framework for the development, prioritization, implementation, and measurement of the capital projects undertaken. The Board-approved FY 2023 – FY 2032 CIP disbursement budget of \$6.95 billion increased by approximately \$531 million compared to the previous plan.

The budget fully funds the Clean Rivers Program to meet the consent decree requirements and achieves the Lead-Free DC goals, by 2030 respectively. This budget also funds' investments for major rehabilitation and upgrades at Blue Plains, DC Water's share of the Washington Aqueduct's infrastructure program, capital equipment purchases for vehicles, heavy-duty Fleet equipment, meters, pumps, and information technology systems.

The overall ten-year CIP continues DC Water's commitment to increase investments in its aging water and sewer infrastructure. This plan ramps up the small diameter water mains replacements to 1.5 percent per year in FY 2028 and beyond. Additionally, the plan continues the ramp up to one percent rehabilitation for small sewer lines per year in FY 2024 and beyond.

The FY 2023 and FY 2024 capital budgets total \$501.4 million and \$604.7 million, respectively (cash disbursement basis). The lifetime budget is \$14.6 billion covering total commitments including labor for active projects prior to, during, and beyond the ten- year window.

Detailed descriptions of major CIP changes and program details can be found in Section V – Capital Improvement Program of the budget book and online at www.dewater.com.

FY 2023 – FY 2032 Capital Improvement Program (\$ Thousands)

FY 2023 Revised	FY 2024 Approved	Service Area	Ten-Year Disbursement Plan	Total Lifetime Budget
\$22,104	\$24,614	Non Process Facilities	\$141,246	\$269,010
71,907	84,442	Wastewater Treatment	1,180,881	3,535,160
108,031	110,256	Combined Sewer Overflow	1,062,875	3,216,072
7,509	12,839	Stormwater	72,241	216,779
68,031	118,457	Sanitary Sewer	1,796,116	2,727,733
108,909	188,371	Water	2,011,801	3,572,035
\$386,492	\$538,981	Capital Projects	\$6,265,159	\$13,536,789
47,421	30,535	Capital Equipment	347,390	347,390
67,523	35,155	Washington Aqueduct	338,518	338,518
\$114,944	\$65,690	Additional Capital Programs	\$685,909	\$685,909
		Labor		404,476
\$501,437	\$604,671	Total Capital Budgets	\$6,951,067	\$14,627,173

Measure of Priority (\$ Thousands)

Mandates		Health and Safety	Board Policy	Potential Failure	High Profile / Good Neighbor	Good Engineering / High Payback	Good Engineering / Lower Payback	Total
Agreements, Regulatory Standards, Court Orders, Issues and Permits Requirements, Stipulated Agreements, Etc.		Required to address Public Safety	Undertaken as a result of the Board's commitment to outside agencies	Related to Facilities in danger of failing, or critical to meeting permit requirements	Address Public Concerns	Need to fulfill Mission and upgrade Facilities	Lower Priority Projects	
FY 2023	\$106,715	\$53,232	\$77,481	\$41,222	\$1,493	\$146,547	\$74,747	\$501,437
FY 2024	100,452	20,372	132,402	41,685	702	192,996	116,062	604,671
FY 2025	135,645	9,954	167,859	57,100	1,842	260,642	151,021	784,064
FY 2026	172,452	11,242	178,345	40,278	2,076	255,501	178,355	838,249
FY 2027	136,585	12,066	180,531	37,264	3,284	297,956	191,502	859,188
FY 2028	146,829	7,326	177,995	91,761	634	283,347	184,753	892,646
FY 2029	132,388	18,963	146,165	50,911	0	302,947	190,080	841,454
FY 2030	33,847	15,838	137,736	48,044	0	248,214	193,356	677,036
FY 2031	0	7,206	96,590	35,411	0	171,482	196,957	507,647
FY 2032	0	369	93,104	26,655	0	159,660	164,889	444,676
Total	\$964,912	\$156,569	\$1,388,208	\$470,332	\$10,030	\$2,319,293	\$1,641,724	\$6,951,067
% of Total	13.9%	2.3%	20.0%	6.8%	0.1%	33.4%	23.6%	100.0%

Major Capital Investments

DC Clean Rivers

The Potomac River Tunnel is the next major tunnel to be constructed as part of the Clean Rivers Project. It is designed to control the CSOs along the Potomac River between Joint Base Anacostia Bolling and Georgetown University from 2024 to 2030. The project will reduce CSO overflow volume to the Potomac River by 93 percent in an average year of rainfall, thereby improving the water quality for the benefit of all.



LeadFree DC

DC Water launched the LeadFree DC Program in 2019 to accelerate lead service line replacement and combine all lead reduction efforts under one banner. DC Water estimates the District of Columbia has more than 28,000 service lines with lead or galvanized-iron pipe. It is our goal to replace all of them with copper pipe by 2030.



Sewer Replacement and Rehabilitation

DC Water is performing sewer rehabilitation projects throughout the city as part of its Capital Improvement Program. Up to one percent of small and local sewers will be replaced per year, and larger sewer lines such as the Soapstone Valley Park Sewer Rehabilitation Project and the Potomac Interceptor will address aging and defective sewer pipes of wastewater from as far away as Dulles International Airport.



DC Water FY 2024 Budgets, Adopted March 2, 2023

Washington Aqueduct

The Washington Aqueduct treats and provides water to the District of Columbia, Arlington County, and the City of Falls Church in Virginia. DC Water shares in the costs of infrastructure improvements to achieve established service levels.



Water Main Replacement and Rehabilitation

As part of its Capital Improvement Program, DC Water is replacing small diameter water mains in various locations throughout the city, ramping up to 1.5 percent per year, along with critical larger water mains and valve replacements. These improvements will help improve water quality and system reliability, increase water pressure in some areas, and maintain adequate flows throughout the system.



Blue Plains Advanced Wastewater Treatment Plant

DC Water is performing a number of projects at the Blue Plains Advanced Wastewater Treatment Plant to maintain reliable treatment, improve efficiency, and enhance resource recovery and reuse. This includes design and construction of filter influent pumping and underdrain replacements, gravity thickener upgrades, a new Biosolids Curing Pad, concrete structural repairs, and various electrical system upgrades.





Operating Revenues, Rates, Fees & Charges

Operating Revenues

To provide continuous delivery of water and wastewater services, it is vital that DC water has a consistent revenue stream to cover operating and maintenance (O&M) costs, debt service, and other liquidity requirements. DC Water has a diverse customer base and receives revenues from a variety of sources. Retail rates are charges for water, sewer and other services to DC Water's customers. Wholesale revenues are received from suburban water and sewer authorities for their share of the O&M costs of the Blue Plains Advanced Wastewater Treatment Plant.

DC Water maintains a combination of fixed and variable fees. Fixed fees are charged regardless of water usage, and include the Metering Fee, Water System Replacement Fee and the Clean Rivers Impervious Area Charge (CRIAC). Variable fees are based on water usage and include the water and sewer fees. DC Water conducts a Cost of Service Study (COS) to help ensure that costs are appropriately allocated. For example, the cost of delivering water to our customers is reflected in the water rate, and the cost of wastewater treatment is part of the sewer rate.

Independent Review of Rate Structure and Customer Assistance Programs

In FY 2020, independent consultants conducted a review of our rate structure, FY 2021 rates and Customer Assistance Programs (CAP) and performed analysis of rates and CAP for comparable jurisdictions (e.g., benchmarking). The findings of the study concurred that DC Water's current rate structure, customer classes, monthly water lifeline threshold of four Ccf, ERU basis for recovering the CRIAC charge, CAP bill discount and temporary assistance programs are consistent with industry standards. In response to recommendations in the review, DC Water has adjusted the Metering Fee and expanded benefits for CAP customers.

2022 Cost of Service Study

In FY 2022, DC Water conducted a Cost of Service Study (COS) to align the cost of providing service to the customers with the multi-year rate proposals. The COS consisted of three components: i) Revenue Sufficiency Analysis – Do the proposed rates recover adequate revenue to meet expenditures? ii) Cost of Service Analysis/Rate Equity – Are proposed rates equitably recovering the costs of providing service to customers? and iii) Alternative Rate Structure Analysis – Are there alternative rate structures that may more effectively meet DC Water's highest priority pricing objectives? This study will be done every two years going forward.

Multi-Year Rates

DC Water's Board approved its fourth multi-year rate proposal covering the periods of FY 2023 and FY 2024. The FY 2023 rates became effective October 1, 2022. The benefits of multi-year rates include greater revenue certainty, increased budget discipline and better alignment between revenues and expenditures.

Because of efforts to reduce the growth of operating costs, the overall charges for average household customer for FY 2023 is 6.0 percent as compared to 6.7 percent in the previous forecast and for FY 2024, it is 5.4 percent as compared to 8.8 percent in the previous forecast.

Operating Revenues (\$ Thousands)

Category	FY 2023 Revised	FY 2024 Approved
Residential	\$ 130,840	\$ 138,719
Commercial	197,558	208,553
Multi-family	148,058	153,979
Federal Government	84,768	89,987
Municipal & Housing	37,411	39,843
Water System Replacement Fee	39,717	39,717
Metering Fee	24,083	24,083
Wholesale	104,560	106,519
Other Revenue	75,447	77,115
Total Operating Revenue	\$ 842,442	\$ 878,515

FY 2023 - FY 2024 Retail Rates and Fees

Description of Rates and Fees	Units	FY 2023 Approved	FY 2024 Approved	FY 2024 Increase/Decrease	
DC Water Retail Rates – Water		\$	\$	\$	%
• Residential 0-4 Ccf (Lifeline) ²	Ccf	\$4.28	\$4.38	\$0.10	2.3%
• Residential – > 4 Ccf ²	Ccf	\$5.58	\$5.70	\$0.12	5.2%
• Multi-family / DC Housing ²	Ccf	\$4.90	\$5.00	\$0.10	2.0%
• Non-Residential	Ccf	\$5.78	\$5.89	\$0.11	1.9%
DC Water Retail Rates – Sewer	Ccf	\$11.26	\$11.70	\$0.44	3.9%
DC Water Clean Rivers IAC	ERU	\$18.14	\$21.86	\$3.72	20.50%
DC Water Customer Metering Fee	5/8"	\$7.75	\$7.75	\$0.00	0.0%
DC Water System Replacement Fee ¹	5/8"	\$6.30	\$6.30	\$0.00	0.0%
District of Columbia PILOT Fee	Ccf	\$0.59	\$0.61	\$0.02	3.4%
District of Columbia Right-of-Way Fee	Ccf	\$0.19	\$0.19	\$0.00	0.0%
District of Columbia Stormwater Fee	ERU	\$2.67	\$2.67	\$0.00	0.0%
Groundwater Rate	Ccf	\$3.42	\$3.50	\$0.08	2.3%
WAD Rate	Ccf	\$3.21	\$3.30	\$0.09	2.8%

(1) DC Water WSRF of \$6.30 effective October 1, 2015

(2) Approved Class-Based Rates

Clean Rivers Impervious Area Charge (CRIAC)

The CRIAC is a separate sewer service fee established in FY 2009 to recover the \$2.99 billion cost of implementing the DC Clean Rivers Project (the District's CSO-Long Term Control Program). The proposed monthly CRIAC ranges from \$18.14 per Equivalent Residential Unit (ERU) in FY 2023 to \$31.32 per ERU in FY 2032. From 2011 until 2021, all funds for the Clean Rivers program were from the CRIAC, which is assessed for all customers based on the amount of impervious surface on each property. The ten-year plan assumes no external funding beyond the special Congressional appropriation. DC Water has received \$300.8 million through Federal appropriations as of January 20, 2023.

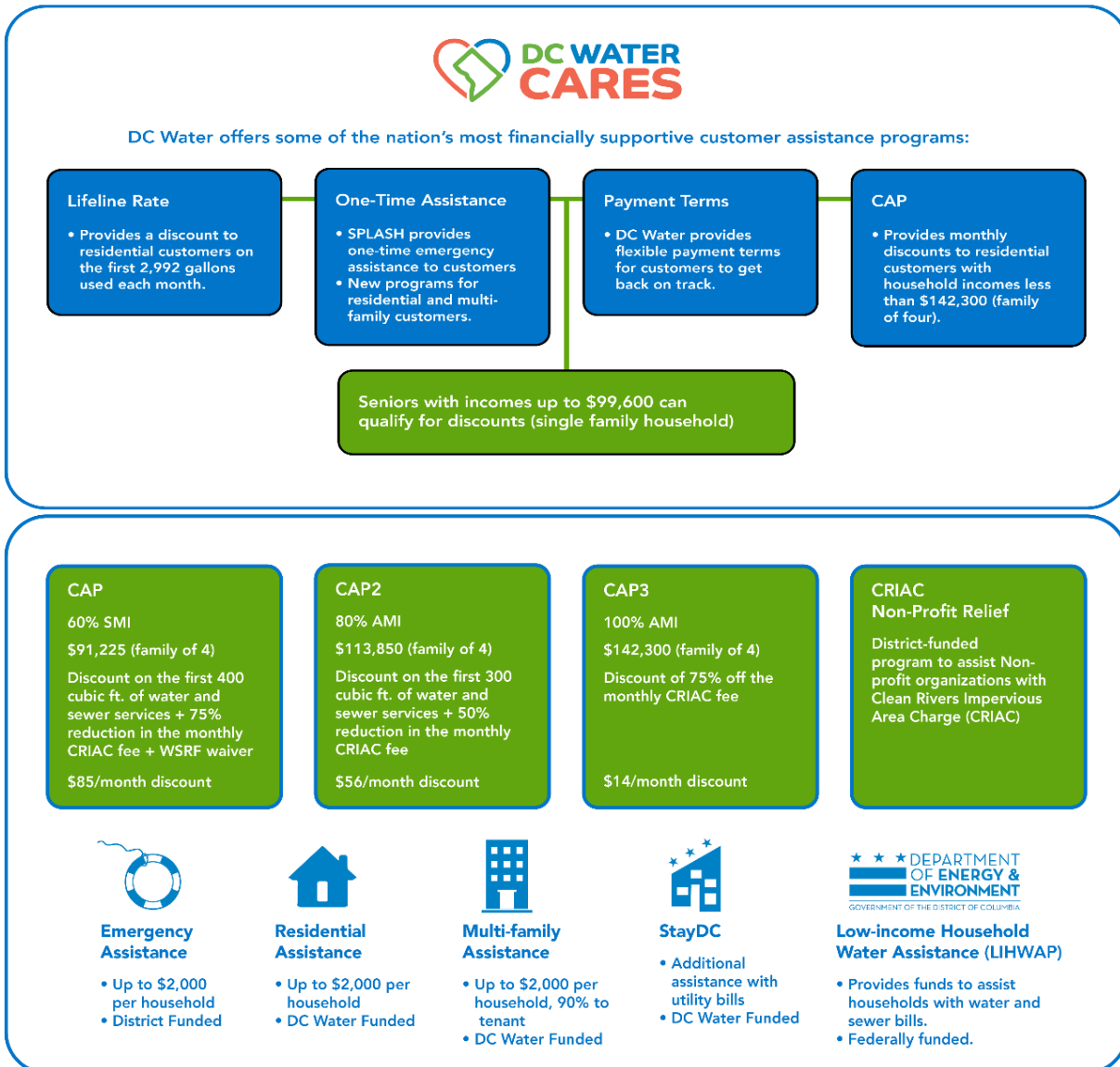
Based on an assessment, on average, 37 percent of the volume in the new tunnels is from wastewater. Therefore, 37 percent of clean rivers cost are in the sewer volumetric rate. In FY 2020, the CRIAC discount increased from four percent to 20 percent for customers who implement Stormwater Best Management Practices.



Clean Rivers Tunnel Construction Shaft

Customer Affordability

DC Water offers some of the most robust customer assistance programs in the nation. In the District of Columbia, one-fourth of the residents live below the poverty line, thus rate affordability is of the utmost concern in the planning process. DC Water seeks to balance its operating and financial needs with consideration to the financial impact upon its customers. EPA guidelines suggest that fees and charges should be within four percent of the median household income to be considered affordable (two percent for water and two percent for sewer). Using the last available data (2019), DC Water's rates are well under that target, and they are comparable with similar water and wastewater utilities. DC Water, in partnership with the District, supports the following programs to assist low-income customers in paying their water bills:



Regional Economy

DC Water's service area has historically been resilient, even during fluctuations in nationwide economic conditions. Employment at the U.S. government and all of the professional and service industry firms that support the federal government have been a steadying force through various economic cycles.

A major local employer, the federal government, remains relatively stable for this employment sector for the past few years. The population of the District grew by almost 70,000 people from 2010 to 2021. Per capita incomes within the District and for the region as a whole continue to be higher than the U.S. average. Regional office vacancy rates have increased during a period of unprecedented challenges while retail vacancy rates remain relatively low. The strengths of the District are complimented by its highly rated partners: the federal government and wholesale wastewater users. Select demographic charts that follow support the overall positive outlook for the Washington Metropolitan region and its economy.

FY 2023 - FY 2024 Average Residential Customer Monthly Bill

DC WATER RATES AND FEES	Approved FY 2023	Approved FY 2024
DC Water Water and Sewer Retail Rates ⁽¹⁾	\$ 86.07	\$ 89.03
DC Water Clean Rivers IAC ⁽²⁾	18.14	21.86
DC Water Customer Metering Fee	7.75	7.75
DC Water Water System Replacement Fee ⁽⁴⁾	6.30	6.30
Subtotal DC Water Rates & Charges	\$ 118.26	\$ 124.94
DISTRICT OF COLUMBIA CHARGES		
District of Columbia PILOT Fee ⁽¹⁾	\$ 3.20	\$ 3.31
District of Columbia Right-of-Way Fee ⁽¹⁾	1.03	1.03
District of Columbia Stormwater Fee ⁽³⁾	2.67	2.67
Subtotal District of Columbia Charges	\$ 6.90	\$ 7.01
Total Amount Appearing on DC Water Bill	\$ 125.16	\$ 131.95
Percent Increase in Total Bill	6.0%	5.4%

⁽¹⁾ Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

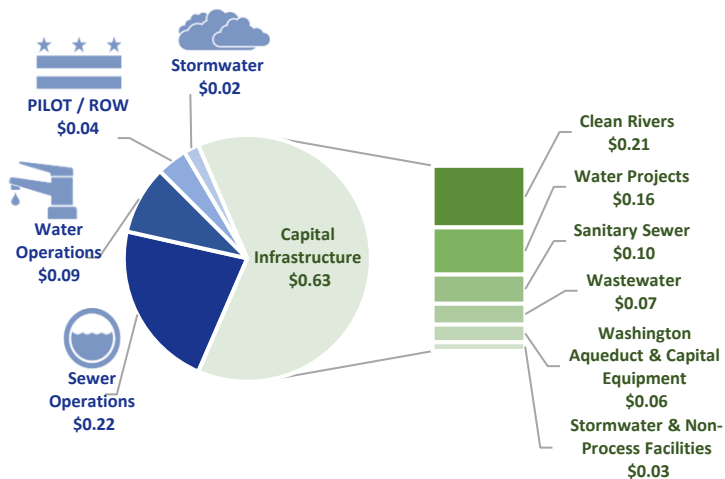
⁽²⁾ Assumes average 1 Equivalent Residential Unit (ERU)

⁽³⁾ District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

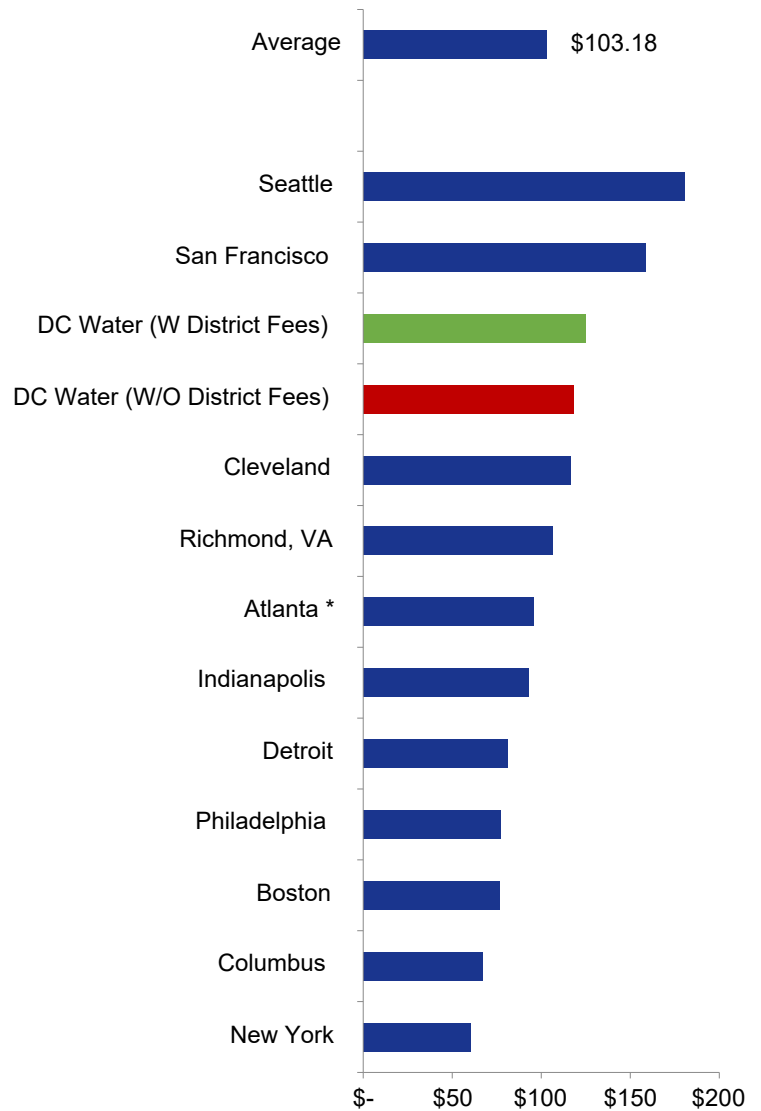
⁽⁴⁾ DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

FY 2024: Where Does Your Money Go?

How does DC Water spend each dollar received from the average residential customer?



DC Water Compared to Consent Decree Cities



**Get current,
Get assistance or
Get on a payment plan.**

Call us at 202-354-3600 or
email cares@dcwater.com





dcwater.com



Approved FY 2024 Budgets

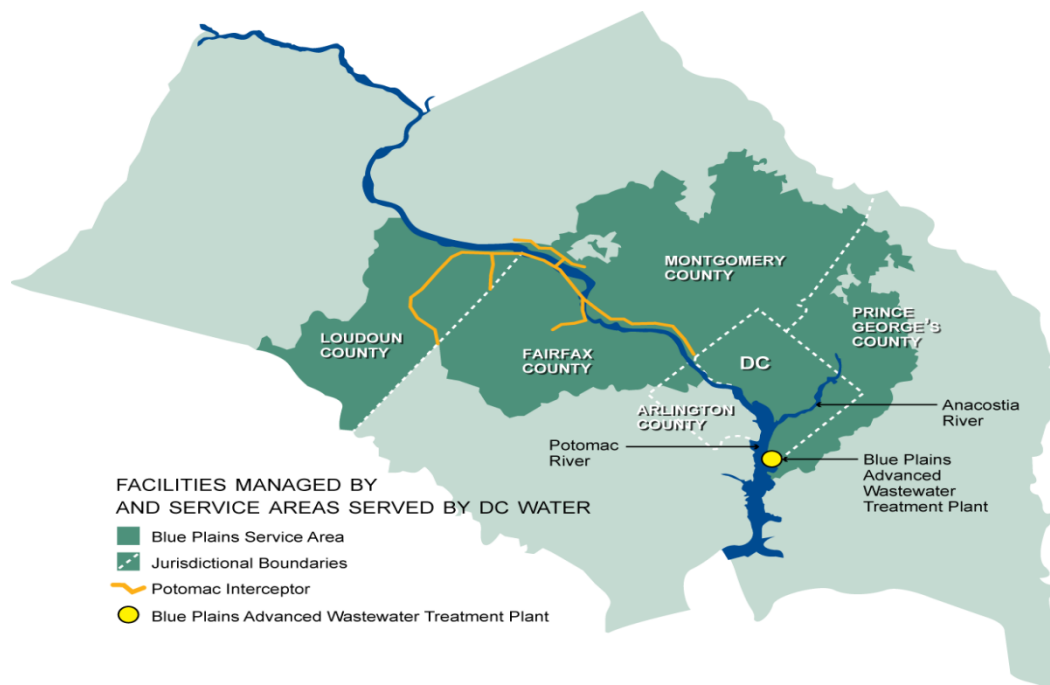
Section II: OVERVIEW



History: In 1996, the District of Columbia Water and Sewer Authority was created by District law, with the approval of the United States Congress, as an independent authority of the District government with a separate legal existence. In June 2010, the agency adopted a new logo and brand name, DC Water, while its official name remained District of Columbia Water and Sewer Authority. Beginning in FY 2013, for accounting purposes, DC Water was no longer reported as a component unit of the District government.

Age of Pipes: The median age of District water main pipes is over 80 years old, with approximately 9 percent of pipes installed in the 1900's and 2 percent dating back to the 1860s before the Civil War.

Service Area: Providing approximately 700,000 residents and 21.3 million annual visitors in the District of Columbia with retail water and wastewater (sewer) service, DC Water has a total service area of approximately 725 square miles. In addition, DC Water treats wastewater for approximately 1.6 million people in neighboring jurisdictions, including Montgomery and Prince George's Counties in Maryland and Fairfax and Loudoun Counties in Virginia.



Drinking Water Quality: With a strong emphasis on water quality, DC Water maintains an annual flushing program, regulatory and voluntary water quality testing, and ongoing system upgrades. In partnership with the U.S. Army Corps of Engineers' Washington Aqueduct, DC Water ensures a high-quality treatment process for delivering outstanding drinking water throughout the year. DC Water purchases water produced by the Aqueduct and distributes to its customers in the District of Columbia.

Pumped and Treated Water Storage: During Fiscal Year 2022, DC Water pumped an average of more than 95 million gallons of water per day. In addition, DC Water stores approximately 60 million gallons of treated water at its eight facilities (reservoirs and tanks). The Washington Aqueduct, which treats drinking water, stores an additional 49 million gallons.

Water Distribution System: DC Water delivers water through over 1,300 miles of interconnected pipes, four pumping stations, four reservoirs, four elevated water tanks, and over 51,000 valves and 9,800 fire hydrants.

Sewer System: DC Water operates approximately 2,000 miles of combined, separate, and stormwater sewers, 56,000 manholes, 25,000 catch basins, 16 stormwater pumping stations, and 9 offsite wastewater pumping stations.

Blue Plains Advanced Wastewater Treatment Plant (BPAWWTP): Blue Plains, located at the southernmost tip of the district, is the largest advanced wastewater treatment facility in the world, covering more than 150 acres along the Potomac River. Blue Plains currently treats an annual average flow of approximately 300 million gallons per day (MGD) and has a design capacity of 384 MGD, with a peak design capacity during wet weather/high flow events to treat approximately 800 million gallons per day.

Customer Service: DC Water communicates valuable customer-related information through bill inserts, monthly newsletters, its website, and social media, including Facebook, YouTube, Flickr, Twitter, and Instagram. Our 24-hour Emergency Command Center is the centralized communication facility for receiving and responding to emergency calls from customers and the public. Through various assistance programs, DC Water helps thousands of residents with a reduction in their monthly bills and/or a one-time payment.

Community Service: Donating its time and resources, DC Water strives to be present at events that align with its mission and allows the Authority to engage with the residents about pertinent projects and services. Employees actively support a variety of charitable projects and community services. DC Water also invests in the community, conducting science laboratory exercises in District high schools and engaging the public through tours of the Blue Plains Plant.

Community Outreach: DC Water was able to assist 50% more customers in 2022 compared to the previous fiscal year. Maintaining an active presence in the community through sharing time and resources is a core value at DC Water. Employees participate in meetings and community events throughout the District; invite the public to the BPAWWTP and new headquarters building; and provide hands-on-lessons, field trips and environmental education events to more than 2,000 students in our service area during the school year. DC Water seeks to educate and support its customers as stewards of the environment.

Employees: Approximately 1,100 people are employed by DC Water and work at various facilities across the District of Columbia to provide vital services to our customers.

Governance: DC Water’s Board of Directors establishes policies and guides the strategic planning process. The Board is composed of 22 members, (11 principals and 11 alternates) representing the District, Montgomery and Prince George’s Counties in Maryland and Fairfax County in Virginia. The District members set rates, charges and policies for District services. The entire Board votes and establishes policies for joint-use services. The Chief Executive Officer and General Manager reports to the Board and manages operations and performance of the enterprise. The members of the Board of Directors also serve on various Sub Committees: DC Retail Water & Sewer Rate; Environmental Quality and Operations; Finance and Budget; Governance; Human Resources and Labor Relations; Strategic Planning and Audit.

Financial Performance: DC Water continue to maintain its senior bond ratings of AAA/Aa1/AA+ from S&P/Moody’s/Fitch’s Ratings. This allows DC Water to have a lower borrowing cost which in turn reduces ratepayer cost in the long run. DC Water also maintained a GB1 rating for green bonds, Moody’s highest possible green bond assessment. DC Water also received its 25th consecutive unqualified audit opinion of its financial statements and 22nd consecutive Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).

DC Water Finance Information (\$ Millions)

Bond Rating: AAA/Aa1/AA+	FY 2023	FY 2024
Revenue (Cash Receipts)	\$833.6	\$842.4
Operating Budget	\$686.4	\$737.6
Capital Disbursement Budget	\$501.4	\$604.7

The chart below highlights DC Water’s operating expenditures, capital disbursements, revenues, rates and fees.

Description	Unit of Measure	FY 2023 Revised	FY 2024 Approved	FY 2024 vs FY 2023 Increase / (Decrease)
Total Operating Expenditure	\$ in thousands	\$ 686,403	\$ 737,567	\$ 51,164
Capital Disbursements	\$ in thousands	\$ 501,437	\$ 604,671	\$ 103,234
Ten-Year CIP (Cash Disbursement)	\$ in billions	\$ 6.42	\$ 6.95	\$ 0.53
Total Operating Revenue	\$ in thousands	\$ 842,442	\$ 878,515	\$ 36,073
Wholesale Operating Revenues	\$ in thousands	\$ 104,560	\$ 106,519	\$ 1,959
Residential 0-4 Ccf (Lifeline) ²	Ccf	\$ 4.28	\$ 4.38	\$ 0.10
Residential - > 4 Ccf ²	Ccf	\$ 5.58	\$ 5.70	\$ 0.12
Multi-family / DC Housing ²	Ccf	\$ 4.90	\$ 5.00	\$ 0.10
Non-Residential	Ccf	\$ 5.78	\$ 5.89	\$ 0.11
DC Water Retail Rates – Sewer	Ccf	\$ 11.26	\$ 11.70	\$ 0.44
DC Water Clean Rivers IAC	ERU	\$ 18.14	\$ 21.86	\$ 3.72
DC Water Customer Metering Fee	5/8"	\$ 7.75	\$ 7.75	\$ -
Water System Replacement Fee ¹	5/8"	\$ 6.30	\$ 6.30	\$ -
PILOT Fee	Ccf	\$ 0.59	\$ 0.61	\$ 0.02
Right of Way Fee	Ccf	\$ 0.19	\$ 0.19	\$ -
Stormwater Fee	ERU	\$ 2.67	\$ 2.67	\$ -

Ccf – hundred cubic feet or 748 gallons

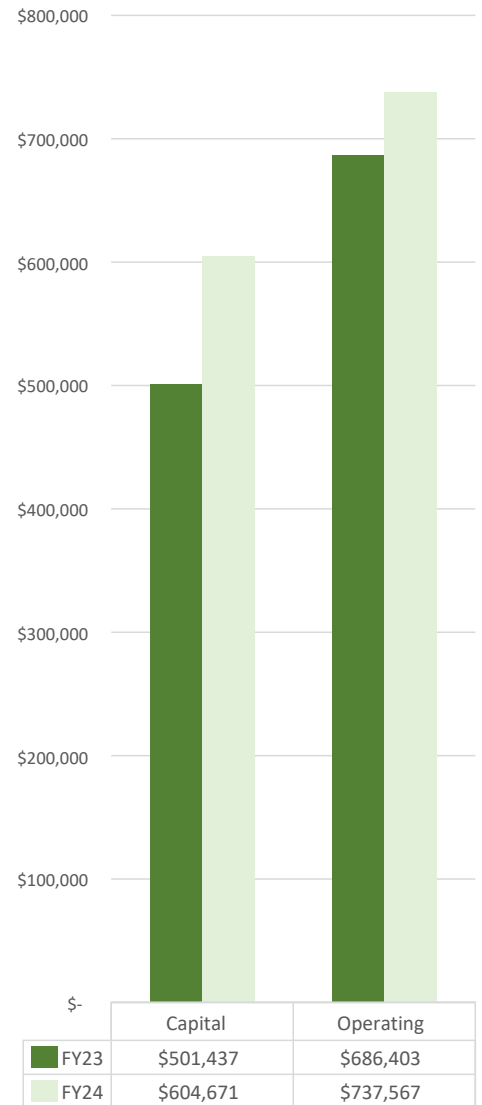
(1) DC WATER WSRF of \$6.30 effective October 1, 2015.

(2) Proposed Class-Based rates

\$ in thousands

Capital and Operating Budgets Ensure Service Needs and Strategic Objectives are Met

	REVISED FY2023	APPROVED FY2024
<u>CAPITAL (Cash Disbursements Basis)*</u>		
Wastewater Treatment	\$ 71,907	\$ 84,442
Sanitary Sewer	68,031	118,457
Combined Sewer Overflow	108,031	110,256
Stormwater	7,509	12,839
Water	108,909	188,371
Washington Aqueduct	67,523	35,155
Capital Equipment	47,421	30,535
Non Process Facilities	22,104	24,614
Total Capital	\$ 501,437	\$ 604,671
<u>OPERATING</u>		
Personnel Services	\$ 186,223	\$ 201,581
Contractual Services	88,504	93,070
Water Purchases	40,334	44,039
Chemicals and Supplies	54,628	54,568
Utilities	37,799	39,233
Small Equipment	1,108	1,437
Total O&M	408,596	433,928
Debt Service	231,232	231,953
Cash Financed Capital Improvements	23,505	48,256
Payment in Lieu of Taxes	17,970	18,330
Right of Way Fees	5,100	5,100
Subtotal Operating	686,403	737,567
Personnel Services charged to Capital Projects	(30,435)	(31,974)
Net Operating	\$ 655,968	\$ 705,593



*Reflects revision to FY 2023 capital disbursement budget during the FY 2024 cycle.

\$ in thousands

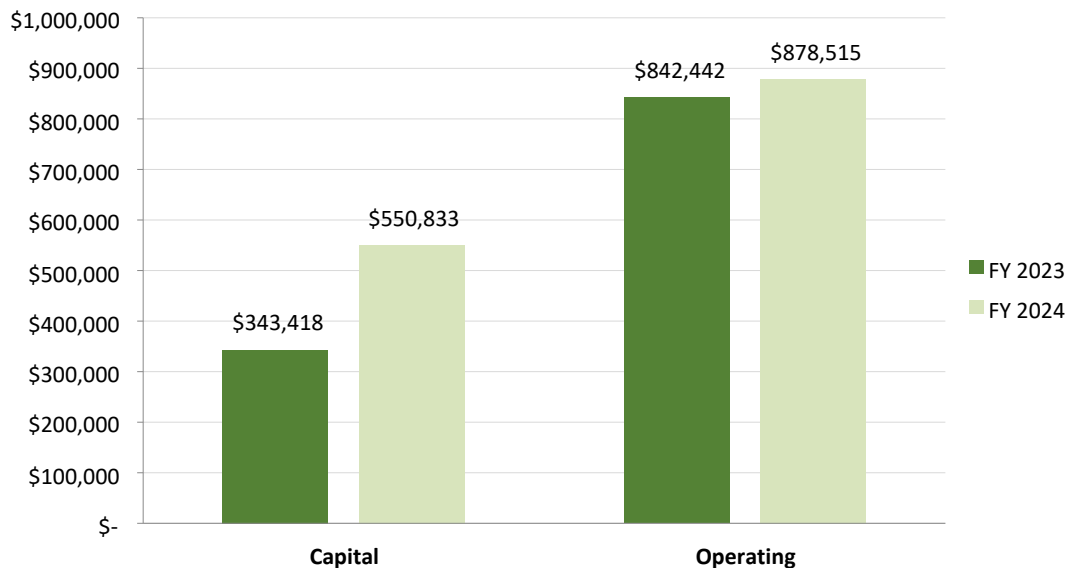
	FY 2023 Revised	FY 2024 Approved
CAPITAL		
Wholesale Capital Payments	\$ 75,288	\$ 84,142
Federal Grants - Infrastructure Funding	11,701	44,000
EPA Grants & CSO Appropriations	21,984	26,651
Interest Income on Bond Proceeds	15,169	10,621
Pay-Go-Financing	173,365	194,222
Revenue Bonds/Commercial Paper/EMCP*	38,211	180,488
Curing Pad and Solar	-	3,009
System Availability Fee	7,700	7,700
Total Capital Revenue	\$ 343,418	\$ 550,833

OPERATING

Residential	130,840	138,719
Commercial	197,558	208,553
Multi-Family	148,058	153,979
Federal Government	84,768	89,987
Municipal & Housing	37,412	39,843
Water System Replacement Fee (WSRF)	39,717	39,717
Metering Fee	24,083	24,083
Wholesale	104,560	106,519
Transfer from Rate Stabilization Fund	-	-
Other Revenue	75,447	77,115
Total Operating Revenue	\$ 842,442	\$ 878,515

(*) Extendable Municipal Commercial Paper

Capital and Operating Revenue



- Water and Sewer volumetric rates are listed below:
 - Residential customers: “Consumption of 0 – 4 Ccf” water rate increase of \$0.65 per Ccf to \$4.28 per Ccf, {increase of \$0.87 to \$5.72 per 1,000 gallons}
 - Residential customers: “Consumption greater than 4 Ccf” water rate increase of \$0.84 per Ccf to \$5.58 per Ccf, {increase of \$1.12 to \$7.46 per 1,000 gallons}
 - Multi-family customers: water rate increase of \$0.75 per Ccf to \$4.90 per Ccf, {increase of \$1.00 to \$6.55 per 1,000 gallons}
 - Non-residential customers: water rate increase of \$0.87 per Ccf to \$5.78 per Ccf, {increase of \$1.17 to \$7.73 per 1,000 gallons}
- Sewer rate increase of \$0.62 per Ccf to \$11.26 per Ccf, {increase of \$0.83 to \$15.05 per 1,000 gallons}
- Monthly Clean Rivers Impervious Area Charge decrease of \$0.26 to \$18.14 per ERU to recover the costs of the DC Clean Rivers Project
- Monthly Customer Metering Fee of \$7.75 for a 5/8” meter size will remain the same. The Customer Metering fee varies by size.
- Water System Replacement Fee (WSRF) of \$6.30 for 5/8” meter size will remain the same. This fee varies with meter size. The WSRF is to recover the costs of 1% renewal and replacement program for water service lines
- PILOT fee increase of \$0.03 per Ccf to \$0.59 per Ccf {increase of \$0.04 to \$0.79 per 1,000 gallons}
- No increase in ROW fee, which remains the same at \$0.19 per Ccf {\$0.25 per 1,000 gallons}

Ccf is equivalent to hundred cubic feet or 748 gallons

- Water and Sewer volumetric rates are listed below:
 - Residential customers: “Consumption of 0 – 4 Ccf” water rate increase of \$0.10 per Ccf to \$4.38 per Ccf, {increase of \$0.14 to \$5.86 per 1,000 gallons}
 - Residential customers: “Consumption greater than 4 Ccf” water rate increase of \$0.12 per Ccf to \$5.70 per Ccf, {increase of \$0.16 to \$7.62 per 1,000 gallons}
 - Multi-family customers: water rate increase of \$0.10 per Ccf to \$5.00 per Ccf, {increase of \$0.13 to \$6.68 per 1,000 gallons}
 - Non-residential customers: water rate increase of \$0.11 per Ccf to \$5.89 per Ccf, {increase of \$0.14 to \$7.87 per 1,000 gallons}
- Sewer rate increase of \$0.44 per Ccf to \$11.70 per Ccf, {increase of \$0.59 to \$15.64 per 1,000 gallons}
- Monthly Clean Rivers Impervious Area Charge increase of \$3.72 to \$21.86 per ERU to recover the costs of the DC Clean Rivers Project
- Monthly Customer Metering Fee of \$7.75 for a 5/8” meter size will remain the same. The Customer Metering fee varies by size.
- Water System Replacement Fee (WSRF) of \$6.30 for 5/8” meter size will remain the same. This fee varies with meter size. The WSRF is to recover the costs of 1% renewal and replacement program for water service lines
- PILOT fee increase of \$0.02 per Ccf to \$0.61 per Ccf {increase of \$0.03 to \$0.82 per 1,000 gallons}
- No increase in ROW fee, which remains the same at \$0.19 per Ccf {\$0.25 per 1,000 gallons}

Ccf is equivalent to hundred cubic feet or 748 gallons

\$ in thousands

OPERATING BUDGET	FY 2021 Actual	FY 2022 Actual	FY 2023 Revised	FY 2024 Approved
Operating Revenue				
Residential, Commercial & Multi-Family	\$ 323,874	\$ 382,523	\$ 412,149	\$ 421,590
Federal	54,665	57,950	66,330	69,935
Municipal	12,274	13,234	15,523	15,866
D.C. Housing Authority	11,035	12,153	13,203	13,510
Groundwater	-	-	-	-
Water System Replacement Fee (WSRF)	42,212	42,079	39,717	39,717
Metering Fee	14,862	23,134	24,083	24,083
Payment in Lieu of Taxes / Right of Way Fee	21,612	22,630	23,070	23,430
Clean Rivers IAC Revenue	104,356	96,854	91,426	110,174
Sub-total Retail	584,889	650,555	685,505	718,310
Wholesale	82,986	84,899	104,560	106,519
Interest Earnings	3,433	995	7,028	7,695
Transfer from Rate Stabilization Fund ⁽²⁾	2,500	52,100	-	-
Other Operating Revenues ⁽¹⁾	35,566	44,956	44,828	45,639
Total Operating Revenue ⁽¹⁾	709,375	833,506	841,921	878,164
Operating Expenditures				
Personnel Services	141,637	146,384	155,788	169,607
Contractual Services	73,575	95,176	88,504	93,070
Chemicals & Supplies	34,244	46,359	54,628	54,568
Utilities & Rent	27,329	26,476	37,799	39,233
Water Purchases	33,135	33,268	40,334	44,039
Small Equipment	617	738	1,108	1,437
Subtotal - Operating Expenditures	310,536	348,402	378,161	401,954
Payment in Lieu of Taxes / Right of Way Fee	22,372	22,718	23,070	23,430
Debt Service	204,878	209,768	231,232	231,953
Cash Financed Capital Improvements/Defeasance	30,355	37,830	23,505	48,256
Total Operating Disbursements	568,142	618,717	655,968	705,593
Operating Surplus ⁽¹⁾	118,938	214,789	185,953	172,571
CAPITAL Disbursements (See Section VI for more details)				
Sources of Capital Funds	254,946	688,868	343,418	550,832
Uses of Capital Funds	370,120	345,337	501,437	604,671
Capital Disbursements Overage / (Shortage)	(115,174)	343,531	(158,019)	(53,839)
CASH RESERVES				
Beginning O&M Reserve Balance (Net of Rate Stabilization Fund)	186,827	196,286	257,374	274,600
Operating Surplus	118,938	214,789	185,953	172,571
Wholesale Customer Refunds/Payments for Prior Years	2,313	(2,351)	(7,500)	(5,000)
Federal Customer Refund/Payments for Prior Years	2,233	(3,060)	(4,188)	(6,256)
Interest Earned from Bond Reserve	194	89	521	351
Pay-As-You-Go Capital Financing	(114,221)	(148,378)	(157,560)	(153,665)
Ending O&M Reserve Balance (Net of Rate Stabilization Fund)	196,285	257,375	274,600	282,601
Rate Stabilization Fund ⁽²⁾	\$ 87,744	\$ 35,644	\$ 35,644	\$ 35,644

(1) Does not include interest earned from debt service reserve fund

(2) Additional \$41.6 million was transferred from the Rate Stabilization Fund in FY 2022

In the early history of Washington, DC, water and sewer operated as separate entities. Early incarnations of the agency we now call DC Water included the District of Columbia Water Board (1859—1872) and the District of Columbia Board of Public Works (1872—1932).

Beginning in 1932, the Agency operated as the District of Columbia Department of Sanitary Engineering and constructed the first sewage treatment plant at Blue Plains. The Agency went through another transition to the District of Columbia Department of Environmental Services in 1971, then operated as the Water and Sewer Utility Administration (WASUA) under the Department of Public Works from 1985 to 1996.

The District of Columbia Water and Sewer Authority (DC Water) was created in April 1996 and began operating October 1, 1996 under and pursuant to an act of the Council of the District of Columbia and an act of the United States Congress. Previously, the Water and Sewer Utility Administration, a division of the District's Department of Public Works, performed DC Water's operations. In the aftermath of the District's financial crisis in the 1990s, Congress created an independent utility agency governed by a Board of Directors consisting of eleven principal and eleven alternate members who represent the District of Columbia, Montgomery and Prince George's Counties in Maryland and Fairfax County in Virginia to govern DC Water. The Mayor of the District of Columbia appoints, and the Council confirms, all District Board members, including the Chairperson. In addition, the Mayor appoints the five principal and five alternate members who represent the surrounding jurisdictions based on submissions from those jurisdictions. All members serve four-year terms. The existence of a quorum and an affirmative vote of a majority of the members present, who are permitted to participate in the matter under consideration, is required to approve any Board action; except, that 7 affirmative votes are required for approval of the Authority's budget and 8 affirmative votes are required for the selection or relieving of the CEO/General Manager. All Board members participate in decisions directly affecting the general management of joint-use facilities (such as projects at the Blue Plains Advanced Wastewater Treatment Plant), and only the District of Columbia members participate in decisions for those matters that affect only District ratepayers. Rate setting authority resides solely with the Board of Directors, and is a non-joint use matter.

At its inception, DC Water faced a cash shortage and projected multi-million dollar deficit. The newly established utility was also burdened with a barely functional fleet, poorly maintained infrastructure, an antiquated billing system, and many operating weaknesses. Through the leadership of an active Board of Directors and strong management staff, a line of credit was obtained, municipal bonds were issued and new strategic goals, business processes and technologies were developed. DC Water made tremendous strides in its prudent financial management and cutting-edge technology, customer service improvements, extensive capital investment, environmental stewardship, peer-reviewed research and establishment of an award winning fleet. Our credit rating since 1996 has gone from no credit to AAA. Today, DC Water is one of the best utilities not only in North America but in the world.

Over the years, we have developed strong partnerships with the District government, Congress, suburban jurisdictions, federal regulators and environmental advocates. We are continuing to strengthen our existing partnerships while reaching out to establish new relationships. Our success has been acknowledged through many awards as well as positive financial results and audits over the years. Since 1996, the Authority has met its mission of providing clean drinking water to residents of the District of Columbia and wastewater conveyance and treatment services to both residents of the District of Columbia and wholesale customers in Maryland and Virginia.

At DC Water, we focus all our technology initiatives on improving both the quality of services we provide to our customers and organizational effectiveness. We were one of the first utilities to automate our meter reading program (AMR) which has been heralded as a best practice in the industry. The automated meters use radio frequency and cell phone technology to send daily water usage information from the meter to DC Water. This tool analyzes daily water consumption and provides monthly and yearly averages on an account so a customer can monitor their own water use. In addition, we developed a powerful application in-house called the High Use Notification Application (HUNA). This tool alerts customers of unusually high amounts of water delivered to their meter so they can check for leaks and avoid a high bill.



Basis of Accounting

DC Water is a single enterprise fund and maintains accounting records using the modified accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP). Under this basis of accounting, revenues are recorded when earned, and expenses are recorded when incurred. DC Water's expenditure budget is prepared on a comparable basis to GAAP, with the exception of debt service (including principal and interest) that is budgeted in full when due. Depreciation and interest expense are recorded as expenses for financial statement purposes. (Depreciation is not budgeted.)

Annual Budget Process

DC Water's budget is prepared through a collaborative and decentralized process, guided by its strategic plan. The Blueprint 2.0 includes five interconnected imperatives and lays out defined outcomes essential to achieving the strategic goals over the next five years and beyond. Detailed information about the strategic plan is available online at www.dewater.com/strategic-plan.

As a first step in the budget development process, the organizational priorities are established under the guidance of the Board and Senior Executive Team and linked to the strategic plan. The budget process encourages ideas to be brought forward by all departments with detailed workplans that incorporate the imperatives, goals and workstreams of Blueprint 2.0. The strategic plan serves as the primary lens through which budget requests are evaluated against established prioritization criteria and final budget decisions are made. DC Water's ten-year financial plan is then updated to reflect any revisions to the capital improvement program and any other major revenue or operating budget issues, and potential impact of these items on rates. In addition to these items, the ten-year financial plan is also developed based on the financial and rate-setting policies adopted by the Board.

Budget Approval Process

DC Water's budget is the fiscal roadmap that allocates and aligns spending plan with the imperatives and goals of the strategic plan. The rigorous budget process balances the level of infrastructure investments and operational requirements with customer rates and total revenue expectations.

Typically, in September, the Chief Executive Officer & General Manager and Chief Financial Officer kick off the budget season. DC Water's strategic and operational priorities are included in each department's work plan and performance agreements, as appropriate. In late September, departments submit their initial budget requests for management review. During the months of October and November, departments complete budget reviews with budget staff and the Senior Executive Team with the CEO & General Manager in tandem. In an effort to align the budget with the imperatives and goals of the strategic plan, all budget requests for existing and new programs are evaluated and scored against established prioritization criteria.

In January of each year, management presents the operating budget, ten-year capital improvement program and ten-year financial plan to the Board’s Environmental Quality and Operations Services, DC Water Retail Water and Sewer Rates and Finance and Budget Committees for their review. The budget is proposed for the following fiscal year (e.g. beginning October 1, 2023). The Committees review the budget documents through February and submit budget recommendations to the full Board in March. Decisions are finalized and Board action on the budget is taken between March and April.

Upon budget adoption, the Budget Office publishes and distributes the approved budget book. DC Water is required to submit its annual operating and ten-year capital budgets to the Mayor and the District of Columbia Council for review and comment. However, neither has the power to change DC Water’s annual budgets. The District of Columbia includes DC Water’s budgets in their submission to the U.S. Congress for approval. Once approved by Congress, the budget is effective October 1 of each year.

Budgetary Control

After the U.S. Congress approves the budget, the operating and capital budgets are loaded into the DC Water’s financial management system, which prevents overspending without appropriate approvals. The Finance Department prepares monthly management reports for each operating unit, management staff, the Board of Directors and its various committees. The reports are consistently reviewed each month to ensure that DC Water complies with its authorized budget levels.

Amendment Process

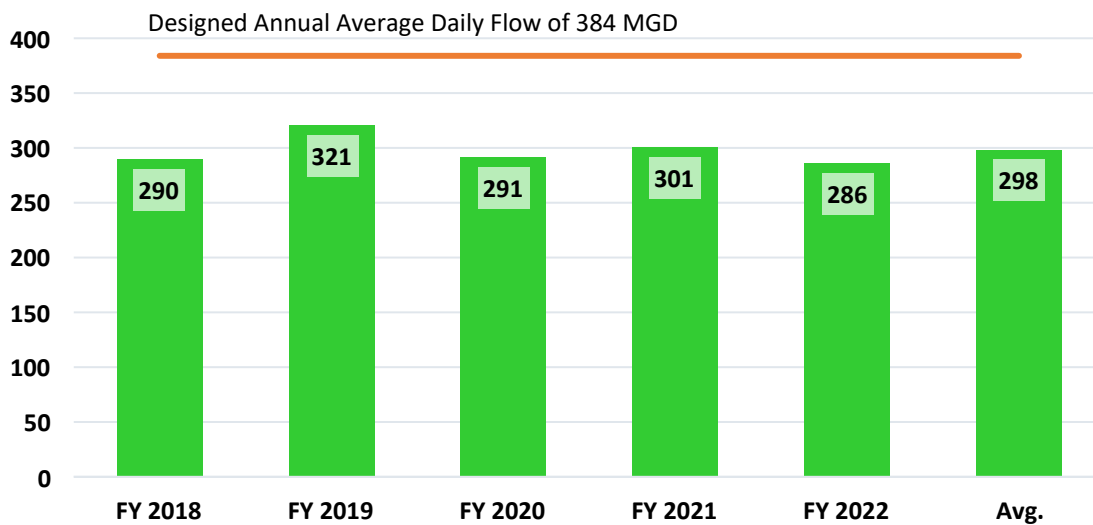
The CEO & General Manager has control over the budget as approved by the U.S. Congress, at the appropriation level, i.e., DC Water’s overall approved operating budget and capital authority at the Authority-wide level in the capital budget. The CEO & General Manager has the authority to approve budget reprogramming between departments. Any additional budget spending above the budget appropriation level requires approval from the U.S. Congress.

Month	Activity
July	Centrally Managed and Matrix training and preparation
August	Establish Budget Prioritization and Scoring Criteria and Linkages to Strategic Plan Goals (Blueprint 2.0) Develop Budget Manual & Guidelines and Provide Training for Departments
September 7	Chief Executive Officer & General Manager's Budget Kickoff Meeting
September	Departmental FY 2024 budget submission to Budget Office
October	Chief Financial Officer Briefing on Departmental Budget Requests
October - November	Departmental FY 2024 Operating and Capital Equipment Budget Reviews with the Chief Executive Officer, Chief Financial Officer, and the Budget Office
November	Executive Team Briefing (Operating and Ten-Year Capital Improvement Program)
December	Finalize Ten-Year Financial Plan (Operating, Capital Improvement Program, Revenues, Rates & Fees) Transmittal of CEO's & GM's Final Budget Proposal to Executive Vice Presidents & Department Heads
January 5	Budget Workshop – Board Briefing of the CEO & GM's Proposed FY 2024 Budgets, Capital Improvement Program, Two-Year Rate Proposal and Financial Plan
January	Budget Briefing to Wholesale Customers, Office of People's Counsel (OPC) and other stakeholders
January - February	Board Committees Conduct In-Depth Review of Budget Proposal: <ul style="list-style-type: none"> • Environmental Quality & Operations Committee Review of Capital Improvement Program • Joint session with the DC Retail Water & Sewer Rates and Finance & Budget Committees on the Operating Budget, Capital Improvement Program, Two-Year Rate Proposal, and Financial Plan
February	Board Committees Forward Recommendations to Full Board for deliberation/action Budget Book Preparation & Production
March 2	Budget Adoption by Full Board Submission to the District of Columbia for onward transmission to U.S. Congress
April	Application for GFOA Distinguished Budget Presentation Award
April – June	Rate-making Process (conducted every two years) Public Outreach & Public Hearing Activities
July	Board Adoption of Rates (conducted every two years)
October 1	Fiscal Year Begins

Wastewater System Capacity Ensures Service Area Meets Needs Through 2040

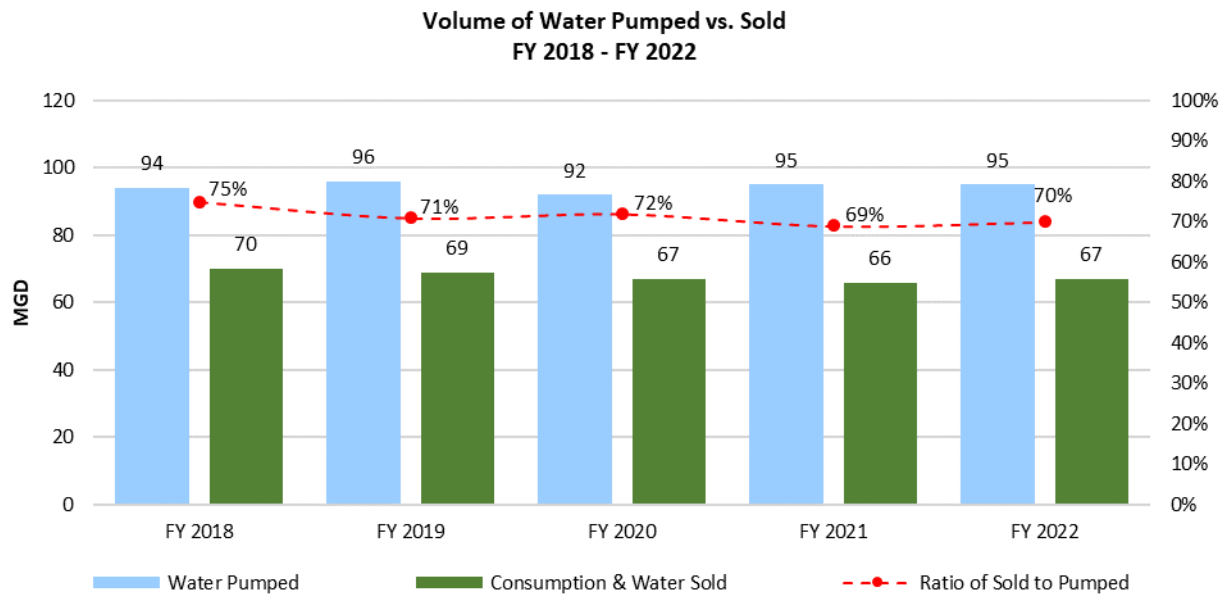
- Blue Plains is the world’s largest advanced wastewater treatment plant
 - Treats an average of approximately 300 million gallons per day (MGD) annually
 - Designed for average daily flow of 384 MGD and, with a peak design capacity to treat more than 780 MGD
- System comprises 2,000 miles of sanitary, stormwater and combined sewers; 125,000 building sewer laterals; 22 flow-metering stations; 9 off-site wastewater pumping stations; and 16 stormwater pumping stations

Historical Wastewater Treatment vs. Capacity FY 2018 – FY 2022



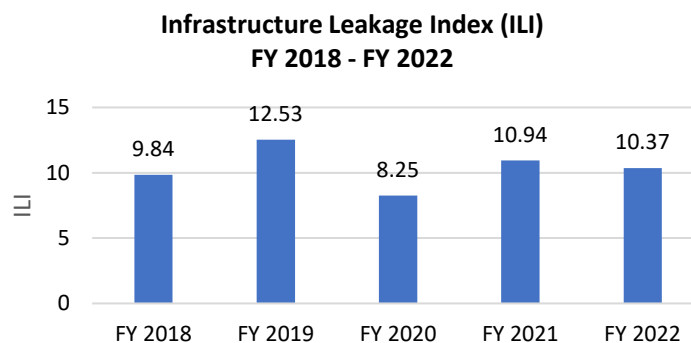
Water System Capacity Meets Service Area Needs

- Water is purchased from the Washington Aqueduct, owned and operated by the U.S. Army Corps of Engineers
- Four pumping stations provide adequate capacity to meet peak demand
 - Bryant Street, New Fort Reno, 16th and Alaska, Anacostia
- One Washington Aqueduct pumping station with capacity sufficient to take over for Bryant Street pumping station
- System comprises 1,350 miles of interconnected pipes



Infrastructure Leakage Index (ILI)

The IWA methodology introduces the Infrastructure Leakage Index (ILI) as the ratio of real losses over the Unavoidable Real Losses (UARL). This value provides an indication of the actual leakage in the system relative to the lowest level achievable with today's best technology. Decreased ILI values indicate increased water utility efficiency.



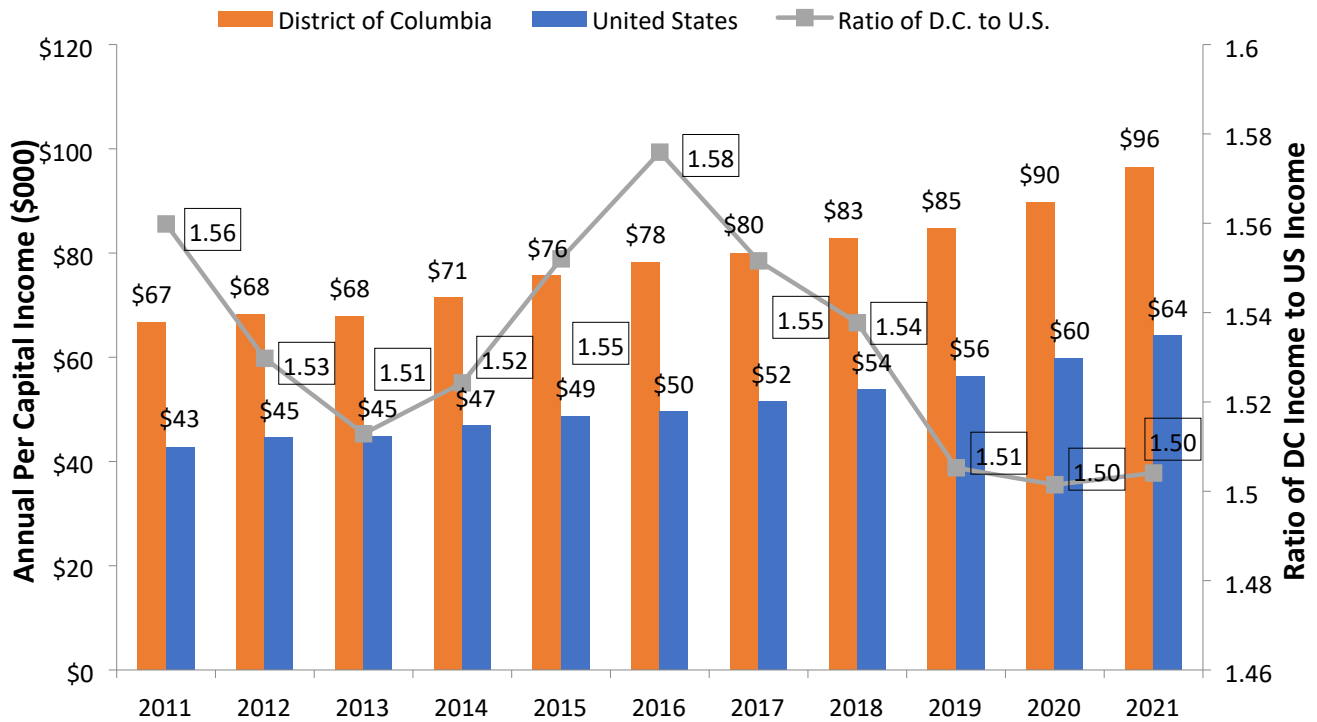
Strong financial planning requires careful monitoring and analysis of various trends and factors that may influence the market place. In this case, the market place for DC Water is the District of Columbia and its surrounding region. DC Water monitors consumption and wastewater flow trends within the customer base, weather patterns, regional income changes, population trends, federal activity in the region, housing starts, office vacancy rates and employment trends. A review of experiences from similar national systems is a useful benchmark assessment. While there are no crystal balls in the area of forecasting water demand, monitoring such data can provide insight into customer behavior and anticipated service demands.

Regional Economy

DC Water's service area has historically been resilient, even during fluctuations in nationwide economic conditions. Employment at the U.S. government and all of the professional and service industry firms that support the federal government have been a steadying force through various economic cycles.

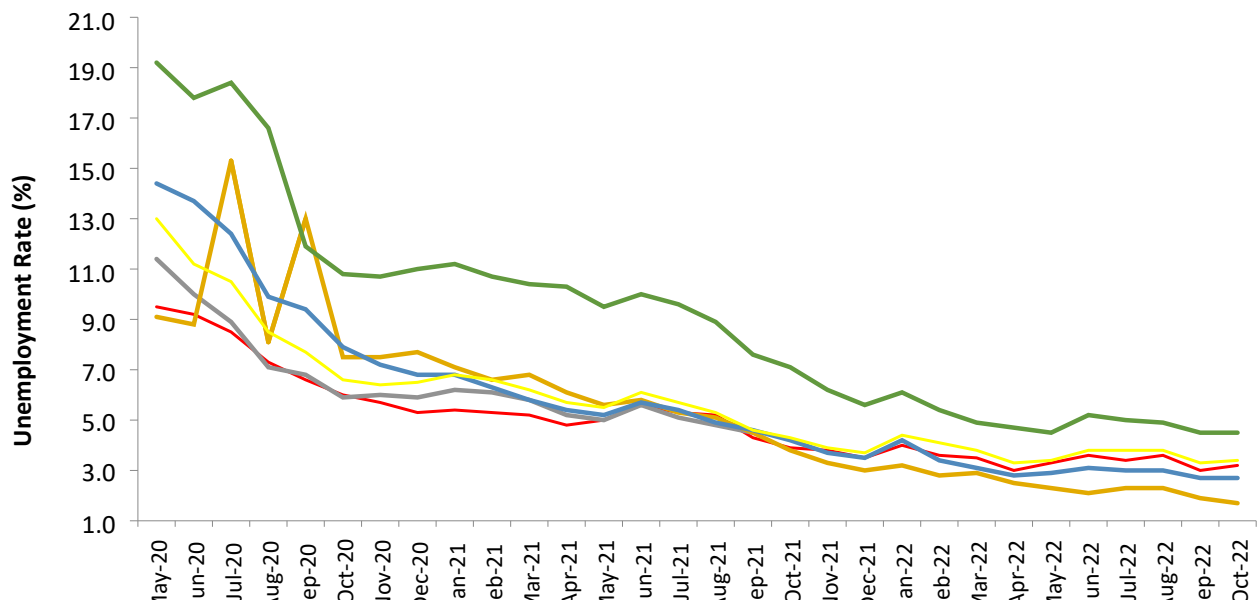
A major local employer, the federal government, remains relatively stable for this employment sector for the past few years. The population of the District grew by almost 70,000 people from 2010 to 2021. Per capita incomes within the District and for the region as a whole continue to be higher than the U.S. average. Regional office vacancy rates have increased during a period of unprecedented challenges while retail vacancy rates remain relatively low. The strengths of the District are complimented by its highly rated partners: the federal government and wholesale wastewater users. Select demographic charts that follow support the overall positive outlook for the Washington Metropolitan region and its economy.

DC Per Capita Income is Higher Than US Average



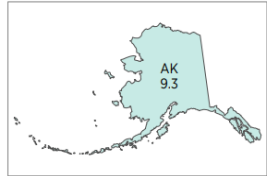
Source: Bureau of Labor Statistics

Unemployment Rate in The DC Region Remains Relatively Low

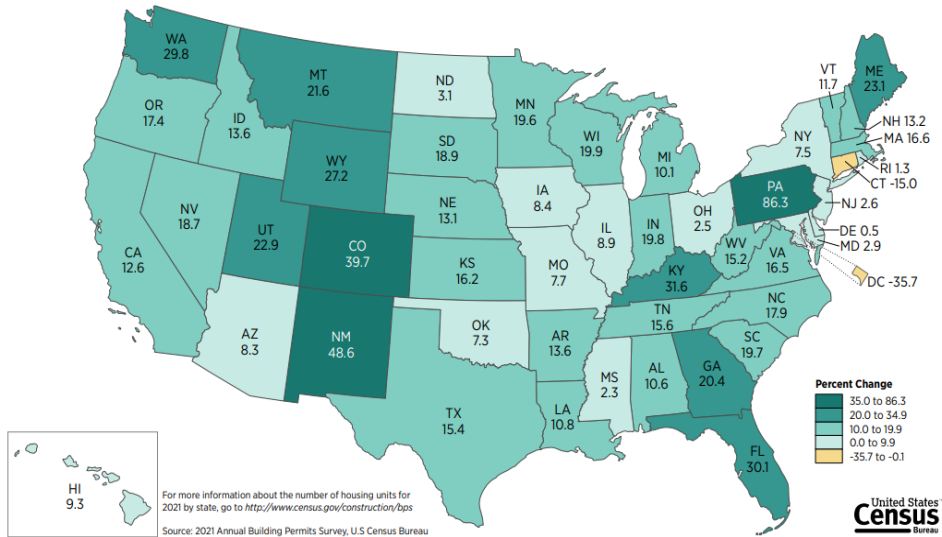


2020 – 2021

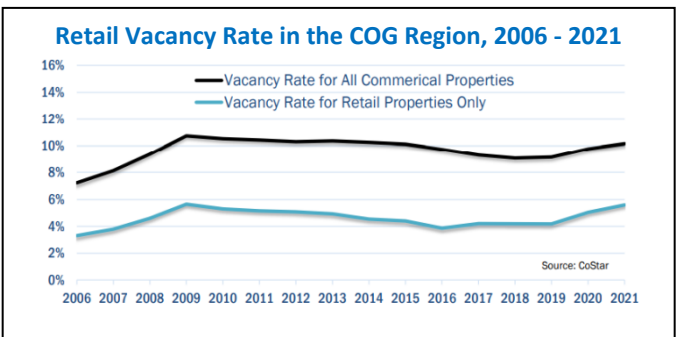
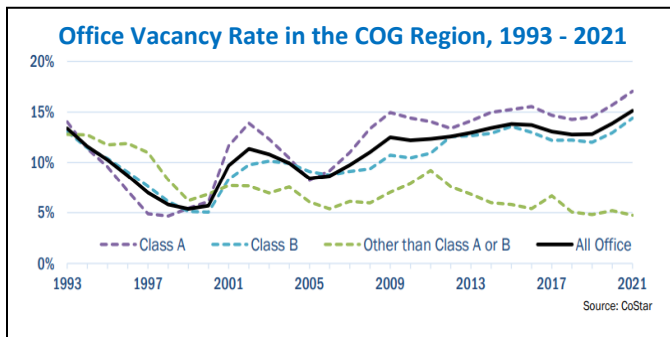
Significant Growth in New Housing Permit Issuance in DC



Percent Change in New Privately-Owned Housing Units Authorized by State: 2020-2021



DC Metro Vacancy Rates Are Above Pre-Recession Levels Partly Due to New Spaces Added to The Market



DC Water's performance is driven by federal government growth and associated industries, supporting regional growth and diversification.

- Source: Metropolitan Washington Council of Governments (COG)
- Note: COG region includes the District of Columbia, Northern Virginia, and Suburban Maryland

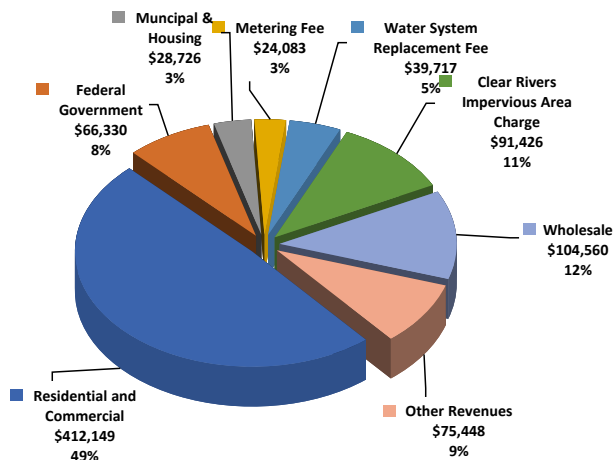
The regional indicators are positive with strong incomes and unemployment below the national level. These factors coupled with stable consumption and the financial strength of the major AAA rated customers helps to ensure the financial success of DC Water.

The DC Water service area includes highly-rated customers

- About 23.7% of the projected FY 2023 revenues came from “AAA” rated entities and are received in advance of service:
 - Federal Government
 - Fairfax County
 - Washington Suburban Sanitary Commission
 - Loudoun County Sanitation Authority
 - District of Columbia

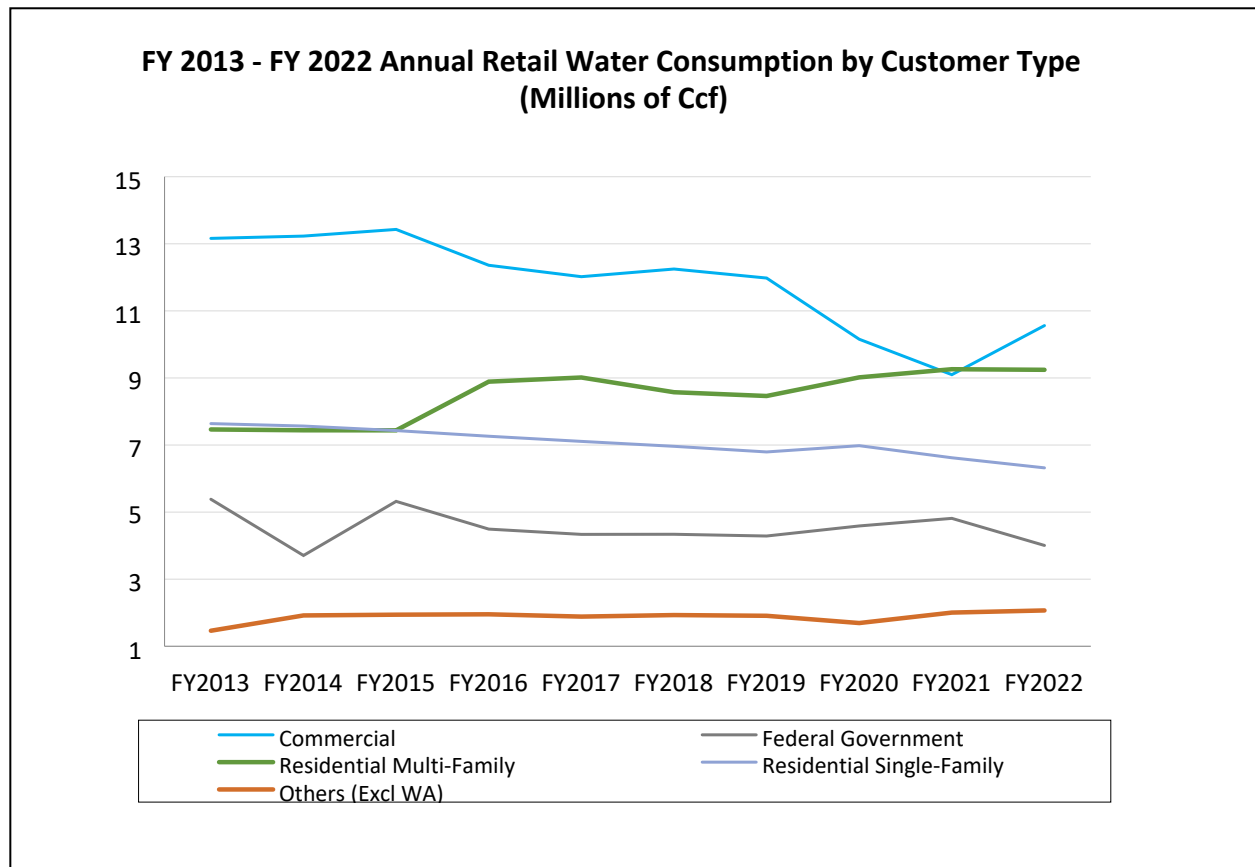
Media reports reference the service area’s economic strength

- "... the number of people seeking to start and develop their own businesses in the D.C. region surged ... Combined, the District, Maryland and Virginia saw application for business licenses jump from about 176,000 in 2019 to 219,000 in 2020 and 262,000 in 2021." Washington Post, July 2022
- D.C. has the highest number of fast-growing firms ... D.C. also ranks No. 1 for average educational attainment of recent immigrants." WTOP News, June 2022



Customer Demand: A reasonable degree of accuracy in forecasting water demand is important for sound financial planning and rate-setting. The FY 2013 - 2022 actual average decline in usage is 1.0% annually, excluding the Washington Aqueduct. FY 2013 – FY 2022 average annual rate of change in demand for the customer classes: Commercial -2.4%; Federal Government: -3.2%; Single Family: -2.1%; Multi-Family: 2.4%; and Other (include Exempt, DC Housing Authority, DC Municipal Government, and DC Water): 3.9%.

DC Water Consumption by Customer Type



Source: DC Water

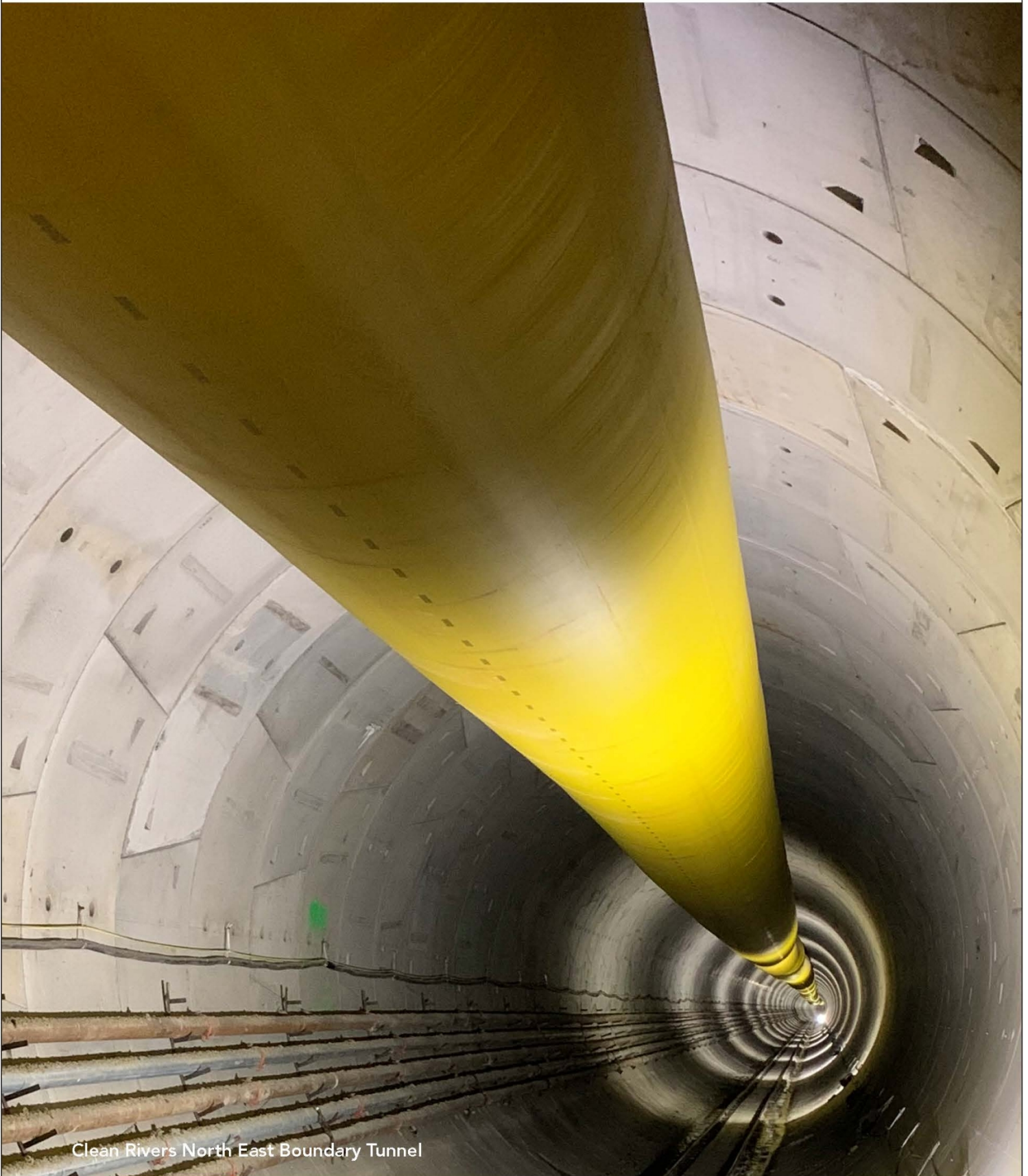
- FY 2022 consumption, excluding Washington Aqueduct, increased 1.3%.
- DC Water has typically assumed an annual reduction in water demand of 1.0% in line with historic averages. The Financial Plan assumes an annual retail water consumption decline of 1.0% in 2023 thereafter. We believe that this estimate is prudent, consistent with peers such as New York and Boston and assures revenue sufficiency for the Authority.



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Approved FY 2024 Budgets
Section III: FINANCIAL PLAN



Clean Rivers North East Boundary Tunnel

Blueprint 2.0

The Blueprint is DC Water's Strategic Plan Framework for future decision-making and provides a structure through which annual reviews can be accomplished to assure that the goals and objectives retain their relevance over time. By laying out a course of action, this plan represents a disciplined process for making fundamental decisions and shaping DC Water's future.

The plan represents the collaboration of the Board of Directors, Executive Management, and the management team, as well as input from key external stakeholders. The plan gives us the foundation on which to build a better, more sustainable, more resilient, more reliable and more equitable organization over the next five years.

The DC Water Board of Directors approved a new strategic plan, Blueprint 2.0, in July of 2021, and the new five-year plan took effect on October 1, 2021. The plan is the successor to The Blueprint, launched in 2018, which has pushed us to operate as high-performing utility, improve employee engagement and the customer experience, better leverage technology, ensure a safe workplace, and enhance our readiness and resilience. The plan sets out five, interconnected Organizational Imperatives: Healthy, Safe and Well; Reliable; Resilient; Sustainable; and Equitable.



Blueprint 2.0

DC Water's 2022-2027
Strategic Plan



Overview

DC Water’s strong financial performance and its success in achieving and maintaining strong bond ratings have been primarily due to the annual development of and adherence to a ten-year strategic financial plan. DC Water’s senior lien revenue bond credit ratings were affirmed in January and February 2022. DC Water received stable outlooks from by S&P, Moody’s, and Fitch with ratings maintained at AAA, Aa1, and AA+ respectively. Additionally, a second party opinion was provided by Vigeo Eris (V.E.) on DC Water’s 2022 Series B green bonds. V.E. considers that DC Water’s Issuance is aligned with the four core components of the ICMA’s Green Bond Principles 2021. During FY2022, DC Water met or exceeded the goals set by Board policy and the FY 2022 – FY 2031 ten-year plan. This budget includes DC Water’s twenty third comprehensive ten-year financial plan, covering FY 2023 – FY 2032.

The necessity of a ten-year financial plan is clear:

1. DC Water operates under a regulatory and capital project-driven environment that requires a longer- term ten-year planning horizon. In order to provide our customers with the best service possible and with gradual and predictable rate increases, DC Water must plan for all projects on a long-term and integrated basis, including both capital and operating requirements. A five-year, capital-only financial plan would insufficiently prepare DC Water to address the major regulatory, operational and capital project issues that will impact service, operations, and rates over the next five to ten years.
2. In accordance with Board policy, DC Water sets rates so that each customer is charged for the actual cost to provide each service, rate increases are implemented transparently and predictably, utilizing all available options to mitigate future customer impacts. Since proposed future rate increases are primarily driven by financing of DC Water’s capital program and full utilization of the rate stabilization fund, the development of a ten-year financial plan allows DC Water to meet these key goals.
3. The Board has directed DC Water management to undertake internal improvements and investments that will significantly lower operating costs over a ten-year period. A ten-year plan is required to bridge current operations and related capital and operating budgets with these longer-term cost reduction goals.

Board policies, strategic plan, priorities, and guidance in several key financial areas drive the development of the FY 2023 - FY 2032 financial plan. Given DC Water’s substantial borrowing needs over the next ten years, adherence to these Board policies is crucial to cost-effectively access the capital markets and retain our credibility with customers and regulators.

Financial Plan Objectives

The financial plan serves as the framework to support the Board’s strategic plan, policies, priorities, and guidance in several key financial areas

- It is one of management’s key tools to monitor progress in meeting financial goals and to proactively address future financial and operational issues
- It also ensures meeting or exceeding indenture and Board’s coverage requirements and providing sufficient liquidity to meet all obligations
- The ten-year financial plan projects revenue requirements, operating and maintenance expenses, capital expenditures, debt service charges, coverage ratios, and rate increases

DC Water’s financial plan objectives focus on:

- Minimizing rate increases while meeting all financial obligations;
- Satisfying all indenture requirements and Board policies; and
- Maintaining the DC Water’s current credit ratings of AAA/Aa1/AA+

Ten-Year Financial Plan Assumptions

- Maintain Debt Service as a percentage of revenue equal to 33.0 percent or less
- Maintain combined coverage of 160 percent
- Maintain 250 days of cash excluding Rate Stabilization Fund
- FY 2022 actual consumption declined by 1.3 percent. Assumed 1.0 percent decline in consumption in FY 2023 over FY 2022 actual except for Residential and Federal categories, which increase slightly. Assumed 1.0 percent conservation in FY 2024 and onwards. Due to the impact of COVID-19, assumed 9.0 percent decline in consumption for Commercial category in FY 2023 and beyond.
- FY 2022 Debt Service was lower as compared to budget due to deferring bond issuance, refunding as well as achieving lower interest than projected. The new plan assumed lower interest rates with slightly lower Debt Service projections.
- Assumed delinquencies will decrease in 2023 and onwards
- Assumed lower miscellaneous fee revenue and interest earnings
- Assumed lower collection of receipts for Late Fees

Financial Metrics

Metrics	Indenture Requirements	Board Policy	Management Target	Financial Plan
Days of Cash on Hand (excluding RSF)	60 Days	250 Days	–	252– 263 days
Combined Coverage Ratio	–	1.6X	–	1.76X – 2.01X
Senior Coverage	1.2X	1.4X	–	5.80X – 7.83X
Subordinate Coverage	1.0X	–	–	2.07X – 2.45X
Debt Service as a % of Revenue	–	–	33% of Revenue or Less	26.0% - 33.0%
Rate Stabilization Fund (RSF)	–	–	–	

DC Water’s board policies include:

- **DEBT SERVICE COVERAGE** – DC Water will set rates and develop operating and capital budgets that ensure **senior debt service coverage of 140 percent and combined coverage of 160 percent.**
 - This coverage level exceeds DC Water’s bond indenture requirement of 120 percent senior debt service coverage
- **CASH RESERVES** – DC Water will maintain **cash reserves equivalent to 250 days of budgeted operations and maintenance expenses. Rating agencies have referenced the 250 days of cash and 1.6X coverage are indicators of financial strength.**
- **PAY-GO FINANCING OF CAPITAL** – DC Water will finance a portion of its capital program on a **pay-go basis from cash balances that exceed operations requirements or restricted use.**
- **RATE-SETTING POLICIES**
 - Rates that, together with other revenue sources, **cover current costs and meet or exceed all bond and other financial requirements** as well as goals set by the Board
 - Rates that yield a **reliable and predictable** stream of revenues, considering trends in costs and in units of service
 - Rates based on **annually updated forecasts of operating and capital budgets**
 - Rate structures that are **legally defensible**, based on objective criteria, **and transparently designed**
 - Rate structures **that customers can understand**, and DC Water can **implement efficiently and efficaciously**
 - Rates increases, if required, are implemented **transparently and predictably.**

To the extent annual revenues exceed costs, the Board’s policy will continue to utilize all available options to mitigate future customer impacts and annual rate increases, including transferring some or all excess funds to the Rate Stabilization Fund.

- **RATE STABILIZATION FUND** - Once DC Water achieves its **required level of cash reserves**, a **rate stabilization fund** will be established **to avoid “rate shock.”** Based on favorable financial performance in FY 2022, the balance in the RSF was \$35.64 million.

Financing and Reserve Policies

In FY 2004, and again in FY 2008, the Board completed a review of its existing financing policies, reaffirming the core policies. Two modifications were made to the reserves policy: 1) Changing the timing of when DC Water is required to meet its overall operations and maintenance reserve requirement from September 1 to an average daily balance basis, resulting in a more conservative calculation; and 2) revising the indenture-required renewal and replacement reserve requirement from two percent of original Plant in Service to \$35 million, with a requirement to revisit this reserve level every five years in conjunction with the indenture-required system assessment prepared by DC Water’s independent rate consultants. The assessment was performed in 2013, 2018 and 2023. The next assessment will be performed in 2028.

In FY 2013, the Board adopted further revisions which modified the operating reserve policy and under Resolution #13-57 revised the DC Water's Statement of Financial Policies as follows:

1. DC Water will maintain financial practices and policies that result in high quality investment grade bond ratings to ensure the lowest practical cost of debt necessary to finance DC Water's long-term capital program.
2. DC Water will maintain strong levels of operating cash reserves, equivalent to 120 days of budgeted operations and maintenance costs, calculated on an average daily balance basis, with the objective of maintaining at least \$125.5 million in operating reserves. The annual reserve amount will be formally approved by the Board as part of its annual approval of the operating and capital budgets and ten-year plan. The operating reserve requirement will be evaluated every five years by DC Water's independent rate consultant in conjunction with the Indenture-required system assessment.
3. The operating reserve will, at a minimum, include any reserve requirements contained in DC Water's Master Indenture of Trust, (the "Indenture"), excluding any debt service reserve funds and the rate stabilization fund, as follows:
 - Operating Reserve – equivalent to sixty days' operating costs
 - Renewal & Replacement Reserve - \$35 million. This reserve requirement will be in conjunction with the Indenture-required system assessment
4. DC Water will maintain senior debt service coverage of 140 percent, in excess of DC Water's indenture requirement of 120 percent. Senior debt service coverage will be calculated in accordance with DC Water's indenture.
5. In general, DC Water will utilize operating cash in excess of the Board's reserve requirement and any other significant one-time cash infusions for capital financing or for repayment of higher cost debt.
6. DC Water will whenever possibly use the least costly type of financing for capital projects, based on a careful evaluation of DC Water's capital and operating requirements and financial position for each year.
7. DC Water will attempt to match the period of debt repayment, in total, with the lives of the assets financed by any such debt.

In October 2021, the Board approved Resolution # 21-84 revising the financial policy as follows:

- DC Water will maintain strong levels of Operating Cash Reserves that exceeds the Master Indenture requirements. Strong cash reserves are important to maintaining DC Water's bond rating. In the financial plan that is proposed by the CEO and General Manager and approved by the board, 250 days of cash will be maintained in each fiscal year based on projected operating expenses.
- Debt Service Coverage is a key financial metric that impacts DC Water's credit quality and borrowing costs. In order to maintain the highest credit quality and lowest borrowing costs, it is the policy of the Board that the Financial Plan developed by the CEO and General Manager and adopted by the Board will contain a minimum combined debt service coverage of 1.60X for the budget and all years of the Financial Plan. Debt Service Coverage will be calculated in accordance with the Master Indenture.

Pay-As-You-Go Capital Financing Policy

1. The CEO/General Manager will include in the annual ten-year financial plan, developed as part of the annual operating budget process, a separate schedule showing projected annual cash balances and planned annual pay-go financing of capital projects.
2. The planned annual pay-go financing will be formally approved by the Board of Directors as part of its annual approval of the ten-year financial plan, operating and capital budgets.
3. At any time during the fiscal year, the CEO & General Manager may use pay-go financing for capital projects, as approved by the Board of Directors.
4. During the fourth quarter of each fiscal year, the CEO & General Manager (or designee) will conduct an analysis of DC Water's financial performance.
5. The CEO & General Manager will report the results of this analysis and provide recommendations, including updated projected annual cash balances and annual pay-go financing, to the Finance and Budget Committee no later than its regularly scheduled meeting in July, for recommendation to the Board for action at its September meeting.

Cash Management and Investment Policies

The Board has adopted a "Statement of Investment Policy". This policy is designed to ensure the prudent management of Authority funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices. The investment portfolio shall be managed to accomplish the following hierarchy of objectives:

1. Safety
2. Liquidity
3. Return on investment

The current Investment Policy is available on-line at www.dewater.com.

Debt Policy and Guidelines

The purpose of DC Water's Debt Policy and Guidelines (the "Debt Policy") is to provide DC Water officials and staff a comprehensive guide to DC Water's issuance and use of debt to fund capital projects or to refund/refinance/restructure outstanding debt. The advantages of adopting and adhering to a clear, concise, and comprehensive debt policy are:

- Enhancing the quality of decisions
- Documenting the decision-making process
- Identifying objectives clearly to facilitate staff implementation
- Demonstrating a commitment to Long-Term financial planning objectives that result in a sound financial position
- Enhancing the positive assessment of credit quality by the bond Rating Agencies to maintain and improve DC Water's high credit ratings
- Integrating the Debt Policy with the operating and capital budgets, the multi-year Capital Improvement Program (CIP), multi-year Financial Plan and other financial policies

The financial policies outlined in this document, in most cases, impose higher standards than the legal requirements contained in DC Water’s Master Indenture of Trust dated as of April 1, 1998, as amended, and supplemented from time to time (the “Indenture”) and other legal requirements.

The current Debt Policy and Guidelines is available on-line at www.dewater.com.

During FY 2022 DC Water met the financial goals set out by the Board and the FY 2022 – FY 2031 financial plan. DC Water successfully managed its finances through FY 2022, aligning expenditures to the revenue shortfall from the impacts of COVID. At the end of the year, revenues were above budget by \$33.5 million. Senior debt service coverage, reserve levels, and budget performance met or surpassed Board policies, as discussed in more detail below:

- DC Water Board policy requires senior debt service coverage of at least 140 percent; (a) In October 2021, the Board of Directors adopted a policy which requires to maintain a minimum combined debt service coverage of 160 percent (b) Combined debt service coverage was at 229 percent in FY 2022 and is projected at 176 percent in FY 2032 greater than the indenture requirement of 120 percent. **DC Water's senior debt service coverage in FY 2022 was at 653 percent**, while maintaining the Board's rate setting and financial policies. The senior debt service coverage is expected to decrease to 617 percent by FY 2032 due to an increase in capital spending and related debt issuance; the coverage is above the Board requirement of 140 percent. Subordinate debt service coverage, which includes DC Water's subordinated lien revenue bonds and Jennings Randolph Reservoir debt, was at 298 percent in FY 2022. DC Water is required to have 100 percent coverage of subordinate debt service.
- DC Water has maintained its bond rating from Standard & Poor's (AAA), Moody's (Aa1), and Fitch (AA+). Additionally, a second party opinion was provided by Vigeo Eris (V.E.) on DC Water's 2022 Series B green bonds. V.E. considers that DC Water's issuance is aligned with the four core components of the ICMA's Green Bond Principles 2021.
- **Commercial Paper:** These notes issued are considered subordinate debt under the Master Indenture of Trust. DC Water's commercial paper is issued in increments with maturities less than 270 days. The Board approved the commercial paper program in early FY 2002; proceeds from the sale of the notes are used for interim bond financing, short-term financing for capital equipment and certain taxable costs for the Washington Aqueduct. Each new bond issuance is evaluated to determine the most cost-effective way of reducing the amount of taxable commercial paper. Normal market conditions for commercial paper carry significantly lower interest rates than long term debt. Two series of notes have been issued under the commercial paper program: the tax-exempt Series B CP Notes in an aggregate principal amount not to exceed \$100,000, and the taxable Series C CP Notes in an aggregate principal amount not to exceed \$50,000. To provide liquidity and credit support for the Commercial Paper Notes, the Authority obtained irrevocable, direct-pay letters of credit issued by TD Bank, NA.
- **Extendable Municipal Commercial Paper (EMCP):** The addition of the EMCP program in the amount of \$100 million provides diversification of the variable rate products available for interim financing needs. EMCP does not require a supporting bank letter of credit but relies on DC Water's liquidity to address any failed re-marketing of the EMCP. The initial placement is typically for 90 - 180 days and in the event of a failed re-marketing due to poor market conditions, DC Water has 3 – 6 months to address payment with a maximum number of days from the initial issuance of 270 days.
- **DC Water utilized \$52.1 million from the Rate Stabilization Fund (RSF) in FY 2022.** However, no amount was contributed to RSF. The Rate Stabilization Fund's ending balance for FY 2022 was \$35.64 million.
- **DC Water continued its strong operating budget performance in FY 2022** – Actual cash receipts for FY 2022 were higher than the budget by \$33.5 million, or 4.2 percent. Actual operating expenditures were \$34.5 million or 5.2 percent lower than the total operating budget. DC Water experienced lower O&M in various professional and maintenance contracts, including materialized savings from biosolids

hauling costs, personnel services and small equipment. Underspending in debt service was attributable to lower interest rates, refinancing and delayed issuances. Furthermore, due to favorable O&M position at 96.7 percent of budget, the Cash Financed Improvements Fund (CFCI) was utilized for PAYGO financing.

- **The Clean Rivers Impervious Surface Area Charge (CRIAC) was implemented in May 2009** to recover the cost of the Combined Sewer Overflow Long-Term Control Plan (CSO LTCP), also known as the DC Clean Rivers Project. In FY 2011, a six-tiered rate structure was successfully implemented for all residential retail customers to better reflect the impacts of various size residential properties. The thirty-year CSO LTCP, whose terms are outlined in a consent decree executed in March 2005, exclusive of the nine-minimum controls programs are projected to cost \$2.99 billion. See “Combined Sewer Overflow Long-Term Control Plan” in Section IV, Rates and Revenues for additional details on the projected rate impact of the plan.
- **DC Water implemented a retail water and sewer rate increase of 7.8 percent in FY 2022** to recover increased retail water and sewer revenue requirements of \$28.9 million. In FY 2022, \$52.1 million from the Rate Stabilization Fund (RSF) was utilized. The RSF helps to mitigate rate shock and reduces needed retail rate increases. In addition, there was a 2 percent increase in PILOT as per the PILOT MOU signed with the District on September 4, 2014. In FY 2022, PILOT fees increased to \$0.56 per Ccf whereas the ROW fee remains the same at \$0.19 per Ccf. The changes in PILOT and ROW fee are made to recover the full costs of these fees charged to DC Water by the District of Columbia government. The rate changes are mainly due to the increase in debt service cost to finance the capital improvement program.
- **Water System Replacement Fee (WSRF) was implemented in FY 2016**, effective October 1, 2015 (FY 2016), WSRF recovers the costs of one percent renewal and replacement program for water service lines. WSRF varies with meter size. The WSRF for 5/8” meter size is \$6.30. Low-income CAP customers get 100 percent discount for this fee.
- **Multi-Year Rates:** DC Water moved to a multi-year rate proposal in FY 2016 covering the period FY 2017 and FY 2018. This is the fourth time that DC Water has adopted a multi-year rate proposal in FY 2021 covering the period FY 2023 and FY 2024 and will become effective from October 1, 2022, and October 1, 2023, respectively.
 - The benefits of multi-year rates include:
 - Greater revenue certainty
 - Increased budget discipline
 - Better alignment between revenues and expenditures
 - Favorable credit rating agency treatment
 - Better predictability for our ratepayers
 - Potential risks / considerations:
 - Reduced financial flexibility
 - Limited ability to modify approved rate increases, if necessary
 - Conservatism in financial projections
- In FY 2020, an Independent Review of Rate Structure and Customer Assistance Programs was conducted to review and benchmark DC Water’s rates, rate structure and Customer Assistance

Programs (CAP) to peer utilities. The findings of the study concurred that DC Water's current customer class structure, monthly water lifeline threshold of 4 Ccf, ERU basis for recovering the CRIAC charge, CAP bill discount and temporary assistance programs are consistent with industry standards for ratemaking.

