



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

1385 Canal Street SE, Washington, DC 20003

*Tuesday, January 28, 2020
9:30 a.m.*

- 1. **Call to Order** **Rachna Bhatt, Chairperson**
- 2. **2021 Cost of Service Study Update (Attachment A)** **Jon Davis**
- 3. **Overview of Proposed FY 2021 & FY 2022 Rates, Charges & Fees Update (Attachment B)**..... **Matthew Brown**
- 4. **Amendment of Engineering Review and Miscellaneous Fees (Attachment C)**..... **Matthew Brown**
- 5. **Action Item (Attachment D)**..... **Matthew Brown**
 - **Final Proposal to Amend Regulations for Engineering Review and Miscellaneous Fees (Action Item 1)**
- 6. **DC Retail Water and Sewer Rates Committee Workplan (Attachment E)**..... **Matthew Brown**
 - **FY 2020 Proposed DC Retail Rates Committee Workplan**
- 7. **Agenda for February 25, 2020 Committee Meeting (Attachment F)**.... **Rachna Bhatt, Chairperson**
- 8. **Other Business** **Matthew Brown**
- 9. **Executive Session***
- 10. **Adjournment**

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



RAFTELIS

DC WATER

Retail Rates Committee

2021 Cost of Service Study

Preliminary Draft Results | January 28, 2020

AGENDA

- Background
 - Objectives of the Cost of Service Study
- Revenue Sufficiency Analysis
 - Cost Drivers and Trends
 - FY 2021 Results
- Cost of Service Analysis – Rate Equity
 - COS Study Initiatives
 - Cost of Service Update
 - Results and Customer Impacts
- Next Steps

Background

Background

DC Water has conducted a Cost of Service (COS) Study every three years, and will now be conducting a COS Study every other year. Raftelis has performed the last three studies in 2012, 2015, and 2018.

Study Components

1. Revenue Sufficiency Analysis – Do the proposed rates recover adequate revenue to meet expenditures?
2. Cost of Service Analysis / Rate Equity – Are proposed rates equitably recovering the costs of providing service?
3. Alternative Rate Structure Analysis – Are there alternative rate structures that may more effectively meet DC Water’s highest priority pricing objectives?

Objectives of the COS Study

- DC Water consistently prioritizes the following pricing objectives:
 1. Revenue Sufficiency – Rates should recover revenue necessary to operate and maintain the utility in perpetuity and meet all legal, regulatory, and permitting requirements
 2. Cost of Service Recovery – Rates should be supported by industry practice and ensure that customers pay their fair share
 3. Simplicity – Rates and charges should be easy for customers to understand
 4. Affordability – DC Water should minimize customer bills while not sacrificing good, clean, and safe service

Revenue Sufficiency Analysis

Revenue requirements are the total cash needs of the utility to fund operating and capital costs including all debt service obligations and reserve fund contributions.

Cost Drivers & Trends

- Capital costs are increasing due to regulatory requirements and infrastructure rehabilitation, particularly for wastewater and CSO mitigation
- DC Water has continued to make attempts to lower Operating and Maintenance expense increases to keep rates as low as possible for customers
- DC Water is utilizing Rate Stabilization Fund transfers to help mitigate increases
- Per capita consumption has continued to decrease causing overall billable consumption to decline

Revenue Sufficiency Findings

Raftelis projects revenue based on rates and units of service (number of accounts, billed consumption, and impervious ERUs)

- Revenues under proposed rate increases are sufficient to fund utility cash requirements in FY2021 and FY 2022
- Reserve funds can be maintained at target levels
- Debt service coverage is adequate to meet required bond covenants

Comparison of Revenues & Expenses (FY 2021)

	<u>Financial Plan</u>	<u>Raftelis Model</u>	<u>Delta</u>
Revenue			
Operating	\$ 689,092,199	\$ 687,498,286	\$ (1,593,913)
Non-Operating	44,235,752	44,235,752	-
Total: Revenue	\$ 733,327,951	\$ 731,734,038	\$ (1,593,913)
Expenses			
Operating	\$ 365,658,415	\$ 365,658,415	\$ -
Debt Service	222,267,822	222,267,822	-
Total: Expenses	\$ 587,926,237	\$ 587,926,237	\$ -
<i>Net Cash Available for PAYGO Capital & Other Cash Needs</i>	<u>\$ 145,401,714</u>	<u>\$ 143,807,801</u>	<u>\$ (1,593,913)</u>

Comparison of Revenues & Expenses (FY 2022)

	<u>Financial Plan</u>	<u>Raftelis Model</u>	<u>Delta</u>
Revenue			
Operating	\$ 714,940,216	\$ 713,521,374	\$ (1,418,842)
Non-Operating	50,927,455	50,927,455	-
Total: Revenue	\$ 765,867,671	\$ 764,448,829	\$ (1,418,842)
Expenses			
Operating	\$ 376,303,303	\$ 376,303,303	\$ -
Debt Service	240,497,131	240,082,928	(414,203)
Total: Expenses	\$ 616,800,434	\$ 616,386,231	\$ (414,203)
<i>Net Cash Available for PAYGO Capital & Other Cash Needs</i>	<u>\$ 149,067,237</u>	<u>\$ 148,062,598</u>	<u>\$ (1,004,640)</u>

Cost of Service Analysis - Rate Equity

Rate structures apportion the revenue requirements to retail customers based on the demands they place on the utility system.

Cost of Service Initiatives

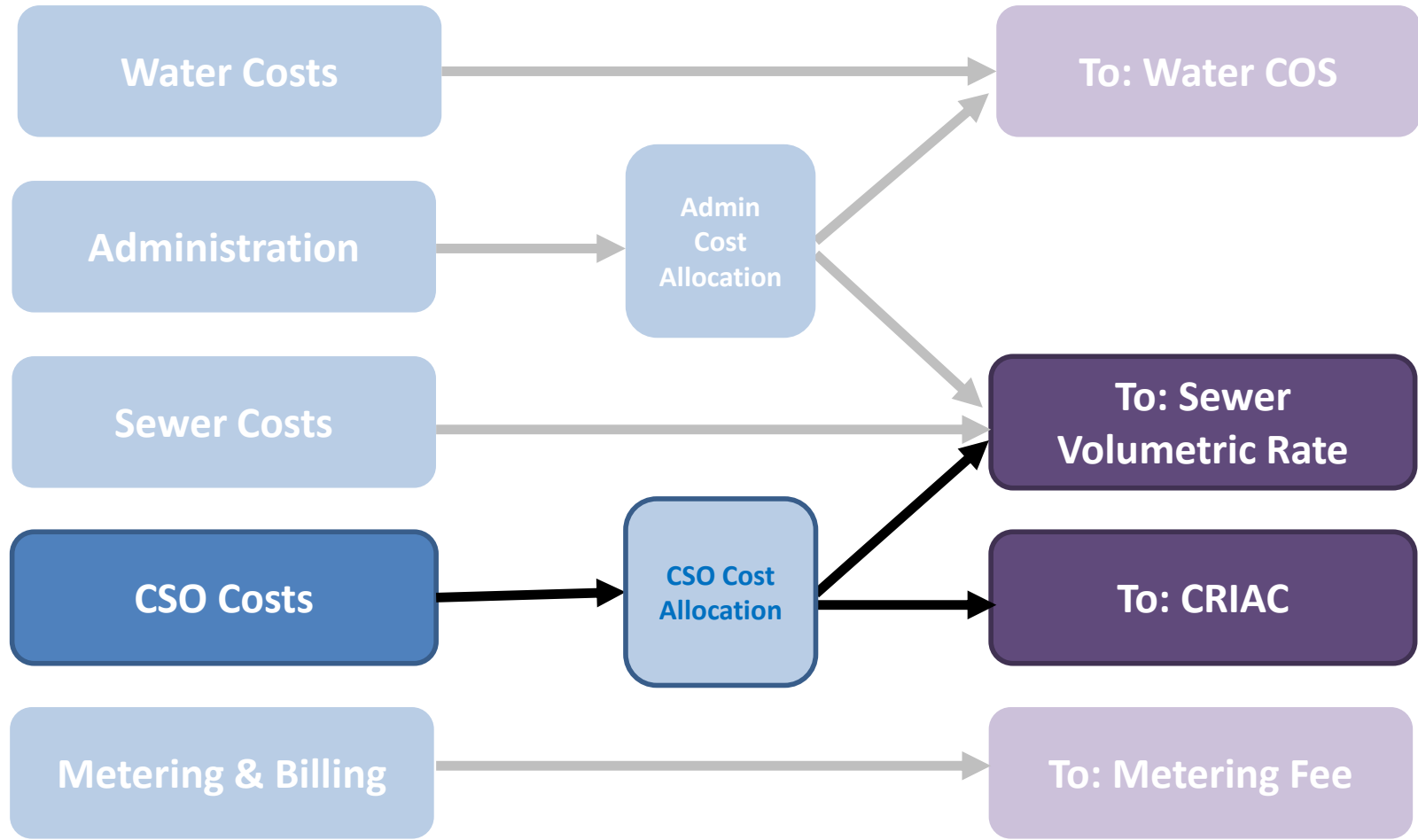
- A reallocation of some costs associated with the Clean Rivers Impervious Area Charge (CRIAC) to the Sewer Volumetric Rate
- A reallocation of some Customer Service operating costs associated with metering, billing, and collections activities to the Metering Fee
- The revenue collected from the ongoing Water System Replacement Fee, originally designed to fund the annual costs of 1% of DC Water's water 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

Clean Rivers Allocation

- Historically, all Clean Rivers capital costs were recovered by the CRIAC
- DC Water implemented a change to bring additional equity to the Clean Rivers program. Funding for Clean Rivers is now allocated between the Impervious Area Charge (to address stormwater contributions) and the sewer volumetric rate (to address wastewater contributions).
- Engineering CSO allocation: 63% stormwater to 37% wastewater
- Phased in over 3 years ending in FY 2022

Cost of Service Allocations

COS Allocations are dependent on the utility's rate structure



Clean Rivers Cost Allocation

- Updated CSO allocations to sewer were phased in over a 3-yr period from FY 2020 through FY 2022

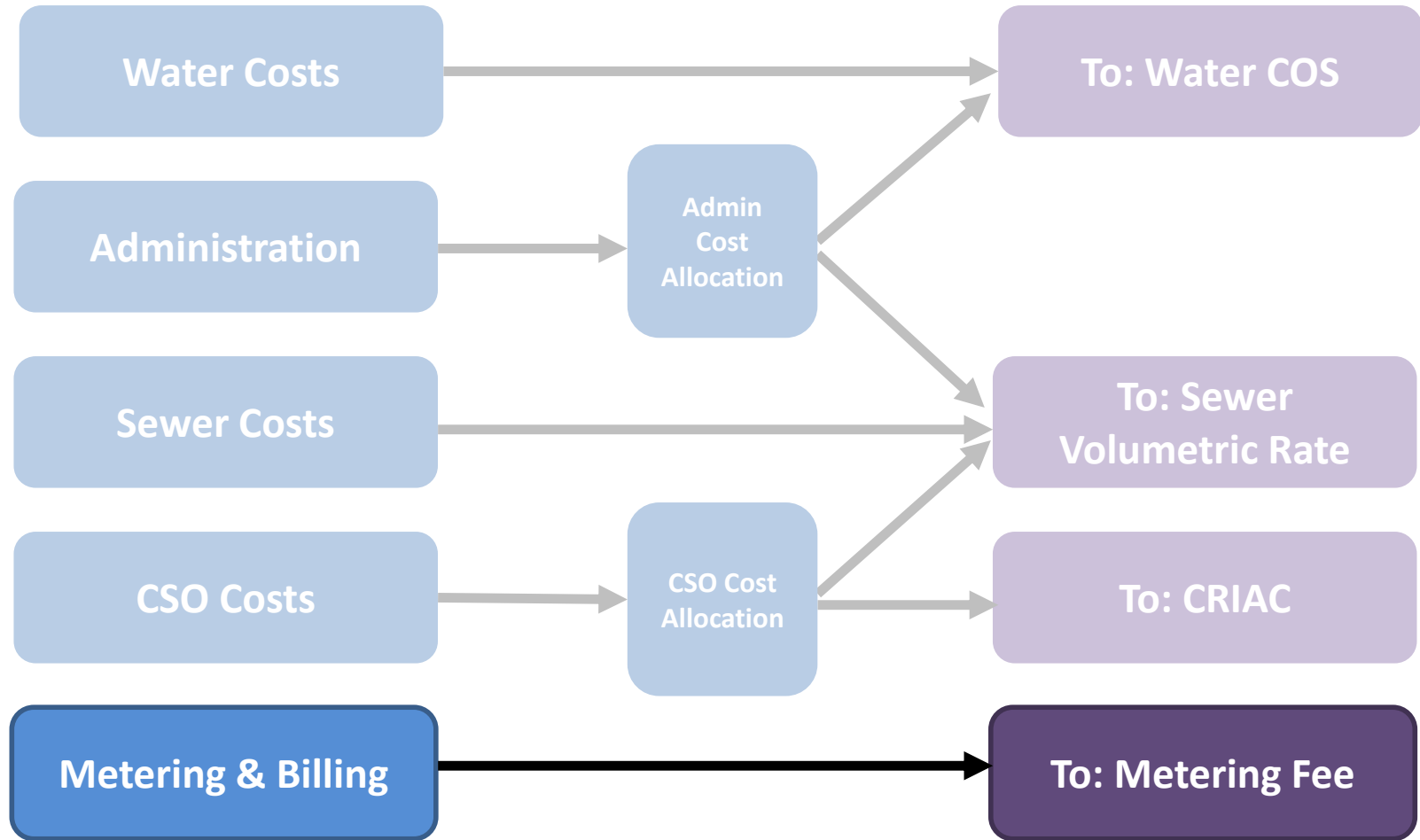
Clean Rivers Cost Allocation	FY 2020 (Existing)	FY 2021 (Proposed)	FY 2022 (Proposed)
CSO CRIAC Allocation (percentage)	82%	72%	63%
CSO CRIAC Allocation (\$ millions)	\$ 102.0	\$ 98.0	\$ 92.4
CRIAC (\$/ERU/month)	\$ 20.94	\$ 19.52	\$ 18.40
CSO Sewer Allocation (percentage)	18%	28%	37%
CSO + Sewer Allocation (\$ millions)	\$ 263.7	\$ 298.5	\$ 321.8
Sewer Volumetric Rate (\$/Ccf)	\$ 8.89	\$ 9.77	\$ 10.64