- In FY 2020, DC Water conducted a Cost-of-Service Study (COS) to align the COS with the multi-year rate proposals, therefore both will be done every two years going forward. Previously, Cost of Service study was conducted every three years. The COS consist of three components: i) revenue sufficiency analysis – to ensure that the revenues cover the costs that DC Water incurs; ii) cost of service analysis/rate equity – to ensure that the rates are equitably recovering the costs of service provided to customers; and iii) alternative rate structure analysis – to ensure that DC Water meets its priority pricing objectives. The results of the COS support the multi-year rate, charges and fee proposals for FY 2021 and FY 2022.
- In FY 2022, a Cost-of-Service (COS) was conducted by Independent Financial Consultants to establish the multi-year rates for FY 2023 and FY 2024. The 2022 COS study includes the Groundwater and High Flow Filter Backwash Sewer rates. The results of COS study support the multi-year rates, charges and fees proposed for FY 2023 and FY 2024.

Independent Review of the Proposed FY 2023 and FY 2024 Rates was conducted by consultants.

- The review concluded that the rates have been reasonably developed, reflect the anticipated revenue requirements of the System, adhere to Board policy and are comparable to other utilities.
 - The affordability assistance provided by DC Water is robust compared to other utilities, providing a meaningful impact on a customer bill.
- For the twenty second consecutive year, DC Water received the Government Finance Officers' Award for Distinguished Budget Presentation for its FY 2023 budget, submitted in 2022. DC Water received its twenty fifth unqualified audit opinion for the fiscal year ended September 30, 2022, and received the twenty fifth GFOA Certificate of Achievement for Excellence in Financial Reporting.
- In FY 2023, DC Water successfully renewed all the Authority's operations insurance policies at essentially the same terms up 6.3 percent from expiring costs than previous year. DC Water's coverage is generally comparable to expiring.
- DC Water completed its eighteenth year (ROCIP 1 - 10/15/04 to 10/15/21) of its rolling owner-controlled insurance program (ROCIP), thirteenth year of ROCIP II (10/15/09-10/15/12), tenth year of ROCIP III (10/15/12-10/15/15), seventh year of ROCIP IV (11/9/15-10/15/20), second year of ROCIP V (11/23/20-11/23/23). DC Water procures general liability and workers' compensation insurance coverage for most of its construction contractors. The result is substantially higher insurance coverage levels for all enrolled contractors and significant cost savings. At the end of FY 2022, 65 projects and 403 contractors were enrolled in the expired ROCIP I program, 47 projects and 771 contractors were enrolled in the now expired ROCIP II program, 46 projects and 841 contractors were enrolled in the ROCIP III program, and 55 projects and 1118 contractors are/were enrolled in the ROCIP IV program, and 20 projects and 174 contractors are/were enrolled in the ROCIP V program. Verified avoided costs (aka savings) are in the range of \$5.4 million for ROCIP I; approximately \$11.2 million for ROCIP II, \$9.7 million for ROCIP III, \$6.1 million for ROCIP IV and \$763,000 for ROCIP V. ROCIP II and III were three-year insurance programs that support an estimated \$4.4 billion of planned and completed

construction. So far an estimated \$33,366,264 in Avoided Costs across 5 Programs.

- **Customer Assistance Programs (CAP)** – In FY2020, 2021, and 2022 and in response to the affordability crisis that stemmed from the COVID pandemic, the Federal Government, the District Government, and DC Water created additional customer assistance programs that gave rental and water bill relief to low-income customers. The Low-Income Household Water Assistance Program (LIHWAP) was a Federally funded program that assisted eligible low-income customers with up to \$5,000 in water bill relief for outstanding charges. StayDC was a rental relief and water bill relief program funded by the District Government. Also funded by the District Government, the Emergency Residential Relief Program (ERRP) offered up to \$2,000 in water bill assistance and disconnection prevention for eligible customers. DC Water created two (2) new programs, the Residential Assistance Program (RAP) and the Multifamily Assistance Program (MAP). The RAP program offers up to \$2,000 in bill assistance towards outstanding charges for income-eligible customers. MAP offers rental assistance to our indirect customers. Assistance is offered to income-eligible customers and participating owners. Rental relief is offered up to \$2,000 for each eligible housing unit with 80% being passed to the tenant through rental reduction and 20% passed to the owner for administrative costs.) Details are given in Section III and IV.

The assistance provided to customers in FY 2022 is listed below:

Program	Assistance	Assisted Customers
CAP, CAP2, RAP and MAP		
CAP (Original)	\$4.87 million	6,943
CAP 2	\$338,362	711
RAP	\$1,318,242	1,690
MAP	\$1,880,830	4,313 Unts
CRIAC Residential Relief Program		
CAP 3	\$33,026	204
CRIAC Non Profit Relief Program		
Non Profit Relief	\$866,375	186
CRIAC Emergency Residential Relief Program (ERRP)		
ERRP	\$27,493	28
Stronger Together by Assiting You (STAY DC)		
STAY DC	1,106,974	1,100

SPLASH (Serving People by Lending A Supporting Hand) Program aids needy customers as well. It operates solely on contributions from Customers, the community, and DC Water employees. DC Water pays all administrative fees to Greater Washington Urban League (GWUL), who administers the program. For FY 2022, DC Water received \$69,354 in contributions and assisted 131 customers as of September 2022. CAP, CAP2 and SPLASH together in FY 2022 provided \$5,279,074 in assistance to approximately 7,785 low-income households to help make their bills more affordable.

Expansion of Customer Assistance Programs to mitigate the impact of COVID-19

The COVID-19 pandemic impacted DC Water with declines in commercial, federal, and municipal consumption and increases in delinquencies, which impacted revenue. In response, DC Water took strategic and cost reduction initiatives. This included delaying non-critical purchases and activities and pausing some hiring as well as modifying operations to protect staff by arranging work from home for most employees. DC Water also assessed its critical infrastructure needs and balanced it to its revenue challenges and continued to invest in critical capital programs based on priority. Additionally, DC Water also took initiatives to help our customers during the pandemic by reconnecting customers previously disconnected for non-payment, waiving late fees, pausing placing liens, arranging payment plans, and partnering with the District for emergency assistance for those impacted by COVID-19.

To respond to the impact of COVID-19 on our customers, both the District and DC Water have expanded customer assistance programs:

- Emergency Residential Relief Program (District Funded ERRP) – For customers struggling with unpaid DC Water bills during the coronavirus (COVID-19) public health emergency and 105 days thereafter, eligible households may receive bill assistance up to \$2,000 as a one-time emergency benefit
- DC Water Cares Residential Assistance Program (RAP) – New \$3 million program to continue the Emergency Residential Relief Program in FY 2021 to provide onetime assistance to customers impacted by COVID. Assistance up to \$2,000 per residential customer. This program continued in FY 2022.
- DC Water Cares Multi-Family Assistance Program (MAP) – New \$7 million program, which continued in FY2022 and provides one-time assistance to residents in multi-family buildings. Assistance amount is provided per affordable unit with household income 80% AMI or less.

In FY 2021 DC Water Collections worked with the District Department of Energy and Environment (DOEE) to automatically recertify and re-enroll previously participating CAP 1 and CAP 2 customers for FY 2022 funding and participation. Nearly five thousand customers (4,991) received the CAP discount on their water account in FY 2021 and 7628 customers in FY 2022. DC Water also worked with DOEE on the administration of federal assistance programs including DC STAY Program and the Federally funded Low Income Household Water Assistance Program (LIHWAP) to maximize customer assistance during the pandemic. More than 300 customers received federal assistance for their water utility bill in 2021 and 4,493 customers in 2022.

The new DC Water programs created in FY 2021: Residential Assistance Program (RAP) and Multi-Family Assistance Program (MAP) provided water bill assistance to more than eight thousand residents in single family and multi-family dwellings in FY2021 and approximately nine thousand five hundred residents in FY 2022.

Customer Contacts

In FY 2022, we performed a branding survey and customer journey mapping to understand the customer's perception of DC Water based relative to our current strategic plan, Blueprint 2.0. The survey yielded 79% favorable responses of Excellent, Very Good, and Good. The survey also resulted in some process improvement, increased marketing, and customer self-service opportunities.

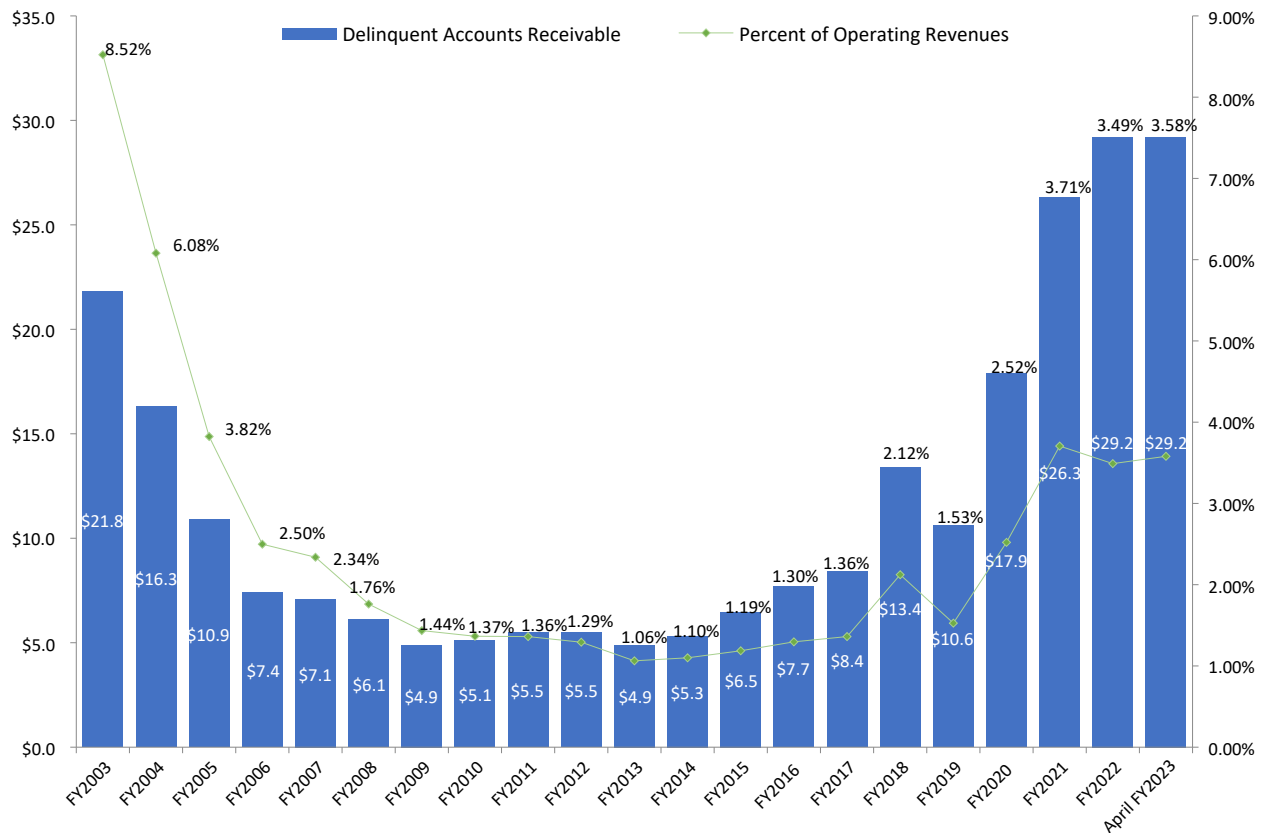
In FY 2022, other system enhancements were performed to provide more customer self-service:

- Began upgrade to new Automated Call Distribution System (ACD) through the Genesys Pure Cloud Platform. Moving from server-based to cloud based platform.
- In conjunction with the ACD upgrade, began enhancing Interactive Voice Response (IVR) system with changes that allows more self-service transaction and informational options
- Provided continual communication and updates related to assistance programs and payment arrangements

Other Upcoming Projects

- Leak Assistance Program to support low-income customers that may have a leak but cannot afford to have the repairs made
- Vertex One (V1) enhancement with water smart function to provide more user-friendly application to the customers as well as additional functions that allow greater insight into customer usage and leak detection
- Aclara upgrade to provide enhancements to the meter reading interface
- Maintain the predictive dialer outbound calls to remind customers to pay before balances become unmanageable
- Coordinate with 311 for inbound call support for emergency
- Continued focus on larger replacements and meter issues that hinder transmission
- Continued focus on customer outreach to increase enrollment in financial assistance plans
- Continue Customer engagement through transactional and branding surveys
- Increase customer engagement through outreach using various media platforms including mobile notification

Delinquent Accounts Receivable (in Millions)



- The graph above represents Delinquent Accounts Receivable as percent of Total Operating Cash Receipts (includes Retail, Wholesale and Other)
- In FY 2020, there was an increase in delinquent accounts receivable, greater than 90 days due to the impact of COVID-19 and a suspension of cut off and collection efforts. The delinquency greater than 90-days increased from 2.52 percent in 2020 to 3.71 percent in 2021. The delinquency increased to 3.49 percent in 2022. The delinquency at the end of April 2023 increased to \$29.2 million or 3.58 percent.
- Delinquent accounts receivable increased by \$2.7 million from FY 2021 to FY 2022 due to suspension in regular collection activity and disconnection of delinquent accounts. These actions were taken in support of on-going meter replacement projects through December of 2019 and following the on-set of the coronavirus public health emergency in March of 2020 and in anticipation of the second wave of COVID-19. However, DC Water resumed disconnection for Residential and Commercial categories effective from July 12, 2022. The resumption of charging late fees and disconnection is expected to result in decrease in delinquencies in FY2023.

General Principles of Affordability for Low-Income Customers Policy

On September 4, 2014, The General Principles of Affordability for Low-Income customers was approved. It is the policy of the Board of Directors of DC Water in setting retail rates, to follow the General Principles of Affordability for Low-Income Customers articulated herein:

1. Consideration of rate impacts on low-income customers.
2. Exploration of affordability alternatives for low-income customers; and
3. Development of a more innovative rate structure, the goal of which is to reduce the economic burden on low-income customers at the earliest practicable date consistent with the Board's need to gather sufficient data to support any rate structure chosen.

DC Water reviews the equity and sufficiency of its rates and rate structures periodically through various cost of service (COS) studies. The COS study prioritizes the following pricing objectives:

- Revenue sufficiency – Rates should recover revenue necessary to operate and maintain the utility in perpetuity
- Cost of Service Recovery – Rates should be supported by industry practice and ensure that customers pay their fair share
- Simplicity – Rates and charges should be easy for our customers to understand
- Affordability – DC Water should minimize customer bills while not sacrificing good, clean and safe service

In FY 2015, a Cost-of-Service Study was conducted by the Independent Financial Consultants which provided several recommendations:

Additional Alternative Fees and Charges:

1. Customer Class-Based Volumetric Rates – Rate differentiation based on the peaking demands of each customer class (residential, multi-family and non-residential).
2. Lifeline Rate – A lifeline rate for first 4 Ccf of Single Family Residential (SFR) water use to reflect baseline usage by residential customers without peaking costs. The lifeline rate provides an economic benefit to low-volume Residential customers, while spreading the cost of peaking to high volume Residential customers.
3. Water System Replacement Fee (WSRF) – In Fiscal Year 2016, DC Water to modify its existing rate structure and to implement a new meter-based Water System Replacement Fee (WSRF) in order to recover the cost of the 1 percent renewal and replacement program for water service lines. It is anticipated that the new WSRF will generate \$40 million per year. DC Water's low-income CAP customers would receive a 100 percent credit for this fee.
4. System Availability Fee (SAF) – DC Water to propose a new System Availability Fee (SAF). A one-time fee assessed to a property owner of any premises, building or structure to recover the cost of system capacity put in place to serve all metered water service and sanitary sewer connections and renovation or redevelopment projects that require an upsized meter service connection to the district's potable water system. The fee is assessed based on the peak water demand, excluding fire demand, for new meter water service connection and renovation or redevelopment projects that increase the peak water demand and associated SAF meter size for the property.
5. Based on the 2015 Cost of Service Study, DC Water has adopted several changes to its existing retail rate

structure starting in Fiscal Year 2016. These changes are designed to better align the Authority's revenues and expenditures by establishing customer class-based volumetric water rates based upon peaking factors, to create a more progressive rate structure for its residential customers by establishing lifeline water rates which discount core consumption, and to fund the authority's water main replacement program by establishing a monthly, fixed Water System Replacement Fee.

In FY 2018, a Cost-of-Service study was conducted by the Independent Financial Consultants which provided several recommendations:

- Every three years DC Water conducted Cost of Service Study for the Water and Sewer rates, and the Clean Rivers Impervious Area Charge (CRIAC) to update actual and projected expenditures to ensure that these charges are appropriately recovering costs
- DC Water has taken several actions over the last several years to lower CRIAC costs including Century Bonds, refinancing older debt for savings, and restructuring debt so the relief is provided to today's customers. These savings are now reflected in the projected charges
- A reallocation of the costs associated with the Clean Rivers Impervious Area Charge (CRIAC) to the Sewer utility results in a reduction in the CRIAC and an increase in the Sewer volumetric charge
- The revenue collected from the Water System Replacement Fee, originally designed to fund the annual costs of 1 percent of DC Water's water service line renewal and replacement program has been used in its entirety to offset the Water utility's revenue requirements, resulting in a decrease to all Water volumetric charges
- Although these two reallocations cause shifts in the cost structure, and subsequent rates, DC Water customers will see only minimal changes to their bills

In FY 2020, an Independent Review of Rate Structure and Customer Assistance Programs was conducted to review and benchmark DC Water's rates, rate structure and Customer Assistance Programs (CAP) to peer utilities. The findings of the study concurred that DC Water's current customer class structure, monthly water lifeline threshold of 4 Ccf, ERU basis for recovering the CRIAC charge, CAP bill discount and temporary assistance programs are consistent with industry standards for ratemaking.

In FY 2020, DC Water conducted a Cost-of-Service Study (COS) to align with the multi-year rate proposals, therefore both will be done every two years going forward. Previously, the Cost-of-Service study was conducted every three years. The COS consist of three components: i) revenue sufficiency analysis – to ensure that the revenues cover the costs that DC Water incurs; ii) cost of service analysis/rate equity – to ensure that the rates are equitably recovering the costs of service provided to customers; and iii) alternative rate structure analysis – to ensure that DC Water meets its priority pricing objectives. The results of the COS support the multi-year rate, charges and fee proposals for FY 2021 and FY 2022.

According to the COS, the proposed CRIAC shift to sewer volumetric with 18 percent in FY 2020, 28 percent in FY 2021 and 37 percent in FY 2022 and beyond was recommended because it balances infrastructure investment with growth in rates. The shift is based on an assessment that on average 37 percent of volume in the tunnels is from wastewater. With the shift the overall household charges increase is 6.7 percent in FY 2022, 6.0 percent in FY2023 and 5.4 percent for FY 2024. The gradual shift helps avoid rate shock to customers. The CRIAC for FY 2023 is projected to decrease from \$18.40 to \$18.14 per ERU, per month and increase to \$21.86 per ERU per month for FY 2024.

As part of the COS, the study focused on the reallocation of some Customer Service operating costs associated with metering, billing, and collections activities to the Metering Fee. Historically, only automated metering capital costs were recovered in the Metering Fee. Many utilities recover capital and operating costs associated with metering and billing in a fixed, meter-based charge, which shifts costs to the Metering Fee and away from the volumetric rates. The 2020 COS study recommended to re-allocate more customer service expense for metering and billing to the metering fee. The changes in Metering Fee are summarized below:

- In FY 2019, Metering Fee recovered \$11.6 million
 - In FY 2003, established Metering Fee at @2.01 for 5/8" meter
 - In FY 2011, increased Metering Fee to \$3.86 for 5/8' meter
 - Originally fee amount set to cover the capital costs of the original Automated Meter Infrastructure (AMI) system and meter purchase and installation (debt service) plus about \$4 million of Customer Service costs
- The 2020 Cost of Service Study recommended recovering \$24.1 million in FY2022, consistent with independent rate review recommendation.
 - Includes costs associated with metering and billing
 - Customer assistance, shutoff/restore, and leak adjustment etc. remain in the volumetric charges
 - Proposed FY 2021 fee recovers \$15.4 million, all the debt service and coverage plus about half of the full Customer Service O&M allocation (\$4.96 for a 5/8" meter)
 - Proposed FY 2022 fee adds the additional half of Customer Service allocation for a total of about \$24.1 million (\$7.75 for a 5/8" meter)
- In FY 2022 a cost-of-service study (COS) was conducted by our Independent Rate Consultants for Water, Sewer, Clean Rivers IAC, Groundwater, and High Flow Filter Backwash Sewer Rate. The COS study results support the multi-year rate charges for FY 2023 and FY 2024. The Independent Consultants stated in their report that the DC Water's existing rate structure provides for a reasonable allocation of cost recovery to utility customers. The consultants recommended that no additional change in the rate structure be made at this time.

Water System Replacement Fee (WSRF)

Effective October 1, 2015 (FY 2016), DC Water modified its existing rate structure and implemented a new meter-based Water System Replacement Fee (WSRF) to recover the cost of the 1 percent renewal and replacement program for water service lines. It is anticipated that the new Water System Replacement Fee (WSRF) will generate approximately \$39.7 million per year from fiscal years 2019 through 2028. The fee is based upon meter size and average flow. DC Water's low-income CAP customers receive a 100 percent credit for this fee.

Effective October 1, 2017, (FY 2018), DC Water amended the Water System Replacement Fee (WSRF) regulations to add rules and procedures for a Multi-family WSRF adjustment; amend the Customer Classifications to clarify the definitions for Residential, Multi-family and Non-Residential customers to include cooperative housing associations and other clarifications; and amend the definitions set forth in Chapter 41 to define the terms Condominium, Cooperative Housing Association, and Dwelling Unit used in the Customer Classification regulations. The following terms are defined:

Condominium – real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of the portions designated for separate ownership, provided the undivided interests in the common elements are vested in the unit owners.

Cooperative Housing Association – an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property, the shareholders, or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

Dwelling Unit – any habitable room or group of rooms with kitchen and bathroom facilities forming a single unit located within a building or structure, which is wholly or partially used or intended to be used for living, sleeping and the preparation and consumption of meals by human occupants, and is under the control of and for the use of the occupant.

Fire Services Protection Fee

DC Water has assessed a fire protection fee to the District of Columbia since April 1, 2000. This fee is intended to recover costs incurred by DC Water for fire protection service provided by the Water System of DC Water. The purpose of the 2018 cost of service study was to assess the appropriate level of cost recovery required from the District government for this service.

Fire protection service differs from other services offered by water utilities because it is primarily a standby service that is required to be available when the need exists, i.e., as demanded. The development and maintenance of the supply, treatment, pumping, storage and distribution capacity for fire protection service requires capital investments in facilities that are designed larger than would otherwise be required to be able to accommodate fire demand and annual operation and maintenance (“O&M”) expenses to ensure that the assets are appropriately maintained and provide service as needed.

In 2018, the Independent Financial Consultants performed a cost-of-service study (COS) to determine the costs of providing fire protection service to the District. DC Water provides Fire Protection Services to the District, including but not limited to the delivery of water for firefighting, inspection, maintenance and upgrading of public fire hydrants in the District of Columbia. The consultants compared DC Water costs with the revenues received from the district for fire protection services. The consultants reviewed and tabulated historical fire service costs of DC Water (FY 2013 – FY 2017). Projections of DC Water costs were developed for FY 2018 – FY 2021. As per terms of the 2013 MOU and based on the results of the 2018 COS, Fire Protection Service fee was established at \$12.527 million for fiscal years FY 2019, FY 2020 and FY 2021. This fee is \$1.7 million higher than the FY 2015 fee of \$10.796 million. As per the 2018 cost of service study, the Fire Protection Service Fee projected for the years FY 2019 to FY 2022 increased from \$10.796 million to \$12.527 million per year.

In 2021, the Independent Financial Consultants performed a cost of service study (COS) to determine the costs of providing fire protection service to the District. DC Water provides Fire Protection Services to the District, including but not limited to the delivery of water for firefighting, inspection, maintenance and upgrading of public fire hydrants in the District of Columbia. The consultants compared DC Water costs with the revenues received from the District for fire protection services. The consultants reviewed and tabulated historical fire service costs of DC Water (FY 2016 - 2020). Projections of DC Water costs were developed for FY 2021 – FY 2024. As per terms of the 2013 MOU and based on the results of the 2021 COS, Fire Protection Service fee was established at \$11.535 million for fiscal years FY 2022, FY 2023 and FY 2024. This fee is \$0.992 million lower than the FY 2018 fee of \$12.527 million.

System Availability Fee (SAF)

Many utilities have implemented a fee, assessed to new development (or redevelopment) to recover the investment in available system capacity. On June 17, 2016, DC Water’s Board approved a new System Availability Fee (SAF) to be effective from January 1, 2018. All Residential Customers with meters 1 inch or smaller will use the same set of fees. All Residential Customers with meters larger than 1”, and all Multi-Family and Non-Residential Customers will have SAF based on their meter size.

The System Availability Fee will be assessed for all new buildings, structures or properties under development and properties under redevelopment. For properties under redevelopment, DC Water will determine the net System Availability Fee by determining the property’s proposed capacity requirements and applying a credit for the capacity of accounts being removed from the system. However, if the associated credit for capacity removed is equal to or greater than the future System Availability Fee, the net System Availability Fee shall

be zero. Properties under redevelopment shall not receive a credit for accounts that are inactive for more than 12 months.

In FY 2018, DC Water has determined that implementing the System Availability Fee (SAF) regulations on the effective date of January 1, 2018, could present significant fiscal impacts to the District's New Communities Initiative, which includes redevelopment, one for one replacement and/or augmentation, of affordable housing units. On March 1, 2018, the DC Water Board considered comments received during the SAF public comment period and agreed to; 1) Extend the System Availability Fee (SAF) effective date from January 1, 2018 to June 1, 2018 for DCRA Construction Permit Applicants and federal facilities new water and sewer connections and renovation or redevelopment projects for existing connections to the District's potable water and sanitary sewer systems based on the SAF meter size in accordance with the fee schedule and requirements; 2) Revised the DC Water guidance document used to determine the SAF meter size from DC Water Standard Details and Guideline Masters to DC Water's Sizing Instructions and Worksheets; 3) Added procedures and requirements to receive credits for Affordable Housing Units (AHU) development and redevelopment; 4) Clarified the requirements for projects submitted prior to the effective date of June 1, 2018 and approved by June 1, 2019; 5) Added formulas to clarify how the SAF is calculated with the SAF credit, AHU credit and Net AHU credit; 6) Clarified requirements for Payment Plan Agreement; 7) Properties under redevelopment shall not receive a credit for accounts that are inactive for more than 24 months.

Effective June 1, 2018, DCRA Construction Permit Applicants and federal facilities shall be assessed a System Availability Fee (SAF) for new water and sewer connections and renovation or redevelopment projects for existing connections to the district's potable water and sanitary sewer systems based on the SAF meter size in accordance with the fee schedule and requirements.

PILOT and ROW Fee

A new PILOT MOU was signed between DC Water and the District of Columbia on September 4, 2014, which reduced the annual PILOT payment. As per agreement, the PILOT of \$15.3 million for FY 2015 would be escalated by 2 percent per year. The agreement will be effective till September 30, 2024.

On October 07, 2014, DC Water and the District reached an agreement on the ROW terms and conditions, which provides that DC Water will continue to make payments totaling \$5.1 million annually to the District for FY2015 – FY2024.

Operating Reserve/Renewal and Replacement Reserve

- DC Water periodically reassess its policies every five years regarding the operating reserve requirement. The Independent Financial Consultants conducted the study to consider the appropriate level of its Total Operating Reserves for FY2023 and subsequent years. DC Water's current board policy sets 250 days of cash, which exceeds the indenture requirement of 60 days. While DC Water's 250 day requirement is high compared to peers which typically require 60 or 90 days of operating expenses, DC Water's actual balances are low in comparison. According to a report by Moody's in 2021, DC Water's total days of cash on hand was 366 days, which is below the median level of about 400 days for an AA rated bond issuer. The Independent Financial Consultants recommended that due to DC Water's plans to borrow \$2.7 billion in the next 10 years and its efforts to maintain a very strong credit rating, DC Water should increase the minimum operating reserve requirement from 250 days to 350 to 400 days. This would bring the day's cash on hand to a level more consistent with DC Water's highly rated peers.

- DC Water Indenture of Trust requires the Authority to maintain a Renewal and Replacement (R&R) Reserve Fund. In FY 2023, the Independent Financial Consultants conducted this study to examine the reasonableness of the amount on deposit in the R&R Reserve Fund and make recommendations to the Authority for the value of the Fund for the next 5-year period of FY 2023 through FY 2027. The Independent Financial Consultants recommended that DC Water maintain its current R&R Reserve Fund policy to require a balance of \$35 million. The recommendation will be presented to the DC Water Board for approval. The next R&R Reserve Fund Study will be conducted in FY2027.
- Over the last ten years, DC Water has made contributions to the RSF and made withdrawals to help mitigate rate increases. In FY 2023, the Independent Financial Consultant performed a cost of service (COS) study to determine the appropriate level of Rate Stabilization Fund (RSF) to help mitigate rate increases.

The independent consultants summarized the Rate Stabilization Fund (RSF) findings. These include 1) the RSF is permitted but not required to have a balance by the bond indenture; 2) DC Water has historically added monies to the RSF and withdrawn funds for multiple purposes; 3) American Water Works Association's Cash Reserve Policy Guidelines indicate monies in a RSF are typically used to address potential fluctuations in revenues and to "smooth out" rate increases; 4) more than half of the surveyed utilities have no RSF requirement; and 5) in Philadelphia, the RSF and Residual Fund serve multiple purposes: operating reserve and RSF. The report provided the following options: 1) confirm or change the name of the RSF; 2) define a minimum, maximum or targeted balance requirement; and 3) update policies for the use of funds withdrawals.

The consultants recommended a target RSF balance of 5 percent of projected retail revenues. In 2023, the existing RSF balance achieves this target. The authorization to withdraw funds should include a plan to replenish funds to meet the target balance. DC Water should prioritize use of the funds for (i) emergencies or unplanned events, (ii) investment in technologies or other initiatives that could reduce operating expenses, and (iii) defeasance of higher cost debt.

All Legal Covenants, Financial Board Policies, Accomplishments and Targets are Incorporated into the Ten-Year Financial Plan.

Compliant	Description	Legal Covenant	Performance Target	FY 2021 Actual	FY 2022 Actual	FY 2023 Revised	FY 2024 Proposed
✓	Senior Debt Service Coverage	120%	140%	508%	653%	580%	734%
✓	Operating Cash Reserves*	N/A	\$125.5 million	186.8 million	\$196.3 million	\$257.4 million	274.6 million
✓	Short Term Investment Return Benchmark Merrill Lynch 3-Month Treasury Index	N/A	25 basis points	69 basis points	69 basis points	7 basis points	35 basis points
✓	Long Term Investment Return Benchmark Merrill Lynch 1-3 Year Treasury Index	N/A	50 basis points	70 basis points	70 basis points	21 basis points	55 basis points
✓	Water and Sewer Rates	Revenues must be sufficient to cover: operating expenses, senior and sub debt service, amounts necessary to maintain DSRF and ORF levels, and any annual PILOT payments	Each customer will be charged for the actual cost to provide each service, and rate increases will be reliable and predictable		Future rate increases are driven by financial impact of the capital program and full utilization of the RSF; the development of a 10-year financial plan allows DC Water to meet these key goals of full cost recovery and predictability	Same as Performance Target	
✓	Rate Stabilization Fund (RSF)	N/A	Help to avoid spikes in rate increases for retail customers	\$28.8 million contribution resulted in a balance of \$90.24 million	Utilization of \$88.5 million of RSF in FY 2022 leaves a balance of \$35.64 million	Projected FY 2023 year end RSF balance of \$35.6 million	Projected FY 2024 year end RSF balance of \$35.6 million

*Up to FY 2021 operating reserve policy required a minimum balance of the greater of \$125.5 million or 120 days of budgeted O&M expenses. The Board revised the policy in October 2021 (FY 2022) requiring 250 days of O&M expenses

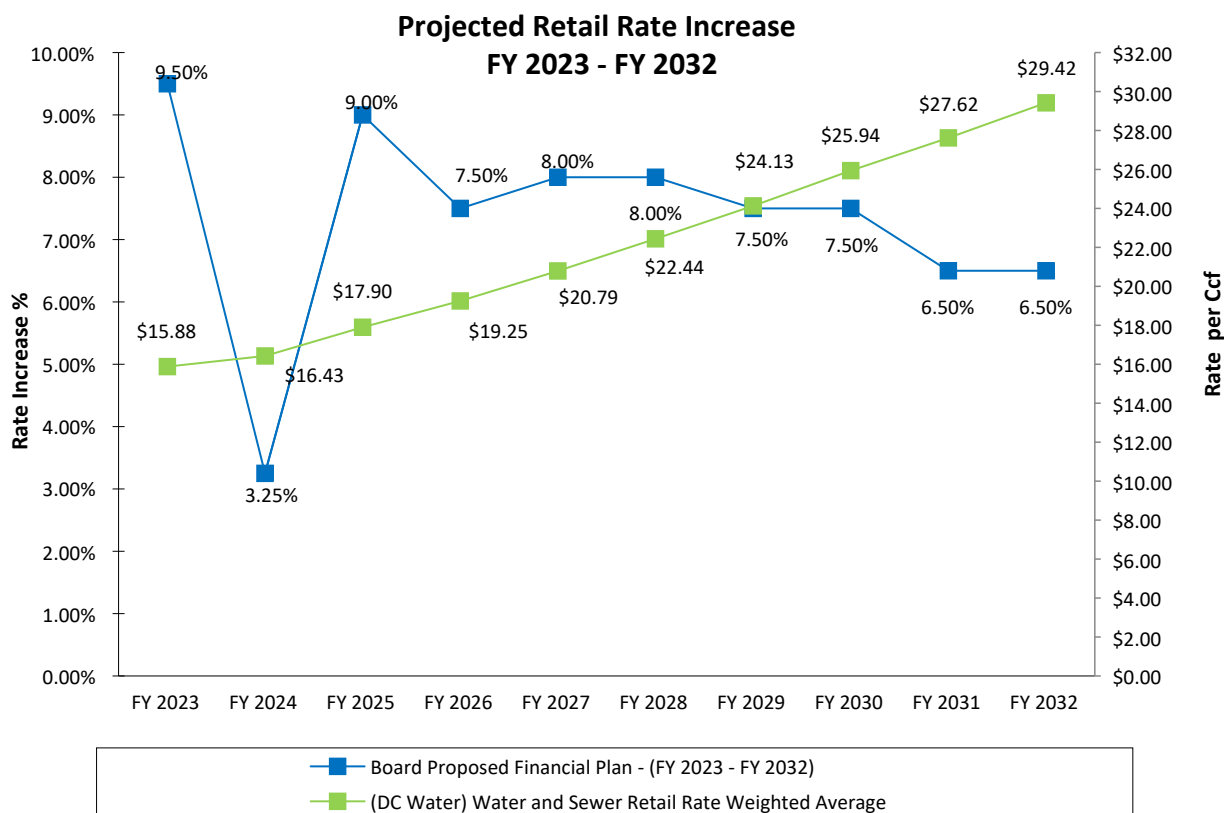
The Approved FY 2023 - FY 2032 financial plan includes the resources necessary to accomplish critical financial and operational goals over the coming years, as summarized below:

- Continue adherence to the Board's financial, investment, rate-setting and long-term planning policies
- Continue implementation of the ten-year \$6.95 billion capital improvement program
- Includes disbursements of \$962.6 million over the ten-year planning period for Clean Rivers Project (CSO Long-Term Control Plan) exclusive of the nine-minimum controls program
- Continued exceptional financial performance, reduction in overtime, adherence to Board's customer outreach and transparency to include customer input and flexibility to meet emerging needs
- Improving Public Image: re-focus of the government relations activities to bring greater visibility to DC Water and the national need for infrastructure investment and funding; and various pilot projects to look for additional improvements to DC Water services
- Workforce
 - Continue to focus employees' efforts on DC Water's most important goals in line with the Board Strategic Plan
 - Improve recruiting process by identifying high-quality candidates using job descriptions based upon the expertise of high performing employees holding uniquely valued competencies
 - Fill critical talent management needs and address company and industry changes promptly
 - Continue to Enhance management skills through training

The ten-year financial plan reflects the following major assumptions:

- Operating and maintenance expenses (excluding the payment-in-lieu-of-taxes and right-of-way fee) are projected to grow at an average annual rate of 4.3 percent, primarily due to projected inflation
- Personnel services is projected to increase to accommodate for insourcing initiatives to support the capital program
- Payment-in-lieu-of-taxes (PILOT) to the District of Columbia for FY 2023 and FY 2024 will be at \$17.97 million and \$18.33 million respectively. PILOT payment is projected to increase by 2 percent per annum in accordance with the new memorandum of understanding (MOU) signed on September 4, 2014, with the District
- According to the new memorandum of understanding (MOU) dated October 4, 2014, the Right-of-Way payment to the District of Columbia stays level at \$5.1 million
- Days of cash on hand which is an important measure of short- and long-term liquidity typically exceeds 250 days of cash excluding the Rate Stabilization Fund. The Board's policy approved in October 2021 requires a minimum of 250 days of cash on hand.
- The Board's policy is to target combined coverage at 1.6X. The combined coverage for FY 2023 to FY 2032 range from 1.74 to 1.93. DC Water Indenture requires Senior Lien coverage of 1.2X and Subordinate at 1.0X, Board Policy is 1.4X for Senior and 1.0X for Subordinate
- Debt Service:
 - Overall increase of Debt Service is to support the capital program. Debt Service as a percent of operating revenues does not exceed 33 percent in the Financial Plan. Debt Service represents 27.7 percent and 26.7 percent of the total operating revenue in FY 2023 and FY 2024, respectively.
 - Interest on Variable debt assumed to be 2.5 percent in FY 2023, and FY 2024
 - Interest on Fixed debt assumed to be 5.5 percent in FY 2023 and FY 2024
 - Utilization of the Commercial Paper program/Extendable Municipal Commercial Paper (EMCP) is assumed for interim financing for bond issuance, capital equipment and the Washington Aqueduct

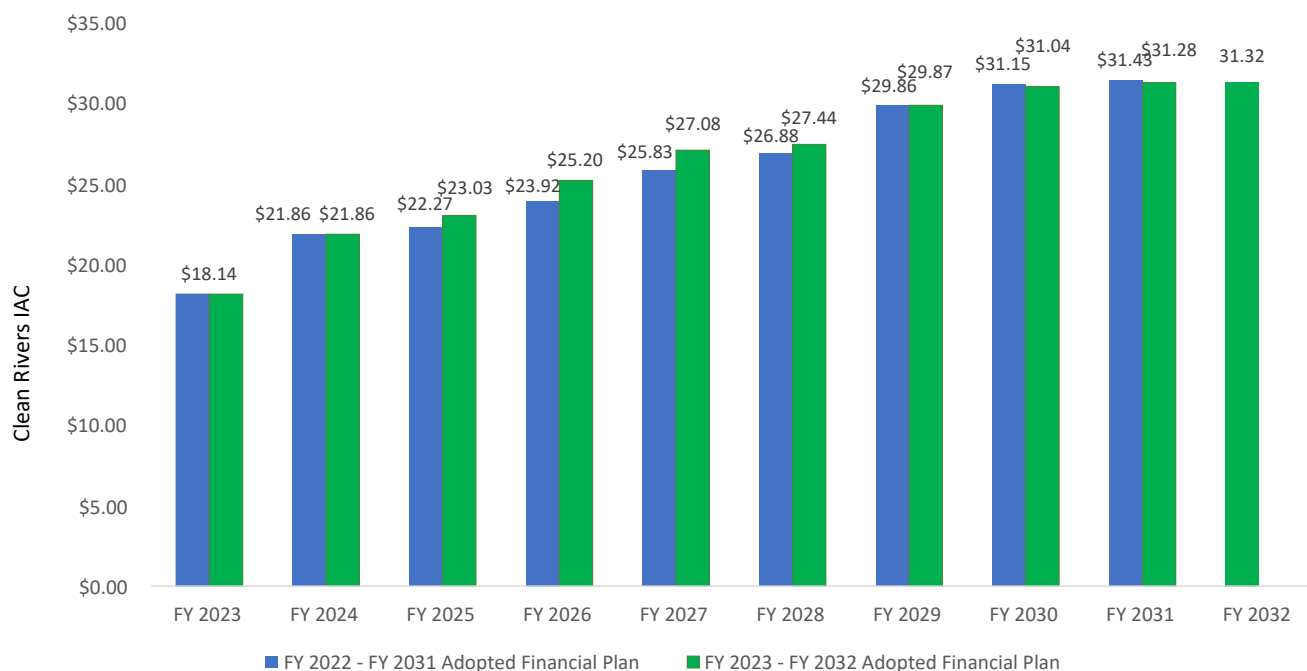
Due to these ongoing and new initiatives, from FY 2023 – FY 2032 DC Water’s water and sewer volumetric retail rates are projected to increase by \$0.55 to \$1.81 per 100 cubic feet as shown in the chart below. Cumulative rate increases would total 73.3 percent over the ten-year period compared to 77.6 percent projected in last year’s ten-year plan (FY 2022 – FY 2031).



Rates shown above reflect weighted water and sewer rates for Residential customers’ category. The proposed retail water and sewer combined rate for FY 2023 is \$15.88 per Ccf and \$16.43 per Ccf for FY 2024. In addition, the proposed increase in the combined Right-of-Way and PILOT Fees is \$0.03 per Ccf, {\$0.04 per 1,000 gallons}, in FY 2023 and is \$0.02 per Ccf, {\$0.03 per 1,000 gallons} in FY 2024 to recover the full amount for services charged to DC Water by the District. There is no increase in Right-of-Way Fee for FY 2023 and FY 2024, which remains same at \$0.19 per Ccf (\$0.25 per 1,000 gallons). The proposed monthly Clean Rivers Project CRIAC charges for FY 2023 and FY 2024 are \$18.14 and \$21.86 respectively per ERU (Equivalent Residential Unit); decrease of \$0.26 compared to the FY 2022 charge and increase of \$3.72 compared to the FY 2023 charge respectively.

PROJECTED MONTHLY CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE (CRIAC) CHANGES

FY 2023 – FY 2032



- The projected charges displayed in the chart above are primarily driven by anticipated debt service costs necessary to support the thirty-year \$2.99 billion Clean Rivers Project, which includes the federally mandated CSO-LTCP and the nine-minimum controls program
- The annual Clean Rivers Project costs for the average Tier 2 residential customer (700 – 2,000 sq. ft. of impervious area) is projected to increase from \$18.14 per month in FY 2023 to \$31.32 per month in FY 2032
- The proposed CRIAC shift to sewer volumetric with 18 percent in FY 2020, 28 percent in FY 2021 and 37 percent in FY 2022 and beyond was recommended because it balances infrastructure investment with growth in rates. The shift is based on an assessment that on average 37 percent of volume in the tunnels is from wastewater. With the shift the overall household charges projected increase is 6.7 percent for FY 2022, 6.0 percent for FY 2023 and 5.4 percent for FY 2024. The gradual shift helps avoid rate shock to customers. The CRIAC is projected to decrease from \$18.40 to \$18.14 per ERU per month for FY 2023 and increase to 21.86 or per ERU per month for FY 2024.

The proposed rate and fee adjustments included in the FY 2023 – FY 2032 financial plan are driven by the following trends and initiatives:

- Assumed retail water consumption decline of 1.0 percent in FY 2023 over FY 2022 Actual, except for residential and federal categories, which increase slightly. However, due to the impact of COVID-19, 9.0 percent decline is projected for commercial in FY 2023 and beyond. In FY 2024 and onwards, a one percent decrease in consumption has been assumed due to conservation.
- Increasing debt service expenditures, driven by DC Water’s \$6.95 billion capital improvement program (cash disbursements basis), which increases on average by 6.9 percent over the Financial Plan period.
- Operations and maintenance expenditure (excluding the Payment-in-Lieu-of-Taxes (PILOT) and Right-of-Way (ROW) fee) increase on average of 4.3 percent annually over ten-year period.
 - Increasing operating expenditures, driven primarily by projected increases in personnel services, contractual services, chemicals, electricity, and water purchases
 - Continuation of in-sourcing Proposals for in-house planning & design and valve operations
 - Enhanced service to the development community through improved permitting operations

Customer Assistance Programs (CAP): We continued our commitment to help improve the quality of life for those of our customers who are least able to pay, by providing relief through our customer assistance programs (CAP). Through CAP, we provide eligible customers a discount of 4 Ccf per month on their water and sewer bills. Since it began in FY 2001, participation in CAP has continued to increase. In FY 2004, the Authority expanded the CAP to include tenants who meet financial eligibility requirements and whose primary residence is separately metered by the Authority. As of October 1, 2010, the Board expanded the CAP discount to include the first 4 Ccf of PILOT and ROW to qualifying low-income residential customers. The District Department of Energy and Environment (DOEE), administers this program for the Authority and several other utilities in the area.

In FY 2016, DC Water implemented Water System Replacement Fee (WSRF). This is a fixed monthly fee set to recover the costs of the 1 percent renewal and replacement program for water service lines. The fee is based on meter size and average flow. The DC Water’s low-income CAP customer will receive 100 percent credit for this fee.

As of May 1, 2017, the Authority further expanded the CAP to include 50 percent discount for CRIAC. Effective October 1, 2020, the CRIAC discount for low-income CAP customers was increased from fifty percent to seventy five percent.

In FY 2019, DC Water, Mayor Muriel Bowser, and the DC Council worked together to expand the existing customer assistance program. The new benefits were earmarked for non-profits, including churches and cemeteries, along with a group of residential customers who did not previously meet the income guidelines for assistance (CAP2 and CAP3).

CAP2 provides a discount on the first 300 cubic feet (2,250 gallons) of water and sewer services used each month (apart from PILOT and ROW fees) and a fifty percent reduction in the monthly CRIAC fee.

CAP3 provides a discount of seventy-five percent off the monthly CRIAC.

For FY 2022, \$4,871,357 in discount benefits was provided to 6,943 CAP customers and 711 CAP2 customers received discount of \$338,362. The CAP and CAP2 discount programs administered by DOEE provided discounts as of September 30, 2022, to 7,654 customers representing \$5,209,720. DC Water's SPLASH program customers donated an additional \$69,354 through their water bills for the benefit of those customers who needed additional help.

DC Clean Rivers Impervious Surface Area Charge Incentive Program: DC Water Board Approved a DC Clean Rivers Impervious Surface Area Charge Incentive Program (CRIAC) effective from October 1, 2013. This is a three-year pilot credit/discount program for the DC Clean Rivers Impervious Surface Area Charge. Eligibility determinations are made by the District Department of Energy and Environment. Customers who manage stormwater on their property using approved best management practices such as rain gardens, rain barrels, previous paving, green roofs, bio retention practices and stormwater will avail this discount. FY 2020 budget proposed an increase from 4 percent to 20 percent for stormwater best management practices. The DC Water Board approved the CRIAC Incentive Discount Program's incentive discount from four percent to twenty percent, which became effective from October 1, 2019.

Expansion of Customer Assistance Programs: To respond to the impact of COVID-19 on our customers, both the District and DC Water are expanding customer assistance programs:

- Emergency Residential Relief Program (District Funded) – For customers struggling with unpaid DC Water bills during the coronavirus (COVID-19) public health emergency and 105 days thereafter, eligible households may receive bill assistance up to \$2,000 as a one-time emergency benefit.
- DC Water Cares Residential Assistance Program (RAP) – New \$3 million to continue the Emergency Residential Relief Program in FY 2021 to provide one-time assistance to customers impacted by COVID. Assistance up to \$2,000 per residential customer. RAP was extended to FY 2023.
- DC Water Cares Multi-Family Assistance Program (MAP) - New \$7 million for a new program, which began in FY 2021 to provide one-time assistance to residents in multi-family buildings that have been negatively impacted by COVID; assistance amount to be provided per affordable unit with household income 80% AMI or less. MAP was extended to FY 2023.
- FY 2022 Target Assistance - \$5 million held for FY 2022 targeted assistance for customers in need
- LIHWAP (Low Income Household Water Assistance Program) - Provides funds to assist low-income households with water and wastewater bills.
- STAY (Stronger Together Assisting You) - Is a financial program for D.C renters and housing providers who are looking for support to cover housing and utility expenses and offset the loss of income.
- DC Water Catch-up Program – Is a program to reduce AR and help eligible customers in residential, commercial, and multi-family rate classes bring their delinquent bills back in line with monthly costs and avoid disconnection. Eligibility customers are with outstanding balances for 30 days or more as of December 31, 2022, and have yet to pay their outstanding balance by January 2023.

\$ in thousands

The Revised FY 2023 operating receipts projection totals \$842.4 million, an increase of \$8.8million as compared to the FY 2022 Actual. The Proposed FY 2024 operating receipts total \$878.5 million, an increase of \$36.1 million over the FY 2023 Revised budget receipts.

Comparative Operating Receipts FY 2022 – FY 2024

	FY 2022 Actual	FY 2023 Revised	Increase / (Decrease)	Percent Change	FY 2024 Approved	Increase / (Decrease)	Percent Change
Residential	\$ 124,159	\$ 130,840	\$ 6,681	5.4%	\$ 138,719	\$ 7,879	6.0%
Commercial	188,598	197,558	8,960	4.8%	208,553	10,995	5.6%
Multi-family	138,579	148,058	9,479	6.8%	153,979	5,921	4.0%
Sub-Total Residential, Commercial and Multi-family	451,336	476,456	25,120	5.6%	501,251	24,795	5.2%
Federal Government ⁽¹⁾	77,112	84,768	7,656	9.9%	89,987	5,219	6.2%
District Government	21,055	23,203	2,148	10.2%	25,121	1,918	8.3%
D.C. Housing Authority	13,210	14,208	998	7.6%	14,722	514	3.6%
Transfer from Rate Stabilization Fund ⁽³⁾	52,100	-	(52,100)	-100.0%	-	-	0.0%
Water System Replacement Fee (WSRF)	42,079	39,717	(2,362)	-5.6%	39,717	-	0.0%
Metering Fee	23,134	24,083	949	4.1%	24,083	-	0.0%
Total Retail	680,026	662,435	(17,591)	-2.6%	694,881	32,446	4.9%
IMA Wastewater Charges	73,798	91,714	17,916	24.3%	93,434	1,720	1.9%
Potomac Interceptor Wastewater Charges	11,101	12,846	1,745	15.7%	13,085	239	1.9%
Total Wholesale	84,899	104,560	19,661	23.2%	106,519	1,959	1.9%
District Stormwater Revenue ⁽²⁾	1,107	1,107	(0)	0.0%	1,107	-	0.0%
Misc. Rev. (e.g. water tap installation, fire hydrant usage, etc.)	34,463	31,208	(3,255)	-9.4%	32,019	811	2.6%
Washington Aqueduct Backwash - DC Water's pro rata share	0	4,620	4,620	100.0%	4,620	-	0.0%
Washington Aqueduct Debt Service Revenue for Falls Church & Arlington	193	193	(0)	-0.1%	193	0	0.1%
Interest Income (including interest on Bond Debt Service Reserve Fund)	1,084	7,549	6,465	596.5%	8,046	497	6.6%
System Availability Fee (SAF)	9,194	7,700	(1,494)	-16.3%	7,700	-	0.0%
Right-of-Way (ROW) Fee	5,345	5,100	(245)	-4.6%	5,100	-	0.0%
Payment-in-Lieu-of-Taxes (PILOT) Fee	17,284	17,970	686	4.0%	18,330	359	2.0%
Total Other	68,670	75,447	6,777	9.9%	77,115	1,668	2.2%
Total Operating Cash Receipts	\$ 833,595	\$ 842,442	\$ 8,847	1.1%	\$ 878,515	\$ 36,073	4.3%

1. Historical actuals are presented on revenue basis. Projected amounts shown are billed revenues. Actual Federal receipts are a combination of current year projected revenues and prior year adjustments, which are presented as reserve items. See Section III for further explanation.
2. Reflects District stormwater fee revenue that will fund DC Water's share of District stormwater permit compliance activities, and will not be funded through DC Water's retail rates or other DC Water revenue sources. See Section III for further explanation.
3. FY 2022 receipts include \$41.6 million Rate Stabilization Fund (RSF) amount, which was transferred to Ending Cash Balances.

Major assumptions underlying the revenue projections contained in the FY 2023 – FY 2032 financial plan include:

- For FY 2024, 1.0 percent reduction in water sales is assumed over FY 2023 projection for all customer categories, based on historical trends in consumption levels. For the Commercial category, due to impact of COVID-19, nine percent decline in consumption was assumed for FY 2023 and beyond. For FY 2024 and onwards, 1.0 percent conservation is assumed for all categories.
- A 4.0 percent average revenue increase is projected between FY 2025 and FY 2032 for wholesale customers, in line with operating and maintenance expense increases for joint use facilities. However, the wholesale revenues are projected to increase by \$19.7 million or 23.2 percent for FY 2023 as compared to FY 2022 Actual and \$2.0 million or 1.9 percent for FY 2024 over FY2023 Revised Budget due to revised operations and maintenance expense projections. Revenue estimates are based on most recent flow data.
- Based on the current interest rate environment, interest projections are conservatively assumed at 1.0 percent earnings rate in FY 2023, 2.0 percent in FY 2024 and FY 2025, 2.5 percent in FY 2026 and 2.75 percent in FY 2027. Interest rates for FY 2028 and onwards are assumed at 3.0 percent.
- The majority of other non-operating revenues, totaling \$45.6 million in FY 2024 are projected to increase within the ten-year plan, and include such items as:
 - Reimbursement from Arlington County and Falls Church for debt service issued for pre-1997 Washington Aqueduct capital improvements - \$0.2 million.
 - Reimbursement from the Stormwater Enterprise Fund for services provided to DOEE under their MS4 permit - \$1.1 million.
 - Recovery of indirect costs from DC Water’s IMA partners - \$5.2 million - this reflects recovery of indirect costs on capital projects (e.g., costs for Finance, Accounting and Budget, General Counsel, and Human Resources functions).
 - Reimbursement from the District for the Fire Protection Services fee of \$11.5 million.
 - Washington Aqueduct Backwash - DC Water’s pro-rata share of \$4.6 million
 - Other miscellaneous fees and charges, including service line replacements, developer-related fees, and the Engineering Review, waste hauler fees and System Availability Fee (SAF) - \$23.0 million.

The Revised FY 2023 receipts projection totals \$842.4 million, approximately \$8.8 million higher than the FY 2022 Actual. The increase is due primarily to:

- **Residential, Commercial and Multi-Family Receipts** - Projections for FY 2023 reflect an increase of \$25.1 million, or 5.6 percent from FY 2022 Actual due to proposed retail rate increase of 9.5 percent (water and sewer volumetric rates) and a decrease of \$0.26 monthly ERU fee for the Clean Rivers IAC. (See Section IV – Rates and Revenues for details on all rate and fee proposals).
 - One percent decrease in overall consumption in FY 2023 over FY 2022 Actual has been assumed due to conservation except for Residential and Federal categories, which increase slightly.
- **Federal Revenues** – Revised FY 2023 Federal revenues are projected to increase by \$7.7 million or 9.9 percent over FY 2022 Actual. Under existing Federal billing legislation, Federal billings are prepared on an estimated basis eighteen months in advance of the start of the fiscal year (e.g., the FY 2023 billing was prepared in April 2021, and are based on the current consumption estimates and projected rate increases as included in the current ten-year plan. These estimates are then reconciled with actual consumption and rate increases, and an adjustment is made in the subsequent year’s billing (e.g., the reconciliation of FY 2021 estimated vs. actual consumption and rate increases will be included in the FY 2024 billing, prepared in April 2022). Federal revenues in the ten-year plan are presented on a revenue basis, net of any adjustments for prior year reconciliations which are accounted for as reserve items. Consistent with this methodology, the proposed FY 2023 federal revenues reflect the final billing sent to the federal government in April 2021 net of the adjustment for the prior-year (FY 2020) reconciliation.
- **Municipal & D.C. Housing Authority Receipts** - are projected to increase by \$3.1 million (or 9.2 percent) mainly due to proposed retail rate increases of 9.5 percent and decrease of \$0.26 monthly ERU fee for the Clean Rivers IAC.
- **Rate Stabilization Fund Utilization** – The ten-year plan and near-term revenue projections assume utilization of \$52.1 million of RSF in FY 2022, which includes \$41.6 million transfer from the RSF to the Ending Cash Balance. The RSF is not utilized in FY 2023. There will be a balance of \$35.64 million by the end of FY 2032. Prior years’ plans assumed the use of these funds, which is necessary as DC Water reaches its peak years of spending in the CIP. Utilization of RSF monies allows DC Water to implement future rate increases in a reliable and predictable manner while still meeting Board and indenture policies on cash reserves and debt service coverage.
- **Water System Replacement Fee** – Proposed fixed monthly fee set to recover the costs of one percent renewal and replacement program for water service lines generating approximately \$39.7 million per year.
- **Customer Metering Fee** - This fee recovers the costs associated with installing, operating, maintaining, and replacing meters, and is charged to all retail customers (including federal and municipal customers). The fee varies based on meter size, with monthly fees ranging from \$7.75 for a 5/8-inch meter (typical size of a residential customer meter) to \$701.62 for 16” meters (typically used for large commercial customers). Based on the FY 2020 Cost of Service study, the Customer Metering fees due to proposed increase is projected to generate \$24.1 million in FY 2022 and onwards.

- **Wholesale Receipts** – DC Water’s wholesale customers are responsible for a proportionate share of operating and maintenance expenses (associated only with shared facilities primarily at Blue Plains) based on their respective share of wastewater volume discharged. In addition, each user is responsible for a proportionate share of related indirect costs. In FY 2023 wholesale revenues are projected to increase by \$19.7 million or 23.2 percent to \$104.6 million mainly due to projected increase in operations and maintenance expenses.
- **Stormwater** - DC Water’s FY 2023 receipts include \$1.1 million from the Department of Energy and Environment (DOEE) formerly DDOE which will be used to fund DC Water’s services provided on behalf of the District’s stormwater permit compliance activities including the billing and collection through DC Water invoices of fees established by DOEE. The FY 2023 – FY 2032 financial plan assumes that all incremental costs borne by DC Water for stormwater permit compliance activities will be reimbursed by the stormwater fund, and that DC Water funds will be advanced to pay for these activities.
- **Right-of-Way (ROW) and Payment-In-Lieu of Taxes (PILOT) Pass-Through Fees** – Similar to other Washington area utilities, DC Water has implemented fees that pass through the costs of the District’s ROW and PILOT as separate line items on its bill. PILOT fee increases by 2 percent over prior year as per PILOT MOU signed with the District Government on September 4, 2014. In FY 2023 Revised budget as compared to FY 2022 Actual, PILOT is projected to increase by \$0.7 million or 4.0 percent mainly due to slightly higher consumption. ROW fee remains same at \$5.1 million.
- **Other Revenues** – In FY 2023, Other Revenues are projected to increase by \$6.8 million or 9.9 percent mainly due to increase in the Washington Aqueduct Backwash – DC Water’s pro rata share and Interest earnings.

The Approved FY 2024 receipts projection totals \$878.5 million, approximately \$36.1 million, or 4.3 percent higher than the Revised FY 2023 projections. This increase is due primarily to:

- **Residential, Commercial & Multi-Family** - FY 2024 projections reflect an increase of \$24.8 million, or 5.2 percent from FY 2023 primarily due to proposed retail rate increases of 3.25 percent (water and sewer volumetric rates) and increase of 3.72 monthly ERU fee for the Clean Rivers IAC (see Section IV- Rate and Revenues for detail on all rate and fee proposals)
 - One percent decrease in consumption over FY 2023 Revised has been assumed for Residential, Commercial and Multi-family due to conservation in FY 2024.
- **Federal Revenues** - Approved FY 2024 Federal revenues are projected to increase by \$5.2 million or 6.2 percent above the FY 2023 Revised budget to \$90.0 million.
- **Municipal & D.C. Housing Authority Receipts** - are projected to increase by \$2.4 million (or 6.5 percent), mainly due to proposed retail rate increases of 3.25 percent and increase of \$3.72 monthly ERU fee for the Clean Rivers IAC.
- **The Rate Stabilization Fund** - The ten-year plan and near-term revenue projections assume no utilization of RSF in FY 2024. There will be a balance of \$35.64 million by the end of FY 2032.
- **Water System Replacement Fee** - Proposed fixed monthly fee set to recover the costs of 1 percent renewal and replacement program for water service lines generating approximately \$39.7 million per year.
- **Customer Metering Fee** - This fee recovers the costs associated with installing, operating, maintaining and replacing meters, and is charged to all retail customers (including federal and municipal customers). The fee varies based on meter size, with monthly fees ranging from \$7.75 for a 5/8-inch meter (typical size of a residential customer meter) to \$701.62 for 16" meters (typically used for large commercial customers). The Customer Metering fee is projected to generate \$24.1 million in FY 2024.
- **Wholesale Receipts** - In FY 2024, Wholesale revenues are projected to increase by \$2.0 million or 1.9 percent to \$106.5 million due to projected increase in operations and maintenance expenses.
- **Stormwater** - As noted earlier, the Approved FY 2024 receipts for this category include \$1.1 million each year from the Department of Energy and Environment (DOEE).
- **FY 2024 PILOT Fee** increase by 2.0 percent over prior year as per the PILOT MOU signed with the District Government on September 4, 2014. The PILOT for Proposed FY 2024 is projected to increase by \$0.4 million or 2.0 percent as compared to Revised FY 2023 budget.

(\$ in thousands)

DISTRICT OF COLUMBIA WATER & SEWER AUTHORITY

FY 2023 - FY 2032 FINANCIAL PLAN

(In 000's)

OPERATING	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<i>Retail*</i>	\$ 685,505	\$ 718,310	\$ 755,081	\$ 802,038	\$ 852,254	\$ 898,145	\$ 953,657	\$1,006,114	\$1,049,289	\$1,081,751
<i>Wholesale*</i>	104,560	106,519	110,780	115,211	119,819	124,612	129,597	134,781	140,172	145,779
<i>Other</i>	52,377	53,685	53,625	58,319	63,816	67,423	65,912	64,501	62,804	60,816
<i>RSF</i>	-	-	-	-	-	-	-	-	-	-
Operating Receipts ⁽¹⁾	\$ 842,442	\$ 878,515	\$ 919,485	\$ 975,568	\$1,035,890	\$1,090,180	\$1,149,166	\$1,205,396	\$1,252,264	\$1,288,346
Operating Expenses	(401,231)	(425,383)	(441,828)	(458,923)	(476,695)	(495,170)	(514,376)	(534,342)	(555,099)	(576,678)
Debt Service	(231,232)	(231,953)	(257,615)	(281,518)	(308,481)	(341,582)	(370,871)	(392,286)	(406,343)	(418,816)
Cash Financed Capital Improvement	\$ (23,505)	\$ (48,256)	\$ (60,406)	\$ (72,183)	\$ (76,703)	\$ (80,833)	\$ (85,829)	\$ (90,550)	\$ (94,436)	\$ (97,358)
Net Revenues After Debt Service	\$ 186,474	\$ 172,922	\$ 159,636	\$ 162,943	\$ 174,011	\$ 172,596	\$ 178,090	\$ 188,218	\$ 196,387	\$ 195,495
Operating Reserve-Beg Balance	257,374	274,600	282,600	292,600	303,600	314,600	327,600	340,600	354,600	368,600
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(11,688)	(11,256)	-	-	-	-	-	-	-	-
Pay-Go Financing	(157,560)	(153,665)	(149,636)	(151,943)	(163,011)	(159,596)	(165,090)	(174,218)	(182,387)	(180,495)
Operating Reserve - Ending Balance	\$ 274,600	\$ 282,600	\$ 292,600	\$ 303,600	\$ 314,600	\$ 327,600	\$ 340,600	\$ 354,600	\$ 368,600	\$ 383,600
Rate Stabilization Fund Balance RSF ⁽²⁾	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,643)
Senior Debt Service Coverage	580%	734%	783%	699%	644%	659%	656%	620%	645%	617%
Combined Debt Service Coverage	196%	201%	195%	192%	189%	181%	178%	178%	178%	176%
Actual/Projected Water/Sewer Rate Increases	9.50%	3.25%	9.00%	7.50%	8.00%	8.00%	7.50%	7.50%	6.50%	6.50%
*Operating Receipts \$ Increase/Decrease										
Retail	34,950	32,805	36,770	46,957	50,216	45,890	55,513	52,457	43,174	32,463
Wholesale	19,660	1,960	4,261	4,431	4,608	4,793	4,984	5,184	5,391	5,607
*Operating Receipts % Increase/Decrease										
Retail	5.4%	4.8%	5.1%	6.2%	6.3%	5.4%	6.2%	5.5%	4.3%	3.1%
Wholesale	23.5%	1.9%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

⁽¹⁾ Includes interest earnings on senior lien revenue bonds' debt service reserve fund

⁽²⁾ FY 2023 planned transfers of \$0.0 million to Rate Stabilization Fund and \$0.0 million utilization will bring the total fund balance to \$35.644 million

\$ in thousands

As in previous years, debt service continues to be the fastest-growing expenditure in the ten-year financial plan as a result of DC Water's \$6.95 billion capital improvement program, growing at an average annual rate of 6.9 percent. All other operating expenses are projected to grow at an average annual rate of 4.3 percent. The following chart provides a detailed comparison of the FY 2023 and FY 2024 operating budgets.

Comparative Operating Expenditure Budgets FY 2023 – FY 2024

	FY 2023 REVISED	FY 2024 APPROVED	Increase (Decrease)	Percentage Change
Personnel Services	\$186,223	\$201,581	\$15,358	8.2%
Contractual Services	88,504	93,070	4,566	5.2%
Water Purchases	40,334	44,039	3,705	9.2%
Chemicals and Supplies	54,628	54,568	(60)	-0.1%
Utilities	37,799	39,233	1,434	3.8%
Small Equipment	1,108	1,437	329	29.7%
Subtotal Operations & Maintenance	\$408,596	\$433,928	\$25,332	6.2%
Debt Service	231,232	231,953	721	0.3%
Cash Financed Capital Improvements	23,505	48,256	24,752	105.3%
Payment in Lieu of Taxes	17,970	18,330	359	2.0%
Right of Way Fees	5,100	5,100	-	0.0%
Subtotal Debt Service, CFCI & PILOT/ROW	277,807	303,639	25,832	9.3%
Total Operating Expenditures	\$686,403	\$737,567	\$51,163	7.5%
Personnel Services charged to Capital Projects	(30,435)	(31,974)	(1,539)	5.1%
Total Net Operating Expenditures	\$655,968	\$705,593	\$49,625	7.6%

The approved FY 2024 budget total of \$737.6 million is approximately 7.5 percent higher than the revised FY 2023 budget. The net increase is primarily due to increase in Cash Financed Capital Improvements costs associated with DC Water's capital improvement program, as well as increase in the operations and maintenance budget. The FY 2024 operations and maintenance budget net increase of 6.2 percent is primarily due to increases in personnel services, contractual services, water purchases, utilities, and small equipment. Specific information regarding each department is included in Section VII. A description of the assumptions and major issues/changes in each major expenditure category follows.

Personnel Services - increase of \$15.4 million or 8.2 percent above the revised FY 2023 budget. The increase is primarily for salaries and employee health benefits costs for 1342 FTEs. Includes partial funding for 17 new positions and provides funding for the career workforce advancement program for existing employees, apprenticeship program, and Summer Internship Program.

Contractual Services – increase of \$4.6 million or 5.2 percent above the revised FY 2023 budget mainly for critical maintenance and repairs of assets, rising cost of insurance premiums, and various professional services to support new and expanded programs including Building Information Management (BIM), PFAS or poly- and per-fluoroalkyl Substances monitoring, customer engagement, marketing campaigns, innovation, and strategic activities.

Water Purchase – increase of approximately \$3.7 million or 9.2 percent above the revised FY 2023 budget. This represents DC Water’s share of the Washington Aqueduct’s FY 2024 O&M budget and includes funding for the McMillan Sewer Backwash project.

Chemicals & Supplies – is relatively flat compared to the revised FY 2023.

Utilities – increase of approximately \$1.4 million or 3.8 percent above the revised FY 2023 budget is due to rentals for sewer vehicle storage, water usage at the Plant due to changes made in the wastewater treatment process, and electricity. DC Water’s thermal hydrolysis process and anaerobic digesters continue to generate approximately 6.5MW electricity to offset the Authority-wide energy consumption of 33 MW.

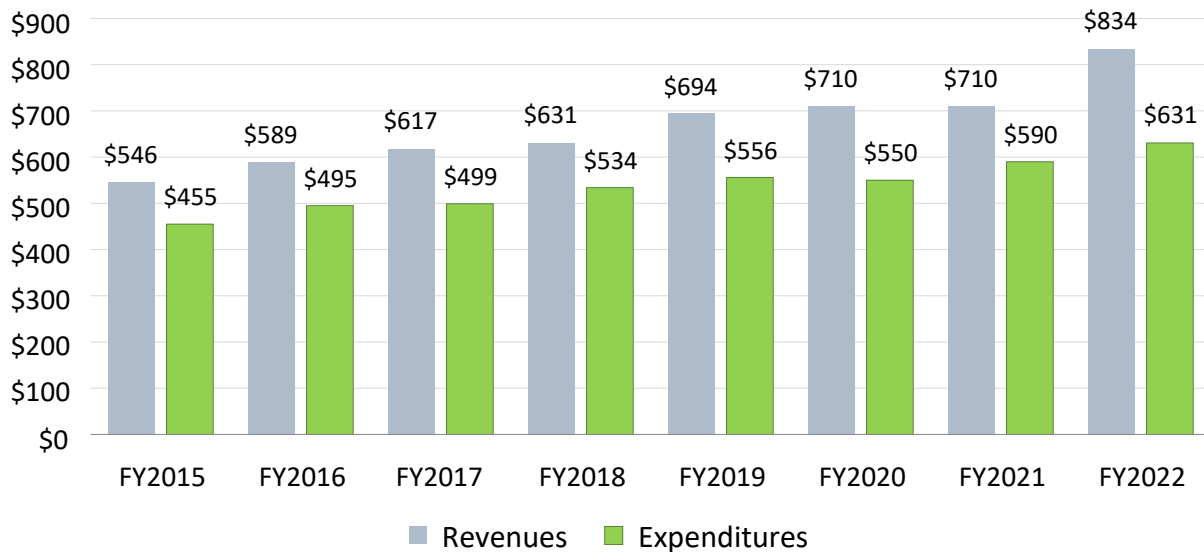
Small Equipment – increase of \$0.3 million or 29.7 percent above the revised FY 2023 budget primarily due to inflationary cost pressures for critical equipment.

\$ in thousands

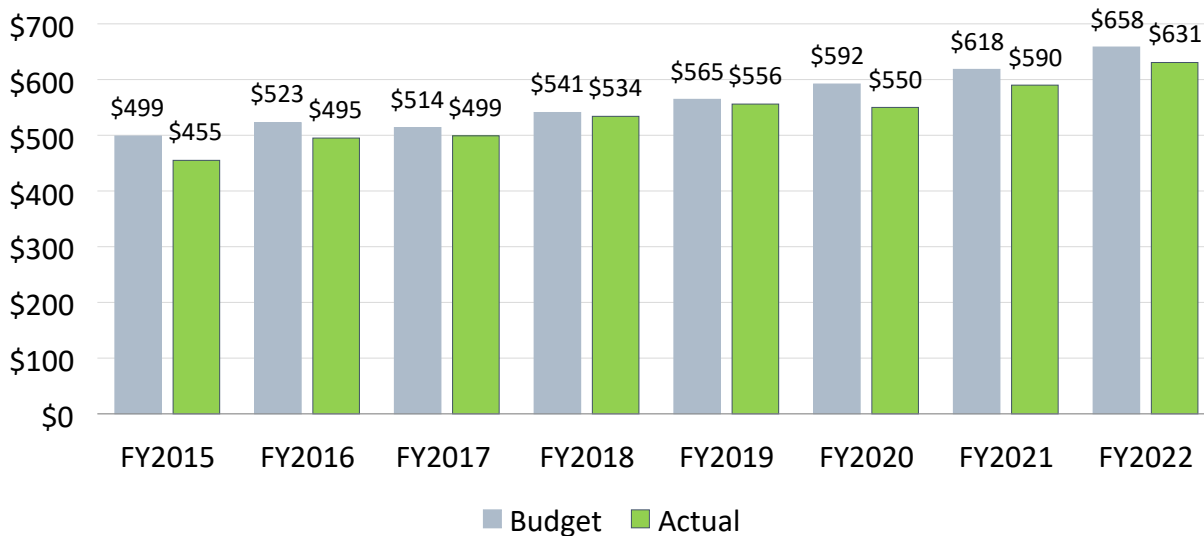
Solid Financial Performance with Revenues Consistently Exceeding Expenses

- FY 2022 Actual Operating cash receipts increased by \$124.0 million to \$833.6 million or 17.5 percent
- FY 2022 Actual Operating expenses increased by \$39.1 million to \$630.6 million, or 6.6 percent
- FY 2022 Budget to actual results showed both revenues exceeding and expenses below budget

Revenue vs. Expenditures



Expenditure Budget vs. Actual



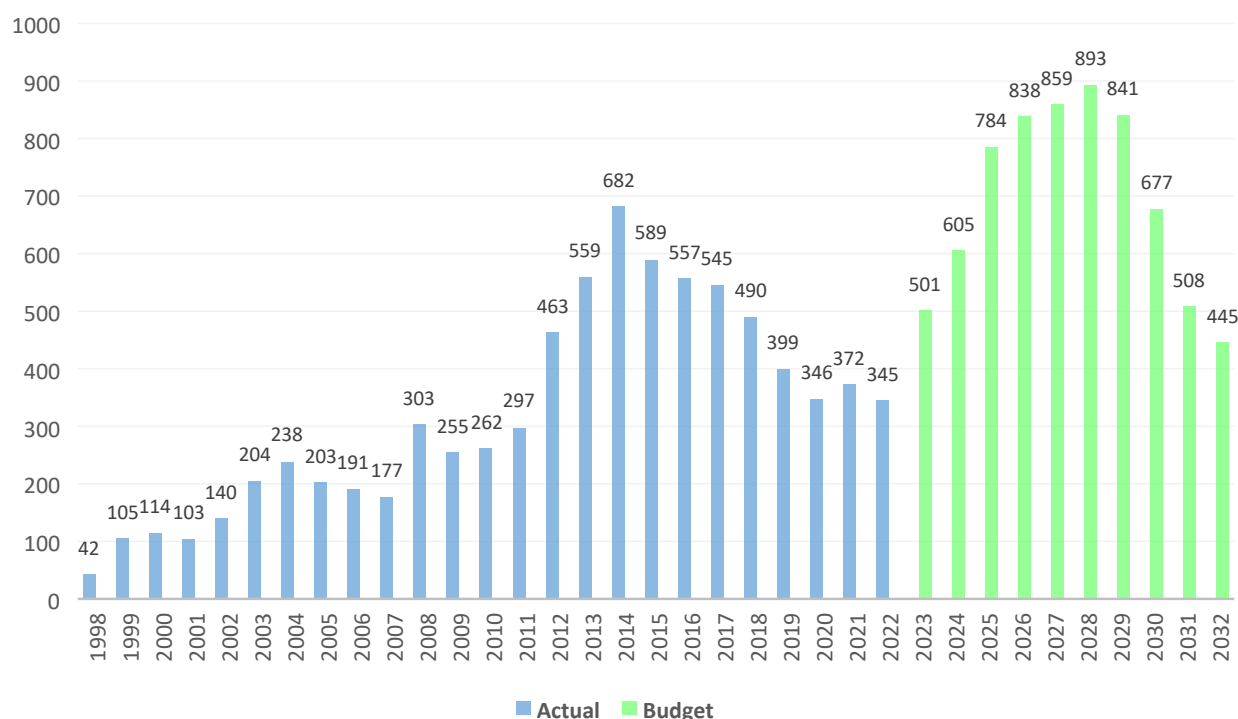
\$ in thousands

The 6.95 Billion Ten-Year CIP Protects Our Assets While Leveraging Long-Term Debt

The FY 2023 – FY 2032 financial plan anticipates capital disbursements of \$6.95 billion. Over the last 25 years, \$7.98 billion has been invested on DC Water’s system averaging approximately \$319.2 million per year. Projected annual spending ranges from \$445 million to nearly \$893 million as shown in the chart below (or approximately \$695 million per year from FY 2023 – FY 2032). The financing of DC Water’s capital program comes from four primary sources, as more fully described in this section. The amount of EPA grant funding is defined by annual federal appropriations, while jurisdictional capital contributions are based on a fixed percentage of Blue Plains and other shared facilities. The remainder of the program is funded with DC Water’s debt and Pay-Go financing from operations.

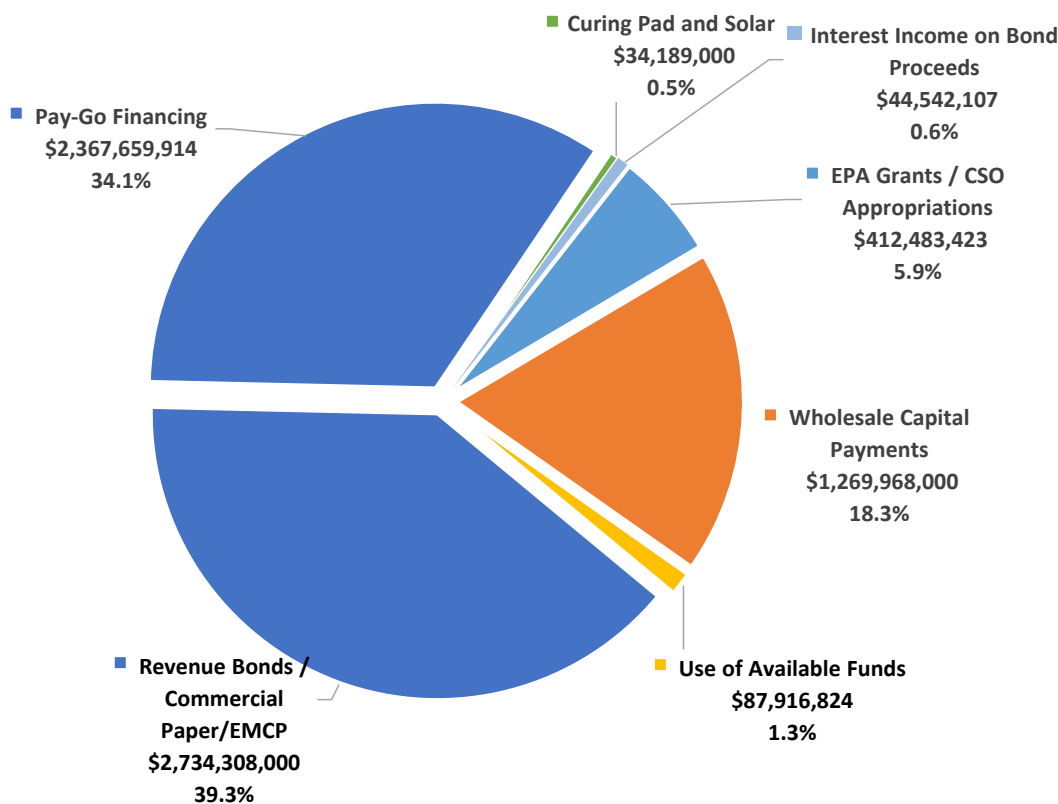
As noted earlier in this section, DC Water developed a comprehensive financing plan in FY 1999 with the dual goals of 1) securing the lowest cost of capital possible, and 2) maximizing administrative and operating flexibility. The plan includes the following components: Grants; wholesale capital payments; permanent financing; Interim financing and Pay-Go.

**Historical and Projected Capital Spending
FY 1998 - FY 2032**



FY 2023 – FY 2032 Capital Improvement Program Sources of Funds

	FY 2023 - FY 2032 Plan Total	Percent of Total
EPA Grants / CSO Appropriations	\$ 412,483,423	5.93%
Wholesale Capital Payments	1,269,968,000	18.27%
Use of Available Funds	87,916,824	1.26%
Revenue Bonds / Commercial Paper/EMCP	2,734,308,000	39.34%
Pay-Go Financing	2,367,659,914	34.06%
Curing Pad and Solar	34,189,000	0.49%
Interest Income on Bond Proceeds	44,542,107	0.64%
TOTAL SOURCES	\$ 6,951,067,268	100.0%



- **EPA and CSO Grants** – For FY 2023 – FY 2032, EPA and CSO grants represent only 5.93 percent of the funding for 10-year capital program. DC Water currently plans to finance part of its Ten-Year CIP through EPA grant funding for certain eligible projects under the Clean Water and Safe Drinking Water Acts. In general, the District of Columbia projects carried out by DC Water are supported by approximately one percent of the available annual funding through revolving fund programs associated with the Clean Water and Safe Drinking Water Acts. In addition, DC Water has received \$292.8 million in Congressional appropriations for the Clean Rivers Project (aka CSO LTCP) as of December 31, 2022.
- **Wholesale Capital Payments** - Approximately 60 percent of the capacity of DC Water’s wastewater treatment facilities are contractually committed to provide wholesale service to suburban jurisdictions under various contracts. Montgomery and Prince George's Counties (through the Washington Suburban Sanitary Commission (WSSC), Fairfax County, and the Loudoun County Sanitation Authority pay a proportionate share of capital-related costs equal to their share of contracted capacity at Blue Plains. DC Water anticipates 18.27 percent of its capital funding will come from wholesale customers.
- **Revenue Bonds/Commercial Paper/EMCP/WIFIA** - Currently debt financing represents only 39.3 percent of the funding in the ten-year capital program.
- **Pay-Go (Internal) Financing** – ‘Pay-go’ financing shall mean any cash financing of capital projects. The amount transferred from operations to the capital program each year shall be cash in excess of all operating requirements or restricted use. Approximately 34.1 percent of total funding for the FY 2023 – FY 2032 plan is projected to come from PAY-GO financing, which strikes an appropriate balance between maintaining moderate debt levels and financing provided by current ratepayers. Pay-Go funds will be used in a manner consistent with our financial policies: 1) to fund capital financing or for repayment of higher cost debt and that whenever possible, the least costly capital financing be used for capital projects, 2) to produce the lowest practical cost of debt for financing its capital projects.

FY 2022 and FY 2023 Debt Issuance Plans & Debt Service Assumptions

DC Water plans to issue approximately \$180 million in new bonds in the second quarter of FY 2024, for Series 2024. The savings for the Forward Direct Purchase (FDP) was recognized in FY 2022. The FDP was expected to be completed in July 2022.

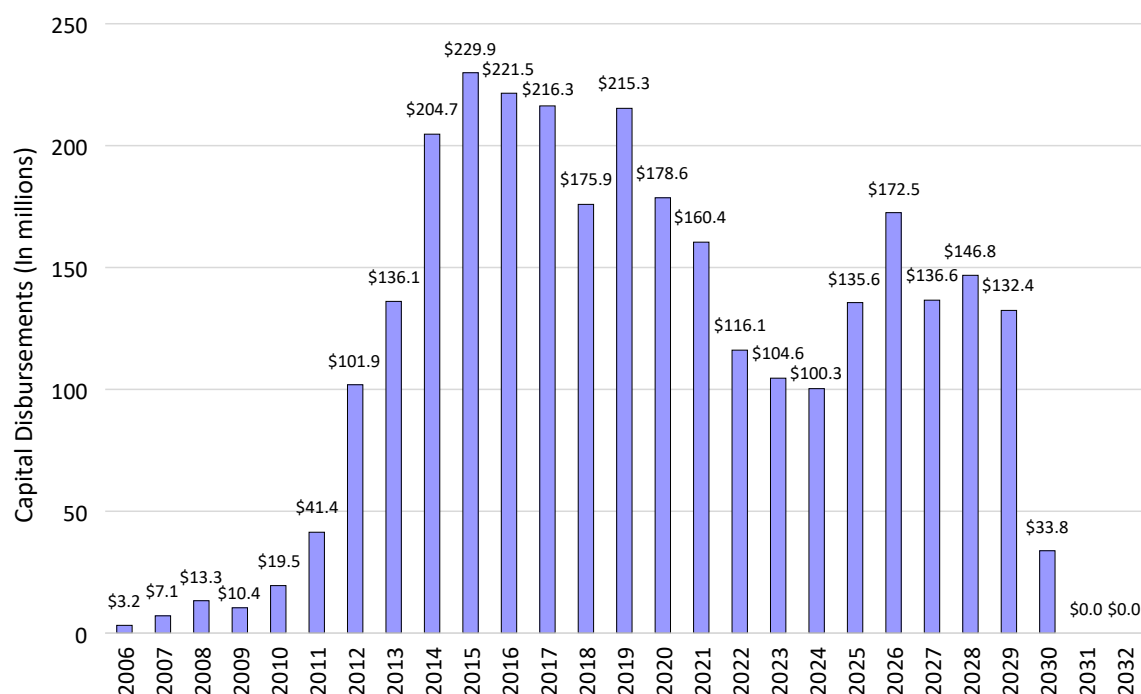
For financial planning, (1) we have assumed fixed rate, tax-exempt bonds at 5.5 percent for FY 2023. Similarly, for the remainder of the ten-year plan we have assumed issuing long-term bonds at 6.0 percent for FY 2025 to FY 2032; and 2) issue commercial paper/EMCP for interim financing. The ten-year plan assumes a variable interest rate of 5.0 percent in FY 2023 and 4.0 percent in FY 2024. To yield the best possible interest rate savings, our debt portfolio is evaluated on a regular basis.

Cash balances totaled \$257.4 million at the end of FY 2022, which excludes \$35.6 million for the Rate Stabilization Fund, as detailed below. Over the next ten years, cash balances are projected to meet Board-required reserve levels for 250 days of operating and maintenance expense budget, plus 160 percent combined coverage.

DC Clean Rivers Project

In December 2004, the Board reached agreement with the federal government on the proposed DC Clean Rivers Project LTCP and entered into a related consent decree. Lifetime capital costs for this project currently stands at approximately \$2.99 billion and this year's approved ten-year plan includes \$0.96 billion of projected disbursements. Projected spending by fiscal year for the Clean Rivers Project is shown in the next chart.

In FY 2022, DC Water received federal funding of \$8.0 million for the Combined Sewer Overflow Long Term Control Plan Service Area. However, as the project spending increases over the years, so does the projected Clean Rivers Impervious Surface Area Charge (CRIAC) fee. If additional federal assistance is provided, the Clean Rivers IAC would increase at a slower pace than this ten-year plan proposal assumes. As noted earlier, this plan assumes jurisdictional contributions, for joint use Projects, to the Clean Rivers Project under the IMA of 7.1 percent beginning in FY 2011. Please see section IV for more details on the Clean Rivers IAC.



Cash balances totaled \$257.3 million at the end of FY 2022. As detailed below, this includes \$35.64 million for rate stabilization. Over the next ten years, cash balances are projected to meet the Board required reserve level, of 250 days of operating and maintenance expense budget, plus 160 percent combined coverage.

DC Water's operating reserve includes the following components:

FY 2022 Year - End Cash

(\$ in thousands)

Cash Balance per Bank	\$	294,018
Operating Reserve per Indenture (1)		55,471
Renewal & Replacement Reserve (Indenture Required) (2)		35,000
250 Days of Cash O&M Undesignated Reserve to meet Board Policy (3)		<u>166,902</u>
Ending Cash Balance	\$	257,374
Rate Stabilization Fund Reserve		35,644
DC Insurance Reserve		<u>1,000</u>
Total Cash Balance and Reserve Funds	\$	294,018

(1) Excludes Debt Service Reserve Funds

(2) Board policy re-affirmed \$35 million in April 2018

(3) Board policy approved October 2021, for budgeted fiscal year end O&M costs calculated on an average daily balance, with an objective of maintaining at least 250 days of cash

- **Indenture-Required Operating Reserve** - This reserve is required by DC Water's bond indenture and is equivalent to two months' operations and maintenance expenses from the prior year, or approximately \$55.5 million in FY 2022
- **Renewal & Replacement Reserve** - In FY 2021 the Board reaffirmed the amount of \$35 million in the financing policy. In 2023, Independent Financial Consultant reviewed R&R Reserves and recommended to maintain it at \$35 million. The recommendations will be presented to the Board for review and approval. The reserve level will be reviewed every five years by DC Water's independent rate consultants in conjunction with the indenture-required assessment of the physical condition of the system. The next Cost-of-Service (COS) study to review Renewal & Replacement Reserves will be conducted by Independent Financial Consultants in FY 2028.

- **Undesignated Reserve** - After allocating portions of the operating and maintenance reserve to the reserves listed above, the amount that remains (approximately \$166.9 million for FY 2022) is DC Water's undesignated reserve and is available for other contingencies.

DC Water has other reserves that are available for very specific circumstances:

- **Rate Stabilization Fund (RSF)** - Consistent with the Board's financial policies and as envisioned in the bond indenture, this fund is to be established to mitigate large annual rate increases. This year's plan reflects continued use of the rate stabilization fund, which totaled \$35.6 million as of September 2022. The year-end RSF balance is projected at \$35.6 million for FY 2023 and FY 2024. Future deposits to the rate stabilization fund will be determined annually based on financial performance in that fiscal year and updated ten-year capital and operating forecasts. The current plan anticipates \$35.6 million available at the end of FY 2032.
- **Debt Service Reserve Funds** - The supplemental bond indenture associated with the Series 1998 senior lien bonds requires DC Water to maintain a debt service reserve fund. This reserve which is in addition to the 250 days operating and maintenance reserve, is held by DC Water's trustee and can only be used if net revenues are insufficient to meet the next debt service payment. DC Water earns interest on this reserve that is included in other operating revenue and is used to offset annual debt service payments. The amount of interest earnings that DC Water can retain on the debt service reserve fund is limited by federal arbitrage restrictions.



Approved FY 2024 Budgets

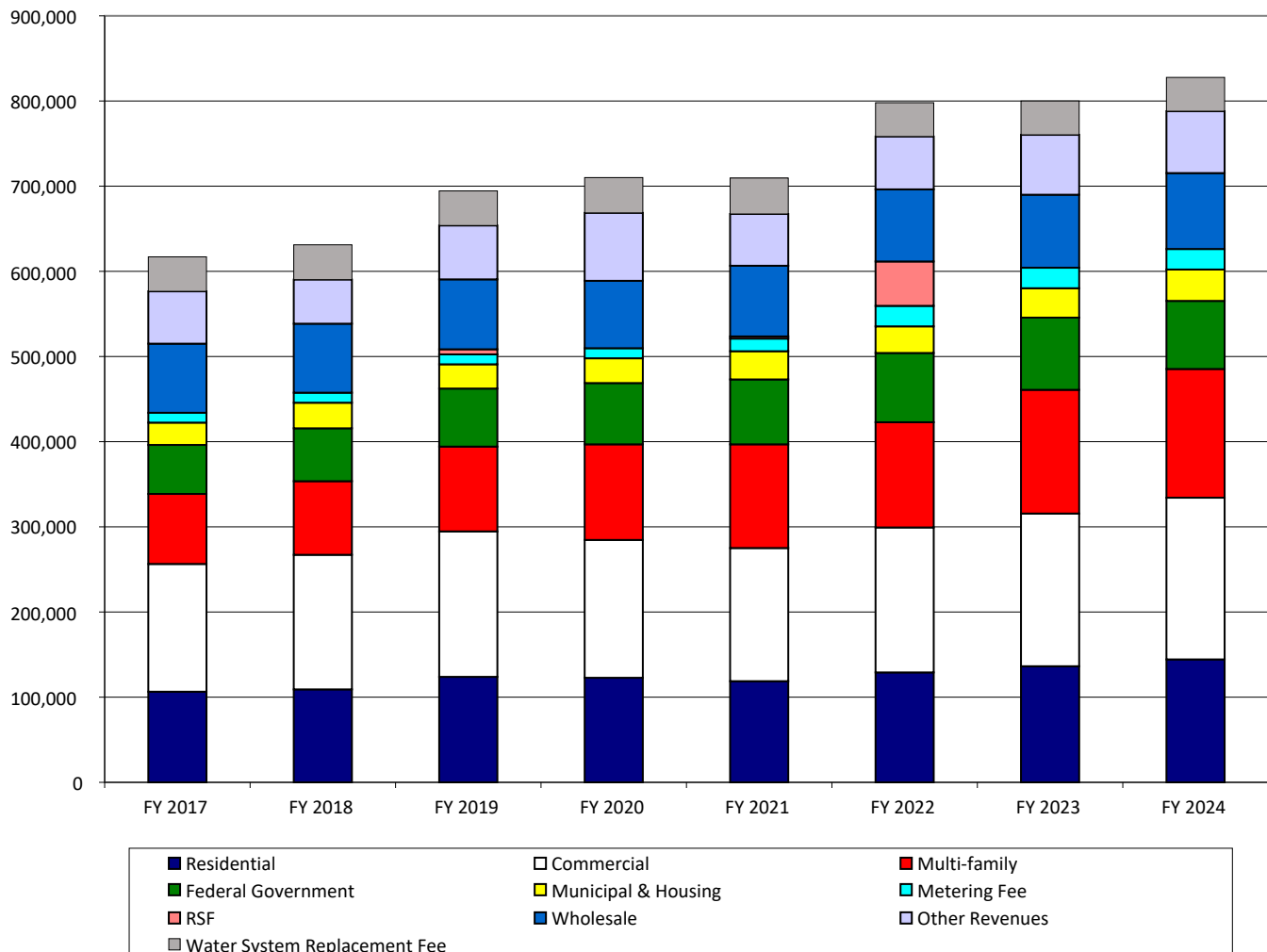
Section IV: RATES AND REVENUES



Joint Utility Day

In order to provide continuous delivery of water and wastewater services, DC Water must ensure a reliable and predictable revenue stream that cover operating and maintenance (O&M) costs and meet or exceed all Board and other financial requirements. DC Water has a diverse customer base and thus receives cash receipts from a variety of sources. This diversity mitigates reliance on any single customer and provides a level of revenue stability.

Historical and Projected Cash Receipts (\$'000's)



Funds Summary

The COVID-19 has an impact on consumption and revenue. The proposed budget for FY 2023 assumed revenue of \$842.4 million from consumption of 32,191,000 Ccf. The revenue projections assume a 1.0 percent retail water consumption decline in FY 2023 over FY 2022 actual, except for Residential and Federal categories, which assume slight increase. However, for Commercial category, consumption for FY 2023 and beyond is assumed to decline by 9.0 percent. The major assumptions are:

- Assumed delinquencies will decrease in 2023 and onwards.
- Assumed lower collection of receipts for Late Fees. DC Water resumed charging late fees of 1% and 10% from September 1, 2021.
- Resumed placing liens effective from June 13, 2022.
- DC Water resumed disconnections/cut-offs for residential and commercial categories effective from July 12, 2022. For only Residential customers, suspended disconnections for winter moratorium from December 15, 2022 to March 31, 2023.
- Partnered with the District for the Emergency Relief to District customers
- Assumed lower miscellaneous fee revenue and interest earnings
- For FY 2023 and beyond, projected that the Commercial consumption decline would continue

Funds Summary

Historical and Projected Operating Cash Receipts (\$000's)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	Actual	Actual	Actual	Actual	Current	Approved
Residential	123,866	122,774	118,770	124,159	130,840	138,719
Commercial	170,764	161,824	156,345	188,598	197,558	208,553
Multi-family	99,573	112,286	121,777	138,579	148,058	153,979
Sub-Total Residential, Commercial and Multi-family	394,203	396,884	396,892	451,336	476,456	501,251
Federal Government (1)	68,163	71,954	76,206	77,112	84,768	89,987
District Government	17,356	18,067	20,933	21,055	23,203	25,121
D.C. Housing Authority	11,136	10,998	12,173	13,210	14,208	14,722
Transfer from Rate Stabilization Fund	6,000	-	2,500	52,100	-	-
Water System Replacement Fee (WSRF)	40,660	41,456	42,212	42,079	39,717	39,717
Metering Fee	11,613	11,829	14,862	23,134	24,083	24,083
Total Retail	549,130	551,188	565,777	680,026	662,435	694,881
IMA Wastewater Charges	72,029	69,020	71,797	73,798	91,714	93,434
Potomac Interceptor Wastewater Charges	10,087	10,136	11,189	11,101	12,846	13,085
Total Wholesale	82,116	79,157	82,987	84,899	104,560	106,519
District Stormwater Revenue (2)	1,503	1,143	1,148	1,107	1,107	1,107
Misc. Rev. (e.g. water tap installation, fire hydrant usage, etc.)	35,020	47,017	28,822	34,463	31,208	32,019
Washington Aqueduct Backwash - DC Water's prorata share	-	-	-	-	4,620	4,620
Washington Aqueduct Debt Service Revenue for Falls Church & Arlington	193	193	193	193	193	193
Interest Income (including interest on Bond Debt Service Reserve Fund)	3,392	4,582	3,627	1,084	7,549	8,046
System Availability Fee (SAF)	2,006	5,271	5,403	9,194	7,700	7,700
Right-of-Way Fee	5,100	5,100	5,100	5,345	5,100	5,100
PILOT Fee	15,976	16,446	16,512	17,284	17,970	18,330
Total Other	63,191	79,752	60,805	68,670	75,447	77,115
Total Operating Cash Receipts	694,437	710,097	709,569	833,595	842,442	878,515

- (1) Historical actuals are presented on revenue basis. Projected amounts shown are billed revenues. Actual Federal receipts are a combination of current year projected revenues and prior year adjustments, which are presented as reserve items. See Section III for further explanation.
- (2) Reflects District stormwater fee revenue that will fund DC Water's share of District stormwater permit compliance activities and will not be funded through DC Water's retail rates or other DC Water revenue sources. See Section III for further explanation.

Customer Categories and Accounts

As of September 30, 2022, DC Water had 126,834 active, metered water and wastewater accounts. In addition, there are 5,917 separate accounts that are billed only for impervious surface. DC Water's customers are classified as retail (residential, multi-family and non-residential) and wholesale customers only. However, within the retail customer class, DC Water tracks receipts and associated consumption at a more detailed level in order to analyze trends and service characteristics. Retail customers' characteristics can be viewed in six groups: residential, multi-family, commercial, federal, DC Municipal and Housing Authority.

FY 2022 revenue receipts are actual as of September 30, 2022.

In FY 2011, a study of the demand characteristics of DC Water customers was undertaken to determine if additional customer classes should be defined for the purpose of cost allocation. Review of 12 months of data (May 2010 to April 2011) revealed, (among other things) that there is a difference in peaking characteristics between many of the customer groups. Generally, the federal customers have the highest peaking factor, with commercial customers having the next highest peaking factor and municipal, residential, multi-family and Housing Authority customers having the lowest peaking factor. Segmentation of water customers is typically done by class-based peak use characteristics with the higher peaking customers allocated more of the system costs (primarily driven by electricity and system capacity costs).

This information helped to inform an analysis of alternative rate structures within the FY 2012 Cost of Service Study (COS). Among the alternatives reviewed, the study reviewed different volumetric rates by customer class/category based on the different demands they place on the system. Differentiation could be based on water peaking characteristics or discharge strength contributions (wastewater). While it was recommended that additional analysis be undertaken in for any further consideration of discharge strength differentiation, management recommended that a new customer class, "Multi-Family", be created to acknowledge the similarity of peaking characteristics with other residential customers, yet provide transparency between single family and multi-family residential units. (Multi-Family residential facilities will continue to be defined as those facilities with 4 or more residential units.) The new Multi-family class has been effective from October 1, 2013. The three customer classes are defined as follows:

Residential – a customer whose premises is a single-family dwelling unit used for domestic purposes, whether as a row, detached or semi-detached structure, or as a single dwelling unit within an apartment building, or as a single dwelling unit within a condominium, or as a single dwelling unit within a cooperative housing association, where each unit is served by a separate service line and is individually metered and used for domestic purposes; or a multi-family structure or development of less than four (4) single-family, apartment, condominium, or cooperative housing association dwelling units where all the units are used for domestic purposes and served by a single service line that is master metered; excluding a premises operated as a nursing home, dormitory or transient housing business, including, but not limited to a bed and breakfast, hotel, motel, inn, boarding house or rooming house.

Multi-Family – a customer whose premises is a multi-family structure or development (such as an apartment, condominium, or cooperative housing association) used for domestic purposes, with four or more single-family, apartment, condominium, or cooperative housing association residential dwelling units served by the same service line that is master metered; excluding a premises operated as a nursing home, dormitory or transient housing business, including, but not limited to a bed and breakfast, hotel, motel, inn, boarding house or rooming house.

Non-residential – all customers not within either the residential or multifamily class including customers whose premises is comprised of one or more units that is not used for domestic purposes and all units are served by the same service line that is master metered.

In FY 2015, a COS was conducted by Independent Financial Consultants. These recommendations were incorporated in the FY 2016 rate proposal, and were approved by the Board. These are summarized below:

- New class-based rate structure including Lifeline rate
- Based on similar peaking ratios, District of Columbia Housing Authority (DCHA) category moved to Multi-family class

In FY 2018, a COS was conducted by Independent Financial Consultants, which provided several recommendations that were incorporated in the FY 2019 rate proposal, and were approved by the Board.

- A reallocation of the costs associated with the Clean Rivers Impervious Area Charge (CRIAC) to the sewer utility results in a reduction in the CRIAC and an increase in the sewer volumetric charge.
- The revenue collected from the Water System Replacement Fee (WSRF), originally designed to fund the annual costs of 1 percent of DC Water’s water service line renewal and replacement program, has been used in its entirety to offset the water utility’s revenue requirements, resulting in a decrease to all water volumetric charges.
- Although these two reallocations cause shifts in the cost structure, and subsequent rates, DC Water customers will see only minimal changes to their bills

In FY 2020, DC Water conducted a Cost of Service Study (COS) to align the COS with the multi-year rate proposals, therefore both will be done every two years going forward. Previously, Cost of Service study was conducted every three years. The COS consist of three components: i) revenue sufficiency analysis – to ensure that the revenues cover the costs that DC Water incurs; ii) cost of service analysis/rate equity – to ensure that the rates are equitably recovering the costs of service provided to customers; and alternative rate structure analysis – to ensure that DC Water meets its priority pricing objectives. The results of the COS support the multi-year rate, charges and fee proposals for FY 2021 and FY 2022.

In FY 2020, an Independent Review of Rate Structure and Customer Assistance Programs was conducted to review and benchmark DC Water’s rates, rate structure and Customer Assistance Programs (CAP) to peer utilities. The findings of the study concurred that DC Water’s current customer class structure, monthly water lifeline threshold of 4 Ccf, ERU basis for recovering the CRIAC charge, CAP bill discount and temporary assistance programs are consistent with industry standards for ratemaking.

In FY 2022, a COS Study was conducted by Independent Financial Consultants to establish the multi-year rates for FY 2023 and FY 2024. The 2022 COS Study included the groundwater and high flow filter backwash sewer rates. The results of the COS support the multi-year rate, charges and fee proposal for FY 2023 and FY2024.

Independent Review of the proposed FY 2023 and FY 2024 Rates was conducted by the consultants.

- The review concluded that the rates have been reasonably developed, reflect the anticipated revenue requirements of the system, adhere to Board Policy and are comparable to other utilities
- The affordability assistance provided by DC Water is robust compared to other utilities, providing a meaningful impact on a customer bill.

Residential, commercial and multi-family receipts are projected to increase in FY 2023 by approximately \$25.1 million, or 5.6 percent, over the FY 2022 level due to:

- Board-approved volumetric retail rate (water and sewer) increase of 9.5 percent, effective October 1, 2022
- Board-approved Clean Rivers Project CRIAC rate decreased from \$18.40 in FY 2022 to \$18.14 per ERU in FY 2023
- Due to the impact of COVID-19, assumed a 9 percent decline in consumption for Commercial category in FY2023 and beyond.
- In FY 2022, DC Water's collections on its retail receivables was impacted due to COVID-19, with accounts receivable over 90 days at \$29.1 million as of September 30, 2022, which is \$2.8 million higher than FY 2021. DC Water will continue its collection efforts
- The customer assistance program reduces projected revenues by approximately \$3.0 million

Residential, commercial and multi-family customers:

- In FY 2023, residential customers include 107,082 accounts that comprise of 15.5 percent of the total operating revenues. Given the large number of individual account holders who are in residential, it is unlikely that any one customer will have a major impact on the DC Water cash receipts.
- Multi-family customers house 4 or more units within one building with a master meter. In FY 2023, there are 8,600 accounts that comprise of 17.6 percent of the total operating revenues.

The commercial group of customers includes a number of nationally recognized universities and regional hospitals, national associations, lobbying firms, major law firms and hotels. This group has 9,092 accounts and will comprise of 23.5 percent of the projected FY 2023 operating revenues. In FY 2024, they will comprise of 23.7 percent of the fiscal year operating revenue.

FY 2024 projections for Residential, Multi-Family and Commercial customers reflect an increase of \$24.8 million, or 5.2 percent from FY 2023 due primarily to proposed retail rate increase of 3.25 percent (combined water and sewer volumetric rates) and an increase of \$3.72 monthly ERU fee for the Clean Rivers IAC. The revenue projections assume a 1.0 percent retail water consumption decline in FY 2023 over FY 2022 actual. However, for Commercial category, consumption in FY 2024 is assumed to decline by 9 percent. In FY 2024 and onwards, one percent decrease in consumption has been assumed due to conservation. However, it is projected that the commercial consumption decline of 9.0 percent will continue beyond FY 2023.

The Federal customers' revised FY 2023 receipts are projected to total \$84.8 million; an increase of \$7.7 million, or 9.9 percent over FY 2022. In FY 2024, Federal revenues are projected to be \$90.0 million or 10.2 percent of the total operating revenues. The projected federal revenues will be higher by \$5.2 million or 6.2 percent in FY 2024 due to estimated rate and consumption assumptions provided under the federal billing policies. It may be noted that in order to reduce costs, the federal government issued an executive order to federal agencies to reduce water and electricity consumption, coupled with the federal telework and commuting act to reduce footprint in the District, transfer of federal properties and large metering issues at restricted federal properties.

Under existing federal billing legislation, federal billings are prepared on an estimated basis eighteen months in advance of the start of the fiscal year (e.g., the FY 2023 billing was prepared in April 2021), and are based on the current consumption estimates and projected rate increases as included in the current ten-year plan. These estimates are then reconciled with actual consumption and rate increases, and an adjustment is made in the subsequent year's billing (e.g., the reconciliation of FY 2023 estimated vs. actual consumption and rate increases will be included in the FY 2026 billing, to be prepared in April 2024), Federal revenues in the ten-year plan are presented on a revenue basis, net of any adjustments for prior year reconciliations which are accounted for as reserve items. Consistent with this methodology, revised FY 2023 federal revenues reflect the final billing sent to the federal government in April 2021 net of the adjustment for the prior year (FY 2020) reconciliation. The Authority serves many facilities of the federal government as well as the District of Columbia. The largest federal accounts include General Services Administration, U.S. Congress, the Smithsonian Institution, Department of the Navy, National Park Service and the Department of Defense in both DC and VA.

Municipal & D.C. Housing Authority – FY 2023 receipts from the District of Columbia government and the District of Columbia Housing Authority are projected at \$37.4 million, an increase of \$3.1 million or 9.2 percent over FY 2022. In 2024, receipts from these organizations are projected to total \$39.8 million, an increase of \$2.4 million, or 6.5 percent, mainly due to increases in retail volumetric rates.

- The municipal customer group includes 513 accounts under the authority of the District of Columbia government. This includes offices and facilities for various government agencies and activities such as education, regulatory affairs and general government operations. This group will comprise of 2.8 percent of the FY 2023 revised budget, and 2.9 percent of the proposed FY 2024 budget.
- The D.C. Housing Authority has 1,058 accounts that include public housing at various facilities throughout the District of Columbia. Their annual billings make up only 1.7 percent of the FY 2023 cash receipts and 1.7 percent of the proposed FY 2024 cash receipts.

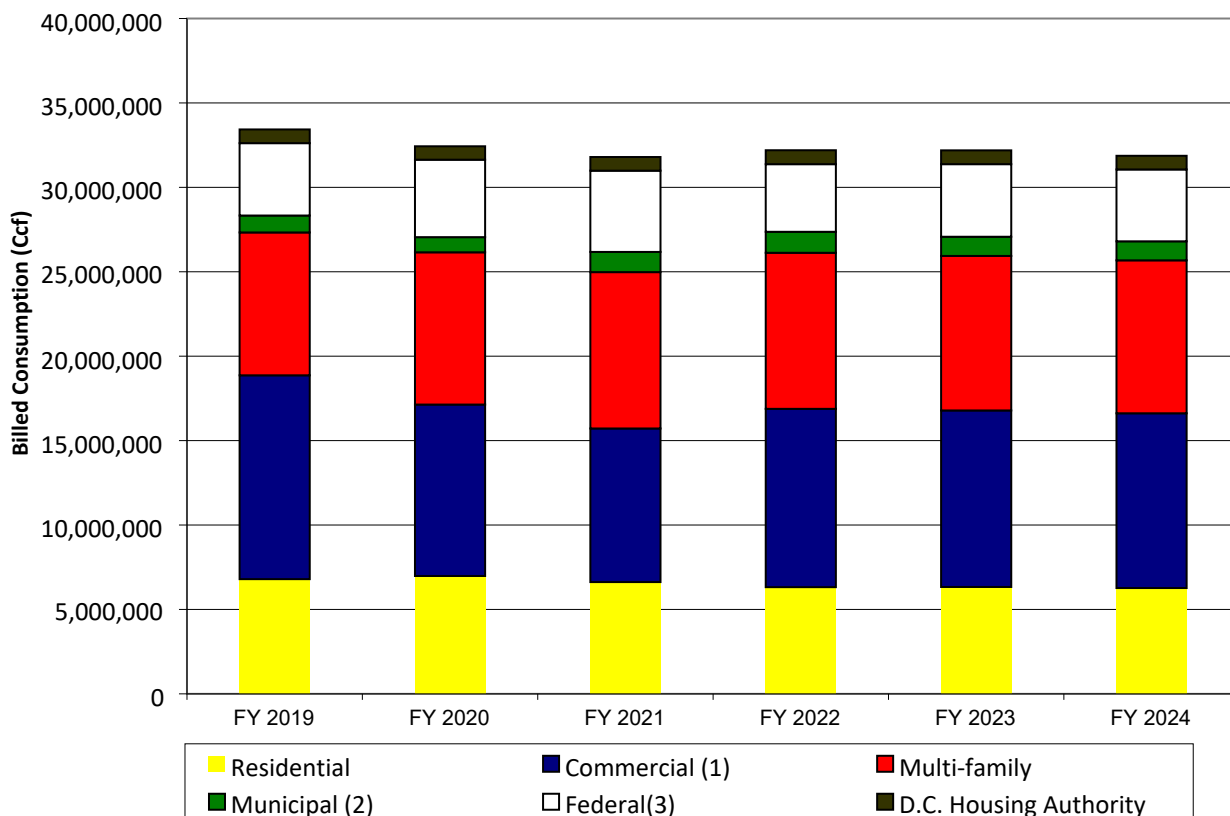
Wholesale customer revenue - FY 2023 revenues are projected at \$104.6 million, an increase of \$19.7 million or 23.2 percent over FY 2022. In FY 2024, the Wholesale revenues are projected to increase by \$2.0 million or 1.9 percent to \$106.5 million. DC Water provides wholesale wastewater treatment services to User Jurisdictions at the Blue Plains Plant. The Wholesale customers' share of operating costs at Blue Plains and other multi-jurisdictional use facilities (MJUFs) are recovered in accordance with the Blue Plains Intermunicipal Agreement of 2012, effective April 3, 2013, (which replaces Blue Plains Intermunicipal Agreement of 1985), the Potomac Interceptor Agreements and the Loudoun County Sanitation Authority Agreement (as discussed in more detail in "THE SYSTEM – The Wastewater System"), and are based on actual costs of operating and maintaining the plant and the collection facilities, prorated to each User Jurisdiction based on its respective actual share of wastewater flows. The User Jurisdiction's share of capital costs is based on each User Jurisdiction's share of capacity allocations in the Plant. Both operating and capital payments are made on a quarterly basis. Capital-related charges are billed quarterly with payments due on the 15th day of the second month following the end of the quarter. The operating and maintenance related charges are billed annually by mid-October and payments are due on November, February, May and August. Receipts are projected to be 12.4 percent and 12.1 percent of total receipts in FY 2023 and FY 2024 respectively.

In FY 2017, DC Water began billing our wholesale customers for the operating and maintenance costs of MJUFs, which include twelve interceptors and four pumping stations that carry suburban wastewater to the Blue Plains Plant. Following each fiscal year, the Authority prepares a reconciliation that determines the actual costs and each wholesale customer’s appropriate share of such costs. Adjustments are then billed or credited to the wholesale customers in the first quarter of the subsequent fiscal year. The wholesale customers include: Washington Suburban Sanitary Commission (WSSC), Loudoun County, VA, Fairfax County, VA and a group of small customers of the Potomac Interceptor (PI). The PI customers are comprised of Dulles International Airport (MWAA), National Park Service, Department of Navy and the Town of Vienna.

Consumption

While wholesale customers pay for their proportional share of wastewater services, retail customers are billed based upon metered consumption. Therefore, variations in consumption have a direct impact upon DC Water retail rates. The consumption for DC retail customers declined by 1.3 percent in FY 2022. Given the uncertainty of the current economy as well as the federal government's goal to close some neighboring federal facilities and implement several conservation best practices over the next few years, the revenue projections assumed a 1.0 percent decline in FY 2023 over FY 2022 Actual, except for Residential and Federal categories, which increase slightly. FY 2023 projected Federal consumption is 10.7 percent lower than FY 2021 Actual but 7.3 percent higher than FY 2022 Actual. Assumed 1.0 percent decline in FY 2024 and beyond. Due to impact of COVID-19, assumed 9.0 percent decline in consumption for Commercial category in FY 2023 and onwards.

Historical and Projected Billed Consumption (Ccf)



Historical and Projected Billed Consumption (Ccf)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Projected</u>	<u>Projected</u>
Residential	6,793,773	6,980,738	6,620,451	6,319,378	6,330,000	6,267,000
Commercial ⁽¹⁾	12,073,263	10,154,277	9,098,077	10,561,267	10,456,000	10,351,000
Multi-family	8,461,956	9,017,482	9,260,560	9,243,028	9,151,000	9,059,000
Municipal ⁽²⁾	1,002,306	897,857	1,195,762	1,243,211	1,137,000	1,126,000
Federal ⁽³⁾	4,287,024	4,587,318	4,813,337	4,006,115	4,300,000	4,257,000
D.C. Housing Authority	<u>811,671</u>	<u>794,434</u>	<u>808,267</u>	<u>824,862</u>	<u>817,000</u>	<u>809,000</u>
Total Retail	33,429,993	32,432,106	31,796,454	32,197,861	32,191,000	31,869,000

(1) Reflects consumption at Commercial facilities. For 2019 only, the selected facilities at Soldiers' Home are included in Commercial

(2) Reflects consumption at District of Columbia Government facilities and DC Water facilities

(3) Reflects consumption at Federal facilities and selected facilities at Soldiers' Home for FY 2020 and onwards

(4) Ccf = hundred cubic feet or 748 gallons

COST OF SERVICE STUDIES:

In FY 2010, DC Water's Independent Financial Consultants performed a Cost of Service (COS) Study to include objectives from senior staff on prioritizing DC Water's pricing objectives. One of the objectives noted was the Class-Based Volumetric Differentiation.

In FY 2011, a Customer Segmentation Study was performed to identify classes of customers for the purpose of rate-setting, planning, supply management and cost analysis among others. Typically, this classification is based on: A) general service characteristics, and B) demand patterns. Each class is assumed to have somewhat different needs and progressively higher demands than the previous class. Most water utilities typically have three principal classes of customers: A) Residential, B) Commercial, and C) Industrial. DC Water has two customer classes: A) Residential and B) Non-Residential.

Furthermore, the FY 2012 Cost of Service Study identified several customer categories that demonstrated a reasonable level of differentiation in terms of peak usage. The customer classes identified included A. Residential, B. Multi-family and C. Non-residential. DC Water added a new class of customer, Multi-family effective October 1, 2014.

In FY 2015, DC Water successfully completed its Cost of Service Study (COS). This study is undertaken every three years to review and certify DC Water's water and wastewater volumetric rates, Clean Rivers Impervious Surface Area Charge (CRIAC) and other DC Water fees and charges to ensure that revenues are sufficient to recover projected revenue requirements, that Board rate setting policies are followed, and that rates are allocated equitably.

DC Water expanded the COS to include alternative rate structure analysis that would more effectively meet DC Water's highest priority pricing objectives:

- Lifeline Rates
- Classed-based Volumetric Rates
- Water System Replacement Fee (WSRF)
- System Availability Fee (SAF)

In FY 2018, a Cost of Service Study (COS) was conducted by Independent Financial Consultants, which provided several recommendations that were incorporated in the FY 2019 rate proposal, and were approved by the Board.

- A reallocation of the costs associated with the Clean Rivers Impervious Area Charge (CRIAC) to the sewer utility results in a reduction in the CRIAC and an increase in the sewer volumetric charge.
- The revenue collected from the Water System Replacement Fee (WSRF), originally designed to fund the annual costs of 1 percent of DC Water's water service line renewal and replacement program, has been used in its entirety to offset the water utility's revenue requirements, resulting in a decrease to all water volumetric charges.

- Although these two reallocations cause shifts in the cost structure, and subsequent rates, DC Water customers will see only minimal changes to their bills.

In FY 2020, DC Water conducted a Cost of Service Study (COS) to align the COS with the multi-year rate proposals, therefore both will be done every two years going forward. Previously, Cost of Service study was conducted every three years. The COS consist of three components: i) revenue sufficiency analysis – to ensure that the revenues cover the costs that DC Water incurs; ii) cost of service analysis/rate equity – to ensure that the rates are equitably recovering the costs of service provided to customers; and iii) alternative rate structure analysis – to ensure that DC Water meets its priority pricing objectives. The results of the COS support the multi-year rate, charges and fee proposals for FY 2021 and FY 2022.

In FY 2020, an Independent Review of Rate Structure and Customer Assistance Programs was conducted to review and benchmark DC Water's rates, rate structure and Customer Assistance Programs (CAP) to peer utilities. The findings of the study concurred that DC Water's current customer class structure, monthly water lifeline threshold of 4 Ccf, ERU basis for recovering the CRIAC charge, CAP bill discount and temporary assistance programs are consistent with industry standards for ratemaking.

In FY 2022, a COS Study was conducted by Independent Financial Consultants to establish the multi-year rates for FY 2023 and FY 2024. The 2022 COS Study includes the Groundwater and High Flow Filter Backwash Sewer rates. The results of the COS study support the multi-year rate, charges and fee proposal for FY 2023 and FY 2024.

Lifeline Rate

The lifeline rate allows for the first 4 Ccf of Single Family Residential (SFR) water use to reflect baseline usage by residential customers without peaking costs. The lifeline water rate provides an economic benefit to low-volume Residential customers, while spreading the cost of peaking to high-volume Residential customers.

Class-based Rate Structure

The Independent Financial Consultants analyzed rate differentiation based on the peaking demands of each customer class. They also analyzed consumption patterns to better understand how customers use water and how their use of water may inform selection of an optimized rate structure. Based upon the analysis of the peak demand of different customer classes as well as affordability considerations, the Board approved establishing class-based water volumetric rates for Residential, Multi-family and Non-residential customers effective from October 1, 2015 (FY 2016). The class-based water volumetric rates for FY 2022 to FY 2024 are listed below:

Water Volumetric	Class-Based (w/lifeline)		
	FY 2022	FY 2023	FY 2024
Residential - 0-4 Ccf	\$3.63	\$4.28	\$4.38
Residential - >4 Ccf	\$4.74	\$5.58	\$5.70
Multi-Family / DC Housing	\$4.15	\$4.90	\$5.00
Non-Residential	\$4.91	\$5.78	\$5.89

Water System Replacement Fee (WSRF)

Effective October 1, 2015 (FY 2016), DC Water modified its existing rate structure and implemented a new meter-based Water System Replacement Fee (WSRF) in order to recover the cost of the 1 percent renewal and replacement program for water service lines. It is anticipated that the Water System Replacement Fee (WSRF) will generate approximately \$39.7 million per year from fiscal years 2023 through 2032. The fee is based upon meter size and average flow. DC Water's low income CAP customers receive a 100 percent credit for this fee.

Effective October 1, 2017 (FY 2018), DC Water amended the Water System Replacement Fee (WSRF) regulations to add rules and procedures for a Multi-family WSRF adjustment; amend the Customer Classifications to clarify the definitions for Residential, Multi-family and Non-Residential customers to include cooperative housing associations and other clarifications; and amend the definitions set forth in Chapter 41 to define the terms Condominium, Cooperative Housing Association, and Dwelling Unit used in the Customer Classification regulations.

Meter Size (inches)	Meter Register Type	Monthly Water System Replacement Fee
5/8"	Single Register	\$ 6.30
3/4"	Single Register	\$ 7.39
1"	Single Register	\$ 9.67
1"x1.25"	Single and Multiple Register	\$ 15.40
1.5"	Single Register	\$ 41.35
2"	Single and Multiple Register	\$ 83.75
3"	Single and Multiple Register	\$ 232.13
4"	Single and Multiple Register	\$ 561.02
6"	Single and Multiple Register	\$ 1,292.14
8"	Single Register	\$ 5,785.51
8"x2"	Multiple Register	\$ 1,899.60
8"x4"x1"	Multiple Register	\$ 2,438.35
10"	Single and Multiple Register	\$ 6,679.65
12"	Single and Multiple Register	\$ 6,679.65
16"	Single Register	\$ 6,679.65

The following terms are defined:

Condominium – means real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of the portions designated for separate ownership, provided the undivided interests in the common elements are vested in the unit owners.

Cooperative Housing Association – means an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property, the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

Dwelling Unit – any habitable room or group of rooms with kitchen and bathroom facilities forming a single unit located within a building or structure, which is wholly or partially used or intended to be used for living, sleeping and the preparation and consumption of meals by human occupants, and is under the control of and for the use of the occupant.

Multi-Year Rates

DC Water moved to a multi-year rate proposal in FY 2016 covering the period FY 2017 and FY 2018. The third time that DC Water had adopted a multi-year rate proposal was in FY 2020 covering the period FY 2021 and FY 2022. The FY 2022 rates became effective from October 1, 2021. On March 3, 2022, DC Water's Board adopted a multi-year rate proposal for a fourth time covering the period FY 2023 and FY 2024.

The benefits of multi-year rates include:

- Greater revenue certainty
- Increased budget discipline
- Better alignment between revenues and expenditures
- Favorable credit rating agency treatment
- Better predictability for our ratepayers

Potential risks / considerations:

- Reduced financial flexibility
- Limited ability to modify approved rate increases, if necessary
- Conservatism in financial projections

System Availability Fee (SAF)

Many utilities have implemented a fee, assessed to new development (or redevelopment) to recover the investment in available system capacity. On June 17, 2016, DC Water's Board approved a new System Availability Fee (SAF) to be effective from January 1, 2018. All Residential Customers with meters 1 inch or smaller will use the same set of fees. All Residential Customers with meters larger than 1", and all Multi-Family and Non-Residential Customers will have SAF based on their meter size.

The System Availability Fee is assessed for all new buildings, structures or properties under development and properties under redevelopment. For properties under redevelopment, DC Water will determine the net System Availability Fee by determining the property's proposed capacity requirements and applying a credit for the capacity of accounts being removed from the system. However, if the associated credit for capacity removed is equal to or greater than the future System Availability Fee, the net System Availability Fee shall be zero. Properties under redevelopment shall not receive a credit for accounts that are inactive for more than 12 months.

DC Water has determined that implementing the System Availability Fee (SAF) regulations on the effective date of January 1, 2018 could present significant fiscal impacts to the District's New Communities Initiative, which includes redevelopment, one for one replacement and/or augmentation, of affordable housing units. On March 1, 2018, the DC Water Board considered comments received during the SAF public comment period and agreed to; 1) Extend the System Availability Fee (SAF) effective date from January 1, 2018 to June 1, 2018 for DCRA Construction Permit Applicants and federal facilities new water and sewer connections and renovation or redevelopment projects for existing connections to the District's potable water and sanitary sewer systems based on the SAF meter size in accordance with the following fee schedule and requirements; 2) Revised the DC Water guidance document used to determine the SAF meter size from DC Water Standard Details and Guideline Masters to DC Water's Sizing Instructions and Worksheets; 3) Added procedures and requirements to receive credits for Affordable Housing Units (AHU) development and redevelopment; 4) Clarified the requirements for projects submitted prior to the effective date of June 1, 2018 and approved by June 1, 2019; 5) Added formulas to clarify how the SAF is calculated with the SAF credit, AHU credit and Net AHU credit; 6) Clarified requirements for Payment Plan Agreement; 7) Properties under redevelopment shall not receive a credit for accounts that are inactive for more than 24 months.

Effective June 1, 2018, DCRA Construction Permit Applicants and federal facilities shall be assessed a System Availability Fee (SAF) for new water and sewer connections and renovation or redevelopment projects for existing connections to the District's potable water and sanitary sewer systems based on the SAF meter size in accordance with the following fee schedule and requirements.

- (a) Residential customers shall be charged a System Availability Fee based on the SAF meter size as listed below:

SAF Meter Size (inches)	Water System Availability Fee	Sewer System Availability Fee	Total System Availability Fee
5/8"	\$ 1,135	\$ 2,809	\$ 3,944
3/4"	\$ 1,135	\$ 2,809	\$ 3,944
1"	\$ 1,135	\$ 2,809	\$ 3,944
1"x1.25"	\$ 2,047	\$ 5,066	\$ 7,113
1.5"	\$ 5,491	\$ 13,591	\$ 19,082
2"	\$ 11,125	\$ 27,536	\$ 38,661

- (b) Multi-Family and all Non-Residential customers shall be charged a System Availability Fee based on the SAF meter size as listed below:

SAF Meter Size (inches)	Water System Availability Fee	Sewer System Availability Fee	Total System Availability Fee
1" or smaller	\$ 1,282	\$ 3,173	\$ 4,455
1"x1.25"	\$ 2,047	\$ 5,066	\$ 7,113
1.5"	\$ 5,491	\$ 13,591	\$ 19,082
2"	\$ 11,125	\$ 27,536	\$ 38,661
3"	\$ 32,500	\$ 80,442	\$ 112,942
4"	\$ 83,388	\$ 206,394	\$ 289,782
6"	\$ 229,246	\$ 567,408	\$ 796,654
8"	\$ 229,246	\$ 567,408	\$ 796,654
8"x2"	\$ 229,246	\$ 567,408	\$ 796,654
8"x4"x1"	\$ 229,246	\$ 567,408	\$ 796,654
10"	\$ 229,246	\$ 567,408	\$ 796,654
12"	\$ 229,246	\$ 567,408	\$ 796,654
16"	\$ 229,246	\$ 567,408	\$ 796,654

The following terms are defined:

Development – the construction of a premises, building or structure that establishes a new water and/or sewer connection.

Redevelopment – the renovation or alteration of a premises, building or structure or reconstruction of a property that increases or decreases the water supply demand or drainage, waste, and vent (DWV) system load. Redevelopment shall not include the up-sizing of a water service or sewer lateral to comply with the D.C. Construction Codes Supplement, provided the water supply demand and DMV system load remain the same.

System Availability Fee – A one-time fee assessed to a property owner of any premises, building or structure to recover the cost of system capacity servicing all metered water service and sanitary sewer connections and renovation or redevelopment projects that require an upsized meter service connection to the District’s potable water system. The fee is assessed based on the peak water demand, excluding fire demand, for new meter water service connection and renovation or redevelopment projects that increase the peak water demand and associated SAF meter size for the property.

Affordable Housing Unit (AHU) – A housing unit that is offered for rent or sale for residential occupancy and as a result of a federal or District subsidy, incentive or benefit, and is made available and affordable to households whose income limit requirements are established by the federal or District program or agency or the Council for the District of Columbia.

Force Majeure Event – an event arising from causes beyond the control of DC Water or the control of any entity controlled by DC Water, which results in the closure of DC Water facilities.

Customer Metering Fee

The Metering Fee was established in 2003 to recover automated metering infrastructure capital costs. In 2012 the Metering Fee was reviewed and adjusted as part of the Cost of Service Study to include capital costs and a small increment of direct Customer Service cost associated with meter maintenance. Many utilities recover operating costs associated with both metering and billing in a fixed meter-based charge. The 2020 cost of service study adopted this more common industry approach by allocating some additional water costs to a Customer Service/Meters classification. The new cost recovery pool is divided by equivalent system meters to determine the cost for residential meter (5/8” or 3/4”) then scale that up to reflect charges as meter size increases. As a result, cost recovery is shifted to the Metering Fee and away from the volumetric rate. DC Water chose to mitigate impacts by phasing in this methodology change over 2 years ending with FY2022 rates. The changes in Metering Fee are summarized below.

- In FY 2019, the Metering Fee recovered \$11.6 million
 - In FY 2003, established Metering Fee at \$2.01 for 5/8” meter
 - In FY 2011, increased Metering Fee to \$3.86 for 5/8” meter
 - Originally fee amount set to cover the capital costs of the original Automated Meter Infrastructure(AMI) system and meter purchase and installation (debt service) plus about \$4 million of CustomerService costs

- The 2020 Cost of Service Study recommended recovering \$24.1 million in FY 2022, consistent with independent rate review recommendation
 - Includes costs associated with metering and billing
 - Customer assistance, shutoff/restore, and leak adjustment, etc. remain in the volumetric charges
 - Proposes FY2021 recovers \$15.4 million, all the debt service and coverage plus about half of the full Customer Service O&M allocation (\$4.96 for a 5/8" meter)
 - Proposed FY2022 fee adds the additional half of Customer Service allocation for a total of about \$24.1 million (\$7.75 for a 5/8" meter)

Customer Metering Fees

Meter Size	FY 2020	FY 2021	FY 2022
5/8"	\$ 3.86	\$ 4.96	\$ 7.75
3/4"	\$ 4.06	\$ 5.22	\$ 8.16
1"	\$ 4.56	\$ 5.86	\$ 9.16
1x1.25"	\$ 4.83	\$ 6.21	\$ 9.70
1.5"	\$ 6.88	\$ 8.85	\$ 13.82
2"	\$ 7.54	\$ 9.69	\$ 15.14
2x1/2"	\$ 8.00	\$ 10.28	\$ 16.07
2x5/8"	\$ 8.00	\$ 10.28	\$ 16.07
3"	\$ 76.98	\$ 98.92	\$ 154.56
3x5/8"	\$ 77.94	\$ 100.16	\$ 156.49
3x3/4"	\$ 77.94	\$ 100.16	\$ 156.49
4"	\$ 137.37	\$ 176.52	\$ 275.81
4x3/4"	\$ 138.15	\$ 177.52	\$ 277.38
4x1"	\$ 138.15	\$ 177.52	\$ 277.38
4x2"	\$ 138.15	\$ 177.52	\$ 277.38
4x2x5/8"	\$ 181.04	\$ 232.64	\$ 363.49
6"	\$ 268.14	\$ 344.56	\$ 538.37
6x1"	\$ 272.70	\$ 350.42	\$ 547.52
6x1x1/2"	\$ 272.70	\$ 350.42	\$ 547.52
6x1/2"	\$ 323.09	\$ 415.17	\$ 648.70
6x3x3/4"	\$ 323.09	\$ 415.17	\$ 648.70
6x3"	\$ 323.09	\$ 415.17	\$ 648.70
8"	\$ 323.29	\$ 415.42	\$ 649.10
8x2"	\$ 323.29	\$ 415.42	\$ 649.10
8x4x1"	\$ 358.26	\$ 460.36	\$ 719.31
10"	\$ 317.91	\$ 408.51	\$ 638.30
10x2"	\$ 403.62	\$ 518.65	\$ 810.38
10x6x1"	\$ 403.62	\$ 518.65	\$ 810.38
10x6"	\$ 403.62	\$ 518.65	\$ 810.38
12"	\$ 329.66	\$ 423.61	\$ 661.89
12x6"	\$ 329.66	\$ 423.61	\$ 661.89
16"	\$ 349.45	\$ 449.04	\$ 701.62

Clean Rivers IAC Credit:

In FY 2016, DC Water's Board asked management to evaluate and propose recommendations for expansion of the Customer Assistance Program (CAP) to include fees assessed for the Clean Rivers Impervious Surface Area Charge (CRIAC). The staff evaluated the three options for CRIAC credit: (i) Dollar credit, (ii) ERU credit, and (iii) percent of CRIAC credit (25%, 50%, 75%). Based on the detailed analysis, the management made recommendation to the Board to expand Customer Assistance Program (CAP) to low-income customers to include CRIAC credit in their monthly bills. On March 2, 2017, the Board approved the expansion of the Customer Assistance Program for eligible single-family residential accounts and individually metered accounts to include a fifty percent (50%) credit off of the monthly billed Clean Rivers Impervious Area Charge. The CRIAC became effective May 1, 2017. On March 5, 2020, DC Water's Board adopted a proposal to increase the maximum CRIAC IAC credit from 50% to 75%, effective October 1, 2020.

Clean Rivers Impervious Area Charge (CRIAC)

In September 2018, DC Water formed the 19-member Stakeholder Alliance (DCWSA) to provide independent advice and a diversity of viewpoints to DC Water Management on a variety of programs and policies; increase customer education by providing DC Water with new opportunities for outreach; and propose to DC Water ways to continue effective and efficient long-term public involvement with improved communication tools.

DCWSA conducted several meetings to discuss the Clean Rivers Impervious Area Charge (CRIAC) and options to mitigate the rapidly increasing CRIAC. Some of the possible criteria included: 1) equitableness; 2) administrative feasibility; 3) revenue neutrality; 4) legal challenges and defensibility; 5) executable; and 6) adheres to industry practice.

The DC Water's Department of Engineering and Technical Services (DETS) proposed two methodologies for shifting cost from the CRIAC to sewer volumetric rate. The two methodologies that were calculated: 1) 18 percent Shift – calculated based on an average of pollutants concentrations in sanitary wastewater, stormwater runoff and Combined Sewer Overflow (CSO); and 2) 37 percent Shift – calculated based on volume of sanitary wastewater, stormwater runoff and CSO. The 18 percent shift calculation and methodology has a lot more variation in the pollutant concentrations depending on the data used and the time of year. Management determined that the 37 percent Shift volumetric methodology has a greater justification, more easily defended and could be phased-in .

However, based on meetings with the DCWSA and discussions with the customer groups, an 18 percent CRIAC shift to sewer volumetric rate was proposed for FY 2020 in order for the rates and charges to be fair and equitable for all customers.

After considering all possible criteria and customer impacts, the Board agreed to a proposal shifting 37 percent cost from the CRIAC to sewer volumetric rate to be phased-in; 18 percent in FY 2020, 28 percent in FY 2021 and 37 percent in FY 2022, effective October 1, 2019.

Clean Rivers Impervious Area Charge Incentive Program Discount

On October 1, 2013, DC Water's Board established the Clean Rivers Area Incentive Program Discount for stormwater best management practices, which provided a 4 percent maximum incentive discount off the chargeable CRIAC for customers that installed certain eligible stormwater best management practices that reduce the amount of stormwater runoff generated from a property.

The general public and DCWSA voiced concerns that the Clean Rivers Area Program Discount 4 percent maximum incentive for stormwater was too low and did not incentivize customers to install best management practices.

DC Water's management analyzed and evaluated the Clean Rivers Area Program Discount historical data and determined that it was feasible to increase the CRIAC incentive discount for customers that installed certain eligible stormwater best management practices.

On April 4, 2019, DC Water's Board adopted a proposal to increase the maximum CRIAC incentive discount from 4 percent to 20 percent, effective October 1, 2019.

The Board has approved the following changes in the rates and fees for rate making to be effective from October 1, 2022:

- Water volumetric rates:
 - Residential customers: “Consumption of 0 – 4 Ccf” - water rate increase of \$0.65 per Ccf, {\$0.87 per 1,000 gallons} from \$3.63 per Ccf to \$4.28 per Ccf, {\$5.72 per 1,000 gallons}
 - Residential customers: “Consumption greater than 4 Ccf” - water rate increase of \$0.84 per Ccf, {\$1.12 per 1,000 gallons} from \$4.74 per Ccf to \$5.58 per Ccf, {\$7.46 per 1,000 gallons}
 - Multi-family customers: water rate increase of \$0.75 per Ccf, {\$1.00 per 1,000 gallons} from \$4.15 per Ccf to \$4.90 per Ccf, {\$6.55 per 1,000 gallons}
 - Non-Residential customers: water rate increase of \$0.87 per Ccf, {\$1.17 per 1,000 gallons} from \$4.91 per Ccf to \$5.78 per Ccf, {\$7.73 per 1,000 gallons}
- Sewer rate increase of \$0.62 per Ccf, {\$0.83 per 1,000 gallons} for all classes of customers from \$10.64 per Ccf to \$11.26 per Ccf, {\$15.05 per 1,000 gallons}
- Monthly Customer Metering Fee remains the same at \$7.75 for a 5/8” meter size. The Customer Metering fee varies by size
- Monthly Clean Rivers Impervious Area Charge (CRIAC) decrease of \$0.26 from \$18.40 per ERU to \$18.14 per ERU
- Clean Rivers Impervious Area Charge (CRIAC) six-tier residential rate structure is shown in the table below:

Tiers	Residential Impervious Area Range	ERU
Tier 1	100 – 600 sq ft	0.6 ERU
Tier 2	700 – 2,000 sq ft	1.0 ERU
Tier 3	2,100 – 3,000 sq ft	2.4 ERU
Tier 4	3,100 – 7,000 sq ft	3.8 ERU
Tier 5	7,100 – 11,000 sq ft	8.6 ERU
Tier 6	11,100 sq ft and more	13.5 ERU

- The Water System Replacement Fee (WSRF) recovers the cost of 1 percent renewal and replacement program for water service lines. There will be no increase in WSRF. The WSRF varies with meter size. WSRF for 5/8” meter size is \$6.30
- PILOT and Right-of-Way fee – These fees are proposed to increase to recover the full cost of the PILOT and Right-of-Way fees charged to DC Water by the District of Columbia
 - Increase of \$0.03 in the PILOT fee, {\$0.04 per 1,000 gallons} to \$0.59 per Ccf, {\$0.79 per 1,000 gallons}
 - There is no increase in the Right-of-Way (ROW) fee, which remains same at \$0.19 per Ccf, {\$0.25 per 1,000 gallons}
- These changes increased the typical residential customer’s total monthly bill by \$7.05 or 6.0 percent

The Board has approved the following changes in the rates and fees for rate making to be effective from October 1, 2023:

- Water volumetric rates:
 - Residential customers: “Consumption of 0 – 4 Ccf” - water rate increase of \$0.10 per Ccf, {\$0.14 per 1,000 gallons} from \$4.28 per Ccf to \$4.38 per Ccf, {\$5.86 per 1,000 gallons}
 - Residential customers: “Consumption greater than 4 Ccf” - water rate increase of \$0.12 per Ccf, {\$0.16 per 1,000 gallons} from \$5.58 per Ccf to \$5.70 per Ccf, {\$7.62 per 1,000 gallons}
 - Multi-family customers: water rate increase of \$0.10 per Ccf, {\$0.13 per 1,000 gallons} from \$4.90 per Ccf to \$5.00 per Ccf, {\$6.68 per 1,000 gallons}
 - Non-Residential customers: water rate increase of \$0.11 per Ccf, {\$0.14 per 1,000 gallons} from \$5.78 per Ccf to \$5.89 per Ccf, {\$7.87 per 1,000 gallons}
- Sewer rate increase of \$0.44 per Ccf, {\$0.59 per 1,000 gallons} for all classes of customers from \$11.26 per Ccf to \$11.70 per Ccf, {\$15.64 per 1,000 gallons}
- Monthly Customer Metering Fee remains the same at \$7.75 for a 5/8” meter size. The Customer Metering fee varies by size
- Monthly Clean Rivers Impervious Area Charge (CRIAC) increase of \$3.72 from \$18.14 per ERU to \$21.86 per ERU
- The Water System Replacement Fee (WSRF) recovers the cost of 1 percent renewal and replacement program for water service lines. There will be no increase in WSRF. The WSRF varies with meter size. WSRF for 5/8” meter size is \$6.30
- PILOT and Right-of-Way fee – These fees are proposed to increase to recover the full cost of the PILOT and Right-of-Way fees charged to DC Water by the District of Columbia
 - Increase of \$0.02 in the PILOT fee, {\$0.03 per 1,000 gallons} to \$0.61 per Ccf, {\$0.82 per 1,000 gallons}
 - There is no increase in the Right-of-Way (ROW) fee, which remains same at \$0.19 per Ccf, {\$0.25 per 1,000 gallons}
- These changes increased the typical residential customer’s total monthly bill by \$6.79 or 5.4 percent

The ten-year projected water and sewer rate increases under this year's plan (FY 2023 – FY 2032) total 73.3 percent driven primarily by capital spending for DC Water's \$6.95 billion capital improvement program.

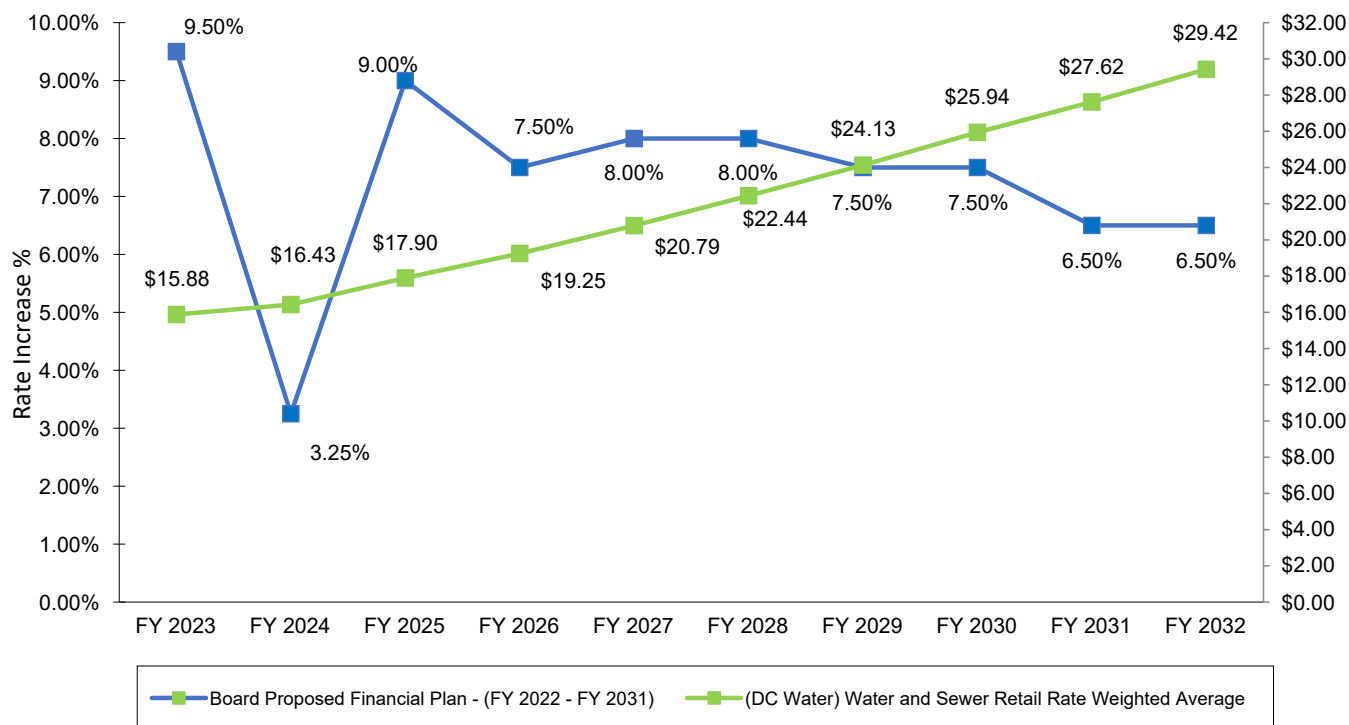
Primary spending in the ten-year capital plan include: the construction of the Potomac River Tunnel in the DC Clean Rivers program, continued investment in the Water System and Lead Free DC program, upgrades to the Effluent Filter and other infrastructure projects at Blue Plains, rehabilitation to the Sewer System small diameter mains, pump stations, major sewers and the Potomac Interceptor project, critical infrastructure improvements at the Washington Aqueduct, and various capital equipment projects.

Based on feedback from the new Stakeholder Alliance and discussions with customers about the Clean Rivers Impervious Area Charge (CRIAC) that funds the Clean Rivers Program, the proposal was implemented for FY 2020 to shift 18 percent of the costs for the Clean Rivers program from the CRIAC to the sewer volumetric rate. This was increased to 28 percent in FY 2021 and 37 percent in FY 2022. This was based on an assessment that, on average, 37 percent of the volume in the new tunnels is from wastewater. The proposal to shift CRIAC to volumetric was adopted by the Board.

The public outreach and comment process for the rate proposal for FY 2023 and FY 2024 occurred between March and May 2022. With the approval of the rates by DC Water Board, these changes would increase the typical residential customer's monthly bill by \$7.05 or 6.0 percent in FY 2023 and \$6.79 or 5.4 percent in FY 2024 as shown on page 123.

PROJECTED RETAIL WATER & SEWER RATE CHANGES

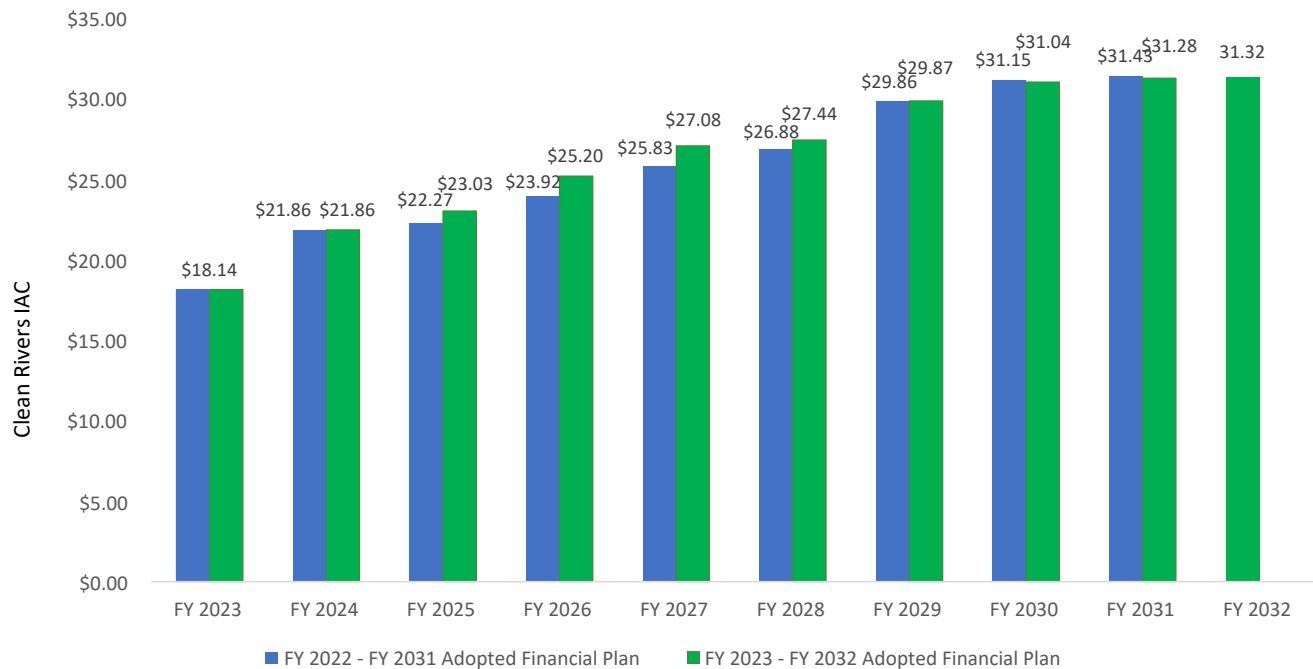
FY 2023 – FY 2032



- 1) Rates shown above reflect weighted water and sewer rates for Residential customer category
- 2) In FY 2023 current water and sewer rate increase of \$1.32 per Ccf, (\$1.76 per 1,000 gallons)
 - Combined water and sewer rate increases from \$14.56 to \$15.88 per Ccf
- 3) In FY 2024 approved water and sewer rate increase of \$0.55 per Ccf, (\$0.74 per 1,000 gallons)
 - Combined water and sewer rate increases from \$15.88 to \$16.43 per Ccf
- 4) Rate increase of 9.5 percent for FY 2023 and 3.25 percent for FY 2024

PROJECTED MONTHLY CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE (CRIAC) CHANGES

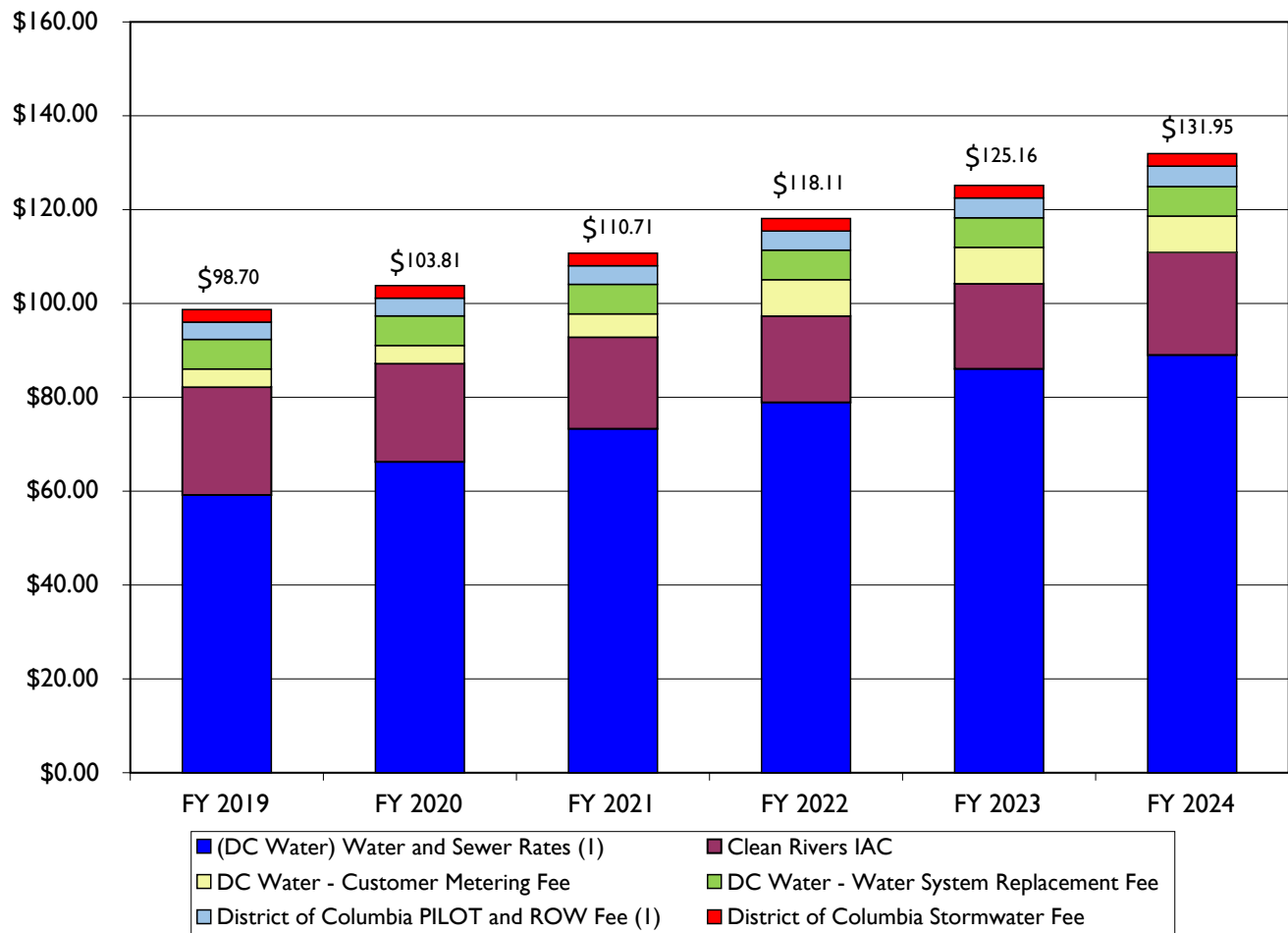
FY 2023 – FY 2032



- The projected charges displayed in the chart above are primarily driven by anticipated debt service costs necessary to support the thirty year \$2.99 billion Clean Rivers Project, which includes the federally mandated CSO-LTCP and the Nine-Minimum Controls Program
- The annual Clean Rivers Project costs for the average Tier 2 residential customer (700 – 2,000 sq. ft. of impervious area) is projected to increase from \$262.32 in FY 2024 to \$375.84 in FY 2032
- The CRIAC shift to sewer volumetric with 18 percent in FY 2020, 28 percent in FY 2021 and 37 percent in FY 2022 and beyond was recommended because it balances infrastructure investment with growth in rates. The shift is based on an assessment that on average 37 percent of volume in the tunnels is from wastewater. With the shift the overall household charges increase by 6.0 percent in FY 2023 and 5.4 percent in FY 2024. The gradual shift helps to avoid rate shock to customers. The CRIAC for FY 2024 is projected to increase from \$18.14 to \$21.86 per ERU per month.

AVERAGE RESIDENTIAL CUSTOMER MONTHLY BILL

FY 2019 – FY 2024



(1) Assumes average monthly consumption of 5.42 Ccf, or 4,054 gallons

- FY 2023 cost per gallon is a little over \$0.02 (water and sewer rates only)

AVERAGE RESIDENTIAL CUSTOMER MONTHLY BILL FY 2019 – FY 2024

	Units	FY 2019	FY 2020	FY 2021	FY 2022	Current FY 2023	Approved FY 2024
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 59.18	\$ 66.25	\$ 73.30	\$ 78.92	\$ 86.07	\$ 89.03
DC Water Clean Rivers IAC ⁽²⁾	ERU	23.00	20.94	19.52	18.40	18.14	21.86
DC Water Customer Metering Fee	5/8"	3.86	3.86	4.96	7.75	7.75	7.75
DC Water Water System Replacement Fee ⁽⁴⁾	5/8"	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 92.34	\$ 97.35	\$ 104.08	\$ 111.37	\$ 118.26	\$ 124.94
Increase / Decrease		\$ 4.87	\$ 5.01	\$ 6.73	\$ 7.29	\$ 6.89	\$ 6.68
Percent Increase in DC Water Portion of Bill		4.6%	5.4%	6.9%	7.0%	6.2%	5.6%
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 2.71	\$ 2.76	\$ 2.93	\$ 3.04	\$ 3.20	\$ 3.31
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	0.98	1.03	1.03	1.03	1.03	1.03
District of Columbia Stormwater Fee ⁽³⁾	ERU	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.36	\$ 6.46	\$ 6.63	\$ 6.74	\$ 6.90	\$ 7.01
Total Amount Appearing on DC Water Bill		\$ 98.70	\$ 103.81	\$ 110.71	\$ 118.11	\$ 125.16	\$ 131.95
Increase / Decrease Over Prior Year		\$ 4.05	\$ 5.11	\$ 6.90	\$ 7.40	\$ 7.05	\$ 6.79
Percent Increase in Total Bill		5.3%	5.2%	6.6%	6.7%	6.0%	5.4%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

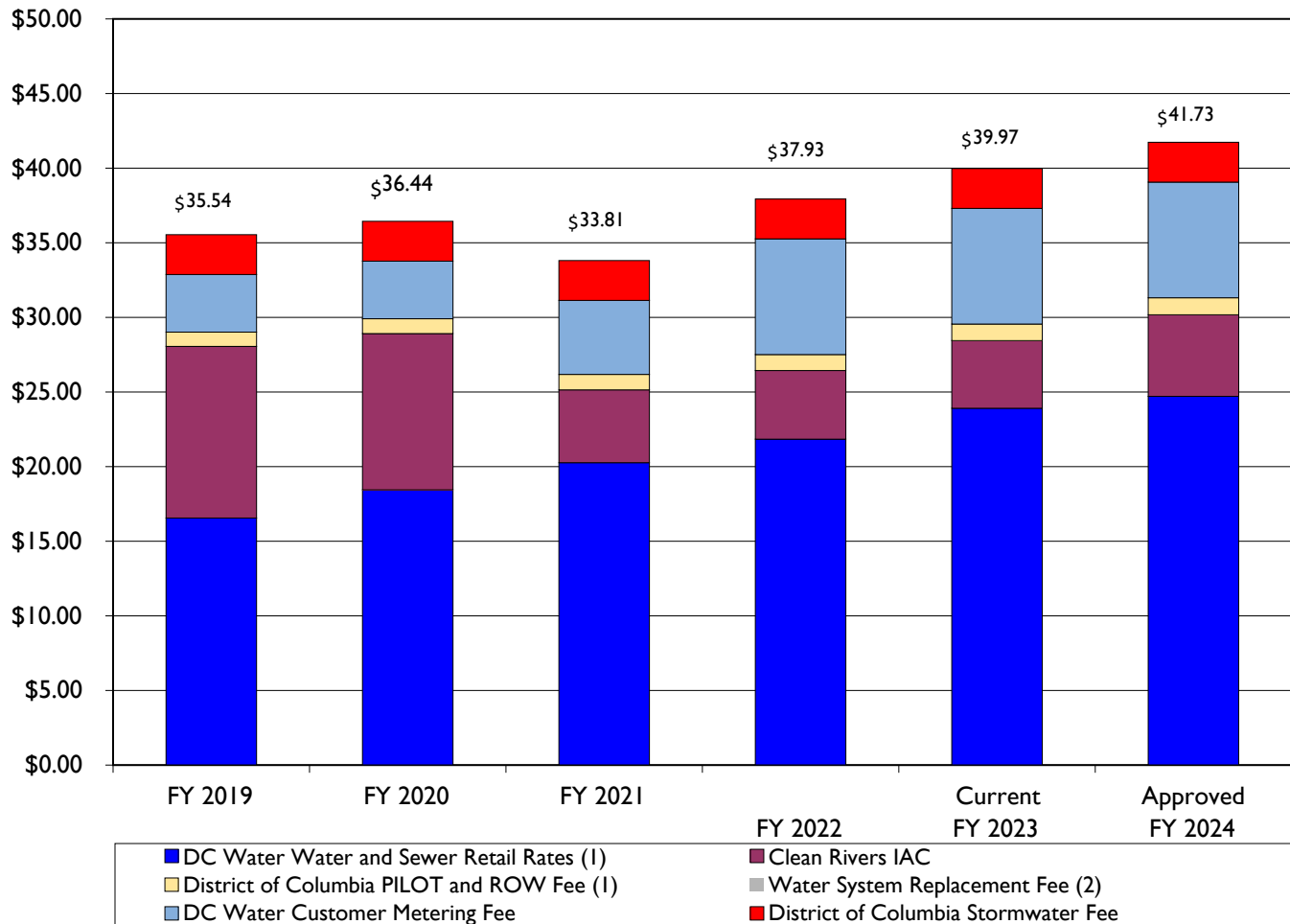
(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

AVERAGE CAP CUSTOMER MONTHLY BILL

FY 2019 – FY 2024



- Assumes average monthly consumption of 5.42 Ccf, or 4,054 gallons
 - FY 2023 & FY 2024 cost per gallon is a little over \$0.02 (water and sewer rates only)
- Assumes 100 percent discount for Water System Replacement Fee (WSRF) to CAP customers, therefore, WSRF is not shown in the above graph
- Assumes 50 percent credit up to FY 2020 and 75 percent credit for FY 2021 to FY 2024 for the Clean Rivers Impervious Area Charge (CRIAC).

AVERAGE CAP CUSTOMER MONTHLY BILL

FY 2019 – FY 2024

	Units	FY 2019	FY 2020	FY 2021	FY 2022	Current FY 2023	Approved FY 2024
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 59.18	\$ 66.25	\$ 73.30	\$ 78.92	\$ 86.07	\$ 89.03
DC Water Clean Rivers IAC	ERU	23.00	20.94	19.52	18.40	18.14	21.86
DC Water Customer Metering Fee	5/8"	3.86	3.86	4.96	7.75	7.75	7.75
DC Water Water System Replacement Fee	5/8"	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 92.34	\$ 97.35	\$104.08	\$111.37	\$118.26	\$124.94
Increase / Decrease		\$ 4.05	\$ 5.01	\$ 6.73	\$ 7.29	\$ 6.89	\$ 6.68
Percent Increase in DC Water Portion of Bill		4.6%	5.4%	6.9%	7.0%	6.2%	5.6%
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 2.71	\$ 2.76	\$ 2.93	\$ 3.04	\$ 3.20	\$ 3.31
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	0.98	1.03	1.03	1.03	1.03	1.03
District of Columbia Stormwater Fee ⁽⁴⁾	ERU	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.36	\$ 6.46	\$ 6.63	\$ 6.74	\$ 6.90	\$ 7.01
Total Amount		\$ 98.70	\$103.81	\$110.71	\$118.11	\$125.16	\$131.95
Less: CAP Discount (4 Ccf per month) ^{(1), (2)}		(45.36)	(50.60)	(55.96)	\$ (60.08)	\$ (65.28)	\$ (67.52)
Water System Replacement Fee (WSRF) ⁽³⁾		(6.30)	(6.30)	(6.30)	(6.30)	(6.30)	(6.30)
Clean Rivers IAC ⁽⁵⁾		(11.50)	(10.47)	(14.64)	(13.80)	(13.61)	(16.40)
Total Amount Appearing on DC Water Bill		\$ 35.54	\$ 36.44	\$ 33.81	\$ 37.93	\$ 39.97	\$ 41.73
Increase / Decrease Over Prior Year		\$ 0.02	\$ 0.90	\$ (2.63)	\$ 4.12	\$ 2.04	\$ 1.76
CAP Customer Discount as a Percent of Total Bill		-64.0%	-64.9%	-69.5%	-67.9%	-68.1%	-68.4%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Expansion of CAP program in FY 2009 assumes discount to first 4 Ccf of Water and Sewer and to first 4 Ccf of PILOT and ROW in FY 2011

(3) Assumes 100 percent discount for Water System Replacement Fee (WSRF) to CAP customers effective October 1, 2015

(4) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(5) Assumes 50 percent discount up to FY 2020 and 75 percent discount for FY 2021 to FY 2024 for the Clean Rivers IAC

AVERAGE CAP2 CUSTOMER MONTHLY BILL

FY 2019 – FY 2024

	Units	FY 2019	FY 2020	FY 2021	FY 2022	Current FY 2023	Approved FY 2024
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 59.18	\$ 66.25	\$ 73.30	\$ 78.92	\$ 86.07	\$ 89.03
DC Water Clean Rivers IAC	ERU	23.00	20.94	19.52	18.40	18.14	21.86
DC Water Customer Metering Fee	5/8"	3.86	3.86	4.96	7.75	7.75	7.75
DC Water Water System Replacement Fee	5/8"	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 92.34	\$ 97.35	\$ 104.08	\$ 111.37	\$ 118.26	\$ 124.94
Increase / Decrease		\$ 4.87	\$ 5.01	\$ 6.73	\$ 7.29	\$ 6.89	\$ 6.68
District of Columbia PILOT Fee	Ccf	\$ 2.71	\$ 2.76	\$ 2.93	\$ 3.04	\$ 3.20	\$ 3.31
District of Columbia Right-of-Way Fee	Ccf	0.98	1.03	1.03	1.03	1.03	1.03
District of Columbia Stormwater Fee	ERU	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.36	\$ 6.46	\$ 6.63	\$ 6.74	\$ 6.90	\$ 7.01
Total Amount		\$ 98.70	\$ 103.81	110.71	118.11	125.16	131.95
Less: CAP2 Discount (3 Ccf per month) ⁽²⁾		(31.98)	(35.85)	(39.78)	(42.81)	(46.62)	(48.24)
Clean Rivers IAC ⁽³⁾		(11.50)	(10.47)	(9.76)	(9.20)	(9.07)	(10.93)
Total Amount Appearing on DC Water Bill		\$ 55.22	\$ 57.49	61.17	66.10	69.47	72.78
Increase / Decrease Over Prior Year			\$ 2.27	\$ 3.68	\$ 4.93	\$ 3.37	\$ 3.31
CAP Customer Discount as a Percent of Total Bill		-44.0%	-44.6%	-44.7%	-44.0%	-44.5%	-44.8%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Expansion of CAP2 program in FY 2019 assumes discount to first 3 Ccf of Water and Sewer

(3) Expansion of CAP2 program in FY 2019 and onwards assumes 50 percent discount for the Clean Rivers IAC

AVERAGE CAP3 CUSTOMER MONTHLY BILL

FY 2019 – FY 2024

	Units	FY 2019	FY 2020	FY 2021	FY 2022	Current FY 2023	Approved FY 2024
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 59.18	\$ 66.25	\$ 73.30	\$ 78.92	\$ 86.07	\$ 89.03
DC Water Clean Rivers IAC	ERU	23.00	20.94	19.52	18.40	18.14	21.86
DC Water Customer Metering Fee	5/8"	3.86	3.86	4.96	7.75	7.75	7.75
DC Water Water System Replacement Fee	5/8"	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 92.34	\$ 97.35	\$104.08	\$111.37	\$118.26	\$124.94
Increase / Decrease		\$ 4.87	\$ 5.01	\$ 6.73	\$ 7.29	\$ 6.89	\$ 6.68
District of Columbia PILOT Fee	Ccf	\$ 2.71	\$ 2.76	\$ 2.93	\$ 3.04	\$ 3.20	\$ 3.31
District of Columbia Right-of-Way Fee	Ccf	0.98	1.03	1.03	1.03	1.03	1.03
District of Columbia Stormwater Fee	ERU	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.36	\$ 6.46	\$ 6.63	\$ 6.74	\$ 6.90	\$ 7.01
Total Amount		\$ 98.70	\$103.81	110.71	118.11	125.16	131.95
Less: CAP3 Discount Clean Rivers IAC ⁽²⁾		(17.25)	(15.71)	(14.64)	(13.80)	(13.61)	(16.40)
Total Amount Appearing on DC Water Bill		\$ 81.45	\$ 88.10	96.07	104.31	111.55	115.55
Increase / Decrease Over Prior Year		\$ -	\$ 6.65	\$ 7.97	\$ 8.24	\$ 7.24	\$ 4.00
CAP Customer Discount as a Percent of Total Bill		-17.5%	-15.1%	-13.2%	-11.7%	-10.9%	-12.4%

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

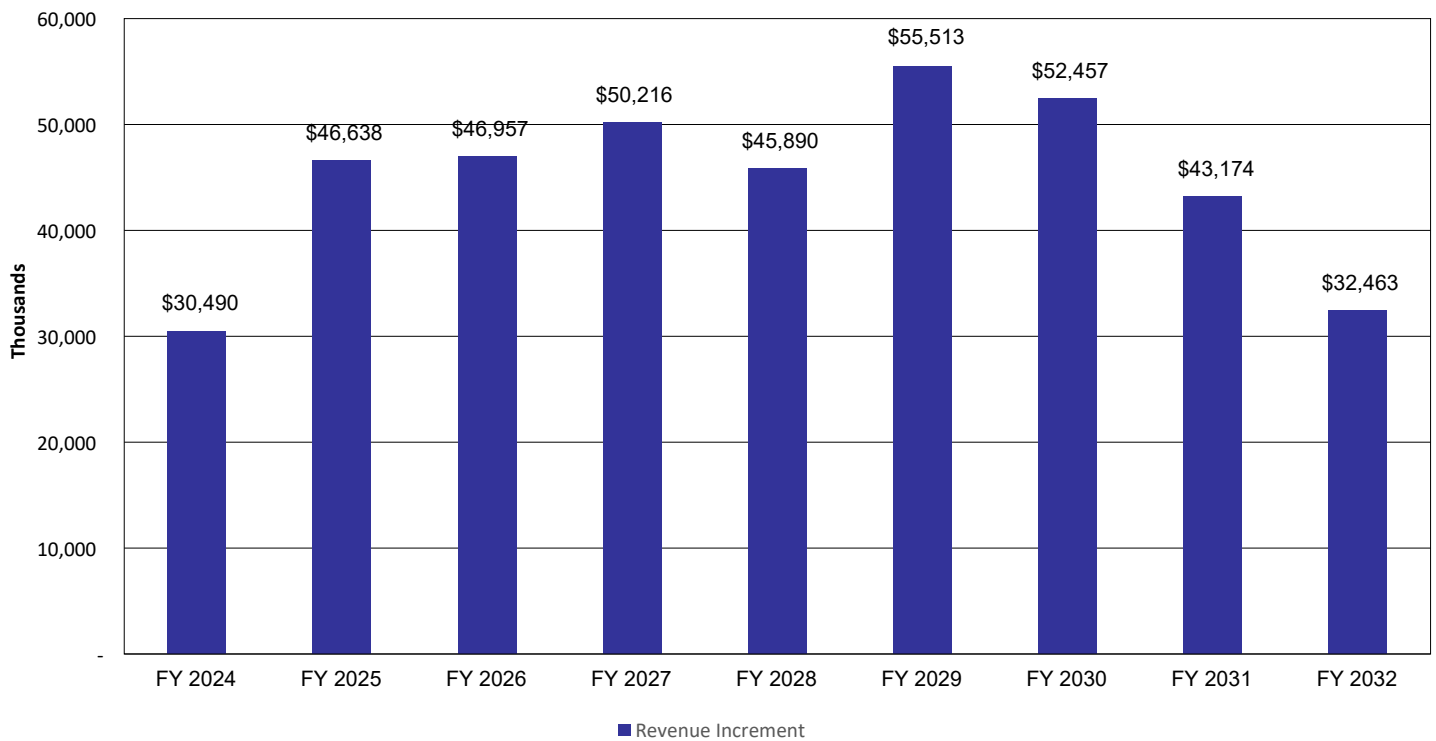
(2) Expansion of CAP3 program in FY 2019 assumes 75 percent discount for the Clean Rivers IAC

FY 2023 – FY 2032 FINANCIAL PLAN

As shown in the chart below, incremental increases in retail revenues are projected to range from \$30.5 million to \$55.5 million in FY 2024 – FY 2032, due to:

- Average annual debt service increase of 6.9 percent
- Average annual O&M increase of 4.3 percent
- Annual projected Payment-in-Lieu of Taxes (PILOT) and Right-of-Way (ROW) increases due to DC Government increasing costs of providing services to the District
- This year’s ten-year plan reflects increases in operating and maintenance and increases in debt service cost associated with DC Water’s Capital Improvement Program (CIP).

INCREMENTAL INCREASE IN REVENUE FY 2024 – FY 2032 (\$000's)



These costs would be recovered through:

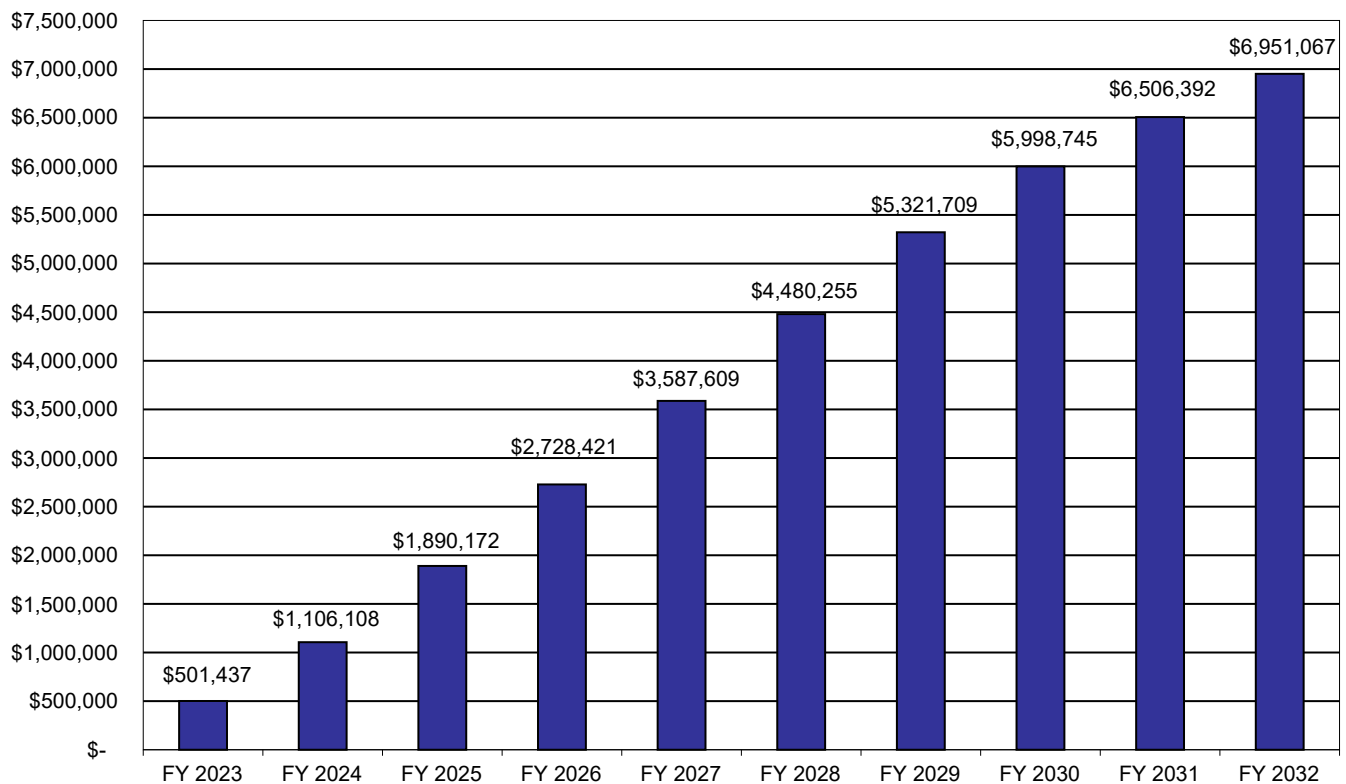
- Proposed water and sewer rate increases of 3.25 percent in FY 2024 and 6.5 percent to 9.0 percent from FY 2025 to FY 2032.
- Proposed Clean Rivers Impervious Surface Area Charge (CRIAC) revenues ranging from \$21.86 to \$31.32 per ERU per month
- Proposed DC PILOT fee increases of 2 percent in accordance with the current MOU dated September 4, 2014, to recover the amount of PILOT payment obligation to the District of Columbia
- The ROW fee will remain the same at \$5.1 million per annum in accordance with the current MOU signed on October 2, 2014 to recover the amount of ROW payment obligation to the District of Columbia
- No Rate Stabilization Fund (RSF) will be utilized for FY 2024 to FY 2032 to offset retail rate increases.

DC Water's proposed rate increases are primarily required to fund increasing debt service costs from increased capital spending.

CUMULATIVE CAPITAL SPENDING

FY 2023 – FY 2032

(\$000's)

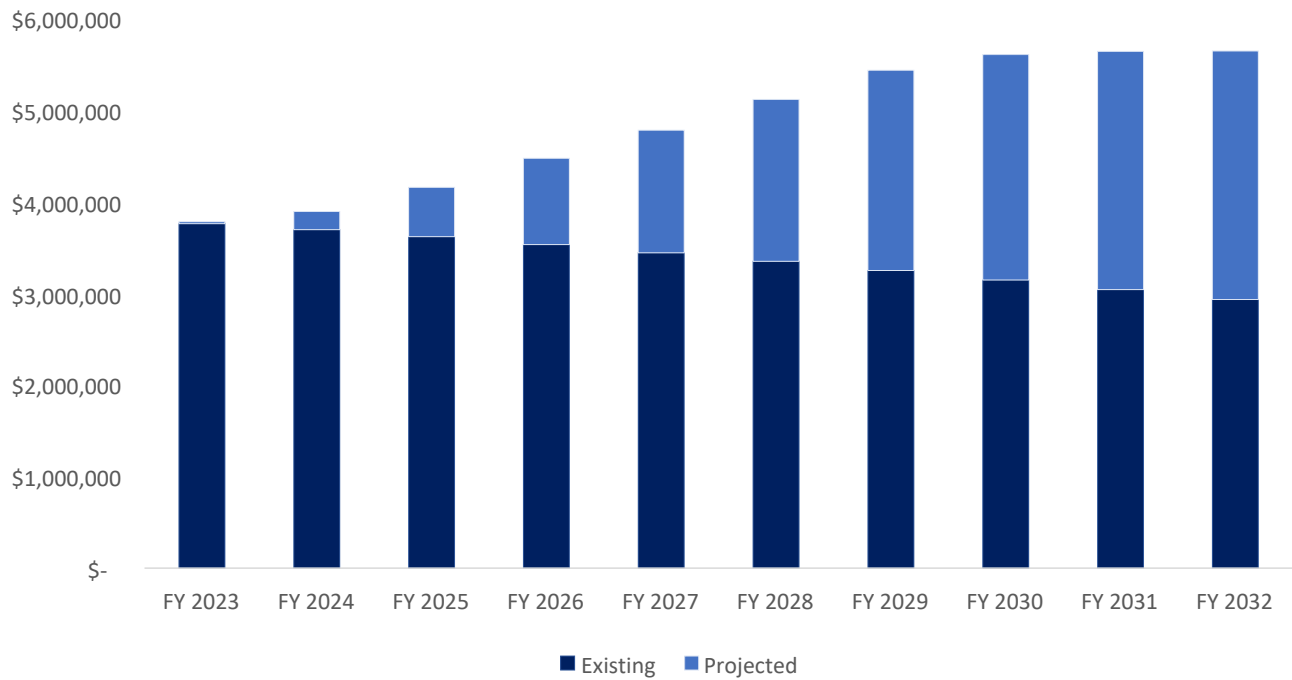


- DC Water's ten-year capital improvement program totals \$6.95 billion, with annual spending ranging from \$444.7 million to \$892.6 million
- Once completed, the ten-year capital improvement project will double the book value of DC Water's infrastructure
- The ten-year plan includes disbursements of the Clean Rivers Project (CSO LTCP), totaling nearly \$0.96 billion exclusive of nine minimum controls
- Water and sewer infrastructure and the Lead Free DC program continue to drive the ten-year Capital Improvement Plan from FY2023 through FY 2032

NEW & EXISTING DEBT OUTSTANDING

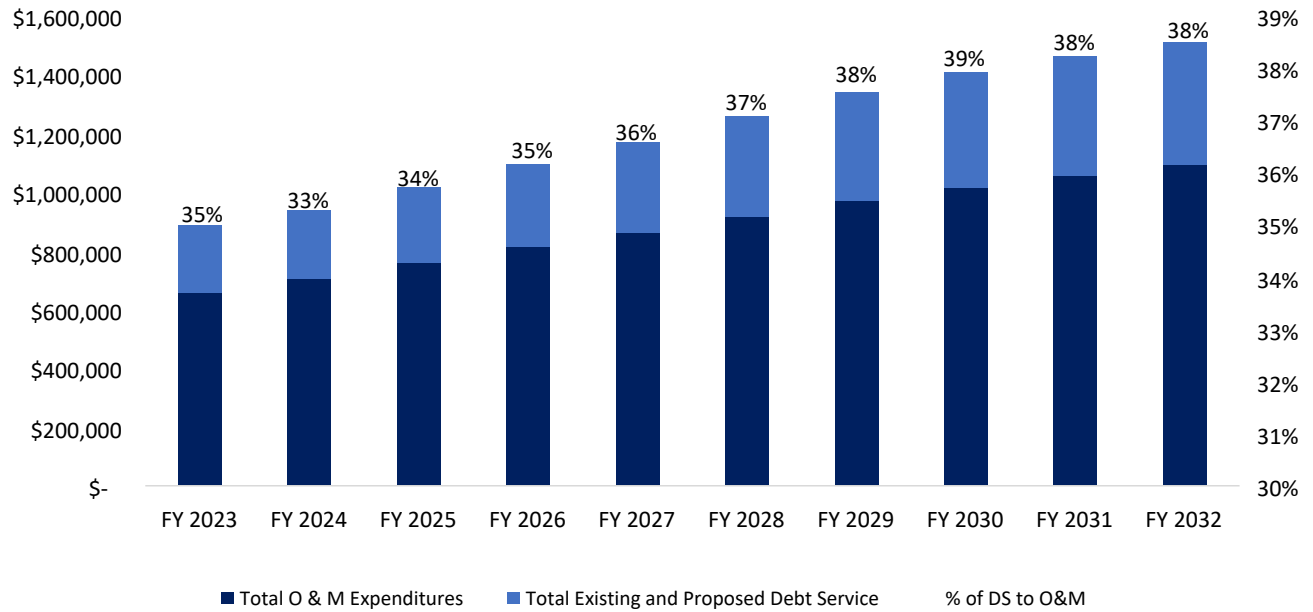
FY 2023– FY 2032

(\$000's)



- The largest source of funding for DC Water’s capital program is debt
- Over the next ten years, DC Water will issue approximately \$2.7 billion in new debt (which includes the funding of reserves and costs of issuance), increasing total debt outstanding to \$5.6 billion at the end of FY 2032.

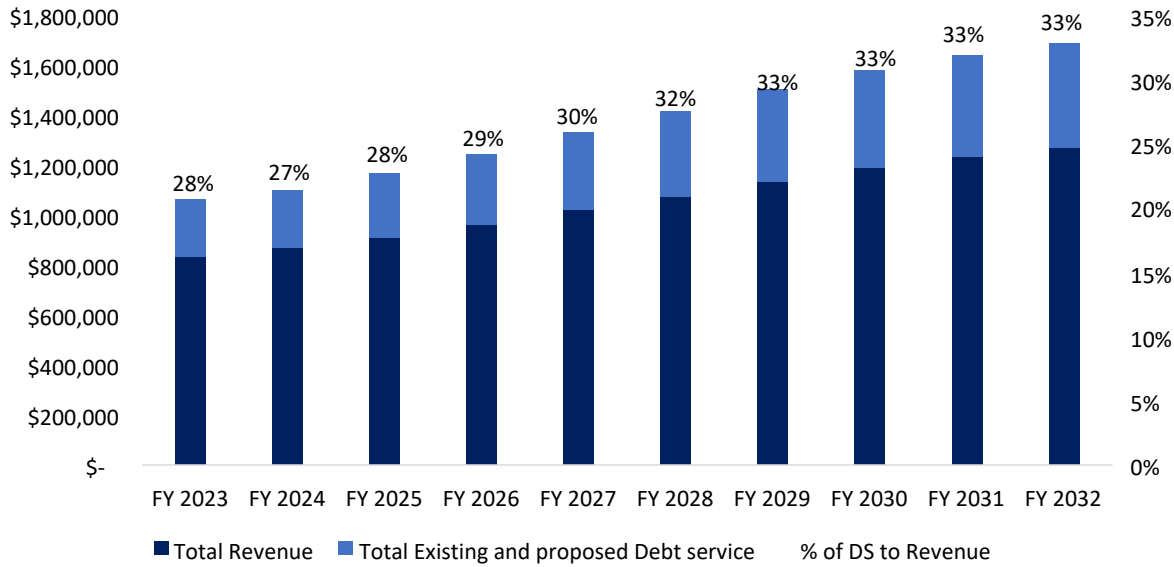
DEBT SERVICE AS PERCENT OF TOTAL OPERATING & MAINTENANCE EXPENDITURES FY 2023 – FY 2032 (\$'000's)



DEBT SERVICE AS PERCENT OF TOTAL OPERATING REVENUES

FY 2023 – FY 2032

(\$000's)



OPERATING & DEBT SERVICE EXPENDITURES FY 2023 – FY 2032

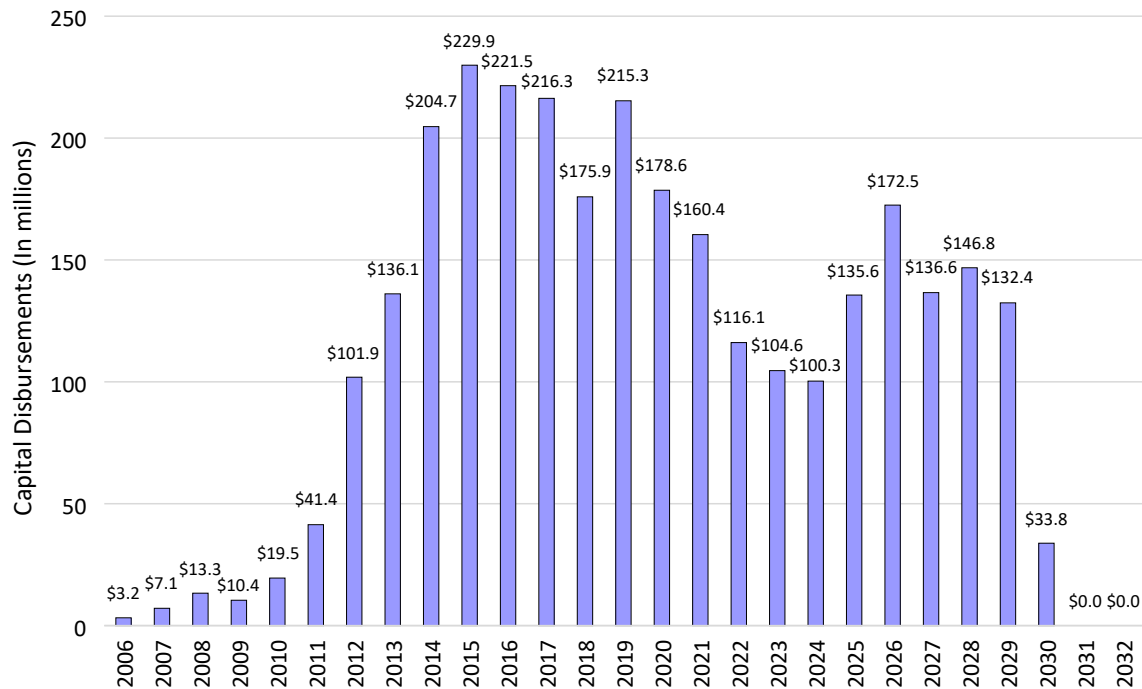
Over the ten-year period, total expenditures increase on average by 5.3 percent annually

DC Water's proposed rate increases are primarily required to fund increasing debt service costs

- Operations and maintenance expenditures (excluding the payment-in-lieu of taxes and right-of-way fee) increase on average by 4.3 percent annually
- Debt service expenditures grow at an annual average rate of 6.9 percent
- This year's ten-year plan reflects increases in operating and maintenance and increases in debt service costs associated with DC Water's Capital Improvement Program (CIP)

POTENTIAL IMPACT OF CSO LONG-TERM CONTROL PLAN ON RATES

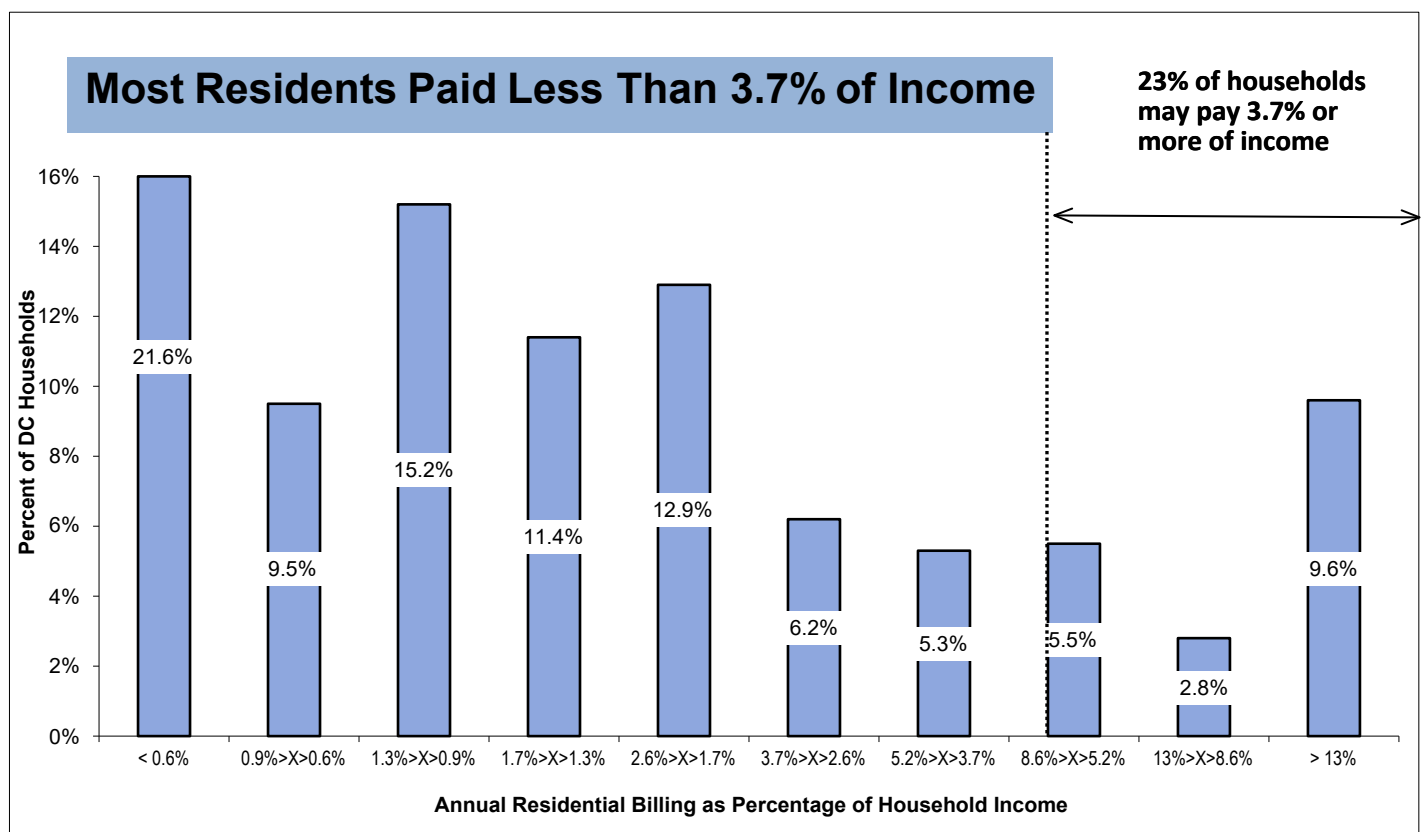
Clean Rivers CSO LTCP Disbursements by Fiscal Year

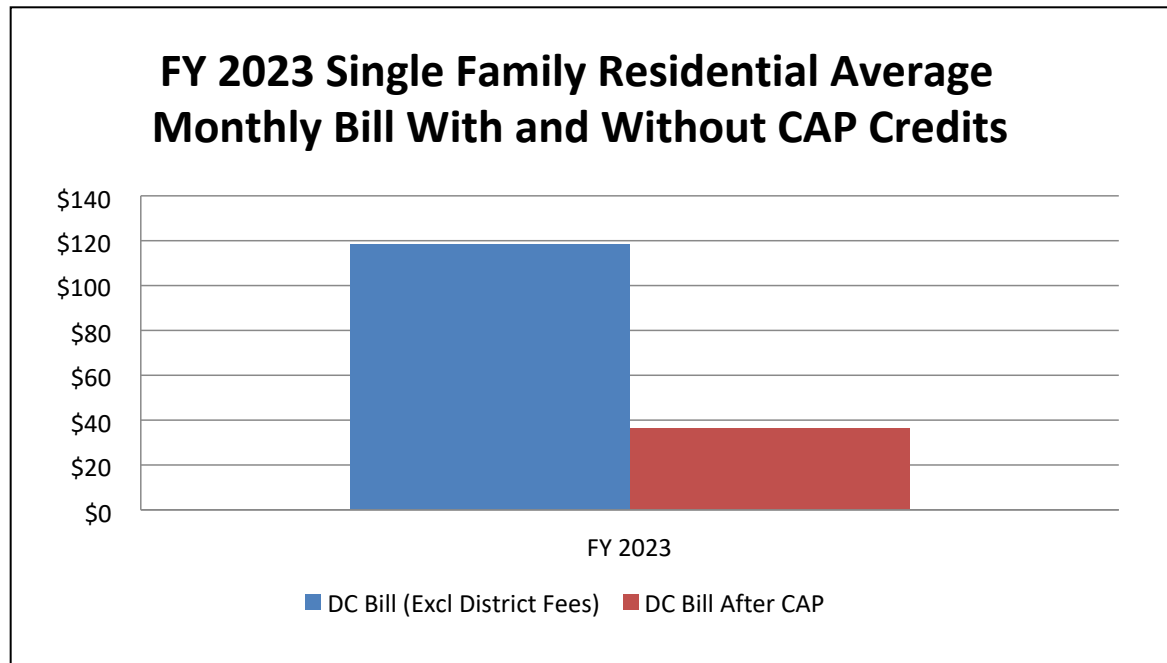


In December 2004, the Board reached an agreement with the federal government on the Clean Rivers Project (CSO-LTCP) and entered into a related consent decree. Actual and projected disbursements by fiscal year for the Clean Rivers Project are shown in the chart above and are the drivers for changes in the Clean Rivers Impervious Area Charge over the ten-year plan. Wholesale customers contribute 7.1 percent to the Clean Rivers Project. To mitigate impacts, DC Water continues to look for federal support for this program. As of September 30, 2022, \$284.8 million has been received through federal appropriations. Lifetime capital costs for the plan (exclusive of the nine – minimum controls program) total approximately \$2.99 billion, and this year’s proposed ten-year plan includes \$0.96 billion of projected Clean Rivers Project disbursements.

DC WATER CHARGES ARE STILL AFFORDABLE AND COMPETITIVE WITH OTHER MAJOR CITIES

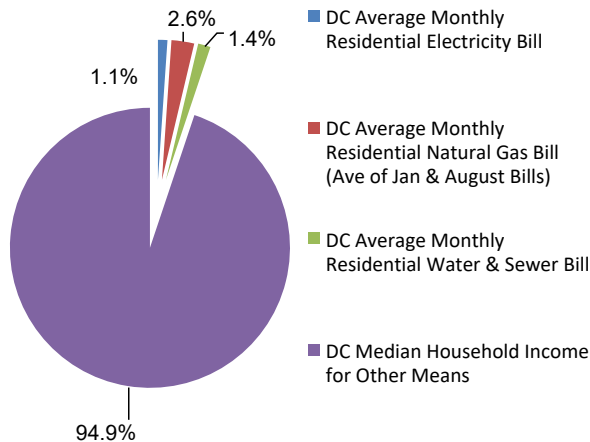
- **Median household income:** The average DC Water charges are less than 3.7% of income for 82.1 % of the households in the District of Columbia. US EPA guidelines suggest that charges greater than 4% of household income are typically viewed as a strain on household budgets (2% water + 2% sewer)
- **Customer Assistance Programs** are in place to help eligible low income customers with their water/sewer bills



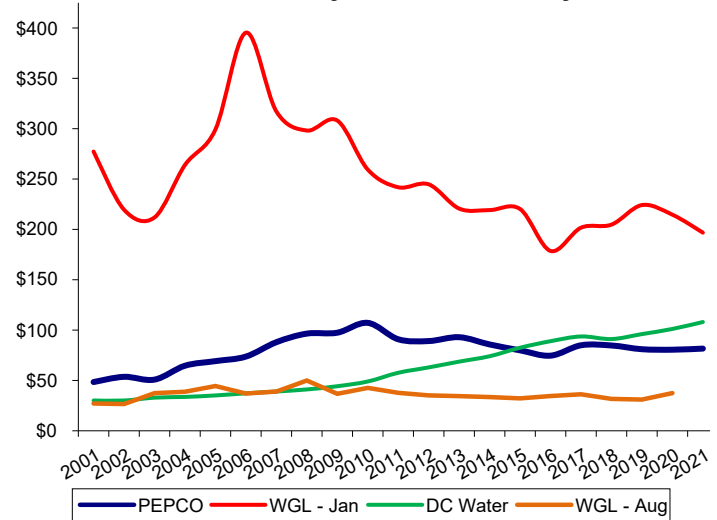


- After CAP credits, a family of 4 at the 2022 Federal Poverty level spends 1.6% of income on DC Water bills.