Metering Fee Allocation

- 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
 - Baltimore City, Philadelphia Water, PWCSA, Fairfax Water, Howard County (MD), Richmond (VA)
- Shifts costs to the Metering Fee and away from the volumetric rates
- Phased in over 2 years ending in FY 2022

Cost of Service Allocations

COS Allocations are dependent on the utility's rate structure



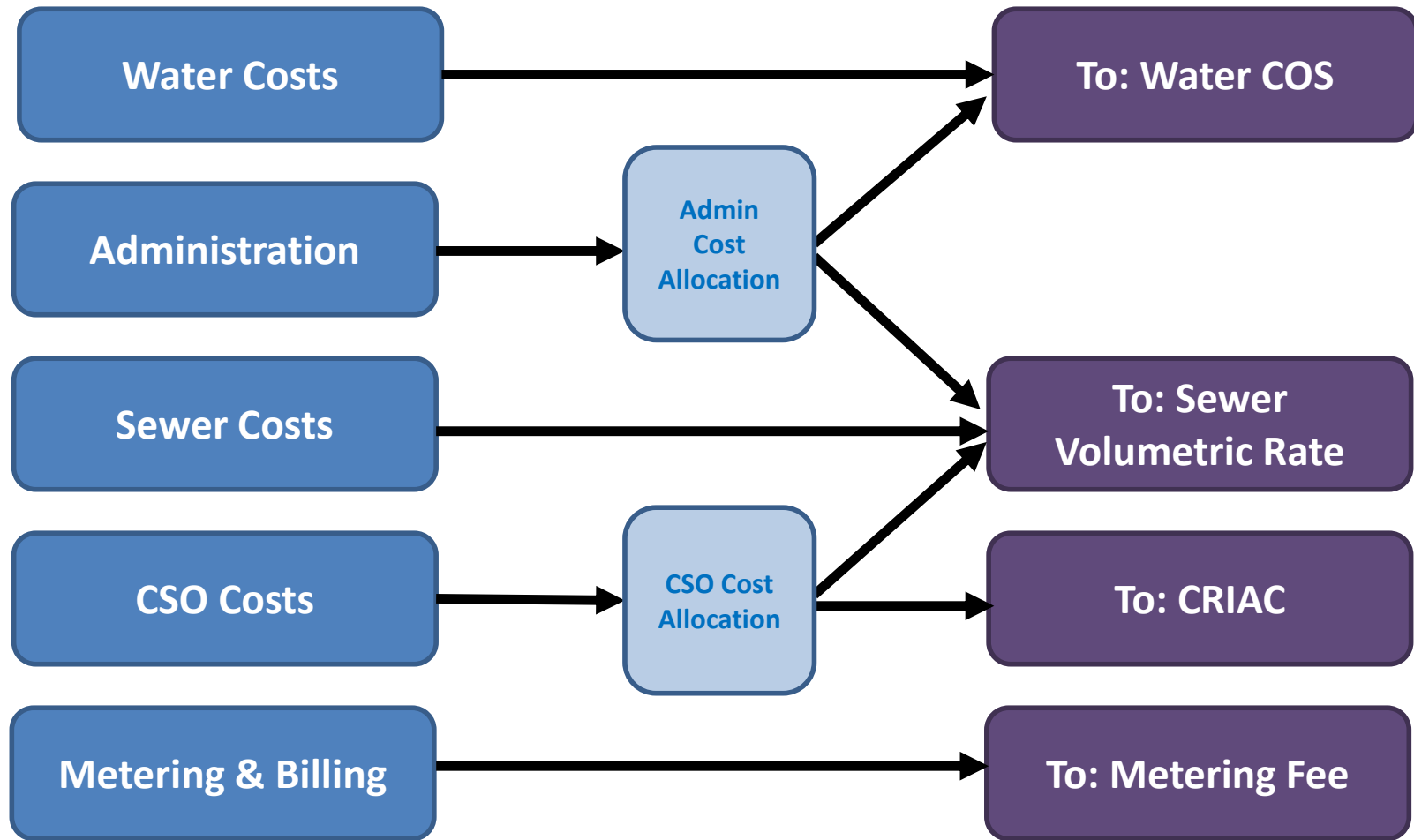
Metering Fee Cost Allocation

- Customer Service allocations and capital replacement costs phased in over a 2-yr period from FY 2021 through FY 2022
- Original automated metering capital costs fully amortized by FY 2020

Metering Fee Cost Allocation	FY 2020 (Existing)	FY 2021 (Proposed)	FY 2022 (Proposed)
Debt Service + Coverage (\$ millions)	\$ 11.8	\$ 7.8	\$ 8.1
Allocated Customer Service Costs	\$ 0.0	\$ 7.2	\$ 15.3
Collection Factor (3% reduction)	\$ 0.2	\$ 0.4	\$ 0.7
Metering Fee Revenue	\$ 12.0	\$ 15.4	\$ 24.1
Metering Fee (\$/month, 5/8")	\$ 3.86	\$ 4.96	\$ 7.75

Cost of Service Allocations

COS Allocations are dependent on the utility's rate structure



Retail Rate Development Summary

FY 2021 Unit Costs

	Revenue Requirement	Units of Service	Unit Cost
Metering Fee	\$ 15,404,519	258,970 EMUs	\$ 59.484/yr
Water Volumetric Rate	141,198,799	31,825,135 Ccf	\$ 4.437/Ccf
Sewer Volumetric Rate	298,517,944	30,575,132 Ccf	\$ 9.763/Ccf
Clean Rivers IAC	97,957,515	418,364 ERUs	\$ 234.144/ERU
Water System Replacement Fee	40,000,000	529,100 EUUs	\$ 75.600/yr
Total Revenue Requirements	\$ 593,078,776		

EMUs – Equivalent Metering Units (based on a residential meter)

ERUs – Equivalent Residential Units (based on tier 1 residential sq footage)

EUUs – Equivalent Usage Units (based on average usage by meter size)

Assumes water conservation of 1.5% in FY 2020 and 2021 based on actual usage trends

Retail Rate Development Summary

FY 2022 Unit Costs

	Revenue Requirement	Units of Service	Unit Cost
Metering Fee	\$ 24,082,852	258,970 EMUs	\$ 92.995/yr
Water Volumetric Rate	142,805,804	31,504,004 Ccf	\$ 4.533/Ccf
Sewer Volumetric Rate	321,804,229	30,249,425 Ccf	\$ 10.638/Ccf
Clean Rivers IAC	92,369,650	418,364 ERUs	\$ 220.788/ERU
Water System Replacement Fee	40,000,000	529,100 EUUs	\$ 75.600/yr
Total Revenue Requirements	\$ 621,062,535		

EMUs – Equivalent Metering Units (based on a residential meter)

ERUs – Equivalent Residential Units (based on tier 1 residential sq footage)

EUUs – Equivalent Usage Units (based on average usage by meter size)

Assumes water conservation of 1.5% in FY 2020 and 2021 based on actual usage trends

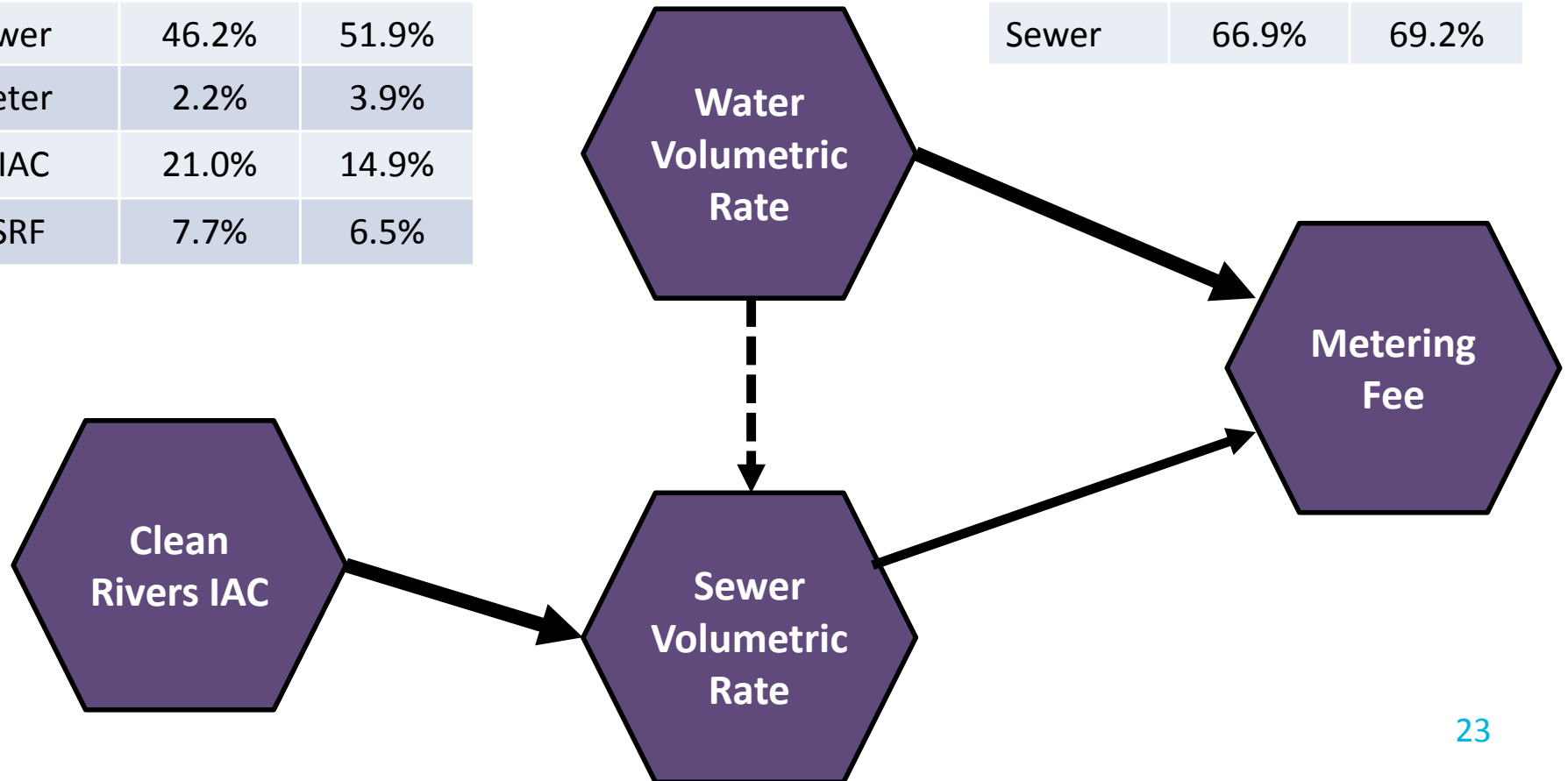
Existing and Proposed Rates

Rate Component	FY 2020 (Existing)	FY 2021 (Proposed)	FY 2022 (Proposed)	FY 2021		FY 2022	
				% Difference	\$ Difference	% Difference	\$ Difference
Water Volumetric – Residential – Tier 1	\$ 3.06	\$ 3.49	\$ 3.63	14.1%	\$ 0.43	4.0%	\$ 0.14
Water Volumetric – Residential – Tier 2	\$ 4.10	\$ 4.50	\$ 4.74	9.8%	\$ 0.40	5.3%	\$ 0.24
Water Volumetric – Multi-Family	\$ 3.54	\$ 3.96	\$ 4.15	11.9%	\$ 0.42	4.8%	\$ 0.19
Water Volumetric – Non-Residential	\$ 4.25	\$ 4.65	\$ 4.91	9.4%	\$ 0.40	5.6%	\$ 0.26
Sewer Volumetric	\$ 8.89	\$ 9.77	\$ 10.64	9.9%	\$ 0.88	8.9%	\$ 0.87
Metering Fee	\$ 3.86	\$ 4.96	\$ 7.75	28.5%	\$ 1.10	56.3%	\$ 2.79
Clean Rivers IAC	\$ 20.94	\$ 19.52	\$ 18.40	(6.8%)	(\$ 1.42)	(5.7%)	(\$ 1.12)
WSRF	\$ 6.30	\$ 6.30	\$ 6.30	0.0%	\$ 0.00	0.0%	\$ 0.00