2021 Monthly DC Median Household Income



Monthly Residential Utility Bills



Observation:

- DC Water's average monthly residential water & sewer bill is about 1.4 percent of the total monthly household income for the median income family, lower than the average monthly natural gas bill and somewhat higher than the electricity bill

Observation:

- Average natural gas is higher than water & sewer bills

Assumption:

- Average DC customer is assumed to use 5.42 Ccf of water in 2019 and onwards, 200 Therms of natural gas for WGL customer in January, and 20 Therms of natural gas for WGL customers in August from 2017 and onwards. Average residential electricity usage is 700 kWh of electricity per month for PEPCO customers starting in 2017 and onward

Source

Electricity and Gas: DC Public Service Commission

Water and Sewer: DC Water Assuming 5.42 Ccf, or 4,054 gallons consumption

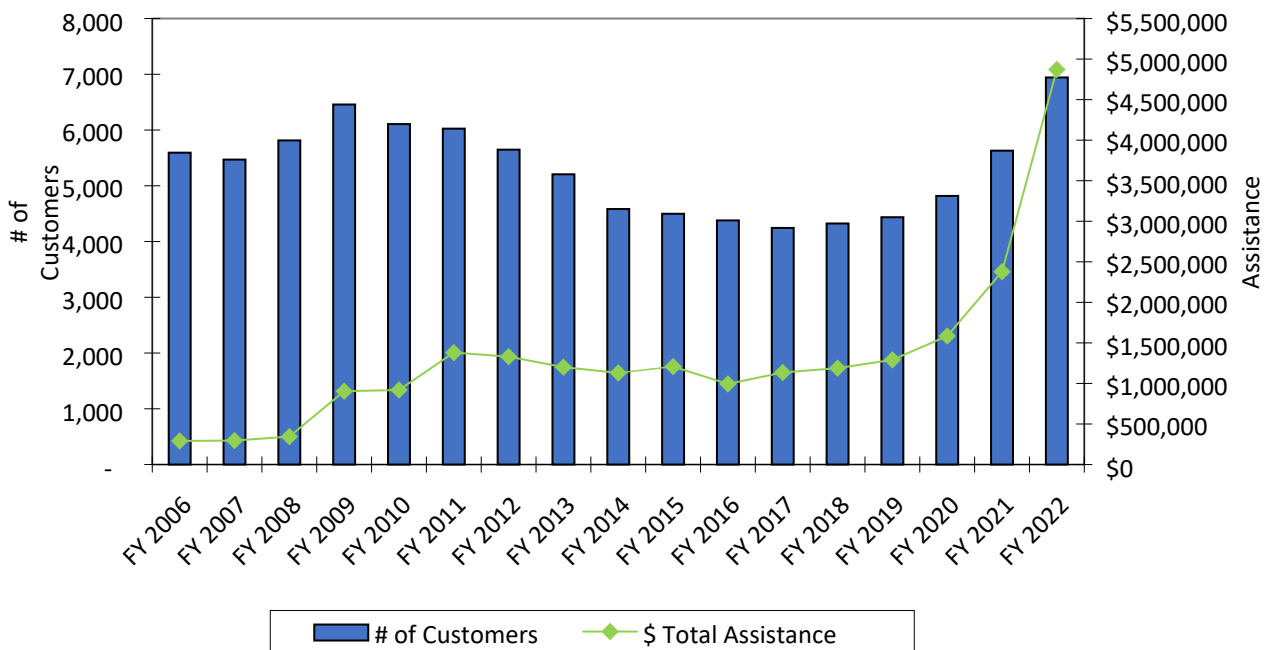
Median HH Income: US Census Bureau, American Community Survey 2021 1-Year Estimates

DC Water sponsors two programs to assist low-income customers in paying their water bills:

- **Customer Assistance Program (CAP):** The Authority implemented the CAP in 2001 providing a discount of 4 Ccf per months of water service for single family residential homeowners that meet income eligibility guidelines. In FY 2004, the Authority expanded the CAP to include tenants who meet the financial eligibility requirements and whose primary residence is separately metered by the Authority. In January 2009, the Authority further expanded the CAP to provide a discount of 4 Ccf per month of sewer services to eligible customers. In FY 2011, the discount was expanded to the first 4 Ccf associated with the PILOT/ROW fee in addition to the current discount provided on water and sewer services. In FY 2016, the CAP discount was expanded to include a 100 percent credit/discount for the Water System Replacement Fee (WSRF). In FY 2017, the Authority further expanded the CAP to include 50 percent discount for CRIAC. In FY 2018, the District of Columbia’s Budget Support Act authorized the Mayor to establish a financial assistance program to assist residential customers with incomes “not exceeding 100 percent of the area median income” with payment of CRIAC and to supplement the financial assistance programs implemented by DC Water. In FY 2020, the Board approved the increase in CRIAC discount for CAP customers from 50 percent to 75 percent effective from FY 2021. In FY 2022, CAP assisted over 6,943 customers and provided \$4,871,357 in discounts to low-income customers.

The assisted dollar amounts were high in FY 2021 and FY 2022 because the number of registered customers increased. Additionally, in FY 2022, the Board approved to waive recertification requirements for FY 2021 CAP customers for FY 2022, which resulted in increase in CAP customers and discounts.

Customer Assistance Program



The following terms are defined:

- **Customer Assistance Program (CAP)** – Existing program that uses LIHEAP (Low Income Home Energy Assistance Program) criteria to provide DC Water-funded discounts to low-income residential customers with incomes up to 60 percent of the State Median Income (SMI from Health and Human Services (HHS)). Eligible customers receive the first 4 Ccf of water and sewer services, PILOT and ROW, 100 percent discount for the Water System Replacement Fee (WSRF) and 75 percent discount for the CRIAC.
- **Customer Assistance Program II (CAP2)** – In FY 2019, DC Water expanded the CAP program for low-income residential customers who do not qualify for CAP with household income up to 80 percent Area Median Income (AMI). Eligible customers receive a discount of up to 3 Ccf per month for water and sewer services and a 50 percent discount for CRIAC. On March 5, 2020, DC Water’s Board adopted a proposal to amend regulations to make the CAP2 program permanent.
In FY 2022, CAP2 assisted 711 customers and provided \$338,362 in discounts to low-income customers.
- **Customer Assistance Program III (CAP3)** – New District-funded program to provide benefits to DC Water customers with household income greater than 80 percent and up to 100 percent Area Median Income (AMI) who do not qualify for CAP or CAP2. Eligible customers receive a 75 percent discount for CRIAC.
In FY 2022, CAP3 assisted 204 customers and provided \$33,026 in discounts.
- **CRIAC (Clean Rivers Impervious Area Charge) Non-profit Relief Program** – New District-funded program to provide CRIAC credits to non-profit organizations as determined by the District Department of the Environment (DOEE). Eligible customers receive up to 90 percent discount for CRIAC.
In FY 2022, Nonprofit Relief Program assisted 186 non-profit organizations and provided \$866,375 in discounts.
- **Emergency Residential Relief Program (ERRP)** – District funded program where eligible households may receive bill assistance up to \$2,000 as a one-time emergency benefit.
In FY 2022, ERRP assisted 28 customers and provided \$27,493.

New Customer Assistance Programs to Mitigate the Impact of COVID-19:

The COVID-19 pandemic impacted DC Water with declines in commercial, federal, and municipal consumption and increases in delinquencies which impacted revenue. In response, DC Water took several strategic and cost reduction initiatives. This included delaying non-critical purchases and activities and pausing some hiring as well as modifying operations to protect staff by arranging work from home for most employees. DC Water also assessed its critical infrastructure needs and balanced it to its revenue challenges and continued to invest in critical capital programs based on priority. Additionally, DC Water also took initiatives to help our customers during the pandemic by reconnecting customers previously disconnected for non-payment, waiving late fees, pausing placing liens, arranging payment plans, and partnering with the District for emergency assistance for those impacted by COVID-19.

On September 3, 2020, DC Water's Board of Director's adopted Resolution #20-65, where the Board approved directing \$15.0 million from the Authority's projected net cash surplus for FY 2020 to the Customer Assistance Program low-income customers:

- (1) \$3.0 million to continue the Emergency Residential Relief Program (ERRP) in FY 2021 to provide one-time assistance to customers impacted by COVID; Assistance up to \$2,000 per residential customer;
- (2) \$7.0 million for a new program to provide one-time assistance to multi-family buildings where occupants have been negatively impacted by COVID and payment plans are established and adhered to; assistance amount to be determined and provided per affordable unit, and will be on matching basis;
- (3) The \$5.0 million held for FY 2022 targeted assistance for customer in need

The \$5.0 million held for FY 2022 targeted assistance was allocated to the CAP, RAP and MAP programs to assist customers in FY 2022.

DC Water Cares, Residential Assistance Program (RAP) - In FY 2020 DC Water established a \$3.0 million program to continue the ERRP in FY 2021 to provide one- time assistance of up to \$2,000 to residential customers. RAP was extended to FY 2022. In FY 2022, RAP assisted 1690 customers and provided \$1,318,242.

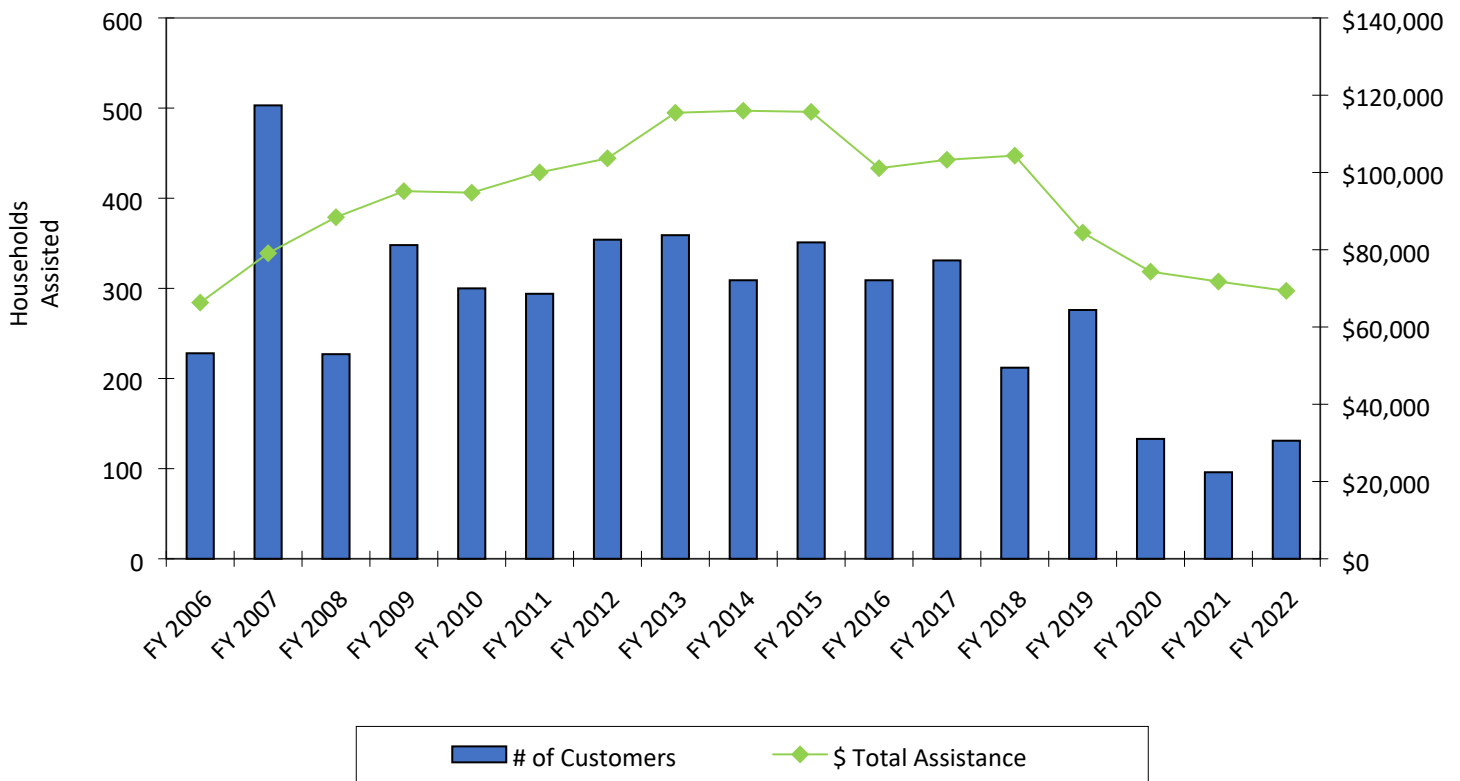
DC Water Cares, Multi-family Assistance Program (MAP) - A \$7.0 million program to provide one-time assistance to multifamily buildings where occupants have been negatively impacted by COVID-19. Payment plans are established and adhered to; assistance amounts are determined and provided per affordable unit and will be on matching basis. MAP was extended to FY 2022. In FY 2022, MAP assisted 131 customers (4,313 units) and provided \$1,880,830.

LIHWAP (Low Income Household Water Assistance Program) - Provides funds to assist low-income households with water and wastewater bills. In FY 2022, LIHWAP assisted 3,393 customers and provided \$2,380,005.

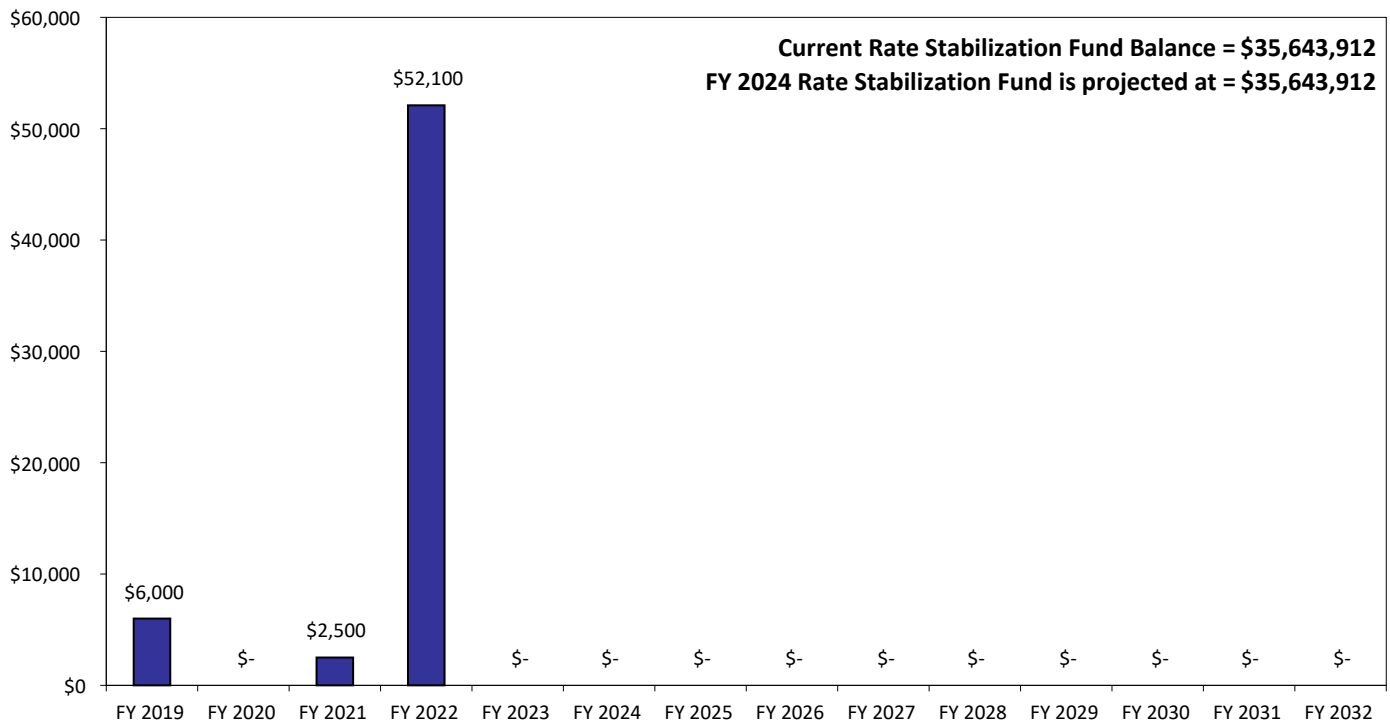
STAY (Stronger Together Assisting You) - Is a financial program for D.C renters and housing providers who are looking for support to cover housing and utility expenses and offset the loss of income. In FY 2022, STAY DC program assisted 1,100 customers and provided \$1,106,974.

- **Serving People by Lending a Supporting Hand (S.P.L.A.S.H):** The SPLASH program was implemented in FY 2001. Through the SPLASH program, DC Water offers assistance to families in need so that they can maintain critical water and sewer services until they get back on their feet. The program is administered by the Greater Washington Urban League. Every dollar received by DC Water is distributed to eligible customers. In FY 2022, SPLASH assisted 131 households and provided \$69,354 in contributions to low-income customers.

S.P.L.A.S.H Program



RATE STABILIZATION FUND USAGE FY 2019 - FY 2032 (\$000's)



- At the end of FY 2021, DC Water's Rate Stabilization Fund (RSF) balance was \$87.74 million. As approved by the Board, \$10.5 RSF was utilized in FY 2022 to mitigate rate increase. Additional \$41.6 million of RSF was used to transfer the money to Ending Cash Balance in order to make Days of Cash equal to 250 days without including RSF Balance in the calculation. At the end of FY 2022, DC Water's rate stabilization fund (RSF) balance was \$35.6 million. No RSF is proposed to be utilized from FY 2024 to FY 2032. RSF will have a balance of \$35.64 million at the end of FY 2032.

One method of assessing the affordability of residential rates is to calculate the portion of the Median Household Income that would be spent on typical water, wastewater, and stormwater bills and compare the results with the same calculation for other utilities. While no utilities are exactly alike, in the most recent rate survey conducted for DC Water in December 2022, DC Water’s charges for a single family residential customer as a percentage of median income, excluding District fees, were comparable to the average of other large and regional water and wastewater utilities.

The following charts provide DC Water combined water, sewer and stormwater charges for single family residential customers compared to: large CSO communities, other similar large jurisdictions and other regional jurisdictions. There are distinct differences between DC Water and other large and regional utilities. Some differences include:

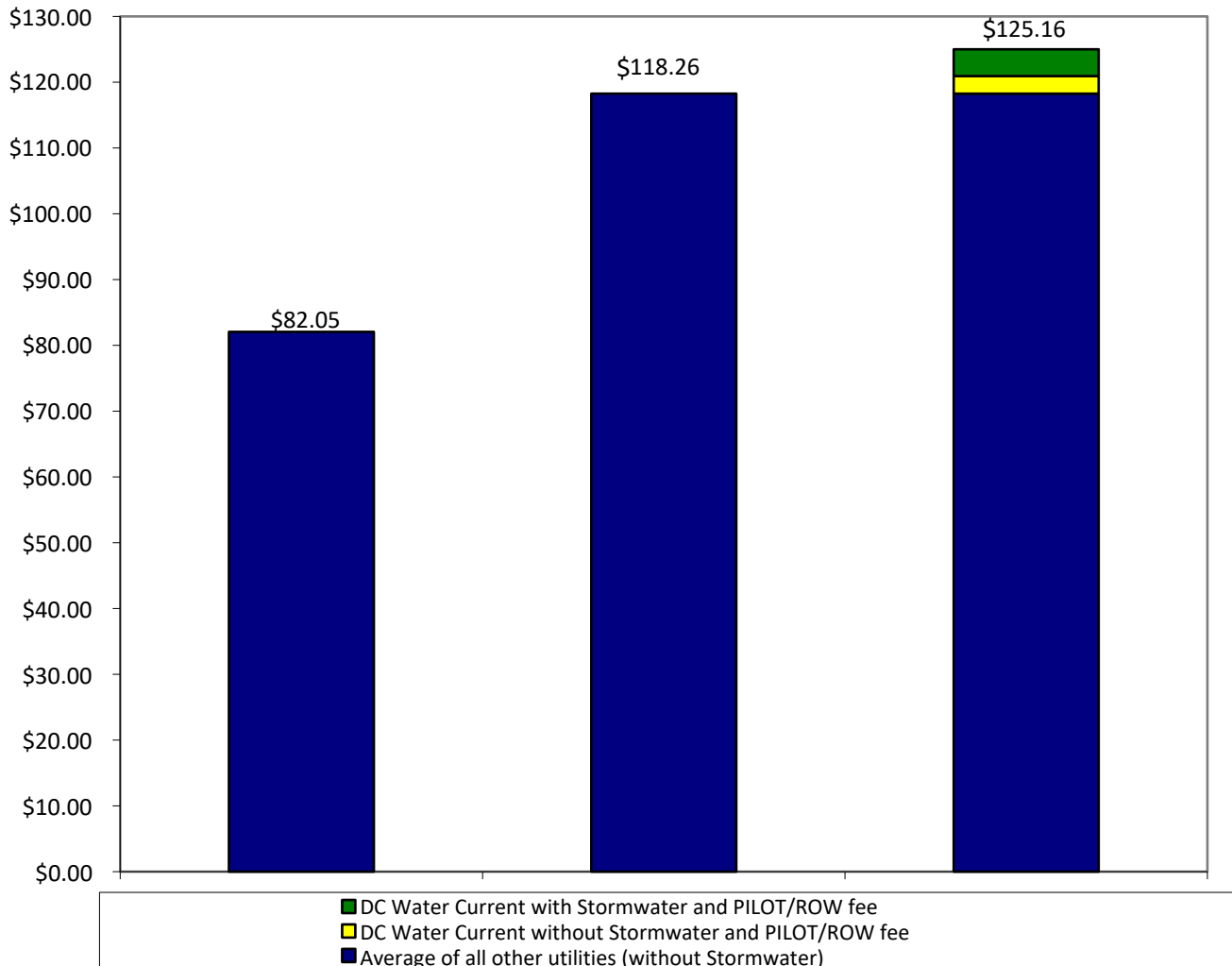
- Different patterns of water use (e.g., suburban jurisdictions can have different demands from urban centers)
- Revenues from taxes that reduce the revenues to be raised from water, sewer and stormwater rates (e.g., Arlington, Milwaukee, St. Louis, Atlanta, Chicago, etc.)
- Available undeveloped areas supporting high developer contributions for growth that can again reduce the revenues to be raised from water, sewer and stormwater rates (e.g., Fairfax County)
- Separate sewer systems in certain large jurisdictions and regional jurisdictions (e.g., Dallas)
- Differences in climate that may affect water supply or conservation needs (e.g., Seattle)
- Varying stages of completion of facilities to meet federal mandates (e.g., Atlanta and Boston have completed most of their major investments - the DC Clean Rivers Project is in progress at this time)

DC WATER'S RETAIL RATES ARE COMPARABLE TO OTHER UTILITIES

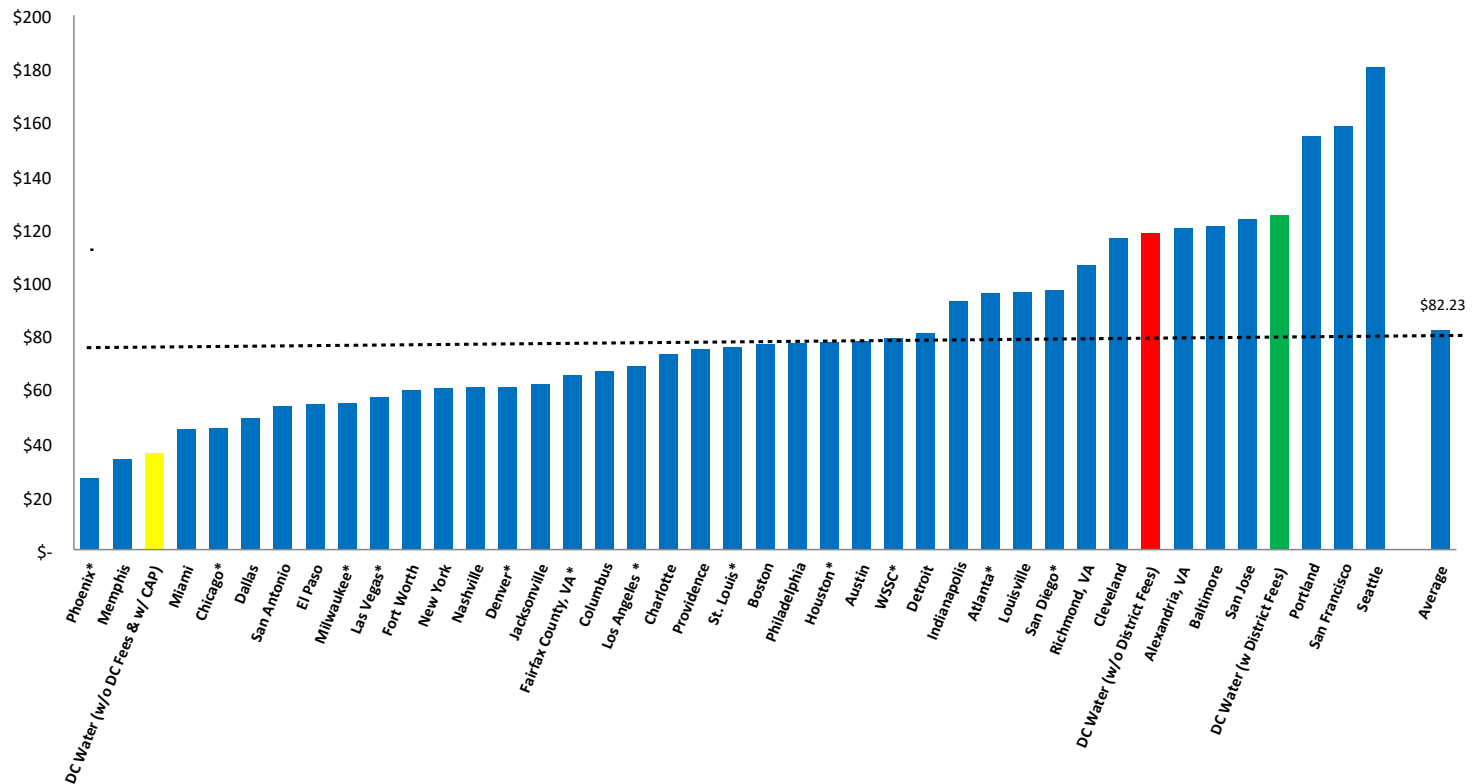
DC Water's Current FY 2023 Monthly Residential Bill

vs.

Average Monthly Bill of Other Utilities in Effect Fall 2022



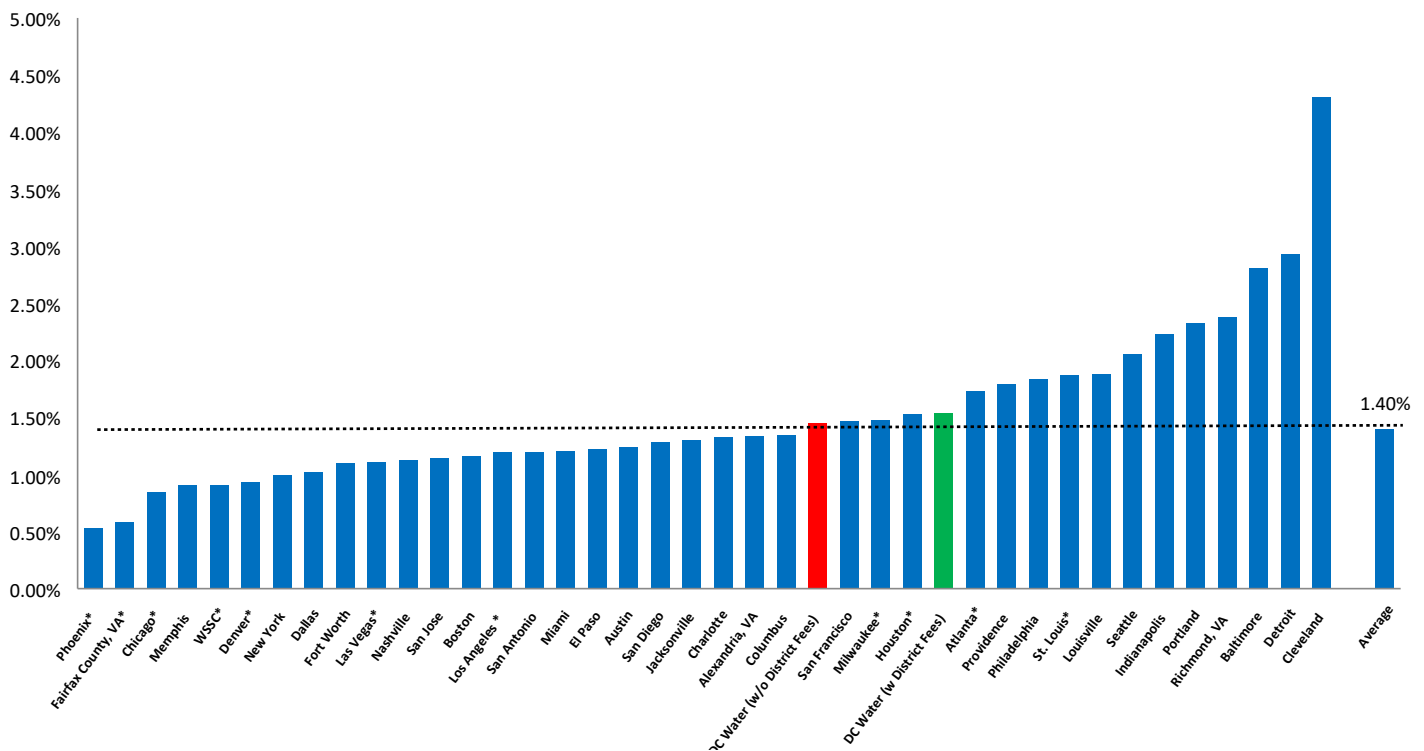
DC Water Retail Rates Compared to Other Large Utilities (Based on Rates in effect Fall 2022)



- (1) Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons
- (2) Reflects rates and fees in place as of December 1, 2022. The Authority's rate includes the PILOT/ROW fee totaling \$0.78 per Ccf (effective October 1, 2022) and the DOEE residential stormwater rate of \$2.67 per ERU per month.
- (3) Some cities use property tax revenue or other revenues to pay for part of the cost of water, wastewater, or stormwater services, as indicated by * in the graph above. In such situations, the user charge will not reflect the full cost of water, wastewater or stormwater services.

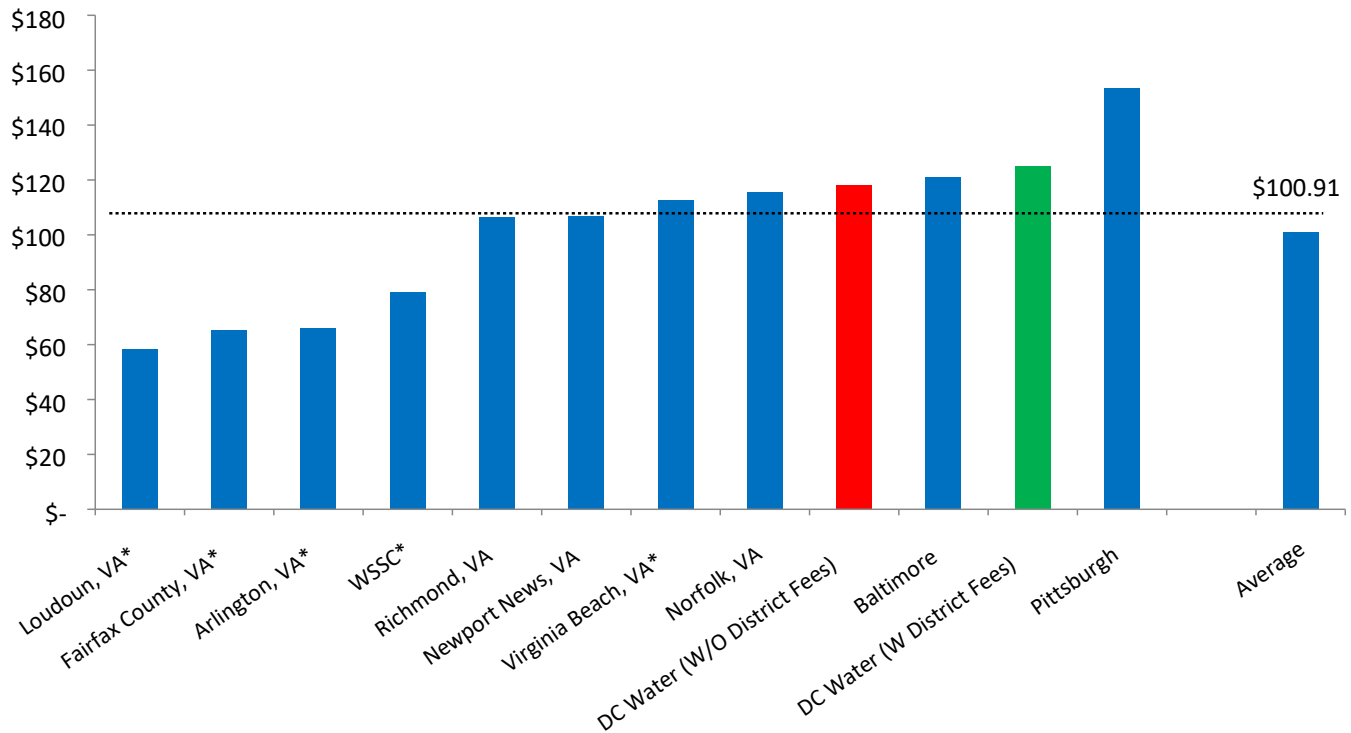
In the chart below, DC Water current charges rank at the median for bill comparison purposes for water and wastewater services compared to a select group of large, regional and CSO utilities, but well within US EPA guidance of 4 percent.

Single Family Residential (SFR) Monthly Bill as % of Median Household Income - Large National Utilities (Based on Rates in effect Fall 2022)



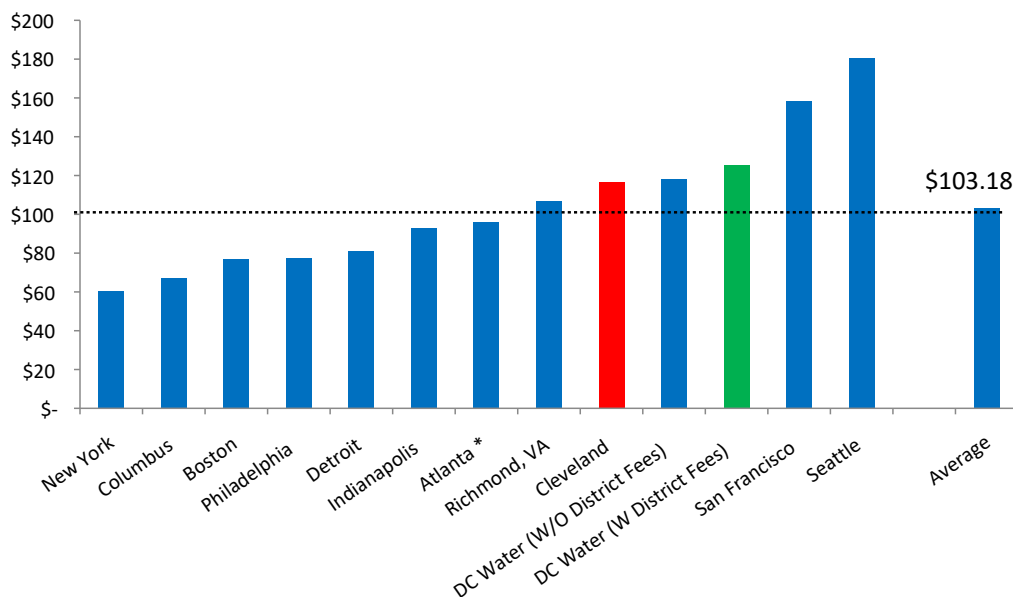
- 1) Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons
- 2) Reflects rates and fees in place as of December 1, 2022. The Authority's rate includes the PILOT/ROW fee totaling \$0.78 per Ccf (effective October 1, 2022) and the DOEE residential stormwater rate of \$2.67 per ERU per month. Some cities use property tax revenue or other revenues to pay for part of the cost of water, wastewater, or stormwater services, as indicated by * in the graph above. In such situations, the user charge will not reflect the full cost of water, wastewater or stormwater services.

DC Water Retail Rates Compared to Regional Utilities (Based on Rates in effect Fall 2022)



- 1) Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons
- 2) Reflects rates and fees in place as of December 1, 2022. Some cities use property tax revenue or other revenues to pay for part of the cost of water, wastewater, or stormwater services, as indicated by * in the graph above. In such situations, the user charge will not reflect the full cost of water, wastewater or stormwater services.

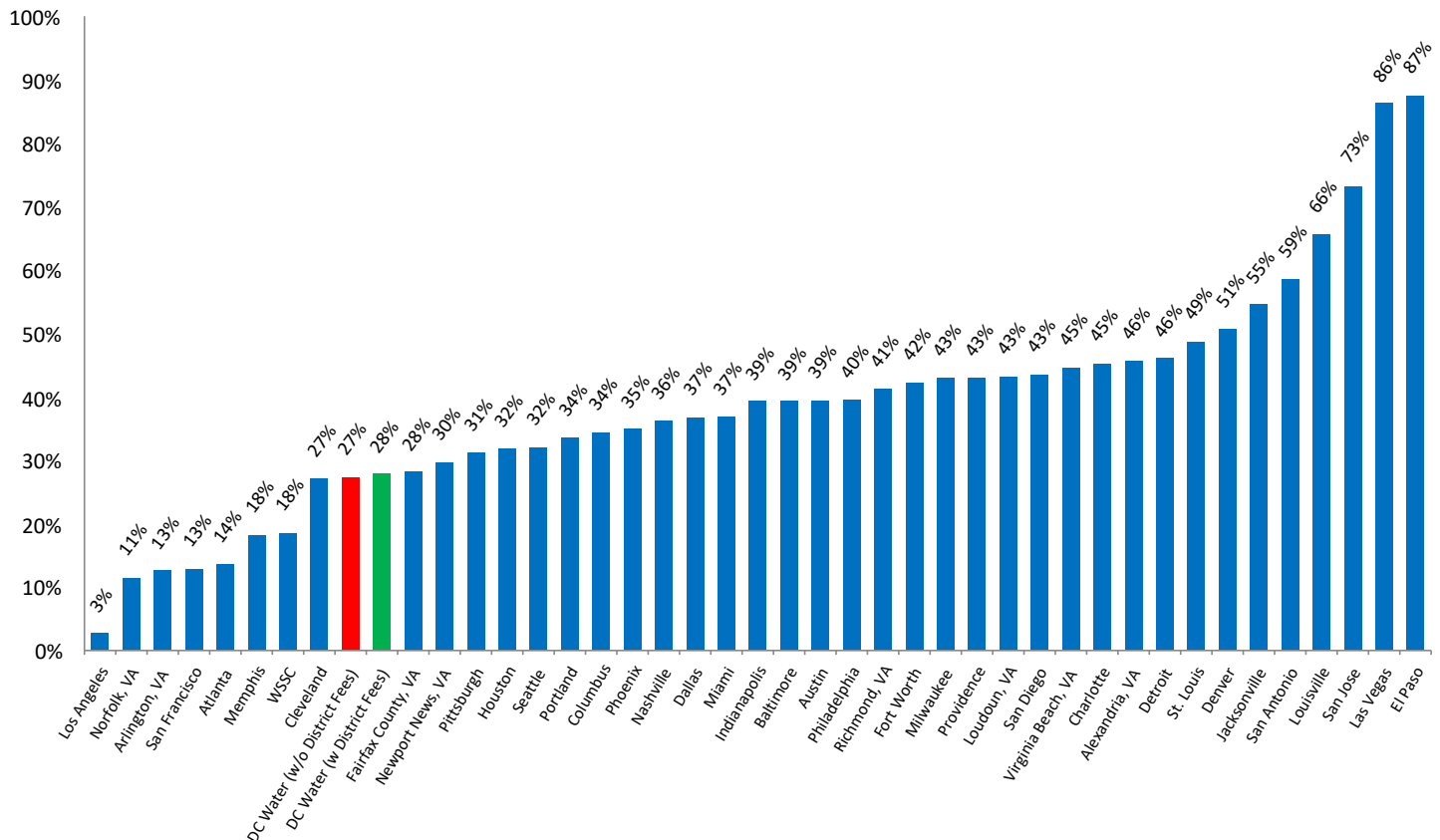
DC Water Compared to CSO Communities (Based on Rates in effect Fall 2022)



- 1) Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748gallons.
- 2) Reflects rates and fees in place as of December 1, 2022. The Authority's rate includes the PILOT/ROW fee totaling \$0.78 per Ccf (effective October 1, 2022) and the DOEE residential stormwater rate of \$2.67 per ERU per month.
- 3) Most CSO communities have implemented double digit rate increases to recover CSO-LTCP costs
- 4) Increases do not reflect other available dedicated taxes or state funding potentially available to some agencies
- 5) Chart reflects SFR monthly bill utilities with CSO programs without offsets to user charges

Fixed charges are a small component of the DC Water monthly bill and is less than median for large utilities. This provides the customer more opportunities to impact monthly bills through water conservation.

Fixed Charge as % of Total Single-Family Residential Bills in Large Cities (Based on Rates in effect Fall 2022)



- 1) User Charges are based upon information provided by the identified cities and standardized assumptions regarding water consumption, wastewater discharge, stormwater drainage area and other factors. Actual charges in each city will vary in accordance with local usage patterns. Some cities bill for sewer use on the basis of winter consumption which could affect sewer billings if a customer's use was not uniform throughout the year. Sewer charges include stormwater charges in those cities where separate stormwater fees are assessed. Some cities use property tax revenue or other revenues to pay for the part of the cost of water, wastewater, or stormwater services. In such situations, the user charges will not reflect the full cost of water, wastewater or stormwater services.
- 2) DC Water rate schedule was effective October 1, 2022. Whereas, charges for all cities reflect rate schedules in effect December 1, 2022
- 3) DC Water PILOT and ROW fees are split between variable water charges and variable sewer charges
- 4) DC Water charges include the stormwater charges of the District
- 5) CSO/Stormwater charges may cover the cost of CSO abatement facilities in those cities with combined sewers; such charges can also cover the cost of stormwater-related facilities and service



Approved FY 2024 Budgets

Section V: CAPITAL PROGRAMS



Watertight Test of Potomac Interceptor MH Walls

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime
Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	Budget
\$345,336	\$501,437	\$604,671	\$784,064	\$838,249	\$859,188	\$892,646	\$841,454	\$677,036	\$507,647	\$444,676	\$ 6,951,067	\$ 14,627,174



DC Water Headquarters



Bryant Street Pump Station



Blue Plains

Overview

DC Water's Capital Improvement Program (CIP) supports the continuation of major capital asset investment in programs and projects that will upgrade the water distribution and sewer system as well as maintain compliance with federal mandates and improve the efficiency of operations. The CIP includes all mandated projects, rehabilitation of assets required to meet permit and other regulatory requirements, and projects to meet the immediate needs necessary to maintain existing service levels.

The CIP is presented on two different basis: the ten-year disbursement plan and lifetime budget.

- **Ten-Year Disbursement Plan** – This category represents the actual cash disbursements “cash out of the door” for each project, excluding contingencies. It provides a more realistic approach and basis for forecasting the anticipated level of rate increases, as well as, timing for pursuing capital financing. In addition, the ten-year disbursement plan includes projected completion dates, program management, and in-house labor costs.
- **Lifetime Budget** – The “lifetime” budget, reflects historical spending prior to, during, and beyond the current ten-year period, including in-house labor. Lifetime budgets represent projects active during the ten-year period and are the primary area of focus in budget development and day-to-day monitoring. In addition to “active” projects, the lifetime budget includes projects for which all activities have been completed during the previous fiscal year and are listed as “closed” in the CIP. Closed projects are dropped from the CIP in the next fiscal year, and new projects are continuously added, as needed, each fiscal year.

Detailed information on the individual projects can be found online at www.dcwwater.com

CIP Development and Approval Process

DC Water’s capital budget review process begins each year in the spring and spans over several months. The Department of CIP Infrastructure Management, working with the Engineering Cluster, conducts a review of major accomplishments, priorities, status of major projects, and emerging regulatory and related issues impacting the capital program. The review process is a collaborative effort and involves departments with responsibility for managing the operations of DC Water services and capital projects; staff from the department of Finance; and members of the Senior Executive Team. The CIP is integrated into DC Water’s ten-year financial plan; and is the primary driver of DC Water’s projected rate increases over the ten-year planning period.

The formulation of the capital project budgets takes into consideration the imperatives of the Blueprint 2.0. All CIP project budget requests are prioritized to include regulatory requirements, mandates, health and safety, Board policy, potential failure, and good engineering practices. These criteria align with the five imperatives of the Blueprint 2.0 - to invest in high performing network of systems and assets to minimize service disruptions (**Reliable**), mitigate future impacts of climate change and flood hazards (**Resilient**), ensure inclusive and diverse representation (**Equitable**), embed a sustainably driven operating and delivery model (**Sustainable**) and improve water quality and ensure efficient use of economic resources (**Healthy, Safe and Well**). Starting with the FY 2024 budget process, DC Water incorporated the equity approach which entailed the use of risk and equity scores in prioritizing projects mainly for linear infrastructure such as the Lead Service Line Replacements, Small diameter Water Mains and Local Sewers. This approach would be considered for other CIP projects in the future as applicable.

DC Water’s operating and capital budget proposals are delivered to the Board of Directors at the Budget Workshop in January. Management conducts two months of Committee review meetings with the Environmental Quality and Operations; Finance and Budget; and DC Retail Water and Sewer Rates Committees in January. The operating budgets, capital improvement program, and ten-year financial plan were adopted by the full Board on March 2, 2023.

After adoption by the Board of Directors, DC Water is required to submit its annual operating and ten-year capital budgets to the Mayor and the District of Columbia Council for review and comment. However, neither has the power to change DC Water’s annual budgets. The District of Columbia includes DC Water’s budgets in their submission to Congress.

Capital Authority Request

Capital authority represents the amount of Congressionally-authorized funding that DC Water can use to administer its capital program. Sufficient authority is required to be in place prior to contracts being executed. Actual commitments within the service areas may vary up or down for a particular year. However, they are “not to exceed the total” FY 2024 – FY 2032 capital authority request in the amount of \$6.4 billion.

It should be noted that the execution of contracts requires the approval of the CEO and General Manager, as Contracting Officer, or his delegee. Major projects and contracts valued at \$1 million or more require DC Water Board approval.

Capitalization Policy

DC Water’s capitalization policy determines how expenditures will be recognized and accounted. DC Water matches the financing of an asset to its projected useful life and the policy determines how projects will be financed.

DEFINITION:

- Capital Project – an average life of 30 years and is financed with long-term debt
- Capital Equipment – has a life of at least three years, is financed with short-term debt or cash, and an individual component cost of \$5,000 or more. The cost of capital equipment purchases that are part of a clearly identified capital program can be aggregated. In which case, all costs relating to the capital program are capitalized at the project level regardless of the individual component amount.

The following guidelines are used to categorize items as either capital equipment or an operating expense.

Expenditure Type	Financial Treatment	Definition
Rehabilitation		
Enhancement	Capitalize	Addition/replacement of a sub-component of an asset, to improve the “attributes” of the asset. This will include all such work as valve replacement or replacement of a section of a pipe.
Refurbishment	Capitalize	Expenditure on an asset that creates a material extension to the Estimated Operating Life (EOL) of the asset. This is distinct from maintenance work, which is carried out to ensure that an asset is able to perform its designated function for its normal EOL. An example of refurbishment would be pipe lining and pipe grouting.
Rebuild	Capitalize	Expenditures to reconstruct, renovate, remodel, remake or reassemble an asset or infrastructure after it has been damaged or destroyed. An example of a rebuild is a valve rehabilitation, reconstruction of the valve elements
Replacement	Capitalize	Expenditure to replace substantially all of an asset. An example is replacement and installation of a new pipe including the ensuing disinfection applications and all associated activities relating to the replacement
Repair	Expense	Expenditure on an asset that maintains or restores the design functionality or attributes of an asset, enabling the asset to perform its intended function during its EOL. Examples of these will include service line repairs such as clamp application on service pipes, bolt application/replacement/adjustment, small scale chemical applications such as use of dechlorinating tablets, meter shut off valve, curb stop, small service line repairs that does not involve replacement nor meter housing, high pressure jet vacuum or any other obstruction removal methodology
Maintenance	Expense	Scheduled and recurring costs for the continued performance of an asset



Capital Improvement Program

[summary](#) [overview](#) [financial plan](#) [rates&rev](#)

capital

[financing](#) [departmental](#) [glossary](#)

(\$ in thousands)

	FY 2022	FY 2023 - FY 2032 Disbursement Plan										Lifetime	
	Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	Budget
NON PROCESS FACILITIES													
Facility Land Use	\$17,788	\$22,104	\$24,614	\$25,247	\$32,462	\$24,646	\$3,879	\$2,293	\$2,000	\$2,000	\$2,000	\$141,246	\$269,010
	\$17,788	\$22,104	\$24,614	\$25,247	\$32,462	\$24,646	\$3,879	\$2,293	\$2,000	\$2,000	\$2,000	\$141,246	\$269,010
WASTEWATER TREATMENT													
Liquid Processing	\$27,103	\$41,050	\$28,977	\$47,726	\$83,307	\$75,562	\$77,488	\$89,520	\$59,692	\$61,829	\$60,116	625,266	\$1,272,081
Plantwide	\$8,732	\$14,596	\$39,838	\$51,239	\$40,909	\$50,182	\$39,544	\$25,388	\$20,231	\$16,742	\$3,140	301,809	\$530,955
Solids Processing	\$26,999	\$12,939	\$14,427	\$17,374	\$12,887	\$17,573	\$24,873	\$17,971	\$30,464	\$34,339	\$21,011	203,857	\$944,041
Enhanced Nitrogen Removal Facilities	\$6,443	\$3,322	\$1,201	\$1,346	\$637	\$2,238	\$1,414	\$7,420	\$21,779	\$10,188	\$405	49,949	\$788,082
	\$69,277	\$71,907	\$84,442	\$117,684	\$137,739	\$145,555	\$143,319	\$140,299	\$132,166	\$123,098	\$84,671	\$1,180,881	\$3,535,160
COMBINED SEWER OVERFLOW													
DC Clean Rivers Program	\$116,099	\$104,558	\$100,329	\$135,619	\$172,452	\$136,585	\$146,829	\$132,388	\$33,847	\$0	\$0	962,607	\$2,992,358
Combined Sewer Overflow Program	\$1,576	\$3,473	\$9,927	\$12,445	\$15,927	\$12,825	\$10,432	\$5,997	\$12,182	\$12,465	\$4,593	100,267	\$223,714
	\$117,675	\$108,031	\$110,256	\$148,064	\$188,379	\$149,410	\$157,261	\$138,385	\$46,029	\$12,465	\$4,593	\$1,062,875	\$3,216,072
STORMWATER													
Storm Local Drainage Program	\$7	\$654	\$1,686	\$1,905	\$735	\$977	\$965	\$1,163	\$1,067	\$916	\$853	\$10,921	\$82,760
Storm On-Going Program	\$1,010	\$1,081	\$942	\$519	\$876	\$842	\$1,084	\$1,287	\$935	\$0	\$0	\$7,566	\$10,072
Storm Pumping Facilities	\$958	\$4,829	\$8,692	\$4,161	\$4,126	\$3,732	\$1,417	\$1,579	\$4,948	\$7,642	\$4,957	\$46,083	\$64,227
Stormwater Program Managemet	\$150	\$173	\$437	\$517	\$476	\$286	\$346	\$275	\$212	\$124	\$395	\$3,243	\$15,178
Stormwater Trunk/Force Sewers	\$42	\$772	\$1,082	\$1,216	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$4,428	\$44,543
	\$2,168	\$7,509	\$12,839	\$8,319	\$7,571	\$5,837	\$3,812	\$4,305	\$7,162	\$8,682	\$6,205	\$72,241	\$216,779
SANITARY SEWER													
Sanitary Collection System	\$1,786	\$4,582	\$25,217	\$58,615	\$60,253	\$61,914	\$54,330	\$54,582	\$56,493	\$57,843	\$58,000	\$491,829	\$728,214
Sanitary On-Going Projects	\$12,724	\$14,096	\$17,352	\$14,667	\$15,091	\$15,542	\$16,020	\$16,500	\$15,297	\$15,289	\$15,756	\$155,610	\$233,439
Sanitary Pumping Facilities	\$361	\$3,085	\$8,434	\$8,813	\$16,171	\$16,011	\$28,020	\$37,639	\$45,222	\$27,375	\$10,231	\$201,000	\$265,049
Sanitary Program Management	\$4,275	\$9,087	\$9,612	\$7,638	\$7,640	\$8,634	\$10,520	\$10,688	\$7,927	\$4,451	\$1,116	\$77,313	\$191,900
Interceptor/Trunk Force Sewers	\$11,909	\$37,182	\$57,842	\$95,377	\$69,410	\$120,816	\$168,845	\$151,593	\$97,201	\$38,289	\$33,811	\$870,364	\$1,309,131
	\$31,056	\$68,031	\$118,457	\$185,109	\$168,564	\$222,916	\$277,735	\$271,002	\$222,140	\$143,246	\$118,914	\$1,796,116	\$2,727,733
WATER													
Water Distribution Systems	\$30,621	\$30,986	\$72,384	\$89,285	\$97,369	\$118,521	\$125,347	\$123,510	\$126,497	\$122,606	\$126,784	\$1,033,289	\$2,102,409
Lead Free DC Program	\$17,917	\$42,477	\$77,504	\$107,944	\$109,838	\$91,370	\$74,797	\$62,971	\$44,771	\$0	\$0	\$611,672	\$816,318
Water On-Going Projects	\$17,316	\$18,280	\$17,292	\$16,825	\$17,779	\$19,351	\$18,915	\$20,691	\$21,601	\$20,879	\$22,623	\$194,235	\$261,206
Water Pumping Facilities	\$1,332	\$5,910	\$10,202	\$7,983	\$7,734	\$6,391	\$7,029	\$4,547	\$2,678	\$2,408	\$2,414	\$57,295	\$95,574
Water Storage Facilities	\$1,682	\$6,447	\$6,811	\$11,754	\$4,438	\$3,834	\$9,658	\$4,997	\$3,536	\$3,328	\$5,096	\$59,899	\$175,104
Water Service Program Management	\$2,448	\$4,809	\$4,179	\$4,716	\$5,120	\$7,542	\$7,080	\$4,641	\$4,641	\$5,120	\$7,563	\$55,412	\$121,424
	\$71,316	\$108,909	\$188,371	\$238,506	\$242,278	\$247,009	\$242,826	\$221,357	\$203,725	\$154,341	\$164,479	\$2,011,801	\$3,572,035
CAPITAL PROJECTS	\$309,279	\$386,492	\$538,981	\$722,930	\$776,993	\$795,374	\$828,832	\$777,640	\$613,222	\$443,833	\$380,862	\$6,265,159	\$13,536,789
CAPITAL EQUIPMENT	\$21,374	\$47,421	\$30,535	\$31,654	\$31,776	\$34,334	\$34,334	\$34,334	\$34,334	\$34,334	\$34,334	\$347,390	\$347,390
WASHINGTON AQUEDUCT	\$14,683	\$67,523	\$35,155	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$338,518	\$338,518
ADDITIONAL CAPITAL PROJECTS	\$36,057	\$114,944	\$65,690	\$61,134	\$61,256	\$63,814	\$63,814	\$63,814	\$63,814	\$63,814	\$63,814	\$685,909	\$685,909
LABOR													\$404,476
TOTAL CAPITAL BUDGETS	\$345,336	\$501,437	\$604,671	\$784,064	\$838,249	\$859,188	\$892,646	\$841,454	\$677,036	\$507,647	\$444,676	\$6,951,067	\$14,627,174

(\$ in thousands)

Prioritization Schedule

The Authority evaluates and prioritizes capital projects based on a specific criteria. These criterias are fundamental in developing a CIP based on demonstrated needs and are set forth in the following table and described below.

Approximately 14 percent of the current CIP ten-year disbursements are for large regulatory mandates which includes the Clean Rivers Project. As we progress closer to the completion of the mandated projects, DC Water is able to increase investments in upgrading its aging water and sewer infrastructure.

MEASURE OF PRIORITY

	1A		2A	2B	2C	2D	3A		3B	
	Mandates		Health & Safety	Board Policy	Potential Failure	High Profile Good Neighbor	Good Engineering High Payback		Good Engineering Lower Payback	
	Agreements, Regulatory standards, Court orders, Issues and Permits requirements, Stipulated Agreements, Etc.		Required to address Public Safety	Undertaken as a result of the Board's commitment to outside agencies	Related to Facilities in danger of failing, or critical to meeting permit requirements	Address Public concerns	Need to fulfill Mission and upgrade Facilities		Lower priority Projects	
FY 2023	\$106,715	21%	\$53,232	\$77,481	\$41,222	\$1,493	\$146,547	29%	\$74,747	\$501,437
FY 2024	\$100,452	17%	\$20,372	\$132,402	\$41,685	\$702	\$192,996	32%	\$116,062	604,671
FY 2025	\$135,645	17%	\$9,954	\$167,859	\$57,100	\$1,842	\$260,642	33%	\$151,021	784,064
FY 2026	\$172,452	21%	\$11,242	\$178,345	\$40,278	\$2,076	\$255,501	30%	\$178,355	838,249
FY 2027	\$136,585	16%	\$12,066	\$180,531	\$37,264	\$3,284	\$297,956	35%	\$191,502	859,188
FY 2028	\$146,829	16%	\$7,326	\$177,995	\$91,761	\$634	\$283,347	32%	\$184,753	892,646
FY 2029	\$132,388	16%	\$18,963	\$146,165	\$50,911	\$0	\$302,947	36%	\$190,080	841,454
FY 2030	\$33,847	5%	\$15,838	\$137,736	\$48,044	\$0	\$248,214	37%	\$193,356	677,036
FY 2031	\$0	0%	\$7,206	\$96,590	\$35,411	\$0	\$171,482	34%	\$196,957	507,647
FY 2032	\$0	0%	\$369	\$93,104	\$26,655	\$0	\$159,660	36%	\$164,889	444,676
Total	\$964,912		\$156,569	\$1,388,208	\$470,332	\$10,030	\$2,319,293		\$1,641,724	\$6,951,067
% of Total	13.9%		2.3%	20.0%	6.8%	0.1%	33.4%		23.6%	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime
Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	Budget
\$ 17,788	\$ 22,104	\$ 24,614	\$ 25,247	\$ 32,462	\$ 24,646	\$ 3,879	\$ 2,293	\$ 2,000	\$ 2,000	\$ 2,000	\$ 141,246	\$ 269,010



Non Process Facilities Sewer Building



Main Pumping Station



Fleet Maintenance Facility

Overview

The Non Process Facilities Service Area accommodates projects approved under the Non Process Facilities Master Plan (NPFMP) and related improvements necessary to support DC Water activities and critical operations. The goals of this service area are the same as those in the NPFMP, which are designed to:

- Optimize equity and wellness for the DC Water non-process facilities working environment.
- Maximize efficient use of existing DC Water land and facilities.
- Introduce state-of-the-art material management technologies that will enhance inventory security, storage, distribution, and transportation.
- Implement green strategies, and sustainable design within DC Water infrastructure and facility planning.
- Maximize flexibility throughout DC Water facilities to support management of future treatment needs, distribution system operations, and innovative opportunities.

PROGRAM AREAS

Facility Land Use – The primary objective of this service area is to implement the Non-Process Facilities Master Plan (NPFMP) and to ensure that we are meeting the wellness and equity needs of our workforce while efficiently maintaining facilities to support our operations. The facility land use budget provides for improvement projects to DC Water’s regularly occupied facilities. These projects directly contribute to the sustainability of DC Water facilities assets as well as the health and well-being of our employees and visitors in DC Water’s office and shop environments. Some of the projects included in this program are:

- **Renovations to Bryant Street Campus** – The 2013 NPFMP required the development of improved spaces for our Water Operations and expanding critical functions through the development of a proper Emergency Operations Center (EOC), while maintaining the Bryant Street Pump Station’s historic character. In addition to efficiently organizing the space vacated by personnel now located at HQO, this project consists of identifying a range of potential tasks, such as structural/building envelope analysis, energy efficiency and resiliency upgrades, improved parking and workspace planning and warehousing that will modernize and improve operations at the Bryant Street campus.
- **Ft Reno Pump Station-Field Ops Facility** – This project will start concept design in FY 2023 to renovate the non-process facilities at the Ft Reno campus to include a new/updated water lab facility, upgrades to the historic watchman’s tower and original pump station building. The project will also focus on improvements to the grounds and security fencing to provide a suitable working environment for DC Water employees and visitors as well as being a good neighbor in recognizing and maintaining the historic character of the campus buildings.
- **Main & O Redevelopment Efforts** – This project relocates Sewer and Fleet Operations from the Main & O Campus in order to accommodate the redevelopment plans for the District of Columbia in and around the Navy Yard. Costs associated with the acquisition of new land and construction of new facilities will be paid by the District of Columbia. The new Sewer Facility at Ames Place achieved occupancy in FY 2022, and the Fleet also achieved occupancy in FY 2023.
- **Renovations to Blue Plains Central Operations Facility** – The 2013 NPFMP called for utilizing the Central Operations Facility as the operations center for Blue Plains as originally intended, consolidating all Engineering staff except Clean Rivers. In addition to efficiently organizing the space vacated by administrative personnel now located at the Headquarters Office, this project consists of identifying a range of potential tasks, such as structural/building envelope analysis, energy efficiency and resiliency upgrades, and improved space planning and document storage that will modernize and improve operations at the facility. The concept design for this project will take place in FY 2023. Procurement of design is planned for FY 2024 with construction scheduled to start in FY 2026.
- **CMF Renovations and Consolidation** – This project will provide for renovation of the existing Blue Plains (SB-1) Supply Building One to allow for consolidation of the Facilities Department in the SB-1 space. This will provide space for consolidation of Wastewater Operations within the Central Maintenance Facility. Design for the SB-1 renovation was completed in FY 2023 Q2. Procurement and start of construction for SB-1 renovation are planned for FY 2024.

- ***Floatable Debris Dock Replacement*** – The existing docks are more than 25 years old and need to be replaced. The replacement slips (at least five) and associated new piles will allow flexibility and maneuverability of the boats, overcome the existing draft challenges of the river bottom, and most importantly, create safe conditions for the staff and their operations. Future improvements include replacement of the docks, replacement of the on-site office facility, addition of solar to the site, updated fencing and lighting to further improve the working environment and efficiencies of skimmer boat operations.
- ***Non-Process Heating, Ventilation, and Air Conditioning (HVAC) and Roofing Projects*** – This project is meant to holistically address some of the HVAC and roofing/building envelope challenges that exist throughout DC Water facilities. This will include undertaking proper analysis of our needs given the characterization of the space (occupied versus non-occupied for example) and then developing remediation and renovation plans as identified by the assessment. Assessments started in FY 2022 and continue through FY 2023. As phases of assessments are completed, scoping for project design and construction will begin. The phasing of assessments by the Non-Process Program team prioritizes HVAC and roofing projects with immediate needs and beyond will implement an informed, proactive plan that considers the proper lifecycle costs of these assets to ensure that our facilities meet the needs of our operations and workforce.
- ***Anacostia Pump Station-Field Ops Facility*** – This project provides for planning, design and construction to renovate and repurpose the existing, historic Old Anacostia Pump Station. The existing Old Anacostia Pump Station was abandoned when the new Anacostia Pump Station was built on the same campus. The project will provide concept design in FY 2023, design starting in FY 2024 and construction planned to start in FY 2026. The project will provide a suitable field operations location for DC Water Operations as well as doing our part as a good neighbor to surrounding Ward 8 neighborhood.
- ***Main & O Seawall Restoration*** – This project provides for planning, design and construction to rebuild the existing seawall to the south of the new headquarters building. Planning and evaluation of the condition of the existing seawall is planned for FY 2023 with design projected to start in FY 2024 and construction start in FY 2025. The project will provide for continued protection by the seawall as well as doing our part as a good neighbor to support improvements to the Anacostia River waterfront area.
- ***Main Pump Station Building Modifications*** – This project is in place to ensure the historic Main Pump Station will continue to last and humbly represent DC Water’s lasting contributions to Washington DC’s growth and success. This funding will support restoration to the building’s exterior envelope and interior spaces to planning, design and for many years to come. The restoration requires planning, design and construction by historic building specialty companies. In addition to permitting with Department of Buildings (DOB) there will be extensive need for outreach and coordination with the State Historic Preservation Office (SHPO) and the U.S. Commission of Fine Arts (CFA). Concept design for this project will begin in FY 2023 Q2.

- **Solar Projects** – This project provides for planning, design, and construction for solar installations at multiple DC Water campuses. Planning includes Ft Stanton solar project to begin concept design in FY 2023 and solar projects at Bryant Street, Floatable Debris Dock, Fort Reno, Anacostia Pump Station, and Potomac Pump Station in FY 2024 through FY 2027. These projects will enhance the sustainability profile for DC Water and are intended to help support improvement of rates.

ACCOMPLISHMENTS

- The new Non-Process Facilities Program Management (NPFPM) contract was executed in late FY 2021 by McKissack & McKissack, a woman-owned professional design and construction firm. Their team has been working through the learning curve of adjusting as a prime consultant for DC Water. This contract provides for program management, planning, design, and construction management services to support land use/non-process capital projects (ALU). The Facilities Department and NPFPM continue to coordinate with the Department of Engineering and Technical Services on active land use projects while the NPFPM team is getting their arms around the full scope of the Program.
- The new Fleet facility at Walker Mill is expected to achieve occupancy and substantial completion in FY 2023 Q2/Q3 with final completion anticipated in FY 2023. The Fleet Department has vacated the old Fleet Building and moved into the new Fleet Facility in FY 2023. The new Fleet location provides state-of-the-art shop space and well organized, professional new office space to support the critical Fleet Department mission.
- DC Water is in the schematic design/program development phase for the renovations at Bryant Street. Bryant Street planning is advancing with interactions with State Historic Preservation Office (SHPO). Determination of Eligibility for the Distribution Building and the warehouse at 200 Bryant Street has been completed and concept design is moving forward in coordination with the determinations.
- Concept Design for the Floatable Debris Dock Upgrades is complete. Requests for proposals for this Design Build project will be advertised in Q2 of FY 2023.

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

Non-Process Facilities Program Management (NPFPM) – This program impacts all DC Water workers and visitors by providing a safe, healthy, well and equitable environment for all DC Water support services and operational team home-base locations. The successful execution of the program supports a comfortable and engaged workforce. The comfortable and engaged workforce will be able to carry out the DC Water mission of providing safe, healthy drinking water to the DC area and properly treated wastewater for the District, and surrounding counties in a sustainable working environment. Through this working environment, the Program supports reliable operations and resiliency as emergencies occur.

Non Process Facilities

[summary](#) [overview](#) [financial plan](#) [rates&rev](#)
[capital](#)
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(\$ in thousands)

FACILITY LAND USE	Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
DS New Headquarters Building	2008	Ongoing	\$131	\$1,464	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,480	\$76,764	2024
DU Water System Laboratory Facilities	2006	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2021
HE Bryant Street Pump Station Building Mod.	2018	Ongoing	\$0	\$602	\$1,276	\$3,446	\$5,691	\$978	\$0	\$0	\$0	\$0	\$0	\$11,993	\$14,370	2027
HF Fort Reno Pump Station	2020	Ongoing	\$0	\$512	\$3,458	\$887	\$1,120	\$77	\$0	\$0	\$0	\$0	\$0	\$6,054	\$5,850	2027
HH Main & O Redevelopment Efforts	2015	Ongoing	\$15,862	\$9,249	\$233	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,482	\$52,129	2024
HJ Central Operations Facility Renovation	2019	Ongoing	\$488	\$302	\$336	\$2,789	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,428	\$7,214	2025
HK CMF Renovations And Consolidation	2020	Ongoing	\$252	\$299	\$5,403	\$3,489	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,190	\$11,270	2025
NZ Floatable Debris Dock Replacement	2020	Ongoing	\$57	\$242	\$564	\$1,323	\$2,532	\$634	\$0	\$0	\$0	\$0	\$0	\$5,295	\$5,402	2027
RV Non-Process Area - HVAC And Roofing Projects	2020	Ongoing	\$731	\$1,977	\$1,254	\$1,405	\$3,334	\$3,736	\$2,099	\$2,293	\$2,000	\$2,000	\$2,000	\$22,098	\$24,290	2032
SA Anacostia Pump Station - Field Ops East	2022	Ongoing	\$39	\$178	\$963	\$1,905	\$1,485	\$0	\$0	\$0	\$0	\$0	\$0	\$4,532	\$4,500	2026
SB Bryant Street Parking Modifications	2022	Ongoing	\$38	\$121	\$302	\$905	\$2,306	\$273	\$0	\$0	\$0	\$0	\$0	\$3,907	\$4,000	2027
SC Main & O Seawall Restoration (Phase 2 HQO)	2022	Ongoing	\$60	\$626	\$869	\$2,435	\$5,994	\$2,307	\$0	\$0	\$0	\$0	\$0	\$12,232	\$12,394	2027
SD Main PS Building Modifications - Historic Restoration	2022	Ongoing	\$67	\$855	\$115	\$363	\$3,132	\$8,869	\$1,687	\$0	\$0	\$0	\$0	\$15,021	\$15,000	2028
SE Non-Process Facilities Program Management	2022	Ongoing	\$62	\$3,263	\$1,137	\$595	\$499	\$62	\$0	\$0	\$0	\$0	\$0	\$5,557	\$5,334	2027
SF Solar Projects	2023	New	\$0	\$2,194	\$8,245	\$4,998	\$3,633	\$4,977	\$93	\$0	\$0	\$0	\$0	\$24,139	\$23,692	2028
SG Sewer Services Office and Garage Expansion	2023	New	\$0	\$219	\$443	\$708	\$2,735	\$2,732	\$0	\$0	\$0	\$0	\$0	\$6,837	\$6,800	2027
TOTAL FACILITY LAND USE BUDGETS			\$17,788	\$22,104	\$24,614	\$25,247	\$32,462	\$24,646	\$3,879	\$2,293	\$2,000	\$2,000	\$2,000	\$141,246	\$269,010	
TOTAL NON PROCESS FACILITIES BUDGETS			\$17,788	\$22,104	\$24,614	\$25,247	\$32,462	\$24,646	\$3,879	\$2,293	\$2,000	\$2,000	\$2,000	\$141,246	\$269,010	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime Budget
Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	
\$ 69,277	\$ 71,907	\$ 84,442	\$ 117,684	\$ 137,739	\$ 145,555	\$ 143,319	\$ 140,299	\$ 132,166	\$ 123,098	\$ 84,671	\$ 1,180,881	\$ 3,535,160



Blue Plains Filter Influent Pump Install



Blue Plains Gravity Thickener Phase 2



Blue Plains Clarification at Wet Weather Treatment Facility

Overview

Capital projects in the Wastewater Treatment Service Area are required to rehabilitate, upgrade or provide new facilities at Blue Plains to ensure that it can reliably meet its National Pollutant Discharge Elimination System (NPDES) permit requirements and produce a consistent, high-quality dewatered biosolids product. DC Water's current NPDES permit is effective from August 26, 2018, through August 25, 2023. This permit requires wastewater treatment to a level that meets one of the most stringent NPDES discharge permits in the United States.

Blue Plains Advanced Wastewater Treatment Plant treats an annual average flow of 320 million gallons per day (MGD) and has a design capacity of 384 MGD, with a peak wet weather design capacity to treat more than one billion gallons per day. Wastewater flows in from the District of Columbia, Montgomery and Prince George's Counties in Maryland, and Fairfax and Loudoun counties in Virginia.

PROGRAM AREAS

Liquids Processing – Projects in this program area encompass upgrading and rehabilitating facilities involved in handling flows from the sanitary and combined sewer systems. These flows progress sequentially through the Plant processes and ultimately discharge the treated effluents into the Potomac River.

Plantwide – This program provides for upgrading, rehabilitating, or installing support systems and facilities that are required for both the liquid processing and solids processing programs.

Solids Processing – Biosolids processing involves reductions in volume along with treatment to meet applicable federal, state, and local requirements for beneficial reuse of biosolids. Treatment is provided by a system of processing facilities that include gravity thickening of primary sludge, floatation thickening of the biological waste sludge produced by the secondary and nitrogen removal processes, pre-dewatering of blended thickened solids by centrifuge, pretreatment of solids by thermal hydrolysis, anaerobic digestion, and final dewatering of Class A biosolids by belt filter press.

Enhanced Nitrogen Removal Facilities – Provides facilities and upgrades to existing facilities needed at Blue Plains to meet the total nitrogen discharge limit assigned to DC Water. In addition to expansion of existing nitrification and denitrification processes, this program includes a new wet weather treatment facility that simultaneously treats combined stored sewage and reduces the peak flow through the biological treatment system. The necessary facilities to meet the current NPDES permit are in operation. An expansion will be required in the future to treat future increased influent loads to the Plant.

ACCOMPLISHMENTS

- **Closeout of Filtrate Treatment Facility Contract** - This project provides for a new treatment system that will remove nitrogen from the recycle stream from solids processing. The Total Nitrogen Removal Project is part of DC Water’s proposed Total Nitrogen - Wet Weather (TN/WW) Plan, which addresses the requirements of the Long-Term Control Plan as well as the Chesapeake Bay Tributary Strategies for reducing nitrogen discharged into the Chesapeake Bay. The principal components of the TN/WW are the Nitrogen Removal Facilities (Project E9), which entails a new or expanded nitrogen removal process to lower the concentration of total nitrogen in the Blue Plains effluent to 3 mg/l.
- **Closeout of Tunnel Dewatering Pump Station and Enhanced Clarification Facility Contract** – The Tunnel Dewatering Pump Station (TDPS) located at Blue Plains at the terminus and lowest point of the tunnel system is designed to dewater the entire contents of the tunnel system and pump it to treatment plant during and after a rain event. The Enhanced Clarification Facility (ECF) is part of DC Water’s proposed Total Nitrogen - Wet Weather (TN/WW) Plan, which addresses the requirements of the Long Term Control Plan as well as the Chesapeake Bay Tributary Strategies for reducing nitrogen discharged into the Chesapeake Bay. The principal components of this project are grit removal and screening for influent wastewater followed by an enhanced clarification facility. The new facilities will treat excess flow during wet weather events.
- **Substantial completion of Raw Wastewater Pumping Station 2 (RWWPS2)** – The pump station delivers wastewater from the wastewater collection system to the east preliminary treatment processes at Blue Plains. This project updated aging electrical equipment, both replacing equipment that is beyond its useful life and relocating sensitive electronic equipment to a less corrosive environment to reduce the rate of deterioration of the equipment. All nine (9) pumps in this station have been rehabilitated and placed in service.
- **Completion of construction to replace thirteen (13) influent screens** – This equipment screens all the wastewater influent to Blue Plains and removes rags and objects upstream of critical treatment processes protecting equipment and performance effectiveness. All thirteen (13) screens have been upgraded.
- **Completion of Transfer Trip and Stuck Breaker Electrical Upgrades Project** - This project implements a transfer trip scheme between PEPCO and the 69 kV primary circuit breakers at the Main Substation.

ACCOMPLISHMENTS CONTINUED

- Completed West Grit Chamber Effluent Structures Rehab under Miscellaneous Facilities Upgrades (MFU) Phase 6 Contract - These structures are subject to aggressive operating environments, which makes them vulnerable to accelerated deterioration. Failure of these structures could significantly impact treatment operations and/or pose public health and safety risks. The video inspections and non-invasive structural condition assessment of accessible surfaces were performed to observe the current conditions of the structures and the general extent and severity of deterioration during a rare shutdown of the West Primary Treatment Facility. Design was separated out from Headworks Influent Structures and Effluent Structures Rehabilitation (Project BC) for fast-track implementation.
- Ongoing construction for replacement of Filter Influent Pumps 1-10 – These pumps deliver nitrified and denitrified effluent to the filtration process at Blue Plains, which removes solids and phosphorus to meet permit limits. All ten (10) pumps have been upgraded.
- Ongoing construction for Gravity Thickener Upgrades – This project includes upgrading ten (10) gravity thickeners as well as the primary sludge de-gritting systems and associated electrical and instrumentation and control systems. All ten (10) gravity thickeners have been upgraded and placed in service. Primary sludge screening and de-gritting building is currently under operational demonstration.
- Ongoing construction for the Reclaimed Final Effluent Pump Station Upgrade – The Reclaimed Final Effluent (RFE) pump system is the source of water for the Process Service Water system (PSW) at Blue Plains. The project upgrades equipment for reliability as well as increasing capacity to meet the demand of facilities that have been added to the wastewater treatment plant in recent years. Ongoing construction under the Miscellaneous Facilities Upgrades Phase 7 project – This project commenced critical rehabilitation to the Filtration filter basins, concrete replacements throughout Blue Plains facility, and Steam line replacement serving Operational facilities.
- Ongoing design for Headworks Influent and Effluent Structural Rehabilitation – The final design for this project is underway. This project includes rehabilitation of the East Influent Sewer feeding Raw Wastewater Pump Station-1 is needed downstream due to the recent improvements done under the Blue Plains Influent Sewers Rehabilitation (BPISR) Contract. Rehabilitation within Blue Plains is needed for the East and West Outfall Relief Sewers feeding the East Process Screens Facility (EPSF) and Raw Wastewater Pump Station-2 (RWWPS-2) within Blue Plains.
- Ongoing design for Central Office Facilities/Information Technology Electrical Switchgear Upgrades – The final design for this project is underway. This project will upgrade the electrical distribution systems and miscellaneous improvements in the Central Operations Facility and Information Technology facility as required. This project replaces the unit substation, installed 1976, equipment in Central Operations Facility and changes the AC power feeder point for the Information Technology (IT) building.

ACCOMPLISHMENTS CONTINUED

- Ongoing design for Headworks Electrical Upgrades – The design for this project is underway. It includes HVAC improvements, miscellaneous concrete restorations, unit sub-stations 2 and 4 relocation and replacement, lightning protection improvements, Process Control System (PCS) improvements, relocation of disconnect switches and actuator replacements, grit bridge rehabilitation and upgrades, replacement of electrical control panels, combustible gas monitoring and plantwide alarm additions, camera replacements and PLC upgrades.
- Ongoing design for Pre-dewatering Centrifuges – The final design is underway. The equipment pre-selection for the centrifuges has been completed. This project restores to the biosolids program the last 2 of 12 planned pre-dewatering centrifuges (3 centrifuges each of the 4 Cambi trains) and connections to associated feed pumps, polymer pumps, solids chutes and odor control connections at the Main Process Train (MPT) pre-dewatering building.
- Ongoing design for Filter underdrain and Backwash System upgrades – The final design for this project is underway. This project includes the following -
 - Concrete restoration for the filter and gullet walls and the flume channels and conduits
 - Filter Underdrain system, which includes the underdrain, support gravel (if required), media, and air scour system, all of which are contained in the filter box.
 - Wash water system, including pumps, flow rate control meter and valves, and pressure reducing valves.
 - Air scour system, including blowers, discharge valves, and G&H valves which are shut-off valves for the north and south half of each filter, respectively.
 - Electrical system upgrades needed for the new mechanical equipment and to update the existing power distribution system, including the time synchronization system for all existing protective relays and Power Monitoring Transmitters (PMTs)
 - I&C system upgrades needed for the new mechanical equipment.
 - Demo and removal of obsolete, miscellaneous electrical and instrumentation
- Ongoing design for Biosolids Curing Pad – The final design for this project is underway. This project includes the design and construction of a Concrete Curing Facility located to the north of the biosolids blending facility for DC Water’s exceptional quality Class A biosolids branded as Bloom™.
- Continued planning for Blue Plains Micro-Grid/Electrical Power Monitoring and Control – Planning for Micro-Grid is underway. This project includes the implementation of an electrical power system management platform to manage the complex electrical power distribution and co-generation system Combined Heat and Power (CHP) Facility, and future Solar Power generation at the Blue Plains Advanced Wastewater Treatment Plant (AWTP).
- Ongoing planning for Blue Plains Floodwall Segments A, B, D – The design-build RFQ and RFP for this project are being finalized. Awaiting award of \$20M FEMA grant to partially fund this project. The project includes construction of a wall to prevent flooding of the DC Water Blue Plains Advanced Wastewater Treatment Plant (AWTP) from the Potomac River. The flood wall will be constructed to protect the AWTP from being inundated in a flood event up to a 500-year flood elevation with 3 feet of freeboard.

- Ongoing planning for Upgrades to the Primary Treatment Facility – The planning for the 20-year replacement project is underway. It includes rehabilitation and upgrade of primary treatment facilities, specifically collector mechanisms and general facility upgrades.

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

Liquid Processing Program – Projects in this program enable DC Water to continue to produce excellent quality effluent into the Potomac River and meet NPDES permit requirements. Completion of RWWPS2 Upgrade improved system reliability and increased redundancy and has extended the useful life of assets in the station.

Plantwide Projects Program – Significant projects in this program upgrade the power distribution system at Blue Plains. These include investments in power monitoring and controls with a goal to establish a microgrid. This new equipment will be used to optimize the distributed energy system, which includes an on-site solar generation and a combined heat and power plant.

Plantwide Projects Program – Significant projects in this program upgrade the power distribution system at Blue Plains. These include investments in power monitoring and controls with a goal to establish a microgrid. This new equipment will be used to optimize the distributed energy system, which includes an on-site solar generation and a combined heat and power plant.

(\$ in thousands)

LIQUID PROCESSING		Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
A2	Liquid Processing Program Management	2001	Ongoing	\$1,188	\$7,785	\$3,715	\$3,892	\$7,613	\$10,290	\$10,528	\$10,483	\$5,639	\$3,899	\$349	\$64,192	84,027	2035
B6	Primary Sedimentation Tank Covers	2026	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$581	\$1,766	\$132	\$2,690	\$5,169	43,598	2032
B7	Primary Sedimentation Tank Odor Scrubblers	2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,290	\$816	\$2,105	45,870	2032
BC	Headworks Influent Structures	2017	Ongoing	\$1,321	\$536	\$836	\$4,602	\$6,190	\$2,741	\$0	\$0	\$0	\$0	\$0	\$14,904	19,323	2027
BQ	Grit and Screenings and Primary	2018	Ongoing	\$1,224	\$1,293	\$2,118	\$12,716	\$20,427	\$6,645	\$0	\$0	\$0	\$0	\$0	\$43,199	55,698	2027
BR	Nitrification/Denitrification Facility	2006	Ongoing	\$0	\$672	\$912	\$296	\$171	\$42	\$0	\$0	\$0	\$0	\$0	\$2,094	54,803	2027
BT	Filtration/Disinfection Facility Phase II	2008	Ongoing	\$0	\$14	\$0	\$604	\$1,450	\$320	\$0	\$0	\$0	\$0	\$0	\$2,388	24,018	2027
BV	Raw Wastewater Pump Station No. 2 Upgrades	2013	Ongoing	\$2,661	\$341	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$341	46,898	2023
I4	Grit Removal Facilities - 20 Year Rebuild	2031	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,070	\$8,394	\$10,464	52,500	2033
I5	Raw Water Pump Stations I & 2 - 20 Year Rebuild	2024	Ongoing	\$0	\$0	\$0	\$541	\$918	\$3,859	\$9,770	\$6,310	\$0	\$0	\$0	\$21,398	29,000	2029
I7	Primary Treatment - 20 Year Rebuild	2023	Ongoing	\$0	\$0	\$333	\$732	\$2,858	\$2,049	\$11,406	\$11,427	\$10,583	\$5,400	\$0	\$44,787	54,600	2031
IY	Effluent Filter Upgrade	2017	Ongoing	\$3,945	\$17,877	\$10,065	\$8,733	\$16,910	\$24,430	\$18,872	\$12,948	\$5,826	\$8,110	\$7,969	\$131,740	169,842	2032
IZ	Replace/Upgrade Influent Screens	2016	Ongoing	\$6,559	\$3,304	\$0	\$0	\$0	\$234	\$2,451	\$2,038	\$4,513	\$17,824	\$19,765	\$50,128	81,490	2033
J2	Replace/Upgrade Primary Treatment Mechanisms	2018	Ongoing	\$209	\$2,878	\$4,027	\$3,869	\$4,337	\$3,259	\$839	\$0	\$0	\$0	\$0	\$19,209	29,190	2028
J6	Deammonification Project	2013	Ongoing	\$0	\$0	\$329	\$2,538	\$682	\$0	\$0	\$0	\$0	\$0	\$0	\$3,549	3,848	2026
JC	Secondary East and West - 20 Year Rebuild	2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$399	\$2,664	\$23,536	\$20,012	\$10,274	\$12,688	\$69,573	96,000	2034
LF	Nitrification Reactor/Sedimentation - 20 Year Rebuild	2023	Ongoing	\$0	\$0	\$513	\$1,595	\$7,838	\$9,460	\$201	\$0	\$0	\$2,930	\$7,445	\$29,982	139,980	2035
OZ	Grit Chambers I & 2 Upgrades	2017	Ongoing	\$42	\$0	\$0	\$2	\$423	\$533	\$3,754	\$4,289	\$27	\$0	\$0	\$9,029	15,130	2030
PD	Secondary East & West Upgrades	2016	Ongoing	\$0	\$0	\$0	\$0	\$214	\$541	\$2,290	\$4,112	\$161	\$0	\$0	\$7,318	9,685	2030
PE	Nitrification Reactor/Sedimentation Upgrades	2017	Ongoing	\$553	\$2,264	\$5,227	\$4,717	\$321	\$0	\$0	\$0	\$0	\$0	\$0	\$12,529	15,607	2026
RN	Liquids Processing Rehabilitation	2020	Ongoing	\$0	\$0	\$586	\$2,357	\$9,094	\$7,353	\$496	\$0	\$0	\$0	\$0	\$19,886	23,321	2028
RW	Long-term Concrete Rehabilitation Projects	2026	Ongoing	\$0	\$0	\$0	\$0	\$1,183	\$2,838	\$14,218	\$13,797	\$11,164	\$9,900	\$0	\$53,100	62,820	2031
UC	Filtration/Disinfection Facility	2000	Ongoing	\$9,399	\$4,086	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,086	96,786	2023
UF	Dual Purpose Sed Area Facilities 20yr Upgrade	2033	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	13,165	2033
UJ	FIP Wall Pipe Replacement	2024	New	\$0	\$0	\$316	\$534	\$2,678	\$567	\$0	\$0	\$0	\$0	\$0	\$4,095	4,884	2027
TOTAL LIQUID PROCESSING BUDGETS				\$27,103	\$41,050	\$28,977	\$47,726	\$83,307	\$75,562	\$77,488	\$89,520	\$59,692	\$61,829	\$60,116	\$625,266	\$1,272,081	

(\$ in thousands)

PLANTWIDE	Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
AL Plantwide Project Program Management	2001	Ongoing	\$4,245	\$2,877	\$6,148	\$4,305	\$3,078	\$2,113	\$2,119	\$2,621	\$2,547	\$2,159	\$0	\$27,968	\$65,973	2031
BY Additional Chemical Systems Phase III	2024	Ongoing	\$0	\$0	\$0	\$116	\$105	\$826	\$1,708	\$348	\$0	\$0	\$0	\$3,102	\$3,822	2029
CH Miscellaneous Facility Projects	2004	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,039	2022
CV Laboratory Upgrades	2006	Ongoing	\$147	\$456	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$456	\$9,291	2023
CW Security at Blue Plains	2005	Ongoing	\$396	\$434	\$559	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,086	\$6,617	2025
EI Plantwide Painting of Steel Pipes	2012	Ongoing	\$0	\$0	\$1,008	\$3,397	\$1,022	\$0	\$0	\$0	\$0	\$0	\$0	\$5,427	\$5,570	2026
GP Instrumentation & Control & Electric Program Management	2009	Ongoing	\$1,041	\$396	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$396	\$6,373	2023
GW Control Systems Replacement	2022	Ongoing	\$0	\$0	\$526	\$241	\$958	\$1,085	\$3,976	\$10,258	\$8,946	\$4,830	\$152	\$30,972	\$37,000	2032
HL DWT - Process and Operations Jobs	2011	Ongoing	\$1,010	\$305	\$640	\$575	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,520	\$9,213	2025
IC Electrical Monitoring Systems	2015	Ongoing	\$0	\$725	\$974	\$207	\$5,291	\$11,934	\$2,904	\$0	\$0	\$0	\$0	\$22,034	\$26,130	2028
IT Hauled Waste Receiving Facility	2020	Ongoing	\$0	\$0	\$101	\$168	\$1,346	\$1,936	\$0	\$0	\$0	\$0	\$0	\$3,551	\$5,000	2027
IU Solar Photovoltaic System	2020	Ongoing	\$47	\$9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$960	2023
IV Blue Plains IT Backbone Fibre-Optic Cables Tubes	2016	Ongoing	\$0	\$190	\$1,962	\$1,108	\$14	\$0	\$0	\$0	\$0	\$0	\$0	\$3,273	\$5,899	2026
JF Construction of Flood Seawall	2019	Ongoing	\$271	\$51	\$7,091	\$12,067	\$6,650	\$1,966	\$0	\$0	\$0	\$0	\$0	\$27,825	\$36,564	2027
LS Miscellaneous Facility Projects FY 2013	2013	Ongoing	\$256	\$689	\$621	\$645	\$581	\$581	\$511	\$307	\$78	\$0	\$0	\$4,014	\$17,582	2030
LX Process Control System Upgrade	2021	Ongoing	\$552	\$1,219	\$2,092	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,311	\$4,000	2024
OD Plantwide Paving	2015	Ongoing	\$0	\$0	\$24	\$680	\$594	\$162	\$2,805	\$1,605	\$0	\$0	\$0	\$5,870	\$8,240	2029
OE Plantwide Drainage & Runoff	2016	Ongoing	\$95	\$942	\$7,538	\$5,875	\$2,074	\$0	\$0	\$0	\$0	\$0	\$0	\$16,428	\$19,112	2026
OG City Water & Sewer Upgrades at Wastewater Treatment Plant	2022	Ongoing	\$0	\$0	\$36	\$679	\$421	\$0	\$0	\$0	\$0	\$0	\$0	\$1,136	\$1,403	2026
OH Plantwide Demolition	2026	Ongoing	\$0	\$0	\$0	\$84	\$2,320	\$3,054	\$1,299	\$0	\$1,596	\$1,502	\$143	\$9,998	\$11,100	2032
OP Plantwide Sump Pump Rehabilitation	2020	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	2022
OQ Plantwide Roofing Upgrades	2022	Ongoing	\$0	\$454	\$300	\$636	\$3,671	\$4,032	\$0	\$0	\$0	\$0	\$0	\$9,093	\$10,000	2027
OS Plantwide Lighting Upgrades	2017	Ongoing	\$0	\$484	\$129	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$613	\$3,723	2024
PF Chemical System/Building Upgrades	2015	Ongoing	\$0	\$686	\$617	\$2,103	\$2,584	\$5,585	\$3,417	\$174	\$0	\$0	\$0	\$15,166	\$26,660	2029
TZ Electric Power System - Power Gear	2001	Ongoing	\$410	\$2,424	\$1,378	\$10,378	\$5,512	\$9,584	\$12,755	\$3,172	\$0	\$0	\$0	\$45,203	\$71,666	2029
U2 Wastewater Thermal Energy	2020	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$397	\$899	\$2,222	\$2,845	\$6,363	\$18,430	2032
US Main Substation Hardening	2024	New	\$0	\$0	\$20	\$507	\$411	\$3,010	\$3,514	\$67	\$0	\$0	\$0	\$7,530	\$9,279	2029
V1 MFU8 - Rehabilitation and Emergency Response VIII	2023	Ongoing	\$0	\$1,412	\$4,905	\$3,405	\$366	\$311	\$0	\$0	\$0	\$0	\$0	\$10,399	\$10,280	2027
V2 MFU9 - Rehabilitation and Emergency Response IX	2023	Ongoing	\$0	\$270	\$1,830	\$2,444	\$2,203	\$2,161	\$872	\$0	\$0	\$0	\$0	\$9,780	\$10,280	2028
V3 MFU10 - Rehabilitation and Emergency Response - Plantwide X	2023	Ongoing	\$0	\$205	\$1,233	\$1,224	\$1,097	\$1,098	\$66	\$0	\$0	\$0	\$0	\$4,923	\$5,120	2028
YD Miscellaneous Projects	1999	Ongoing	\$260	\$366	\$107	\$302	\$612	\$745	\$447	\$274	\$0	\$0	\$0	\$2,852	\$51,630	2029
XP Efficiency Improvements	2029	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$3,150	\$6,165	\$6,165	\$6,030	\$0	\$21,510	\$25,000	2031
TOTAL PLANTWIDE BUDGETS			\$8,732	\$14,596	\$39,838	\$51,239	\$40,909	\$50,182	\$39,544	\$25,388	\$20,231	\$16,742	\$3,140	\$301,809	\$530,955	



Wastewater Treatment

summary overview financial plan rates&rev

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glossary

(\$ in thousands)

SOLIDS PROCESSING			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion	
AM	Solids Processing Program Management			2001	Ongoing	\$2,715	\$611	\$630	\$1,481	\$1,743	\$1,682	\$1,526	\$1,700	\$2,206	\$1,668	\$311	\$13,557	\$26,630	2035
BX	Gravity Thickener Upgrades Phase II			2010	Ongoing	\$23,493	\$10,119	\$4,803	\$84	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,005	\$83,993	2025
EV	Area Substation No. 6			2008	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,106	2022
I3	Biosolids Blending Development Center			2015	Ongoing	\$134	\$750	\$4,969	\$5,087	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,805	\$12,093	2025
LD	Pre-Dewatering Additional Centrifuges			2020	Ongoing	\$108	\$314	\$312	\$2,455	\$4,405	\$866	\$0	\$0	\$0	\$0	\$0	\$8,352	\$10,051	2027
LE	High Strength Waste Receiving Facility (Includes Fats, Oils & Grease)			2026	Ongoing	\$0	\$0	\$0	\$0	\$111	\$318	\$1,614	\$2,708	\$0	\$0	\$0	\$4,752	\$6,008	2029
RM	Biosolids Rehabilitation			2021	Ongoing	\$0	\$0	\$404	\$1,182	\$1,293	\$1,659	\$4,818	\$2,834	\$18,909	\$23,321	\$11,325	\$65,744	\$79,996	2033
TH	THP/Digestion Facilities 20 yr Upgrade			2033	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,084	2036
XA	New Digestion Facilities			1999	Ongoing	\$85	\$0	\$63	\$456	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$536	\$552,905	2026
XD	Rehabilitation of Dewatered Sludge Loading Facility			2024	New	\$0	\$0	\$917	\$1,735	\$2,288	\$11,518	\$9,830	\$1,379	\$0	\$0	\$0	\$27,666	\$31,700	2029
XZ	Solids Processing Building / Dewatered Sludge Loading Facility			1999	Ongoing	\$465	\$941	\$1,096	\$3,670	\$1,934	\$432	\$0	\$0	\$0	\$0	\$0	\$8,074	\$25,357	2027
XY	Process Control & Computer Sys			2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$7,019	\$9,350	\$9,350	\$9,350	\$9,375	\$9,375	\$44,443	\$54,000	2033
V4	MFU10 - Rehabilitation and Emergency Response - Biosolids X			2023	Ongoing	\$0	\$205	\$1,233	\$1,224	\$1,097	\$1,098	\$66	\$0	\$0	\$0	\$0	\$4,923	\$5,120	2028
TOTAL SOLIDS PROCESSING BUDGETS						\$26,999	\$12,939	\$14,427	\$17,374	\$12,887	\$17,573	\$24,873	\$17,971	\$30,464	\$34,339	\$21,011	\$203,857	\$944,041	
ENHANCED NITROGEN REMOVAL			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion	
BI	Enhanced Nitrogen Removal (ENR) North			2008	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$77,086	2022
E8	Enhanced Clarification Facilities			2009	Ongoing	\$5,078	\$1,386	\$1,201	\$1,346	\$637	\$54	\$0	\$0	\$0	\$0	\$0	\$4,623	\$180,487	2027
E9	Nitrogen Removal Facilities			2008	Ongoing	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$272,998	2022
EE	Filtrate Treatment Facilities			2009	Ongoing	\$41	\$641	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$641	\$108,294	2023
FG	Secondary Treatment Upgrades for Total Nitrogen			2013	Ongoing	\$291	\$223	\$0	\$0	\$0	\$2,184	\$1,414	\$7,420	\$21,779	\$10,188	\$405	\$43,612	\$57,168	2032
FR	Blue Plains Tunnel Dewatering Pumping Station			2010	Ongoing	\$1,011	\$228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$228	\$35,657	2023
FS	Bolling Overflow & Diversion			2010	Ongoing	\$0	\$844	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$844	\$56,391	2023
TOTAL ENHANCED NITROGEN REMOVAL BUDGETS						\$6,443	\$3,322	\$1,201	\$1,346	\$637	\$2,238	\$1,414	\$7,420	\$21,779	\$10,188	\$405	\$49,949	\$788,082	
TOTAL WASTEWATER TREATMENT BUDGETS						\$69,277	\$71,907	\$84,442	\$117,684	\$137,739	\$145,555	\$143,319	\$140,299	\$132,166	\$123,098	\$84,671	\$1,180,881	\$3,535,160	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

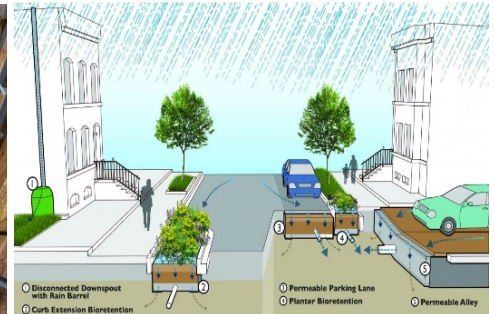
FY 2022	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime
Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	Budget
\$ 117,675	\$ 108,031	\$ 110,256	\$ 148,064	\$ 188,379	\$ 149,410	\$ 157,261	\$ 138,385	\$ 46,029	\$ 12,465	\$ 4,593	\$ 1,062,875	\$ 3,216,072



DCCR NEBT B Street



DDCR Mt Olivet Road Approach Channel



Rock Creek Project B Green Infrastructure

Overview

Similar to more than 700 older communities primarily in the Mid-Atlantic, Northeast, and Midwest portions of the country, a portion of the District of Columbia is served by a combined sewer system. Combined sewers convey both stormwater runoff and sanitary sewage from homes and businesses in a single pipe. In dry weather, the system delivers wastewater to the Blue Plains Advanced Wastewater Treatment Plant. In wet weather, stormwater runoff also enters the system and, if the conveyance capacity of the system is exceeded, the excess flow spills into the waterways of the District of Columbia to prevent surface flooding and basement backups. This discharge is called Combined Sewer Overflow (CSO). Approximately one-third of the system is combined, mostly in the downtown and older parts of the city. There are 48 potentially active CSO outfalls in the District.

DC Water has made substantial progress in the implementation of its CSO Long Term Control Plan (LTCP), called the DC Clean Rivers Project, to reduce CSOs that discharge to the Anacostia and Potomac Rivers, as well as Rock Creek. The first phase of the Anacostia River tunnel system was completed and all structures south of Robert F. Kennedy (RFK) stadium placed into operation as of March 2018. From March 20, 2018, through February 28, 2023, the system has performed exceptionally well, capturing over 14.8 billion gallons of CSO and removing more than 9,267 tons of trash and debris, preventing it from being discharged to the Anacostia River.

DC Water continues to implement the remaining project for the Anacostia River (currently under construction), as well as future projects for the Potomac River (currently under construction and procurement) and Rock Creek (currently under construction and planning). When fully implemented, CSOs will be reduced by a projected 96 percent city-wide during an average year (98 percent on the Anacostia River), resulting in improved water quality and significantly reducing debris in our nation's capital waterways.

PROGRAM AREAS

DC Clean Rivers – The plan includes a variety of improvements throughout portions of the District served by combined sewers, including a series of massive tunnels and diversion facilities to control CSOs and relieve surface flooding, and a tunnel dewatering pumping station and wet weather treatment facility at Blue Plains. The controls for the Anacostia River are scheduled to be complete by 2023, ahead of the 2025 Consent Decree deadline. The Potomac River and Rock Creek controls are scheduled to be complete in 2030. The Potomac River controls include the Potomac Tunnel, which is currently in procurement phase for a Design Builder and CSO 025/026 sewer separation is under construction. The Rock Creek controls include a hybrid mix of green infrastructure (GI) and gray storage optimizing the benefits provided by each technology. The hybrid approach comprises constructing GI to manage 92 impervious acres and a 4.2-million-gallon storage facility to control CSO 049 overflows in Piney Branch.

Program Management – The CSO Program Manager is responsible for evaluation of combined sewer systems, as well as management for sewer pumping station replacement and other sewer infrastructure projects.

Combined Sewer – Projects within the Combined Sewer Program Area include rehabilitation and/or relocation of combined sewers and upgrades to pumping stations. Most projects in this Program Area include planned upgrades to facilities based on our facilities plan.

ACCOMPLISHMENTS

- DC Water's tunnel boring machine completed mining the five-mile-long Northeast Boundary Tunnel (NEBT). Work on the shaft and diversion sites is ongoing and the tunnel is planned to be placed in operation in 2023.
- Completed 100% Request for Proposal (RFP) documents for the Potomac River Tunnel Contract B—Tunnel System Construction Project. The Potomac River Tunnel design-build contract is scheduled to be awarded in late 2023 and the tunnel will be placed in operation by the Consent Decree deadline of February 8, 2030.
- The Advance Utility Construction contract to provide electrical services and relocate utilities in advance of the Potomac River Tunnel construction was awarded on August 25, 2021, and construction is underway.
- Construction is underway for separation of CSO 025/026 which is scheduled for completion in March 2023.
- For Rock Creek Green Infrastructure, the construction contract for the second Rock Creek project (RC-B) was awarded on December 1, 2021, and construction is underway.
- Continued the deployment of Clean Rivers' assets into DC Water's enterprise asset management system.
- Continued the coordination of preventive maintenance of Clean Rivers assets.

ACCOMPLISHMENTS CONTINUED

- Continued maintenance of the Green Infrastructure facilities.
- Began National Environmental Policy Act (NEPA) Studies for Rock Creek CSO control facilities.
- Complied with regulatory requirements to implement project per specified schedule.

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

DC Clean Rivers – This project aims to control CSOs to the Anacostia and Potomac Rivers and Rock Creek to meet the District’s water quality standards, while improving the health of the Chesapeake Bay and addressing flooding in Northeast Boundary. This ongoing project includes green infrastructure initiatives that will divert stormwater runoff prior to entering the sewer system. The first portion of the Anacostia River Tunnel System, between Blue Plains and CSO 019 area is complete. All structures south of RFK Stadium have been in operation since March 20, 2018. As of February 2023, the first portion of the Anacostia River Tunnel system had captured approximately 14.8 billion gallons of combined sewer overflows and 9,343 tons of trash, debris, and other solids. The system is achieving nearly 92% CSO capture rate, exceeding the projected 80% capture rate at this stage of implementation. The tunnel system will improve operational flexibility by providing alternate means of transferring flow to Blue Plains, thereby allowing temporary diversion of flows to the tunnel to facilitate operation, maintenance, and rehabilitation throughout the combined sewer system.



Combined Sewer Overflow

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(\$ in thousands)

Combined Sewer Overflow																		
10-Year Disbursement Plan & Lifetime Budget by project, \$ in thousands																		
DC CLEAN RIVERS			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
CY	Anacostia Long Term Control Plan Projects		2005	Ongoing	\$83,317	\$76,471	\$1,334	\$907	\$795	\$560	\$462	\$432	\$429	\$0	\$0	\$81,390	\$1,927,896	2030
CZ	Potomac Long Term Control Plan Projects		2010	Ongoing	\$26,750	\$17,703	\$84,509	\$120,364	\$151,723	\$125,932	\$128,206	\$89,961	\$21,645	\$0	\$0	\$740,043	\$860,727	2030
DZ	Rock Creek CSS LTCP Project		2010	Ongoing	\$6,032	\$10,384	\$14,487	\$14,348	\$19,934	\$10,093	\$18,161	\$41,995	\$11,773	\$0	\$0	\$141,174	\$203,734	2030
TOTAL DC CLEAN RIVERS BUDGETS					\$116,099	\$104,558	\$100,329	\$135,619	\$172,452	\$136,585	\$146,829	\$132,388	\$33,847	\$0	\$0	\$962,607	\$2,992,358	
COMBINED SEWER			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
BA	DC Water Low Impact Development Projects		2002	Ongoing	\$10	\$170	\$122	\$26	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$318	\$2,870	2025
EJ	Potomac Pumping Station - Phase III Rehabilitation		2010	Ongoing	\$754	\$18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$36,098	2023
EK	Long Term Rehabilitation - Main & O Pump Station		2021	Ongoing	\$0	\$144	\$362	\$1,208	\$1,413	\$9,022	\$10,388	\$5,947	\$12,131	\$12,417	\$4,554	\$57,585	\$78,725	2032
EQ	Potomac Pumping Station-Phase IV Rehabilitation		2020	Ongoing	\$0	\$41	\$166	\$451	\$469	\$190	\$0	\$0	\$0	\$0	\$0	\$1,316	\$2,616	2027
FQ	Main & O Street PS Intermediate Upgrade		2010	Ongoing	\$812	\$2,543	\$6,972	\$431	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,947	\$37,419	2025
FX	Rehabilitation Northeast Boundary Sewer - Phase I		2015	Ongoing	\$0	\$8	\$6	\$15	\$29	\$44	\$44	\$51	\$51	\$48	\$39	\$336	\$4,628	2032
FZ	Tiber Creek Sewer Lining - Phase I		2016	Ongoing	\$0	\$0	\$0	\$947	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$950	\$1,000	2026
G7	Combined Sewers Under Buildings		2009	Ongoing	\$0	\$203	\$487	\$1,712	\$7,756	\$891	\$0	\$0	\$0	\$0	\$0	\$11,050	\$21,885	2027
IH	Combined Sewer Rehabilitation 2		2013	Ongoing	\$0	\$122	\$853	\$2,250	\$6,246	\$2,678	\$0	\$0	\$0	\$0	\$0	\$12,149	\$31,798	2027
OB	FY 2024 - Inflatable Dams Replacement		2022	Ongoing	\$0	\$223	\$958	\$5,404	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$6,598	\$6,675	2026
TOTAL COMBINED SEWER BUDGETS					\$1,576	\$3,473	\$9,927	\$12,445	\$15,927	\$12,825	\$10,432	\$5,997	\$12,182	\$12,465	\$4,593	\$100,267	\$223,714	
TOTAL COMBINED SEWER OVERFLOW BUDGETS					\$117,675	\$108,031	\$110,256	\$148,064	\$188,379	\$149,410	\$157,261	\$138,385	\$46,029	\$12,465	\$4,593	\$1,062,875	\$3,216,072	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022 Actual	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime Budget
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	
\$ 2,168	\$ 7,509	\$ 12,839	\$ 8,319	\$ 7,571	\$ 5,837	\$ 3,812	\$ 4,305	\$ 7,162	\$ 8,682	\$ 6,205	\$ 72,241	\$ 216,779



City Street Catch Basin



Stormwater Overflow Control Room



Stormwater Catch Basin

Overview

Stormwater runoff occurs when precipitation travels as surface water rather than evaporating back into the atmosphere or absorbing into the ground. The District is required to meet certain regulatory requirements in managing its separate stormwater system under the District's Municipal Separate Storm Sewer System (MS4) permit issued by the federal government.

The stormwater system has approximately 580 miles of storm sewer pipes, catch basins, inlets, special structures, and related facilities. Some components of the existing storm sewer system are over 100 years old. DC Water is responsible for the maintenance and replacement of the publicly owned collection and conveyance facilities that transport stormwater runoff to the Anacostia and Potomac Rivers, Rock Creek, and other receiving streams within the District of Columbia. DC Water owns, maintains, and operates 16 stormwater pumping stations that serve underpasses through the District.

PROGRAM AREAS

Local Drainage – This category includes several projects for investigation, design, and rehabilitation of local sewers to relieve local flooding and to address short term needs for improvements to storm sewers located in the separate and combined sewer areas.

On-Going – These include storm sewer rehabilitation projects carried out by DC Water's Department of Pumping and Sewer Operations. These annual projects also provide funding to assist in immediate storm sewer construction to alleviate flooding.

Pumping Facilities – DC Water’s 16 stormwater pump stations serve critical areas of the District and are integral to maintaining the road network where roadway stormwater runoff that does not drain without the assistance of mechanical means. DC Water has projects to upgrade these stormwater pump stations by replacing aging equipment and improving reliability and safety and addressing code compliance issues.

Program Management – Provides engineering program management services for the stormwater service area capital projects and required technical assessments and hydraulic studies required to assess problems in the stormwater system. It also provides engineering services for condition assessment of the storm sewer system.

Interceptor Trunk/Force Sewers – Provides design and construction services for stormwater interceptors, trunk sewers and force mains that require upgrades. Sewers rehabilitated by this project are defined by the major planning and condition assessment program underway for the stormwater sewer system. As the assessment of the storm sewer system progresses and specific rehabilitation needs are identified, jobs will be created under this program area to remediate system problems.

ACCOMPLISHMENTS

- Construction continued for the rehabilitation and improvement of the Watts Branch Storm Sewer Phase 3.
- Construction contracts were awarded for several stormwater pump stations, including 1st and D Stormwater Pump Station, Kenilworth Stormwater Pump Station, 12th and Maine Street SW Stormwater Pump Station, and Portland Street Stormwater Pump Station.
- SCADA control system upgrades are planned for all 16 stormwater pump stations. Upgrades have been completed for 12 stormwater pump stations. This work is partially funded by a grant from FEMA.
- Rehabilitation to multiple stormwater outfalls area included in several sewer rehabilitation projects.
- Design for Storm Sewer Rehabilitation Phase 11 has begun.
- Inspected 51 MS4 outfalls.
- Design started for 26th & K and Scott Circle Pump Station Upgrades.

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

Stormwater Pump Stations Rehabilitation – This project implements the highest priority rehabilitation or upgrades, addresses issues related to health and safety and station reliability, and will reduce maintenance needs.

(\$ in thousands)

LOCAL DRAINAGE			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
GY	Storm Sewer Rehabilitation at Various Location	2013	Ongoing	\$0	\$0	\$14	\$84	\$128	\$15	\$0	\$0	\$0	\$0	\$241	\$5,908	2027
IE	Storm Sewer Rehabilitation 3	2020	Ongoing	\$8	\$342	\$1,016	\$809	\$241	\$78	\$0	\$0	\$0	\$0	\$2,486	\$6,271	2027
RR	Local Storm Sewer Rehabilitation	2025	Ongoing	\$0	\$312	\$656	\$1,012	\$308	\$354	\$236	\$201	\$150	\$167	\$3,515	\$17,645	2032
WB	Local Storm Sewer Rehab 2	2026	New	\$0	\$0	\$0	\$9	\$406	\$579	\$772	\$767	\$667	\$640	\$3,840	\$44,345	2034
ZJ	Local Storm Sewer Assessment I	2026	New	\$0	\$0	\$0	\$0	\$48	\$124	\$150	\$190	\$149	\$83	\$838	\$8,591	2033
TOTAL LOCAL DRAINAGE BUDGETS				\$8	\$654	\$1,686	\$1,905	\$735	\$977	\$965	\$1,163	\$1,067	\$916	\$10,921	\$82,760	
ON-GOING			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
JH	FY2020 - DSS Stormwater Projects	2020	Closed	\$144	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$820	2022
LO	FY2021 - DSS Stormwater Projects	2021	Ongoing	\$748	\$69	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$923	2024
M8	FY2022 - DSS Stormwater Projects	2022	Ongoing	\$117	\$357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$357	\$820	2023
MG	FY2023 - DSS Stormwater Projects	2023	Ongoing	\$0	\$655	\$247	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$901	\$845	2024
NV	FY2024 - DSS Stormwater Projects	2024	Ongoing	\$0	\$0	\$665	\$238	\$0	\$0	\$0	\$0	\$0	\$0	\$903	\$870	2025
PI	FY2025 - DSS Stormwater Projects	2025	Ongoing	\$0	\$0	\$0	\$281	\$615	\$0	\$0	\$0	\$0	\$0	\$896	\$896	2026
QA	FY2026 - DSS Stormwater Projects	2026	Ongoing	\$0	\$0	\$0	\$0	\$260	\$570	\$0	\$0	\$0	\$0	\$831	\$923	2027
T7	FY2028 - DSS Stormwater Projects	2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$501	\$380	\$0	\$0	\$0	\$881	\$979	2029
T9	FY2027 - DSS Stormwater Projects	2027	Ongoing	\$0	\$0	\$0	\$0	\$272	\$583	\$0	\$0	\$0	\$0	\$855	\$950	2028
U6	FY2029 - DSS Stormwater Projects	2029	New	\$0	\$0	\$0	\$0	\$0	\$0	\$907	\$0	\$0	\$0	\$907	\$1,008	2029
U8	FY2030 - DSS Stormwater Projects	2030	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$935	\$0	\$0	\$935	\$1,039	2030
TOTAL ON-GOING BUDGETS				\$1,009	\$1,081	\$942	\$519	\$876	\$842	\$1,084	\$1,287	\$935	\$0	\$7,566	\$10,072	
PUMPING FACILITIES			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
NG	Stormwater Pumping Station Rehabilitation	2017	Ongoing	\$960	\$4,829	\$8,692	\$4,161	\$4,126	\$3,732	\$1,417	\$1,579	\$4,948	\$7,642	\$46,083	\$64,227	2032
TOTAL PUMPING FACILITIES BUDGETS				\$960	\$4,829	\$8,692	\$4,161	\$4,126	\$3,732	\$1,417	\$1,579	\$4,948	\$7,642	\$46,083	\$64,227	
PROGRAM MANAGEMENT			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
AT	Stormwater Program Management	2001	Ongoing	\$149	\$173	\$437	\$497	\$264	\$0	\$0	\$0	\$0	\$0	\$1,371	\$11,678	2026
RQ	Storm Water Program Management	2025	Ongoing	\$0	\$0	\$0	\$19	\$212	\$286	\$346	\$275	\$212	\$0	\$1,352	\$1,500	2030
ZT	Stormwater PM FY30	2031	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$124	\$395	\$520	\$2,000	2035
PROGRAM MANAGEMENT BUDGETS				\$149	\$173	\$437	\$517	\$476	\$286	\$346	\$275	\$212	\$124	\$3,243	\$15,178	



Stormwater

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(\$ in thousands)

TRUNK/FORCE SEWERS			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
BO	Future Stormwater Projects		2005	Ongoing	\$42	\$143	\$28	\$170	\$138	\$0	\$0	\$0	\$0	\$0	\$0	\$478	\$15,510	2026
VJ	Major Storm Sewer Rehab I		2026	New	\$0	\$0	\$0	\$0	\$103	\$0	\$0	\$0	\$0	\$0	\$0	\$103	\$15,816	2033
WV	MS4 Outfall Sewer Rehab I		2025	New	\$0	\$0	\$0	\$48	\$218	\$0	\$0	\$0	\$0	\$0	\$0	\$266	\$3,217	2033
XS	Inspection of Stormwater Trunk Sewers		2023	New	\$0	\$628	\$1,055	\$999	\$899	\$0	\$0	\$0	\$0	\$0	\$0	\$3,581	\$10,000	2033
TOTAL TRUNK/FORCE SEWERS BUDGETS					\$42	\$772	\$1,082	\$1,216	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$4,428	\$44,543	
TOTAL STORMWATER BUDGETS					\$2,168	\$7,509	\$12,839	\$8,319	\$7,571	\$5,837	\$3,812	\$4,305	\$7,162	\$8,682	\$6,205	\$72,241	\$216,779	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime
Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	Budget
\$ 31,056	\$ 68,031	\$ 118,457	\$ 185,109	\$ 168,564	\$ 222,916	\$ 277,735	\$ 271,002	\$ 222,140	\$ 143,246	\$ 118,914	\$ 1,796,116	\$ 2,727,733



Sewer Rehab (Watts Branch)



Rock Creek Stem Sewers (Condition Assessment)



Sewer Rehab (Pinehurst Sewer)

Overview

DC Water is responsible for wastewater collection in the District of Columbia, including operation and maintenance of the sanitary sewer system. The sewer system includes approximately 1,320 miles of large interceptor sewers and smaller gravity collection sewers, for a total of approximately 1,900 miles of combined, separate and stormwater sewers, 50,000 manholes and 25,000 catch basins, 16 stormwater pump stations, and 9 wastewater pump stations. In addition, DC Water is responsible for the 50-mile-long Potomac Interceptor System, which provides conveyance of wastewater from Dulles International Airport, and areas in Virginia and Maryland, to the Blue Plains AWWTP.

PROGRAM AREAS

Sanitary Collection System – Projects to rehabilitate sanitary sewer pipes based on the findings of inspection and assessment conducted on these assets.

On-Going – Urgent projects managed by the Department of Sewer Services including the replacement of sewer laterals, sewer mains, inspection and cleaning of sewer laterals and mains.

Pumping Facilities – Projects required for the upgrade of existing wastewater pump stations, as well as projects for the engineering and construction of new wastewater pumping facilities to enhance the reliability and integrity of DC Water’s sanitary sewer system.

Program Management – Engineering program management services for the sewer system capital improvement program, including assessing system needs, developing facilities plans, developing design scopes of work, preparing cost estimates, preparing task orders or agreements, and reviewing design documents.

Interceptor/Trunk Force Sewers – The rehabilitation of large diameter sewers that have reached the end of their useful life or are in need of major rebuild or refurbishment.

ACCOMPLISHMENTS

- Progressive design-build contractor for the rehabilitation of Potomac Interceptor between Manhole 31 and Manhole 30 finalized 60 percent design. Phase 2 contract was submitted for Board approval, and construction is scheduled to start in FY 2022.
- Construction for Soapstone Sewer rehabilitation project has begun.
- Major Potomac Interceptor projects currently in design:
 - Phase 1 Rehabilitation at Clara Barton Parkway
 - Phase 2 Rehabilitation at Potomac River Crossing
 - Phase 4 Rehabilitation at Fairfax and Loudoun Counties
 - Phase 6 Rehabilitation at Clara Barton Parkway and I-495
 - Cabin John Rehabilitation
 - Manhole Rehabilitation
- Nicholson Sewer System Evaluation Study (SSES)
 - The Study has been completed and DC Water have started implementing recommendations to improve the operation of the local sewer system including a CIP project to rehab and replace sanitary sewers and installing level sensors to monitor water level at selected locations.
- Northeast sewer system evaluation survey draft study has been prepared.
- September 10, 2020 Flooding Response
 - Reviewed 591 applications for backwater valve rebates.
 - Processed and reimbursed over 189 rebates.
- Other major sewer projects currently in design include:
 - Fenwick Branch Sewer Rehabilitation
 - Normanstone Sewer Rehabilitation
 - Spring Place Sewer Rehabilitation
 - Glover Archbold Park Sewer Rehabilitation
 - Piney Branch Sewer Rehabilitation
 - Rock Creek Main Interceptor and Beach Drive Sewers Rehabilitation
 - Northeast Boundary Trunk Sewer Rehabilitation
 - Oxon Run Sewer Rehabilitation
 - Upper East Side Interceptor Rehabilitation Phase 1
 - Creekbed Sewer Rehabilitation Oregon Ave at St. Johns
 - Creekbed Sewer Rehabilitation Rock Creek Sherill Drive & Beach Drive
- Local sewer projects currently in design:
 - Service Life Restoration Program Phase 2, 4 and 5
 - Local Sewer Rehab 5-2
 - Local Sewer Rehab 5-3

ACCOMPLISHMENTS CONTINUED

- Completed the following major sewer condition assessment projects:
 - Upper Potomac Interceptor Sewer – inspection completed (5.3 miles)
 - Little Falls Trunk Sewer – inspection completed (1.1 miles)
 - Sewers Under Buildings – inspection completed (1.6 miles)
 - Anacostia Main Interceptor – inspection completed (4.9 miles)
 - Easby Point Trunk Sewer – inspection in progress.
 - Potomac Interceptor (MH28 to MH29) - inspection in progress
 - Northwest Boundary Trunk sewer – inspection in progress
 - East & West Outfall Sewers – inspection in progress
 - East & West Outfall Relief Sewers – inspection in progress
 - North & South Interconnecting Branch Sewers – inspection in progress
- Completed inspection of 45 miles of local sewers (>12-inch and <60-inch diameter) under the Local Sewer Inspection Program.
- Completed visual inspection of about 39 miles of pipe crossings under the Creek Bed Inspections. The Annual Creek Bed Inspection included 816 sewer pipes and 752 manholes, and the Post-Rainfall Creek Bed Inspection included 64 sewer pipes and 42 manholes.
- Heavy cleaning projects currently in progress:
 - Anacostia Main Interceptor Siphons
 - Anacostia Main Interceptor (571 LF by WMATA Garage)
 - B St New Jersey Ave Trunk Sewer Siphon
 - Potomac Interceptor (~2.2 miles)
 - Local Sewers (>12-inch and <60-inch diameter) (~3 miles)
- Extensive coordination continues with DDOT’s South Capitol Street Bridge project to protect critical sewer assets
- Extensive coordination with DDOT Benning Road Reconstruction and Streetcar project:
 - Review of DDOT design drawings to identify possible conflicts with existing sewer assets
 - Conduct hydraulic modeling analysis and evaluate proposed relocation and abandonment of sewer mains
 - Conduct CCTV sewer inspections and condition assessments of existing sewer assets impacted by proposed streetcar
 - Ensure that DC Water facilities are adequately monitored and protected both during and after construction
- Extensive coordination with DDOT South Capitol Street Circulator Facility project:
 - Review of DDOT design drawings to identify possible conflicts with existing sewer assets and technical information for proposed sliplining of West Outfall Sewer
 - Conduct inspections and condition assessments of existing sewer assets impacted by proposed circulator facility building
 - Review of structural calculations to ensure adequate protection of the East and West Outfall Sewers

ACCOMPLISHMENTS CONTINUED

- Reviewed ninety-three design reviews for twenty-five DDOT Public Space projects varying in size, complexity, and design phase. Identified and established an agreement to rehabilitate one sewer main through participation in a DDOT project. The total amount of sewer pipe to be rehabilitated is 201 feet.
- Completed the following:
 - o Potomac Interceptor Erosion Impact and Access Road Assessment Phase 1.
 - o Rock Creek Stem Sewers Report
 - o Technical Memo 18 DC Water Sewer shed Characterization and Wastewater Flow Estimates Update
 - o Local Sewer Rehab Dashboard
 - o Completed design and material procurements of the safety platforms for bar screens and valve actuators at Potomac Pump Station
 - o Completed design and started construction of O Street Pump station loading dock ramp and sluice gate actuator replacement.
 - o Started installation of valve actuators replacements and screen lighting at Potomac pump station

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

Pump Stations – Continued improvements and other upgrades will ensure proper operations of the pump stations to improve reliability and maintain compliance with regulatory requirements and customer expectations.

Ongoing and Local Sewer Rehabilitation – Renewal of small diameter sewer infrastructure will reduce emergency rehabilitations and maintenance demands for these neighborhood sewers.

Major Sewer Rehabilitation – Renewal of major sewers will reduce emergency rehabilitation and maintenance demands for these sewers.



Sanitary Sewer

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SANITARY COLLECTION SYSTEM			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
G1	Small Local Sewer Rehabilitation I	2010	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,172	2022
J3	Sewer Upgrade - City Wide	2000	Ongoing	\$319	\$206	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$206	\$18,391	2023
JX	Sanitary Sewer Rehabilitation 10	2016	Ongoing	\$148	\$150	\$2,202	\$9,251	\$4,085	\$0	\$0	\$0	\$0	\$0	\$15,687	\$13,607	2026
QS	Local Sewer Rehabilitation 5	2020	Ongoing	\$1,119	\$991	\$8,477	\$25,810	\$16,410	\$2,181	\$0	\$0	\$0	\$0	\$53,869	\$45,954	2027
QT	Local Sewer Rehabilitation 6	2024	Ongoing	\$0	\$0	\$92	\$3,895	\$8,062	\$23,011	\$11,291	\$0	\$0	\$0	\$46,352	\$63,846	2028
QU	Local Sewer Rehabilitation 7	2026	Ongoing	\$0	\$0	\$0	\$0	\$1,622	\$5,717	\$17,691	\$25,026	\$7,982	\$0	\$58,038	\$82,355	2030
QW	Local Sewer Rehabilitation 8	2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$218	\$3,853	\$13,012	\$38,980	\$43,570	\$119,258	\$145,705	2036
QX	Local Sewer Assessment 1	2020	Ongoing	\$200	\$2,330	\$6,807	\$5,157	\$647	\$0	\$0	\$0	\$0	\$0	\$14,940	\$12,212	2026
QY	Local Sewer Rehabilitation 2	2023	Ongoing	\$0	\$906	\$2,275	\$1,730	\$0	\$0	\$0	\$0	\$0	\$0	\$4,911	\$4,000	2025
QZ	Local Sewer Assessment 3	2026	Ongoing	\$0	\$0	\$5,209	\$3,288	\$7,533	\$4,471	\$4,086	\$4,975	\$5,251	\$1,142	\$35,955	\$40,616	2031
RG	Local Sewer Rehabilitation 9	2024	Ongoing	\$0	\$0	\$155	\$2,350	\$7,793	\$16,532	\$17,179	\$11,249	\$1,407	\$0	\$56,665	\$78,345	2030
T4	District Energy Buzzard Point	2025	Ongoing	\$0	\$0	\$0	\$6,660	\$13,679	\$9,531	\$0	\$0	\$0	\$0	\$29,870	\$30,000	2027
UQ	Local Sewer Rehab 10	2025	New	\$0	\$0	\$0	\$475	\$424	\$252	\$0	\$25	\$1,900	\$4,297	\$33,559	\$57,015	2033
UR	Local Sewer Rehab 11	2028	New	\$0	\$0	\$0	\$0	\$0	\$0	\$229	\$295	\$3,359	\$5,025	\$9,880	\$76,918	2035
VQ	Local Sewer Assessment 4	2031	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,475	\$7,163	\$12,638	\$30,078	2035
TOTAL SANITARY COLLECTION SYSTEM BUDGETS				\$1,787	\$4,582	\$25,217	\$58,615	\$60,253	\$61,914	\$54,330	\$54,582	\$56,493	\$57,843	\$58,000	\$491,829	\$728,214

ON-GOING			FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
H6	FY2018 - DSS Sanitary Sewer Projects	2018	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,335	2022
HN	FY2019 - DSS Sanitary Sewer Projects	2019	Closed	\$72	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,200	2022
J1	FY2020 - DSS Sanitary Sewer Projects	2020	Ongoing	\$3,716	\$358	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$358	\$12,568	2023
LN	FY2021 - DSS Sanitary Sewer Projects	2021	Closed	\$2,223	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,945	2022
M9	FY2022 - DSS Sanitary Sewer Projects	2021	Ongoing	\$6,695	\$4,161	\$453	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,614	\$13,335	2024
MF	FY2023 - DSS Sanitary Sewer Projects	2023	Ongoing	\$0	\$9,577	\$1,926	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,504	\$13,735	2024
NW	FY2024 - DSS Sanitary Sewer Projects	2024	Ongoing	\$0	\$0	\$14,972	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,972	\$14,225	2024
OX	FY2025 - DSS Sanitary Sewer Projects	2025	Ongoing	\$0	\$0	\$0	\$14,650	\$0	\$0	\$0	\$0	\$0	\$0	\$14,650	\$14,650	2025
PZ	FY2026 - DSS Sanitary Sewer Projects	2025	Ongoing	\$0	\$0	\$0	\$17	\$15,073	\$0	\$0	\$0	\$0	\$0	\$15,090	\$15,090	2026
Q3	FY2003 - DSS Sanitary Sewer Projects	2003	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,784	2022
T6	FY2028 - DSS Sanitary Sewer Projects	2027	Ongoing	\$0	\$0	\$0	\$0	\$9	\$16,011	\$0	\$0	\$0	\$0	\$16,020	\$16,020	2028
T8	FY2027 - DSS Sanitary Sewer Projects	2026	Ongoing	\$0	\$0	\$0	\$0	\$17	\$15,533	\$0	\$0	\$0	\$0	\$15,550	\$15,550	2027
U7	FY2029 - DSS Sewer Sanitary Projects	2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$9	\$16,492	\$0	\$0	\$0	\$16,501	\$16,501	2029
U9	FY2030 - DSS Stormwater Projects	2029	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$15,289	\$0	\$0	\$15,297	\$16,997	2030
UH	FY2031 - DSS Sewer Sanitary Projects	2029	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$15,289	\$0	\$15,297	\$16,997	2031
V5	FY2032 DSS Sewer Sanitary Projects	2032	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,756	\$15,756	\$17,507	2033
TOTAL ON-GOING BUDGETS				\$12,706	\$14,096	\$17,352	\$14,667	\$15,091	\$15,542	\$16,020	\$16,500	\$15,297	\$15,289	\$15,756	\$155,610	\$233,439



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PUMPING FACILITIES		Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
CX	Sewer Facilities Security Upgrades	2010	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,429	2022
GZ	Sewer Instrumentation & Control	2012	Ongoing	\$35	\$719	\$1,455	\$1,392	\$1,012	\$0	\$0	\$0	\$0	\$0	\$0	\$4,578	\$12,518	2026
LY	Sewer Facilities Security Upgrades	2020	Ongoing	\$0	\$117	\$97	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$215	\$2,000	2024
MB	3rd Street & Constitution Ave NW - Pumping Station	2014	Ongoing	\$16	\$0	\$73	\$97	\$1,226	\$291	\$44	\$486	\$1,038	\$693	\$349	\$4,297	\$7,501	2032
MC	Additional Sewer SCADA System Sites	2015	Ongoing	\$184	\$672	\$465	\$331	\$1,363	\$423	\$0	\$0	\$0	\$0	\$0	\$3,254	\$8,120	2027
PM	East Side Pumping Station	2019	Ongoing	\$0	\$194	\$354	\$506	\$2,071	\$325	\$0	\$0	\$0	\$0	\$0	\$3,450	\$4,356	2027
PT	Existing Sewer Facilities Building Optimization	2020	Ongoing	\$0	\$10	\$68	\$204	\$379	\$0	\$0	\$0	\$0	\$0	\$0	\$661	\$705	2026
RH	Sewer Pump Stations Upgrades	2020	Ongoing	\$143	\$642	\$3,803	\$1,695	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$6,143	\$8,100	2026
RS	Sewer Pump Station Upgrades 2	2026	Ongoing	\$0	\$0	\$0	\$0	\$3,853	\$5,470	\$19,729	\$28,514	\$36,164	\$21,429	\$7,066	\$122,224	\$150,720	2032
RT	Sewer Pump Station Upgrades 3	2027	Ongoing	\$0	\$0	\$0	\$34	\$348	\$999	\$1,889	\$5,359	\$7,725	\$4,136	\$16	\$20,505	\$25,271	2035
RU	Sewer Pump Station Upgrades - Pumps & VFDs	2022	Ongoing	\$0	\$730	\$2,119	\$4,553	\$5,917	\$8,503	\$6,089	\$3,209	\$0	\$0	\$0	\$31,120	\$35,950	2029
SS	Sewer SCADA Replacement	2028	New	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$71	\$295	\$1,117	\$2,799	\$4,552	\$8,380	2033
TOTAL PUMPING FACILITIES BUDGETS				\$361	\$3,085	\$8,434	\$8,813	\$16,171	\$16,011	\$28,020	\$37,639	\$45,222	\$27,375	\$10,231	\$201,000	\$265,049	

PROGRAM MANAGEMENT		Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
AU	Sanitary Sewer Program Management	2001	Ongoing	\$2,236	\$4,904	\$5,834	\$3,409	\$1,937	\$0	\$0	\$0	\$0	\$0	\$0	\$16,084	\$65,441	2026
AV	Combined Sewer Overflow Program Management	2001	Ongoing	\$470	\$1,383	\$2,273	\$2,744	\$2,595	\$1,833	\$1,801	\$1,796	\$1,221	\$1,105	\$1,108	\$17,860	\$57,756	2032
DN	Sewer Inspection Program	2010	Ongoing	\$1,570	\$2,800	\$1,505	\$1,485	\$207	\$207	\$208	\$207	\$28	\$0	\$0	\$6,649	\$27,903	2030
QH	Sanitary Sewer Program Management FY26-30	2026	Ongoing	\$0	\$0	\$0	\$0	\$2,900	\$3,717	\$4,725	\$4,010	\$2,900	\$469	\$0	\$18,720	\$20,800	2031
RP	CSO Program Management	2026	Ongoing	\$0	\$0	\$0	\$0	\$0	\$2,877	\$3,786	\$4,675	\$3,778	\$2,877	\$8	\$18,000	\$20,000	2032
TOTAL PROGRAM MANAGEMENT BUDGETS				\$4,276	\$9,087	\$9,612	\$7,638	\$7,640	\$8,634	\$10,520	\$10,688	\$7,927	\$4,451	\$1,116	\$77,313	\$191,900	



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INTERCEPTOR/TRUNK FORCE	Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
A4 Future Sewer System Upgrades	2004	Ongoing	\$224	\$2,640	\$3,329	\$1,145	\$927	\$0	\$0	\$0	\$0	\$0	\$0	\$8,041	\$46,035	2026
DR Low Area Trunk Sewer Rehabilitation	2007	Ongoing	\$218	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$23,112	2023
FW Rehab Piney Branch Trunk Sewer	2011	Ongoing	\$371	\$1,015	\$6,371	\$9,817	\$4,047	\$0	\$0	\$0	\$0	\$0	\$0	\$21,249	\$30,596	2026
G2 Sewer Structure Rehabilitation 1	2010	Ongoing	\$0	\$260	\$541	\$618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,419	\$9,325	2025
G5 Sewer Rehab Near Creek Beds	2010	Ongoing	\$3,061	\$4,775	\$3,646	\$2,440	\$2,053	\$909	\$3,264	\$14,473	\$13,323	\$4,408	\$0	\$49,290	\$75,065	2031
G6 Sanitary Sewers Under Buildings 1	2010	Ongoing	\$0	\$0	\$126	\$408	\$2,332	\$274	\$0	\$0	\$0	\$0	\$0	\$3,141	\$6,805	2027
GH Large Sewer Rehabilitation 3	2012	Ongoing	\$337	\$288	\$4,643	\$11,880	\$4,113	\$0	\$0	\$0	\$0	\$0	\$0	\$20,923	\$24,332	2026
HS Rehabilitation of Influent Sewers	2022	Ongoing	\$0	\$1,457	\$486	\$0	\$619	\$1,770	\$6,069	\$16,887	\$4,093	\$0	\$0	\$31,381	\$37,430	2030
HT Rehabilitation of Anacostia Force Main	2012	Ongoing	\$25	\$796	\$283	\$0	\$0	\$0	\$0	\$148	\$286	\$190	\$339	\$2,042	\$11,376	2032
IF Sanitary Sewer Rehabilitation 2	2015	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,594	2022
IK Potomac Force Main Rehabilitation	2012	Ongoing	\$150	\$130	\$63	\$208	\$111	\$192	\$264	\$1,036	\$1,495	\$103	\$0	\$3,603	\$6,127	2031
IL Creekbed Sewer Rehabilitation 2	2013	Ongoing	\$1,127	\$1,938	\$1,517	\$5,232	\$5,458	\$3,653	\$935	\$4,204	\$1,208	\$0	\$0	\$24,145	\$63,832	2030
IM Creekbed Sewer Rehabilitation 3	2013	Ongoing	\$2	\$223	\$899	\$879	\$1,558	\$6,908	\$3,127	\$286	\$1,307	\$2,510	\$0	\$17,696	\$25,040	2031
IN Upper East Side Trunk Sewer Rehabilitation	2012	Ongoing	\$5	\$411	\$580	\$811	\$1,320	\$8,539	\$3,539	\$0	\$0	\$0	\$0	\$15,201	\$19,044	2028
J0 B Street New Jersey Avenue Trunk Sewer Rehab	2004	Ongoing	\$28	\$664	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$664	\$18,074	2023
LZ Potomac Interceptor Projects - Rehab. Phase 2	2015	Ongoing	\$4,895	\$17,885	\$17,818	\$29,553	\$28,864	\$52,419	\$42,384	\$15,530	\$8,442	\$757	\$0	\$213,651	\$274,123	2031
PJ Re-Activation of Anacostia Force Main/Gravity Main as Relief to Anacostia Force Main	2018	Ongoing	\$10	\$199	\$654	\$1,038	\$1,103	\$7,210	\$7,012	\$0	\$0	\$0	\$0	\$17,217	\$20,001	2028
RA Major Sewer Assessment and Heavy Cleaning 1	2021	Ongoing	\$948	\$2,663	\$1,927	\$3,134	\$59	\$0	\$0	\$0	\$0	\$0	\$0	\$7,783	\$15,800	2026
RB Major Sewer Assessment and Heavy Cleaning 2	2026	Ongoing	\$0	\$0	\$3,398	\$5,771	\$0	\$0	\$3,625	\$155	\$0	\$0	\$0	\$12,950	\$14,100	2029
RC Major Sewer Rehabilitation 1	2020	Ongoing	\$508	\$1,195	\$9,636	\$18,885	\$5,427	\$3,158	\$18,715	\$11,033	\$5,136	\$256	\$0	\$73,442	\$83,298	2031
RD Major Sewer Rehabilitation 2	2021	Ongoing	\$0	\$540	\$1,224	\$2,150	\$4,536	\$20,613	\$33,028	\$2,443	\$0	\$0	\$0	\$64,534	\$75,783	2029
RE Major Sewer Rehabilitation 3	2024	Ongoing	\$0	\$0	\$0	\$0	\$1,074	\$3,679	\$14,363	\$37,118	\$16,317	\$1,291	\$0	\$73,842	\$88,255	2031
RJ Creekbed Sewer Rehabilitation 4	2028	Ongoing	\$0	\$102	\$674	\$1,256	\$3,542	\$890	\$2,392	\$6,011	\$3,316	\$0	\$0	\$18,183	\$22,000	2030
RL Potomac Interceptor Projects - Rehab Phase 3	2029	Ongoing	\$0	\$0	\$29	\$151	\$182	\$5,197	\$20,222	\$28,266	\$29,299	\$18,306	\$10,133	\$111,785	\$128,483	2032
WI Major Sewer Rehab 4	2028	New	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$1,509	\$3,100	\$5,017	\$17,086	\$26,800	\$126,700	2035
WP Major Sewer Assessment and Heavy Cleaning 3	2026	New	\$0	\$0	\$0	\$0	\$694	\$1,856	\$3,377	\$4,339	\$3,450	\$1,898	\$2,169	\$17,784	\$21,736	2033
VQ Major Sewer Assessment	2026	New	\$0	\$0	\$0	\$0	\$1,390	\$3,547	\$6,441	\$8,153	\$6,430	\$3,552	\$4,084	\$33,597	\$41,063	2033
TOTAL INTERCEPTOR/TRUNK FORCE SEWER BUDGETS			\$11,909	\$37,182	\$57,842	\$95,377	\$69,410	\$120,816	\$168,845	\$151,593	\$97,201	\$38,289	\$33,811	\$870,364	\$1,309,131	
TOTAL SANITARY SEWER BUDGETS			\$31,056	\$68,031	\$118,457	\$185,109	\$168,564	\$222,916	\$277,735	\$271,002	\$222,140	\$143,246	\$118,914	\$1,796,116	\$2,727,733	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

FY 2022 Actual	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime Budget
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	
\$ 71,316	\$108,909	\$188,371	\$238,506	\$242,278	\$247,009	\$242,826	\$221,357	\$203,725	\$154,341	\$164,479	\$2,011,801	\$ 3,572,035



Soldier's Home Reservoir Upgrades



Small Diameter Water Main Rehab



Small Diameter Water Main Florida Avenue & Sherman Avenue NW

Overview

Delivery of safe, clean, high-quality drinking water is one of DC Water's highest priorities. Drinking water in the District of Columbia comes from the Potomac River. The U.S. Army Corps of Engineers, Washington Aqueduct (Aqueduct), is a federally owned agency responsible for treating the drinking water. DC Water purchases water from the Aqueduct and is responsible for maintaining the distribution system that delivers drinking water to customers. DC Water distributes drinking water through roughly 1,300 miles of interconnected pipes to more than 700,000 residents and businesses in the District of Columbia.

The DC Water distribution system begins at the water treatment plant and ends at private service lines. Customer service lines connect to the mains in the streets and deliver water to residents and commercial buildings, eventually reaching taps. Water is continuously moving through our distribution system, typically at a flow rate that keeps the water fresh. However, once the water leaves the main and enters a customer's service line, the flow of water is dependent on individual water usage.

DC Water is committed to providing customers with the highest quality drinking water and continuously works to deliver water that goes beyond federal standards. We accomplish this goal by aiming to meet target levels that are stricter than water quality standards required by the EPA. We have a dedicated Drinking Water division that collects and analyzes water samples throughout the District of Columbia. These monitoring programs include sampling and analyses that are required by EPA and additional sampling programs conducted voluntarily by DC Water.

DC Water conducts compliance monitoring on a daily basis to ensure that water quality meets EPA standards. Water quality technicians collect and analyze samples for lead and copper, total coliform (bacteria) and disinfection byproduct levels. Compliance monitoring ensures that drinking water treatment effectively prevents pipe corrosion, removes bacteria and other contaminants, and minimizes potentially harmful treatment byproducts.

DC Water operates voluntary sampling programs to support our commitment to providing high-quality drinking water to our customers. Water quality technicians collect and analyze hundreds of water samples throughout the District of Columbia. The Drinking Water division responds quickly to customer complaints and conducts water quality monitoring among the District’s most vulnerable populations. DC Water operates two mobile laboratories that allow technicians to conduct on-site water quality tests and respond to emergencies. The Drinking Water division also distributes hundreds of lead test kits each year to residents and assists residents with identifying lead sources.

PROGRAM AREAS

Distribution Systems – Provides for the rehabilitation, replacement or extension of the water distribution system through several projects. The distribution system program area is the largest program for the water service area and includes three primary elements: small diameter water main renewal, large diameter water main rehabilitation, and DDOT project relocation needs.

Lead Free DC Program – This program is for the removal of all lead service lines in public and private right of way with copper piping by 2030. The replacement continues throughout the water distribution system as part of water main renewal projects, emergency rehabilitation of water service lines, and for customers that request full replacement as part of the Voluntary Lead Service Replacement (LSR) Program.

On-Going – Includes small projects for urgent rehabilitation of water main breaks, valves and fire hydrants, water service connections, and other minor water main rehabilitation work.

Pumping Facilities – Rehabilitate or upgrade water-pumping stations in the system. All four water pump stations have completed major upgrades within the last fifteen years, and only minor projects are anticipated for the near future.

Storage Facilities – Rehabilitation or upgrade of elevated tanks and reservoirs. Studies to the system have identified the need for upgrades and/or new storage facilities to support changing development patterns, for regulatory compliance, to provide additional water pressure to certain areas of the District, and to provide redundant service during unplanned outages.

Program Management – Provides engineering program management services for the drinking water system capital improvements program, including asset management, developing facilities plans, advancement of the smart infrastructure program, conceptual designs, design scopes of work, cost estimates, and design document review.

ACCOMPLISHMENTS

- Continued installation of small diameter water mains to meet the DC Water Board goal of renewing one percent of the system annually. This renewal includes a combination of replacement with new water mains to reduce water quality degradation from tuberculation, reduce the likelihood of water main breaks and increase the service life of the water distribution system.
- Replaced approximately eight miles of small diameter water mains.
- Completed design and started construction for the rehabilitation of the N Street 66/72-inch Prestressed Concrete Cylinder Pipe (PCCP).
- The following major projects are in design:
 - Dead Ends Large Diameter Water Main Elimination
 - Rehabilitation of Water Mains on Bridges Contract 2
 - Fort Reno Pump Station Upgrades
 - 4th High Reno WSSC Interconnections Project
 - Critical Valve Replacement, Year 1
 - Rehabilitation of Elevated Water Storage Tanks- Good Hope Tank and Boulevard Tank
 - Fort Stanton Reservoir No. 1 Rehabilitation
 - Fort Stanton Reservoir No.2 Abandonment
 - Fort Reno Elevated Tank No. 2 Abandonment
- Extensive coordination continues with DDOT's South Capitol Street Bridge project to relocate water mains and protect critical transmission mains.
- Reviewed ninety-three design reviews for twenty-five DDOT Public Space projects varying in size, complexity, and design phase. Identified and established agreements to have several water mains replaced through participation in five DDOT projects. The total amount of water main to be rehabilitated is approximately 4,014 lf.
- Completed construction of upgrade and rehabilitation of the Soldiers Home Reservoir. This project corrected several deficiencies identified during an EPA annual sanitary survey ahead of EPA's deadline and made several other improvements to the reservoir which was originally constructed in 1939.
- Released the Lead-Free DC Plan in June 2021 which outlines a phased in approach to eliminate all lead service lines by 2030.
- Completed Phase 1 (November 2021 – January 2023) of the Capital Improvement Program Emergency Rehabilitation and Replacement (CIPERR) which is a major component of DC Water's Lead-Free DC plan to replace over 28,000 lead lines prior to 2030. Phase 1 accomplishments include:
 - Installed over 1,300 lead service line replacements. This saved those customers over \$5,200,000.
 - Performed over 3,900 test pits on private and public test pits to strengthen DC Water's Lead Inventory Database.
 - Selected and began design and permitting for over 250 blocks across the city. Blocks selected for replacement activities used an equity-based model that prioritizes replacements for vulnerable populations and under-resourced areas.
 - Developed permit documents and obtained permits for 160 of those blocks through DDOT and DOEE.

ACCOMPLISHMENTS CONTINUED

- Developed and implemented a Communications Playbook that allowed us to achieve an 81% participation level with customers. The Playbook will be used in subsequent phases of the program.
- Developed construction details, data collection protocol, invoicing protocol, field inspection processes, and monthly KPI reporting that will be used for additional phases of the work.
- Completed the following studies:
 - Fort Reno Elevated Tank No. 2 Mothballing Study
 - Fort Stanton Reservoir No. 2 Abandonment Study
 - Fort Reno Pumping Station Condition Assessment and Preliminary Engineering Report
 - Bryant Street Pumping Station West and East Venturi Meter Flow Analyses and Condition Assessment
- Completed Boulevard Tank Inspections which led to critical rehabilitation efforts.
- Commenced emergency restorations at Anacostia Storage Tank No. 02 under the Miscellaneous Facilities Upgrades Phase 7 Project.
- Successfully completed a Contract Action to execute the Upgrades at Anacostia Storage Tank No. 1 & 2 under the Miscellaneous Facilities Upgrade Phase 7 project (FEMA Grant).

OPERATIONAL IMPACT OF MAJOR CAPITAL PROGRAMS

Water Mains – The capital improvement program for linear assets will help to:

- Reduce customer impacts due to pipe breaks.
- Decrease reactive maintenance due to breaks and other unscheduled rehabilitations thereby lowering maintenance costs over time.
- Improve water quality in the distribution system.
- Reduce lead service pipes inventory thereby reducing lead exposure.

Water Pumping and Storage – The upgrades completed in FY 2021 to the Soldiers Home Reservoir ensure regulatory compliance and a number of operational improvements. The Bryant Street Spill Header Improvement project is under design and will provide major operational improvements for the pump station. We are continuing with minor pump station and storage facilities upgrades and improvements which will reduce maintenance costs and avoid the need for major upgrades later.



Water

summary overview financial plan rates&rev

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(\$ in thousands)

DISTRIBUTION SYSTEMS	Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
B0 B0 FY 2010 - DDOT Water Projects	2010	Closed	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2022
BN FY 2011 - DDOT Water Projects	2011	Closed	\$9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2022
C9 Large Diameter Water Mains I	2014	Ongoing	\$802	\$1,114	\$1,266	\$490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,870	\$20,532	2025
CJ FY2012 - DDOT Water Projects	2012	Ongoing	\$8	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13	\$6,474	2023
CM FY2013 - DDOT Water Projects	2013	Ongoing	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,549	2022
DE Small Diameter Water Main Rehabilitation I2	2014	Ongoing	\$465	\$1,453	\$4,038	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,503	\$46,018	2025
FI Small Diameter Water Main Rehabilitation I3	2014	Ongoing	\$7,237	\$2,731	\$198	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,928	\$41,565	2024
F2 Small Diameter Water Main Rehabilitation I4	2017	Ongoing	\$15,753	\$5,921	\$7,873	\$5,365	\$774	\$462	\$85	\$0	\$0	\$0	\$0	\$20,481	\$59,466	2028
F6 Steel Water Main Rehabilitation - Rehabilitation I	2009	Ongoing	\$0	\$164	\$364	\$3,683	\$783	\$0	\$0	\$0	\$0	\$0	\$0	\$4,994	\$12,139	2026
FT Water Mains Rehabilitation Phase II	2014	Ongoing	\$470	\$3,285	\$8,440	\$8,192	\$887	\$0	\$0	\$0	\$0	\$0	\$0	\$20,804	\$35,772	2026
GQ Fire Hydrant Replacement Program - Phase II	2010	Ongoing	\$1,133	\$259	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$278	\$29,120	2024
GR Small Diameter Water Main Rehabilitation I5	2018	Ongoing	\$3,226	\$6,028	\$14,823	\$9,260	\$7,387	\$3,861	\$328	\$0	\$0	\$0	\$0	\$41,688	\$61,300	2028
HX Small Diameter Water Main Rehabilitation I6	2018	Ongoing	\$655	\$1,238	\$11,158	\$17,981	\$9,451	\$1,558	\$30	\$0	\$0	\$0	\$0	\$41,416	\$58,700	2028
I8 Large Valve Replacement (Contract I1-I3)	2012	Ongoing	\$52	\$221	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$241	\$19,701	2024
JZ Large Diameter Water Main Replacement 3 - 4 & 5	2021	Ongoing	\$22	\$3,386	\$9,686	\$15,239	\$20,612	\$21,505	\$3,469	\$251	\$200	\$74	\$0	\$74,422	\$98,674	2031
K7 Large Diameter Water Main Replacement 6 - 7 & 8	2024	Ongoing	\$0	\$0	\$31	\$792	\$2,368	\$3,526	\$15,521	\$28,380	\$12,178	\$1,988	\$0	\$64,783	\$89,140	2031
K8 Large Diameter Water Main Replacement 9 - 10 & I1	2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$447	\$1,502	\$8,079	\$14,936	\$16,188	\$14,619	\$55,770	\$76,400	2033
KE Small Diameter Water Main Rehabilitation I8	2020	Ongoing	\$121	\$1,218	\$3,427	\$7,932	\$11,796	\$6,236	\$1,245	\$0	\$0	\$0	\$0	\$31,855	\$48,147	2028
KF Small Diameter Water Main Rehabilitation I9	2022	Ongoing	\$141	\$712	\$1,935	\$7,783	\$15,423	\$13,091	\$6,654	\$2,773	\$0	\$0	\$0	\$48,373	\$59,950	2029
KG Small Diameter Water Main Rehabilitation 20	2022	Ongoing	\$18	\$138	\$828	\$2,240	\$3,272	\$3,892	\$6,086	\$12,422	\$11,593	\$8,738	\$5,244	\$54,453	\$68,039	2032
KH Small Diameter Water Main Rehabilitation 21	2022	Ongoing	\$2	\$1,026	\$3,490	\$4,070	\$12,046	\$22,316	\$16,032	\$5,845	\$0	\$0	\$0	\$64,824	\$81,153	2029
KI Small Diameter Water Main Rehabilitation 22	2023	Ongoing	(\$11)	\$1,302	\$3,711	\$2,966	\$2,641	\$10,321	\$21,859	\$22,635	\$8,619	\$0	\$0	\$74,054	\$94,788	2030
KJ Small Diameter Water Main Rehabilitation 23	2024	Ongoing	\$0	\$0	\$130	\$1,304	\$3,335	\$22,147	\$42,521	\$10,510	\$0	\$0	\$0	\$79,948	\$104,270	2029
KK Small Diameter Water Main Rehabilitation 24	2025	Ongoing	\$0	\$0	\$0	\$123	\$1,500	\$3,402	\$2,381	\$16,536	\$32,703	\$19,640	\$10,498	\$86,782	\$108,102	2032
KL Small Diameter Water Main Rehab 25	2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$1,051	\$2,755	\$4,900	\$30,287	\$44,808	\$7,985	\$91,786	\$117,475	2032
MV Small Diameter Water Main Rehabilitation 3	2006	Ongoing	\$1	\$52	\$132	\$872	\$882	\$0	\$0	\$0	\$0	\$0	\$0	\$1,938	\$15,677	2026
O2 Small Diameter Water Main Rehabilitation I0	2013	Ongoing	\$59	\$455	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$455	\$38,877	2023
O3 Small Diameter Water Main Rehabilitation I1	2014	Ongoing	\$169	\$99	\$5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$104	\$42,399	2024
QF District Metering	2023	Ongoing	\$0	\$0	\$257	\$405	\$655	\$273	\$440	\$813	\$976	\$1,071	\$1,223	\$6,113	\$9,930	2032
S3 Large Valve Replacement (Contract 3-7)	1999	Ongoing	\$261	\$127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$127	\$23,207	2024
U5 WSSC Interconnection Project	2022	Ongoing	\$22	\$44	\$553	\$575	\$3,558	\$3,538	\$890	\$0	\$0	\$0	\$0	\$9,158	\$11,949	2028
KM Small Diameter Water Main Rehab 26	2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$822	\$2,889	\$5,672	\$6,309	\$13,622	\$35,429	\$64,743	\$119,312	2033
KN Small Diameter Water Main Rehab 27	2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$334	\$1,749	\$2,592	\$4,973	\$17,342	\$26,988	\$121,667	2032
K9 Large Diameter Water Main Replacement I2 - I3 & I4	2031	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$435	\$1,747	\$10,812	\$12,994	\$83,480	\$120,435	2032
KP Small Diameter Water Main Rehab 28	2029	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$153	\$712	\$2,813	\$9,465	\$13,143	\$120,435	2032
KC Large Valve Replacement Contracts 26 - 27 & 28	2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$71	\$326	\$2,793	\$4,738	\$4,569	\$3,288	\$15,785	\$20,980	2032
KD Large Valve Replacement Contracts 29 - 30 & 31	2030	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70	\$380	\$3,738	\$4,188	\$22,970	2032
LV Small Diameter Water Main Rehab 29	2030	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150	\$1,997	\$7,141	\$9,288	\$133,052	2038
TOTAL DISTRIBUTION SYSTEMS BUDGETS			\$30,621	\$30,986	\$72,384	\$89,285	\$97,369	\$118,521	\$125,347	\$123,510	\$126,497	\$122,606	\$126,784	\$1,033,289	\$2,102,409	



Water

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(\$ in thousands)

LEAD PROGRAM			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
BW	Lead Free DC Program		2003	Ongoing	\$7,872	\$9,170	\$10,823	\$15,853	\$19,568	\$15,947	\$15,137	\$12,681	\$17,578	\$0	\$0	\$116,759	\$302,760	2030
ST	Lead Free DC Project		2022	Ongoing	\$10,044	\$33,307	\$66,680	\$92,091	\$90,270	\$75,423	\$59,660	\$50,290	\$27,193	\$0	\$0	\$494,912	\$513,558	2030
TOTAL LEAD PROGRAM BUDGETS					\$17,917	\$42,477	\$77,504	\$107,944	\$109,838	\$91,370	\$74,797	\$62,971	\$44,771	\$0	\$0	\$611,672	\$816,318	
ON-GOING			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
D5	FY 2014 - DWS Water Projects		2014	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,248	2022
HY	FY 2019 - DWS Water Projects		2019	Ongoing	\$0	\$230	\$37	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$267	\$9,631	2023
JA	FY 2020 - DWS Water Projects		2020	Ongoing	\$95	\$53	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$53	\$15,070	2023
KW	FY 2021 - DWS Water Projects		2021	Ongoing	\$3,252	\$141	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$141	\$11,830	2023
KX	FY 2022 - DWS Water Projects		2022	Ongoing	\$13,968	\$3,426	\$70	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,496	\$15,930	2024
KY	FY 2023 - DWS Water Projects		2023	Ongoing	\$0	\$13,954	\$148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,102	\$13,150	2024
KZ	FY 2024 - DWS Water Projects		2024	Ongoing	\$0	\$0	\$15,173	\$36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,209	\$14,452	2025
L1	FY 2025 - DWS Water Projects		2025	Ongoing	\$0	\$0	\$0	\$14,750	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$14,780	\$14,780	2026
L2	FY 2026 - DWS Water Projects		2026	Ongoing	\$1	\$0	\$0	\$0	\$15,890	\$0	\$0	\$0	\$0	\$0	\$0	\$15,890	\$15,890	2026
L6	FY 2027 - DWS Water Projects		2027	Ongoing	\$0	\$0	\$0	\$0	\$0	\$18,250	\$0	\$0	\$0	\$0	\$0	\$18,250	\$18,250	2027
L7	FY2028 - DWS Water Projects		2028	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$17,818	\$0	\$0	\$0	\$0	\$17,818	\$19,575	2028
QJ	DDCS Water Pumping and Storage Projects FY19-21		2020	Ongoing	\$0	\$475	\$1,864	\$2,039	\$1,858	\$1,101	\$1,098	\$1,191	\$1,101	\$1,098	\$0	\$11,826	\$11,701	2031
L8	FY2029 - DWS Water Projects		2029	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,500	\$0	\$0	\$0	\$19,500	\$21,000	2029
L9	FY2030 - DWS Water Projects		2030	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,500	\$0	\$0	\$20,500	\$22,000	2030
LA	FY2031 - DWS Water Projects		2031	Ongoing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,781	\$2,219	\$22,000	\$23,500	2032
LW	FY2032 - DWS Water Project		2032	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,404	\$20,404	\$24,200	2033
TOTAL ON-GOING BUDGETS					\$17,316	\$18,280	\$17,292	\$16,825	\$17,779	\$19,351	\$18,915	\$20,691	\$21,601	\$20,879	\$22,623	\$194,235	\$261,206	
PUMPING FACILITIES			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
AY	Upgrades to Fort Reno Pumping Station		2002	Ongoing	\$402	\$369	\$81	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$496	\$14,473	2025
FD	Water Facility Security System Upgrades		2010	Closed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,137	2021
HI	Bryant Street Pump Station Phase III		2027	Ongoing	\$0	\$0	\$0	\$209	\$228	\$979	\$3,397	\$347	\$0	\$0	\$0	\$5,160	\$6,620	2029
HR	Anacostia Pump Station Improvements Phase II		2025	Ongoing	\$0	\$20	\$150	\$220	\$424	\$2,561	\$339	\$0	\$0	\$0	\$0	\$3,715	\$4,700	2028
HV	Bryant Street Pump Station - Spill Header Flow Control		2013	Ongoing	\$528	\$3,143	\$5,376	\$494	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$9,028	\$11,658	2026
JB	Bryant Street PS Improvements - Phase II		2012	Ongoing	\$1	\$326	\$1,901	\$4,233	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,461	\$12,185	2025
LT	Water System SCADA		2014	Ongoing	\$331	\$1,073	\$1,130	\$696	\$1,396	\$841	\$16	\$0	\$0	\$0	\$0	\$5,153	\$8,406	2028
LU	Water Facilities Security System Upgrades 2		2016	Ongoing	\$0	\$19	\$52	\$61	\$34	\$26	\$0	\$0	\$0	\$0	\$0	\$193	\$2,000	2027
OR	Fort Reno Pump Station Improvements Phase II		2023	Ongoing	\$0	\$181	\$330	\$495	\$3,545	\$568	\$0	\$0	\$0	\$0	\$0	\$5,119	\$6,430	2027
OV	I 6th & Alaska Pump Station Improvements		2027	New	\$0	\$0	\$0	\$0	\$0	\$89	\$323	\$1,730	\$271	\$0	\$0	\$2,412	\$3,082	2030
OW	Water System Sensor Program (WaSSP)		2022	Ongoing	\$71	\$760	\$980	\$863	\$752	\$753	\$739	\$62	\$0	\$0	\$0	\$4,907	\$5,800	2029
PS	Existing Water Facilities Building Optimization		2023	Ongoing	\$0	\$18	\$75	\$508	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$601	\$695	2025
S6	West Venturi Meter - Bryant Street Pumping Station		2023	New	\$0	\$0	\$125	\$158	\$1,340	\$574	\$0	\$0	\$0	\$0	\$0	\$2,197	\$2,404	2027
S7	Water Pumping Station Upgrade		2028	New	\$0	\$0	\$0	\$0	\$0	\$0	\$2,216	\$2,408	\$2,408	\$2,408	\$2,414	\$11,854	\$14,984	2033
TOTAL PUMPING FACILITIES BUDGETS					\$1,332	\$5,910	\$10,202	\$7,983	\$7,734	\$6,391	\$7,029	\$4,547	\$2,678	\$2,408	\$2,414	\$57,295	\$95,574	



Water

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(\$ in thousands)

STORAGE FACILITIES			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
FA	Water Storage Facility Upgrades		2009	Ongoing	\$1,250	\$2,923	\$539	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,462	\$37,933	2024
HW	Rehabilitation of Elevated Water Tanks		2023	Ongoing	\$7	\$1,497	\$363	\$412	\$691	\$1,323	\$783	\$238	\$0	\$0	\$0	\$5,308	\$7,000	2029
MA	Saint Elizabeth Water Tank		2002	Ongoing	\$426	\$1,350	\$212	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,562	\$47,511	2024
MQ	2MG 4th High Storage Tank		2004	Ongoing	\$0	\$191	\$3,634	\$5,672	\$2,376	\$492	\$0	\$0	\$0	\$0	\$0	\$12,365	\$20,266	2027
MR	2nd High Water Storage		2009	Ongoing	\$0	\$3	\$101	\$78	\$741	\$1,642	\$6,727	\$2,340	\$0	\$0	\$0	\$11,633	\$17,043	2029
QG	Anacostia First and Second High Storage		2019	Ongoing	\$1	\$483	\$1,962	\$5,592	\$468	\$0	\$0	\$0	\$0	\$0	\$706	\$9,210	\$19,171	2032
RX	Water Storage Facility Upgrades Phase II		2026	Ongoing	\$0	\$0	\$0	\$0	\$163	\$377	\$1,877	\$2,348	\$3,241	\$2,211	\$1,590	\$11,808	\$17,800	2036
SW	Water SCADA Replacement		2028	New	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$71	\$295	\$1,117	\$2,799	\$4,552	\$8,380	2034
TOTAL STORAGE FACILITIES BUDGETS					\$1,682	\$6,447	\$6,811	\$11,754	\$4,438	\$3,834	\$9,658	\$4,997	\$3,536	\$3,328	\$5,096	\$59,899	\$175,104	
PROGRAM MANAGEMENT			Start	Status	FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total	Lifetime Budget	Completion
KV	Water Program Management Services 2F		2020	Ongoing	\$2,432	\$4,584	\$3,677	\$1,163	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,424	\$30,610	2025
LB	Water Program Management Services 2G		2025	Ongoing	\$0	\$0	\$0	\$3,433	\$5,120	\$7,542	\$7,080	\$4,641	\$1,551	\$0	\$0	\$29,368	\$35,480	2030
ME	Water System Program Management Services		1999	Ongoing	\$15	\$226	\$501	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$847	\$19,854	2025
NU	Water Program Management Services 2H		2030	New	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,090	\$5,120	\$7,563	\$15,773	\$35,480	2035
TOTAL PROGRAM MANAGEMENT BUDGETS					\$2,448	\$4,809	\$4,179	\$4,716	\$5,120	\$7,542	\$7,080	\$4,641	\$4,641	\$5,120	\$7,563	\$55,412	\$121,424	
TOTAL WATER BUDGETS					\$71,316	\$108,909	\$188,371	\$238,506	\$242,278	\$247,009	\$242,826	\$221,357	\$203,725	\$154,341	\$164,479	\$2,011,801	\$3,572,035	

(\$ in thousands)

Below are the annual total disbursements for the various projects within this service area.

	FY 2022 Actual	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime Budget
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	
CAPITAL EQUIPMENT	\$ 21,373	\$ 47,421	\$ 30,535	\$ 31,654	\$ 31,776	\$ 34,334	\$ 34,334	\$ 34,334	\$ 34,334	\$ 34,334	\$ 34,334	\$ 347,390	\$ 347,390
WASHINGTON AQUEDUCT	\$ 14,683	\$ 67,523	\$ 35,155	\$ 29,480	\$ 29,480	\$ 29,480	\$ 29,480	\$ 29,480	\$ 29,480	\$ 29,480	\$ 29,480	\$ 338,518	\$ 338,518
ADDITIONAL CAPITAL PROJECTS	\$ 36,056	\$ 114,944	\$ 65,690	\$ 61,134	\$ 61,256	\$ 63,814	\$ 63,814	\$ 63,814	\$ 63,814	\$ 63,814	\$ 63,814	\$ 685,909	\$ 685,909



Fleet Truck



Fleet Skimmer Boat



WAD McMillan North Clearwell

Overview

Additional Capital Programs is a subset of DC Water's Capital Improvement Program (CIP) and is comprised of Capital Equipment and the Washington Aqueduct.

Capital Equipment – This category accounts for approximately 51% of the Additional Capital Programs budget and includes capital equipment purchases, refurbishment, replacement and enhancement of operational facilities, vehicle equipment, office renovations, mechanical equipment, and Information Technology (IT) software/hardware needs. The current capital equipment disbursement budget includes the following cluster groups:

- **Wastewater Operations** – This cluster is comprised of Wastewater Operations, Wastewater Process Engineering, and Maintenance Services. The capital equipment activities/purchases support work attributable to rehabilitation, replacement, and continuous improvements or enhancements for pumps, screens, large motors, centrifuges, process control systems, and actuators.
- **Water Operations** – The capital equipment activities/purchases for this department include water service replacements, backflow preventers, hydrant locks, and valve replacements.
- **Pumping and Sewer Operations** – these purchases support Supervisory Control and Data Acquisition (SCADA) hardware, flow meters, major build rebuilds, and sewer equipment.
- **Engineering** – purchases for this department support engineering and technical services miscellaneous equipment needs.
- **Finance and Procurement** – This cluster includes the departments of Finance, and Procurement & Compliance. The activities/purchases are primarily for reserve funds to support additional capital equipment needs for new facilities, unplanned emergencies, and capital equipment requiring long-lead times. This also funds the purchases of payroll time clocks, and miscellaneous finance related equipment.
- **Customer Care** – these activities/purchases support the enhancements, replacements, and upgrades of residential and commercial water meters.

- **Information Technology** – This department is comprised of the following clusters: IT Infrastructure and IT Project Management. The IT activities are for equipment purchases for infrastructure and projects, which include laptops, cabling, radios, servers, telephones, and software applications.
- **Shared Services** – Capital equipment within this cluster is primarily for the departments of Office of Emergency Management, Facilities Management, Fleet Management, Security, and Safety. The activities/purchases include, plumbing, elevators, photocopiers, appliances, furniture, vehicles, loaders, dump trucks, vacuum trucks, boats, backhoes, cranes, trailers, forklifts, fire suppression system equipment, renovations, cameras, utility carts, and sensors.

Washington Aqueduct – The Washington Aqueduct, managed by the U.S. Army Corps of Engineers (USACE), provides wholesale water treatment services to DC Water and wholesale customers in Northern Virginia, (Arlington County and Fairfax County Water Authority). DC Water purchases approximately 74 percent of the water produced by the Aqueduct’s two treatment facilities, the Dalecarlia and McMillan Treatment Plants, and thus is responsible for approximately 74 percent of the Aqueduct’s operating and capital costs. Under federal legislation and a memorandum of understanding enacted in 1997 and updated in 2013, when Fairfax Water replaced the City of Falls Church, DC Water and the Aqueduct’s wholesale customers in Northern Virginia inherited a much greater role in oversight of the Aqueduct’s operations and its Capital Improvement Program, than prior to 1997.

The USACE, in accordance with Federal procurement regulations, requires DC Water to remit cash in an amount equal to the total project cost in advance of advertising contracts, and these funds are transferred immediately to a USACE/U.S. Treasury account to be drawn down during the execution of the project, through completion, with no interest going to DC Water. Over the years, extensive discussions with the U.S. Office of Management and Budget (OMB) and the USACE resulted in a proposal in the President’s FY 2006 and FY 2007 budgets that would allow Aqueduct customers to deposit funds for any projects required by their National Pollutant Discharge Elimination System (NPDES) permit (including the residuals project) to a separate escrow account, allowing the Aqueduct customers to retain interest on these funds. The proposal was submitted in May 2006 to the Senate and House. During FY 2006, the USACE briefed the Senate Environment and Public Works Committee staff and in conjunction with DC Water, briefed the Senate Homeland Security and Government Affairs committee staff. Additionally, DC Water and Washington Aqueduct staff provided DC Delegate Norton’s office with the Administration’s proposal. Neither committee acted on the proposal.

The Washington Aqueduct continues to pursue other options that would be more favorable to DC Water, including transferring dollars on a phased basis, utilizing taxable bonds, or taxable commercial paper. In the past, some of these options have not been viewed favorably by the U.S. Treasury, but we will continue our outreach efforts to Congressional staff, federal agencies, and the USACE on this critical issue.

DC Water’s share of Washington Aqueduct’s infrastructure improvements to achieve established service levels for FY 2023 – FY 2032 is \$338.5 million. The increased investments funds Washington Aqueduct’s risk-based asset management CIP, except the following projects: Federally Owned Water Mains, Travilah Quarry Acquisition Outfitting, and Advanced Treatment.



Additional Capital Programs

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(\$ in thousands)

		FY 2022 Actual	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-Yr Total
WASTEWATER OPERATIONS													
810600	Clean Water Quality & Technology	\$0	\$50	\$50	\$80	\$80	-	-	-	-	-	-	\$260
810006	Wastewater Operations	\$38	-	-	-	-	-	-	-	-	-	-	\$0
812003	Wastewater Process Engineering	\$4	\$400	\$625	\$625	\$625	-	-	-	-	-	-	\$2,275
811003	Maintenance Services	\$1,939	\$4,000	\$4,000	\$4,000	\$4,000	-	-	-	-	-	-	\$16,000
	Subtotal	\$1,981	\$4,450	\$4,675	\$4,705	\$4,705	-	-	-	-	-	-	\$18,535
WATER OPERATIONS													
813003	Water Operations	\$139	\$1,050	\$1,195	\$1,195	\$1,195	-	-	-	-	-	-	\$4,635
	Subtotal	\$139	\$1,050	\$1,195	\$1,195	\$1,195	-	-	-	-	-	-	\$4,635
PUMPING AND SEWER OPERATIONS													
815000	Pumping Services	\$1,277	\$1,765	\$1,550	\$1,550	\$1,550	-	-	-	-	-	-	\$6,415
814000	Sewer Operations	\$270	\$210	\$280	\$280	\$280	-	-	-	-	-	-	\$1,050
	Subtotal	\$1,547	\$1,975	\$1,830	\$1,830	\$1,830	-	-	-	-	-	-	\$7,465
ENGINEERING													
801000	Engineering & Technical Services	\$42	\$25	\$25	\$25	\$25	-	-	-	-	-	-	\$100
	Subtotal	\$42	\$25	\$25	\$25	\$25	-	-	-	-	-	-	\$100
FINANCE & PROCUREMENT													
300003	Finance, Accounting & Budget	\$0	\$10	-	-	-	-	-	-	-	-	-	\$10
300003	Reserve Fund	\$0	\$10,776	\$5,550	\$5,920	\$5,920	\$30,437	\$30,437	\$30,437	\$30,437	\$30,437	\$30,437	\$210,788
	Subtotal	\$0	\$10,786	\$5,550	\$5,920	\$5,920	\$30,437	\$30,437	\$30,437	\$30,437	\$30,437	\$30,437	\$210,798
CUSTOMER CARE													
600018	On-Going Replacement	\$423	\$2,900	\$2,900	\$2,900	\$2,900	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$33,782
600018	SDWM Meter Program	\$0	\$200	\$698	\$954	\$1,013	\$200	\$200	\$200	\$200	\$200	\$200	\$4,066
	Subtotal	\$423	\$3,100	\$3,598	\$3,854	\$3,913	\$3,897	\$3,897	\$3,897	\$3,897	\$3,897	\$3,897	\$37,848
INFORMATION TECHNOLOGY													
601003	IT Infrastructure	\$2,645	\$3,349	\$2,142	\$2,502	\$2,565	-	-	-	-	-	-	\$10,558
601012	IT Project Management	\$7,490	\$3,520	\$3,145	\$3,145	\$3,145	-	-	-	-	-	-	\$12,955
	Subtotal	\$10,135	\$6,869	\$5,287	\$5,647	\$5,710	-	-	-	-	-	-	\$23,513
SHARED SERVICES													
204000	Facilities Management	\$1,575	\$1,966	\$1,775	\$1,878	\$1,878	-	-	-	-	-	-	\$7,497
205003	Security	\$1,224	\$800	\$600	\$600	\$600	-	-	-	-	-	-	\$2,600
202006	Fleet Management	\$4,308	\$16,400	\$6,000	\$6,000	\$6,000	-	-	-	-	-	-	\$34,400
201006	Office of Emergency Management	\$0	-	-	-	-	-	-	-	-	-	-	\$0
	Subtotal	\$7,107	\$19,166	\$8,375	\$8,478	\$8,478	-	-	-	-	-	-	\$44,497
TOTAL CAPITAL EQUIPMENT		\$21,374	\$47,421	\$30,535	\$31,654	\$31,776	\$34,334	\$34,334	\$34,334	\$34,334	\$34,334	\$34,334	\$347,390
WASHINGTON AQUEDUCT		\$14,683	\$67,523	\$35,155	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$29,480	\$338,518
TOTAL ADDITIONAL CAPITAL PROGRAMS		\$36,057	\$114,944	\$65,690	\$61,134	\$61,256	\$63,814	\$63,814	\$63,814	\$63,814	\$63,814	\$63,814	\$685,909



Approved FY 2024 Budgets

Section VI: CAPITAL FINANCING, CASH AND DEBT



New Fleet Facilities

\$ in thousands

DC Water relies on several funding sources to finance its capital projects and cash flow needs. The process of identifying, obtaining, and managing these funds, is a combined effort throughout the Authority. This includes future revenues, collections, grant applications, planning, and debt service management.

Approximately 63 percent of DC Water's capital program is funded by debt and pay-go, 18 percent of the funds is contributed by the wholesale capital payments, and the remaining estimated 19 percent funds come from other available funds.

Below is the list of various funding sources and the percentage contribution, to DC Water's overall CIP needs.

Ten-year Sources of Funds	Amount	Percentage
Debt Financing (1)	\$ 2,734,308	39.3%
Wholesale Capital Payment	1,269,968	18.3%
Pay-Go Financing (2)	1,606,176	23.1%
Clean Rivers Impervious Area Charge (CRIAC)	772,401	11.1%
EPA Grants & CSO Appropriation	171,908	2.5%
System Availability Fee (SAF)	77,000	1.1%
Federal Grants - Infrastructure Funding	240,575	3.5%
Interest Income on Bond Proceeds	44,542	0.6%
Curing Pad and Solar	34,189	0.5%
Total	\$ 6,951,067	100%

- (1) Debt financing refers to the borrowing of funds through long-term revenue bonds, commercial paper and other short-term notes
- (2) Pay-go financing is any funds available after meeting the reserves and rate stabilization fund deposits

\$ in thousands

Sources and Uses of Funds

	FY 2022 Actual	FY 2023 Approved	FY 2023 Revised	FY 2024 Approved
Sources				
Beginning Balance	\$ 151,031	\$ 281,405	\$ 494,562	\$ 304,193
New Debt Proceeds / Commercial Paper / EMCP ⁽¹⁾	\$ 395,433	\$ 194,519	\$ 38,211	\$ 180,488
Curing Pad and Solar	-	1,165	-	3,009
System Availability Fee (SAF)	9,194	7,700	7,700	7,700
Clean Rivers Impervious Area Charge (CRIAC)	52,095	52,514	52,514	63,348
Pay-Go Financing	124,919	114,315	120,851	130,873
Federal Grants - Infrastructure Funding	4,400	37,594	11,701	44,000
EPA Grants	39,656	27,101	21,984	26,651
CSO Appropriation	8,011	-	-	-
Wholesale Customer Capital Contributions	53,661	90,690	75,288	84,142
Interest Income	1,499	3,304	15,169	10,621
Total Sources	\$ 688,868	\$ 528,902	\$ 343,418	\$ 550,832
Uses				
Water Projects	\$ 71,316	\$ 227,116	\$ 108,909	\$ 188,371
Wastewater Treatment	69,277	78,574	71,907	84,442
Sanitary Sewer Treatment	31,056	103,383	68,031	118,457
Combined Sewer & LTCP Projects	117,675	117,703	108,031	110,256
Stormwater Projects	2,168	11,526	7,509	12,839
Non-Process Facilities	17,788	12,052	22,104	24,614
Washington Aqueduct	14,683	59,628	67,523	35,155
Capital Equipment	20,951	33,921	44,321	26,937
Meter Replacement / AMR/ CIS	423	3,100	3,100	3,598
Total Uses	\$ 345,337	\$ 647,003	\$ 501,437	\$ 604,671
Capital Contingency Reserve for LTCP	\$ -	\$ 32,350	\$ 32,350	\$ 33,432
Ending Balance	\$ 494,562	\$ 130,954	\$ 304,193	\$ 216,923

(1) Commercial Paper and Extendable Municipal Commercial Paper are used for interim financing and capital equipment

Cash Reserve Summary

	FY 2022 Actual	FY 2023 Approved	FY 2023 Revised	FY 2024 Approved
Beg. O&M Reserve Balance (Net of Rate Stabilization Fund)	\$ 196,286	\$ 235,600	\$ 257,374	\$ 274,600
Operating Surplus	\$ 214,789	\$ 143,799	\$ 185,953	\$ 172,571
Wholesale Customer Prior Year Billing Reconciliation	(2,351)	(5,000)	(7,500)	(5,000)
Federal Customer Prior Year Billing Reconciliation	(3,060)	(4,188)	(4,188)	(6,256)
Interest Earned from Bond Proceeds	89	225	521	351
Pay-Go Capital Financing	(148,378)	(127,837)	(157,560)	(153,665)
Ending O&M Reserve Balance (Net of Rate Stabilization Fund)	\$ 257,374	\$ 242,600	\$ 274,600	\$ 282,600
Rate Stabilization Fund	\$ 35,644	\$ 35,644	\$ 35,644	\$ 35,644

\$ in thousands

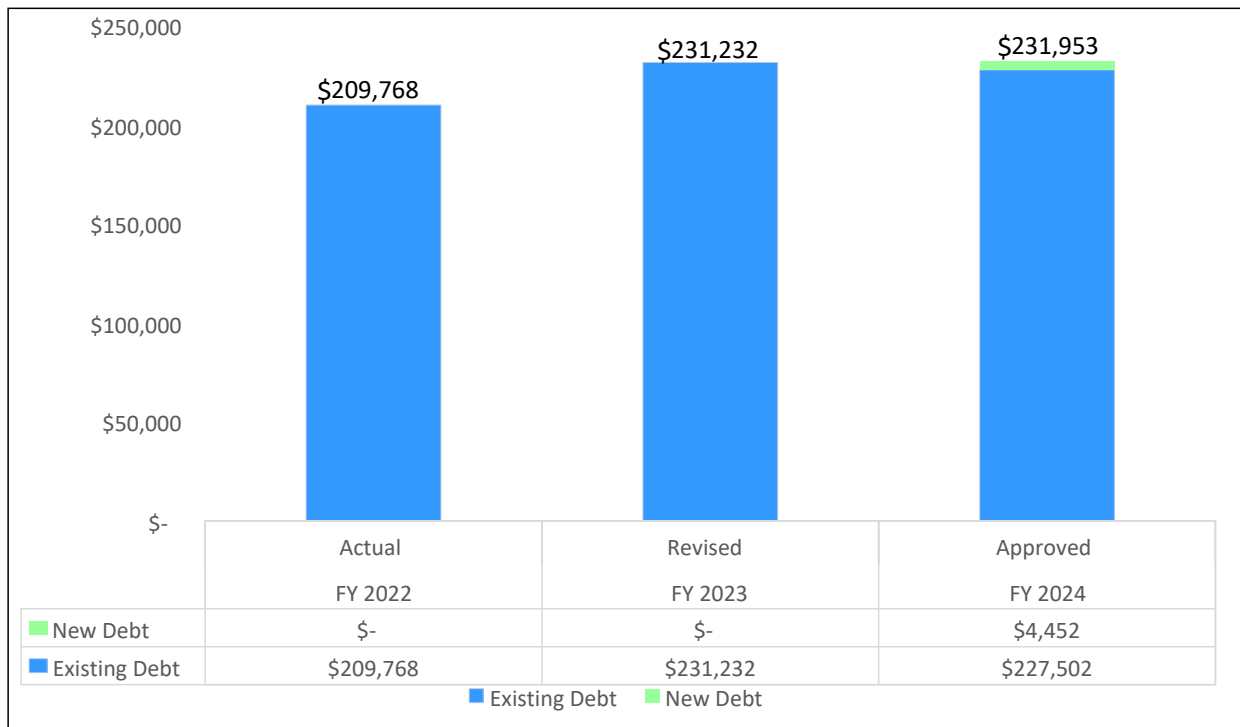
Interest Rate Assumptions

- Budget Appropriation and Financial Plan
 1. Variable rate
 - 5 percent and 4 percent for FY 2023 and FY 2024
 2. Fixed rate
 - 5.0 percent for FY 2023 and FY 2024 respectively
 - Plus, cost of issuance and insurance

Capital Financial Plan

- DC Water will issue debt for two purposes:
 1. Finance the costs associated with the CIP
 2. Refund existing debt to obtain Debt Service savings and / or restructure certain term of existing debt. The key goals of DC Water’s comprehensive capital financing plans are:
 - a) Minimizing the cost of capital
 - b) Increase operational flexibility; and
 - c) Optimize assets / liability matching through Interim Financing, Pay-Go Financing, and Federal Grants.

Debt Service FY 2022 – FY 2024



\$ in thousands

The chart below shows debt service payment of principal and interest for a three-year outlook.

Bond Series	FY 2022 Actual	FY 2023 Revised	FY 2024 Approved
Senior Lien			
Series 1998	\$ 20,360	\$ 23,369	\$ 8,110
Series 2014A	16,849	16,849	16,849
Series 2017A&B	17,846	17,848	17,849
Series 2018A&B	18,326	18,329	18,326
WIFIA Loan	94	1,683	2,244
Total Senior Lien	\$ 73,474	\$ 78,078	\$ 63,379
Subordinate Lien			
Series 2010A	\$ 15,291	\$ 15,460	\$ 15,432
Series 2012A,B-1, B-2&C	17,667	-	-
Series 2014B	589	4,000	4,004
Series 2014C	28,057	25,764	16,046
Series 2015A&B	22,638	20,549	20,548
Series 2016	17,039	17,039	17,039
Series 2019A&B	7,625	7,625	7,625
Series 2019C	1,741	1,741	1,741
Series 2019D	12,303	12,305	12,305
Series 2022A	1,445	16,218	36,943
Series 2022B	2,078	3,979	3,979
Series 2022C-1	4,659	8,921	8,921
Series 2022C-2	92	177	177
Series 2022D	2,215	10,656	10,649
Series 2022E	1,509	2,891	2,891
Extendable Municipal Commercial Paper	252	2,880	2,880
Commercial Paper	287	2,143	2,139
Jennings Randolph Bond	805	805	805
Total Subordinate Lien	\$ 136,293	\$ 153,154	\$ 164,123
Proposed Debt Service	-	-	4,452
Total Debt Service	\$ 209,768	\$ 231,232	\$ 231,953

In February 2022, DC Water affirmed its senior bond ratings of AAA/Aa1/AA+ from S&P/Moody's/Fitch's Ratings. This allows DC Water to have a lower borrowing cost which in turn reduces ratepayer cost in the long run.

Senior Bond Ratings		
Standard & Poor's Corporation	AAA	Stable Outlook
Moody's Investor Service	Aa1	Stable Outlook
Fitch's Rating	AA+	Stable Outlook

\$ in thousands

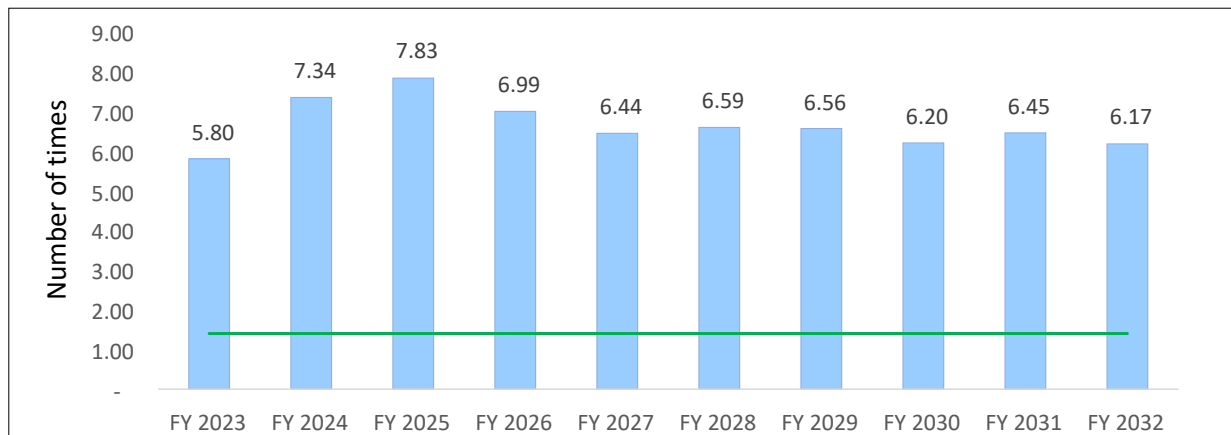
Debt Service Coverage (FY 2023 – FY 2032)

DC Water is authorized to issue additional debt only to the extent that it can satisfy the Debt Service Coverage (annual net revenues as a percent of annual debt service) requirements established in the Indenture and certain Board policies.

Debt Level	Master Indenture	Board Resolution	Management Practice
Senior	120x	140x	140x
Subordinate	100x	100x	100x
Combined	NA	160x	160x

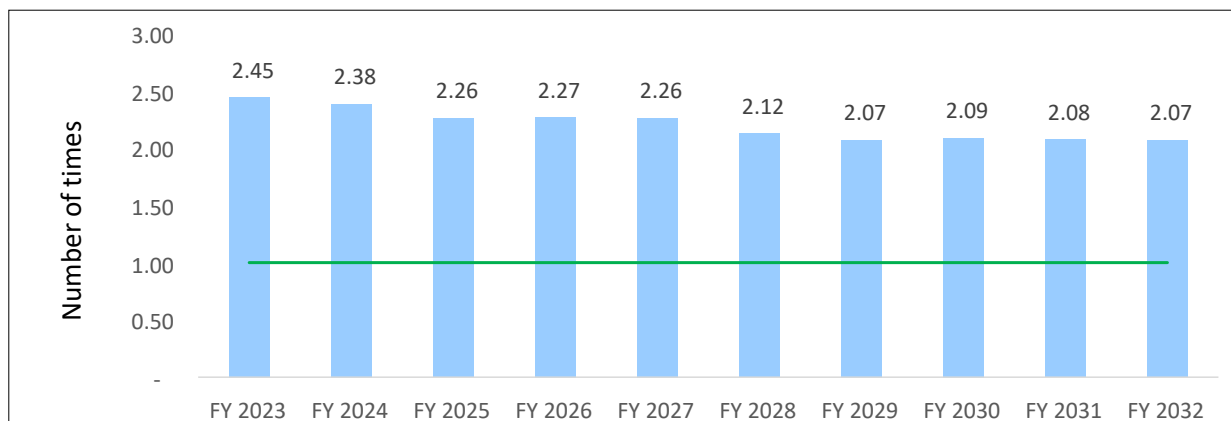
Senior Debt Service Coverage

Senior Debt Service Coverage (Management target = 140x)



Subordinate Debt Service Coverage

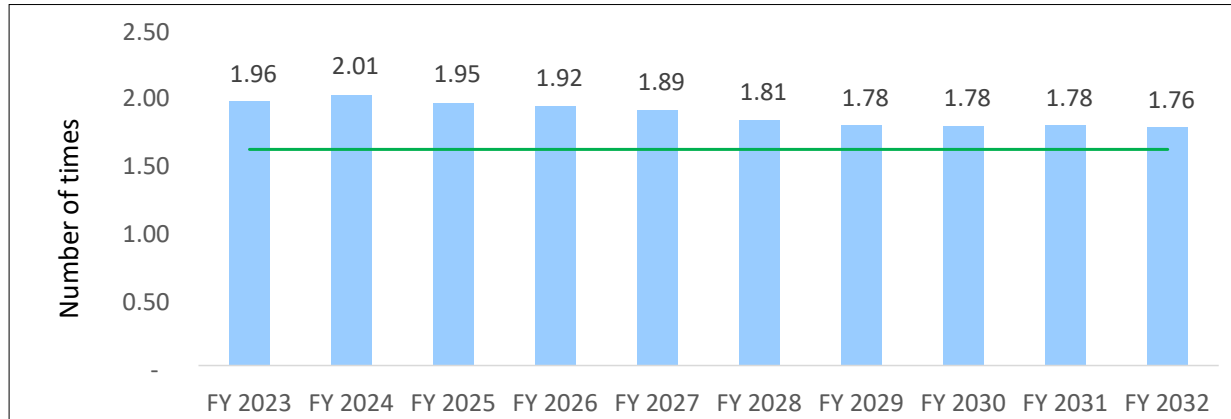
Subordinate Debt Service (Board/Management target = 100x)



\$ in thousands

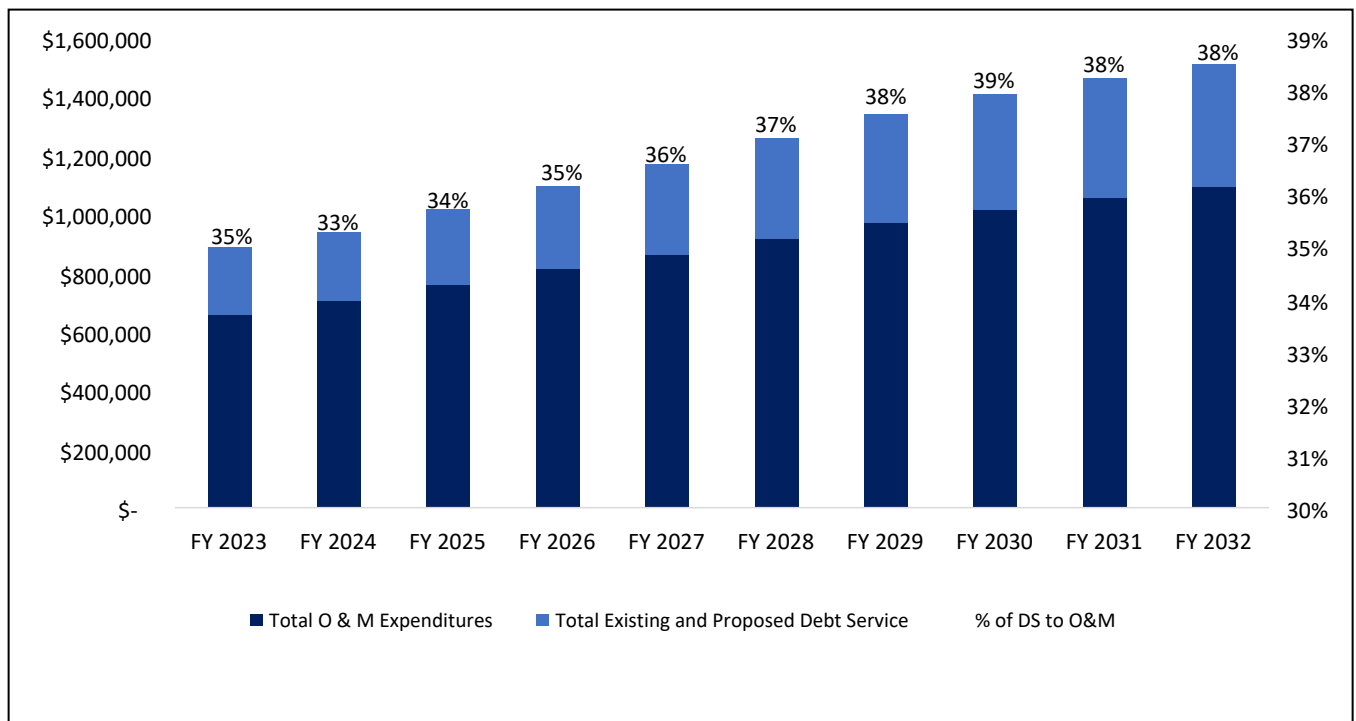
Combined Debt Service Coverage

Combined Debt Service (Board/Management target = 160x)



DC Water's debt service cost covers 35 percent of the total operating and maintenance expenses for FY 2023 with a cost of \$231 million. By FY 2032, debt service costs are expected to be approximately 38 percent and projected to increase over the next 10 years to finance capital projects.