COS Study Cost Recovery Shifts

Cost Recovery by Retail Rate Component	FY 2019	FY 2022
Water	22.9%	23.1%
Sewer	46.2%	51.9%
Meter	2.2%	3.9%
CRIAC	21.0%	14.9%
WSRF	7.7%	6.5%

Cost Recovery by Water and Sewer Only	FY 2019	FY 2022
Water	33.1%	30.8%
Sewer	66.9%	69.2%



Cost of Service Findings

- Increases in the volumetric rates and the Metering Fee partially offset by the reduction in CRIAC for FY 2021 and FY 2022
- Cost of sewer service is rising faster than water service
- Revenue collected from the Water System Replacement Fee, originally designed to fund the annual costs of 1% of DC Water's water renewal and replacement program, used to offset the Water revenue requirements, and decrease Water volumetric rates
- PILOT District Charge on the DC Water bill is increasing
- Average customer usage is currently at 5.42 Ccf/month, a 12.6% drop over typical usage from the 2015 COS Study

Residential Customer Monthly Bill

(5/8" / 5.42 Ccf)

RESIDENTIAL CUSTOMER MONTHLY BILL (5/8" / 5.42 CCF)

	Current (FY 2020)	Cost of Service (FY 2021)	Cost of Service (FY 2022)	FY 2021		FY 2022	
				\$ Change	% Change	\$ Change	% Change
DC Water and Sewer Retail Rates	\$ 66.25	\$ 73.30	\$ 78.92	\$ 7.05	10.6%	\$ 5.62	7.7%
DC Water Clean Rivers IAC	20.94	19.52	18.40	(1.42)	-6.8%	(1.12)	-5.7%
DC Water Customer Metering Fee	3.86	4.96	7.75	1.10	28.5%	2.79	56.3%
DC Water Water System Replacement Fee	6.30	6.30	6.30	-	0.0%	-	0.0%
Subtotal: DC Water Rates & Charges	\$ 97.35	\$ 104.08	\$ 111.37	\$ 6.73	6.9%	\$ 7.29	7.0%
District of Columbia PILOT	\$ 2.76	\$ 2.93	\$ 3.04	\$ 0.17	6.2%	0.11	3.8%
District of Columbia Right of Way Fee	1.03	1.03	1.03	-	0.0%	-	0.0%
District of Columbia Stormwater Fee	2.67	2.67	2.67	-	0.0%	-	0.0%
Subtotal District of Columbia Charges	\$ 6.46	\$ 6.63	\$ 6.74	\$ 0.17	2.6%	\$ 0.11	1.7%
Total Amount Appearing on DC Water Bill	\$ 103.81	\$ 110.71	\$ 118.11	\$ 6.90	6.7%	\$ 7.40	6.7%

Residential CAP Customer Monthly Bill

(5/8" / 5.42 Ccf)

RESIDENTIAL CAP CUSTOMER MONTHLY BILL (5/8" / 5.42 CCF)

	Current		Cost of Service		FY 2021		FY 2022	
	(FY 2020)	(FY 2021)	(FY 2021)	(FY 2022)	\$ Change	% Change	\$ Change	% Change
DC Water and Sewer Retail Rates	\$ 66.25	\$ 73.30	\$ 78.92	\$ 78.92	\$ 7.05	10.6%	\$ 5.62	7.7%
DC Water Clean Rivers IAC	20.94	19.52	18.40	18.40	(1.42)	-6.8%	(1.12)	-5.7%
DC Water Customer Metering Fee	3.86	4.96	7.75	7.75	1.10	28.5%	2.79	56.3%
DC Water Water System Replacement Fee	6.30	6.30	6.30	6.30	-	0.0%	-	0.0%
Subtotal: DC Water Rates & Charges	\$ 97.35	\$ 104.08	\$ 111.37	\$ 111.37	\$ 6.73	6.9%	\$ 7.29	7.0%
District of Columbia PILOT	\$ 2.76	\$ 2.93	\$ 3.04	\$ 3.04	\$ 0.17	6.2%	\$ 0.11	3.8%
District of Columbia Right of Way Fee	1.03	1.03	1.03	1.03	-	0.0%	-	0.0%
District of Columbia Stormwater Fee	2.67	2.67	2.67	2.67	-	0.0%	-	0.0%
Subtotal District of Columbia Charges	\$ 6.46	\$ 6.63	\$ 6.74	\$ 6.74	\$ 0.17	2.6%	\$ 0.11	1.7%
Less: CAP Discount - 4 Ccf per Month	\$ (50.60)	\$ (55.96)	\$ (60.08)	\$ (60.08)	\$ (5.36)	10.6%	\$ (4.12)	7.4%
Less: CAP Discount - % of CRIAC	(10.47)	(14.64)	(13.80)	(13.80)	(4.17)	39.8%	0.84	-5.7%
Less: CAP Discount - WSRF	(6.30)	(6.30)	(6.30)	(6.30)	-	-	-	0.0%
Subtotal: CAP Discount	\$ (67.37)	\$ (76.90)	\$ (80.18)	\$ (80.18)	\$ (9.53)	14.1%	\$ (3.28)	4.3%
Total Amount Appearing on DC Water Bill with CAP Discount	\$ 36.44	\$ 33.81	\$ 37.93	\$ 37.93	\$ (2.63)	-7.2%	\$ 4.12	12.2%

Next Steps

THANK YOU

MSRB REGISTERED MUNICIPAL ADVISOR: Raftelis is a Registered Municipal Advisor with the MSRB and SEC under the Dodd-Frank Act and is fully qualified and capable of providing advice related to all aspects of utility financial and capital planning, including the size, timing, and terms of future debt issues. Any opinion, information, or recommendation included in this presentation, related to the size, timing, and terms of a future debt issue may be relied upon only for its intended purpose. This information is not intended as a recommendation to undertake a specific course of action related to the issuance of debt, or to indicate that a particular set of assumptions for the size, timing and terms of issuing debt will be available at the time debt is actually issued.



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Attachment B



Overview of Proposed FY 2021 and FY 2022 Rates, Charges and Fees
Presentation to Retail Rates Committee, January 28, 2020

District of Columbia Water and Sewer Authority



Blue Plains Advanced Wastewater Treatment Plant



Purpose

Provide information to the Committee on the:

Multi-year Rate Proposal

- FY 2021 & FY 2022 Rates, Charges and Fees

FY 2020 – FY 2029 Financial Plan

- Projected residential water and sewer rates
- Projected average residential customer bills
- 10-year CIP disbursement budget



Board Policy in Setting Rates Resolution #11-10

- It is the policy of the Board of Directors of DC Water in setting retail rates, including charges and fees, pursuant to its statutory authority to strive to achieve the following:
 - Cover current costs and meet or exceed all bond and other financial requirements as well as goals set by the Board
 - Yield a reliable and predictable stream of revenues
 - Are based on annually updated forecasts or operating and capital budgets
 - A rate structure that is legally defensible, based on objective criteria, and transparently designed
 - A rate structures that customers can understand and DC Water can implement efficiently
 - Rate increases that are implemented transparently and predictably
- To the extent annual revenues exceed costs, the Board will utilize all available options to mitigate future customer impacts and annual rate increases, including transferring excess funds to the Rate Stabilization Fund



Proposed Rates and Revenue

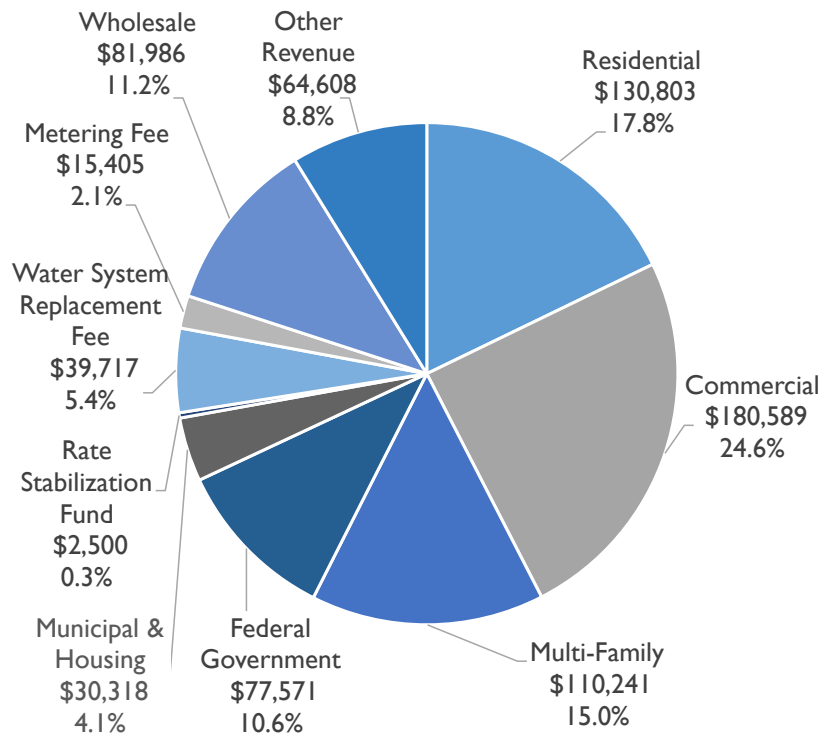
- Cost of Service Study advanced to align with rate proposal
- Combined rate increase for average household customer lowered from 8.1% forecasted last year to 6.6% for FY 2021 and from 6.9% to 6.7% for FY 2022
 - Proposed annual water and sewer rate increase of 9.9% for FY 2021 and 7.8% FY 2022
 - Continue Shift of CRIAC to sewer volumetric of 28% and 37% for FY 2021 and FY 2022 respectively
 - Proposed CRIAC of \$19.52 per ERU in FY 2021 and \$18.40 per ERU in FY 2022
 - Water System Replacement Fee (WSRF) will remain the same
 - Customer Metering Fee for 5/8” meters will increase from \$3.86 to \$4.96 in FY 2021 and to \$7.75 for FY 2022
 - PILOT Fee for FY 2021 and FY 2022 will increase by \$0.03 and \$0.02 per Ccf respectively
 - Right-of-Way Fee will remain the same at \$0.19 per Ccf
 - CAP2 Program made permanent