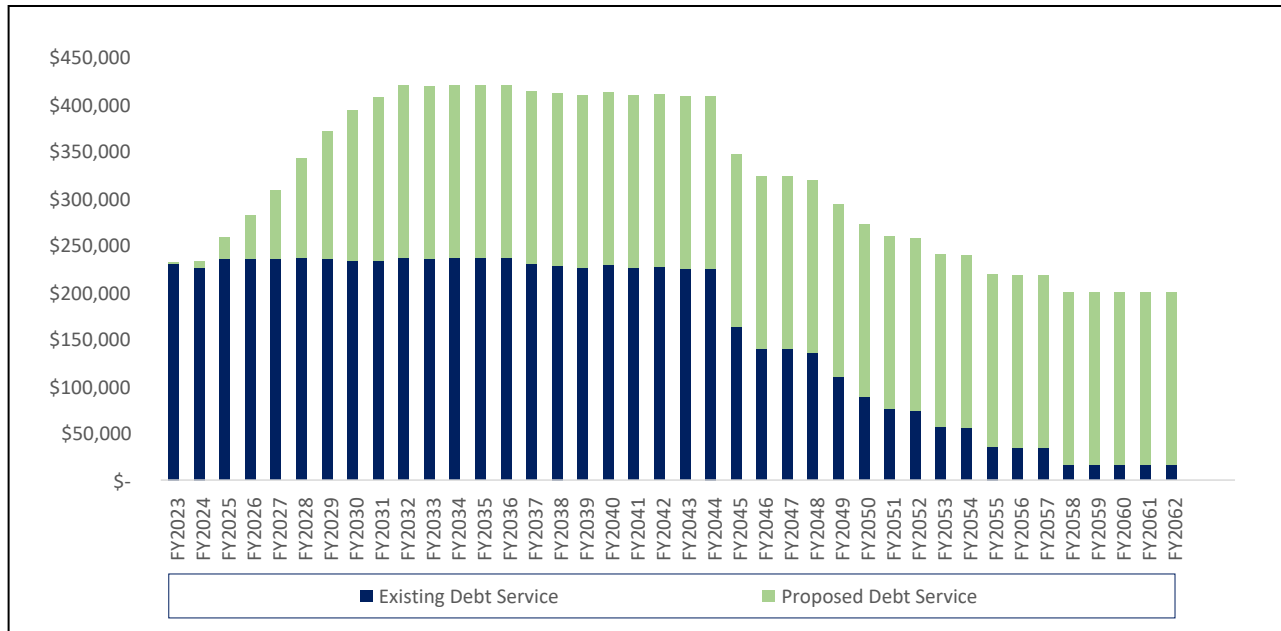
Debt Service as Percentage of O&M Expenditures



\$ in thousands

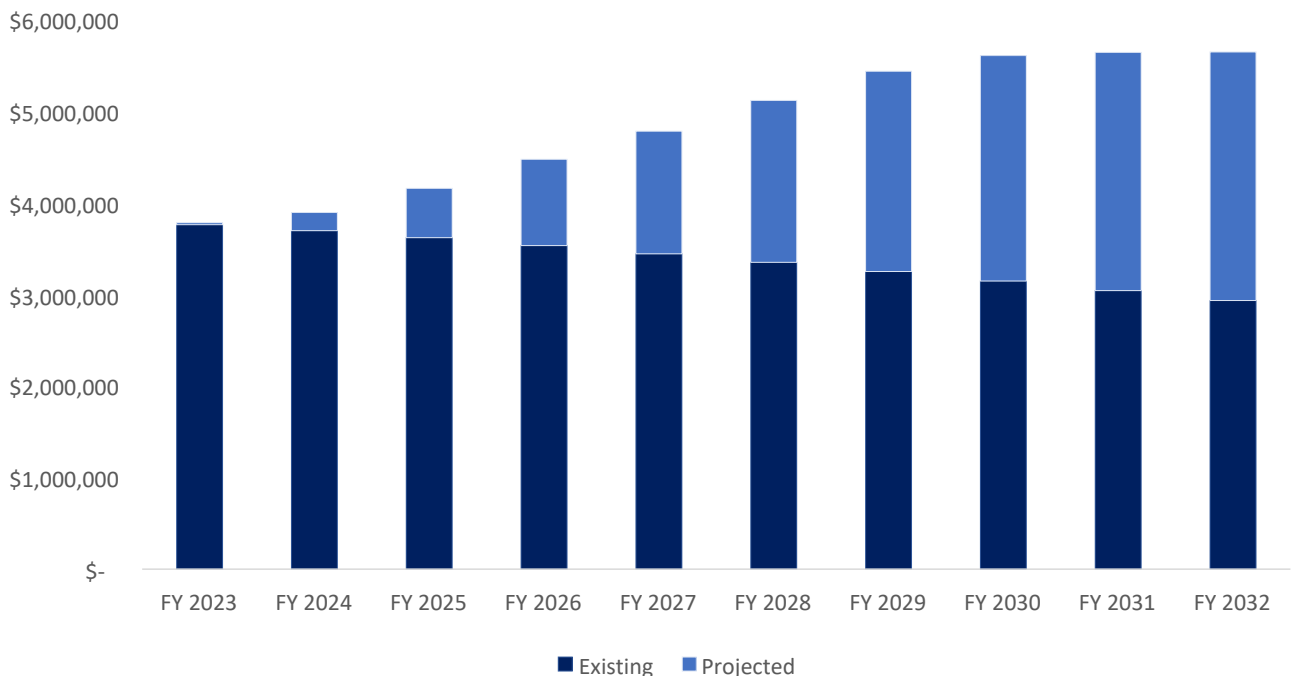
The largest source of funding for DC Water’s capital program is debt. DC Water will issue approximately \$2.7 billion in new debt over the next ten years. DC Water has \$3.8 billion in outstanding debt as of FY 2023 with an estimated \$5.7 billion by FY 2032. DC Water’s annual debt service cost is \$231 million in FY 2023 and estimated to be \$419 million by FY 2032.

Total Outstanding & Proposed Debt Service



Note: 40-year debt service schedule above assumes no new debt issuances after FY 2032

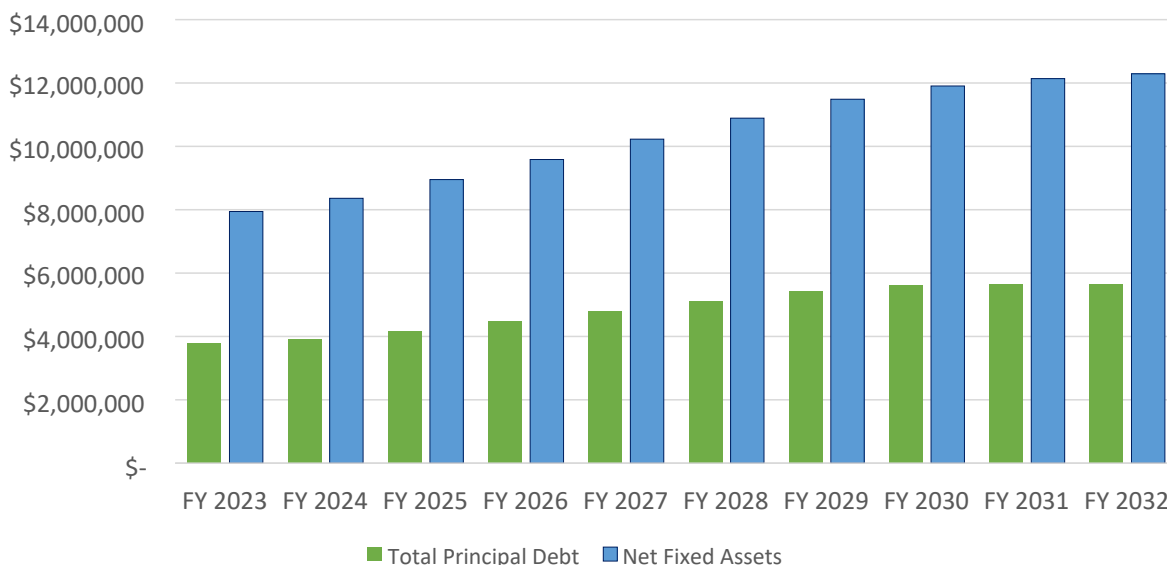
Outstanding Debt



\$ in thousands

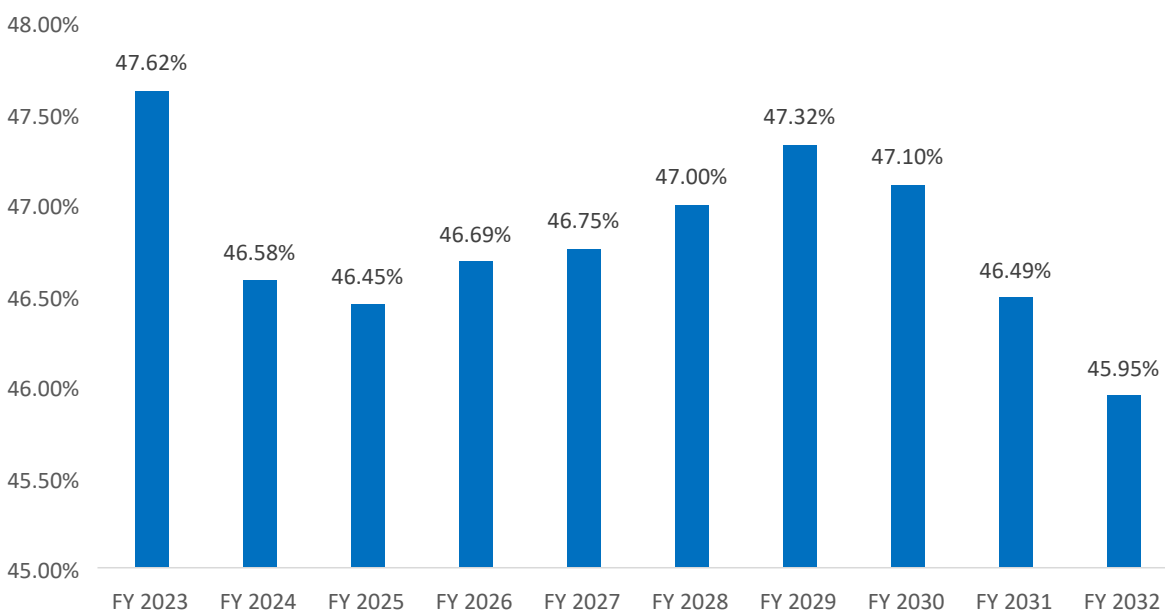
Over the 10 years, DC Water's projected disbursement plan for its capital program will be \$6.95 billion. DC Water's net fixed assets are \$7.9 billion as of FY 2023 and estimated to be \$12.3 billion by FY 2032.

Principal vs Net Fixed Assets



Note: Outstanding debt in above graph illustrates principal vs the net fixed asset amount over 10 years

Debt to Net Fixed Assets Ratio



Note: The above graph illustrates the debt to net fixed asset ratio over 10 years

DEBT LIMIT: DC Water is not subject to any legal debt limitations. However, prior to any new debt issuance, DC Water must meet an additional bonds test and certify revenue sufficiency

PUBLIC UTILITY SENIOR LIEN REVENUE BONDS: 1) Series 1998 (March 1998); 2) Series 2014A (July 2014); 3) Series 2017A (January 2017); 4) Series 2017B (January 2017); 5) Series 2018A (April 2018); and 6) Series 2018B (April 2018)

PUBLIC UTILITY SUBORDINATE LIEN REVENUE BONDS: 1) Series 2012A (March 2012); 2) Series 2013A (July 2013); 3) Series 2014B (July 2014); 4) Series 2013A (July 2013); 5) Series 2014B (July 2014); 6) Series 2015A (October 2015); 7) Series 2015B (October 2015); 8) Series 2016B Environmental Impact Bond (September 2016); 9) Series 2019A (October 2019); 10) Series 2019B (October 2019); 11) Series 2019C (October 2019); 12) Series 2022B (February 2022); 13) Series 2022C (February 2022); 14) Series 2022D (February 2022); and 15) Series 2022E (March 2022).

PUBLIC UTILITY SUBORDINATE LIEN REVENUE BONDS (FEDERALLY TAXABLE ISSUER SUBSIDY BUILD AMERICA BONDS): 1) Series 2010A (October 2010)

PUBLIC UTILITY SUBORDINATE LIEN REVENUE REFUNDING BONDS: 1) Series 2008A: (refunded Series 2004, Assured Guaranty insured, April 2008; 2) Series C taxable commercial paper: (refunded Series 2007B, April 2008); and 3) Series 2012C: (advance refunded Series 2003, March 2012); 4) Series 2014C: (advanced refunded all or a portion of Series 2007A, 2008A, 2009A, and 2012B, October 2014); 5) Series 2016A: (advanced refunded all or a portion of Series 2007A, 2008A, and 2009A, January 2016); 6) Series 2019D: (advanced refunded all of Series 2013A); 7) Series 2022C: (refunded portion of Series 2014C, 2015A and 2015B, February 2022); 8) Series 2022D: (refunded portion of Series 2014C, February 2022); and 9) Series 2022A: (forward direct purchase agreement to refund all Series 2012A and 2012C, July 2022).

NOTES FOR JENNINGS RANDOLPH RESERVOIR: The note payable to the Federal government for improvements to the Jennings Randolph Reservoir is considered subordinate debt under the Master Indenture of Trust. The notes were issued to provide a backup water supply facility for the Authority. DC Water's share of operating and capital cost is 30 percent

NOTES FOR LITTLE SENECA RESERVOIR: The note payable to Washington Suburban Sanitary Commission (WSSC) is considered subordinate debt under the Master Indenture of Trust. The notes were issued by WSSC for construction of the Little Seneca Dam and Lake for backup and peak-day water supply for the Authority. DC Water's share of operating and capital costs is 40 percent. DC Water prepaid the note in full in August 2013

COMMERCIAL PAPER (CP): These notes issued are considered subordinate debt under the Master Indenture of Trust. DC Water's commercial paper program is issued in increments with maturities less than 270 days. As described in Section III, the Board approved the commercial paper program in early FY 2002; proceeds from the sale of the notes are used for interim bond financing, short-term financing for capital

equipment and certain taxable costs for the Washington Aqueduct. Each new bond issuance is evaluated to determine the most cost-effective way of reducing the amount of taxable commercial paper. Normal market conditions for commercial paper carries significantly lower interest rates than long-term debt. In May 2020, DC Water authorized the Letter of Credit facility to TD Bank, NA. Additionally, DC Water successfully extended JP Morgan Chase Bank as the authorized dealer and US Bank as the Issuing Paying Agent. The \$150 million commercial paper program includes: (1) Series B (tax-exempt) aggregate principal amount not to exceed \$100 million; and (2) Series C (taxable) aggregate principal amount not to exceed \$50 million

EXTENDABLE MUNICIPAL COMMERCIAL PAPER (EMCP): This program will provide interim financing for a portion of the Authority's Capital Improvement Program. Under this program the notes are issued backed by the liquidity and credit rating of the Authority. Each Series A EMCP Note will mature on its respective "Original Maturity Date", which may range from one to 90 days from the date of issuance, unless its maturity is extended on the "Original Maturity Date" to the "Extended Maturity Date", which will be the date that is 270 days after the date of issuance of the Series A EMCP Note. The notes are payable from and secured by a subordinate lien on the Authority's net revenues, as further described in the Authority's master trust indenture as supplemented. In November 2015, DC Water authorized the dealer for the EMCP program as Goldman, Sachs & Co. The \$100 million extendable municipal commercial paper program includes: (1) Series A (tax-exempt) aggregate principal amount not to exceed \$100 million

DEBT POLICY: DC Water's comprehensive debt policy can be found on our website at www.dewater.com

INVESTOR RELATIONS: DC Water's investor relations can be found via BondLink at www.dewaterbonds.com



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Approved FY 2024 Budgets

Section VII: DEPARTMENTAL SUMMARIES



Introduction to DC Water’s Operational and Administrative (Support) Departments

DC Water’s organizational structure is a key tool for ensuring that the organizational mission is achieved. The structure consists of twenty-nine departments that are defined primarily along functional roles and further grouped along service lines (Operational or Administrative) or reporting clusters of authority.

Service Lines: Operational departments include: Water Operations, Pumping and Sewer Operations, and Wastewater Treatment services (including maintenance of these facilities). These departments are responsible for the day-to-day operations of the DC Water’s extensive infrastructure and facilities that provide direct services to our customers. Similarly, the Customer Care Department is classified as an operational department due to the integrated nature of their work to operations (i.e., customer care, metering and billing). Provision of first-line customer care to our customers includes 24-hour emergency service. The departments of Engineering and Technical Services, Wastewater Engineering, Clean Rivers, Permit Operations, and Capital Improvement Program (CIP) Infrastructure Management are responsible for ongoing reinvestment in the system infrastructure, compliance with various mandates and provide services to the development community throughout the District of Columbia.

All other departments provide critical administrative and technical support to ensure the safe and reliable continuity of our vital services through short and long-term planning, asset management, leadership and all financial and human capital support requirements.

Reporting Lines: Departments are grouped within clusters to ensure accountability and to enhance efficiency and delivery of various services. A member of the Senior Executive Team (SET) heads each cluster group and is accountable for service delivery and performance metrics of the departments within their cluster.

DC Water continues to make organizational changes and improvements to enhance efficiencies, improve processes and efficiently utilize all assets with the goal of better serving the public and protecting the environment. To this end, during FY 2023, DC Water’s Senior Executive Team implemented series of structural changes aimed at leveraging organizational strengths to produce maximum results, promote high performing team culture across all business units, enhance functional alignment and cross cluster connection, and provide the best employee experience. These structural changes include the shifting of Information Technology, Customer Care, Shared Services, and Strategy & Performance to a newly formed Administration Cluster. It includes the realignment of Enterprise-level Asset Management, Energy Management and Watershed Management programs to be developed under the Enterprise Program Management Office (EPMO).

DC Water's new organizational chart can be found on page 223 and reflects structural changes for the following departments and cluster groups. Some of these changes were made late in FY 2023 (after the FY 2024 budget was approved) and will be reflected in the FY 2025 budget:

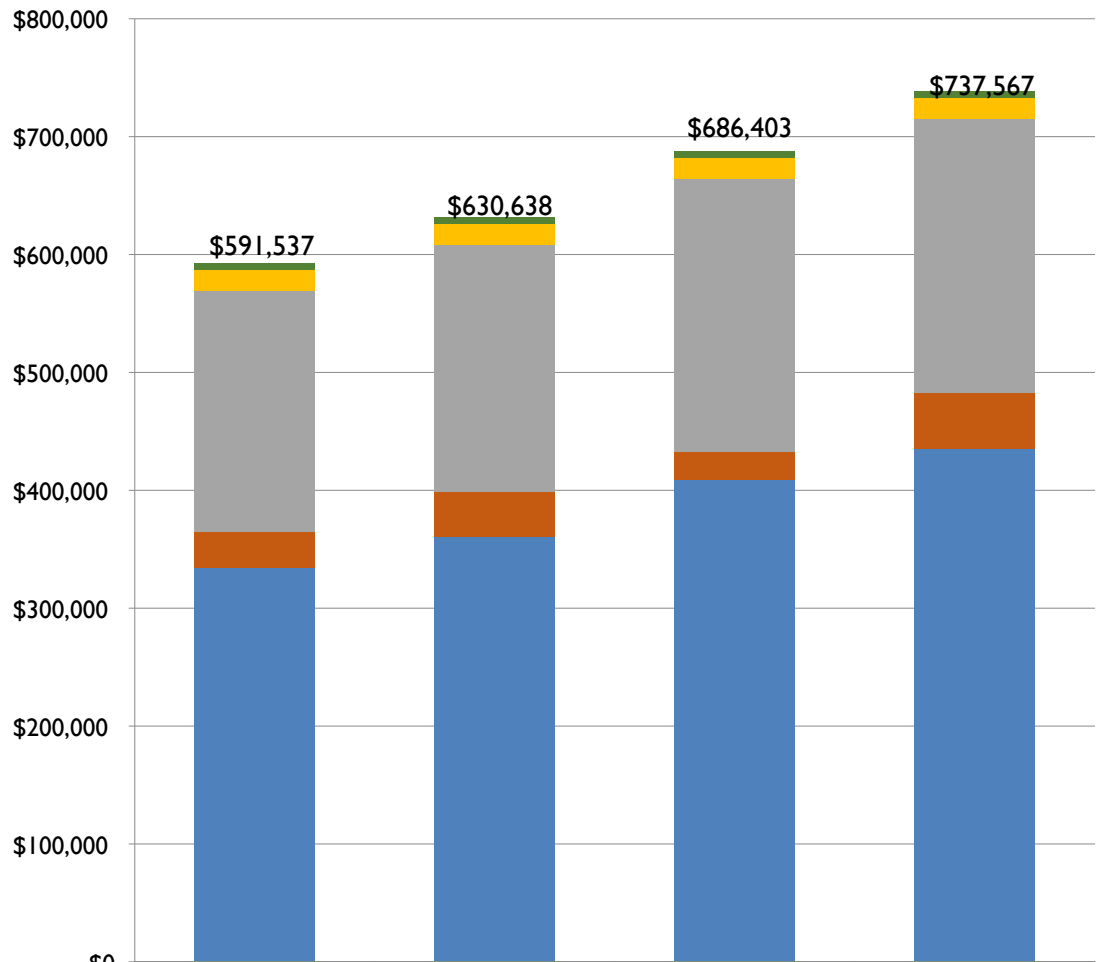
- Independent Offices – This cluster is comprised of the Office of the Chief Executive Officer, Office of Chief Operating Officer, Board Secretary, and Internal Audit.
- Office of the Chief Operating Officer – Oversees the operations and engineering clusters.
- Operations and Engineering – All operational and engineering functions are consolidated into a single cluster. This includes Department of Engineering & Technical Services (DETS), Wastewater Engineering, Permit Operations, Clean Rivers and CIP Infrastructure Management. The operations departments include Water Operations (which includes Water Quality and Technology), Pumping & Sewer Operations, Wastewater Treatment Operations, Process Engineering, Maintenance Services, Resource Recovery and Clean Water & Technology.
- Shared Services (now under Administration Cluster) – This section includes Security, Occupational Safety and Health, Office of Emergency Management, Fleet Management, and Facilities Management departments.
- Customer Care – This department, which was previously part of the Customer Experience Cluster, is now part of the new Administration Cluster.
- Information Technology - This department is also part of the new Administration Cluster and is comprised of Enterprise Solutions and IT Infrastructure functions.
- Finance, Procurement & Compliance – This cluster is comprised of Finance, Procurement and Compliance departments. All goods, services and engineering procurement administration activities are consolidated under the Procurement and Compliance departments. This cluster is also responsible for the oversight of the Non-Ratepayer Revenue Fund.
- People and Talent – Human Capital Management is now the People and Talent department and includes Employee Experience, Total Rewards, Labor Relations and Compliance Programs under this cluster.
- Strategy & Performance – This department oversees the Innovation, Enterprise Program Management Office, Strategic Management and Business Performance Management functions, and is now under the Administration Cluster.
- Legal Affairs – General Counsel is now the Office of Government and Legal Affairs.
- Marketing and Communications – External Affairs is now Marketing and Communications.

Senior Executive Team

RESPONSIBILITY	CLUSTER
Chief Executive Officer & General Manager	DC Water
Chief of Staff	Independent Offices
Chief Operating Officer & Executive Vice President	Operations & Engineering
Chief Administration Officer & Executive Vice President	Strategy & Performance, Internal Audit, Shared Services, Information Technology, Customer Care
Chief Financial Officer & Executive Vice President	Finance, Procurement and Compliance
Chief Communications Officer & Stakeholders Engagement Officer & Executive Vice President	Marketing & Communications
Chief People & Inclusion Officer & Executive Vice President	People & Talent
Chief Legal Officer & Executive Vice President	Government & Legal Affairs

\$ in thousands

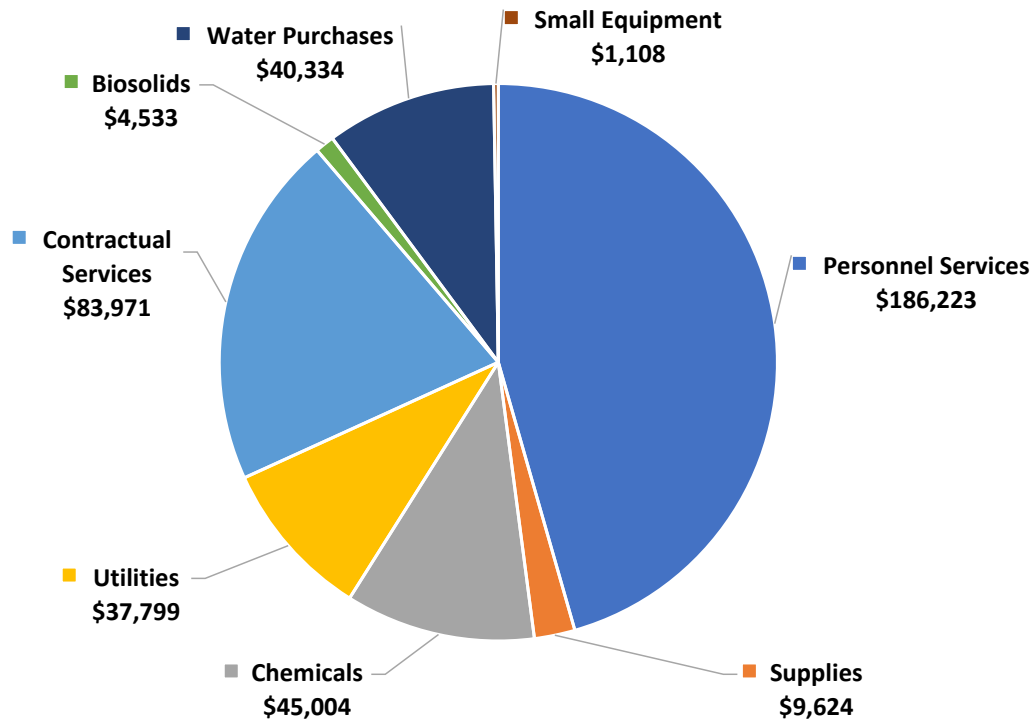
FY 2021 - FY 2024



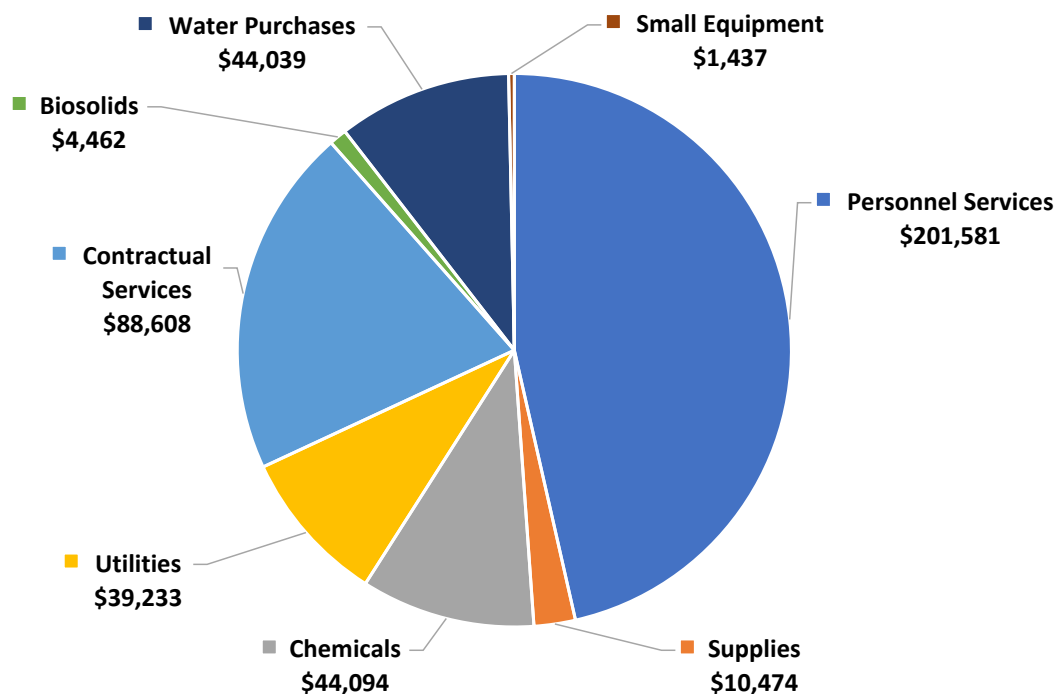
■ ROW	FY 2021 Actual	FY 2022 Actual	FY 2023 Revised	FY 2024 Approved
■ PILOT	\$5,100	\$5,100	\$5,100	\$5,100
■ Debt Service	\$17,272	\$17,618	\$17,970	\$18,330
■ Cash Financed Capital Improvements	\$204,878	\$209,768	\$231,232	\$231,953
■ Operations & Maintenance	\$30,355	\$37,830	\$23,505	\$48,256
■ Total	\$333,932	\$360,322	\$408,596	\$433,928
	\$591,537	\$630,638	\$686,403	\$737,567

The above chart shows operations and maintenance (O&M) costs needed to maintain appropriate service levels. The overall operating budget is constrained by the increasing debt service costs required to support DC Water's Capital Improvement Program.

FY 2023 Revised \$408,596



FY 2024 Approved \$433,928



\$ in thousands

Object	FY 2021 ACTUAL	FY 2022 ACTUAL	FY 2023 REVISED	FY 2024 APPROVED
Personnel Services	\$ 165,032	\$ 173,229	\$ 186,223	\$ 201,581
Contractual Services	73,575	75,878	88,504	93,070
Water Purchases	33,135	33,345	40,334	44,039
Chemicals and Supplies	34,244	39,189	54,628	54,568
Utilities	27,329	37,820	37,799	39,233
Small Equipment	617	862	1,108	1,437
Subtotal Operations & Maintenance Expenditures	\$ 333,931	\$ 360,322	\$ 408,596	\$ 433,928
Debt Service	204,878	209,768	231,232	231,953
Cash Financed Capital Improvements	30,355	37,830	23,505	48,256
Payment in Lieu of Taxes	17,272	17,618	17,970	18,330
Right of Way Fees	5,100	5,100	5,100	5,100
Total Operating Expenditures	\$ 591,537	\$ 630,638	\$ 686,403	\$ 737,567
Personnel Services charged to Capital Projects	(23,395)	(24,413)	(30,435)	(31,974)
Total Net Operating Expenditures	\$ 568,142	\$ 606,225	\$ 655,968	\$ 705,593

- **Personnel Services** – Covers the salaries, benefits, overtime, on-call and other employee compensation for full time employees, temporary part-time employees, and the DC Water’s internship program.
- **Contractual Services** – Includes the maintenance and repairs for the Authority’s water, sewer and wastewater infrastructure, automotive and various operational facilities. It also covers the legal, insurance and compliance requirements, customer support and community outreach programs, employee training, safety programs, software maintenance, information technology services, pay for success based on performance of the Green Infrastructure project, etc.
- **Water Purchases** – Is for water purchased from the U.S. Army Corps of Engineers (Washington Aqueduct), the entity that sources, treats and produces the tap water distributed by DC Water in the District.
- **Chemicals and Supplies** – Includes the various chemicals used in the treatment processes, office supplies, parts sourced from the warehouse, uniforms for operational and technical employees, etc.
- **Utilities** – Covers the costs for telecommunications (radios, cell and phone lines), electricity, natural gas, water usage, building rentals, etc.
- **Small Equipment** – Include items such as adding machines, cameras, small appliances, etc.
- **Debt Service** – Is for repayment of principal and interest on debt issued for the capital program.
- **Cash Financed Capital Improvements (CFCI)** – The purpose of this fund is two-fold: to serve as an Operations and Maintenance budget contingency and to provide sufficient debt service coverage.
- **Payment in Lieu of Taxes and Right of Way** – These are payments to the District for water and sewer conduits that it occupies within the District of Columbia, consistent with memorandum of understanding (MOU).

Operating Expenditures by Department and Cluster

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[glossary](#)

\$ in thousand

Departments & Clusters	FY 2021 ACTUAL	FY 2022 ACTUAL	FY 2023 REVISED	FY 2024 APPROVED
WASTEWATER OPERATIONS	\$ 94,967	\$ 109,995	\$ 133,862	\$ 139,117
Wastewater Treatment Operations	70,050	83,179	97,013	96,277
Process Engineering	5,870	6,453	6,979	8,065
Maintenance Services	19,047	20,363	20,498	23,147
Clean Water and Technology	-	-	3,728	5,090
Resource Recovery	-	-	5,645	6,538
ENGINEERING	\$ 31,460	\$ 30,499	\$ 36,231	\$ 38,119
Engineering & Technical Services	21,451	19,801	23,337	23,349
CIP Infrastructure Management	3,675	4,289	5,034	5,549
Wastewater Engineering	2,384	2,531	3,432	3,746
Permit Operations	3,949	3,877	4,428	5,475
WATER OPERATIONS	\$ 62,938	\$ 63,576	\$ 72,195	\$ 76,317
Water Operations	62,938	63,576	72,195	76,317
PUMPING AND SEWER OPERATIONS	\$ 35,654	\$ 37,049	\$ 37,350	\$ 42,703
Pumping and Sewer Operations	35,654	37,049	37,350	42,703
WATERSHED MANAGEMENT	\$ 2,602	\$ 3,364	\$ 4,119	\$ 4,219
Clean Rivers	2,602	3,364	4,119	4,219
CUSTOMER CARE	\$ 17,614	\$ 16,951	\$ 21,079	\$ 21,201
Customer Care	17,614	16,951	21,079	21,201
INFORMATION TECHNOLOGY	\$ 10,775	\$ 10,873	\$ 10,252	\$ 11,271
Information Technology	10,775	10,873	10,252	11,271
SHARED SERVICES	\$ 25,246	\$ 28,446	\$ 30,044	\$ 32,619
Office of Emergency Management	990	1,277	1,669	1,659
Fleet Management	6,158	7,014	7,576	7,626
Occupational Safety & Health	2,262	2,323	2,367	3,589
Facilities Management	8,482	9,231	9,781	10,500
Security	7,354	8,600	8,651	9,245
INDEPENDENT OFFICES	\$ 5,462	\$ 5,487	\$ 6,075	\$ 6,107
Secretary to the Board	432	469	635	584
Office of the Chief Executive Officer	4,474	3,092	2,772	2,954
Office of the Chief Operating Officer	-	1,176	1,922	1,764
Internal Audit (outsourced)	556	750	745	805
FINANCE & PROCUREMENT	\$ 26,503	\$ 26,379	\$ 33,013	\$ 35,589
Finance	19,648	18,978	24,592	26,951
Procurement and Compliance	6,855	7,401	7,421	8,138
Non-Ratepayer Revenue Fund	-	0	1,000	500
MARKETING AND COMMUNICATION	\$ 2,778	\$ 3,209	\$ 3,243	\$ 4,793
Marketing and Communication	2,778	3,209	3,243	4,793
STRATEGY AND PERFORMANCE	\$ 902	\$ 2,804	\$ 2,856	\$ 3,609
Strategy and Performance	902	2,804	2,856	3,609
PEOPLE AND TALENT	\$ 6,686	\$ 6,527	\$ 9,928	\$ 9,919
People and Talent	6,686	6,527	9,928	9,919
GOVERNMENT AND LEGAL AFFAIRS	\$ 5,841	\$ 6,968	\$ 8,351	\$ 8,345
Government and Legal Affairs	5,841	6,968	8,351	8,345
Subtotal O & M Expenditures	\$ 329,429	\$ 352,129	\$ 408,596	\$ 433,928
Debt Service	204,878	209,768	231,232	231,953
Cash Financed Capital Improvements	30,355	37,830	23,505	48,256
Payment in Lieu of Taxes	17,272	17,618	17,970	18,330
Right of Way Fees	5,100	5,100	5,100	5,100
Total Operating Expenditures	\$ 587,034	\$ 622,445	\$ 686,403	\$ 737,567
Personnel Services charged to Capital Projects	(23,395)	(24,413)	(30,435)	(31,974)
Total Net Operating Expenditures	\$ 563,639	\$ 598,032	\$ 655,968	\$ 705,593



FY 2023 Revised Budget by Department by Category

summary

overview

financial plan

rates&rev

capital

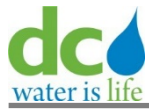
financing

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glossary

(\$ in thousands)

	Auth Pos	Pay	Fringe	Overtime	Personnel Services	Supplies	Chemicals	Utilities	Contracts	Biosolids	Water Purchases	Equipment	Total Non-Personnel Services	Total Operating
810ZZZ-Wastewater Treatment Operations	105	10,297	3,139	1,961	15,397	313	44,824	27,724	8,561	-	-	194	81,616	97,013
812ZZZ-Process Engineering	36	3,669	1,152	50	4,872	525	-	37	1,436	-	-	109	2,107	6,979
811ZZZ-Maintenance Services	99	9,189	2,880	600	12,669	3,851	-	143	3,475	-	-	360	7,829	20,498
813ZZZ-Water Operations	221	19,515	6,190	1,780	27,485	1,170	29	387	2,736	-	40,334	54	44,710	72,195
600ZZZ-Customer Care	123	10,905	3,618	405	14,927	76	-	444	5,625	-	-	7	6,152	21,079
801ZZZ-Engineering and Technical Services	136	14,191	4,226	938	19,356	101	-	306	3,514	-	-	60	3,981	23,337
802ZZZ-CIP Infrastructure Management	31	3,694	940	10	4,644	-	-	-	390	-	-	-	390	5,034
803ZZZ-Wastewater Engineering	21	2,075	565	-	2,640	10	-	-	782	-	-	-	792	3,432
800ZZZ-Clean Rivers	11	1,744	439	-	2,183	12	-	89	1,835	-	-	-	1,936	4,119
804ZZZ-Permit Operations	29	2,534	762	45	3,341	37	-	435	615	-	-	-	1,087	4,428
814ZZZ-Pumping and Sewer Operations	178	16,989	5,292	2,068	24,350	1,657	151	6,472	4,616	-	-	104	13,000	37,350
810YYY-Resource Recovery	6	559	172	-	732	-	-	-	380	4,533	-	-	4,913	5,645
810XXX-Clean Water and Technology	12	1,388	423	-	1,812	500	-	-	1,416	-	-	-	1,916	3,728
Subtotal Operations	1,008	\$96,751	\$29,799	\$7,857	\$134,407	\$8,252	\$45,004	\$36,037	\$35,381	\$4,533	\$40,334	\$888	\$170,429	\$304,837
101ZZZ-Office of Chief Executive Officer	6	1,210	296	-	1,506	5	-	24	1,237	-	-	-	1,266	2,772
104ZZZ-Office of Chief Operating Officer	5	988	262	-	1,250	-	-	0	672	-	-	-	672	1,922
100ZZZ-Secretary to the Board	2	302	61	-	363	17	-	3	252	-	-	0	273	635
102ZZZ-Internal Audit	-	-	-	-	-	-	-	2	743	-	-	-	745	745
700ZZZ-Government and Legal Affairs	14	2,201	550	3	2,754	3	-	27	5,567	0	-	-	5,597	8,351
103ZZZ-Marketing and Communications	14	2,043	549	2	2,594	10	-	21	606	-	-	12	649	3,243
400ZZZ-Strategy and Performance	10	1,669	443	-	2,112	6	-	0	738	-	-	-	744	2,856
500ZZZ-People and Talent	34	4,622	1,158	-	5,779	28	-	28	4,093	-	-	-	4,148	9,928
601ZZZ-Information Technology	37	4,847	1,371	10	6,229	4	-	193	3,760	-	-	67	4,024	10,252
301ZZZ-Procurement and Compliance	42	5,102	1,486	45	6,633	25	-	53	707	-	-	3	788	7,421
300ZZZ-Finance	60	8,027	2,295	40	10,362	15	-	64	14,151	-	-	-	14,230	24,592
302ZZZ-Non-Ratepayer Revenue Fund	-	-	-	-	-	-	-	-	1,000	-	-	-	1,000	1,000
201ZZZ-Office of Emergency Management	6	821	218	5	1,044	5	-	10	584	-	-	25	625	1,669
204ZZZ-Facilities Management	53	4,791	1,544	250	6,585	363	-	155	2,674	-	-	3	3,196	9,781
205ZZZ-Security	7	732	157	1	890	40	-	331	7,360	-	-	30	7,762	8,651
203ZZZ-Occupational Safety	17	1,758	422	-	2,180	1	-	27	159	-	-	-	187	2,367
202ZZZ-Fleet Management	10	1,182	347	6	1,535	850	-	824	4,287	-	-	80	6,041	7,576
Subtotal Administration	317	\$40,293	\$11,161	\$362	\$51,816	\$1,373	\$0	\$1,763	\$48,591	\$0	\$0	\$220	\$51,947	\$103,761
Subtotal O & M Expenditures	1,325	\$ 137,044	\$ 40,960	\$ 8,218	\$ 186,223	\$ 9,625	\$ 45,004	\$ 37,800	\$ 83,972	\$ 4,533	\$ 40,334	\$ 1,108	\$ 222,376	\$ 408,596
Debt Service														231,232
Cash Financed Capital Improvements														23,505
Payment in Lieu of Taxes														17,970
Right of Way														5,100
Total OPERATING EXPENDITURES														686,403
Personnel Services charged to Capital Projects														(30,435)
TOTAL NET OPERATING EXPENDITURES														\$655,968



FY 2024 Approved Budget by Department by Category

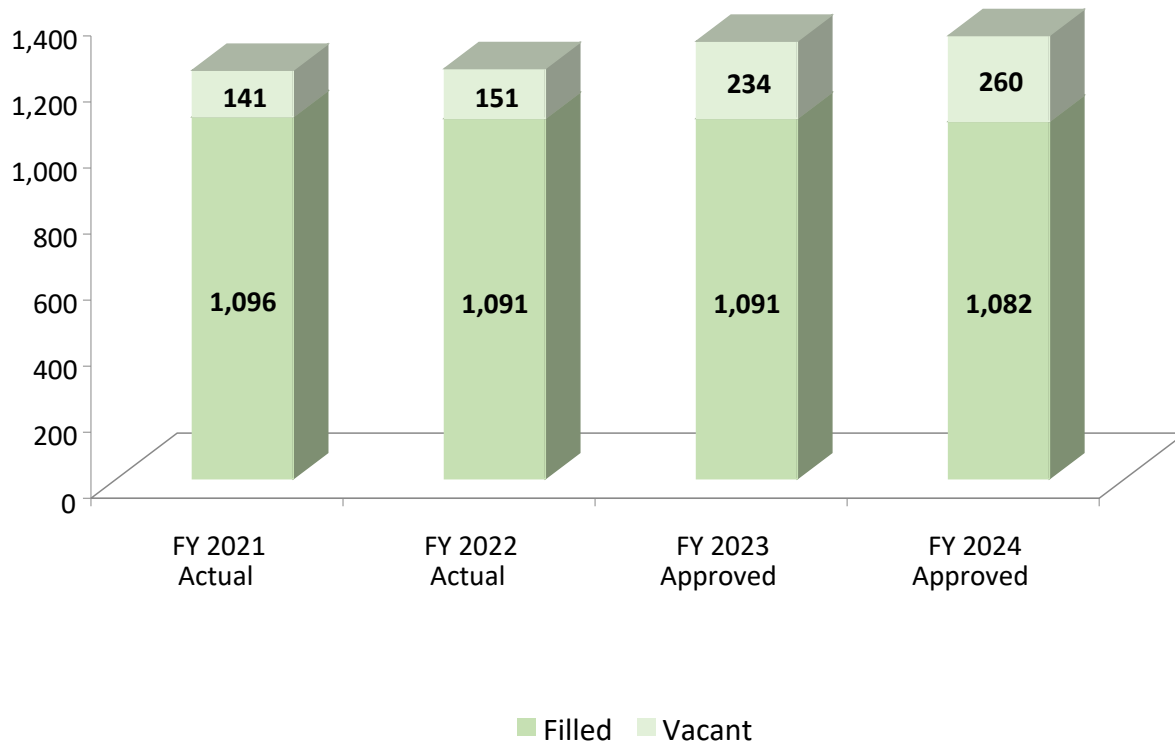
[summary](#)[overview](#)[financial plan](#)[rates&rev](#)[capital](#)[financing](#)[departmental](#)[glossary](#)

(\$ in thousands)

	Auth Pos	Pay	Fringe	Overtime	Personnel Services	Supplies	Chemicals	Utilities	Contracts	Biosolids	Water Purchases	Equipment	Total Non- Personnel Services	Total Operating
810ZZZ-Wastewater Treatment Operations	101	9,799	3,234	1,763	14,795	231	43,978	27,544	9,335	-	-	393	81,482	96,277
812ZZZ-Process Engineering	36	4,352	1,556	50	5,957	67	-	31	1,874	-	-	136	2,108	8,065
811ZZZ-Maintenance Services	104	10,470	3,571	600	14,640	4,332	-	134	3,561	-	-	480	8,507	23,147
813ZZZ-Water Operations	214	19,738	6,659	1,897	28,294	1,104	36	367	2,430	-	44,039	47	48,022	76,317
600ZZZ-Customer Care	122	11,066	3,976	405	15,447	72	-	384	5,291	-	-	8	5,754	21,201
801ZZZ-Engineering and Technical Services	141	15,634	3,530	938	20,102	123	-	289	2,835	-	-	-	3,247	23,349
802ZZZ-CIP Infrastructure Management	32	3,982	1,160	10	5,153	-	-	-	397	-	-	-	397	5,549
803ZZZ-Wastewater Engineering	21	2,271	684	9	2,963	5	-	-	778	-	-	-	783	3,746
800ZZZ-Clean Rivers	12	1,906	417	-	2,324	12	-	74	1,809	-	-	-	1,895	4,219
804ZZZ-Permit Operations	29	3,329	1,101	45	4,475	36	-	438	526	-	-	-	1,000	5,475
810XXX- Clean Water and Technology	15	1,877	621	158	2,656	537	-	-	1,897	-	-	-	2,434	5,090
810YYY-Resource Recovery	10	1,172	387	41	1,599	-	-	-	477	4,462	-	-	4,938	6,538
814ZZZ-Pumping and Sewer Operations	183	18,721	6,427	2,068	27,216	1,677	80	8,043	5,547	-	-	140	15,486	42,703
Subtotal Operations	1,020	\$104,317	\$33,323	\$7,982	\$145,622	\$8,197	\$44,094	\$37,303	\$36,756	\$4,462	\$44,039	\$1,203	\$176,053	\$321,675
100ZZZ-Secretary to the Board	2	318	66	-	384	8	-	3	189	-	-	-	200	584
101ZZZ-Office of Chief Executive Officer	6	1,358	329	0	1,688	8	-	25	1,233	-	-	-	1,266	2,954
102ZZZ-Internal Audit	-	-	-	-	-	-	-	-	805	-	-	-	805	805
103ZZZ-Marketing and Communication	18	2,833	810	-	3,643	11	-	18	1,109	-	-	12	1,150	4,793
104ZZZ-Office of Chief Operating Officer	4	894	198	-	1,092	2	-	4	666	-	-	-	672	1,764
201ZZZ-Office of Emergency Management	6	799	230	5	1,034	4	-	13	592	-	-	15	625	1,659
202ZZZ-Fleet Management	9	1,161	335	6	1,502	1,424	-	1,006	3,576	-	-	117	6,124	7,626
203ZZZ-Occupational Safety	19	2,353	722	-	3,076	5	-	37	472	-	-	-	513	3,589
204ZZZ-Facilities Management	53	4,864	1,552	366	6,782	727	-	157	2,823	-	-	11	3,718	10,500
205ZZZ-Security	7	885	202	-	1,087	41	-	332	7,755	-	-	30	8,158	9,245
300ZZZ-Finance	60	8,232	2,464	52	10,748	6	-	60	16,137	-	-	-	16,203	26,951
301ZZZ-Procurement and Compliance	42	5,276	1,697	80	7,053	24	-	48	1,010	-	-	3	1,085	8,138
302ZZZ-Non-Ratepayer Revenue Fund	-	-	-	-	-	-	-	-	500	-	-	-	500	500
400ZZZ-Strategy and Performance	11	1,871	503	-	2,374	6	-	-	1,229	-	-	-	1,235	3,609
500ZZZ-People and Talent	34	4,511	1,209	5	5,724	3	-	27	4,165	-	-	-	4,194	9,919
601ZZZ-Information Technology	37	5,154	1,559	10	6,723	5	-	175	4,323	-	-	46	4,548	11,271
700ZZZ-Government and Legal Affairs	14	2,375	669	3	3,047	3	0	25	5,269	0	0	0	5,297	8,345
Subtotal Administration	322	\$42,885	\$12,546	\$527	\$55,959	\$2,277	\$0	\$1,930	\$51,853	\$0	\$0	\$234	\$56,294	\$112,252
Subtotal O & M Expenditures	1,342	\$ 147,203	\$ 45,869	\$ 8,509	\$ 201,581	\$ 10,474	\$ 44,094	\$ 39,233	\$ 88,609	\$ 4,462	\$ 44,039	\$ 1,437	\$ 232,347	\$ 433,928
Debt Service														231,953
Cash Financed Capital Improvements														48,256
Payment in Lieu of Taxes														18,330
Right of Way														5,100
Total OPERATING EXPENDITURES														737,567
Personnel Services charged to Capital Projects														(31,974)
TOTAL NET OPERATING EXPENDITURES														\$705,593

DC Water FY 2024 Budgets, Adopted March 2, 2023

FY 2021 - FY 2024



DC Water is committed to a strategic goal to achieve a lower vacancy rate. The approach entails a closer look and assessment of staffing requirements needed to maintain service levels, coupled with increased hiring efforts in areas of need and criticality throughout the Authority. In previous years, aged and hard to fill vacant positions were deactivated and several new positions added to better align with the needs of the Authority. The new positions added were for in-house support of various operational requirements for water quality compliance, automotive parts, permits, and other strategic programs.

In FY 2021, 5 new positions were added to the overall headcount for DC Water Consumer Protection Amendment. In FY 2022, 10 new positions were added to advance the Lead-Free DC initiatives for inspection work and reduce continued reliance on consultants for support of various operational and day-to-day activities. In FY 2023, 73 new positions were added to provide in-house support of new operational and strategic programs and decrease continued reliance on consultants for day-to-day functions in the areas of engineering, information technology and budgeting functions, 13 fee generating positions were added in Permit Operations and Water Quality and Technology, and 3 positions were deactivated Authority-wide.

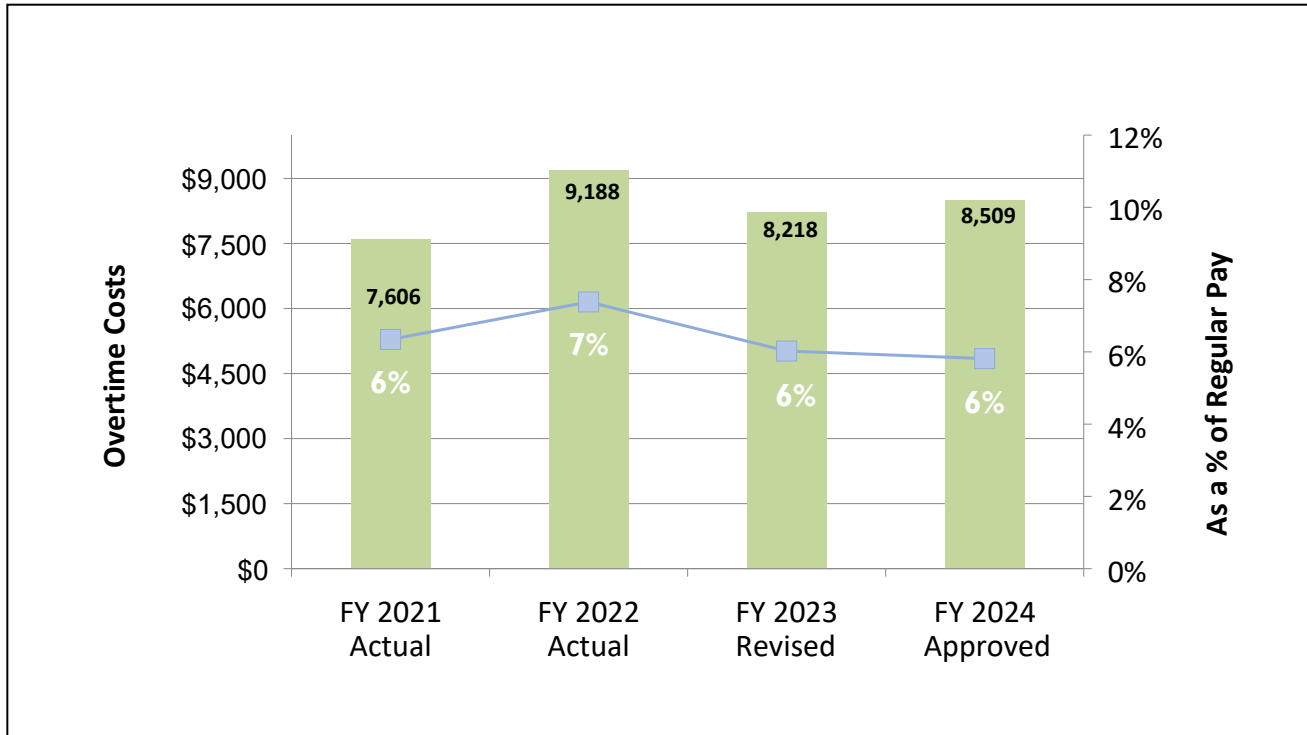
For the FY 2024 budget cycle, 17 new positions were added in the areas of greatest need to the Authority such as Safety, People and Talent, Maintenance, Pumping and Sewer Operations, and Biosolids Management. The authorized headcount reflects management's commitment to drive efficiency, fill critical positions and achieve a single-digit vacancy rate in the future.

		FY 2021		FY 2022		FY 2023	FY 2024
		Authorized	Year -End Filled	Authorized	Year -End Filled	Authorized	Authorized
O	Wastewater Treatment Operations	126	112	126	111	125	101
p	Process Engineering	35	28	35	33	36	36
e	Maintenance Services	100	90	99	90	99	104
r	Water Operations	200	182	202	179	221	214
a	Customer Care	123	107	123	102	123	122
t	Pumping and Sewer Operations	177	160	176	167	178	183
i	Engineering and Technical Services	129	94	110	100	136	141
o	Wastewater Engineering	17	10	15	9	21	21
n	CIP Infrastructure Management	6	24	25	24	31	32
s	Clean Rivers	11	9	9	8	11	12
	Permit Operations	21	21	21	20	29	29
	Resource Recovery	-	-	-	-	-	10
	Clean Water and Technology	-	-	-	-	-	15
Subtotal		945	837	941	843	1,010	1,020
A	Office of the Chief Executive Officer	18	3	4	4	6	6
d	Office of the Chief Operating Officer	-	3	4	4	3	4
m	Strategy and Performance	-	8	9	8	10	11
i	Office of the Secretary	2	2	2	2	2	2
n	Internal Audit (outsourced)	-		-	-	-	-
i	Government and Legal Affairs	17	13	18	14	14	14
s	Marketing and Communication	13	12	13	10	14	18
t	People and Talent	30	28	31	25	34	34
r	Information Technology	28	28	31	27	37	37
a	Procurement and Compliance	36	37	42	38	42	42
t	Finance	53	52	57	46	60	60
i	Office of Emergency Management	6	5	6	5	6	6
o	Facilities Management	51	44	52	41	53	53
n	Security	8	6	7	6	7	7
	Occupational Safety and Health	14	10	15	10	17	19
	Fleet Management	10	8	9	8	10	9
Subtotal		286	259	300	248	315	322
Total Positions		1,231	1,096	1,241	1,091	1,325	1,342

Year-round interns, short-term temps, summer temps and apprentices are not included in the filled count.

\$ in thousands

FY 2021—FY 2024



The Authority's overtime target is 6 percent of regular pay. Overtime costs in FY 2021 were below historical trends despite work associated with the ERP implementation and water main repairs during the winter months. The increases in FY 2022 were to cover responses to emergencies during the winter season and maintenance work due to aging water and sewer infrastructure. The revised FY 2023 and approved FY 2024 overtime budgets both align with historical spending trends.

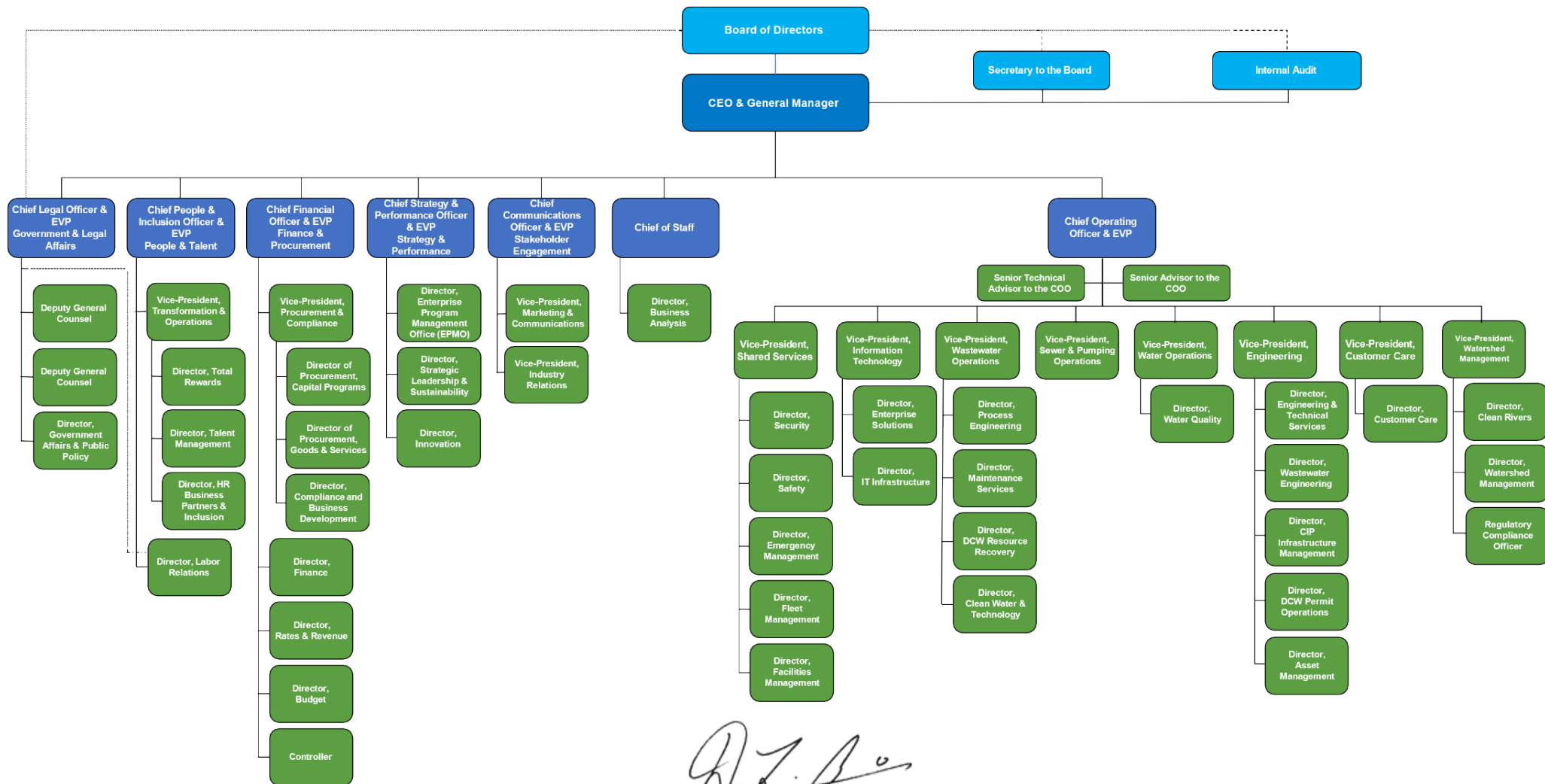
Overtime Budget by Department

[summary](#)
[overview](#)
[financial plan](#)
[rates&rev](#)
[capital](#)
[financing](#)
[departmental](#)
[glossary](#)

\$ in thousands

Department	FY 2021 Actual	FY 2022 Actual	FY 2023 Revised	FY 2024 Approved
Wastewater Treatment Operations	\$ 1,734	\$ 1,900	\$ 1,961	\$ 1,763
Resource Recovery	-	-	-	41
Clean Water and Technology	-	-	-	158
Process Engineering	26	46	50	50
Maintenance Services	535	680	600	600
Engineering and Technical Services	1,025	955	938	938
CIP Infrastructure Management	1	0	10	10
Wastewater Engineering	17	4	-	9
Permit Operations	30	50	45	45
Water Operations	1,438	2,334	1,780	1,897
Pumping and Sewer Operations	2,134	2,348	2,068	2,068
Clean Rivers	-	-	-	-
Customer Care	330	328	405	405
Information Technology	8	29	10	10
Office of Emergency Management	-	-	5	5
Fleet Management	8	9	6	6
Occupational Safety and Health	-	0	-	-
Facilities Management	220	322	250	366
Security	0	0	1	-
Secretary for the Board	-	-	-	-
Office of the Chief Executive Officer	-	-	-	-
Internal Audit	-	-	-	-
Finance	36	98	40	52
Procurement and Compliance	58	76	45	80
Marketing and Communication	1	2	2	-
People and Talent	4	6	-	5
Government and Legal Affairs	0	1	3	3
Total	\$ 7,606	\$ 9,188	\$ 8,218	\$ 8,509

DC Water Organizational Leadership




David L. Gadis, CEO & General Manager

CLUSTER: WASTEWATER OPERATIONS

DEPARTMENT: Wastewater Treatment Operations

PURPOSE: Operate the Advanced Wastewater Treatment Plant at Blue Plains to produce treated effluent that meets stringent Federal Clean Water Act and local water quality requirements

MISSION: To treat wastewater delivered to Blue Plains from the collection system of the District of Columbia and surrounding jurisdictions in Maryland and Virginia, and ensure that effluent is in compliance with the Clean Water Act

Authorized Positions: 101
FY 2024 Budget = \$96.3 million

Plant Operations
101 Positions

FUNCTIONS

Plant Operations

Treat influent wastewater to remove pollutants and meet National Pollutant Discharge Elimination System (NPDES) Permit requirements

Condition, thicken, dewater, and stabilize biosolids for beneficial use

Manage 4 shift crews – round the clock and manage the use of resources – chemicals, energy, and contracts, including the Combined Heat and Power (CHP) facility

Implement Asset Management goals and administer effective use of DC Water's Work Order system

DEPARTMENT: Wastewater Treatment Operations

BUDGET

The \$0.7 million decrease in FY 2024 compared to FY 2023 revised budget is due to decreases in Personnel Services, Chemicals, and Utilities, offset in part by increases in contractual services and small equipment

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	103	107	108	101	7	6%
Headcount: Filled	92	97	97	93	4	4%
Personnel Services	\$ 17,840	\$ 16,564	\$ 15,397	\$ 14,795	\$ 602	4%
Supplies	150	298	313	231	82	26%
Chemicals	25,174	29,858	44,824	43,978	846	2%
Utilities and Rent	17,143	27,693	27,724	27,544	180	1%
Contractual Services	9,683	8,757	8,561	9,335	(774)	(9)%
Water Purchases	-	-	-	-	0	-
Biosolid	-	-	-	-	0	-
Small Equipment	60	10	194	393	(199)	(103)%
Non Personnel Services ALL	52,210	66,615	81,616	81,482	134	0%
Department Total	\$ 70,050	\$ 83,179	\$ 97,013	\$ 96,277	\$ 736	1%
Capital Equipment	-	\$ 38	\$ 0	\$ 0	\$ 0	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Achieve NACWA Award Status	Platinum	Platinum	Platinum	Platinum	Equitable
Discharge monitoring report quality assurance samples: 90% acceptable results	greater than 90%	greater than 90%	greater than 90%	greater than 90%	Healthy, Safe, and Well

Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory

DEPARTMENT: Wastewater Treatment Operations

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue implementation of an Asset Management Program in tandem with an Asset Reliability Program, and implementation of Operator Driven Reliability 🛠️
- Continue implementation of Career Advancement Framework 👤👤
- Continue optimization of new capital projects (this includes Gravity Thickening Upgrades, Filtration Influent Pumps Upgrades, and Process Service Water (PSW) Pumps) 🌱
- Implement workforce development to enhance skills and create a learning environment for staff 👤👤
- Continue to support implementation of other CIP projects in progress, including Long Term Control Plan (LTCP), Gravity Thickener, Primary Scum Screening Degritting Building (PSSDB) upgrades, and Filter Update Design (this includes installation of new Filter Influent Pumps) ⚙️
- Continue implementation of Safety and Operator Cross-Training ❤️
- Continue to improve the structure and use of Maximo (this includes the roll-out of mobile tablets for creation of work orders and field inspections) 🛠️

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue implementation of an Asset Management Program in tandem with an Asset Reliability Program 🛠️
- Continue Operator Driven Reliability (ODR) and mobile device utilization 🛠️
- Continue optimization of all CIP projects 🌱
- Continue Career Advancement Framework 👤👤

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increased use of city water as a result of improved influent screening
- Operation of the Tunnel Dewatering and Enhanced Clarification Facilities will increase electricity usage, chemicals, and other associated operation and maintenance costs with increased volumes due to additional tunnel

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



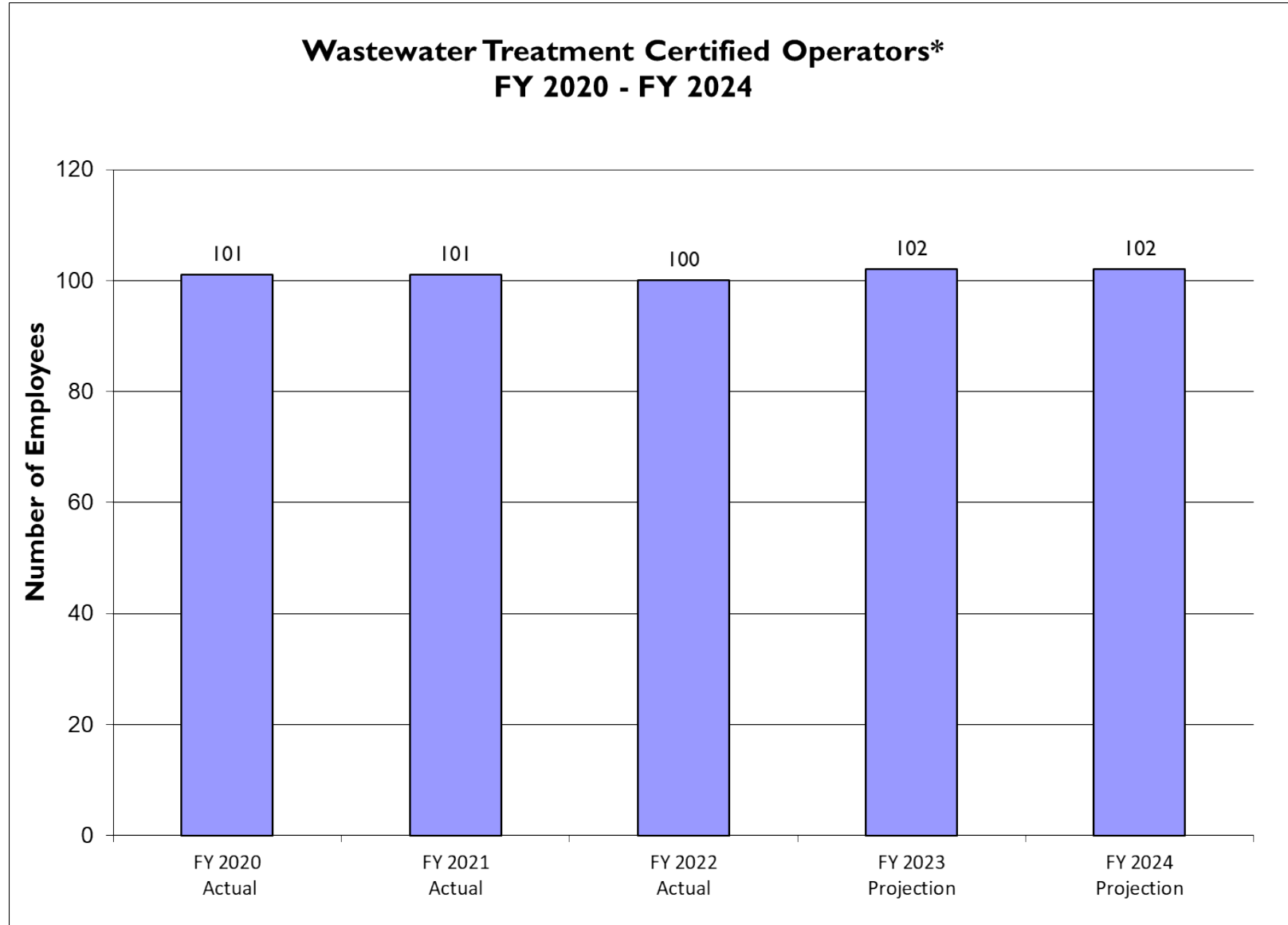
Resilient



Equitable



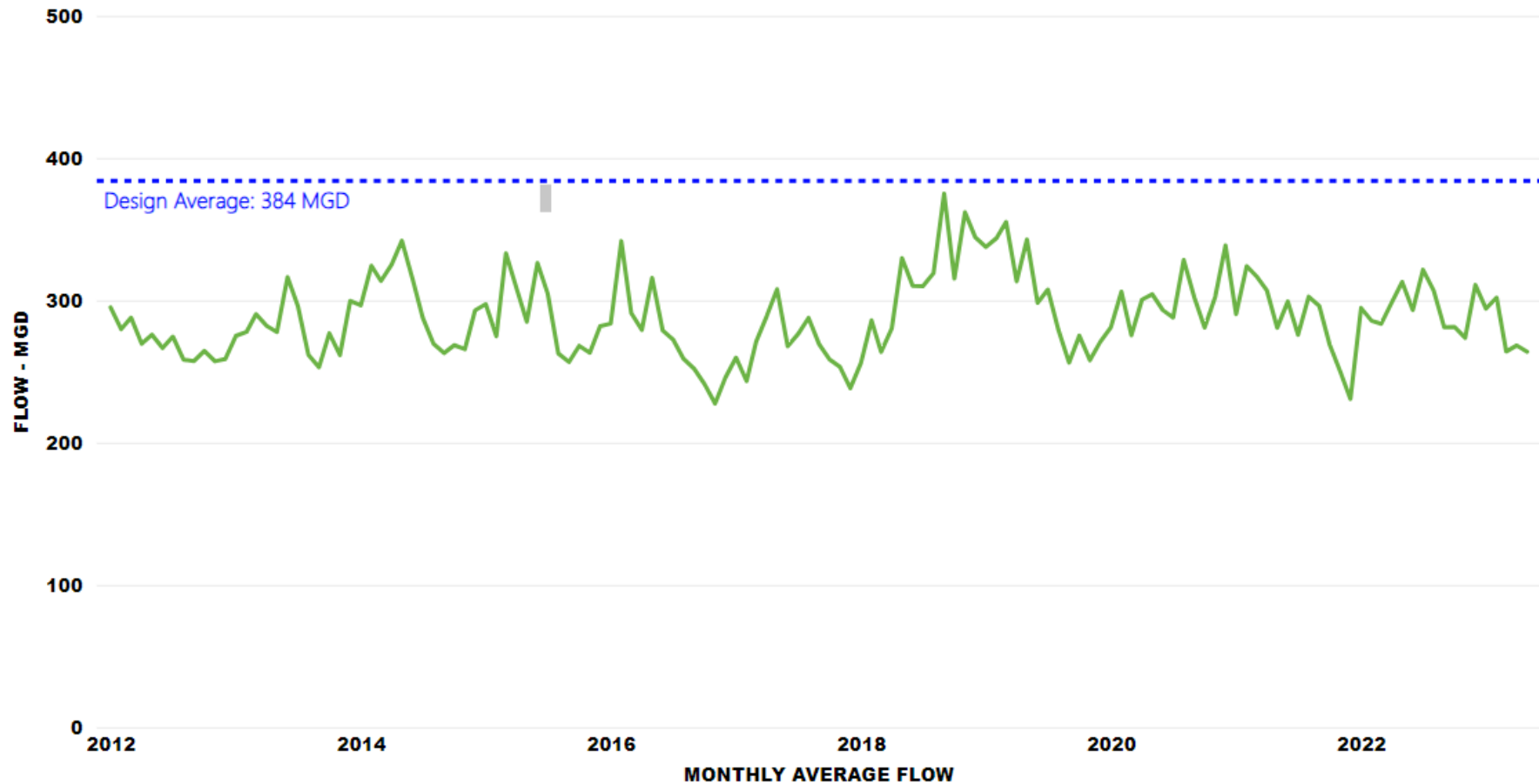
Sustainable



* Includes all positions with Certified Wastewater Plant Operator License

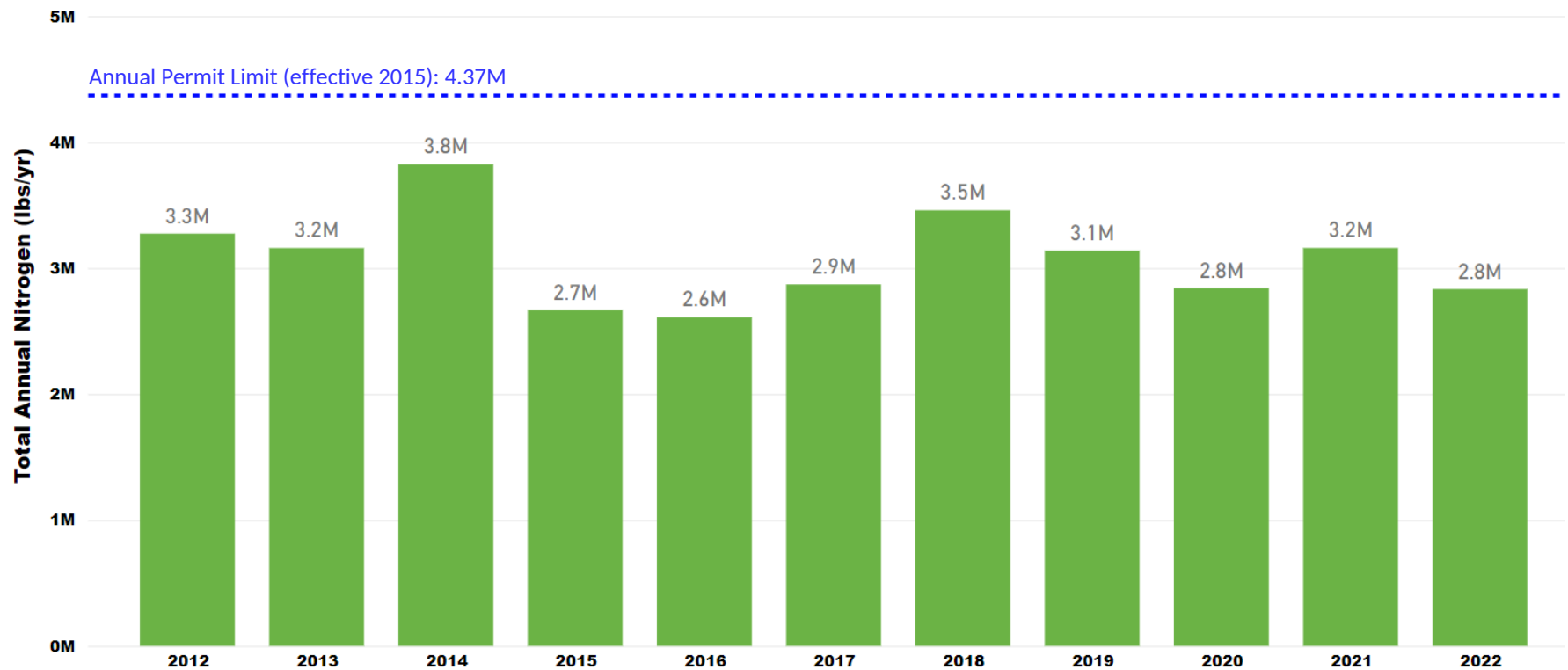
BLUE PLAINS WASTEWATER TREATMENT PLANT EFFLUENT FLOW January 2012 – December 2022

Complete Treatment Flow – Outfall 002 (MGD)



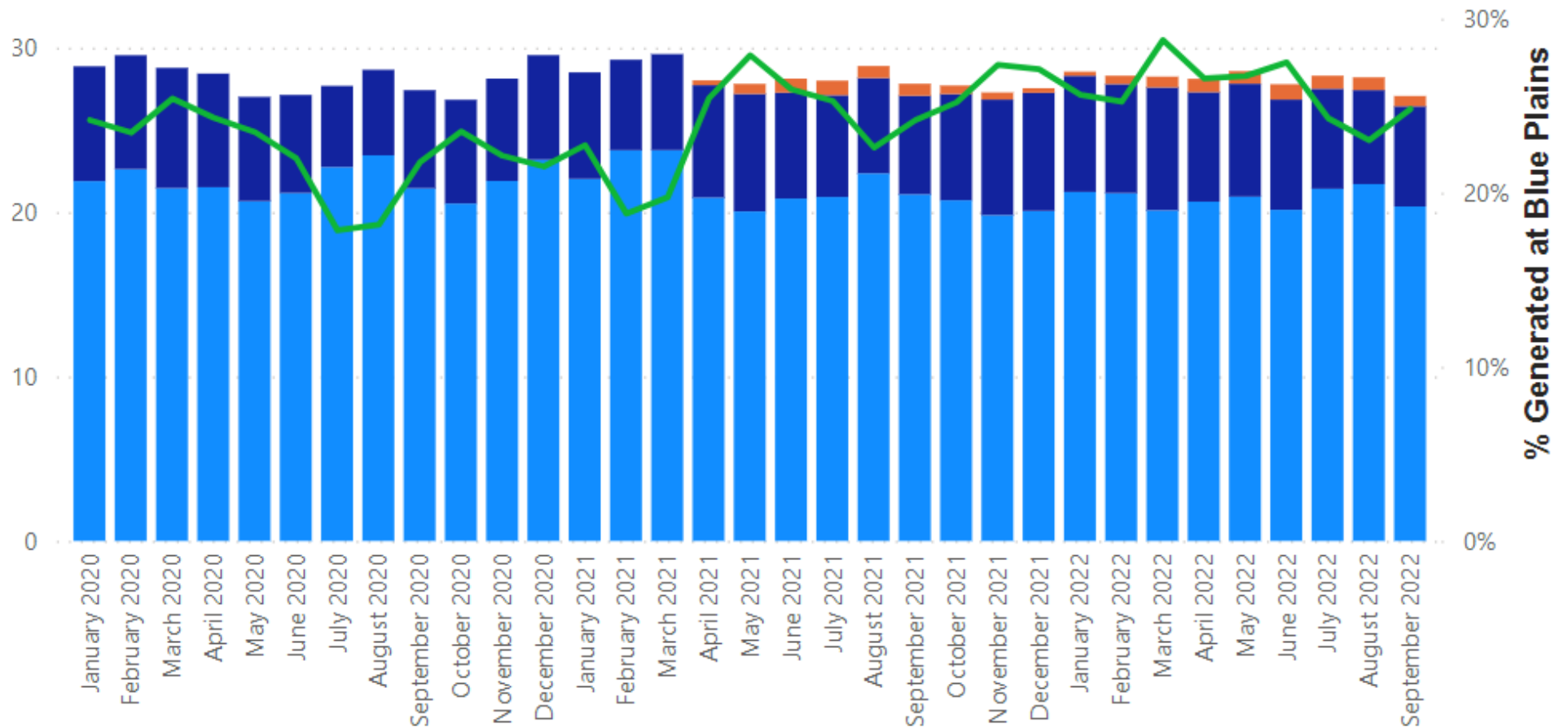
BLUE PLAINS WASTEWATER TREATMENT PLANT ANNUAL TOTAL NITROGEN LOAD 2012 - 2022

Annual Total Nitrogen (Million LBS/YR)



BLUE PLAINS ELECTRICITY REPORT January 2020 – September 2022

● Purchased from Power Grid ● CHP Onsite Generation ● Solar Onsite Generation ● % Generated at Blue Plains

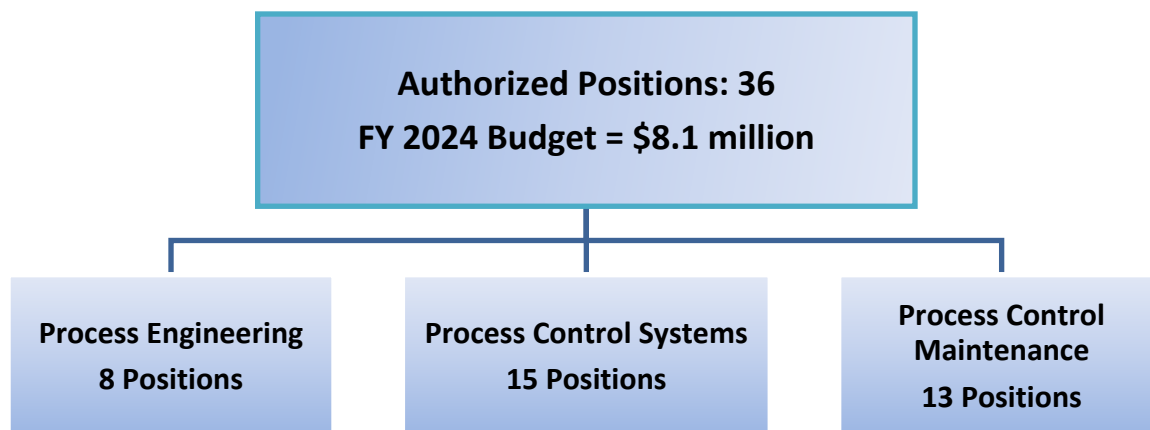


CLUSTER: WASTEWATER OPERATIONS

DEPARTMENT: Process Engineering

PURPOSE: To assist in the operation of the Advanced Wastewater Treatment Plant at Blue Plains, and produce treated effluent and Class A Biosolids that meet stringent Federal Clean Water Act and local water quality requirements

MISSION: To economically maintain DC Water's process equipment and facilities at the Blue Plains Advanced Wastewater Treatment Plant, and ensure that the operational and customer service objectives of the Authority are achieved



FUNCTIONS

Process Engineering	Process Control Systems	Process Control Maintenance
Establish Process Control operating targets for Blue Plains	Maintain Process Control System (PCS) for Blue Plains Advanced Wastewater Treatment Plant	Plan and coordinate all activities for corrective, preventive, and predictive maintenance
Optimize process, chemical, and power use at the Plant Provide design comments and support during construction of capital projects	Provide Design and Construction interface to PCS Manage PCS hardware, software, maintenance, and support services	Maintain electronic process control systems, I&C (Instrumentation and Control) Systems flow measurement, metering and recording equipment for the Plant
Troubleshoot process performance problems	Troubleshoot PCS issues and train Process and Instrumentation staff	

DEPARTMENT: Process Engineering

BUDGET










The \$1.1 million increase in FY 2024 compared to the FY 2023 budget is mainly for personnel services cost adjustments and contractual services, offset in part by decrease in supplies

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	36	37	36	36	0	0%
Headcount: Filled	28	33	26	29	(3)	(12)%
Personnel Services	\$ 4,499	\$ 4,822	\$ 4,872	\$ 5,957	\$ (1,086)	(22)%
Supplies	389	470	525	67	458	87%
Chemicals	-	-	-	-	-	-
Utilities and Rent	25	25	37	31	6	16%
Contractual Services	957	1,114	1,436	1,874	(438)	(30)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	22	109	136	(27)	(24)%
Non Personnel Services ALL	1,370	1,631	2,107	2,108	(1)	0%
Department Total	\$ 5,870	\$ 6,453	\$ 6,978	\$ 8,065	\$ (1,087)	(16)%
Capital Equipment	\$ 453	\$ 605	\$ 400	\$ 625	\$ (225)	(56)%



	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Critical Equipment Availability 97%	greater than 97%	greater than 97%	greater than 97%	greater than 97%	Reliable

DEPARTMENT: Process Engineering

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Maintain full compliance with the National Pollutant Discharge Elimination Systems (NPDES) permit 
- Continue to train staff on new processes such as Filtrate Treatment Facilities (FTF), Wet Weather Facility and training on CIP/commissioning projects as they come on-line; Raw Wastewater Pump Station 2 (RWWPS2), Gravity Thickener (GT) and Primary Scum Screening Degrating Building (PSSDB) Upgrades and Filter Influent Pump (FIP) Replacement 
- Continue to support the implementation of other CIP projects in progress, including Long Term Control Plan (LTCP), Raw Wastewater Pump Station 2 (RWWPS2), Gravity Thickener and Primary Scum Screening Degrating Building (PSSDB) upgrades, Filter Influent Pump (FIP) Replacement, Reclaimed Final Effluent Pumping Upgrades and Multimedia Filter Upgrades 
- Conduct process design reviews for capital projects (i.e., Headworks Upgrades, Multi-Media Filtration Upgrades, etc.) 
- Continue support of an Asset Management Program in tandem with an Asset Reliability Program to ensure availability of critical process equipment 
- Continue to improve the structure and use of Maximo (including the rollout of mobile tablets for completion of work orders) 
- Continued optimization of the Plant Processes for improved permit compliance reliability and treatment performance, including Class A Biosolids Facilities 
- Fine-tune and monitor key performance indicators in Process Engineering, Control Systems, and Control Maintenance groups 
- Conduct aggressive training program to support reduction in contracted workforce 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue implementation of an Asset Management Program in tandem with an Asset Reliability Program 
- Continue improvements to cyber security and recovery procedures that directly impact the Process Control System (PCS) 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increased preventive maintenance costs for new equipment and facilities
- Increased effort for training and commissioning of new facilities—RWWPS2, GT Upgrade, FIP Replacement, and Tunnel Facilities

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



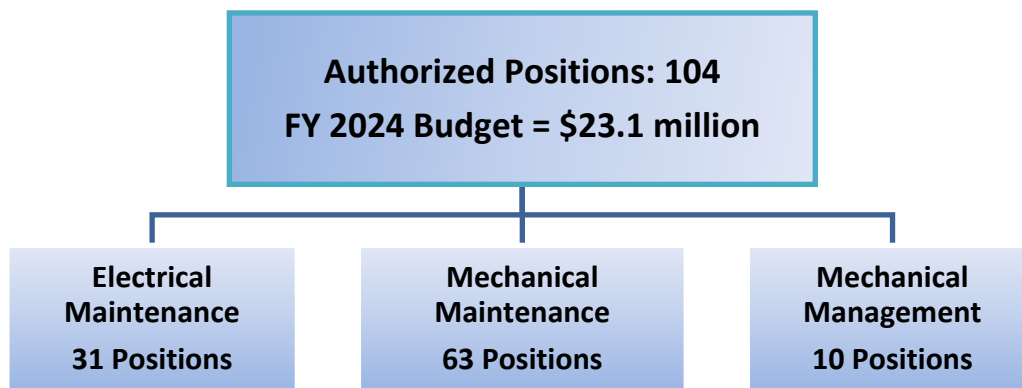
Sustainable

CLUSTER: WASTEWATER OPERATIONS

DEPARTMENT: Maintenance Services

PURPOSE: Maintain all mechanical and electrical equipment at the Blue Plains Advanced Wastewater Treatment Plant

MISSION: To economically maintain DC Water's process equipment and facilities at the Blue Plains Advanced Wastewater Treatment Plant, ensuring that the operational and customer service objectives of the Authority are achieved



FUNCTIONS

Electrical Maintenance	Mechanical Maintenance	Mechanical Management
Maintain electrical process control systems, equipment, and components for the Plant	Maintain all mechanical process systems and equipment for the Plant	Plan and coordinate all activities for corrective, preventive, and predictive maintenance
Operate and maintain electrical power distribution system from 5kv to 69kv, electrical control systems for all process equipment, and all DC Water facilities	Plan, schedule, and perform condition monitoring for all process equipment at the Plant	Plan and operational support systems to manage maintenance by planning, estimating, inspecting, and scheduling maintenance activities
Maintain electrical systems for all non-process facilities (including offices) at the Blue Plains campus	Inspect and maintain cranes at Blue Plains Advanced Wastewater Treatment Plant	Coordinate work through operations and engineering and provide administrative support

DEPARTMENT: Maintenance Services

BUDGET





The \$2.7 million increase in FY 2024 above the FY 2023 budget is mainly due to personnel cost adjustments for five new positions, with anticipated increases in warehouse supplies, contractual services and small equipment

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	98	98	99	104	(5)	(5)%
Headcount: Filled	90	90	88	90	(2)	(2)%
Personnel Services	\$ 11,431	\$ 12,147	\$ 12,669	\$ 14,640	\$ (1,972)	(16)%
Supplies	3,376	3,605	3,851	4,332	(482)	(13)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	119	100	143	134	9	6%
Contractual Services	3,899	4,023	3,475	3,561	(86)	(2)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	223	489	360	480	(120)	(33)%
Non Personnel Services ALL	7,616	8,217	7,828	8,507	(679)	(9)%
Department Total	\$ 19,047	\$ 20,363	\$ 20,497	\$ 23,147	\$ (2,650)	(13)%
Capital Equipment	\$ 3,210	\$ 4,262	\$ 4,000	\$ 4,000	\$ 0	0%




	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Critical Equipment Availability 97%	97%	97%	95%	95%	Reliable

DEPARTMENT: Maintenance Services

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue training initiatives to provide skills that support best maintenance practices and, improved effectiveness and efficiency 
- Continue to perform Failure Mode and Effects Analysis (FMEAs) and/or Preventive Maintenance Optimization (PMOs) activities 
- Continue to expand culture of Reliability in the department 
- Continue to increase the level of data-driven decision making at all levels of the organization 

FY 2025 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to maintain a culture of Reliability in the department and across the Authority 
- Continue to perform Failure Mode and Effects Analysis (FMEAs) along with Preventive Maintenance Optimization (PMOs) 
- Continue training initiatives to provide skills that support best maintenance practices and, improve effectiveness and efficiency 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increase maintenance activities for Tunnel Dewatering Pump Station (TDPS), Enhanced Clarification Facility (ECF), and aging of the biosolids facilities (Cambi, Digesters, Belt Filter Presses)

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: WASTEWATER OPERATIONS

DEPARTMENT: Clean Water Quality & Technology

PURPOSE: To assist in sampling, operation, and optimization of the Advanced Wastewater Treatment Plant at Blue Plains to produce treated effluent and class A biosolids that meet stringent Federal Clean Water Act and local water quality requirements, and to provide process technology solutions for future challenges that the Authority will face through collaborative research while opening opportunity for commercialization of such solutions

MISSION: To reliably sample and monitor industrial sources, wastewater and biosolids to meet compliance with the Clean Water Act and to ensure operational and customer objectives of the Authority are achieved. To provide novel and cost-effective solutions for upcoming process and treatment needs for Blue Plains through collaborative research and testing

Authorized Positions: 15
FY 2024 Budget = \$5.1 million

**Clean Water Quality
& Technology**
15 Positions

FUNCTIONS

Clean Water Quality & Technology

Laboratory: Physical, chemical, and biological analysis of wastewater and biosolids used for process control and permit reporting

Pretreatment group: Industrial pretreatment discharge monitoring

Research group: Treatment process innovation through collaborative research, Research and Development administration of the DC Water Advanced Research & Testing (ART) Program

DEPARTMENT: Clean Water Quality & Technology

BUDGET

The \$1.4 million increase in FY 2024 compared to FY 2023 budget is for personnel cost adjustments, and contractual services related to Per- and polyfluoroalkyl substances (PFAS) monitoring













\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	12	12	12	15	(3)	(25)%
Headcount: Filled	12	9	12	11	1	8%
Personnel Services	-	\$ 1,119	\$ 1,812	\$ 2,656	\$ (844)	(47)%
Supplies	486	415	500	537	(37)	(7)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	-	-	-	-	-
Contractual Services	672	895	1,416	1,897	(481)	(34)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	2	-	-	-	-
Non Personnel Services ALL	1,158	1,312	1,916	2,434	(518)	(27)%
Department Total	\$ 1,158	\$ 2,431	\$ 3,728	\$ 5,090	\$ (1,362)	(37)%
Capital Equipment	-	\$ 0	\$ 50	\$ 50	\$ 0	0%

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Inspection and Sampling of Pretreatment Permittees 100%*	100%	100%	100%	100%	Healthy, Safe, and Well









* Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory

DEPARTMENT: Clean Water Quality & Technology




FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Implementation of Career Advancement Framework  
- Continue training initiatives to provide skills that support best practices and, improved effectiveness and efficiency 
- Continue to expand culture of learning and cross training between groups through knowledge transfer workshops and collaborative projects to develop high performing teams  
- Continue to take a lead in conducting cutting-edge research to advance technology development for Blue Plains to decrease cost and increase reliability  
- Continue to identify opportunities to expand innovative research strategies such as Advanced Research Technology (ART) initiatives and technology patenting 
- Continue to identify future research needs for Blue Plains within CIP planning, coming from operational needs, or from regulatory driven drivers, and develop research programs for those identified needs   
- Continue to work on identifying upcoming regulatory changes and develop needed sampling efforts and/or treatment needs 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to work towards certification of our laboratory 
- Continue to advance viable research concepts into value for Blue Plains by providing piloting or demonstrations within existing infrastructure 
- Continue training initiatives to improve skills and provide cross training opportunities  
- Continue to enhance preparedness for tackling contaminants of emerging concern through research and (regulatory driven) monitoring  
- Continue to identify upcoming regulatory-driven research needs that impact pretreatment needs, process needs and wastewater or biosolids compliance  

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Improve the reliability and quality of laboratory measurements through maintaining state-of-the-art lab equipment 
- Increase in-house capability for monitoring and testing through investments in pilot systems and equipment  

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: WASTEWATER OPERATIONS

DEPARTMENT: Resource Recovery

PURPOSE: Maximize the available resources generated and assets owned by DC Water. Recycle the generated biosolids in a manner which generates savings and revenue. Capture energy from biosolids, wastewater, and open space and monetize the renewable energy credits (RECs). Maintain the DC Water carbon footprint model

MISSION: Maximize the wastewater assets generated and owned by DC Water to generate revenue and savings and reduce our carbon footprint

Authorized Positions: 10
FY 2024 Budget = \$6.5 million

Resource Recovery
10 Positions

FUNCTIONS

Resource Recovery
Biosolids storage, loading, hauling, and utilization/beneficial use
Certification and marketing of Class A Biosolids
Outreach and partnership with surrounding jurisdictions on regulatory requests for biosolids applications
Generate and monetize renewable energy credits (RECs)
Maintain the DC Water carbon footprint model
Identify, prioritize, study, and implement energy generation and optimization options

DEPARTMENT: Resource Recovery

BUDGET

The \$0.9 million increase in FY 2024 compared to FY 2023 budget is for personnel cost adjustments that include one new position

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	5	5	6	10	(4)	(67)%
Headcount: Filled	5	5	5	7	(2)	(40)%
Personnel Services	-	\$ 467	\$ 732	\$ 1,599	\$ (868)	(119)%
Supplies	7	30	-	-	-	-
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	-	-	-	-	-
Contractual Services	3,318	5,264	4,913	4,938	(25)	(1)%
Water Purchases	-	-	-	-	-	-
Biosolids	35	202	3,290	3,127	163	5%
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	3,324	5,294	4,913	4,938	(25)	(1)%
Department Total	\$ 3,324	\$ 5,762	\$ 5,645	\$ 6,538	\$ (893)	(16)%
Capital Equipment	-	-	-	-	-	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Compliance with disposal of biosolids regulations 100%	100%	100%	100%	100%	Sustainable

Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory

DEPARTMENT: Resource Recovery

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Begin construction on the curing pad with solar panels 🌞
- Continue implementation of safety measures at the Dewatered Sludge Loading Facility (DSLFL) crane loading area 🏠
- Continue to work with surrounding jurisdictions (Maryland and Virginia) on regulatory requirements for biosolids and land applications 🌍
- Continue to increase the use of biosolids products (Bloom), in the service area, for restoration projects, tree planting, and land applications 👤
- Implement the marketing plan for Class A exceptional quality Bloom - sell 58,000 tons of Bloom 🌍
- Continue to take a lead in conducting cutting-edge research in wastewater treatment and biosolids management 🏠

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue implementation of DC Water solar projects 🌞
- Continue optimization of all energy projects 🏠
- Work on evaluating of new initiatives such as food codigestion, sewer heat recovery, etc. 🌞

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Work on the curing pad will allow for production of a higher value product for greater revenue and savings 🌍

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient

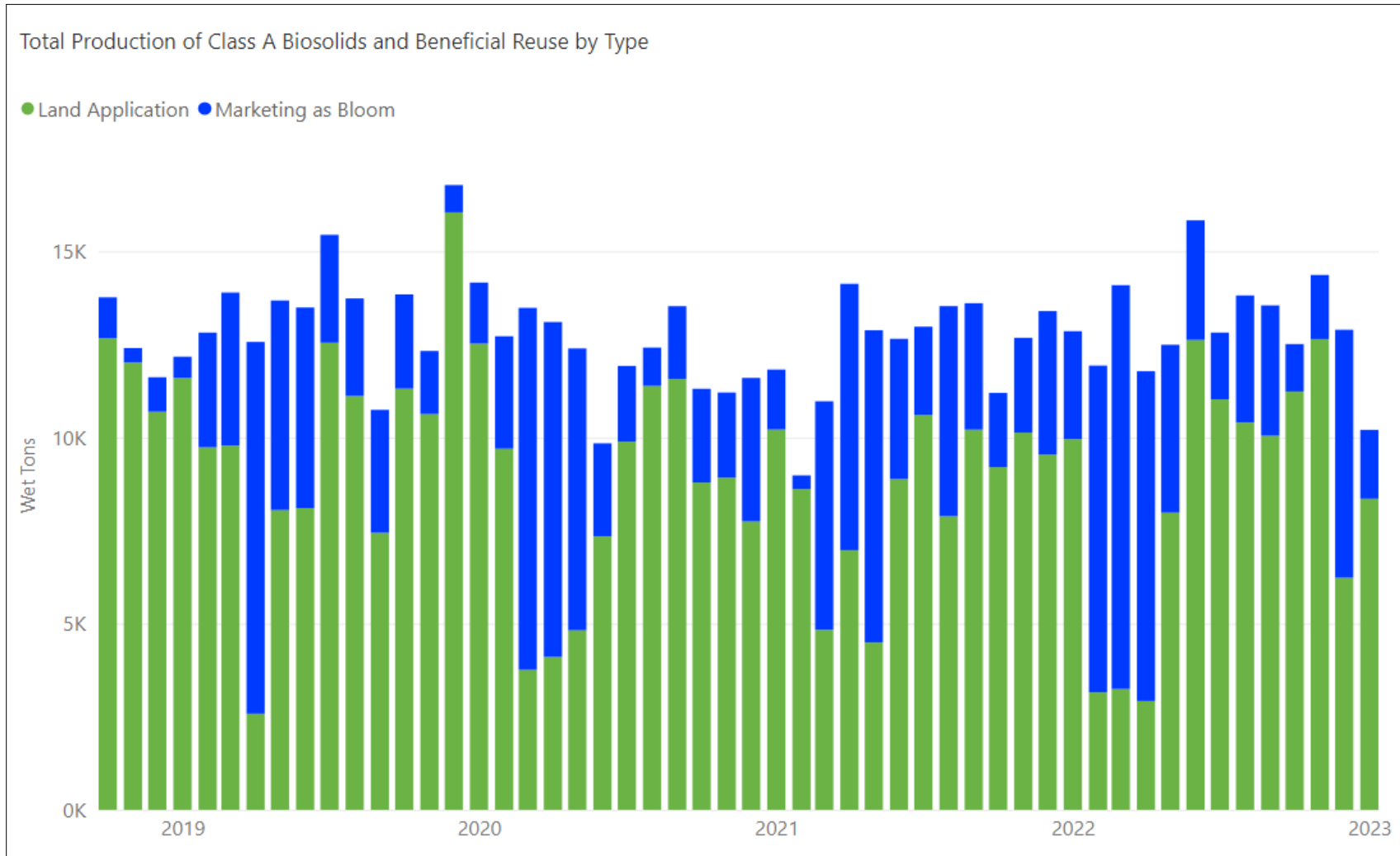


Equitable



Sustainable

BLUE PLAINS WASTEWATER TREATMENT PLANT BIOSOLIDS PRODUCTION October 2019 – October 2023



CLUSTER: ENGINEERING

DEPARTMENT: Engineering and Technical Services

PURPOSE: To perform engineering planning, design, and construction management necessary to execute DC Water's Capital Improvement Program (CIP)