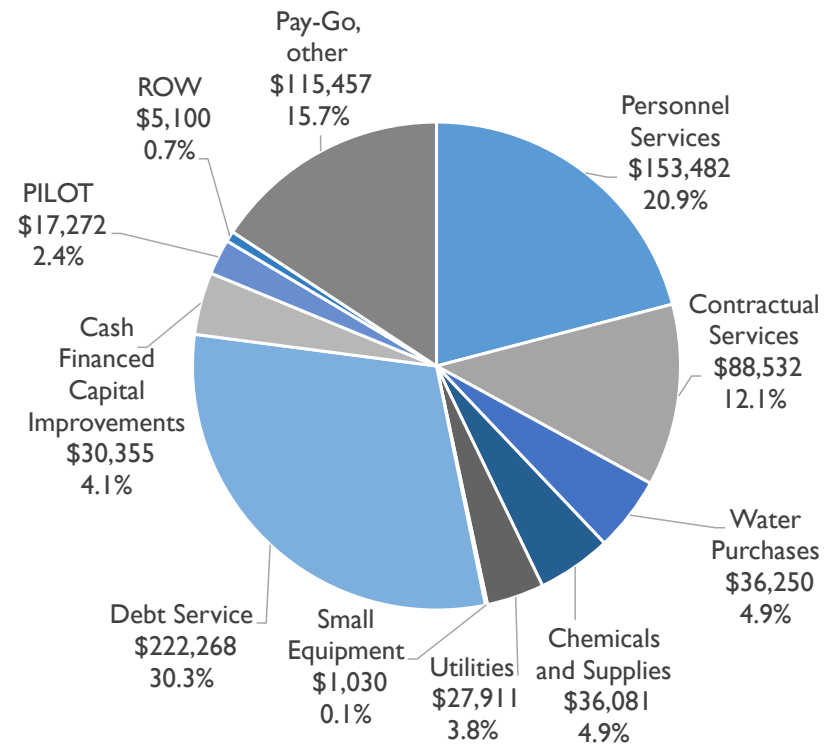
FY 2021 Operating: Sources and Uses of Funds

\$ in thousands

Sources - \$733.7 Million



Uses - \$733.7 Million

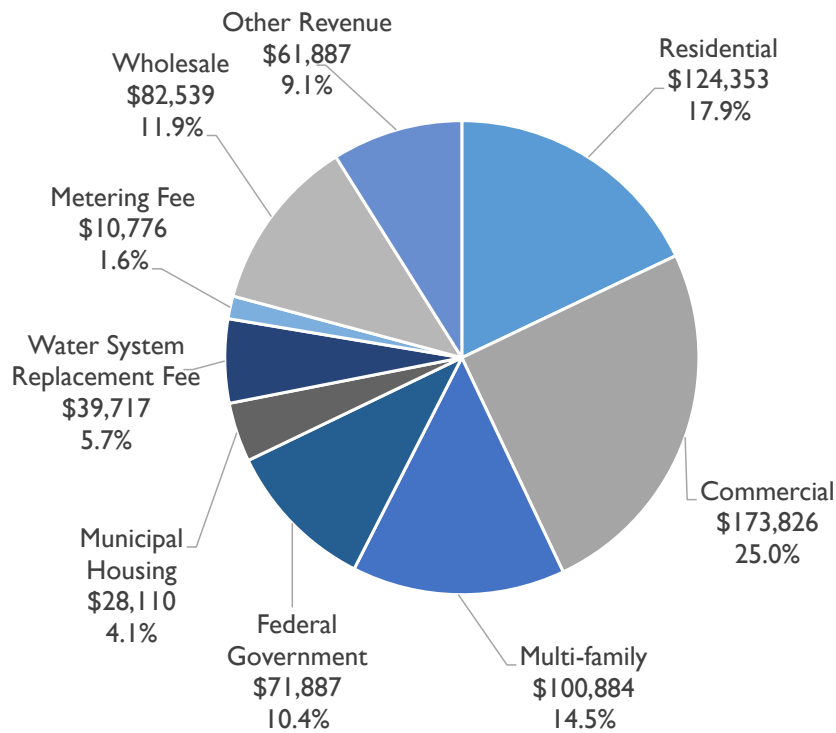




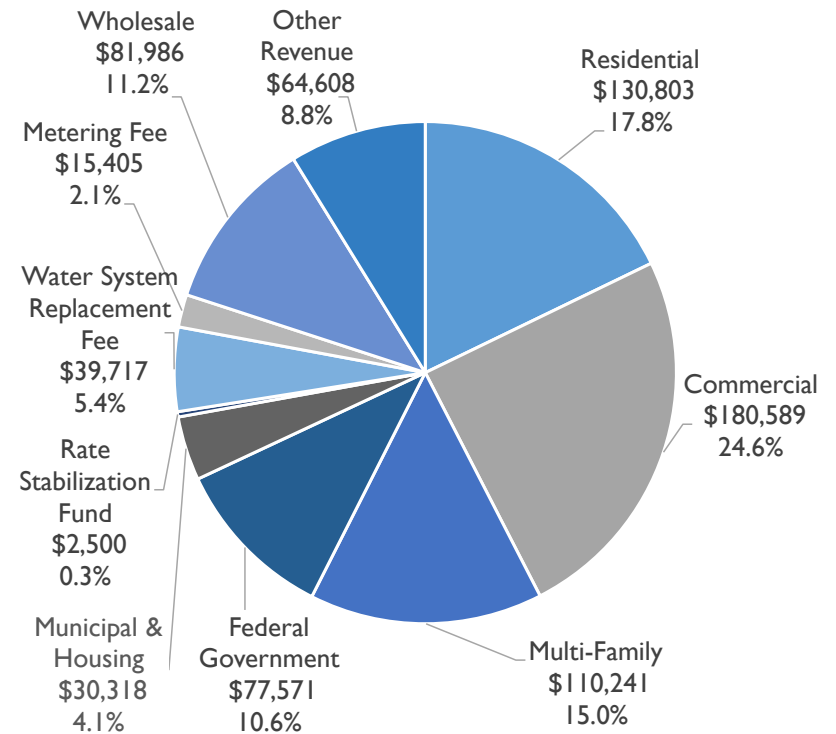
FY 2020 vs. FY 2021 Operating Revenues

\$ in thousands

Approved FY 2020
\$693,979



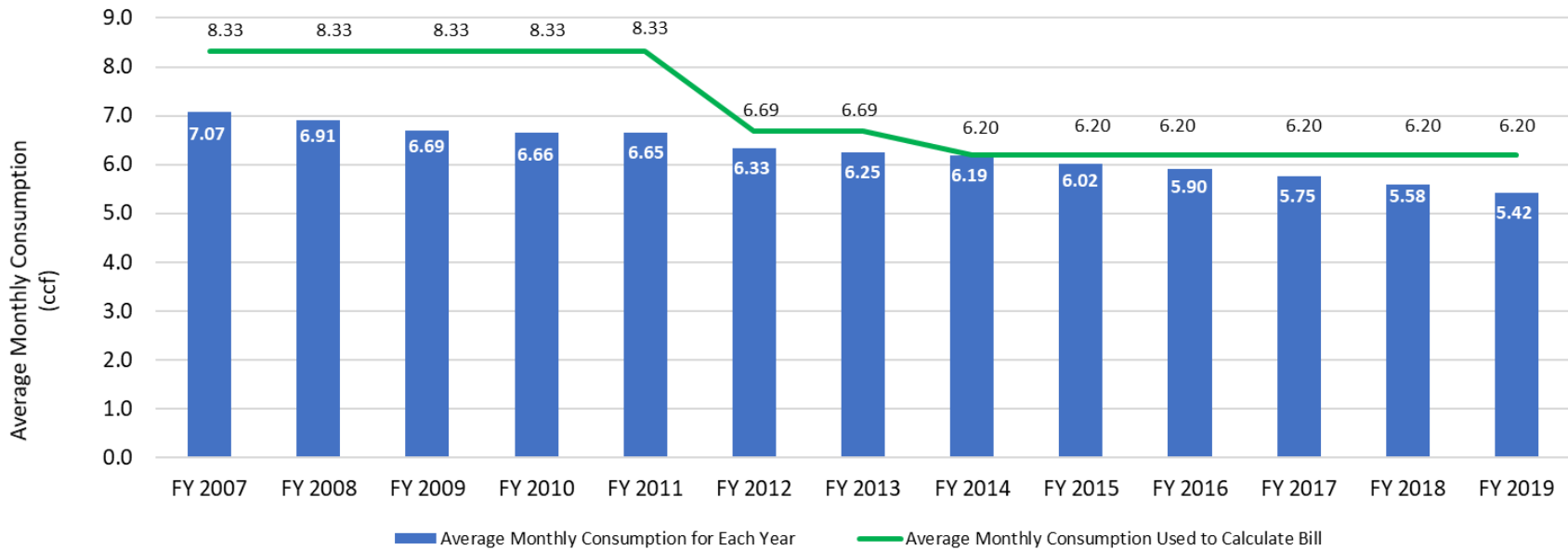
Proposed FY 2021
\$733,738





Average Residential Consumption Comparison

- 💧 The current residential use in FY 2019 is about 5.42 Ccfs, less than the 6.20 Ccfs that DC Water has used since FY 2014
- 💧 Since FY 2009, average household water use has declined by 19 percent





Average Residential Customer Monthly Bill

💧 **Average Residential Customer Monthly bill based on 5.42 Ccf, or 4,054 gallons**

- Updated most recently in FY 2019 from average household usage of 6.20 Ccf to reflect decrease in usage

💧 **Gives most households a year over year representation of their water bill:**

- 15% or 17,169 households use 1 Ccf or less per month
- 27% or 30,107 households use 2 Ccf or less per month
- 41% or 45,217 households use 3 Ccf or less per month
- 54% or 59,971 households use 4 Ccf or less per month
- 65% or 72,819 households use 5 Ccf or less per month
- 74% or 82,797 households use 6 Ccf or less per month
- 81% or 90,160 households use 7 Ccf or less per month
- 86% or 95,628 households use 8 Ccf or less per month
- 89% or 99,460 households use 9 Ccf or less per month
- 92% or 102,213 households use 10 Ccf or less per month
- 99% or 109,953 households use 20 Ccf or less per month



Average Residential Customer Monthly Bill

	Units	Current FY 2020	Proposed FY 2021	Proposed FY 2022
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 66.25	\$ 73.30	\$ 78.92
DC Water Clean Rivers IAC ⁽²⁾	ERU	20.94	19.52	18.40
DC Water Customer Metering Fee	5/8"	3.86	4.96	7.75
DC Water Water System Replacement Fee ⁽⁴⁾	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 97.35	\$ 104.08	\$ 111.37
Increase / Decrease		\$ 5.01	\$ 6.73	\$ 7.29
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 2.76	\$ 2.93	\$ 3.04
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	1.03	1.03	1.03
District of Columbia Stormwater Fee ⁽³⁾	ERU	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.46	\$ 6.63	\$ 6.74
Total Amount Appearing on DC Water Bill		\$ 103.81	\$ 110.71	\$ 118.11
Increase / Decrease Over Prior Year		\$ 5.11	\$ 6.90	\$ 7.40
Percent Increase in Total Bill		5.2%	6.6%	6.7%

(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



Multi-Year Rate Proposal

💧 **Proposed rates are for FY 2021 and FY 2022**

💧 **Multi-year rates provide many benefits:**

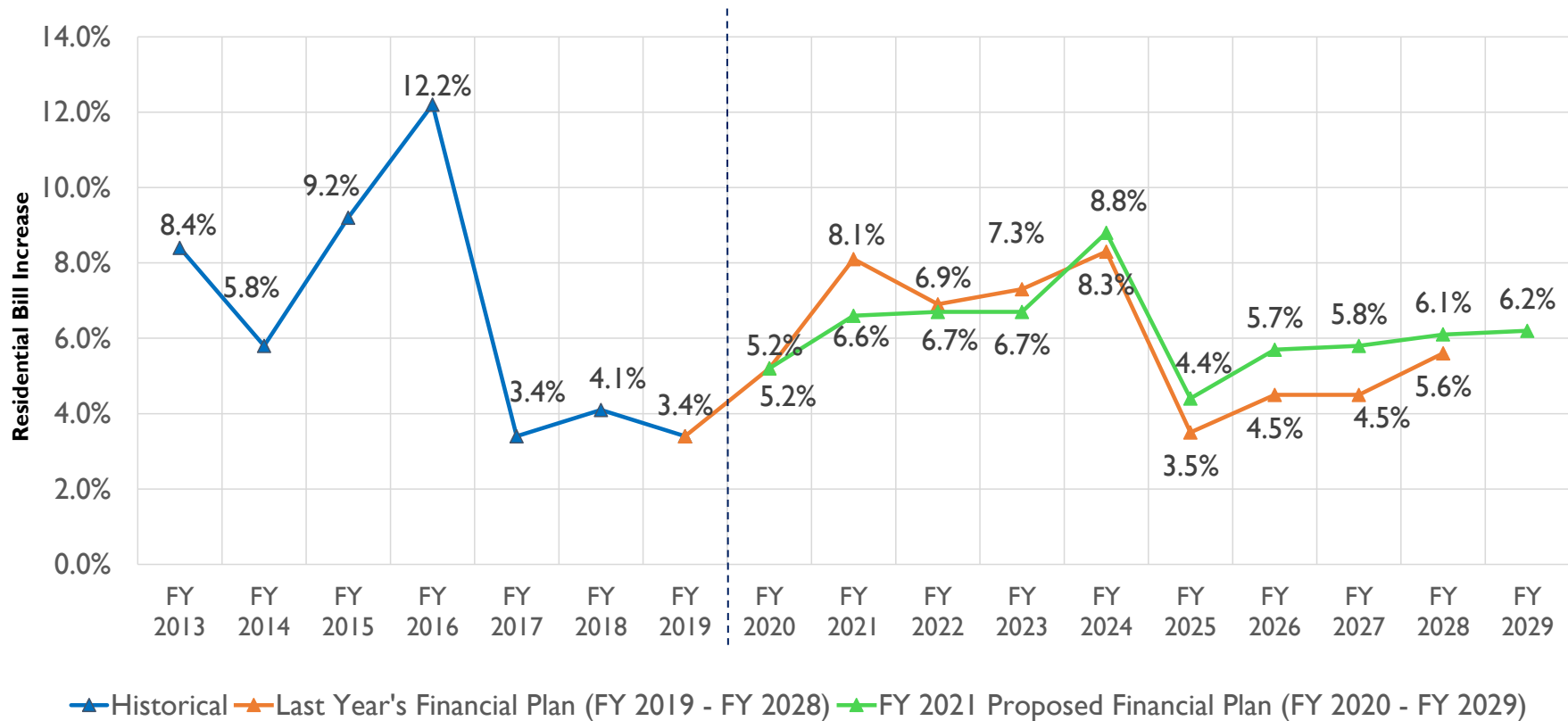
- Revenue certainty
- Budget discipline
- Expenditures better aligned with revenues
- Favorable credit rating agency treatment
- Better predictability for our ratepayers

💧 **Potential risks / considerations:**

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



Historical and Projected Combined Rate Increases for Average Residential Customer





Rate Stabilization Fund

- 💧 Budget proposes \$13 million withdrawal over FY 2021 and FY 2022
 - \$8 million in debt service savings in the current fiscal year, plus remaining \$5 million withdrawal from Rate Stabilization Fund to be deposited in FY 2020
 - Budget makes CAP2 program permanent
- 💧 Apply \$2.5 million in FY 2021 and \$10.5 million in FY 2022
- 💧 Management recommends a Rate Stabilization Fund target that is ten percent of overall revenues
 - During the last recession, from 2007 through 2011, there was a \$41.8 million reduction in Rate Stabilization Fund balance as the Board drew funds to reduce the impact of rising rates

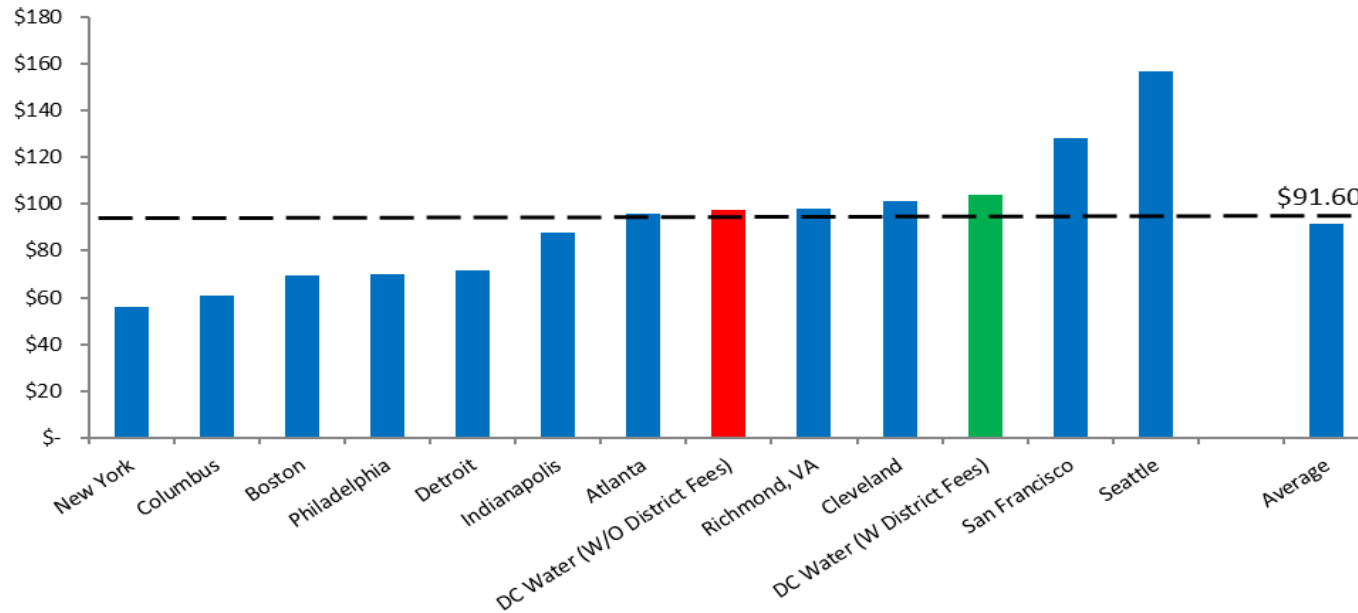


Customer Metering Fee

- 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 Customer Service costs
- Current Cost of Service Study recommends 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
 - 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)



DC Water Compared to CSO Communities



* Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons
 Reflects rates and fees in place as of November 1, 2019



Proposed FY 2021 & FY 2022 Rates, Charges & Fees

	Units	Approved FY 2020	Proposed FY 2021	Proposed FY 2022	Incr./(Decr.) FY 2021		Incr./(Decr.) FY 2022	
					\$	%	\$	%
DC Water Retail Rates – Water:								
Residential – Lifeline (0- 4 Ccf)	Ccf	\$3.06	\$3.49	\$3.63	\$0.43	14.1%	\$0.14	4.0%
Residential – (> 4 Ccf)	Ccf	4.10	4.50	4.74	0.40	9.8	0.24	5.3
Multi-family	Ccf	3.54	3.96	4.15	0.42	11.9	0.19	4.8
Non-Residential	Ccf	4.25	4.65	4.91	0.40	9.4	0.26	5.6
DC Water Retail Rates – Sewer	Ccf	8.89	9.77	10.64	0.88	9.9	0.87	8.9
DC Water Clean Rivers IAC	ERU	20.94	19.52	18.40	-1.42	-6.8	-1.12	-5.7
DC Water Customer Metering Fee	5/8”	3.86	4.96	7.75	1.10	28.5	2.79	56.3
DC Water System Replacement Fee	5/8”	6.30	6.30	6.30	-	-	-	-
District of Columbia PILOT Fee	Ccf	0.51	0.54	0.56	0.03	5.9	0.02	3.7
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	-	-	-	-



Revenue Comparison by Customer Class

- 💧 Total revenue is projected to increase by \$39.8 million or 5.7% for FY 2021 and \$32.6 million or 4.4% for FY 2022 mainly due to rate increases
- 💧 Retail revenue is projected to increase by \$35.1 million or 6.4% for FY 2021 and \$23.0 million or 3.9% for FY 2022 due to rate increases for both years
- 💧 Wholesale revenue is projected to decrease by \$0.6 million or -0.7% for FY 2021 due to low flows and increase by \$2.5 million or 3.0% for FY 2022 due to 3.0 percent escalation

<i>\$ in thousands</i>	Approved FY 2020	Proposed FY 2021	Proposed FY 2022	FY 2021 vs FY 2020		FY 2022 vs FY 2021	
				Incr/(Decr)		Incr/(Decr)	
				\$	%	\$	%
Retail Revenue	\$549,553	\$584,644	\$607,652	\$35,091	6.4%	\$23,008	3.9%
Wholesale Revenue							
Potomac Interceptor (PI)	2,715	3,547	3,547	832	30.6%	-	-
Loudoun County Sanitation Authority (LCSA)	7,758	7,648	7,983	-110	-1.4%	335	4.4%
Washington Suburban Sanitary Commission (WSSC)	57,284	55,952	57,630	-1,332	-2.3%	1,678	3.0%
Fairfax County	14,782	14,839	15,285	57	0.4%	446	3.0%
Total Wholesale Revenue	\$82,539	\$81,986	\$84,445	-\$553	-0.7%	\$2,459	3.0%
Other Revenue	61,887	64,608	63,701	2,721	4.4%	-907	-1.4%
Rate Stabilization Fund	-	2,500	10,500	2,500	-	8,000	320.0%
Total Revenues	\$693,979	\$733,738	\$766,298	\$39,759	5.7%	\$32,560	4.4%



Customer Assistance Programs (with 50 percent CRIAC Discount for CAP)

- Independent rate review identified that households in CAP program pay greater percentage of household income for water and sewer bills than the newer CAP expansion programs

	CAP Thresholds	Annual Bill as % of Income (before Discount)	Annual Bill as % of Income (w Discount)	Annual Savings
State Median Income	\$105,173			
Area Median Income¹	\$121,300	Projected FY2021	Projected FY2021	Projected FY2021
CAP - Up to 60% SMI				
20%	\$21,035	6.32%	2.21%	\$864.24
30%	31,552	4.21%	1.47%	864.24
40%	42,069	3.16%	1.10%	864.24
50%	52,587	2.53%	0.88%	864.24
60%	63,104	2.11%	0.74%	864.24
CAP2 - Up to 80% AMI				
80%	\$97,040	1.37%	0.76%	\$594.48
CAP3 - Up to 100% AMI				
100%	\$121,300	1.10%	0.95%	\$175.68

Notes:

1 - AMI based on 2019 data as published by the U.S. Department of Housing and Urban Development.



💧 History of CAP program –

- Implemented CAP providing a discount of 4 Ccf of water use per month to Households, effective on 6/1/00
 - Expanded Customers eligible for CAP benefits to include Tenants, effective 6/1/04
 - Expanded CAP benefits adding discount of 4 Ccf of sewer per month, effective on 1/30/09
 - Expanded CAP benefits adding discount of 4 Ccf per month of water used on District PILOT & ROW Fees, effective on 10/1/10
 - Expanded CAP benefits adding discount of 100 percent of monthly billed Water System Replacement Fee (WSRF), effective on 10/1/15
 - Expanded CAP benefits adding discount of 50 percent for the Clean Rivers Impervious Area Charge (CRIAC), effective on 5/1/17
- 💧 The CEO and General Manager recommends in the FY'20 Budget increasing the discount for the Clean Rivers Impervious Area Charge from 50% to 75%
- 💧 This will help address the issue identified by the independent rate consultant



Customer Assistance Programs (with 75 percent CRIAC Discount for CAP)

- By increasing the discount for the Clean Rivers Impervious Area Charge, CAP customers would decrease the percentage of household income spent on water and sewer bills