MISSION: To provide assistance and advice to operating departments and management on engineering aspects of the Authority's operation and facilities. To develop and maintain engineering documentation of the Authority's facilities and systems, and to assist the Authority with environmental policy



FUNCTIONS

Design	Planning	Water & Sewer Construction
Design linear capital projects (water and sewer) and support construction efforts	Develop and maintain the water and sewer hydraulic models	Manage and inspect new construction, major repair, and modifications to water & sewer systems and facilities
Provide design support to Operations	Prioritize linear assets for assessment and rehabilitation	Monitor and inspect third party construction impacting DC Water infrastructure
	Develop the 10-year CIP for all water and sewer system infrastructure improvements	Conduct Quality Assurance/ Quality Control (QA/QC) inspection of precast structures used on DC Water projects
	Prepare concept design reports for capital projects	
	Perform studies and analyses to evaluate asset condition and performance	
	Oversee interagency coordination and permitting support for capital projects	
	Manage large-diameter condition assessment program for the water & sewer systems and inspection of local sewers	

DEPARTMENT: Engineering and Technical Services

BUDGET











The \$1.9 million increase in FY 2023 compared to FY 2022 budget is for personnel cost adjustments for twenty-six new positions, partially offset by reductions in utilities and contractual services

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	108	114	136	141	(5)	(4)%
Headcount: Filled	93	100	96	99	(3)	(3)%
Personnel Services	\$ 17,078	\$ 15,998	\$ 19,356	\$ 20,102	\$ (746)	(4)%
Supplies	48	78	101	123	(23)	(22)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	477	446	306	289	16	5%
Contractual Services	3,848	3,279	3,514	2,835	680	19%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	1	60	-	60	100%
Non Personnel Services ALL	4,373	3,803	3,981	3,247	733	18%
Department Total	\$ 21,451	\$ 19,801	\$ 23,336	\$ 23,349	\$ (13)	0%
Capital Equipment	\$ 0	\$ 150	\$ 25	\$ 25	\$ 0	0%













	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percentage of KPI's Completed	80%	80%	80%	80%	Sustainable
Use 100% of Clean Water Act grant funds	100%	100%	100%	100%	Equitable
Use 100% of Safe Drinking Water Act grant funds	100%	100%	100%	100%	Equitable

DEPARTMENT: Engineering and Technical Services

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue with condition assessment of major sewers including Upper Potomac Relief Sewer, Little Falls Trunk Sewer, and several sewers under buildings 
- Inspection of local sewers (~15 miles/year) 
- Identify rehabilitation needs for water and sewer linear assets 
- Advertise projects with at least 11 miles of small diameter watermain. Continue to meet small diameter water main renewal goal of 1% (or 11 mi) per year 
- Continue with the planning, design, and construction of capital projects 
- Obtain IMA (Inter-Municipal Agreement) approval for upcoming joint-use project cost shares 
- Complete digitizing of DC Water's document archive of over 11 million records 
- Validate and prioritize CIP projects using the Enterprise Asset Management Framework 
- Monitor and inspect third party projects impacting DC Water assets 
- Continue advancement of the Lead Free DC (LFDC) program to replace all lead service lines in the District by 2030 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue with the timely and on-budget delivery of all approved water and sewer CIP projects 
- Continue to validate and prioritize CIP projects using the Enterprise Asset Management Framework and Info Asset Planner 
- Implement Water and Sewer Facility Plans and corresponding Asset Management Plans 
- Improve program management, project development, and implementation across the service areas 
- Maintain and use water and sewer hydraulic models 
- Provide engineering support to other departments within DC Water 
- Acquire permits and approvals needed to execute various CIP projects 
- Continue condition assessments of large diameter water mains 
- Inspect and assess the condition of major and critical trunk sewers and interceptors 
- Inspection of local sewers (~40 miles/year) 
- Monitor and inspect third-party projects impacting DC Water assets 
- Continue advancement of the Lead Free DC (LFDC) program to replace all lead service lines in the District by 2030 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increase in operating costs due to ramping up of CIP projects. Examples include support for isolating water mains for condition assessment
- Increase in Capital Projects will require additional staff and/or consultant support

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



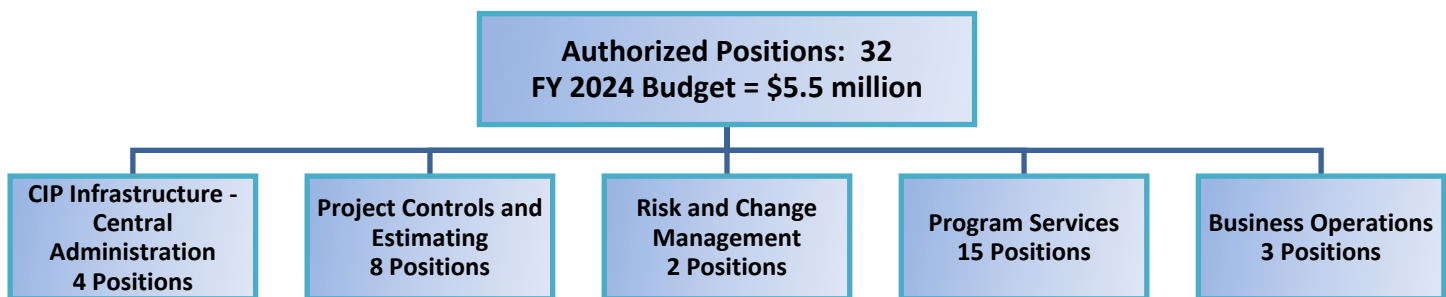
Sustainable

CLUSTER: ENGINEERING

DEPARTMENT: CIP Infrastructure Management

PURPOSE: To improve Capital Improvement Program (CIP) project delivery efficiency and outcomes; centralize key support functions to improve service by aligning current staff and functions and provide enhanced project execution tools and standards to drive CIP execution performance improvements

MISSION: To provide the CIP management tools, analysis, oversight, and leadership to ensure DC Water Capital and Operating Program goals and objectives are consistently met while ensuring compliance with the required fiscal boundaries through a transparent and collaborative process



FUNCTIONS

Project Controls and Estimating	Risk and Change Management	Program Services	Business Operations
Provide CIP scheduling, tracking tools, standards, and expertise	Develop and maintain risk and change management standards, procedures, and tools	Develop and Maintain engineering specifications, standards, and project design manual Manage CIP pay application process and ensure compliance	Manage all business operations for the Engineering cluster including management of the operating budget, new employee onboarding, and distribution of Personal Protective Equipment (PPE) and uniforms
10- year CIP forecasting and tracking	Oversee approach to risk and change management	Facilitate contract instrument processing, including developing and administering the automated approval processes	Manage IT needs for Engineering cluster
CIP Project Management Information System implementation and administration	Develop and maintain stage gating process	Coordination with risk management for the Rolling Owner-Controlled Insurance Program (ROCIP) program Oversee biochemical oxygen demand	
Develop and track metrics and KPIs for improved CIP Execution	Oversee U.S. Environmental Protection Agency (EPA) and Water Infrastructure Finance and Innovation Act (WIFIA), oversee the approach and external funding compliance, and pursue new sources of funding	Management of DC Water's physical and electronic historical document archive Retrieve records from document archive for CIP planning and execution Provide quality control and assurance for design and construction	

DEPARTMENT: CIP Infrastructure Management

BUDGET





The \$0.5 million increase in FY 2024 compared to FY 2023 budget is for personnel cost adjustments including one new FTE

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	26	27	31	32	(1)	(3)%
Headcount: Filled	24	24	20	23	(3)	(15)%
Personnel Services	\$ 3,666	\$ 4,268	\$ 4,644	\$ 5,153	\$ (509)	(11)%
Supplies	4	4	-	-	-	-
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	-	-	-	-	-
Contractual Services	6	18	390	397	(7)	(2)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	0	-	-	-	-
Non Personnel Services ALL	9	21	390	397	(7)	(2)%
Department Total	\$ 3,675	\$ 4,289	\$ 5,034	\$ 5,549	\$ (515)	(10)%
Capital Equipment	\$ 70	\$ 42	-	-	-	-





	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percentage of KPI's Completed	80%	80%	80%	80%	Sustainable
Use 100% of Clean Water Act grant funds	100%	100%	100%	100%	Equitable
Use 100% of Safe Drinking Water Act grant funds	100%	100%	100%	100%	Equitable

DEPARTMENT: CIP Infrastructure Management

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue administration of Water Infrastructure and Finance and Innovation Act (WIFIA) loan including compliance and reporting 
- Continue digitizing of DC Water's document archive of over 11 million records 
- Continue implementation of Oracle Primavera Unifier Project Management tool (CM14 replacement) Phase 3 
- Maximize infrastructure external funding by pursuing the Bipartisan Infrastructure Law and other opportunities 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Establishment of cost estimating center of excellence 
- Establishing standards and procedures to consistently control and mitigate risk 
- Continue to maximize external funding opportunities 
- Track and control CIP Project Execution through established metrics and Key Performance Indicators (KPI) 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continue to build and strengthen the department to align required resources with core functions. Areas of focus are Project Management Information Systems, Cost Estimating, Contract Management Services, Document Management, Quality, and administrative functions. These activities will result in reduction in consultant staff and corresponding cost savings

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



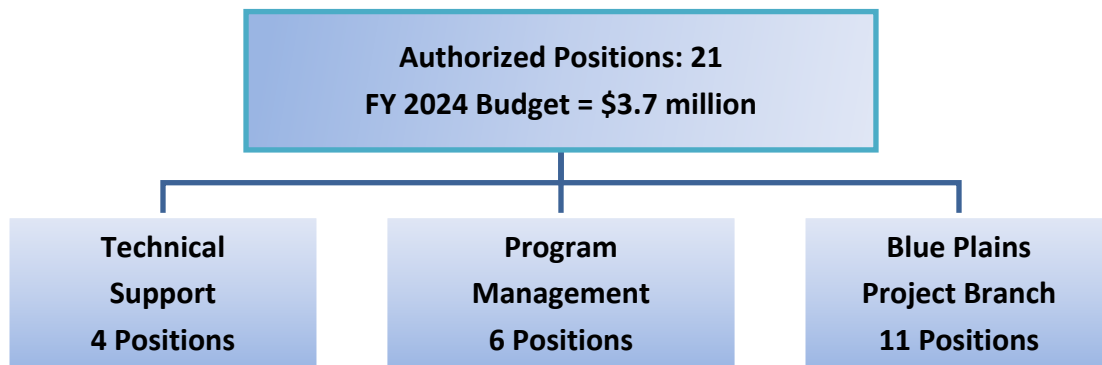
Sustainable

CLUSTER: ENGINEERING

DEPARTMENT: Wastewater Engineering

PURPOSE: Oversee the construction and rehabilitation of wastewater treatment, water, and sewer pumping facilities to meet all required National Pollutant Discharge Elimination System (NPDES) and consent decree requirements, and continued performance for critical functionality of assets

MISSION: Plan and execute a Capital Improvement Program (CIP) that supports DC Water in effectively and efficiently meeting the NPDES standards



FUNCTIONS

Technical Support	Program Management	Blue Plains Project
Review and approve PCS, SCADA, and Instrumentation and Control (I&C) engineering documents for compliance with established guidelines and standards	Develop and maintain long-term facility planning Provide staff support for environmental policy affecting DC Water	Perform construction management of new construction, major repairs, and modifications to process and non-process facilities
Manage the engineering responsibilities for all PCS and SCADA related projects from planning, design, construction, commissioning, and operational support	Provide engineering data for development and maintenance of the Capital Improvement Plan	Administer contracts for construction management, new construction, major upgrades, modifications, and start-up to the Blue Plains Advanced Wastewater Treatment Plant, pump stations, and facilities that serve the water distribution and wastewater collection systems
Coordinate with all DC Water user and customer groups/ departments on all SCADA, PCS, and I&C matters	Generate bid documents for construction and rehabilitation projects	Perform design reviews and coordinate construction work with other departments at Blue Plains

DEPARTMENT: Wastewater Engineering

BUDGET









The \$0.3 million increase in FY 2024 compared to FY 2023 budget is for personnel cost adjustments

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	15	14	21	21	0	0%
Headcount: Filled	10	9	9	9	0	0%
Personnel Services	\$ 1,789	\$ 1,844	\$ 2,640	\$ 2,963	\$ (323)	(12)%
Supplies	-	-	10	5	5	51%
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	-	-	-	-	-
Contractual Services	596	687	782	778	3	0%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	596	687	792	783	9	1%
Department Total	\$ 2,384	\$ 2,531	\$ 3,432	\$ 3,746	\$ (314)	(9)%
Capital Equipment	\$ 0	-	-	-	-	-







	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Design Lock-In and Stag-gating with comment closure	2	2	2	2	Reliable
Construction Contracts Awarded	2	3	2	2	Reliable
Construction Contracts Closed	3	2	3	2	Reliable

DEPARTMENT: Wastewater Engineering

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue planning, design, construction, and commissioning of upgrades to Stormwater Pump Stations and Sewage Pump Stations through Basic Ordering Agreement contracts 
- Continue construction of ongoing projects at the Advanced Wastewater Treatment Plant at Blue Plains, including the Gravity Thickener Upgrades, Reclaimed Final Effluent Pump Station, and Filter Influent Pump Station projects 
- Continue to execute high priority and urgent rehabilitation, repair, and upgrade projects through the Miscellaneous Facility Upgrades construction contracts 
- Begin design of the Filter Underdrains and Backwash Systems Upgrades at Blue Plains 
- Begin design for a Biosolids Curing Pad at Blue Plains, including solar arrays on the roof of the structure 
- Solicit proposals for engineering services for a Microgrid and Power Monitoring and Control System at Blue Plains 
- Solicit engineering consultant for Basic Ordering Agreement to perform planning studies and designs for water, sewer, stormwater, and combined sewer facilities 
- Closeout the Tunnel Dewatering Pump Station/Enhanced Clarification Facility Project 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Recruit, hire and integrate into the department, key staff to incorporate construction management and program management functions in-house for cost savings and better knowledge retention 
- Complete design for Filter Underdrain and Backwash System Upgrades 
- Complete concept planning for Microgrid/Power Monitoring and Control System at Blue Plains, including feasibility studies for microgrid and energy storage 
- Solicit contractor for construction of Headworks Electrical Upgrades, Headworks Influent Structures Rehabilitation, and Central Operations Facility Electrical Upgrades 
- Complete concept plan for Floodwall completion for mitigation of 500-year flood at Blue Plains 
- Complete SCADA upgrades for Stormwater Pump Stations 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Installation of Solar Arrays has decreased power purchase costs at Blue Plains
- Construction of Biosolids Curing Pad will increase revenue for Biosolids production and further reduce power purchase costs with solar arrays on the roof structure
- Completion of other rehabilitation and replacement projects such as the Filter Underdrains and Backwash Systems Upgrades project will reduce O&M costs on aging equipment and increase reliability for continued operation and regulatory compliance

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



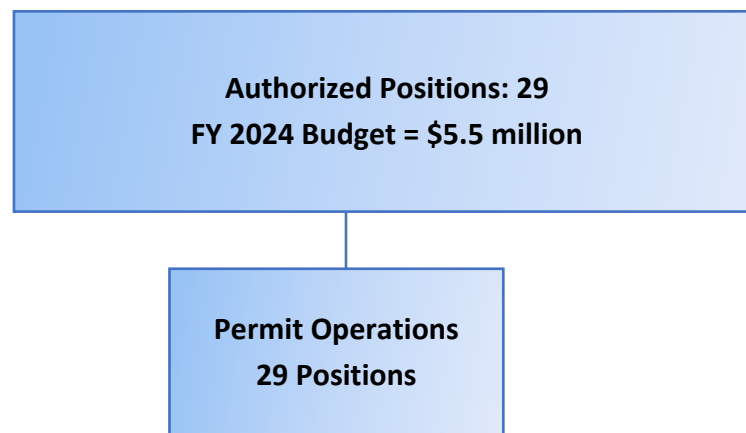
Sustainable

CLUSTER: ENGINEERING

DEPARTMENT: Permit Operations

PURPOSE: Support the District of Columbia's construction permit process through coordinated effort with the Department of Consumer and Regulatory Affairs (DCRA), the District Department of Transportation (DDOT), and the Department of Environment and Energy (DOEE). This is done through the review and approval of plans for new construction and for renovations that impact the water or sewer system

MISSION: To manage DC Water's development and permit services



FUNCTIONS

Permit Operations - Central Administration
Review and approve permit applications, issue work orders for the inspection of proposed work
Ensure development community compliance with DC Water design standards, criteria, and specifications
Assess and collect fees for permit review, fixed fee services, inspection services, System Availability Fees, and manage the fee collection process
Create accounts for collected fees and manage return of unused reimbursable fees
Evaluate impact of proposed development on water and sewer infrastructure for capacity and hydraulic grade
Ensure compliance with combined sewer system/DC Clean Rivers program initiatives; current CIP, and proposed improvements
Coordinate with various DC agencies (DCRA, DDOT, and DDOE) in support of the District's permit procedures
Update and/or create customer service records (Premises) and the GIS database

DEPARTMENT: Permit Operations

BUDGET







The \$1.1 million increase in FY 2024 compared to FY 2023 budget is for personnel cost adjustments, which includes full funding for 8 new FTEs which are supported by increased permit fees

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	21	21	21	29	(8)	(38)%
Headcount: Filled	21	20	21	20	1	5%
Personnel Services	\$ 3,163	\$ 3,237	\$ 3,341	\$ 4,475	\$ (1,134)	(34)%
Supplies	1	1	37	36	0	1%
Chemicals	-	-	-	-	-	-
Utilities and Rent	400	70	435	438	(3)	(1)%
Contractual Services	386	569	615	526	90	15%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	786	640	1,087	1,000	87	8%
Department Total	\$ 3,949	\$ 3,877	\$ 4,428	\$ 5,475	\$ (1,047)	(24)%
Capital Equipment	-	-	-	-	-	-





	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Process permit applications within service level agreement timeframe of 85%	85%	92%	90%	90%	Sustainable

DEPARTMENT: Permit Operations

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Review and propose new permit review fees adjusted as needed to meet future budgetary needs 
- Complete an email permit application and electronic review and plan signature to accommodate working remotely 
- Continue the development of Oracle ERP Permits solution to integrate Maximo and Customer Information system to streamline receipt and deposit of fees, plan review, and construction inspection requests 
- Initiate the construction inspection account refund and forfeiture policy 
- Decrease the response time on Developer Request For Information (RFI) from 30 days to 5 days in order to meet customer service expectations and need 
- Implement a DCRA/DC Water Memorandum of Agreement (MOA) for permit review support in the amount of \$300,000 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Final development and implementation of Oracle Permit Integrated Enterprise Resource Planning (ERP) system that combines online payments, with Permit Processing, and work order tracking 
- Increase the in-field participation of the Permits Operations' staff to include an as-built field validation and meter sets 
- Reduce the residence time of customer accounts and process refunds within 2 years of project initiation approximately 50% of the time and within 5 years 100% of the time 
- Renew the DCRA/DC Water Permit Review MOA 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- None

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



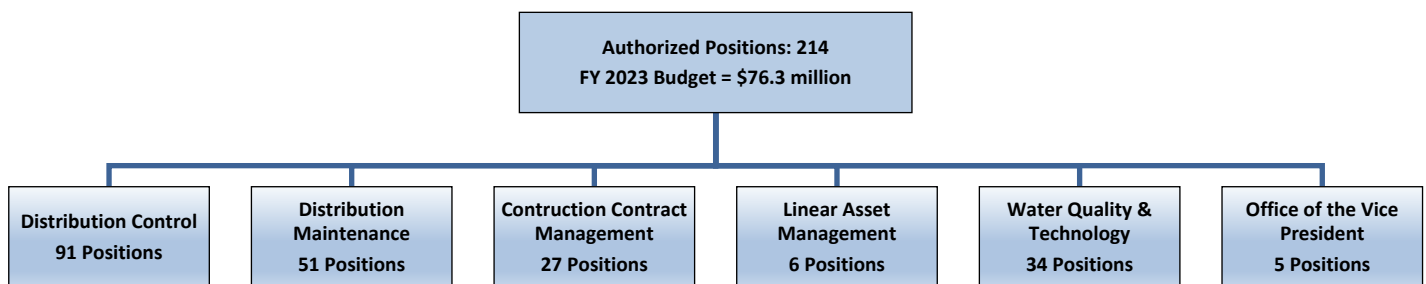
Sustainable

CLUSTER: OPERATIONS

DEPARTMENT: Water Operations

PURPOSE: The Department of Water Operations (DWO) is charged with operating and maintaining the water distribution system, delivering potable water to the citizens and visitors to the District of Columbia. DWO ensures compliance with the applicable regulations promulgated by the Safe Drinking Water Act

MISSION: To support the Authority's mission as defined by the strategic plan and exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner



FUNCTIONS

Distribution Control	Distribution Maintenance	Construction Contract Management	Linear Asset Management	Water Quality & Technology	Office of the Vice President
Preventative maintenance on the 43,000 system valves	Repair and replace water mains, service lines, valves, hydrants, and other linear assets. Coordinate emergency response for distribution system repairs.	Manage ongoing multifaceted contracts to support water and sewer infrastructure rehabilitation and replacement programs.	Manage ongoing multifaceted contracts to support water and sewer infrastructure rehabilitation and replacement programs.	Environmental Protection Agency (EPA) drinking water compliance, monitoring, and reporting.	Provide oversight and ensure operational compliance with various MOUs.
Inspect, maintain, and replace 9,500 fire hydrants, in accordance with the Memorandum of Understanding (MOU).	Perform all water services tap, and abandonments 2" and smaller, in the District of Columbia.	Administer Public Space Restoration Program.	Optimize and prioritize capital program projects using condition assessment and analysis of Computerized Management Maintenance Software (CMMS). Provide technical support to design and construction of CIP.	Ensure water quality within the distribution system. Collaborate with District agencies to mitigate adverse health effects from drinking water contaminants fees.	Manage departments operating and capital budgets and perform budget monitoring functions.
First responders to Investigate water system leaks emergencies.	Plan and execute small capital improvement projects using in-house resources to support Water Quality, Lead Free DC (LFDC), and operational initiatives.	Manage the acquisition of District Department of Transportation (DDOT) permits to facilitate emergency repairs and scheduled projects.	Support Voluntary Lead Service Program. Manage service line data in Maximo and Geographic Information Systems GIS databases and provide data analytics.	Assess online water quality data and models and enforce fire hydrant usage policies and regulations.	

DEPARTMENT: Water Operations

BUDGET

The \$4.1 million increase in FY 2024 compared to FY 2023 budget is mainly for personnel services adjustments and water purchases, offset in part by decreases in contractual services

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	204	200	216	214	2	1%
Headcount: Filled	182	179	184	170	14	8%
Personnel Services	\$ 25,324	\$ 26,203	\$ 27,485	\$ 28,294	\$ (809)	(3)%
Supplies	887	1,016	1,170	1,104	66	6%
Chemicals	201	41	29	36	(7)	(25)%
Utilities and Rent	458	379	387	367	20	5%
Contractual Services	2,926	2,546	2,736	2,430	306	11%
Water Purchases	33,135	33,345	40,334	44,039	(3,705)	(9)%
Biosolids	-	-	-	-	-	-
Small Equipment	7	45	54	47	7	13%
Non Personnel Services ALL	37,614	37,373	44,710	48,022	(3,312)	(7)%
Department Total	\$ 62,938	\$ 63,576	\$ 72,195	\$ 76,317	\$ (4,122)	(6)%
Capital Equipment	\$ 419	\$ 659	\$ 1,050	\$ 1,195	\$ (145)	(14)%

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Maintain Safe Drinking Water Act standards. Coliform results less than 5%	2%	2%	2%	2%	Healthy, Safe, and Well
Maintain a 99% fire hydrant operational rate	99%	99%	99%	99%	Reliable
Respond to 95% of all emergency service orders in less than 45 minutes	98%	97%	97%	97%	Reliable
Number of water main breaks per 100 miles of pipe	35	36	31	31	Resilient

DEPARTMENT: Water Operations

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES














- Continue to develop the transmission and distribution valve assessment and rehabilitation program to extend the full life expectancy of the assets 🛠️
- Continue to replace, repair, and maintain fire hydrants in accordance with the existing MOU 🛠️
- Correct 90% of fire hydrants that are out of service within 30 days 🛠️
- Enhance the fire flow testing program, expand fire flow tests to be in line with the MOU 📈 🛠️
- Support the CIP, Developer, DDOT, Automated Meter Infrastructure, condition assessment, and private plumbing projects with distribution system isolations 🛠️ 🌊
- Expand water system distribution pressure monitoring 🛠️
- Continue to pilot new technologies for leak detection 🛠️
- Execute system wide assessment and location confirmation of pressure boundary valves 🛠️ 🌊
- Coordinate with Information Technology (IT) Department to improve and deploy Distribution Control Branch Valve Application Software and Hydrant Application Software 🛠️
- Coordinate with IT to develop a Water Operations Application for communicating, monitoring, and analyzing water distribution system operation and performance 🛠️
- Develop customer notification system using Everbridge for water distribution system isolations 🛠️
- Plan and execute flushing operations to achieve target chlorine residual in all areas 📈
- Work with Information Technology (IT) to develop and implement a new customer water quality complaint tracking system within the Event Management System 📈
- Develop, plan, and execute strategies and actions for compliance to new EPA regulations (Lead and Copper Rule and possibly Per- and Polyfluorinated Substances (PFAS)) 📈
- Increase customer usage of the Third-Party Portal (3PP) online reporting system and app modules for Cross-Connection Control/Backflow Preventers, Fire Hydrant Use, Permitting & Equipment Rental and Fats, Rags, Oils and Grease (FROG) Abatement System Cleaning and Maintenance 📈 🛠️
- Increase customer compliance with Cross-Connection /Backflow Preventers and Fats, Rags, Oils, and Grease (FROG) regulations from FY 2022 ratios of 64% and 20%, respectively 📈 🛠️
- Continue to coordinate with Government & Legal Affairs, Wastewater Treatment, and Pumping & Sewer Operations departments to propose new regulations and codes on Cross-Connection Control/Backflow Preventer & Fats, Oils & Grease 📈 🛠️
- Coordinate with DOH for Cross-Connection Control training of DOH personnel 🛠️
- Facilitate backflow prevention inspection and repair certification of DC Water employees 🛠️
- Revise Cross-Connection Control Manual with Water Management Team and contractor 🛠️

Strategic Plan - Blueprint 2.0 Imperatives Legend:















DEPARTMENT: Water Operations

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue implementation of mobile computing solutions for operational activities  
- Continue to improve Customer Compliance Applications based on customer feedback  
- Continue to ensure industry best practices for safety, technology implementation, and equipment 
- Continue to coordinate with Department of Engineering & Technical Services to transition /consolidate the Voluntary Lead Service Replacement contract and related activities under the overarching Lead-Free DC Program  
- Expand cathodic protection testing, inspection, and maintenance program 
- Expand mobile computing solution in support of all operational activities 
- Develop Pipeline and Soil Testing and Analysis Pilot Program 
- Implement the newly developed strategies and actions for compliance with the Lead and Copper Rule revisions 
- Expand operational dashboard to visualize data and provide meaningful insight 
- Streamline asset commissioning and coordination program 

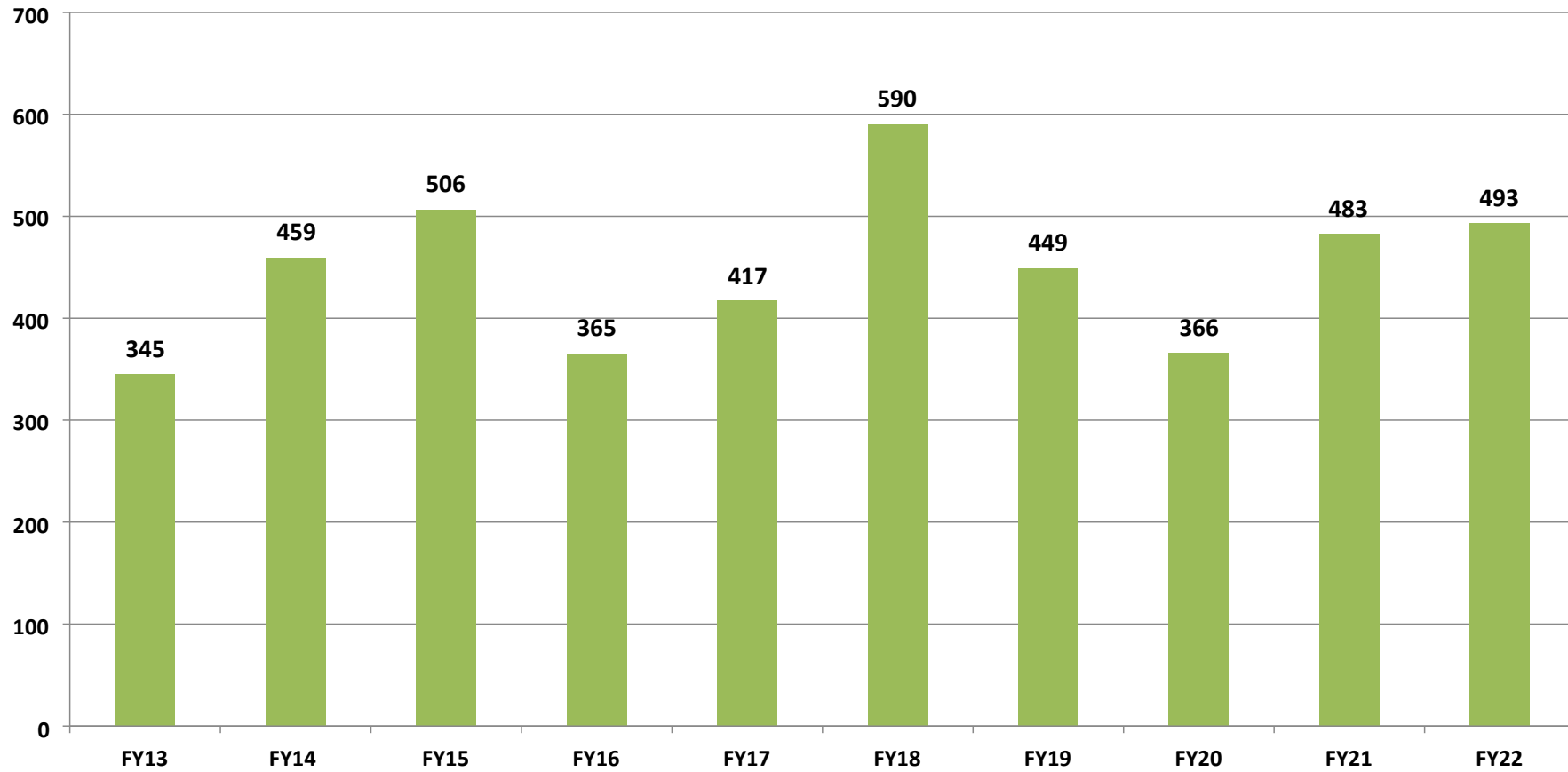
IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Software and hardware needs will expand as part of mobile computing solutions for operational activities 
- Potential for additional overtime if capital projects ramp up in FY 2024 from FY 2023 levels 
- Additional requirements may come because of addressing potential system issues due to deferred replacements having direct impact on operational spending in the form of overtime and capital equipment requests 
- Additional labor, materials, and miscellaneous operating expenses may be associated with the completion of capital improvement projects in support of Water Quality issue resolution and the Lead-Free DC program  
- Renovation costs to move Fire Hydrant Use Permit & Equipment Program to Blue Plains   
- Additional labor, materials, software enhancements, and miscellaneous operating expenses will be associated with improving customer compliance with FROG, Cross-Connection Control/Backflow Preventer, and Fire Hydrant Use regulations and codes    

Strategic Plan - Blueprint 2.0 Imperatives Legend:

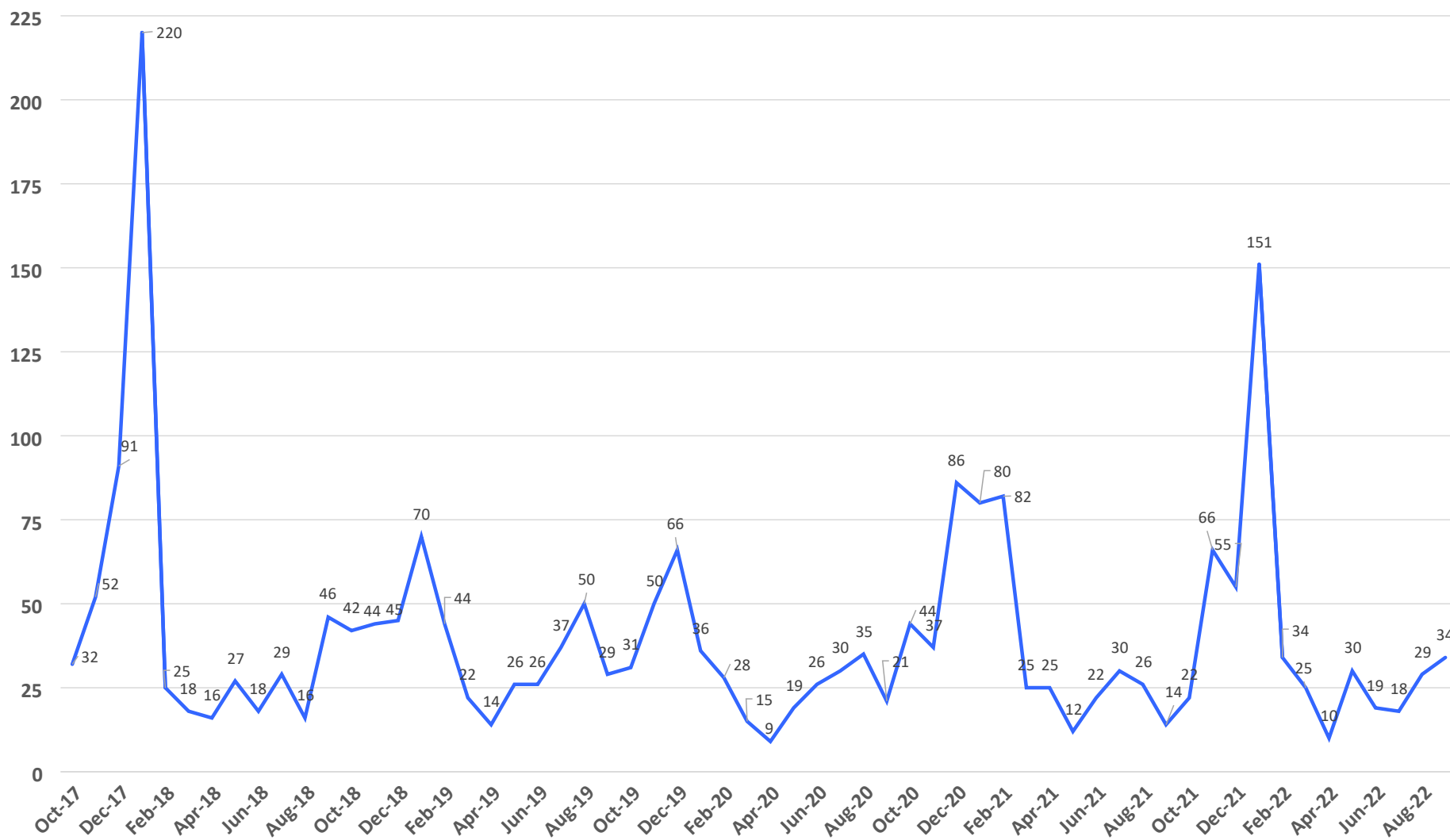
 **Healthy, Safe and Well**  **Reliable**  **Resilient**  **Equitable**  **Sustainable**

Historical Water Main Breaks FY 2013 thru FY 2022



Number of Water Main Breaks Reported FY 2013- FY 2022

HISTORICAL MONTHLY MAIN BREAKS FY 2017 thru FY 2022

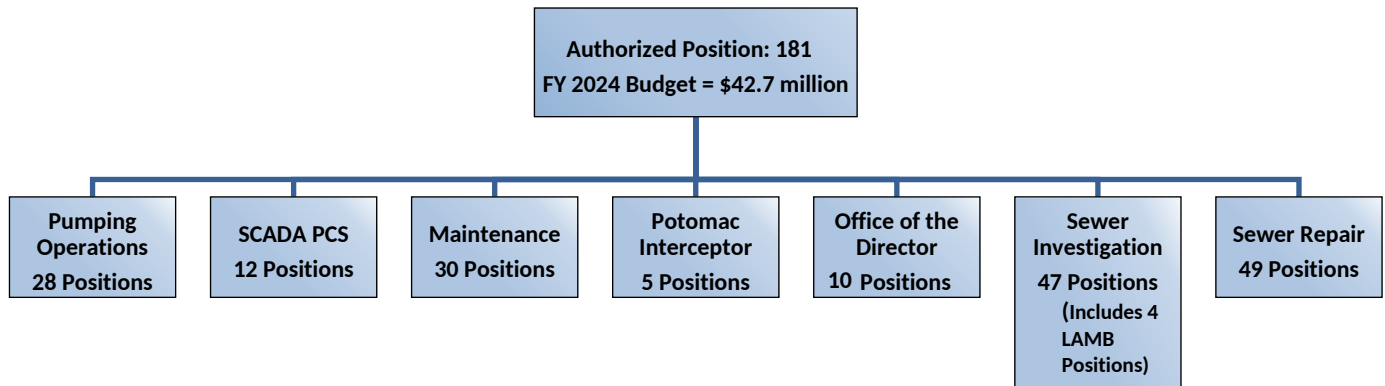


CLUSTER: Operations

DEPARTMENT: Pumping and Sewer Operations

PURPOSE: Delivery of safe, reliable, and efficient operations.

MISSION: To provide resilient delivery of water and sewer system services every minute of the day.



Pumping Operations	SCADA PCS	Maintenance	Potomac Interceptor	Office of the Vice President	Sewer Investigation	Sewer Repair
Operate Water, Sewer, and Stormwater Pumping Stations, Water Storage Facilities and Water Towers	Operate and maintain Supervisory Control and Data Acquisition (SCADA) computer system, Applications, Hardware, and Network Support	Plan and coordinate corrective, emergency, preventive, and predictive maintenance for pump stations	Manage risk, and Operation and maintenance of Potomac Interceptor (PI) Sewer, and the Clean River Tunnel Ventilation Control Vault (VCV)	Directs Department of Pumping Operations	Inspect public sewers and sewers laterals. Respond to customer complaints Clean sewers and inlet outlet structures	Install and repair sewer mains and sewer laterals. Install and repair catch basins
Remove screenings and debris from pump stations and prepare work order for equipment in need of repair	Operate and maintain all process instrumentation and controls, including completion of all related preventative and corrective maintenance	Maintain, trouble-shoot, and repair mechanical and electrical process systems and equipment	Operate and maintain PI Flow Meters and odor control facilities and manholes	Plans and manages the capital equipment and operating funds	Operate and maintain sanitary, storm, and combined sewers, manholes, and siphon structures. Removal of floatable debris from Anacostia River	Responsible for the cleaning and maintenance operations of regular catch basins, stormceptors, and grate ponds
Perform Stormwater Pollution Prevention Plan inspections and reports Inspect inflatable dams to maintain proper function during rain events	Ensure integrity of SCADA, disaster Recovery Planning, Implementation and Testing Administer and manage service contracts and special projects for department	Plan, schedule, and perform condition monitoring for process equipment, including vibration, infra-red, and oil analysis	Manage Miss Utility service in Virginia and Montgomery County in Maryland; Monitor Right-of- Way to maintain integrity and prevent encroachment	Manage Maximo operations and perform reviews to evaluate effectiveness of methods in relation to asset management, uptime, Mean Time to Repair (MTTR), and Mean Time Between Failures (MTBF) metrics	Enforcement of Fats, Rags, Oils and Grease (FROG) removal program Operate and maintain Combined Sewer Outfalls, Regulator Structures, and Tidegates in accordance with NPDES Permit	Oversees maintenance program for storm water structures, filter bio-retention and water quality catch basins cleaning

DEPARTMENT: Pumping and Sewer Operations

BUDGET

The FY 2024 budget increased by \$5.4 million compared to the FY 2023 budget mainly for personnel service cost adjustments and increases in contractual services and utilities.













\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	175	175	178	183	(5)	(3)%
Headcount: Filled	160	167	162	172	(10)	(6)%
Personnel Services	\$ 22,548	\$ 25,189	\$ 24,350	\$ 27,216	\$ (2,867)	(12)%
Supplies	1,201	1,428	1,657	1,677	(20)	(1)%
Chemicals	1	33	151	80	72	47%
Utilities and Rent	6,846	6,905	6,472	8,043	(1,571)	(24)%
Contractual Services	4,846	3,461	4,616	5,547	(931)	(20)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	213	33	104	140	(36)	(34)%
Non Personnel Services ALL	13,106	11,860	12,999	15,486	(2,487)	(19)%
Department Total	\$ 35,654	\$ 37,049	\$ 37,349	\$ 42,703	\$ (5,353)	(14)%
Capital Equipment	\$ 1,251	\$ 1,430	\$ 1,975	\$ 1,830	\$ 145	7%

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Availability % of our critical assets	97.6%	98%	95%	98%	Reliable
Odor Complaints Sewer Overflows for the entire District of Columbia	189	180	0	0	Healthy, Safe, and Well
Odor Complaints Sewer Overflows for Potomac Interceptor Area	0	0	0	0	Healthy, Safe, and Well








DEPARTMENT: Pumping and Sewer Operations

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

PUMPING

- Document all work management processes and maintain safety awareness highlighting best practice daily among our department, internal, external customers, and stakeholders 
- Operate Sewer Pump Stations, Stormwater Pump Stations, Inflatable Dams, within the requirements of the National Pollution Discharge Elimination System (NPDES) Permit, the Municipal Separate Storm Water Sewer System (MS4) Permit, DC Water Standard Operating Procedures 
- Work with the Department of Wastewater Engineering to design and implement improvements to Sewer Pump Stations, Stormwater Pump Stations, Bryant St Pump Station Spill Header, Flow Meters and replace equipment at Fabridam Structures 
- Replace Variable Frequency Drives (VFDs), Valves, Programmable Logic Controllers (PLCs), Operator Interface Terminals (OITs) and other critical equipment in need of upgrades, add all Ventilation Control Vault (VCV), Pump Station odor control facilities to SCADA 
- Manage relocation of Potomac Interceptor at I-495 crossing and replace all manholes with lockable composite material 
- Leverage the Capacity Management Operations and Maintenance Manual (CMOM) document to help minimize/eliminate Sanitary Sewer Overflow (SSO's) 
- Continue Operational and SCADA Drills - Emergency response training and Emergency response - Water tabletop exercise 
- Continue to develop a system wide hydraulic model that includes Fairfax/Arlington, etc (Sustainable)
- Continue implementation of Light Detection and Ranging (LIDAR) scans of the Potable Water, Stormwater and Sewer Pump Stations 
- Assess meters upgrades – billing meters, Anacostia Pump Station flow meters, gas monitoring at Poplar Point Pump Station, Secondary level transmitters at fabridams, Upper Anacostia Pump Station and Potomac Pump Station flow meters 
- Upgrade SCADA servers and software 
- Work with Washington Aqueduct and the Department of Engineering and Technical Services to complete the SCADA communications upgrade between the 2 entities 
- Work with the Department of Engineering and Technical Services and Manufacturer to develop SCADA Master Plan and Life cycle management 

SEWER

- Manage application of chemical root foaming at locations previously affected by roots 
- Implementation of the Small Local Sewer Inspection Program 
- Maintain combined sewer overflow technology 
- Expand installation of level sensors throughout the collection system 
- Coordinate with Compliance team to address Fats, Rags, Oils and Grease (FROG) 
- Expand installation of point patch repair of mainline sewer and manage the replacement of sewer laterals using Trenchless Technologies 
- Manage catch basin data to determine frequency of cleaning 

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient






Equitable











Sustainable

DEPARTMENT: Pumping and Sewer Operations










- Work with IT on the testing and deployment of an updated catch basin application 
- Develop plans with Facilities to replace the building structure and dock facility for the floatable debris removal program 
- Manage inspection of MS4 Sewer Outfalls 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

PUMPING




- Install emergency connection for portable pumps at Fort Reno Pump Station 
- Prepare and submit Multi-Jurisdictional Use Facility FY 2023 Bill 
- Implementation of Long-Term Corrosion Prevention Program 
- Update MJUF Operation and Maintenance (O&M) Cost Share Procedure 
- Repair Potomac Interceptor Access Road 
- Maintain and Repair Potomac Interceptor linear and vertical assets 
- Install Battery at Odor Control Site # 31 
- Upgrade Pumps at Anacostia Pumping Station 

SEWER



- Continue Small Local Sewer Inspection Program (Red Zone Robotics) 
- Deploy update to catch basin app 
- Deploy Local and Small Sewer Inspection and Maintenance Program 
- Update the Sewer Emergency Operations Response Documents – Major Assets (Sewer) 
- Implement Root cause analysis training 
- Work with DETS on the design phase of rehabilitation to Oxon Run Sewers 
- Coordinate with DETS in Creek Bed Sewer Rehab Projects 
- Continue coordination with DETS on condition assessment for Outfall Sewer Rehab 
- Coordinate with DETS to complete design phase for Spring Place Sewer Rehabilitation 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

PUMPING

- If CIP projects are deferred, there is potential for more failures and emergencies, i.e., at Main Pump Station, Stormwater Pump Stations, Inflatable Dams, etc. This impacts overtime and material costs, public confidence, environmental risks, etc. 
- Upcoming major CIP projects would have impact on Potomac Interceptor workload in addition to all the new Ventilation Control Vaults (VCV's) responsibility 
- Maintenance of old/obsolete equipment 

SEWER

- If CIP projects are deferred, there is potential for more failures and emergencies, i.e. in the sewer system, outfalls, and catch basins, SSO's and dry weather overflows, etc. This will impact overtime and material costs, public confidence, environmental risks, etc.  

Strategic Plan - Blueprint 2.0 Imperatives Legend:

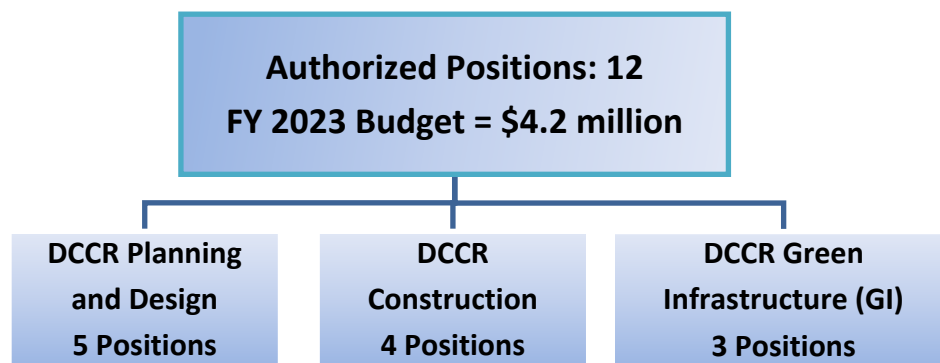


CLUSTER: WATERSHED MANAGEMENT

DEPARTMENT: Clean Rivers

PURPOSE: To oversee the Authority's DC Clean Rivers Project, a twenty-five-year Consent Decree and Long-Term Control Plan, to reduce combined sewer overflows and bring them into compliance with District water quality standards, while also providing flood mitigation to neighborhoods in the Northeast Boundary section of the City. The project is a combination of tunnel systems and green infrastructure

MISSION: To develop, design, construct and implement the Authority's 25-year DC Clean Rivers Program (aka Combined Sewer Overflow Long-Term Control Plan) that includes federally enforceable consent decree driven milestones



FUNCTIONS

DCCR Planning and Design	DCCR Construction	DCCR Green Infrastructure (GI)
Manage and oversee the planning and design phase of the \$2.99 billion, 25-year Clean Rivers Program	Manage and oversee the construction phase of the 25-year Clean Rivers Program	Manage and oversee the completion of the Green Infrastructure (GI) Program, planning, design, construction, and maintenance for GI projects
Oversee the program consultant's management of design contracts; and guide value engineering efforts to improve quality and design cost-effectiveness	Ensure adherence to all construction related Consent Decree requirements and guide constructability review efforts	Manage collaboration with external stakeholders including memorandum of understanding development and negotiation with District
Develop risk mitigation strategies for all Clean Rivers projects and ensure adherence to all design performance related consent decree milestones	Develop risk mitigation strategies for all Clean Rivers projects, inspect tunnel construction and other CSO abatement facilities	Develop risk mitigation strategies related to GI implementation, maintenance, and permit compliance
Provide assistance in creating an accurate DC Clean Rivers' engineering asset inventory and lead integration of Clean Rivers assets into DC Water's asset management system. At completion and commissioning of assets facilitate transition of assets to DC Water Operations	Identify and mitigate potential project delay and scope growth	Ensure adherence to all GI consent decree milestones

DEPARTMENT: Clean Rivers

BUDGET
























The FY 2024 budget increased by \$0.1 million over the FY 2023 budget due to personnel cost adjustments including the addition of one FTE offset in part by reductions in utilities and contractual services.

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	10	10	11	12	(1)	(9)%
Headcount: Filled	9	8	9	8	1	11%
Personnel Services	\$ 1,899	\$ 1,866	\$ 2,183	\$ 2,324	\$ (141)	(6)%
Supplies	5	0	12	12	0	3%
Chemicals	-	-	-	-	-	-
Utilities and Rent	102	96	89	74	15	17%
Contractual Services	596	1,402	1,835	1,809	25	1%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	703	1,499	1,935	1,895	40	2%
Department Total	\$ 2,602	\$ 3,364	\$ 4,118	\$ 4,219	\$ (100)	(2)%
Capital Equipment	-	-	-	-	-	-





















	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Meet all CSO LTCP consent decree milestones	100%	-	100%	100%	Reliable

DEPARTMENT: Clean Rivers

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue construction of Northeast Boundary Tunnel (NEBT) and place facilities in operation   
- Advance the procurement of Potomac River Tunnel (PRT), Contract B – Tunnel System Construction (TSC) by receiving and evaluating technical and cost proposals from design-build teams  
- Complete construction for CSO-025/026 Sewer Separation   
- Continue construction for Potomac River Tunnel (PRT), Contract A - Advanced Utility Construction (AUC) 
- Continue application of the National Green Infrastructure Certification Program (NGICP) on relevant green infrastructure projects 
- Advance construction of Rock Creek Project B Green Infrastructure (GI) and start construction   
- Continue deployment of Clean Rivers' assets into DC Water's enterprise asset management system 
- Continue the coordination of preventive maintenance of Clean Rivers assets 
- Continue the maintenance of GI facilities  
- Advance National Environmental Policy Act (NEPA) Studies for Rock Creek control facilities   
- Regulatory requirements compliance   

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Complete construction of Northeast Boundary Tunnel (NEBT)   
- Award Design-Build contract for PRT, Contract B -TSC and begin construction   
- Complete construction of PRT Contract A - AUC Contract 
- Complete construction of Rock Creek GI Project B (RC-B)   
- Continue deployment of Clean Rivers assets into DC Water's enterprise asset management system 
- Continue the coordination of preventive maintenance of Clean Rivers assets 
- Continue the maintenance of GI facilities  
- Complete NEPA Studies for Rock Creek Storage/Tunnel   
- Regulatory requirements compliance   

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Operations and Maintenance costs of Green Infrastructure in Rock Creek sewershed will increase as additional facilities are brought online. Clean Rivers is in the process of rehiring a Program Manager, Green Infrastructure to oversee program management, development and execution of contract documents, bid support, design support during construction, and construction oversight management. Clean Rivers is also seeking to fill a GI Steward position to oversee and expand maintenance capabilities while engaging with the public and other stakeholders to expand awareness of GI functions. Finally, a Program Manager for Tunnel Construction is also needed with upcoming tunnel work on the Potomac and grey storage at the Piney Branch Outfall

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



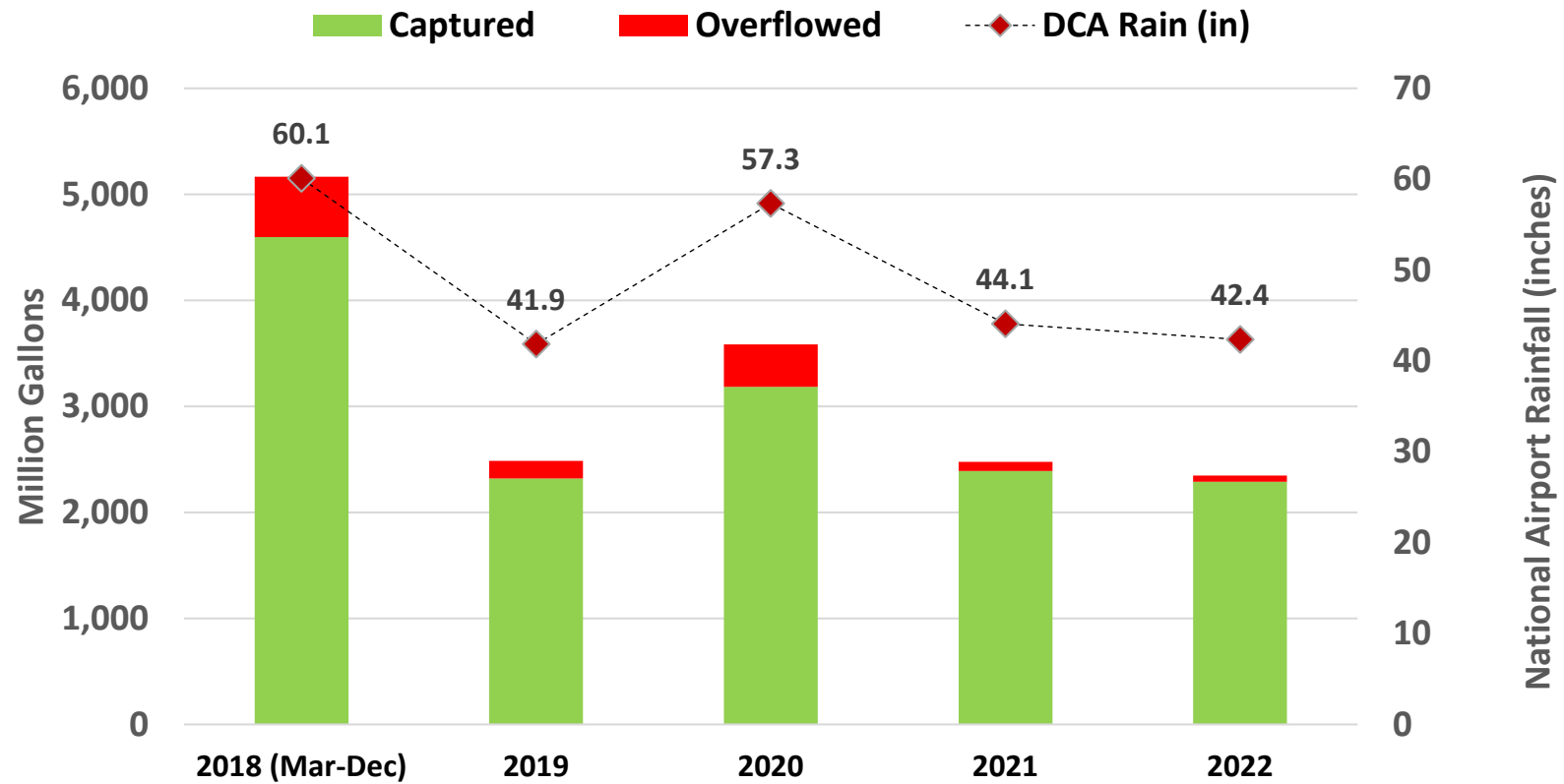
Equitable



Sustainable

CLEAN RIVERS TUNNEL PERFORMANCE

Tunnel Capture Volume (MG)

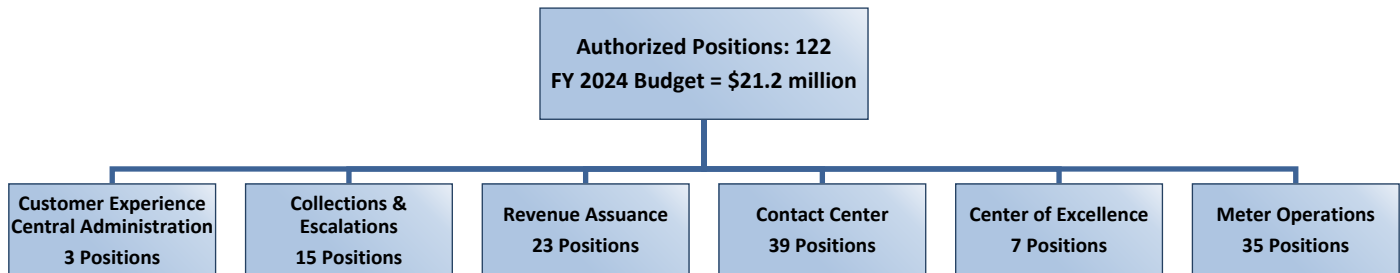


CLUSTER: CUSTOMER CARE

DEPARTMENT: Customer Care

PURPOSE: To ensure that DC Water delivers a satisfying experience for customers by providing timely and accurate billing, appropriate meter replacement and maintenance, as well as responding to customer inquiries through multiple channels in compliance with District of Columbia laws and regulations

MISSION: To provide excellent service to our customers through equitable and responsive customer interactions with the diverse community we serve



FUNCTIONS

Central Administration	Collections & Escalations	Revenue Assurance	Contact Center	Center of Excellence	Meter Operation
Leads customer service operations, initiatives and programs	Manages delinquent accounts including liens, receivership, and tax sale	Manages customer accounts and billing processes including bill exceptions, adjustments, and cancellations	Provides timely responses to customer inquiries across multiple channels	Provides business oversight for Customer Service systems (CIS, work order management, Advanced Metering Infrastructure (AMI) Interactive Voice Response IVR, and web self-service)	Maintains, installs, tests, repairs, and replaces meters
Provides strategic oversight of the customer experience	Handles disputes, hearings, and external escalated request tax sale	Maintains impervious area GIS database, assuring accurate billing of impervious surfaces in DC	Provides 24/7 Emergency customer call response and dispatch	Conducts analysis of existing or new business processes and proposes/ implements solutions	Obtains manual meter reads
	Administers the DC Water Customer Assistance Programs (CAP) and Serving People by Lending a Supporting Hand (SPLASH) programs	Handles new account creation and customer move-ins/move-outs			Performs meter disconnections & turn-ons

DEPARTMENT: Customer Care

BUDGET







The \$0.1 million increase in FY 2024 compared to the FY 2023 budget is mainly for personnel services cost adjustments, and partly offset by increases in contractual services and utilities

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	121	122	123	122	1	1%
Headcount: Filled	107	102	107	101	6	6%
Personnel Services	\$ 12,861	\$ 12,357	\$ 14,927	\$ 15,447	\$ (519)	(3)%
Supplies	59	48	76	72	4	5%
Chemicals	-	-	-	-	-	-
Utilities and Rent	298	291	444	384	61	14%
Contractual Services	4,395	4,253	5,625	5,291	333	6%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	1	1	7	8	0	(1)%
Non Personnel Services ALL	4,753	4,594	6,152	5,754	398	6%
Department Total	\$ 17,614	\$ 16,951	\$ 21,080	\$ 21,201	\$ (121)	(1)%
Capital Equipment	\$ 684	\$ 2,580	\$ 3,100	\$ 3,598	\$ (498)	(16)%



	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Bills issued on time (w/in 5 days)	97%	98%	97%	98%	Reliable
Estimated bills as a percent of meters read	4%	4%	4%	3.5%	Reliable
Unbilled at the end of the month	1%	1%	1%	1%	Reliable

DEPARTMENT: Customer Care


FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Upgrade to VxEngage Customer Portal (a fully hosted, manage, scalable and secure web) 
- Upgrade Payment Vendor and Print and Mailing Vendor 
- Incorporate feedback from FY 2022 customer satisfaction surveys 
- Conduct FY 2024 Customer Satisfaction Survey 
- Impervious area (a hard area that prevents water from seeping into the ground) data refresh 
- Implement SAP S4/Hana (ERP software) to enhance customer relationship management functionality 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Vertex One (V1) upgrade, including Customer Advantage Upgrade and Kona Replacement 
- Implement Customer Survey & Process Improvement from survey results 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Annual maintenance and support fees for new/upgraded software systems 

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



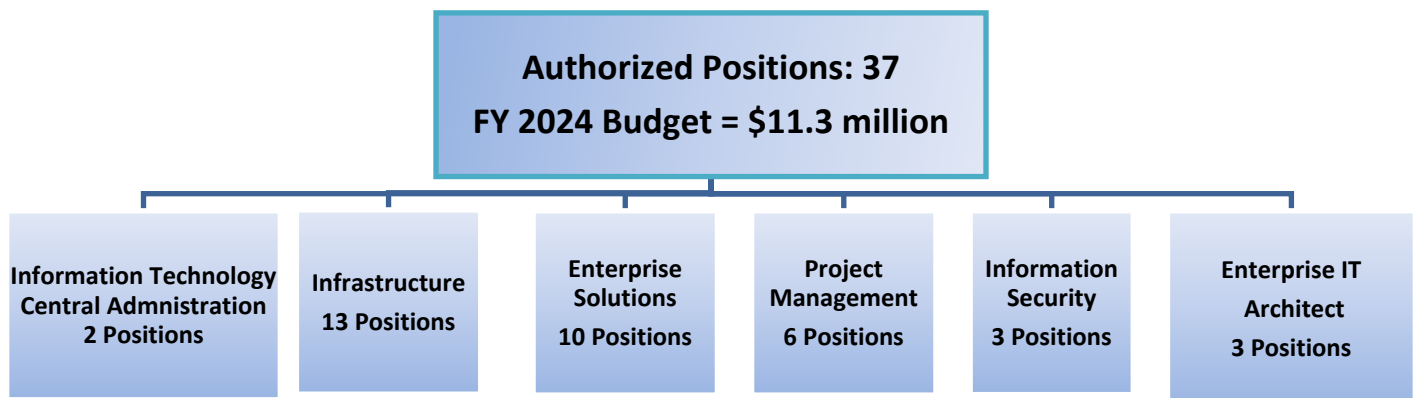
Sustainable

CLUSTER: INFORMATION TECHNOLOGY

DEPARTMENT: Information Technology

PURPOSE: To identify, define, develop, and support an integrated set of solutions that leverages people, process, and technology to improve reliability, increase efficiency, reduce cost, drive innovation, and improve the employee and customer experience

MISSION: To provide a safe and reliable state-of-the-art information technology platform capable of adapting to the changing needs of our internal and external customers. To ensure that the Authority's mission is supported by state-of-the-art technology with an infrastructure capable of accommodating all traffic and connectivity demands, and a computing environment that encourages the development of efficient business



FUNCTIONS

Infrastructure & Operation	Enterprise Solutions	Project Management	Office of the CIO & Other
Provide technical support for applications and manage the IT infrastructure; Develop and provide standards for System Architecture Integration	Support DC Water's Authority-wide and business unit goals, objectives, and business functions	Design and maintain DC Water's website to allow customer e-business access Develop and support DC Water's intranet and manage project prioritization process	Manage Information Technology initiatives, functions, and assets of the enterprise
Maintain DC Water's technology standards. Implement and support radio systems/phone	Support the IT Governance process and maintain information needed to make sound business decisions for Local and Executive IT Steering Committees (ESC and LSCs)	Integrate and provide product support for the financial, payroll, maintenance, and customer information and billing, Automated Meter Reader (AMR), Interactive Voice Response (IVR), Asset Management (AM) systems	Manage project implementations, database administration, and related budgets
Maintenance of the Enterprise Continuity of Operations (COOP) capabilities	Create, plan, assist and implement enterprise solutions utilizing technology to meet the Authority's needs	Manage the project portfolio and provide program and project management services for the Authority	Design and implement Cyber security strategy for the enterprise. Test and validate Cyber protections
Manage the Solution Center (Help Desk)	Maintain, service, and enhance DC Water's enterprise applications	Support project planning, management, and implementation	Support Disaster Recovery for the Authority

DEPARTMENT: Information Technology

BUDGET




















The \$1.0 million increase in FY 2024 compared to the FY 2023 budget is mainly from adjustments in personnel services cost and increases in contractual services.

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	30	31	37	37	0	0%
Headcount: Filled	28	27	28	26	2	7%
Personnel Services	\$ 5,056	\$ 5,466	\$ 6,229	\$ 6,723	\$ (495)	(8)%
Supplies	0	1	4	5	(1)	(25)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	133	227	193	175	18	9%
Contractual Services	5,565	5,172	3,760	4,323	(563)	(15)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	22	8	67	46	21	32%
Non Personnel Services ALL	5,720	5,408	4,024	4,548	(524)	(13)%
Department Total	\$ 10,775	\$ 10,873	\$ 10,252	\$ 11,271	\$ (1,019)	(10)%
Capital Equipment	\$ 9,519	\$ 10,144	\$ 6,869	\$ 5,287	\$ 1,582	23%









	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
98% Network uptime round the clock	99%	-	99%	99%	Reliable
96% of high priority tickets completed within 4 hours	96%	-	98%	98%	Reliable
60% Tickets closed by Tier 1 support	70%	-	71%	97%	Reliable
50% of Projects Completed on-time	90%	-	80%	90%	Sustainable
98% Network uptime during peak hours	100%	-	99.5%	99%	Reliable

DEPARTMENT: Information Technology

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Field Mobile Applications (Power Apps/Layer Mark) Phase 2 – Valve App 
- Electronic Permits Applications (3PP) Enhancements and Emergency Permits SP, Oracle PSCR for Permits Applications  
- Primavera Contract Manager Replacement Phase 1A & 1B and Unifier Enhancements 
- Updates: Aclara One Upgrade, Updates/Large, DCU Firmware, VertexOne Upgrade (V1) CRM Integration  
- Upgrades: Maximo Upgrade, Genesys Upgrade to Cloud, and MTU Upgrade  
- Enhancements : VertexOne Enhancements, Mobile App Enhancements 
- HQO Building Automation System 
- VertexOne Kubra Replacement 
- DC Water.com Pipeline Interactive design upgrade 
- Project Zeus – HCM DataMart Project  
- AlertUs – Emergency Communications  
- (Emergency) Event Management System   
- Other planned activities are Green Drop Application, Sterling Center, SCADA Upgrades, CIPIM SharePoint site, Open Text to SharePoint Migration, DMB Mobility, Managed SQL Server Instance, FIDO Prototype, and Collection Response Program 
- Underground Wi-Fi 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Vertex One ongoing enhancement, Vertex One AI 
- Replacements: Customer Advantage & Kona replacement 
- Enhancements: Impervious Area System Enhancements (CRIAC), enhancements, Mobile App enhancements, Maximo Enhancements, 3PP SaaS Implementation  
- Upgrades: Oracle ERP functional upgrades, Cloud Call Center upgrade Phases 3 & 4, iPass/Interface upgrades with GIS, Maximo, Unifier, and Mobile apps 
- Developments: Clean River asset class and SharePoint forms development  
- Other planned activities are Qualtrics Implementation, Internet of Things (IoT) Apps, Power Apps, and Lead Service Replacement/Water Quality updates 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Migration of Oracle databases to MS SQL in Azure Cloud or to Oracle Cloud will result in significant savings in our Hardware and Software maintenance costs
- Lawson backup project will reduce the operational cost of maintaining retired Lawson environment
- OpenText to SharePoint migration will result in savings in our software operational costs
- Genesys Upgrade to Cloud will result in savings with IT customer service-related operational costs

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



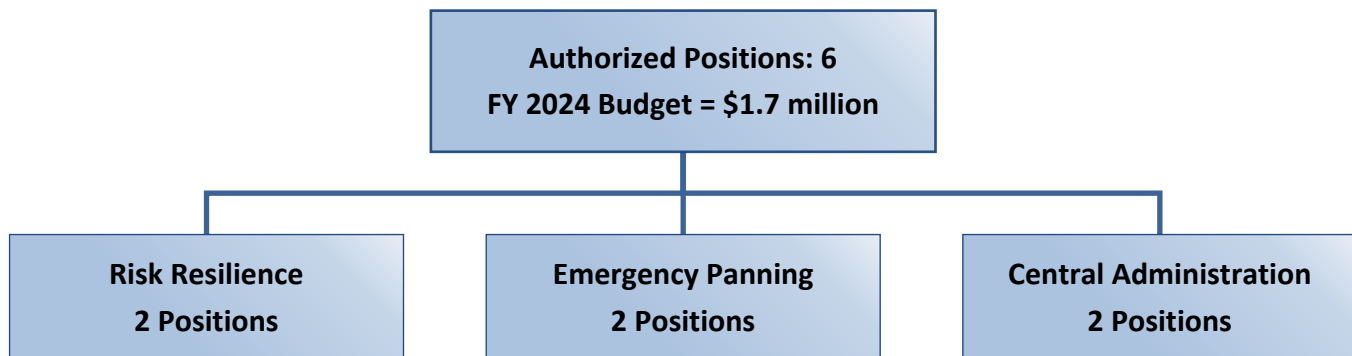
Sustainable

CLUSTER: SHARED SERVICES

DEPARTMENT: Office of Emergency Management

PURPOSE: To provide planning and operational support to the entire Authority during emergencies and ensure DC Water complies with the American Water Infrastructure Act

MISSION: To facilitate the development and sustainment of a disaster resilient utility



FUNCTIONS

Emergency Planning	Training and Exercises	Risk Resilience	Hazard Mitigation and Grants
Manage and implement mitigation, planning, response, and recovery emergency procedures and plans in compliance and aligned with America's Water Infrastructure Act (AWIA), National Incident Management System (NIMS, Emergency Management Accreditation (EMAP)	Provide tailored trainings and exercises through a multi-year training and exercise plan and calendar which utilizes federal funding through EPA and collaboration with regional partnerships	Facilitate Risk and Resilience Assessments for compliance to AWIA and continuous improvement efforts such as integration into hazard mitigation plan and capital improvement projects	Identify, secure, and facilitate hazard mitigation funding sources for Authority's hazard mitigation efforts which lower financial obligations
Facilitate local, regional, and federal partnerships to support DC Water's emergency management efforts and submit resource requests to DC HSEMA and NCR Water/Wastewater Agency Response Network	Manage DC Water's Incident Management Team (IMT) and Emergency Liaison Officers (ELOs)	Provide support to the DC Fusion Center, assessment of data, sharing of information, and development of threat briefings.	Manage DC Water's Hazard Mitigation Plan and Task Force
Assist in providing after action reviews and reports for multiple operational period emergencies that utilized an activated IMT and provide improvement planning tracking measures	Partner with regional partner agencies on training and exercise efforts to sustain readiness and resilience	Identifies, proposes, and accesses federally available funding, including the development and submission of Urban Areas Security Initiative (UASI) grant proposals	Coordinate and manage grant submittals, awards, correspondence, compliance reports, and to maintain confidential files

DEPARTMENT: Office of Emergency Management

BUDGET












The FY 2024 budget for the Office of Emergency Management (OEM) is relatively flat compared to the FY 2023 budget

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	5	5	6	6	0	0%
Headcount: Filled	5	5	4	5	(1)	(25)%
Personnel Services	\$ 625	\$ 950	\$ 1,044	\$ 1,034	\$ 10	1%
Supplies	1	3	5	4	1	17%
Chemicals	-	-	-	-	-	-
Utilities and Rent	14	9	10	13	(3)	(31)%
Contractual Services	350	314	584	592	(8)	(1)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	0	-	25	15	10	40%
Non Personnel Services ALL	365	327	625	625	0	0%
Department Total	\$ 990	\$ 1,277	\$ 1,669	\$ 1,659	\$ 10	1%
Capital Equipment	-	-	\$ 0	\$ 0	\$ 0	-








	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Maintain compliance in American's Water Infrastructure act every 5 yrs 100%	100%	100%	100%	100%	Resilient
Maintain Emergency Management Accreditation. Provide yearly measures report	100%	100%	100%	100%	Resilient

DEPARTMENT: Office of Emergency Management

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Facilitate Authority wide revision to the risk and resilience assessment using the J100 methodology and the Program to Assist Risk & Resilience Examination (PARRE) tool to comply with America's Water Infrastructure Act (AWIA) 
- Establish an Incident Management Team and documentation software solution for quicker emergency notifications, tasks, and easier plan references 
- Continue compliance with AWIA and Emergency Management Accreditation Program (EMAP) through plan updates revisions, training and exercises, response capabilities, hazard mitigation, gap improvements, and critical infrastructure protection 
- Perform a full revision to the Sewer Emergency Containment Plan 
- Manage efforts to transition and establish After Action Improvement Matrix (AIM) data from Fleet Management Information System (WAVE) into Origami with the necessary Homeland Security Exercise and Evaluation Program (HSEEP) and National Incident Management System (NIMS) requirements 
- Establish a suite of virtual emergency management training courses to assist staff in obtaining a knowledge base and to assist in establishing incident management competencies  
- Facilitate source support for Federal Emergency Management Agency Mitigation Grants 
- Implement the automation of a weather alert platform to assist operations and planning 
- Develop tracking measures and dashboard for OEM efforts with department strategic plan, Blueprint 2.0 goals, KPIs, and standard practices 
- Plan for lengthy and robust EMAP reaccreditation efforts to occur in FY 2024 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Perform authority wide full revision efforts of the Continuity of Operations Plan and the Hazard Mitigation Plan to align with the District's Hazard Mitigation plan, DC Water's Blueprint 2.0, and incorporate findings and recommendations from the FY 2023 Risk and Resilience Assessment  
- Facilitate the self-assessment, onsite evaluation, and reaccreditation efforts for emergency management re-accreditation (EMAP) 
- Continue compliance with AWIA and EMAP through plan updates, training and exercises, response capabilities, hazard mitigation, gap improvements, partnerships with local and regional emergency management agencies, and critical infrastructure protection measures 
- Design and facilitate a hazardous materials functional exercise for Blue Plains operations  
- Implement the established IMT management and documentation software solutions for emergency notifications, task assignments, documentation tracking, and plan references 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



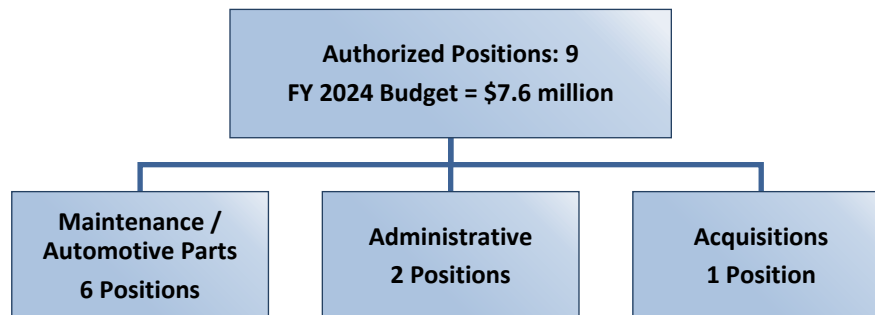
Sustainable

CLUSTER: SHARED SERVICES

DEPARTMENT: Fleet Management

PURPOSE: Ensure DC Water's fleet and equipment are safe and functioning to meet the operational needs of the Authority

MISSION: To provide safe, reliable and cost-effective vehicles and equipment to DC Water for use by all departments in performance of their missions



FUNCTIONS

Maintenance/Automotive Parts	Administrative	Acquisitions
Preventive and repair maintenance oversight and Stakeholder engagement	Manage fleet maintenance contract	Acquisition/Disposal of vehicles/equipment
Performance measurements - percent of uptime/availability	Manage and support the Fleet Wave System	Development of specifications and standards for heavy equipment
Integration and retrofitting of vehicles Integration of mobile technology support	Management of DC Water loaner pool and rideshare programs	
Apprentice-trainees (vehicle/equipment maintenance; quality assurance)	Commercial Driver's License (CDL) Safe Drivers Program and related vehicle specific trainings	
	Ensure compliance with fueling requirements and coordination with vendors	
	Grants submissions and monitoring	

DEPARTMENT: Fleet Management

BUDGET








The FY 2024 budget is relatively flat compared to the FY 2023 budget

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	9	9	10	9	1	10%
Headcount: Filled	8	8	8	8	0	0%
Personnel Services	\$ 1,155	\$ 1,284	\$ 1,535	\$ 1,502	\$ 33	2%
Supplies	1,369	1,107	850	1,424	(574)	(68)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	749	1,030	824	1,006	(182)	(22)%
Contractual Services	2,839	3,450	4,287	3,576	710	17%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	47	144	80	117	(37)	(47)%
Non Personnel Services ALL	5,003	5,731	6,041	6,124	(83)	(1)%
Department Total	\$ 6,158	\$ 7,014	\$ 7,576	\$ 7,626	\$ (50)	(1)%
Capital Equipment	\$ 791	\$ 5,039	\$ 16,400	\$ 6,000	\$ 10,400	63%





	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Preventative Maintenance Completed on Schedule	33%	29%	96%	96%	Sustainable
Priority #1 Vehicles available for use	85%	78%	96%	96%	Reliable

DEPARTMENT: Fleet Management





FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Relocation and transition to the new Fleet Facility   
- Implementation of new professional maintenance and repair contract 
- Continue implementation and upgrade of Field Services Mobile Support Technology Programs meshing, smart Infrastructure and vehicle sensor technology 
- Continue utilization of grants and enterprise collaborations for the purchase of alternative fuel vehicles like biodiesel and electric vehicles 
- Employee training and certification of Fleet personnel 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Management and continuous improvement of metrics through the professional maintenance and repair contract 
- Continue efforts to optimize fleet utilization as well as reduce the carbon footprint and the re-issuance of underutilized units  
- Continue the reassessment of the Priority Equipment and major change outs according to Departmental Programs and Critical Service Levels 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Construction and relocation to a new Fleet facility will enhance our operations and serviceability of our vehicles in a climate-controlled environment   
- Our ability to perform certain tasks will be greatly enhanced and our vehicle downtimes will decrease under the services of a professional maintenance contract 

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



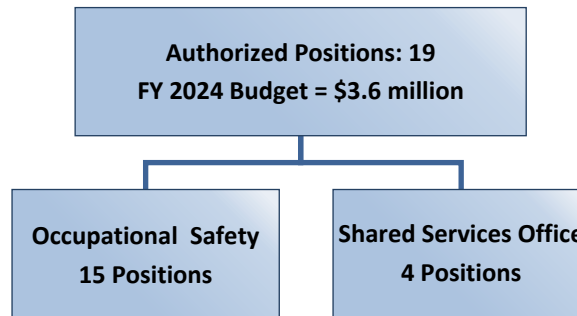
Sustainable

CLUSTER: SHARED SERVICES

DEPARTMENT: Occupational Safety and Health

PURPOSE: Oversight of the Authority's Comprehensive Health and Safety Program, to accomplish a safe and healthy work environment, as well as compliance with environmental health and safety regulations

MISSION: To support DC Water's Blueprint Strategic Plan by effectively managing Department resources to accomplish a healthy work environment for all DC Water employees



FUNCTIONS

Operations Safety	Shared Services Office
Compliance with environmental health and safety management system	To oversee and direct the administrative functions that support the achievement of DC Water's goals
Implement comprehensive safety program, including facility and crew safety inspections, and accident and incident investigations	Ensure continuity of operations and a safe, secure, and healthy working environment by providing a foundation of resources and support to DC Water employees through the management of facility, security, safety, emergency management, and fleet services
Support DC Water's Emergency Response activities. Coordinate and support the Office of Risk Management, Emergency Management, Emergency Preparedness of Contractors, and the Department of Engineering and Technical Services, including the Rolling Owner Controlled Insurance Program (ROCI), Safety Program, and Non-ROCI contracts	Provide a healthy, safe, and secure environment for DC Water to operate, through high-quality and cost-effective services and trainings, delivering an exceptional customer experience for our workforce and community
Oversight of hazardous waste program and storage tank compliance. Identify, develop, schedule, and deliver required safety training	Implement initiatives to prevent and reduce accidents, occupational illnesses, and exposure to health and physical hazards

DEPARTMENT: Occupational Safety and Health

BUDGET






The \$1.2 million increase in the approved FY 2024 budget is mainly for increased personnel service cost adjustments which include two additional positions, and contractual services increase

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	15	15	17	19	(2)	(12)%
Headcount: Filled	10	10	10	10	0	0%
Personnel Services	\$ 1,885	\$ 1,951	\$ 2,180	\$ 3,076	\$ (896)	(41)%
Supplies	4	8	1	5	(4)	(351)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	26	25	27	37	(9)	(35)%
Contractual Services	348	338	159	472	(313)	(197)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	2	-	-	-	-
Non Personnel Services ALL	377	372	187	513	(326)	(174)%
Department Total	\$ 2,262	\$ 2,323	\$ 2,367	\$ 3,589	\$ (1,221)	(52)%
Capital Equipment	-	-	-	-	-	-







	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
DC Water Employee Recordable Incident Rate (RIR) (CY)	4.3	2.45	<5.3	< 4.9	Healthy, Safe, and Well
DC Water Employee Lost Time Incident (LTI) (CY)	2.4	1.67	<2.1	< 1.7	Healthy, Safe, and Well
Contractor/ROCIIP Recordable Incident Rate (RIR) (CY)	1.1	2.3	<2.8	< 2.5	Healthy, Safe, and Well
Contractor/ROCIIP Lost Time Incident (LTI) (CY)	0	0.19	<1.1	< 1.1	Healthy, Safe, and Well

DEPARTMENT: Occupational Safety and Health

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to develop safety goals and initiatives in support of the Healthy Safe and Well Imperative of Blueprint 2.0 
- Upgrade all Automated External Defibrillators (AED) 
- Continue to provide support to the Office of Risk Management for the Rolling Owner Controlled Insurance Program (ROCIP) and DC Water's Workers Compensation Program 
- Continue to review and update Health and Safety Policies 
- Upgrade Safety Risk System – Origami 
- Continue development of the DC Water Occupational Health and Safety System in alignment with ISO-45001 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Support Blueprint 2.0 and the Healthy Safe and Well Imperative 
- Continue to support ROCIP and DC Water's Workers' Compensation Program 
- Implement approved health and safety policies 
- Focus on implementing the DC Water Occupational Health and Safety system  
- Collaborate with the Office of Marketing and Communications (OMAC) on enhancing safety communications 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- None

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



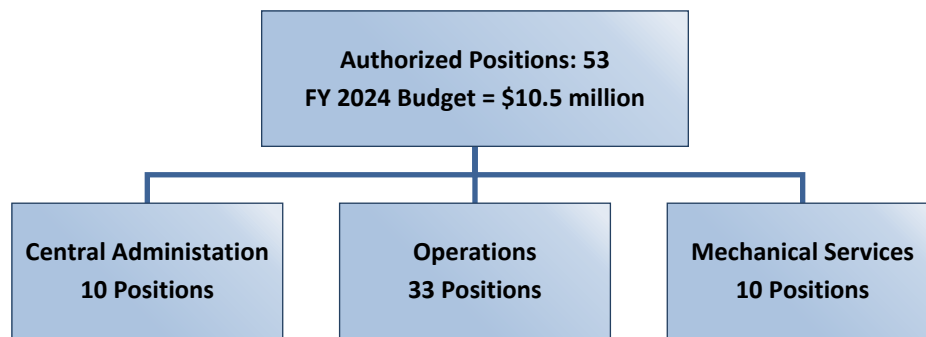
Sustainable

CLUSTER: SHARED SERVICES

DEPARTMENT: Facilities Management

PURPOSE: Administers programs for construction, operation, maintenance, and continuous improvement of the Authority's physical infrastructure and building services

MISSION: To support the operation of the Authority through routine maintenance, custodial services, repair and improvement of its facilities, buildings, grounds, and roadways for DC Water's operations



FUNCTIONS

Central Administration	Operations	Mechanical Services
Mail, courier and freight services	Building operations maintenance, procure and assign furniture, repair fences and rollup doors	Predictive/preventive maintenance
Motor pool services	Coordinate workspace assignments and moves	Adequate indoor air quality
Manage DC Water's recycling program (paper, cans, bottles)	Janitorial service, landscaping, trash removal, and pest control	Engage in project management of major construction and renovation projects
Coordinate work order requests and surveys for facilities	Adequate ground direction and building signage	Elevator and HVAC systems maintenance
Manage DC Water's copy services	Manage cafeteria operations	Plumbing

DEPARTMENT: Facilities Management

BUDGET











The \$0.7 million increase in FY 2024 compared to the FY 2023 budget is primarily for personnel services cost adjustments and increased costs in supplies and contractual services

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	51	51	53	53	0	0%
Headcount: Filled	44	41	44	42	2	5%
Personnel Services	\$ 5,486	\$ 5,676	\$ 6,585	\$ 6,782	\$ (198)	(3)%
Supplies	722	589	363	727	(364)	(100)%
Chemicals	1	-	-	-	-	-
Utilities and Rent	75	83	155	157	(2)	(1)%
Contractual Services	2,174	2,807	2,674	2,823	(148)	(6)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	25	77	3	11	(8)	(271)%
Non Personnel Services ALL	2,996	3,556	3,196	3,718	(522)	(16)%
Department Total	\$ 8,482	\$ 9,231	\$ 9,781	\$ 10,500	\$ (720)	(7)%
Capital Equipment	\$ 1,127	\$ 1,603	\$ 1,966	\$ 1,775	\$ 191	10%











	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Facilities Service requests completed within 30 days	36%	57%	90%	90%	Healthy, Safe, and Well
Preventative Maintenance Completed on Schedule	33%	63%	90%	90%	Reliable

DEPARTMENT: Facilities Management


FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue the implementation of the Building Automation Program (HVAC systems) 
- Assess and refine the organization of the Facilities Department: Hire a Program Manager to support Non-Process Facilities Program Management 
- Continue to support proactive maintenance throughout DC Water Facilities 
- Define and establish the facilities management program for the Headquarters Building 
- Support Matrix contributors with office work area updates/space planning 
- Continue to provide janitorial services at all DC Water campuses using new standards 
- Continue to provide grounds keeping services throughout DC Water campuses 
- Identify roof replacement needs for DC Water facilities and estimate the associated costs 
- Identify HVAC replacement needs for DC Water facilities and estimate the associated costs 
- Continue to implement new industry innovations to support efficiency and sustainability 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue the implementation of the Building Automation Program (HVAC systems) 
- Manage the Non-Process Facilities Program Management CIP budgeting, design and construction Projects 
- Identify roof replacement needs for DC Water facilities and estimate the associated costs 
- Identify HVAC replacement needs for DC Water facilities and estimate the associated costs 
- Continue to develop and manage the proactive maintenance program throughout DC Water facilities 
- Support Matrix contributors with office work area updates 
- Continue to provide grounds keeping, carpentry, painting, HVAC and plumbing services throughout DC Water campuses 
- Continue to implement new industry innovations to support efficiency and sustainability 
- Provide stakeholder support/coordination for Central Office Facilities (COF) Building renovation by Non-Process Facilities Program 
- Provide stakeholder support/coordination for Bryant Street Campus renovation by Non-Process Facilities Management Program 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continued improvement of DC Water non-process facilities and mechanical systems will reduce the overall maintenance efforts and ultimately expenditures 

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



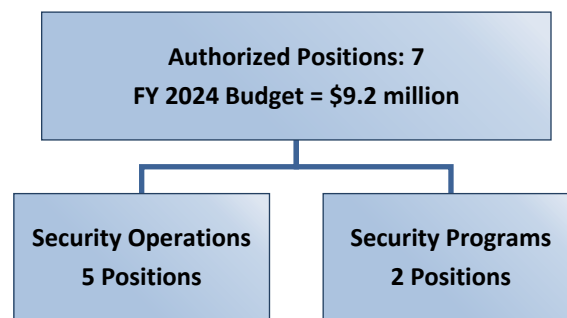
Sustainable

CLUSTER: SHARED SERVICES

DEPARTMENT: Security

PURPOSE: To deliver best-in-practice security services that safeguard and protect DC Water's mission-critical resources and employees in meeting the enterprise commitment to our communities and the environment

MISSION: To support and maintain a safe and welcoming workplace that is customer focused and intended to enhance the well-being of staff and visitors



FUNCTIONS

Security Operations	Security Protection
Locksmith, Key Control	Electronic security asset testing and maintenance
Guard force and traffic management identification and badge control	Management of security related Capital Improvement Plan projects
Emergency Management & First Response and community awareness training Security Command Center 24/7	Loss prevention, asset protection, vulnerability assessments, and hazardous threat training awareness
Investigations, local and federal liaison, and Security work order requests	Information security, site surveys, and Key management

DEPARTMENT: Security

BUDGET

The approved FY 2024 budget increased by \$0.6 million compared to the FY 2023 approved budget due to adjustments in personnel services and in contractual services

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	7	7	7	7	0	0%
Headcount: Filled	6	6	5	6	(1)	(20)%
Personnel Services	\$ 790	\$ 891	\$ 890	\$ 1,087	\$ (197)	(22)%
Supplies	43	42	40	41	(1)	(2)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	292	251	331	332	(1)	0%
Contractual Services	6,229	7,406	7,360	7,755	(395)	(5)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	10	30	30	0	0%
Non Personnel Services ALL	6,563	7,710	7,762	8,158	(397)	(5)%
Department Total	\$ 7,354	\$ 8,600	\$ 8,651	\$ 9,245	\$ (594)	(7)%
Capital Equipment	\$ 1,325	\$ 1,406	\$ 800	\$ 600	\$ 200	25%

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percent of security investigations completed within 21 days	95%	99%	95%	95%	Healthy, Safe, and Well
Security Camera operational uptime (cannot go below 90%)	95%	97%	90%	90%	Resilient
Smart card readers operational uptime (cannot go below 90%)	99%	99%	90%	90%	Resilient

DEPARTMENT: Security

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Focus on making the necessary improvements recommended in the Physical Security Assessment/Hazard Mitigation Plan and Cybersecurity & Infrastructure Security Agency (CISA) Survey – Security & Resilience Report 🧡🔧
- Continue with Phase II of Hardening Project at Blue Plains 🧡🔧
- Continue to upgrade Blue Plains Operations cameras 🧡🔧
- Continue to repair/upgrade Fire Protection systems at DC Water Facilities 🧡🔧
- Develop and institute the training curriculum for Safety, Security & Emergency Management 🧡🔧
- Continue integration of operations cameras at ‘non-Blue Plains’ locations 🧡🔧
- Continue to analyze throughout the Authority areas in need of additional and/or electronic security improvements 🧡🔧
- Support IT with integration of Alert Us project – Mass Notification enhancement 🧡

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to focus making the necessary improvements recommended in the Physical Security Assessment/Hazard Mitigation Plan/CISA Infrastructure Survey – Security & Resilience Report 🧡🔧
- Continue to repair/upgrade Fire Protection at various DC Water Facilities 🧡🔧
- Integrate additional departments into the asset protection program for enhancing protective protocols throughout the Authority 🔧
- Continue to analyze throughout the Authority areas in need of additional and/or electronic security improvements 🧡🔧

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continuous improvement of security systems will reduce overall maintenance, improve response time, and decrease threat levels 🔧
- Mega-projects require significant security upgrades and enhancements which will require increased manning to provide full support 🔧
- The new Fleet Facility is expected to increase security operations costs in future years 🔧

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: Secretary to the Board

PURPOSE: Serves as the Authority's executive level business entity that manages the day-to-day activities of the Board of Directors

MISSION: To support DC Water's Blueprint/Strategic Plan by effectively managing assigned resources to accomplish the duties of the Office of the Secretary (Board)

Authorized Positions: 2
FY 2024 Budget = \$0.6 million

FUNCTIONS

Manage logistics for the Board of Directors and Committee meetings, Public Hearings, Workshops, the Strategic Planning Process, and all other business activities of the Board

Manage and oversee the day-to-day operations of the Board of Directors and execute custodial oversight of all books, records and official documents of the Board

Administer the subpoena process and provide Notary Service for the Authority

DEPARTMENT: Office of the Secretary to the Board

BUDGET

The FY 2024 budget is relatively flat compared to the FY 2023 budget

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	2	2	2	2	0	0%
Headcount: Filled	2	2	2	2	0	0%
Personnel Services	\$ 334	\$ 367	\$ 363	\$ 384	\$ (21)	(6)%
Supplies	5	3	17	8	9	53%
Chemicals	-	-	-	-	-	-
Utilities and Rent	3	4	3	3	0	4%
Contractual Services	91	95	252	189	63	25%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	0	-	0	-
Non Personnel Services ALL	98	102	273	200	73	27%
Department Total	\$ 432	\$ 469	\$ 635	\$ 584	\$ 51	8%
Capital Equipment	-	-	-	-	-	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Provide timely and accurate Board and Committee agendas, reports and minutes	100%	100%	100%	100%	Reliable
Follow-up and complete Board actions	100%	100%	100%	100%	Reliable

DEPARTMENT: Office of the Secretary to the Board

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to draft and submit notices and agendas for all Board and Committee meetings and Public Hearings for publication in the District of Columbia Register as required by the Open Meetings Act of 2010 🛠️
- Continue to publish all Board and Committee agendas, meeting materials and meeting minutes on DC Water's website as required by the Open Meetings Act of 2010 🛠️
- Continue to coordinate logistics for the Board's Strategic Planning Session (retreat) 🛠️
- Continue to coordinate the process to fill the expired and/or vacant Board appointments 🛠️
- Continue to effectively monitor follow-up requests from the Board and Committees to ensure timely responses 🛠️
- Continue to enhance data dissemination process for the Board, DC Water employees, and stakeholders by use of state-of-the-art technology that supports the Board's Strategic Plan 🛠️
- Continue to manage recordkeeping process by ensuring accuracy, comprehensiveness and effective maintenance of all Board related documents and materials 🛠️
- Continue to work with Information Technology to secure, install and utilize state-of-the-art technology to ensure efficient and effective recording of proceedings for all Board and Committee meetings 🛠️
- Continue accomplishing all duties as required and further enhance processes, as needed 🛠️

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- No major changes anticipated

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: Office of the Chief Executive Officer (CEO)

PURPOSE: The CEO/ General Manager's Office administers, plans, organizes, and directs the operations of DC Water

MISSION: To provide DC Water customers with access to affordable, safe and reliable utility infrastructure and services

Authorized Positions: 6
FY 2024 Budget = \$3.0 million

FUNCTIONS

Strategic Planning	Operations
<p>Provide overall operational and policy direction in support of the Board of Director's Strategic Plan</p> <p>Facilitate development of cross-functional Enterprise Performance Plans</p>	<p>Organize, plan and direct all operations of the Authority</p> <p>Ensure development and implementation of improvement processes to increase operational efficiencies</p>

DEPARTMENT: Office of the Chief Executive Officer (CEO)

BUDGET

The Approved FY 2024 budget increased slightly over the FY 2023 budget due to personnel services adjustments

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	8	5	6	6	0	0%
Headcount: Filled	6	4	4	4	0	0%
Personnel Services	\$ 3,246	\$ 1,845	\$ 1,506	\$ 1,688	\$ (182)	(12)%
Supplies	17	8	5	8	(3)	(62)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	19	28	24	25	(1)	(4)%
Contractual Services	1,188	1,211	1,237	1,233	4	0%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	4	-	-	-	-	-
Non Personnel Services ALL	1,228	1,246	1,266	1,266	0	0%
Department Total	\$ 4,474	\$ 3,092	\$ 2,772	\$ 2,954	\$ (182)	(7)%
Capital Equipment	-	-	-	-	-	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Implement all policies and directives of the Board of Directors	100%	100%	100%	100%	Sustainable

DEPARTMENT: Office of the Chief Executive Officer (CEO)

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Development and execution of an efficient and effective OCEO administrative system for information flow that strategically guides day-to-day operations and supports data-driven, executive decision-making across the Authority 🌊
- Continue improving our labor management partnership 🌱
- Continue to expand the strategic direction of the Chief Executive by designing new support roles for execution 🌱
- Support the Board of Directors and Senior Executive Team (SET) relationships through ongoing joint engagement efforts 👥
- Continue watershed-based stakeholder engagement, including continued support of the Anacostia freshwater mussel project to improve water quality and protect our investment in cleaning the Anacostia River 💧
- Continue to support the planning and delivery of an annual national Women of Water event in the DC Region to showcase and recognize women leaders in the water sector 👥

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue active engagement, leadership, and partnership with global industry leaders in the utility sector 🌱
- Continue development and execution of an efficient and effective OCEO administrative system for information flow that strategically guides day-to-day operations and supports data-driven, executive decision-making across the Authority 🌊
- Continue improving our labor management partnership 🌱
- Continue to expand the strategic direction of the Chief Executive by designing new support roles for execution 🌱
- Continue development and expansion of executive leadership to continue building a high performing leadership team and culture 👥
- Support the Board of Directors and Senior Executive Team (SET) relationships through ongoing joint engagement efforts 👥
- Continue watershed-based stakeholder engagement, including continued support of the Anacostia freshwater mussel project to improve water quality and protect our investment in cleaning the Anacostia River 💧
- Continue to support the planning and delivery of an annual national Women of Water event in the DC Region to showcase and recognize women leaders in the water sector 👥
- Build CEO forum which addresses the unique needs of the African American CEO experience 👥
- Expand the branding of the CEO and DC Water through an external marketing partner 📢

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: Office of the Chief Operating Officer (COO)

PURPOSE: To support and provide oversight, guidance and strategic direction for the Departments of the Shared Services, Customer Care, Information Technology, Sewer and Pumping Operations, Wastewater Operations, Water Operations, Engineering, and Watershed Management Departments to ensure alignment with the vision and strategic direction cast by the CEO and Board of Directors

MISSION: Effectively, efficiently and reliably manage the core operations and supporting administrative services of the Authority to provide critical services to internal and external customers; oversight and direction for the authority's capital improvement program planning and implementation; and working to achieve resilience and mitigate risks to day to day operations and critical infrastructure

Authorized Positions: 4
FY 2024 Budget = \$1.8 million

FUNCTIONS

Chief of Operations for the Authority serves as the representative of the Authority, CEO and Senior Executive Team on matters related to the operations of the Authority including engaging in boards, associations and other stakeholder groups on policy and operational matters

Planning, development and implementation of key programs, projects and initiatives

Establish/monitor key performance indicators

Advisement to CEO and other members of the Senior Executive Team (SET)

Participation in internal and external policy development and decisions

Oversight, planning and implementation of DC Water's Capital Improvement Program

Provide support, oversight and guidance to the Operations and Engineering clusters

Support for strategic planning and implementation, acting as the Imperative Accountable Owner for the Reliable organizational imperative

Provide oversight, review and guidance for all compliance requirements related to local and federal regulations

DEPARTMENT: Office of the Chief Operating Officer (COO)

BUDGET

The \$0.2 million decrease in FY 2024 compared to the FY 2023 budget is primarily in personnel services cost adjustments

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	5	5	5	4	1	20%
Headcount: Filled	4	4	4	4	0	0%
Personnel Services	-	\$ 756	\$ 1,250	\$ 1,092	\$ 158	13%
Supplies	-	0	-	2	(2)	
Chemicals	-	-	-	-	-	
Utilities and Rent	-	-	0	4	(4)	
Contractual Services	20	420	672	666	6	1%
Water Purchases	-	-	-	-	-	
Biosolids	-	-	-	-	-	
Small Equipment	-	-	-	-	-	
Non Personnel Services ALL	20	420	672	672	0	0%
Department Total	\$ 20	\$ 1,176	\$ 1,922	\$ 1,764	\$ 158	8%
Capital Equipment	-	-	-	-	-	

DEPARTMENT: Office of the Chief Operating Officer (COO)

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Execution of Projects identified in the Advanced Energy Group (Clean Energy & Equity Portfolio) 🌱
- Continue to participate in workshops at National Conferences on Diversity, Equity, and Inclusion and other Topics 👥
- Completion of the DC Flood Task Force 💡
- Renegotiation of the Washington Agreement Cost Sharing Agreement 👥
- Completion of the Phase Two Organizational Assessment 🛠️
- Completion of the Water Equity Network Roadmap 🌱
- Transition to the new Fleet Facility 🛠️
- Continue execution of the Lead Free DC Program 💡

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Advancement of projects identified within the Clean Energy & Equity Portfolio 🌱
- Continuation of programs identified from the DC Flood Task Force 💡
- Renegotiation of the Washington Aqueduct Cost Sharing Agreement 👥
- Completion of the Anacostia Tunnel under the Clean Rivers Program - Sustainable
- Negotiation of the National Pollutant Discharge Elimination System (NPDES) Permit for Blue Plains Advanced Wastewater Treatment Plant 💡
- Continue execution of the Lead Free DC Program 💡

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- None

Strategic Plan - Blueprint 2.0 Imperatives Legend:



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Equitable



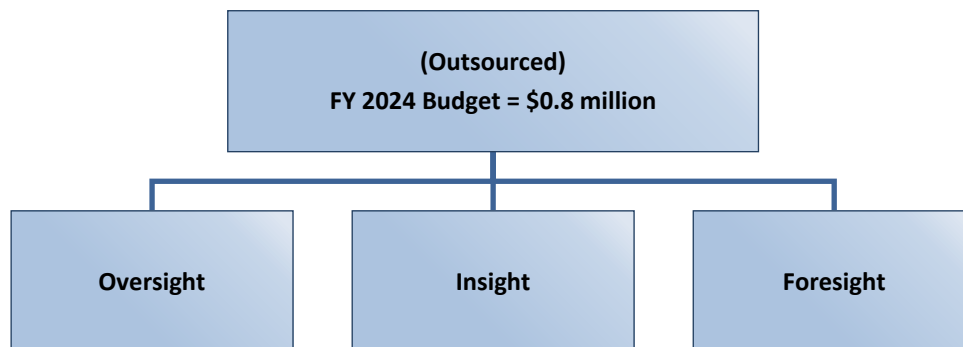
Sustainable

CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: Internal Audit

PURPOSE: Assists the Authority in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control and governance processes

MISSION: To provide independent, objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of DC Water



FUNCTIONS

Oversight	Insight	Foresight
Conduct periodic audits	Assess programs and policies	Identify trends and challenges before they become crises
Conduct audits requested by the Board of Directors and for the Chief Executive Officer & General Manager	Share best practices and benchmarking information	Identify risks and opportunities
Review of corporate governance	Provide ongoing feedback for re-engineering management practices and policies	Risk-based auditing

DEPARTMENT: Internal Audit

BUDGET







The FY 2024 Budget increased slightly to cover increased audit fees compared to the FY 2023 budget

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	0	0	-	-	-	-
Headcount: Filled	0	0	-	-	-	-
Personnel Services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Chemicals	-	-	-	-	-	-
Utilities and Rent	1	-	2	-	2	100%
Contractual Services	554	750	743	805	(62)	(8)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	556	750	745	805	(60)	(8)%
Department Total	\$ 556	\$ 750	\$ 745	\$ 805	\$ (60)	(8)%
Capital Equipment	-	-	-	-	-	-







	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Internal Audit Work Planned	8	13	14	14	Reliable

DEPARTMENT: Internal Audit

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Conduct an updated risk assessment and internal audit plan for the Authority 
- Implement Committee and Board approved audit plans 
- Continue to manage DC Water's hotline and implement the hotline protocol 
- Continue to report to the Board of Directors via the Audit and Risk Committee on the status of prior internal audit findings and management action plans 
- Continue to conduct follow-up procedures on newly presented audit findings and determine status of management action plans 
- For management assessments conducted, identify strategic improvement opportunities for management 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Conduct annual risk assessment considering current DC Water environment, strategic initiatives, and industry trends 
- Develop audit plan based on top priority risks for the year based on risk assessment 
- Execute audit plan to include performing audits and management assessments 
- Report findings, management action plans and status of prior internal audit findings to the Audit and Risk Committee on a quarterly basis 
- Conduct follow-up procedures on newly presented audit findings 
- Continue to manage DC Water's hotline and implement the hotline protocols 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



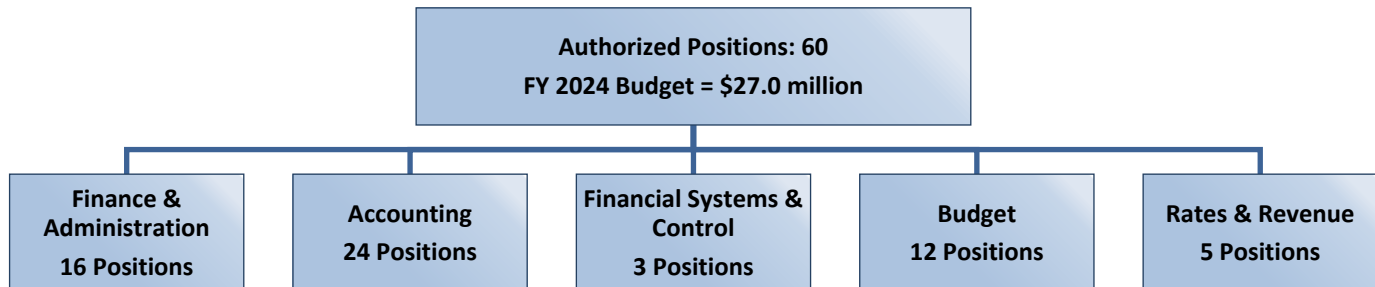
Sustainable

CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

DEPARTMENT: Finance

PURPOSE: Responsible for the financial integrity of the Authority's assets and liabilities, funds acquisition, budget execution, and management and planning of expenditures for all programs and initiatives

MISSION: Stewardship of DC Water's financial activities to ensure financial integrity and ensure performance that meets the expectations of the Board of Directors, Stakeholders, and the broader financial community



FUNCTIONS

Finance & Administration	Accounting	ERP System & Controls	Budget	Rates & Revenue
<p>Oversight and management of Finance, Accounting, Budget, Financial Systems & Control, and Rates & Revenue</p> <p>Manage and oversee Treasury, Debt, insurance and Risk Management functions of the organization</p>	<p>Manage accounting and financial reporting functions of the organization</p> <p>Prepare Annual Comprehensive Financial Report (ACFR), and financial transactions</p> <p>Establish accounting and reporting policies, maintain financial records and effective internal control structure</p>	<p>Manage & Support organization-wide ERP, EPM, and HCM Systems and related applications</p> <p>Ensure accountability and safeguarding of the Authority's assets while managing the systems and user access</p>	<p>Develop, monitor and report the annual operating and 10 Year Capital Improvements Program (CIP) budgets</p> <p>Oversee the Board Committees' reporting process and financial relationship with the Washington Aqueduct</p> <p>Submit Board-adopted Budgets through the District for Congressional Appropriation</p>	<p>Manage short and long-range financial planning, revenue forecasting, and monitoring and establishing rates</p> <p>Manage cost of service studies for water & sewer, Clean Rivers Impervious Area Charge (CRIAC), fire protection service fee, operating reserves, renewal & replacement reserves, rate stabilization fund, engineering study, ongoing responsibility for FOWM, develop cost recovery methodology & charges for stormwater services, review costs, cost recovery and impacts for water supply reliability & resilience</p>
<p>Debt and investment portfolios, operations of cashing and banking services</p> <p>Administer all insurance and risk management activities, manage all general liability and tort claims for DC Water's Operations</p> <p>Manage construction insurance and claims programs (ROCIP)</p>	<p>Oversee payroll operations, vendor payment operation and asset management and accountability</p> <p>Manage the billing activities of the organization, including grants and county billing operations</p>	<p>Management of ERP and related systems, including upgrades and enhancements</p> <p>ERP/EPM/HCM System user support, access control and training.</p> <p>Support of Business Intelligence and Reporting</p>	<p>Prepare quarterly reports and monthly Financial Reports</p> <p>Perform ongoing financial management of critical programs and maintain department's web page</p>	<p>Monitor consumption, revenue, collections, accounts receivable and delinquencies greater than 90 days</p> <p>Manage independent review of rates and budget for public hearing</p>

DEPARTMENT: Finance

BUDGET

The \$2.4 million increase in FY 2024 compared to the FY 2023 budget is for personnel service adjustments, and contractual services mainly for various professional services and increased insurance premiums









\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	59	59	60	60	0	0%
Headcount: Filled	52	46	50	48	2	4%
Personnel Services	\$ 8,498	\$ 9,553	\$ 10,362	\$ 10,748	\$ (386)	(4)%
Supplies	3	7	15	6	9	60%
Chemicals	-	-	-	-	-	-
Utilities and Rent	52	48	64	60	4	7%
Contractual Services	11,095	9,370	14,151	16,137	(1,986)	(14)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	11,150	9,424	14,230	16,203	(1,973)	(14)%
Department Total	\$ 19,648	\$ 18,978	\$ 24,592	\$ 26,951	\$ (2,359)	(10)%
Capital Equipment	\$ 527	\$ 129	\$ 10,786	\$ 5,550	\$ 5,236	49%

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Ensure revenue projections and O&M expenditures are within budget	97%/92%	104%/97%	99%/95%	99%/95%	Sustainable
Comply with the Board's investment policy and strategy	100%	100%	100%	100%	Sustainable
Short-Term Funds - ML 3 months US T-Bill Index and Core Funds - ML 1 - 3 year	5/19	110/211	424/393	367/324	Sustainable
Manage financial operations to ensure 160% combined debt service coverage	186%	229%	196%	201%	Sustainable
Meet or exceed 250 days operating & maintenance expenses per fiscal year	\$196M	\$258M	\$275M	\$283M	Sustainable
Issue Annual Comprehensive Financial Report in accordance with GAAP	February	February	February	February	Sustainable
Pay 97% of all undisputed invoices within 30 days	93%	96%	97%	97%	Reliable
Publish Annual Budgets within 90 days of start of fiscal year	90 days	90 days	90 days	90 days	Sustainable






DEPARTMENT: Finance

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES



Finance:

- Monitor Board approved policy of 250 days of cash operating reserve level requirements for liquidity needs per fiscal year 
- Request for Proposal (RFP) for Investment Advisory Services and Financial Advisory Services 
- Implement new Payment Gateway services for retail customers adding a merchant card fee assessment model to reduce costs to the Authority 
- Implement new Payment Gateway services for new Oracle Permitting and Licensing system 
- Implementation of digital disbursements software to upgrade current refund process allowing refunds via ACH to retail customers, also reducing time frame for customers to receive refunds 
- Administer post compliance reporting for all outstanding debt and monitor bond market for Green Bond issuance and performance 
- Manage the insurance cost needs for the Authority's Rolling Owner-Controlled Insurance Program (ROCIP) 
- Monitor operating and financial metrics via Sustainability Standards Accounting Board (SASB) standards for ESG reporting per fiscal year 








Rates and Revenue:

- Complete FY 2023 Cost of Service Study for Operating Reserves, Renewal & Replacement Reserves and Rate Stabilization Fund (RSF) 
- Complete FY 2023 Engineering Inspection Study 
- Begin FY 2023 – FY 2024 Cost of Service Study for Water, Sewer, Clean Rivers Impervious Area Charge (CRIAC), Groundwater and WAD Backwash Rate 
- Implementation of multi-year Rates for FY 2023 and FY 2024 
- Continue to monitor economic conditions and customer support 

ERP System & Controls:

- Maintain and support new Cloud based Enterprise Resource Planning (ERP), Enterprise Performance Management (EPM), and Human Capital Management (HCM) systems 
- Advance initiatives to improve system functionality and further automation of business processes; develop new reports to support business needs 

Accounting:

- Coordinate and support Internal Auditors 
- Provide Prepare by Client list to external auditors and clarify any issues/questions on Financials 
- Obtain unmodified external audit opinion 
- Complete A-133 audit 
- Issue Annual Comprehensive Financial Report (ACFR) 
- Issue Green Bond Report 
- Minimize/eliminate paper check payments to vendors 

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient








Equitable








Sustainable

DEPARTMENT: Finance

Budget:

- Develop, monitor and report the annual operating and 10-year CIP budgets 
- Ongoing financial management of critical programs 
- Implement streamlined and continue improvements to the budget planning process 
- Continue support and improvement of the Enterprise Planning and Budgeting Cloud Service (EPBCS) system 
- Continue support and improvement of the Enterprise Performance Reporting Cloud Service (EPRCS) system for authoring and publication of the annual budget documents and other management reports 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Explore alternative revenue generating initiatives 
- Complete FY 2023 Cost of Service Study for Water, Sewer, and Clean Rivers Impervious Area Charge (CRIAC), Groundwater and WAD Backwash Rate 
- Coordinate with consultants for Independent Review of Rates and Budget for public hearing 
- Request for Proposal (RFP) for Bond and Disclosure Counsel Services, Underwriter Services, Debt and Investment Software Services, and Banking Services (Sustainable) 
- Continue to leverage the EPBCS to streamline FY 2024 budget development process 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:

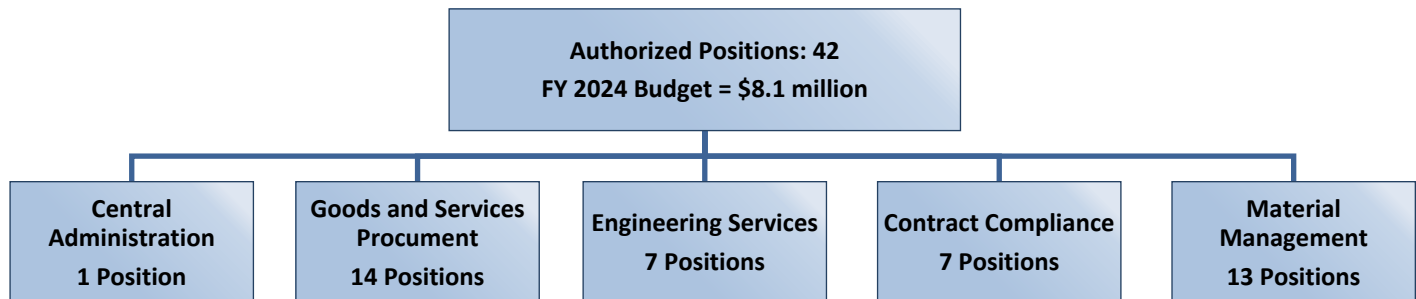


CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

DEPARTMENT: Procurement and Compliance

PURPOSE: The department is responsible for the acquisition of goods and services in support of the Authority's business activities in accordance with approved procurement policies and guidelines

MISSION: To procure the best value products and services, with the highest degree of procurement integrity, utilizing efficient and cost-effective procurement methods, with a continuing focus on Local and Small Business Enterprises (LSBE) and Disadvantaged and Women Business Enterprises (D/WBE) contracting participation



FUNCTIONS

Central Administration	Goods and Service Procurement	Engineering Services	Contract Compliance	Material Management
Manage compliance to the Procurement Regulations and Manual	Manage procurement process for products and services	Manage procurement process for engineering services and capital projects	Manage DC Water's business development program and business diversity and inclusion programs	Manage the operational materials planning and warehousing
Provide the executive direction on the procurement and contracting	Develop category and sourcing strategies	Develop category and sourcing strategies	Manage the DC WaterWorks program	Administer the material control system and optimize inventory management
Manage department employees and resources	Manage vendor relationships	Manage vendor relationships	Manage Contract and Employment Compliance Program (CECP)	Provide direction and guidance on inventory policies and procedures

DEPARTMENT: Procurement and Compliance

BUDGET







The \$0.7 million increase in FY 2024 compared to the FY 2023 budget is for personnel and contractual services cost adjustments

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	42	42	42	42	0	0%
Headcount: Filled	37	38	38	38	0	0%
Personnel Services	\$ 6,053	\$ 6,726	\$ 6,633	\$ 7,053	\$ (420)	(6)%
Supplies	76	78	25	24	1	6%
Chemicals	0	-	-	-	-	-
Utilities and Rent	41	44	53	48	5	9%
Contractual Services	685	554	707	1,010	(303)	(43)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	3	3	0	2%
Non Personnel Services ALL	802	676	788	1,085	(297)	(38)%
Department Total	\$ 6,855	\$ 7,401	\$ 7,421	\$ 8,138	\$ (717)	(10)%
Capital Equipment	\$ 35	\$ 8	-	-	-	-







	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Timely processing of small purchases within 7 working days	100%	100%	95%	95%	Reliable
Issue Invitation for Bid and award contracts within 90 calendar days	95%	95%	95%	95%	Reliable
Issue Requests for Proposal and award contracts within 120 calendar days	100%	95%	95%	95%	Reliable
Issue Procurement request for inventory restock in one business day of approval	95%	95%	95%	95%	Reliable
System & physical issue of stock request within same day of authorized request	95%	95%	95%	95%	Reliable

DEPARTMENT: Procurement and Compliance

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Design and implement new procurement standard operating procedures by integrating improved business processes with the new Oracle ERP system 
- Design and implement advanced procurement methods such as integrated supply chain management into capital projects and materials management to prevent supply shortages and long lead times 
- Conduct annual review of Procurement Regulations and Manual 
- Improve business diversity and inclusion through the implementation of the new business development program 
- Generate cost savings and avoidance through competitive procurement and negotiation processes and inventory optimization to avoid the waste 
- Provide continuous training of procurement staff and Contracting Officer's Technical Representative (COTRs) to improve vendor relationships and performance 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Further enhance efficiency and productivity of procurement process through improved utilization and automation using Oracle ERP 
- Improve Procurement Regulations and Manual to improve procurement process, results, participation, integrity, compliance, fair competition, and transparency 
- Increase the capital procurement resources and enhance the capital procurement process and integration with Engineering 
- Improve business diversity and inclusion through the implementation of the new business development program 
- Generate cost savings and avoidance through competitive procurement and negotiation processes and inventory optimization to avoid the waste 
- Provide continuous training of procurement staff and Contracting Officer's Technical Representative (COTRs) to improve vendor relationships and performance 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

FUND: Non-Ratepayer Revenue Fund

PURPOSE: The Non-Ratepayer Revenue Fund (NRRF) was established as part of the Authority's total operating budget which started within the FY 2021 budget cycle. This fund is used to budget for additional operating funds in the Authority's appropriation that are not specifically budgeted or allocated to individual departments. This provides the flexibility for departments to undertake projects using new revenues to be generated from non-ratepayer sources. This includes rental of DC Water facilities, fleet equipment maintenance for non-DC Water agencies, etc.

MISSION: NRRF is budgeted under contractual services and captured in a designated cost center under the Finance and Procurement Cluster. Funding from this account is reprogrammed to offset costs in other user departments once the specific requirements are met. The associated revenues must be realistic and obtainable from new non-ratepayer sources and are not factored into the development of the retail water and sewer rates

BUDGET

There is a \$0.5 million decrease in FY 2024 compared to the FY 2023 budget

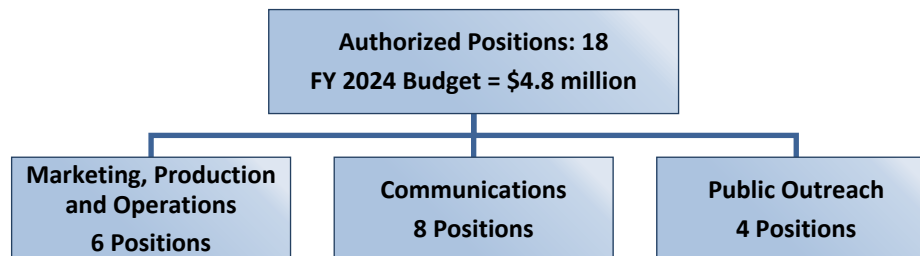
\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	0	0	-	-	-	-
Headcount: Filled	0	0	-	-	-	-
Personnel Services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	0	-	-	-	-
Contractual Services	-	-	1,000	500	500	50%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	-	0	1,000	500	500	50%
Department Total	-	\$ 0	\$ 1,000	\$ 500	\$ 500	50%
Capital Equipment	-	-	-	-	-	-

CLUSTER: MARKETING AND COMMUNICATIONS

DEPARTMENT: Marketing and Communications

PURPOSE: To promote and enhance the value of our services by listening to and engaging with our customers

MISSION: To inform and educate the public about DC Water's services, programs, and initiatives, as well as to promote our commitment to sustainability, customer service, and community engagement. The office also works to build relationships with stakeholders to foster trust and collaboration in support of DC Water's mission



FUNCTIONS

Production and Operations	Communications	Public Outreach
Produce graphics, collateral and videos that support a wide range of trainings and programs across the Authority. Compose script for the Authority's Stars of Water Event	Prepare speeches, testimony, editorials, special reports, and stakeholder presentations. Produce content for and manage Authority's social media accounts. Respond to customer and stakeholder inquiries	Maximize partnerships with local agencies, organizations, and other critical community stakeholders; Manage the Authority's participation in a host of community outreach activities and initiatives; coordinate annual town hall meetings and special media events; Manage Speakers Bureau
Manage the production of the Annual Report, Water Quality Report, newsletters, Leadership Updates, exhibits, marketing materials and the content of specific segment of the DC Water website	Produce reports, newsletters, brochures, DC Water exhibits and materials. Provide editing support for other departmental communication projects and produce special high-profile project communications materials	Manage outreach program to engage community stakeholders such as Mayor's Office of Community Relations and Services (MOCRS), DC Council, Advisory Neighborhood Commissioners (ANCs), civic associations, residents and businesses about upcoming and ongoing construction projects, increase their understanding of the condition of our aged Infrastructure, and better understand their needs and concerns relating to projects affecting quality of life
Produce Public Service Announcements, commercials, videos as well as produce live and archived webcasts of Board meetings and manage stakeholder presentations. Manage Plant tours and develop departmental budget	Respond to local and national media inquiries, manage website content; track and strategically influence relevant policy proposals.	Coordinate stakeholder presentations and community events; conduct Sewer Science and other public school programs

DEPARTMENT: Marketing and Communications

BUDGET













The \$1.5 million increase in FY 2024 compared to the FY 2023 budget is primarily for personnel services cost adjustments including new positions, and contractual services cost to support increased communications and customer outreach activities

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	14	14	14	18	(4)	(29)%
Headcount: Filled	12	10	13	10	3	23%
Personnel Services	\$ 2,232	\$ 2,305	\$ 2,594	\$ 3,643	\$ (1,048)	(40)%
Supplies	3	8	10	11	(1)	(10)%
Chemicals	-	-	-	-	-	-
Utilities and Rent	19	19	21	18	3	13%
Contractual Services	512	861	606	1,109	(503)	(83)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	11	16	12	12	0	0%
Non Personnel Services ALL	545	904	649	1,150	(501)	(77)%
Department Total	\$ 2,778	\$ 3,209	\$ 3,243	\$ 4,793	\$ (1,549)	(48)%
Capital Equipment	-	-	-	-	-	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Publication of DC Water's Annual Report	1	1	1	1	Reliable
Publication of Customer Newsletter	4	4	4	4	Equitable
Publication of Clean Rivers' Update	2	2	2	2	Equitable
Publication of Employee Newsletter	11	11	11	6	Healthy, Safe, and Well
Publication of Water Quality Report	1	1	1	1	Reliable
Community meetings outreach re: lead, rates, CSO CIP projects, etc.	114	114	100	100	Equitable

Department: Marketing and Communications

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to implement a Strategic Communications Plan to support Blueprint 2.0, DC Water’s strategic plan 
- Continue to expand our customer engagement and crisis communications capabilities, utilizing the additional support of an outside public relations firm 
- Continue campaign efforts to demonstrate the value of DC Water’s services and build support for needed investments in infrastructure 
- Work with the DC Clean Rivers Project team to engage with residents, businesses and commuters impacted by construction on the Northeast Boundary Tunnel Project 
- Expand DC Water’s internal (employee) engagement, working closely with People and Talent, the Office of the CEO and other departments 
- Create unified planning calendar for all marketing and communications activities 
- Collaborate with local organizations and community groups to promote sustainability and encourage community involvement in sustainable water management practices 
- Publicize Lead Free DC Program to meet our Blueprint 2.0 priority to get the lead out by 2030. Encourage eligible customers to participate in programs prioritizing underserved communities 
- Engage in public education campaigns to increase awareness of the importance of water conservation, efficient water use and sustainable water management practices 
- Engage in emergency preparedness campaigns and public education campaigns to increase awareness of emergency preparedness measures, including those related to water service disruptions and natural disasters 
- Produce and distribute educational materials to the public concerning PFAS implications and federal regulation regarding PFAS 
- Educate customers regarding rates utilizing social media, public meetings to discuss rate changes and collect customer feedback, and billing inserts explaining rate structure and changes 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- No major changes anticipated

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

CLUSTER: STRATEGY AND PERFORMANCE

DEPARTMENT: Strategy and Performance

PURPOSE:	Provide the framework for the development and execution of the Blueprint 2.0 which includes Strategic Management, Enterprise Program Management, Sustainability, Innovation, and Enterprise Risk Management
MISSION:	To enable the Senior Leadership Team to effectively develop, manage, monitor, and execute the Authority's strategy, Blueprint 2.0

Authorized Positions: 11
FY 2024 Budget = \$3.6 million

FUNCTIONS

Strategic Management	Enterprise Program Management Office	Sustainability and Innovation
Develop, publish, and socialize the Authority's strategy, Blueprint 2.0. Continuously monitor the strategy and facilitate quarterly internal status updates and biannual Board updates. Provide an annual report on strategic progress	Oversee the program management of the Enterprise Performance Management Office (EPMO) and Enterprise Risk program. Create an operational environment whereby programs and projects are managed in a consistent manner to obtain predictable results and delivers strategic programs established by the Blueprint 2.0. Apply management policies, procedures and industry best practices to all activities associated with the Blueprint 2.0; monitoring, reviewing, and analyzing risk alignment	Oversee Sustainability and Innovation program activities, policies, procedures, and administration. Leverage a multi-programmatic approach to ensure the long-term provisions of DC Water's services to achieve the vision of the Blueprint 2.0, to include and enterprise-wide innovation program to provide: <ul style="list-style-type: none"> A mechanism to promote, collect, evaluate and test innovation ideas Break-down organizational silos and engage the enterprise, broadly in innovative approaches and provide transparent reporting on the enterprise environment, social, and governance (ESG) goals and progress in an annual ESG report

DEPARTMENT: Strategy and Performance

BUDGET

The approved FY 2024 budget is higher than the approved FY 2023 budget by \$0.8 million primarily due to personnel cost adjustments, including one new position and a new initiative within contractual services




\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	9	10	10	11	(1)	(10)%
Headcount: Filled	8	8	7	9	(2)	(29)%
Personnel Services	\$ 48	\$ 1,781	\$ 2,112	\$ 2,374	\$ (262)	(12)%
Supplies	7	6	6	6	0	0%
Chemicals	-	-	-	-	-	-
Utilities and Rent	-	-	0	-	0	-
Contractual Services	847	1,016	738	1,229	(492)	(67)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	2	-	-	-	-
Non Personnel Services ALL	855	1,023	744	1,235	(492)	(66)%
Department Total	\$ 902	\$ 2,804	\$ 2,856	\$ 3,609	\$ (753)	(26)%
Capital Equipment	-	-	-	-	-	-

	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Develop and implement Strategic Management (maturity scale 1-5)	N/A	2.4	2.6	3.0	Reliable
Publication of DC Water's Environmental, Social, Governance Report	0	1	1	1	Sustainable
Extent of Enterprise Risk Management implement and maturity (scale 1-5)	1	1	2	2	Reliable







DEPARTMENT: Strategy and Performance

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES





Strategic Management

- Provide initial and biannual updates on the Blueprint 2.0 progress to the Board of Directors 
- Monitor the Blueprint 2.0 and convene quarterly status updates of imperative progress 
- Refine Blueprint 2.0 goals and workstreams as required 

Enterprise Program Management Office



- Advance the function of the Enterprise Program Management Office to ensure the delivery of mission critical, enterprise programs in a consistent and cost-effective manner 
- Develop and promote the Program Management Office Center of Excellence 
- Monitor the function associated with the enterprise executive dashboard 
- Advance Risk Register and Risk Management in preparation for Risk Deep Dives 
- Provide leadership and execution of the enterprise compliance function 
- Direct and manage the internal audit function 

Sustainability and Innovation





- Refine the indices leveraged to monitor innovation and sustainability 
- Advance enterprise leverage of crowdsourcing tool 
- Enact ESG Governance structure and publish FY 2022 ESG Report 
- Roll out the innovation program policy and strategy model, and monitor innovation program performance 

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES



Strategic Management

- Continue to monitor the Blueprint 2.0 and convene quarterly status updates of imperative progress 
- Continue to provide biannual updates on the Blueprint 2.0 progress to the Board of Directors 

Enterprise Program Management Office

- Continue to promote the Program Management Office Center of Excellence 
- Continue to monitor the function associated with the enterprise executive dashboard 
- Effectively execute the innovation program policy and strategy model. Monitor innovation program performance 
- Perform high-risk Deep Dives in support of Enterprise Risk Management function 

Sustainability and Innovation

- Advance innovative programs to support Blueprint 2.0 goals 
- Continue ESG Governance and publish FY 2023 ESG Report 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No major items identified

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



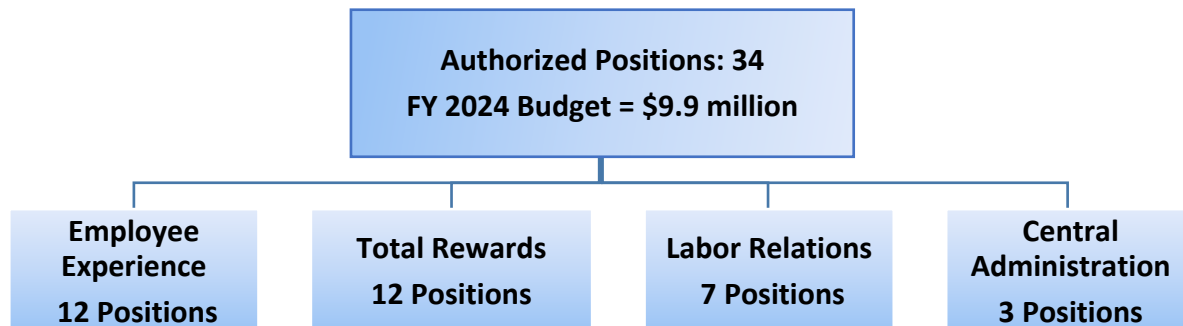
Sustainable

CLUSTER: PEOPLE AND TALENT

DEPARTMENT: People and Talent

PURPOSE: Support the Authority and Executive Team by creating organizational alignment and line of sight; work collaboratively with all Departments to improve the employee experience; recruit talent who will embrace DC Water, and focus on employee strengths

MISSION: To deliver high quality, innovative, valued and timely labor resources that are responsive to the needs of DC Water employees and departments, in order to help facilitate employees to achieve their individual and organizational goals



FUNCTIONS

Employee Experience	Operations	Labor Relations	Executive Vice President's Office
Recruitment, onboarding, training and development, management coaching and consulting	Market analysis, Performance pay, job evaluation and position control	Oversee labor relations, arbitration, and grievance resolution	Strategic initiatives
Performance management, succession planning and employee engagement	Administration of Benefits, Wellness, American with Disabilities Act, Drug and Alcohol testing, Workers Compensation, and Employee Assistance Programs	Manage employee relations	Change management
Education assistance, internship, rewards and recognition	Systems, data integrity, records management and predictive analytics	Oversee Equal Employment Opportunity and Workplace Violence	Management of resources and operations

DEPARTMENT: People and Talent

BUDGET













The approved FY 2024 budget is relatively flat compared to the FY 2023 budget.

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	33	31	34	34	0	0%
Headcount: Filled	28	25	25	25	0	0%
Personnel Services	\$ 4,734	\$ 5,153	\$ 5,779	\$ 5,724	\$ 55	1%
Supplies	1	2	28	3	25	89%
Chemicals	-	-	-	-	-	-
Utilities and Rent	23	24	28	27	1	4%
Contractual Services	1,927	1,348	4,093	4,165	(72)	(2)%
Water Purchases	-	-	-	-	-	-
Biosolids	-	-	-	-	-	-
Small Equipment	-	-	-	-	-	-
Non Personnel Services ALL	1,952	1,374	4,148	4,194	(46)	(1)%
Department Total	\$ 6,686	\$ 6,527	\$ 9,928	\$ 9,919	\$ 9	0%
Capital Equipment	\$ 441	\$ 145	-	-	-	-








	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
120 days from job posting to hire	111	120	107	120	Equitable
Under the CBA we have 45 days to initiate disciplinary action	45	45	45	45	Equitable
14 days new hire benefit set-up	10	10	10	10	Reliable
22.5 Average number training hours per FTE	22.7	5	25	25	Equitable
Comparison DC Water Employees Compensation (100%) vs Market 50th-percentile	100%	100%	100%	100%	Equitable

DEPARTMENT: People and Talent

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Create Market-Based pricing for each DC Water position 
- Expand DC Water's Career Ladder Program 
- Streamline DC Water's position reclassification process 
- Expand Non-Union Merit-Bonus program to also include Salary Equity Review 
- Develop DC Water's Market Pricing Initiative 
- Expand Wellness Programs focused on Healthy, Safe, and Well imperative 
- Expand open season benefit fairs and site visits 
- Implement an Enterprise Resource Program with systems integration across DC Water 
- Develop robust analytics, diversity, and performance management scorecards 
- Continue negotiations with the collective bargaining agreements –   

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Expand DC Water's Career Ladder Program 
- Enhance DC Water's position reclassification process 
- Develop DC Water's Market Pricing Initiative 
- Expand Wellness Programs focused on Healthy, Safe, and Well imperative 
- Expand open season benefit fairs and site visits 
- Expand the Enterprise Resource Program with systems integration across DC Water 
- Develop robust analytics, diversity, and performance management scorecards 

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

DEPARTMENT: People and Talent

FY 2023 AND FY 2024 TALENT DEVELOPMENT PLAN

TALENT DEVELOPMENT OVERVIEW

At DC Water, our talent is our people, Team Blue. Talent Development consists of acquiring, training, and development strategies. We provide solutions and programs that motivate, engage, and educate our employees to cultivate a high performing workforce. Our ability to meet demands, realize our vision, and fulfill our mission relies on the character and competence of our talent.

The vision of DC Water states that "we will be known for superior service, ingenuity, and stewardship to advance the health and well-being of our diverse workforce and communities". The Talent Management Team supports this vision by leading the Healthy, Safe, and Well imperative of the Blueprint 2.0. Healthy, Safe, and Well imperative of the Blueprint 2.0 indicates that water is the life source of our community, and the essential services we provide at DC Water must be world-class. Our fundamental priority has to be ensuring DC Water is safe for all – for our customers, our communities, our employees, and our contractors. To achieve this, we are connecting the strategies of leadership and employee development with tools and activities that build and support a culture of “coaching” based performance management. Effective coaching provides specific, timely, and actionable feedback to employees. We believe the role of the management team is much deeper than simply providing direction. We aim to provide our leaders with the tools that they need to achieve the following goals:

- Optimize the employee experience by consistently engaging the employee throughout their lifecycle at DC Water
- Improved individual performance through coaching and frequent check-ins
- Increased trust and accountability by creating new possibilities for team members
- Accountability for self and employees by removing obstacles in the way of success
- Leading the ongoing development of the employees under their supervision

At DC Water, our management team leads by managing performance. On-going coaching-based performance management unleashes the full array of talent and ingenuity our team possesses that would otherwise be untapped.

Other forms of talent development at DC Water include:

In-house training – classes and programs designed in-house. In-house training may focus on non-technical courses, skills development, or new processes.

Walk in my shoes – The principal goal of the Program is to provide a path for DC Water staff to develop new skills, receive basic cross training, and broaden the participant’s knowledge of DC Water operations, as well as identify possible career options.

eLearning/on-demand training – online courses housed within our learning management system (LMS), Cornerstone. The content for this site is developed in-house and by external vendors.

DEPARTMENT: People and Talent

FY 2023 AND FY 2024 TALENT DEVELOPMENT PLAN

External Training – classes and programs developed by external vendors that support individual employee development needs and requirements. This is an effective means of providing highly specialized or special focus training to individuals or a small group of employees. DC Water's education assistance and tuition reimbursement program is included in this category.

Learning Events – conferences, retreats, and virtual programs. These events boost employee morale and help to increase productivity.

Engagement Activities – events held virtually or in-person, that allow DC Water employees the opportunity to get to know each other through collaboration and fun.

Offsite leadership retreats – used to enhance the culture and bring people together in a more relaxed environment. It's not about pen and paper but the experience to create a team and hold each other accountable while uplifting one another.

Leveraging the use of DC Water Business partners – the business partners are the eyes and ears of People and Talent. Assisting with performance practices, encouraging employees who desire training, or need general support.

DC Water Internship Program – Here at DC Water, we consider it part of our public service mission to support and encourage the educational goals of the next generation. Many of our interns in the past have become employees of DC Water in all capacities and grades.

FY 2022 ACCOMPLISHMENTS

In FY 2022, we continued to provide Learning, Development and Engagement opportunities for the Authority. Cohort 5 of our Leadership Development program, Leading Blue finished in Spring 2022 with 18 participants. Additionally, we had just over 150 leaders attend our Fall Leadership Retreat. Another major highlight was our Employee Recognition Gala, Stars of Water, where approximately 450 employees and guests attended the event.

Our LEAD and LEARN series continue to be a huge success while providing opportunities for interactive leadership and career development. Sessions were facilitated to forge connections across the Authority, building essential career development skills for our employees with an average of 40 plus employees per session. The program created creative ways for different departments to inform, share and educate employees across the authority.

We also coordinated/facilitated and provided communication assistance for multiple customized trainings to support specific departmental needs. In addition, as part of an annual requirement, we assigned, managed, and tracked Mandatory Compliance training for our Non-Union employees via the ERP Oracle.

DEPARTMENT: People and Talent

As we continue to build a pipeline for emerging leaders, we successfully implemented our Summer Internship program with limited resources while providing a learning experience for 27 interns. Succession Plans were implemented utilizing assessments, focus groups and the 9-box tool. The scope of the Succession plan was for grade A-D. 76 critical positions were identified and 102 high performers within the succession talent pool. The goal is to continue to utilize the succession talent pool to fill new vacancies/acting assignments.

The Authority continued to leverage college and university relationships through the Tuition Assistance Program. We built partnerships with universities to provide discounts and support as part of the TA/TR benefit. In FY 2022, our employees continued to pursue critical certifications in various areas such as Professional Engineering, Program Management, and other degree seeking programs. Lastly, in FY 2022, a total of 93 employees participated in the Education and Tuition Assistance Reimbursement benefit program. DC Water provided \$432,180 to assist employees with their continued education programs.

FY 2023 AND FY 2024 TALENT DEVELOPMENT BUDGET

The approved FY 2024 training budget totals \$1.7 million, which is approximately \$0.1 million higher than FY 2023 level. The Talent Development branch of People & Talent Department is positioned to help the Authority transform and will continue to focus on the need to develop our workforce beyond the initial job qualifications. In the future, we envision providing DC Water employees the ability to maximize training and development funding through one budget managed by the Talent Development branch. Leading the charge in the creation of a high performing organization.

CLUSTER: GOVERNMENT AND LEGAL AFFAIRS

DEPARTMENT: Government and Legal Affairs

PURPOSE: To provide legal advice and services to the Board of Directors, CEO and General Manager and the DC Water departments

MISSION: To provide professional, timely, and useful legal advice and services, manage the services of outside counsel as needed, and to minimize liability exposure by recommending and implementing appropriate policies, practices, and procedures

Authorized Positions: 14
FY 2024 Budget = \$8.3 million

FUNCTIONS

Litigation	Administrative Law
Appellate	Board of Directors Support
Bankruptcy	Organize, plan and direct all operations of the Authority
Contract	Ensure development and implementation of improvement processes to increase operational efficiencies
Construction	Construction Claims
Environmental	Safe Drinking Water Act & Regulatory Compliance
Procurement	Employment Law Matters
Tort	Intra-Governmental & Inter Jurisdictional Agreements
Receivership	Municipal Law & Real Property Matters
Employment	Pretreatment Enforcement Support
Foreclosures	Procurement Protests, Claims & Internal Appeals

DEPARTMENT: Government and Legal Affairs

BUDGET

The approved FY 2024 budget is relatively flat compared to the approved FY 2023 budget.

\$000's	FY 2021	FY 2022	FY 2023	FY 2024	Change from FY 2023	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	14	14	14	14	0	0%
Headcount: Filled	13	14	13	13	0	0%
Personnel Services	\$ 2,794	\$ 2,444	\$ 2,754	\$ 3,047	\$ (294)	(11)%
Supplies	3	2	3	3	0	0%
Chemicals	-	-	-	0	0	-
Utilities and Rent	15	23	27	25	2	8%
Contractual Services	3,024	4,500	5,567	5,269	298	5%
Water Purchases	-	-	-	0	0	-
Biosolids	-	-	0	0	0	-
Small Equipment	5	-	-	0	0	-
Non Personnel Services ALL	3,047	4,524	5,597	5,297	300	5%
Department Total	\$ 5,841	\$ 6,968	\$ 8,351	\$ 8,345	\$ 6	0%
Capital Equipment	-	-	-	-	-	-



















	FY 2021	FY 2022	FY 2023	FY 2024	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Hours of employee time spent on direct work 1,700	1700	1700	1700	1700	Sustainable

DEPARTMENT: Government and Legal Affairs

FY 2023 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to manage and support litigation to include complex matters 
- Continue to provide support to Clean Rivers Project and other long term capital Improvement Program (CIP) Projects   
- Continue to provide legal support for Green Infrastructure activities 
- Continue to support Innovative initiatives   
- Continue to support environmental permits – National Pollutant Discharge Elimination System (NPDES), Total Maximum Daily Limit (TMDL), Municipal Separate Storm Sewer System (MS4) 
- Continue to review and revise regulations  
- Continue to provide support to Anacostia Sediment Class Action litigation 
- Continue to enforce actions to collect delinquent revenues  
- Develop a functioning internal Government Affairs team as a part of the current Enterprise-Level initiatives 
- Develop a strong external team as a part of the Government Affairs team at the Federal level 
- Continue to maintain the Governance Committee-Government Legislature and Government Relations Oversight on the DC Water Board  

FY 2024 MAJOR PLANNED ACTIVITIES AND CHANGES

- Continue to manage and support litigation to include complex matters 
- Continue to provide support to Clean Rivers Project and other long term capital Improvement Program (CIP) Projects   
- Continue to provide legal support for Green Infrastructure activities 
- Continue to support Innovative initiatives   
- Continue to support environmental permits – National Pollutant Discharge Elimination System (NPDES), Total Maximum Daily Limit (TMDL), Municipal Separate Storm Sewer System (MS4) 
- Continue to review and revise regulations  
- Continue to provide support to Anacostia Sediment Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)  
- Continue to enforce actions to collect delinquent revenues  
- Provide legal and strategic support to PFAS issues   

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Provide legal support in environmental and financial issues affecting DC Water CIP Projects and on-going operations
- Provide legal support to ongoing Long Term Control Plan (LTCP), Green Infrastructure, and TMDL litigation activities

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable

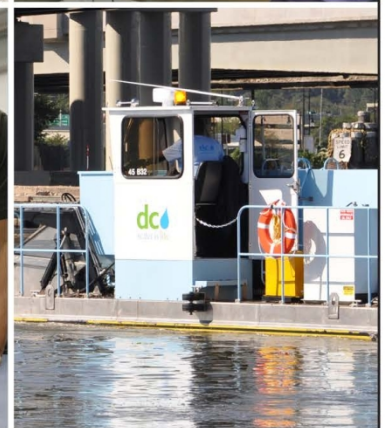
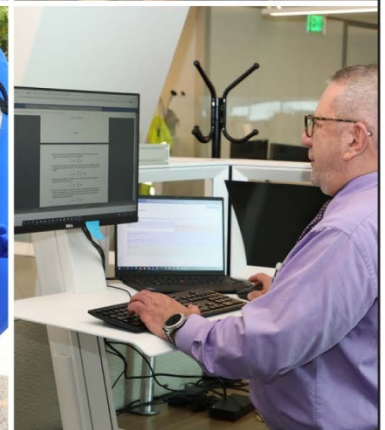
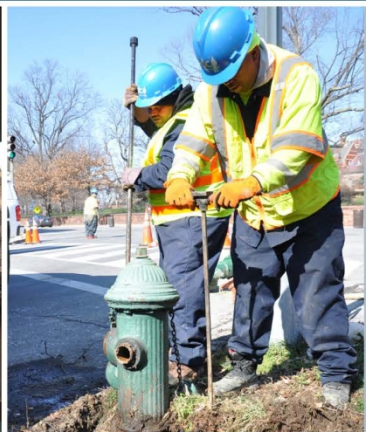


Sustainable



Approved FY 2024 Budgets

Section VIII: GLOSSARY AND ACRONYMS



GLOSSARY

ACCRUAL BASIS: The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).

ADVANCED METERING INFRASTRUCTURE (AMI): Also known as Smart meters, are updated, digital versions of the traditional electrical meter attached to the outside of your home. Smart meters are also designed to transmit pricing and energy information from the utility company to the consumer (two-way communication).

ADVANCED RESEARCH & TESTING PROGRAM: Specialized wastewater treatment services to outside entities.

A/E CONTRACT: Architectural and Engineering Contracts.

AERATION: The process that forces compressed air into wastewater. The oxygen keeps the microorganisms alive and sets off a chain reaction; live, eat, and work. Oxygen is an essential ingredient in “activating” sludge.

ALTERNATIVE FUELED VEHICLE: An alternative fuel vehicle is a vehicle that runs on a fuel other than traditional petroleum fuels (petrol or Diesel fuel); and refers to any technology of powering an engine that does not involve solely petroleum.

AMERICAN RECOVERY AND REINVESTMENT ACT: Is an economic stimulus package enacted by the 111th United States Congress in February 2009. The stimulus was intended to create jobs and promote investment and consumer spending during the recession.

ANAEROBIC DIGESTION: A biological process that uses microorganisms to reduce the volume of biosolids.

ANAMMOX: An abbreviation for ANaerobic AMMonium OXidation, is a globally important microbial process of the nitrogen cycle.

APPROPRIATION: An authorization by Congress, which permits officials to incur obligations and expend Authority resources. Appropriations are usually made for fixed amounts, which extend for a fiscal year. Appropriations for capital improvement projects, however, extend until completion, usually beyond the current fiscal year.

ARBITRAGE: The simultaneous purchase and selling of an asset in order to profit from a differential in the price. This usually takes place on different exchanges or marketplaces. Also known as "riskless profit".

AS-BUILT: A revised set of drawings submitted by a contractor upon completion of a construction project. As-built drawings show the dimensions, geometry, and location of all components of the project.

ASSETS: Property with monetary value owned by the Authority.

AUDIT: An independent systematic examination of resource utilization concluding in a written report. It is a test of management’s internal accounting records. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements.

AUTOMATED METER READING (AMR): System that automatically read customers’ meters using radio frequencies, allowing for more accurate and frequent meter readings and transfer of data to a central database for billing and analysis. It is an older technology that only collects electrical energy consumption and transfers that data from the electric meter on the home to the utility (one-way communication).

BALANCED BUDGET: A budget in which the income equals expenditure.

BIOCHEMICAL OXYGEN DEMAND (BOD): An indicator of the amount of biodegradable contaminants in wastewater.

BIOSOLIDS: Sludge that has been treated to reduce pathogens, organics, and odors, forming a reusable agricultural product.

BLUE PLAINS ADVANCED WASTEWATER TREATMENT PLANT: Located in Washington, DC, Blue Plains is the world’s largest advanced wastewater treatment plant and has a permitted capacity of 370 million gallons per day.

BOARD OF DIRECTORS: DC Water’s governing board (the Board), which includes 11 primary and 11 alternate members; six members from the District of Columbia, two members each from Montgomery and Prince George’s Counties in Maryland, and one member from Fairfax County, Virginia.

BLOOM: a soil conditioner made from Class A biosolids.

BOND: An obligation issued by DC Water promising to pay a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically issued to fund specific capital improvement expenditures.

BUDGET: A plan of financial operations including an estimate of proposed expenditures and revenues for a fiscal period. The budget establishes funding levels for continuing service programs, operation and maintenance of public facilities, and principal and interest payments on bonded indebtedness. Recurring replacement of capital outlay and minor new capital outlay items are included.

CA PPM: Represents a single platform that enables management of the entire innovation lifecycle and make more informed strategic investments.

CLASS A BIOSOLIDS: Class A Biosolids is a designation for dewatered and heated sewage sludge that meets U.S. EPA guidelines for land application with no restrictions. Thus, class A biosolids can be legally used as fertilizer on farms, vegetable gardens, and can be sold to home gardeners as compost or fertilizer.

CAPACITY MANAGEMENT OPERATION and MAINTENANCE (CMOM): A standard framework for municipal sewer collection systems to identify and incorporate widely-accepted wastewater industry practices to meet regulatory compliance.

CAPITAL BUDGET: A plan for investment in long-term assets such as buildings, plant, and equipment. DC Water’s capital budget includes project schedules and funding needed to acquire, improve or construct properties or facilities to enhance water and sewer services to our customers.

CAPITAL EQUIPMENT: A capital asset with a useful life of at least 3 years, a cost exceeding \$5,000 and is financed with short-term debt or cash. Examples include rolling stock and computer equipment.

CAPITAL IMPROVEMENT PROGRAM (CIP): A plan, which identifies the nature, schedule, and cost of long-term improvements to DC Water’s infrastructure.

CCF (Ccf): Hundred cubic feet or 748 gallons.

CERIDIAN: DC Water’s fully integrated payroll and personnel system designed to accommodate a variety of pay, leave, and work rules and to provide a comprehensive set of human resource applications.

CHLORAMINATION: The process of adding chloramines to drinking water. Chloramine, a form of chlorine and ammonia, is used as a disinfectant by the Washington Aqueduct.

CLEAN RIVERS IMPERVIOUS AREA CHARGE (CRIAC): DC Water uses information contained in the District of Columbia’s GIS plainmetric database, which includes tax and property records to determine impervious surface areas. (All surfaces are classified as either pervious or impervious). An impervious charge is billed to DC Water customers based on Equivalent Residential Unit (ERU). This is the amount of impervious surface area measured in square feet based on a statistical median for a single family residential property.

CLEAN WATER ACT (CWA): Act passed by the U.S. Congress in 1972 to control water pollution.

COMBINED DEBT SERVICE COVERAGE: The ratio of net revenues available annually to pay debt service to meet the annual debt service requirement including all senior and subordinate debt.

COMBINED HEAT AND POWER FACILITY (CHP): The facility provides steam necessary for the thermal hydrolysis process that uses intense heat and pressure to treat wastewater solids, producing a much cleaner biosolids, and onsite generation of up to one third of Blue Plains’ electricity needs.

COMBINED SEWER OVERFLOWS (CSO): Discharge of untreated wastewater (a mixture of stormwater and sanitary waste) directly to waterways during periods of significant rainfall.

COMBINED SEWER OVERFLOW LONG-TERM CONTROL PLAN (CSO LTCP): This Program encompasses projects designed to reduce overflows into the local waterways by 98 percent and is now known as the Clean Rivers Project.

COMBINED SEWER SYSTEM LONG-TERM CONTROL PLAN (CSS LTCP): Final plan submitted by DC Water in July 2002 and approved by EPA in March 2005 to control Combined Sewer Overflow (CSO’s) to the Districts waterways.

COMMERCIAL PAPER: Short-term (less than 270 days) notes issued by DC Water to provide interim financing of its capital improvement program. Commercial paper typically carries lower interest rates than long-term debt and is issued on a subordinate basis.

CRIAC NON-PROFITS RELIEF PROGRAM: District funded program to provide CRIAC credits to non-profit organizations as determined by the District Department of the Environment (DDOE).

CUSTOMER ASSISTANCE PROGRAM (CAP): Existing program that uses LIHEAP (Low Income Home Energy Assistance Program) criteria to provide DC Water-funded discounts to low-income residential customers with incomes up to 60 percent of the State Median Income (SMI from Health and Human Services (HHS)).

CUSTOMER ASSISTANCE PROGRAM II (CAP2): DC Water’s proposed expanded program for low-income residential customers who do not qualify for CAP with household income up to 80 percent Area Median Income (AMI).

CUSTOMER ASSISTANCE PROGRAM III (CAP3): District-funded program to provide benefits to DC Water customers with household income greater than 80 percent and up to 100 percent Area Median Income (AMI) who do not qualify for CAP or CAP2.

CUSTOMER CLASS-BASED VOLUMETRIC RATES: Rate differentiation based on the peaking demands of each customer class (residential, multi-family and non-residential).

CUSTOMER INFORMATION SYSTEM (CIS): System which DC Water utilizes for customer billing, information and other related services.

DAYS OF CASH ON HAND: The reserve established by the Board of Directors October 2021, that states DC Water is required to have cash reserves equivalent to 250 days of projected operating expenses calculated on an average daily balance basis in the budget and all years of the financial plan.

DC CLEAN RIVERS PROJECT: New name for the COMBINED SEWER OVERFLOW LONG TERM CONTROL PLAN (CSO LTCP), which is a program that encompasses projects designed to reduce overflows into the local waterways by 98 percent.

DC WATER WORKS: local hiring initiatives for DC Water projects.

DEAMMONIFICATION: This involves Anammox bacteria working synergistically with Ammonia Oxidizing Bacteria to oxidize ammonia without organic carbon to produce nitrogen gas.

DEBT RATING: An independent opinion, based on a comprehensive quantitative and qualitative evaluation, of a company's financial position, operating performance, business profile and management. Specifically, the debt rating reflects a company's ability to meet its obligations to repay interest and principal on outstanding obligations to investors.

DEBT SERVICE: Amount of money necessary to pay principal and interest on senior outstanding notes and bonds in any given fiscal year.

DEBT SERVICE COVERAGE: Requirement of DC Water's master indenture and Board policy that provides that annual revenue available to pay debt service must exceed annual debt service by a certain percentage. DC Water's master indenture requires 120 percent senior debt service coverage; DC Water Board policy requires 140 percent senior debt service coverage and 160 percent combined debt service coverage.

EFFLUENT: Treated wastewater discharged from the Blue Plains Advanced Wastewater Treatment Plant.

ENABLING ACT: Legislation which established DC Water and defined its purpose and authority. DC Water's enabling legislation was initially enacted in 1996.

ENCUMBRANCES: Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is released.

ENHANCED CLARIFICATION FACILITY (ECF): This facility is part of DC Water's proposed Total Nitrogen-Wet Weather plan, which addresses the requirements of the Long Term Control Plan, as well as the Chesapeake Bay Tributary Strategies for reducing nitrogen discharged in the Chesapeake Bay.

ENHANCED NITROGEN REMOVAL FACILITY: This Program Area represents the new name for the Total Nitrogen Program (BTN) which includes projects for new facilities and upgrades to existing facilities needed

at Blue Plains to meet the total nitrogen discharge limit that has been included in DC Water’s 2010 NPDES permit.

ENTERPRISE FUND: A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services, which are entirely or predominantly self-supporting by user charges. This type of fund uses the accrual basis of accounting. DC Water is responsible for two enterprise funds:

- 1) Water and Sewer Enterprise Fund
- 2) The District of Columbia Stormwater Enterprise Fund

ENVIRONMENTAL PROTECTION AGENCY (EPA): Federal agency responsible for environmental regulations and enforcement.

EXPENDITURES: Payment for goods and services received.

EXTENDABLE MUNICIPAL COMMERCIAL PAPER PROGRAM (EMCP): A money-market security issued by large organizations to obtain funds to meet short-term debt obligations and is backed only by an issuing bank or corporation’s promise to pay the face amount on the maturity date specified on the note.

EXTRACT, TRANSFORM and LOAD (ETL) refers to a process in database usage and especially in data warehousing that:

- Extracts data from homogeneous or heterogeneous data sources
- Transforms the data for storing it in proper format or structure for querying and analysis purpose
- Loads it into the final target (database, more specifically, operational data store, data mart, or data warehouse)

FABRIDAM: A dynamic weir (or dam) that inflates and deflates depending on the structure set point. Set points vary from structure to structure.

FILTRATE TREATMENT FACILITY (FTF): Also known as the Centrate Treatment Facility and is a part of the Total Nitrogen Removal Wet Weather plan, provides a new treatment system that will remove nitrogen from the recycle stream of solids processing at Blue Plains. The facility uses six sequencing batch reactors to treat a nitrogen-rich system from the Final Dewatering Facility’s belt filter presses.

FISCAL YEAR: The twelve-month period used by DC Water, which begins October 1 and ends September 30 of the following calendar year.

FIXED ASSET: Long-lived property owned by an entity used by an entity in the production of its income. Tangible fixed assets include real estate, plant, and equipment.

GENERAL OBLIGATION DEBT: This is money that DC Water still owes the District of Columbia for bond issuance prior to the enabling act that created DC Water.

HYBRID PLUG-IN VEHICLE: A hybrid electric vehicle that utilizes rechargeable batteries, or another energy storage device, that can be restored to full charge by connecting a plug to an external electric power source (usually a normal electric wall socket).

IMPERVIOUS SURFACE: an area that impedes or retards the percolation of water into the subsoil and impedes plant growth. Impervious surfaces include but are not limited to the following: rooftops, footprints of patios, driveways, private streets, other paved areas, tennis courts, and swimming pools, and

any path or walkway that is covered by impervious material.

INFRASTRUCTURE: DC Water’s facilities, services, and installations needed for its functioning, such as its water, sewer and customer delivery systems.

INTER-MUNICIPAL AGREEMENT OF 1985 (IMA): This agreement outlines the operating and financial responsibilities for wholesale wastewater treatment services at Blue Plains. Signatories to the IMA include the District of Columbia, Montgomery and Prince George’s Counties in Maryland, Fairfax County, Virginia, and the Washington Suburban Sanitary Commission.

INTERCEPTORS: The large pipes that convey wastewater from the collection system to DC Water’s wastewater treatment plant, Blue Plains.

INTERNAL IMPROVEMENT PLAN (IIP): Operational improvement plans for various operating departments across DC Water that will result in improved service and cost savings to DC Water’s customers. Proposed improvements are a function of new capital projects, investments in technology, and new business processes. IIP’s have been developed for the Departments of Wastewater Treatment, Maintenance Services, and Customer Service, and are in process for the Departments of Water and Sewer Services.

INVERTED BLOCK RATE STRUCTURES: Is a schedule of rates applicable to blocks of increasing usage in which the usage in each succeeding block is charged at a higher unit rate than in the previous blocks. Generally, each successive block rate may be applicable to a greater volume of water delivery than the preceding block(s).

JOINT USE SEWERAGE FACILITIES: A list of specific facilities identified in the DC Official Code, Section #34-2202.01(4).

LIFELINE RATE: A lifeline rate for the first 4 Ccf of Single Family Residential (SFR) water use to reflect baseline usage by residential customers without peaking cost.

LOCAL SMALL DISADVANTAGED BUSINESS ENTERPRISE (LSDBE): Business entities that are encouraged to do business in the District through supportive legislation, business development programs, and agency and public/private contract compliance.

LOW IMPACT DEVELOPMENT (LID): Integrates ecological and environmental considerations into all phases of urban planning, design, and construction in order to avoid encroaching on environmentally fragile or valuable lands, and to decrease runoff volumes and peak flow impacts.

MASTER INDENTURE OF TRUST (MASTER INDENTURE): The Master Indenture of Trust dated as of April 1, 1998, between DC Water and the Trustee, including all amendments.

MASTER FACILITIES PLAN: A twenty-year plan that outlines proposed capital improvements across DC Water. This plan is updated every three to five years.

MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4): A regulatory program for controlling stormwater pollution.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES): A permit issued by the EPA that governs effluent discharges into various rivers and waterways by Blue Plains and DC Water’s sewer system.

NINE MINIMUM CONTROLS (NMC): Nine EPA-designated activities that DC Water must undertake to reduce

Combined Sewer Overflow (CSO) while implementing its Long Term Control Plan (LTCP).

NITRIFICATION: An aerobic process in which bacteria changes the ammonia and organic nitrogen in wastewater into oxidized nitrogen.

OPERATING BUDGET: The budget that encompasses the day-to-day activities for DC Water. The operating budget includes employee salaries, supplies, and other non-personnel items related to current activities. The operating budget also includes other costs including debt service and payment in lieu of taxes/right of way fees.

OPERATING RESERVE: This is the cash balance and includes the reserve funds established and required by the Master Indenture where DC Water must maintain a balance of at least 60 days of operating and maintenance expenses of the prior year (Renewal and Replacement Reserve, and the Operating Reserve Fund). The Operating Cash Reserve does not include the Rate Stabilization Fund, DC Insurance Reserve Fund, bond funds, or debt service reserve funds

OPERATIONS & MAINTENANCE (O&M): The activities related to the performance of routine, preventive, and predictive, actions aimed at preventing DC Water's equipment and infrastructure from failure or decline, with the goal of increasing efficiency, reliability, and safety.

OUTFALL: The place or structure where effluent is discharged into receiving waters.

PAYMENT IN LIEU OF TAXES (PILOT): Amounts which DC Water pays each fiscal year to the District and institutions in which its facilities are located. Consistent with the provisions of DC Water's Enabling Act, these payments are to be based on services received and certified from the District of Columbia.

PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS): A class of man-made chemicals, not found naturally in the environment.

PERFLUOROOCTANE SULFONATE (PFOS): A synthetic chemical used to make products resistant to stains, grease, soil, and water.

PLANT RESIDUALS: In 2003, the EPA issued a revised NPDES permit to the Washington Aqueduct (WAD) and entered into a Federal Facilities Compliance Agreement (the federal agency equivalent of an Administrative Order) requiring WAD, to have in operation, by Dec 31, 2009, a new process, which dewateres the residuals on site and trucks them off-site for disposal.

PLUG-IN ELECTRIC VEHICLE: Any motor vehicle that can be recharged from an external source of electricity, such as wall sockets, and the electricity stored in the rechargeable battery packs drives or contributes to drive the wheels.

POTOMAC INTERCEPTOR: Fifty-mile interceptor that carries wastewater from Loudoun and Fairfax Counties in Virginia and Montgomery County in Maryland to Blue Plains.

PRIMARY TREATMENT: A wastewater treatment process that allows those substances in wastewater that readily settles or floats to be separated from the water being treated.

PRINCIPAL: The total amount of money being borrowed or lent.

PROCESS COMPUTER CONTROL SYSTEM (PCCS): Electronically monitors and controls all treatment processes and facilities.

RATE STABILIZATION FUND: A fund established by the Board of Directors, which is used to implement rate increases on a gradual and predictable basis.

RESERVES: An accounting entry that properly reflects contingent liabilities.

REVENUE: An increase in (sources of) fund financial resources other than from inter-fund transfers and debt issue proceeds. Revenues should be classified by fund and source.

REVENUE BONDS: Bonds payable from specific source of revenue and which do not pledge the full faith and credit of the issuer.

RIGHT-OF-WAY FEE (ROW): A permit fee that the District of Columbia Government charges DC Water for water and sewer conduits that it occupies within the District of Columbia.

SAFE DRINKING WATER ACT (SDWA): Act passed by the U.S. Congress (most recently amended in 1996) to control drinking water quality.

SECONDARY TREATMENT: Usually following primary treatment, secondary treatment employs microorganisms to reduce the level of biochemical oxygen demand (BOD) in wastewater.

SENIOR DEBT: Debt whose terms in the event of bankruptcy require it to be repaid before subordinated debt receives any payment.

SLUDGE: Solid residue from wastewater treatment, also known as Biosolids.

SUBORDINATED DEBT: Debt over which senior debt takes priority. In the event of bankruptcy, subordinated debtholders receive payment only after senior debt claims are paid in full.

SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA): Equipment and computer technology used to monitor and control the water distribution and wastewater conveyance systems.

SUPPLEMENTAL ENVIRONMENTAL PROJECT (SEP): A project DC Water is funding as part of its nine minimum control (NMC) CSO consent order.

SYSTEM AVAILABILITY FEE (SAF): Fee assessed to new development (or redevelopment) to recover the investment in available system capacity, based on meter size.

THE BLUEPRINT: DC Water's Strategic Plan.

TUNNEL DEWATERING PUMP STATION (TDPS)/ENHANCED CLARIFICATION FACILITY (ECF): The TDPS facility starts where the DC Clean Rivers Project tunnels end at Blue Plains. The TDPS will pump millions of gallons of combined sewer overflows and the ECF will treat the captured wet-weather flows, previously flowed into the District's waterways during heavy rain storms.

WASHINGTON AQUEDUCT: A division of the U.S. Army Corps of Engineers which owns and operates the water treatment facilities for DC Water, Arlington and Falls Church, Virginia. DC Water purchases treated drinking water on a wholesale basis from the Washington Aqueduct and is responsible for approximately 73 percent of the Aqueduct's costs.

WATER SYSTEM REPLACEMENT FEE (WSRF): A fixed monthly fee designed to fund the 1 percent renewal and replacement of aging water infrastructure for residential, multi-family and non-residential customers.

WET WEATHER TREATMENT FACILITY: A wet weather event is deemed to start when plant influent is greater than a rate of 511 mgd and deemed to stop four hours after plant influent drops to a rate of 511 mgd or a period of 4 hours has elapsed since the start of a wet weather event, whichever occurs last.

ACRONYMS

3PP: Third Party Portal	CAP: Customer Assisted Program
ACFR: Annual Comprehensive Financial Report	CCTV: Closed Circuit TV
ADA: Americans with Disability Act	CFCI: Cash Financed Capital Improvements
AED: Automated External Defibrillator	CHP: Combined Heat and Power
AFV: Alternative Fueled Vehicle	CIP: Capital Improvement Program
AMI: Advanced Metering Infrastructure	CIPP: Critical Infrastructure Protection Plan
AMR: Automatic Meter Reading	CIS: Customer Information System
AMSA: Association of Metropolitan Sewerage Agencies	CMF: Central Maintenance Facility
ANC: Advisory Neighborhood Commission	CMOM: Capacity Management Operation and Maintenance
ARPA: American Rescue Plan Act of 2021	COBRA: The Consolidated Omnibus Budget Reconciliation Act Of 1985
ART: Advanced Research Testing	COF: Central Operations Facility
ASA: American Shotcrete Association	COG: Metropolitan Washington Council of Governments
AWWTP: Advanced Waste Water Treatment Plant	COOP: Continuity of Operations Plan
BABs: Build America Bonds	COTR: Contracting Officer's Technical Representative
BIL: Bipartisan Infrastructure Law	CRIAC: Clean Rivers Impervious Area Charge
BOD: Biochemical Oxygen Demand	CSO LTCP: Combined Sewer Overflow Long-Term Control Plan
BP: Blue Plains	CSO: Combined Sewer Overflows

ACRONYMS

CSP: Comprehensive Safety Program	DWO: Department of Water Operations
CSRS: Civil Service Retirement System	EA: Environmental Assessment
CSS LTCP: Combined Sewer System Long-Term Control Plan	EBU: Equivalent Billing Unit
CWA: Clean Water Act	ECF: Enhanced Clarification Facility
CWSFR: Clean Water State Revolving Fund	EDMC: Engineering Document Management and Control
DCFEMS: DC Fire and Emergency Medical Services	EEOC: Equal Employment Opportunity Commission
DCRA: District of Columbia Department of Consumer and Regulatory Affairs	EIS: Environmental Impact Statement
DDOT: District of Columbia Department of Transportation	EMA: Emergency Management Agency
DEI: Diversity, Equity and Inclusion	EMAP: Emergency Management Accreditation Program
DEMON: Deammonification Process	EMCP: Extendable Municipal Commercial Paper Program
DETS: Department of Engineering and Technical Services	ENRF: Enhanced Nitrogen Removal Facilities
DMRQA: Discharge Monitoring Report Quality Assurance	EOC: Emergency Operations Center
DOEE: District of Columbia Department of Energy & Environment	EPA: Environmental Protection Agency
DPSO: Department of Pumping and Sewer Operations	ERDMS: Enterprise Records and Document Management System
DRBCP: Disaster Recovery and Business Continuity Plan	ERP: Enterprise Resource Planning System
DSLFL: Dewatered Sludge Loading Facility	ERU: Equivalent Residential Unit
DWE: Department of Wastewater Engineering	ESC: Executive Steering Committee

ACRONYMS

ESF: Emergency Support Function

ETL: Extract, Tool, Load

FCPA: Foreign Corruption Practices Act

FEMA: Federal Emergency Management Agency

FOC: Fiber Optic Cable

FONSI: Finding of No Significant Impact

FROG: Fats, Rags, Oil, and Grease

FTE: Full Time Employee

FTF: Filtrate Treatment Facility

GFOA: Government Finance Officers Association

GHG: Green House Gas

GICD: Green Infrastructure Consent Decree

GIS: Geographical Information System

GMP: Guaranteed Maximum Price

HPEV: Hybrid Plug-In Vehicle

HRP: High Priority Rehabilitation Program

HQO: Head Quarters Office

HUNA: High Usage Notification Application

HVAC: Heating Ventilation and Air Conditioning

I&C: Instrumentation and Controls

I&I: Infiltration and Inflow

IAC: Impervious Area Charge

IFB: Invitation for Bid

IIP: Internal Improvement Plan

IMA: Inter-Municipal Agreement

IOT: Internet of Things

IR&R: Infrastructure Repair & Replacement

IT: Information Technology

ITA: International Tunnelling Association

IVR: Interactive Voice Response

JBAB: Joint Base Anacostia-Bolling

JUDD: Joint Utility Discount Day

KPI: Key Performance Indicators

LDWMR: Large Diameter Water Main
Rehabilitation

ACRONYMS

LID: Low Impact Development

NEB: North East Boundary

LIDAR: Light Detection and Ranging

NEBT: North East Boundary Tunnel

LOTO: Log Out Tag-Out

NEPA: National Environmental Policy Act

LSC: Local Steering Committee

NFPA: National Fire Protection Agency

LSDBE: Local Small Disadvantaged Business Enterprise

NHPA: National Historic Preservation Act

LSR: Lead Service Replacement

NMC: Nine Minimum Controls

LTCP: Long Term Control Plan

NPDES: National Pollutant Discharge Elimination System

MBE: Minority Business Enterprise

NPFMP: Non-Process Facilities Master Plan

MGD: Million Gallons Per Day

NWBSO: Northwest Boundary Sewer Overflow

MJUF: Multi-Jurisdictional Use Facility

O&M: Operations & Maintenance

MOCRS: Mayor's Office of Community Relations and Services

OCIP: Owner Controlled Insurance Program

MOU: Memorandum of Understanding

OEM: Original Equipment Manufacturer

MPT: Main Process Train

OMAC: Office of Marketing and Communications

MS4: Municipal Separate Storm Sewer System

OMB: Office of Management and Budget

MTBF: Meantime Between Failures

OSHA: Occupational Safety and Health Administration

MTTR: Meantime to Repair

PBS: Public Broadcasting Service

MW: Mega Watt

PCA: Pipe Condition Assessment

ACRONYMS

PCCS: Process Computer Control System	PSW: Process Service Water System
PCS: Process Control System	PZIP: Pressure Zone Increase Project
PDMS: Payables Document Management Systems	QMS: Quality Management System
PEV: Plug-In Electric Vehicle	RCM: Reliability Centered Maintenance
PFAS: Perfluoroalkyl and Polyfluoroalkyl Substances	RFE: Reclaimed Final Effluent
PFOS: Perfluorooctane Sulfonate	RFP: Request for Proposal
PILOT: Payment In Lieu of Taxes	RFQ: Request for Quotation
PLC: Program Logic Control	ROCIP: Rolling Owner Controlled Insurance Program
PM: Preventive Maintenance	RSF: Rate Stabilization Fund
PPA: Power Purchase Agreement	RWWP: Raw Wastewater Pump Station
PPM: Parts Per Million	SAF: System Availability Fee
PRT: Potomac River Tunnel	SCADA: Supervisory Control and Data Acquisition
PRV: Pressure Release Valve	SDWA: Safe Drinking Water Act
PS: Pumping Station	SDWMR: Small Diameter Water Main Replacement
PSA: Public Service Announcement	SEP: Supplemental Environmental Project
PSIM: Physical Security Information Management	SET: Senior Executive Team
PSSDB: Primary Scum Screening Degrating Building	SFR: Single Family Residence

ACRONYMS

SOP: Standard Operating Procedure

WSRF: Water System Replacement Fee

SOX: Sarbanes Oxley Act

WSSC: Washington Suburban Sanitary Commission

SPLASH: Serving People by Lending a Supporting Hand

WWTP: Wastewater Treatment Plant

SSO: Sanitary Sewer Overflow

TDPS: Tunnel Dewatering Pump Station

TEAMS: Total Enterprise Asset Management System

TMDL: Total Maximum Daily Pollutant Loads

TN: Total Nitrogen

UAMI: Upper Anacostia Main Interceptor

ULSD: Ultra-Low Sulfur Diesel

USACE: U.S. Army Corps of Engineers

VAV: Variable Air Volume

VEP: Valve Exercise Program

VIT: Vehicle Information Transmitter

WAD: Washington Aqueduct

WaSSP: Water and Sewer Sensor Program

WBE: Women Business Enterprise

Presented and Adopted: March 2, 2023

Subject: Approval to Amend Fiscal Year 2023 Operating Budget

**#23-12
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at the Board meeting on March 2, 2023, upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Amended Fiscal Year 2023 Operating Budget.

WHEREAS, on March 3, 2022, through Resolution #22-20, the Board approved the Fiscal Year 2023 Operating Budget that totaled \$686,403,165: and

WHEREAS, on May 26, 2022, the Finance & Budget Committee was briefed on the preliminary Fiscal Year 2022 year-end forecasts for operating revenue, operating expenditure, capital disbursements and net cash position; and consideration for reallocating in FY 2023, \$3,000,000 of projected underspending in debt service to cover projected shortfalls in chemicals primarily due to higher unit prices of various major chemicals used at the Plant and electricity due to market price volatility; and

WHEREAS, on June 23, 2022, the Finance & Budget Committee was briefed on the updated Fiscal Year 2022 year-end forecasts and recommended that the Board approve the amendment of the Fiscal Year 2023 Operating Budget to allocate \$3,000,000 of projected underspending in debt service in Fiscal Year 2022 to cover projected shortfalls in chemicals and electricity in Fiscal Year 2023 and the allocation of \$3,912,000 to PAYGO; and

WHEREAS, on June 23, 2022, the Finance & Budget Committee was briefed on the recommended carryover of \$6,912,000: \$3,000,000 for the Fiscal Year 2023 budget amendment for chemicals and energy and \$3,912,000 for PAYGO; and

WHEREAS, on July 7, 2022, through Resolution #22-42, the Board approved and adopted amendments to DC Water's Fiscal Year 2023 Operating Budget by reallocating \$3,000,000 from debt service to chemicals and utilities and amending the Fiscal Year 2023 Operating Budget to \$689,403,165 with a carryover of \$6,912,000 in the cash balance; and

WHEREAS, on February 23, 2023, the Finance & Budget Committee was briefed on the preliminary Fiscal Year 2023 year-end forecasts, which includes additional increases in

chemicals and energy costs due to rising prices and prevailing market conditions, and the proposed reduction of \$3,000,000 in the overall operating expenditure budget by leveraging funds from the Cash Financed Capital Improvements (CFCI) so as to maintain the Approved Fiscal Year 2023 Operating Budget totaling \$686,403,165.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts amendment to DC Water's Fiscal Year 2023 Operating Budget by reducing \$3,000,000 from the Cash Financed Capital Improvements Fund to maintain the Approved Fiscal Year 2023 Operating Budget of \$686,403,165.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: March 2, 2023
Subject: Approval of Proposed Fiscal Year 2024 Operating Budget

#23-13
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at the Board meeting on March 2, 2023, upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Proposed Fiscal Year 2024 Operating Budget.

WHEREAS, during the Fiscal Year 2024 Budget Workshop on January 5, 2023, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance and Procurement, and members of the Senior Executive Team (SET) briefed Board members on the Proposed Fiscal Year 2024 Operating Budget that totaled \$737,566,811; and

WHEREAS, on January 24, 2023, the Finance and Budget Committee in a joint session with the Retail and Rates Committee, reviewed the budget proposal and discussed in detail, the budget drivers, budget assumptions and risks; and

WHEREAS, on February 23, 2023, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions and risks, and recommended that the Board adopt the Proposed Fiscal Year 2024 Operating Budget that totals \$737,566,811, including \$15,000 for representation and \$15,000 for official meetings; and

WHEREAS, on February 28, 2023, the DC Retail Water and Sewer Rates Committee reviewed the budget proposals and discussed in detail the budget drivers, budget assumptions, and risks.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's Proposed Fiscal Year 2024 Operating Budget totaling \$737,566,811, including \$15,000 for representation and \$15,000 for official meetings, and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2024 Budget presented on January 5, 2023, and accompanying materials.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: March 2, 2023
Subject: Approval of Proposed Fiscal Year 2023 - 2032 Capital Improvement Program

#23-14
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting on March 2, 2023 upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2023 - 2032 Capital Improvement Program.

WHEREAS, pursuant to Resolution #10-76, dated July 1, 2010, the Board's Rate Stabilization Fund Policy requires an annually updated 10-Year Financial Plan, which includes a 10-Year Capital Disbursement Plan; and

WHEREAS, on March 3, 2022, through Resolution #22-18, the Board approved the Proposed Fiscal Year (FY) 2022 - 2031 Capital Improvement Program, which includes the FY 2022 - 2031 Capital Disbursement Plan and related Lifetime Budget; and

WHEREAS, on January 5, 2023, during the FY 2024 Budget Workshop, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance and Procurement, and Vice President, Engineering briefed Board members on the FY 2023 - 2032 Capital Improvement Program, which includes the proposed Revised FY 2023 CIP Disbursement Budget of \$501,436,710, the proposed 10-Year Disbursement Plan totaling \$6,951,067,266 and the proposed Lifetime Budget of \$14,627,173,474; and

WHEREAS, on January 19, 2023, the Environmental Quality and Operations Committee reviewed the budget proposals and discussed in detail the budget, budget drivers, budget assumptions and risks; and

WHEREAS, on January 24, 2023, the Finance & Budget Committee and the DC Retail Water and Sewer Rates Committee, in a joint meeting, reviewed the budget proposals and discussed in detail the budget, budget drivers, budget assumptions, risks, and customer impacts; and

WHEREAS, on February 16, 2023, the Environmental Quality and Operations Committee, reviewed the budget proposals, and discussed in detail the budget drivers and risks, and recommended that the Board adopt the FY 2023 - 2032 Capital Improvement Program, which includes the proposed Revised FY 2023 CIP Disbursement

Budget of \$501,436,710, proposed 10-Year Capital Disbursement Plan totaling \$6,951,067,266, and related Lifetime Budget, totaling \$14,627,173,474; and

WHEREAS, on February 23, 2023, the Finance & Budget Committee, reviewed the budget proposals and discussed in detail the budget drivers and budget assumptions, and recommended that the Board adopt the FY 2023 - 2032 Capital Improvement Program, which includes the proposed Revised FY 2023 CIP Disbursement Budget of \$501,436,710, proposed 10-Year Capital Disbursement Plan totaling \$6,951,067,266, and related Lifetime Budget, totaling \$14,627,173,474; and

WHEREAS, on February 28, 2023, the DC Retail Water and Sewer Rates Committee reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks, and customer impacts.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's FY 2023 - 2032 Capital Improvement Program, which includes the Revised FY 2023 CIP Disbursement Budget of \$501,436,710, Fiscal Year 2023 – 2032 Capital Improvement Program Disbursement Plan totaling \$6,951,067,266, and related Lifetime Budget totaling \$14,627,173,474; provided in Attachment A-1 and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2024 Budget and accompanying materials presented on January 5, 2023.

This resolution is effective immediately.


Secretary to the Board of Directors

Capital Improvement Program

Attachment A-1

(\$ in thousands)	FY 2023 - FY 2032 CIP Disbursement Plan											Lifetime Budget
	Revised Budget											
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	10-yr Total	
NON PROCESS FACILITIES												
Facility Land Use	22,104	24,614	25,247	32,462	24,646	3,879	2,293	2,000	2,000	2,000	141,246	269,010
Subtotal	22,104	24,614	25,247	32,462	24,646	3,879	2,293	2,000	2,000	2,000	141,246	269,010
WASTEWATER TREATMENT												
Liquid Processing	41,050	28,977	47,726	83,307	75,562	77,488	89,520	59,692	61,829	60,116	625,266	1,272,081
Plantwide	14,596	39,838	51,239	40,909	50,182	39,544	25,388	20,231	16,742	3,140	301,809	530,955
Solids Processing	12,939	14,427	17,374	12,887	17,573	24,873	17,971	30,464	34,339	21,011	203,857	944,041
Enhanced Nitrogen Removal Facilities	3,322	1,201	1,346	637	2,238	1,414	7,420	21,779	10,188	405	49,949	788,082
Subtotal	71,907	84,442	117,684	137,739	145,555	143,319	140,299	132,166	123,098	84,671	1,180,881	3,535,160
COMBINED SEWER OVERFLOW												
DC Clean Rivers Program	104,558	100,329	135,619	172,452	136,585	146,829	132,388	33,847	-	-	962,607	2,992,358
Combined Sewer Overflow Program	3,473	9,927	12,445	15,927	12,825	10,432	5,997	12,182	12,465	4,593	100,267	223,714
Subtotal	108,031	110,256	148,064	188,379	149,410	157,261	138,385	46,029	12,465	4,593	1,062,875	3,216,072
STORMWATER												
Storm Local Drainage Program	654	1,686	1,905	735	977	965	1,163	1,067	916	853	10,921	82,760
Storm On-Going Program	1,081	942	519	876	842	1,084	1,287	935	-	-	7,566	10,072
Storm Pumping Facilities	4,829	8,692	4,161	4,126	3,732	1,417	1,579	4,948	7,642	4,957	46,083	64,227
Stormwater Program Managemet	173	437	517	476	286	346	275	212	124	395	3,243	15,178
Stormwater Trunk/Force Sewers	772	1,082	1,216	1,358	-	-	-	-	-	-	4,428	44,543
Subtotal	7,509	12,839	8,319	7,571	5,837	3,812	4,305	7,162	8,682	6,205	72,241	216,779
SANITARY SEWER												
Sanitary Collection System	4,582	25,217	58,615	60,253	61,914	54,330	54,582	56,493	57,843	58,000	491,829	728,214
Sanitary On-Going Projects	14,096	17,352	14,667	15,091	15,542	16,020	16,500	15,297	15,289	15,756	155,610	233,439
Sanitary Pumping Facilities	3,085	8,434	8,813	16,171	16,011	28,020	37,639	45,222	27,375	10,231	201,000	265,049
Sanitary Program Management	9,087	9,612	7,638	7,640	8,634	10,520	10,688	7,927	4,451	1,116	77,313	191,900
Interceptor/Trunk Force Sewers	37,182	57,842	95,377	69,410	120,816	168,845	151,593	97,201	38,289	33,811	870,364	1,309,131
Subtotal	68,031	118,457	185,109	168,564	222,916	277,735	271,002	222,140	143,246	118,914	1,796,116	2,727,733
WATER												
Water Distribution Systems	30,986	72,384	89,285	97,369	118,521	125,347	123,510	126,497	122,606	126,784	1,033,289	2,102,409
Lead Free DC Program	42,477	77,504	107,944	109,838	91,370	74,797	62,971	44,771	-	-	611,672	816,318
Water On-Going Projects	18,280	17,292	16,825	17,779	19,351	18,915	20,691	21,601	20,879	22,623	194,235	261,206
Water Pumping Facilities	5,910	10,202	7,983	7,734	6,391	7,029	4,547	2,678	2,408	2,414	57,295	95,574
Water Storage Facilities	6,447	6,811	11,754	4,438	3,834	9,658	4,997	3,536	3,328	5,096	59,899	175,104
Water Service Program Management	4,809	4,179	4,716	5,120	7,542	7,080	4,641	4,641	5,120	7,563	55,412	121,424
Subtotal	108,909	188,371	238,506	242,278	247,009	242,826	221,357	203,725	154,341	164,479	2,011,801	3,572,035
CAPITAL PROJECTS												
CAPITAL EQUIPMENT	47,421	30,535	31,654	31,776	34,334	34,334	34,334	34,334	34,334	34,334	347,390	347,390
WASHINGTON AQUEDUCT	67,523	35,155	29,480	29,480	29,480	29,480	29,480	29,480	29,480	29,480	338,518	338,518
ADDITIONAL CAPITAL PROJECTS	114,944	65,690	61,134	61,256	63,814	63,814	63,814	63,814	63,814	63,814	685,909	685,909
LABOR												
TOTAL CAPITAL BUDGETS	501,437	604,671	784,064	838,249	859,188	892,646	841,454	677,036	507,647	444,676	6,951,067	14,427,173

Presented and Adopted: March 2, 2023

SUBJECT: Approval of Fiscal Year 2023 - 2032 Ten-Year Financial Plan

**#23-15
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on March 2, 2023, upon consideration of a joint-use matter decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2023 - 2032 Ten Year Financial Plan.

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, the Board, in Resolutions 11-10, dated January 6, 2011 and 21-84, dated October 7, 2021, adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with the Board policies and management financial targets, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2024 operating and capital budgets; and

WHEREAS, the ten-year financial plan is based on assumptions detailed in the proposed Fiscal Year 2024 Operating and Capital Budgets; and

WHEREAS, the proposed Fiscal Year 2023 - 2032 Ten Year Financial Plan is consistent with projections appearing in the attached Schedules A, B and C of this Resolution; and

WHEREAS, on January 24, 2023, the DC Retail Water and Sewer Rates and Finance and Budget Committees met jointly and reviewed the proposed Fiscal Year 2023 - 2032 Ten Year Financial Plan, and

WHEREAS, on February 23, 2023, and February 28, 2023, the Finance and Budget Committee and the DC Retail Water and Sewer Rates Committee, respectively, met, reviewed, and recommended that the Board adopt the Fiscal Year 2023 - 2032 Ten Year Financial Plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby accepts and approves the proposed Fiscal Year 2023 - 2032 Ten Year Financial Plan that is supported by the attached Schedule A, B and C and the proposed Fiscal Year 2024 Operating and Capital Budgets.

This resolution is effective immediately.


Secretary to the Board of Directors

District of Columbia Water & Sewer Authority
FY 2023 – FY 2032 Financial Plan
(In 000's)

OPERATING	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<i>Retail</i>	\$685,505	\$ 718,310	\$ 755,081	\$ 802,038	\$ 852,254	\$ 898,145	\$ 953,657	\$1,006,114	\$1,049,289	\$1,081,751
<i>Wholesale</i>	104,560	106,519	110,780	115,211	119,819	124,612	129,597	134,781	140,172	145,779
<i>Other</i>	52,377	53,685	53,625	58,319	63,816	67,423	65,912	64,501	62,804	60,816
<i>RSF</i>	-	-	-	-	-	-	-	-	-	-
Operating Receipts ⁽¹⁾	\$ 842,442	\$ 878,515	\$ 919,485	\$ 975,568	\$1,035,890	\$1,090,180	\$1,149,166	\$1,205,396	\$1,252,264	\$1,288,346
Operating Expenses	(401,231)	(425,383)	(441,828)	(458,923)	(476,695)	(495,170)	(514,376)	(534,342)	(555,099)	(576,678)
Debt Service	(231,232)	(231,953)	(257,615)	(281,518)	(308,481)	(341,582)	(370,871)	(392,286)	(406,343)	(418,816)
Cash Financed Capital Improvement	<u>\$ (23,505)</u>	<u>\$ (48,256)</u>	<u>\$ (60,406)</u>	<u>\$ (72,183)</u>	<u>\$ (76,703)</u>	<u>\$ (80,833)</u>	<u>\$ (85,829)</u>	<u>\$ (90,550)</u>	<u>\$ (94,436)</u>	<u>\$ (97,358)</u>
Net Revenues After Debt Service	\$ 186,474	\$ 172,922	\$ 159,636	\$ 162,943	\$ 174,011	\$ 172,596	\$ 178,090	\$ 188,218	\$ 196,387	\$ 195,495
Operating Reserve-Beg Balance	257,374	274,600	282,600	292,600	303,600	314,600	327,600	340,600	354,600	368,600
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(11,688)	(11,256)	-	-	-	-	-	-	-	-
Pay-Go Financing	(157,560)	(153,665)	(149,636)	(151,943)	(163,011)	(159,596)	(165,090)	(174,218)	(182,387)	(180,495)
Operating Reserve - Ending Balance	\$ 274,600	\$ 282,600	\$ 292,600	\$ 303,600	\$ 314,600	\$ 327,600	\$ 340,600	\$ 354,600	\$ 368,600	\$ 383,600
Rate Stabilization Fund Balance RSF ⁽²⁾	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)	\$ (35,644)
Senior Debt Service Coverage	580%	734%	783%	699%	644%	659%	656%	620%	645%	617%
Combined Debt Service Coverage	196%	201%	195%	192%	189%	181%	178%	178%	178%	176%
Actual/Projected Water/Sewer Rate Increases	9.50%	3.25%	9.00%	7.50%	8.00%	8.00%	7.50%	7.50%	6.50%	6.50%
Operating Receipts \$ Increase/Decrease										
Retail	34,950	32,805	36,770	46,957	50,216	45,890	55,513	52,457	43,174	32,463
Wholesale	19,660	1,960	4,261	4,431	4,608	4,793	4,984	5,184	5,391	5,607
Operating Receipts % Increase/Decrease										
Retail	5.4%	4.8%	5.1%	6.2%	6.3%	5.4%	6.2%	5.5%	4.3%	3.1%
Wholesale	23.2%	1.9%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

⁽¹⁾ Includes interest earnings on senior lien revenue bonds' debt service reserve fund

⁽²⁾ FY 2024 planned transfer of \$0.0 million to Rate Stabilization Fund and \$0.0 million utilization will keep the total fund balance at \$35.644 million.

District of Columbia Water & Sewer Authority
Average Residential Customer Monthly Bill
FY 2023 - FY 2032

	Units	Current FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
DC Water Water and Sewer Retail Rates ^{(1), (5)}	Ccf	\$ 86.07	\$ 89.03	\$ 97.00	\$ 104.31	\$ 112.67	\$ 121.65	\$ 130.78	\$ 140.58	\$ 149.72	\$ 159.46
DC Water Clean Rivers IAC ⁽²⁾	ERU	18.14	21.86	23.03	25.20	27.08	27.44	29.87	31.04	31.28	31.32
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75
DC Water Water System Replacement Fee ⁽⁴⁾	5/8"	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 118.26	\$ 124.94	\$ 134.08	\$ 143.56	\$ 153.80	\$ 163.14	\$ 174.70	\$ 185.67	\$ 195.05	\$ 204.83
Increase / Decrease		\$ 6.89	\$ 6.68	\$ 9.14	\$ 9.48	\$ 10.24	\$ 9.34	\$ 11.56	\$ 10.97	\$ 9.38	\$ 9.78
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 3.20	\$ 3.31	\$ 3.36	\$ 3.41	\$ 3.47	\$ 3.52	\$ 3.58	\$ 3.63	\$ 3.69	\$ 3.74
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	1.03	1.03	1.03	1.08	1.08	1.08	1.14	1.14	1.14	1.14
District of Columbia Stormwater Fee ⁽³⁾	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.90	\$ 7.01	\$ 7.06	\$ 7.16	\$ 7.22	\$ 7.27	\$ 7.39	\$ 7.44	\$ 7.50	\$ 7.55
Total Amount Appearing on DC Water Bill		\$ 125.16	\$ 131.95	\$ 141.14	\$ 150.72	\$ 161.02	\$ 170.41	\$ 182.09	\$ 193.11	\$ 202.55	\$ 212.38
Increase / Decrease Over Prior Year		\$ 7.05	\$ 6.79	\$ 9.19	\$ 9.58	\$ 10.30	\$ 9.39	\$ 11.68	\$ 11.02	\$ 9.44	\$ 9.83
Percent Increase in Total Bill		6.0%	5.4%	7.0%	6.8%	6.8%	5.8%	6.9%	6.1%	4.9%	4.9%

(1) Assumes average monthly consumption for FY14 6.2 Ccf, or (4,638 gallons), FY15 6.01 Ccf, or (4,495 gallons), FY16 5.88 Ccf, or (4,398 gallons), FY17 5.72 Ccf, or (4,279 gallons), FY18 5.5 Ccf, or (4,114 gallons), FY19 5.39 Ccf, or (4,032 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

(5) Assumes 1 percent decline in consumption FY 2020 - FY 2028

District of Columbia Water & Sewer Authority
Retail Rates, Charges and Fees
FY 2022 - FY 2024

	Units	FY 2022	Approved FY 2023	Approved FY 2024
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	\$3.63	\$4.28	\$4.38
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	\$4.74	\$5.58	\$5.70
DC Water Retail Rates Water (Multi-Family)	Ccf	\$4.15	\$4.90	\$5.00
DC Water Retail Rates Water (Non-Residential)	Ccf	\$4.91	\$5.78	\$5.89
DC Water Retail Rates Sewer	Ccf	\$10.64	\$11.26	\$11.70
DC Water Clean Rivers IAC	ERU	\$18.40	\$18.14	\$21.86
DC Water Customer Metering Fee	5/8"	\$7.75	\$7.75	\$7.75
DC Water System Replacement Fee	5/8"	\$6.30	\$6.30	\$6.30
District of Columbia PILOT Fee	Ccf	\$0.56	\$0.59	\$0.61
District of Columbia Right-of-Way Fee	Ccf	\$0.19	\$0.19	\$0.19
District of Columbia Stormwater Fee	ERU	\$2.67	\$2.67	\$2.67

Presented and Adopted: March 2, 2023

**SUBJECT: Approval of Official Intent to Reimburse Fiscal Year 2023
and 2024 Capital Expenditures with Proceeds of a
Borrowing**

**#23-16
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at the Board meeting held on March 2, 2023, upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to Approval of Official Intent to Reimburse Fiscal Year 2023 and 2024 Capital Expenditures with Proceeds of a Borrowing.

WHEREAS, DC Water intends to acquire, construct and equip improvements to the "System," which shall be considered "Costs of the System" as both terms are defined in the Master Indenture of Trust between DC Water and Wells Fargo Bank, N.A., dated April 1, 1998, including, but not limited to the items and List of Projects set forth in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, plans for the Projects have advanced and DC Water expects to advance its own funds to pay expenditures related to the Projects ("Expenditures") prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both.

NOW THEREFORE BE IT RESOLVED THAT:

1. DC Water utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the "Bonds") or other debt in an amount not currently expected to exceed \$185,000,000 to pay costs of the Projects.
2. The Board approves the General Manager's "Official Intent" to use the proceeds of the Bonds to reimburse Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. DC Water reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a

nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of DC Water so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of DC Water.

4. The Board authorizes the General Manager to make a reimbursement allocation, which is a written allocation by DC Water that evidences DC Water's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. DC Water recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Board adopts this resolution confirming the DC Water's "Official Intent" within the meaning of Treasury Regulations 26 CFR § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

This resolution is effective immediately.


Secretary to the Board of Directors

Exhibit A - List of Projects

Blue Plains Plantwide Projects
Blue Plains Enhanced Nitrogen Removal Facilities
Blue Plains Liquid and Solids Processing Projects
Sanitary Sewer System Projects
Combined Sewer System Projects
DC Clean Rivers Project
Stormwater Sewer System Projects
Water Pumping, Distribution and Storage Projects
Metering and Capital Equipment
Washington Aqueduct Projects