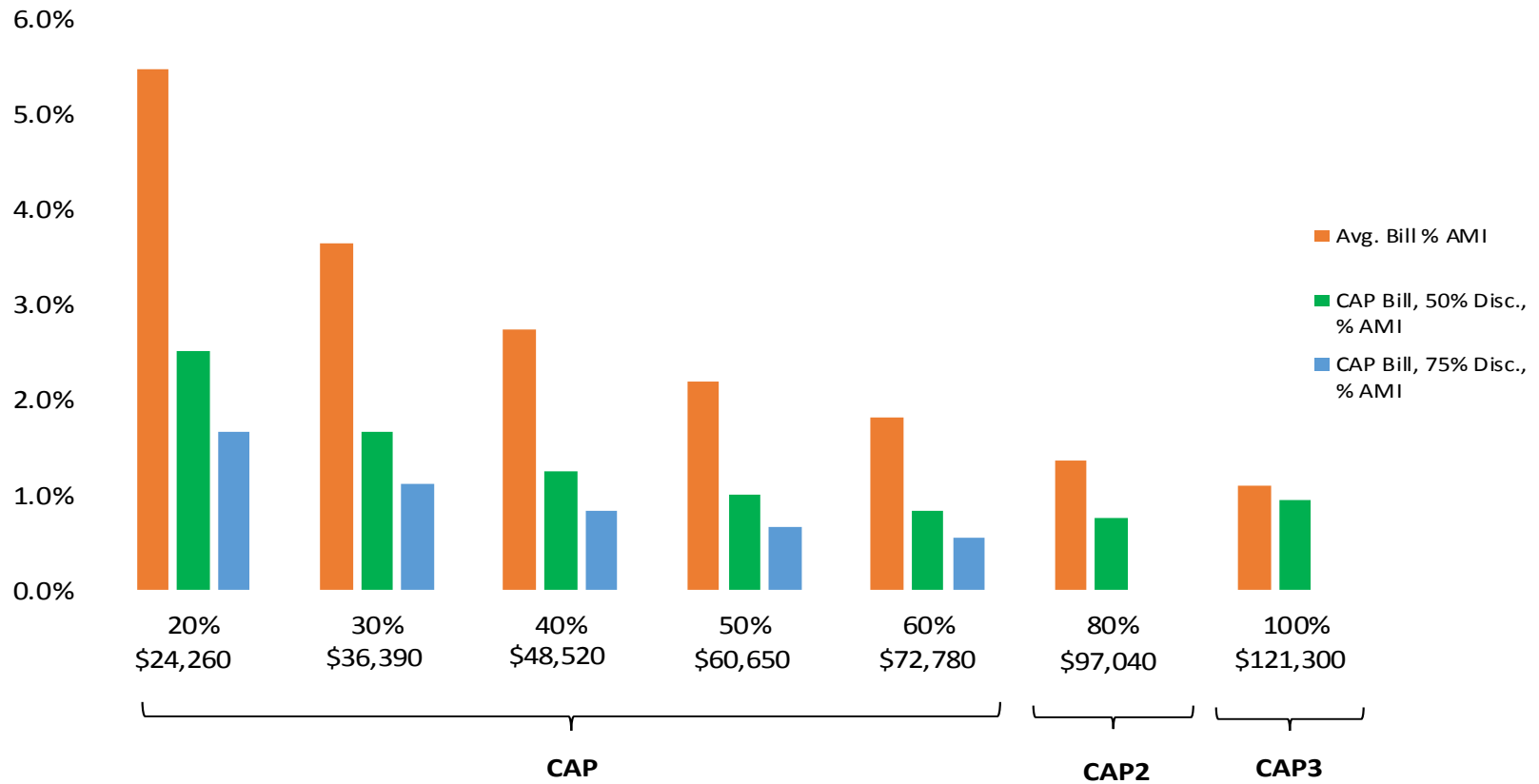
	CAP Thresholds	Annual Bill as % of Income (before Discount)	Annual Bill as % of Income (w Discount)	Annual Savings
State Median Income	\$105,173			
Area Median Income¹	\$121,300	Projected FY2021	Projected FY2021	Projected FY2021
CAP - Up to 60% SMI				
20%	\$21,035	6.32%	1.93%	\$922.80
30%	31,552	4.21%	1.29%	922.80
40%	42,069	3.16%	0.96%	922.80
50%	52,587	2.53%	0.77%	922.80
60%	63,104	2.11%	0.64%	922.80
CAP2 - Up to 80% AMI				
80%	\$97,040	1.37%	0.76%	\$594.48
CAP3 - Up to 100% AMI				
100%	\$121,300	1.10%	0.95%	\$175.68

Notes:

1 - AMI based on 2019 data as published by the U.S. Department of Housing and Urban Development.



Average Residential Customer Bill as a Percent of AMI (with 50% & 75% CAP Discount)





Low Income CAP Customer Monthly Bill

	Units	Current FY 2020	Proposed FY 2021	Proposed FY 2022
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 66.25	\$ 73.30	\$ 78.92
DC Water Clean Rivers IAC	ERU	20.94	19.52	18.40
DC Water Customer Metering Fee	5/8"	3.86	4.96	7.75
DC Water Water System Replacement Fee	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 97.35	\$ 104.08	\$ 111.37
Increase / Decrease		\$ 5.01	\$ 6.73	\$ 7.29
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 2.76	\$ 2.93	\$ 3.04
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	1.03	1.03	1.03
District of Columbia Stormwater Fee ⁽⁴⁾	ERU	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.46	\$ 6.63	\$ 6.74
Total Amount		\$ 103.81	110.71	118.11
Increase / Decrease Over Prior Year		\$ 5.11	\$ 6.90	\$ 7.40
Percent Increase in Total Bill		5.2%	6.6%	6.7%
Less: CAP Discount (4 Ccf per month) ^{(1), (2)}		(50.60)	(55.96)	(60.08)
Water System Replacement Fee (WSRF) ⁽³⁾		(6.30)	(6.30)	(6.30)
Clean Rivers IAC ⁽⁵⁾		(10.47)	(14.64)	(13.80)
Total Amount Appearing on DC Water Bill		\$ 36.44	33.81	37.93
Increase / Decrease Over Prior Year		\$ 0.90	\$ (2.63)	\$ 4.12
CAP Customer Discount as a Percent of Total Bill		-64.9%	-69.5%	-67.9%

(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

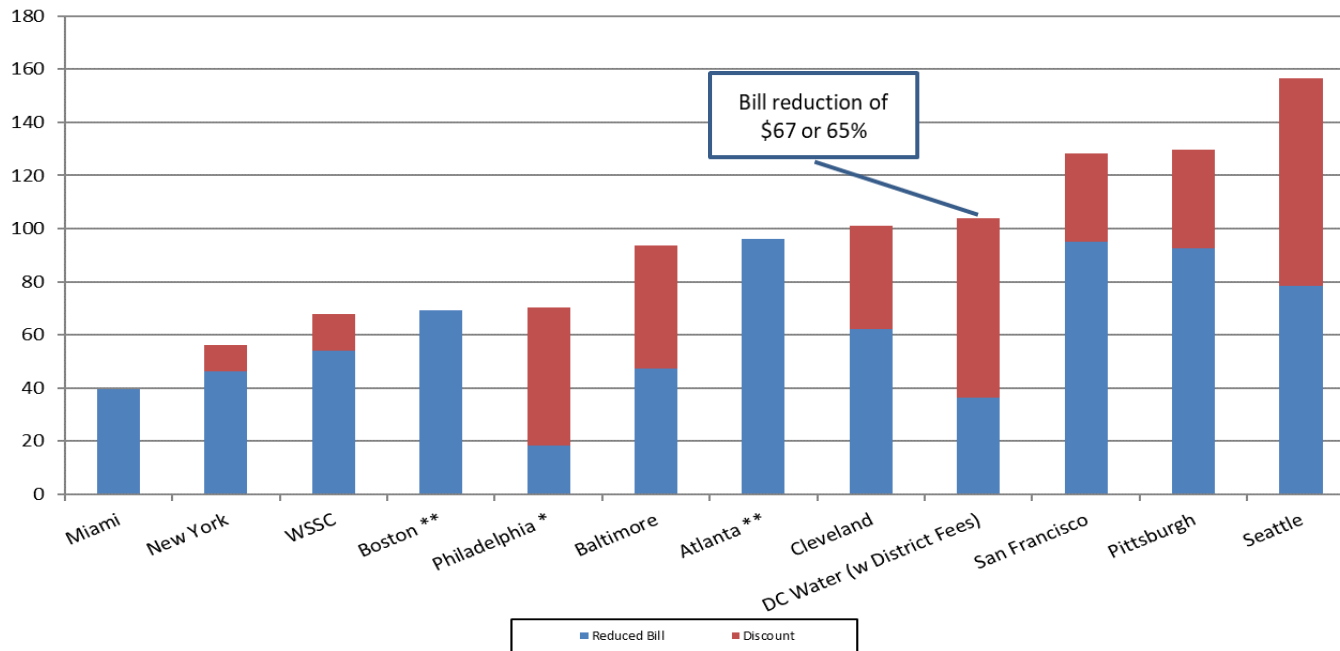
(3) Assumes 100 percent discount for Water System Replacement Fee (WSRF) to CAP customers effective October 1, 2015

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

(5) Assumes 50 percent discount for FY2020 and 75% discount for FY2021 and FY2022 for the Clean Rivers IAC



SFR Monthly Bills – Comparison of Charges with & without Income – Based Affordability Programs



* Amount of discounts Philadelphia provides depend on income. Chart above uses average discount
 ** Boston provides a 30% discount on water bills for senior citizens or fully disabled customers with no income eligibility requirement.
 Atlanta provides a 30% discount on bills for seniors citizens who meet income eligibility requirement.

■ Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons.
 Note: Reflects rates and fees in place as of November 1, 2019.



Shifting Cost from CRIAC to Sewer Volumetric Rate

- 💧 This budget continues shifting a portion of Clean Rivers costs to the sewer volumetric rate
 - Gives customers more control over the amount that they pay towards the project
 - As a class, Multi-family and Commercial pays more, while the Federal Government pays less
 - Small volume customers in every class generally pay less
 - Average Residential customers pay about the same

💧 Category-wise Impact of 28% CRIAC Shift to Sewer – FY 2021

Category	Pre Shift Sewer	Post Shift Sewer	Pre Shift CRIAC	Post Shift CRIAC	Sewer Incr/(Decr)	CRIAC Incr/(Decr)	Sewer+CRIAC Net Incr/(Decr)
Residential	\$61,432,669	\$64,398,839	\$31,390,976	\$27,564,186	\$2,966,170	(\$3,826,790)	(\$860,620)
Commercial	108,318,384	113,548,349	37,390,834	32,832,617	5,229,965	(4,558,217)	671,748
Multi Family	76,517,215	80,211,716	14,710,368	12,917,066	3,694,501	(1,793,302)	1,901,199
Federal	38,765,402	40,637,122	21,658,180	19,017,889	1,871,720	(2,640,291)	(768,571)
Municipal	6,921,227	7,255,406	9,172,047	8,053,907	334,179	(1,118,140)	(783,960)
Housing	7,339,532	7,693,908	1,381,353	1,212,956	354,377	(168,397)	185,979
TOTAL:	\$299,294,430	\$313,745,341	\$115,703,758	\$101,598,622	\$14,450,911	(\$14,105,137)	\$345,775



Shifting Cost from CRIAC to Sewer Volumetric Rate

Category-wise Impact of 37% CRIAC Shift to Sewer – FY 2022

Category	Pre Shift Sewer	Post Shift Sewer	Pre Shift CRIAC	Post Shift CRIAC	Sewer Incr/(Decr)	CRIAC Incr/(Decr)	Sewer+CRIAC Net Incr/(Decr)
Residential	\$66,289,607	\$69,081,432	\$29,639,972	\$25,982,634	\$2,791,825	(\$3,657,338)	(\$865,513)
Commercial	116,882,161	121,804,721	35,305,156	30,948,779	4,922,559	(4,356,377)	566,182
Multi Family	82,566,755	86,044,101	13,889,817	12,175,923	3,477,346	(1,713,894)	1,763,453
Federal	41,830,239	43,591,944	20,450,077	17,926,699	1,761,705	(2,523,378)	(761,673)
Municipal	7,468,427	7,782,964	8,660,426	7,591,798	314,537	(1,068,628)	(754,091)
Housing	7,919,804	8,253,351	1,304,300	1,143,360	333,547	(160,940)	172,607
TOTAL:	\$322,956,994	\$336,558,513	\$109,249,748	\$95,769,193	\$13,601,519	(\$13,480,555)	\$120,964



Projected Bills for Sample Customers

💧 28% CRIAC shift in FY 2021

💧 37% CRIAC shift in FY 2022

Monthly	Average Household	Average Multi-Family	Sample Commercial	Sample Cemetery	Sample Non-profit (High Con)	Sample Non-profit (Low Con)
Monthly CCF	5.42	86.14	3,332.33	4.70	804.07	7.36
ERU	1	6.83	52.2	115.1	128.6	59.2
FY2020 Monthly Total Bill	\$104	\$1,341	\$49,575	\$2,793	\$14,877	\$1,591
FY 2021 Estimated Total Bill with 28% IAC recovered through Volumetric Charge	\$111	\$1,447	\$53,958	\$2,637	\$15,788	\$1,519
FY 2022 Estimated Total Bill with 37% IAC recovered through Volumetric Charge	\$118	\$1,538	\$57,966	\$2,516	\$16,672	\$1,466



Financial Plan



Financial Plan Objectives

- 💧 DC Water's 10-year financial plan serves as the fiscal roadmap to achieve the Board's strategic plan
- 💧 It is one of management's key tools to monitor progress in meeting financial goals and targets
- 💧 It also ensures meeting or exceeding all debt-related legal and policy requirements, as well as maintaining sufficient liquidity to meet all current financial obligations
- 💧 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 including Rate Stabilization Fund
- FY 2019 actual consumption declined by 1.8 percent. Assumed 1.5 percent conservation each for FY 2020 and FY 2021 and 1.0 percent in FY 2022 and onwards
- FY 2019 Debt Service was lower as compared to budget due to deferring bond issuance as well as achieving lower interest than projected. The new plan assumed lower interest rates with slightly lower Debt Service projections



Ten-Year Financial Plan

\$ in thousands

OPERATING	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Retail*	\$ 571,666	\$ 607,107	\$ 630,495	\$ 669,848	\$ 723,657	\$ 752,224	\$ 791,988	\$ 833,503	\$ 879,616	\$ 928,122
Wholesale*	82,539	81,986	84,445	86,978	89,588	92,275	95,044	97,895	100,832	103,857
Other	44,774	42,145	40,858	44,081	46,959	51,637	54,692	54,970	56,935	57,752
RSF	-	2,500	10,500	-	-	-	-	-	-	-
Operating Receipts ⁽¹⁾	\$ 698,979	\$ 733,738	\$ 766,298	\$ 800,907	\$ 860,204	\$ 896,136	\$ 941,724	\$ 986,368	\$ 1,037,383	\$ 1,089,731
Operating Expenses	(347,881)	(365,658)	(376,303)	(387,553)	(399,149)	(411,101)	(423,421)	(436,120)	(449,209)	(462,701)
Debt Service	(205,137)	(222,268)	(240,497)	(257,460)	(271,238)	(286,756)	(299,489)	(315,321)	(332,807)	(348,316)
Cash Financed Capital Improvement	\$ (28,556)	\$ (30,355)	\$ (37,830)	\$ (46,889)	\$ (50,656)	\$ (60,178)	\$ (71,279)	\$ (75,015)	\$ (79,165)	\$ (83,531)
Net Revenues After Debt Service	\$ 117,405	\$ 115,456	\$ 111,668	\$ 109,005	\$ 139,161	\$ 138,101	\$ 147,535	\$ 159,912	\$ 176,202	\$ 195,183
Operating Reserve-Beg Balance	186,764	180,000	185,000	194,000	201,000	205,000	215,000	220,000	230,000	240,000
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(5,372)	(3,184)	(5,490)	-	-	-	-	-	-	-
Project Billing Refunds	(4,000)	(4,000)	-	-	-	-	-	-	-	-
Transfers To RSF	(13,000)	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(101,797)	(103,272)	(97,178)	(102,005)	(135,161)	(128,101)	(142,535)	(149,912)	(166,202)	(185,183)
Operating Reserve - Ending Balance	\$ 180,000	\$ 185,000	\$ 194,000	\$ 201,000	\$ 205,000	\$ 215,000	\$ 220,000	\$ 230,000	\$ 240,000	\$ 250,000
Rate Stabilization Fund Balance RSF ⁽²⁾	\$ (74,450)	\$ (71,950)	\$ (61,450)	\$ (61,450)	\$ (61,450)	\$ (61,450)	\$ (61,450)	\$ (61,450)	\$ (61,450)	\$ (61,450)
Senior Debt Service Coverage	459%	502%	533%	513%	616%	647%	632%	618%	660%	769%
Combined Debt Service Coverage	171%	172%	169%	170%	179%	177%	181%	182%	184%	187%
Actual/Projected Water/Sewer Rate Increases	11.5%	9.9%	7.8%	8.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
*Operating Receipts \$ Increase/Decrease										
Retail	7,460	35,441	23,388	39,353	53,809	28,567	39,764	41,514	46,113	48,507
Wholesale	423	(554)	2,460	2,533	2,609	2,688	2,768	2,851	2,937	3,025
*Operating Receipts % Increase/Decrease										
Retail	1.3%	6.2%	3.9%	6.2%	8.0%	3.9%	5.3%	5.2%	5.5%	5.5%
Wholesale	0.5%	-0.7%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

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

⁽²⁾ FY 2021 planned transfers of \$0.0 million to Rate Stabilization Fund and \$2.5 million utilization will bring the total fund balance to \$71.95 million



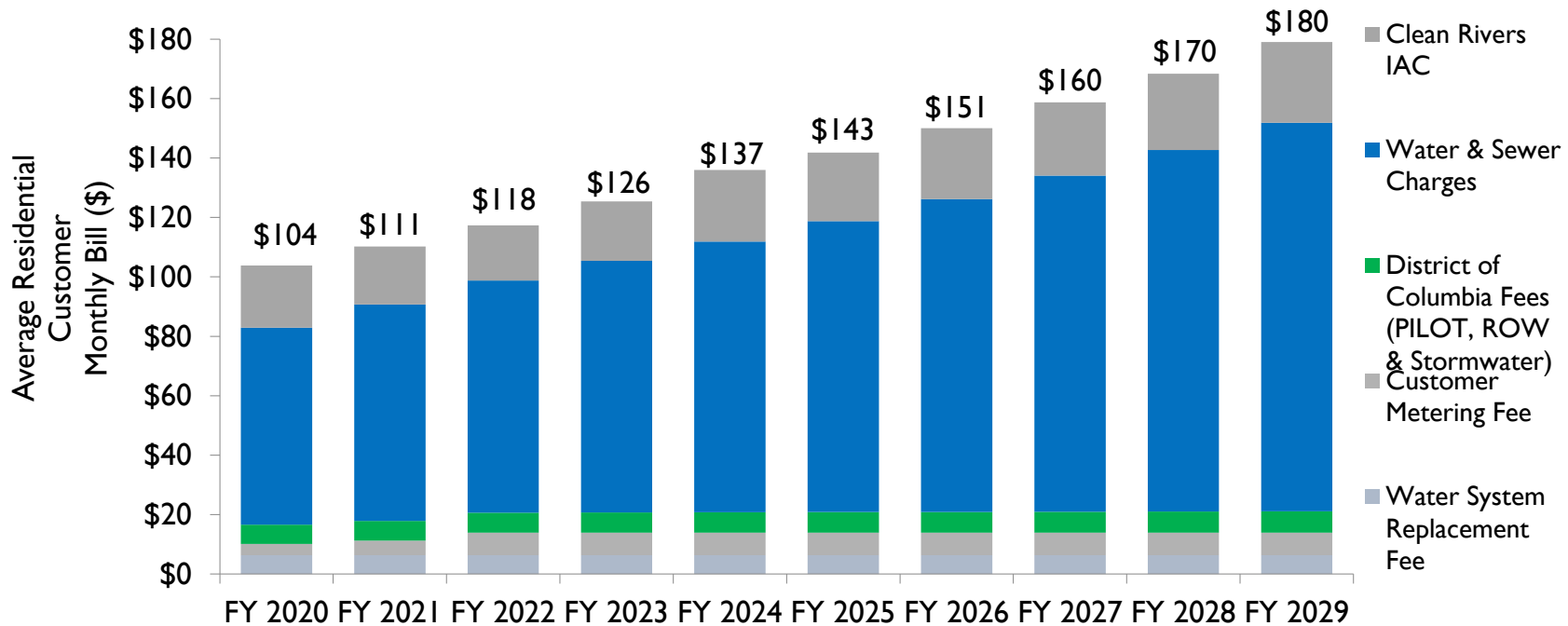
Financial Metrics

Metrics	Indenture Requirement	Board Policy	Management Target
Days of Cash on Hand	—	\$125.5 million or 120 Days	250 Days
Combined Coverage Ratio	—	—	1.6X
Senior Coverage	1.2X	1.4X	—
Subordinate Coverage	1.0X	1.0X	—
Debt Service as a % of Revenue	—	—	33% of Revenue or Less
Rate Stabilization Fund	—	—	10% of Revenue



Projected Average Residential Customer Bill

Projected average monthly residential customer bill ranges from \$104 in FY 2020 to \$180 in FY 2029



* Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons



Customer Impacts

Residential – Avg. 5.42 Ccf / 1 ERU Base	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Water & Sewer Rate (%)	11.5%	9.9%	7.8%	8.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
CRIAC (\$/ERU)	\$20.94	\$19.52	\$18.40	\$19.58	\$24.07	\$23.07	\$23.82	\$24.56	\$25.64	\$26.78
Avg. Customer Bill (\$)	\$104	\$111	\$118	\$126	\$137	\$143	\$151	\$160	\$170	\$180
Avg. Customer Bill (%)	5.2%	6.6%	6.7%	6.7%	8.8%	4.4%	5.7%	5.8%	6.1%	6.2%
Multi-family – Avg. 86.14 Ccf / 6.83 ERU Base	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Water & Sewer Rate (%)	11.5%	9.9%	7.8%	8.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
CRIAC (\$/ERU)	\$20.94	\$19.52	\$18.40	\$19.58	\$24.07	\$23.07	\$23.82	\$24.56	\$25.64	\$26.78
Avg. Customer Bill (\$)	\$1,341	\$1,447	\$1,538	\$1,654	\$1,791	\$1,896	\$2,022	\$2,157	\$2,304	\$2,461
Avg. Customer Bill (%)	8.1%	8.0%	6.2%	7.6%	8.3%	5.9%	6.6%	6.7%	6.8%	6.8%
Commercial – Avg. 115.82 Ccf / 14.17 ERU Base	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Water & Sewer Rate (%)	11.5%	9.9%	7.8%	8.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
CRIAC (\$/ERU)	\$20.94	\$19.52	\$18.40	\$19.58	\$24.07	\$23.07	\$23.82	\$24.56	\$25.64	\$26.78
Avg. Customer Bill (\$)	\$2,029	\$2,163	\$2,285	\$2,456	\$2,669	\$2,814	\$2,994	\$3,189	\$3,401	\$3,629
Avg. Customer Bill (%)	6.8%	6.6%	5.7%	7.5%	8.7%	5.4%	6.4%	6.5%	6.7%	6.7%



Next Steps



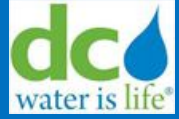
Budget Adoption Calendar

- 💧 Board Member Questions & Follow Up
 - Submit budget-related questions to Board Secretary
 - Board Secretary will distribute questions to appropriate staff
- 💧 Wholesale Customer Briefing – **January 10**
- 💧 Committee Reviews, Recommendations & Actions – **January & February**



	Environmental Quality & Operations	DC Retail Water & Sewer Rates	Finance & Budget
FY 2020 - FY 2029 Capital Budget (Disbursements & Lifetime)	Action Required		Action Required
FY 2021 Operating Budget			Action Required
Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing			Action Required
FY 2020 – FY 2029 Financial Plan		Action Required	Action Required
FY 2021 & 2022 Rates, Charges & Fees		Action Required	

- 💧 Board Adoption – **March 5**



Appendix



10-Year CIP

- 💧 The proposed FY 2020 disbursement includes the underspending from FY 2019 to remain congruent with previously approved rate increases
- 💧 Ramp-up to modified Baseline CIP beginning in FY 2021

Service Area (\$000's)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	10-Yr Total	Last Year's CIP	(Increase) /Decrease
Non-Process Facilities	\$ 42,066	\$ 31,849	\$ 20,665	\$ 6,831	\$ 11,058	\$ 10,396	\$ 3,901	\$ 3,553	\$ 3,560	\$ 3,600	\$ 137,479	\$ 138,067	\$ 588
Wastewater Treatment	77,536	102,976	113,378	107,232	107,312	70,680	97,878	101,839	132,256	138,165	1,049,252	978,738	(70,514)
Clean Rivers	162,197	147,565	179,833	129,272	67,536	59,909	148,771	103,265	88,890	115,049	1,202,288	1,262,589	60,301
Combined Sewer	9,239	9,493	12,816	16,553	16,731	8,568	6,699	7,572	8,972	12,435	109,078	79,178	(29,900)
Stormwater	6,869	9,631	7,535	4,170	5,392	4,660	4,201	4,306	6,869	5,057	58,690	68,608	9,918
Sanitary Sewer	44,933	63,926	115,541	88,110	91,562	138,341	159,814	176,789	175,873	174,032	1,228,922	957,135	(271,787)
Water	62,163	88,677	108,878	109,000	92,905	101,765	116,319	146,791	154,916	154,697	1,136,112	945,015	(191,097)
CAPITAL PROJECTS	405,004	454,118	558,645	461,168	392,496	394,318	537,584	544,115	571,337	603,035	4,921,821	4,429,330	(492,491)
Capital Equipment	31,703	37,207	33,790	32,315	33,000	33,000	33,000	33,000	33,000	33,000	333,015	340,324	7,309
Washington Aqueduct	15,515	16,266	18,572	37,841	12,699	33,875	9,508	12,863	24,068	13,971	195,178	187,127	(8,051)
ADDITIONAL CAPITAL PROGRAMS	47,218	53,473	52,362	70,156	45,698	66,875	42,509	45,863	57,068	46,971	528,193	527,450	(743)
TOTAL CIP	\$ 452,223	\$ 507,590	\$ 611,008	\$ 531,322	\$ 438,194	\$ 461,193	\$ 580,093	\$ 589,978	\$ 628,404	\$ 650,006	\$ 5,450,013	\$ 4,956,780	\$ (493,233)
Last Years CIP	420,342	467,016	561,724	530,006	422,607	450,358	585,454	535,666	544,490	439,117	4,956,780		
(Increase)/Decrease	(31,880)	(40,574)	(49,284)	(1,317)	(15,587)	(10,835)	5,361	(54,312)	(83,914)	(210,890)	(493,232)		



Amendment of Engineering Review and Miscellaneous Fees

Presentation to the DC Retail Water and Sewer Rates Committee

January 28, 2020

District of Columbia Water and Sewer Authority



Blue Plains Advanced Wastewater Treatment Plant

Purpose

- Request that the Committee recommend the Final Amendment to Regulations for Engineering Review and Miscellaneous Fees to the Full Board

Engineering Review Fee Amendments Implementation Schedule

- 06/03/19 – Miscellaneous Fees & Charges went –live*
- 10/22/19 – Management proposes Amendments to Miscellaneous Fees & Charges*
- 11/07/19 – Board approves Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees & Charges*
- 11/22/19 – Publish Miscellaneous Fees & Charges modifications NOPR in D.C. Register*
- 11/23/19 – Comment period*
- 12/23/19 – Comment period ends*
- 01/28/20 – RRC final recommendation to approve amendments for Miscellaneous Fees & Charges*
- 02/06/20 – Board approval of Notice of Final Rulemaking (NOFR) for Miscellaneous Fees & Charges*
- 02/21/20 – Publish Miscellaneous Fees & Charges modifications NOFR in D.C. Register*
- 03/02/20 – Miscellaneous Fees & Charges Amendments go-live**

Public Comment Period

 No written comments were received

Recommendation

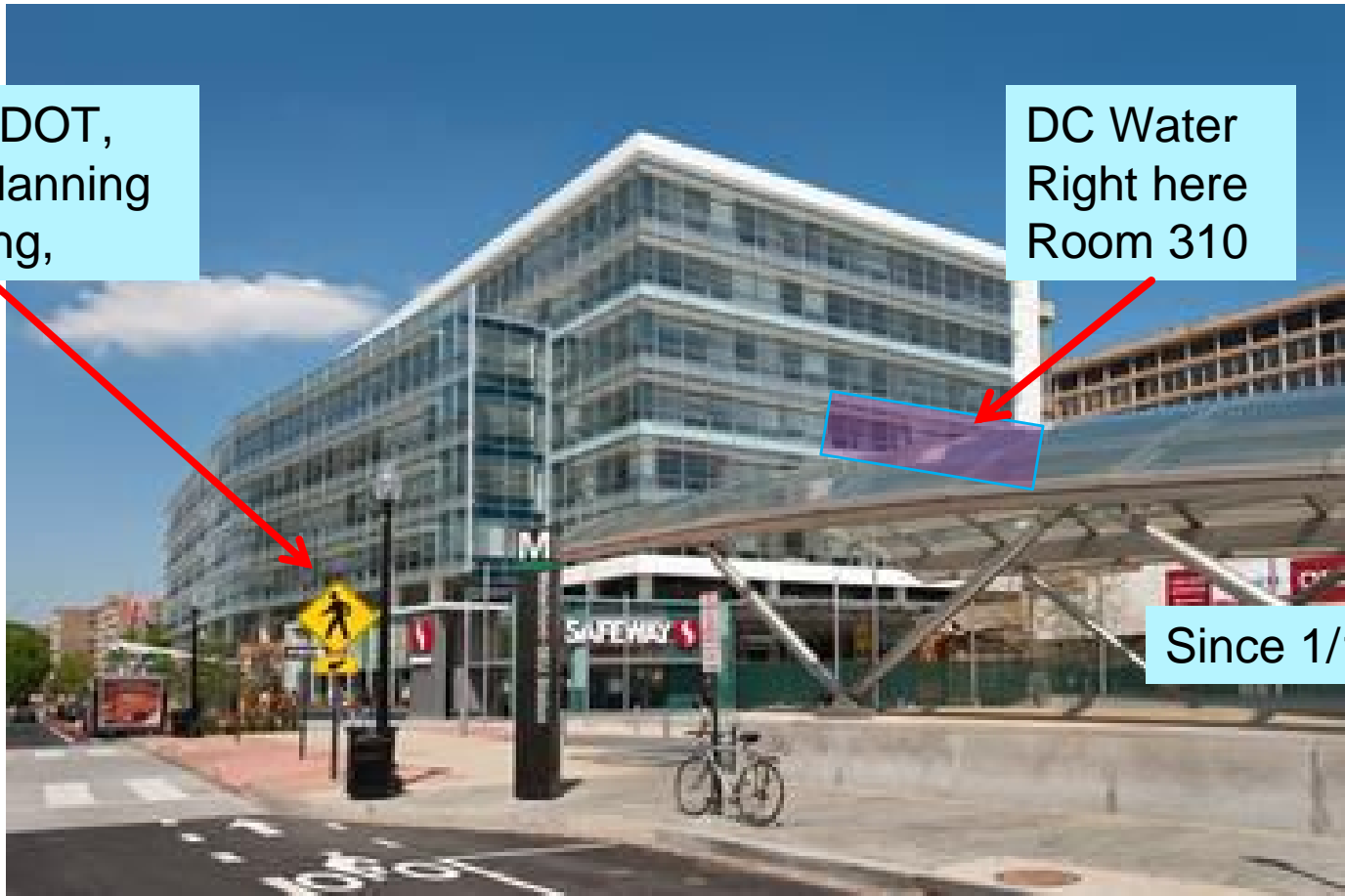
- 💧 Recommend the Final Amendment to Regulations for Engineering Review and Miscellaneous Fees to the Full Board

APPENDIX

DC Water Permit Operations Department

DCRA, DDOT,
DOEE, Planning
and Zoning,

DC Water
Right here
Room 310



Since 1/13/2012

DC Water Permit Operations Department

Waterfront Station - 1100 4th Street, SW, Washington, DC 20024

DC Water Permit Operations Department

Permit Operations Department provides three basic and vital Functions

1. **Permit Review (Protection)** of our infrastructure by ensuring that DC Water design criteria is upheld in the development process and by providing applicants with the existing utility information.
2. **Field QA/QC (Inspection)** of work – Permit Ops creates work orders for the inspection by DC Water staff of the work performed by the developer.
3. **New Customer Account Data (Collection)** – ensure that meters are requested and that accounts are initiated

TYPICAL MONTHLY PERFORMANCE



Completed Applications Summary





Application Type: ALL

From: 08/01/2019 To: 08/31/2019

Month	Application Code	Application Type	# Processed	# Processed Within Time	% Processed Within Time	Avg Time to Completed (days)
August 2019						
	APR	Approved Plan Revision Request	5	5	100%	24
	FNDTG	Foundation to Grade	1	0	0%	21
	HOME	Single Family Home Permit App	57	51	89%	10
	PPRL	Preliminary Plan Review - Large	35	32	91%	20
	PPRS	Preliminary Plan Review - Small	42	38	90%	16
	RAZE	Raze Permit	45	45	100%	6
	SHEET	Sheeting and Shoring Permit	11	10	91%	20
	WSAC	Water & Sewer Avail Cert	46	41	89%	26
	WSAL	Water and Sewer Avail Letter	2	2	100%	4
Totals:			244	224	92%	

Presentation Objectives

Recommended Amendments to the Engineering Review and Miscellaneous Fees that became effective on June 3, 2019

-  **Some modifications are to provide greater clarity**
-  **Some modifications are necessary corrections**
-  **Some modifications are additions recognized after implementation**
-  **However there is little impact in revenue recovery**

Miscellaneous Fees & Charges Amendment Impact

Impact Proposed of Fee Amendments

	Corrected or Added Fees	Fee Amount		Estimated #/year		Total Fee
		Basic	Exped.	Basic	Exped.	
add	Small Residential, Non-Residential or Hybrid Base Plan submission Administrative Fee	\$ 140.00	N/A	200		\$ 28,000.00
add	Small Residential, Non-Residential or Hybrid Base Plan re-submission Administrative Fee	\$ 75.00	N/A	100		\$ 7,500.00
add	Small or Hybrid water meter size reduction	\$ 700.00	\$ 1,200.00	3	0	\$ 2,100.00
add	Small Non-residential temporary water Service	\$ 3,300.00	\$ 5,800.00	3	0	\$ 9,900.00
add	Small project (Residential, Non-Residential or Hybrid) sign off in Project Dox Sign off	\$ 100.00	N/A	300		\$ 30,000.00
deduct	Fire Service Only greater than 2"	\$ (100.00)	\$ (300.00)	5	2	\$ (1,100.00)
deduct	As-built research hours eliminate the \$150/hour expedited	\$ -	\$ (60.00)	0	10	\$ (600.00)
deduct	As-built research changing from hourly to lump sum	\$ 90.00		-50		\$ (4,500.00)
Add	Add back partial hours as lump sum fees at \$90	\$ 90.00		50		\$ 4,500.00
	Total					\$ 75,800.00

Engineering Review Fees

Previously approved Permit Fees:

- Total target for revenue recovery was \$4.0 million to cover cost of Permit operation
 - Up from approximately \$1.8 million for FY 2018, which did not cover costs of service
- Increase in revenue requirement was for additional resources required to:
 - Address increasing number of demands from customers and sister agencies (i.e. ProjectDox and TOPS)
 - Account for inflation
 - Additional Staff

Proposed Amendments Small Project Plan Review

The proposed Amendments are to add definitions, correct and add missed items, condense certain fees for clarity and include performance times

112.5 Fees for engineering reviews both standard and expedited, excessive submission, and as-built shall be as follows:

(a) Small Project Plan Review Fees shall be as provided in the table below for Small Projects, including:

- (1) Small Residential or Townhouse as defined by 12 DCMR B Residential Code Supplement with water service and meter two inches (2") or less;
- (2) Small Non-Residential as defined by 12 DCMR A Building Code Supplement with water service and meter inches (2") or less;
- (3) Small Hybrid means a Small Residential or Non-Residential project with a domestic water service and meter two inches (2") or less and a fire service greater than two inches (2"); or
- (4) Projects requiring only a sewer connection six inches (6") or less in diameter or only a storm connection less than fifteen inches (15") in diameter.

Proposed Amendments

Small Project Plan Review

Current Fee Name	New Fee / Updated Fee Name Change	Standard Fee	Expedited Review Fee	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
New	Small Project Base Plan - 1st Submission Administrative Fee – All Small Projects	\$140	Not Applicable	N/A	N/A
New	Small Project Rejected Plan Resubmission Administrative Fee - All Small Projects	\$75	Not Applicable	N/A	N/A
Water and Sewer Availability Letter (small)	Small Project Water and Sewer Availability Letter- All Small Projects	\$125	\$215	14	7
Small Sheet and Shore	Small Project Sheet and Shore – All Small Projects	\$1,000	\$1,750	14	7
	Small Residential or Townhouse Project:				
Single Family Residential – up to 50 metered connections	1 to 5 metered connections	\$700 each	\$1,200 each	14	7
Single Family Residential – up to 50 metered connections	6 to 20 metered connections	\$700 each	\$1,200 each	21	11
Town Houses – up to 50 metered connections	21 to 50 metered connections	\$700 each	\$1,200 each	40	20
Single Family Units or Town Houses - More than 50 metered connections	greater than 50 metered connections	\$700+ each up to 50; and \$350 each above 50	\$1,200+ each up to 50 and \$600 each above 50	50	25
	Small Non-Residential Project:				
Small basic non-residential project – 1 metered connection	1 metered connection	\$3,300	\$5,800	21	11
Small basic non-residential project - 2 metered connections	2 metered connections	\$6,600	\$11,600	21	11

Proposed Amendments

Small Project Plan Review

Current Fee Name	Updated Fee Name Change	Standard Fee	Expedited Review Fee	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
Small basic non-residential project – 3 metered connections	3 metered connections	\$9,900	\$17,400	21	11
Small basic non-residential project - 4 or more metered connections	4 or more metered connections	\$13,200+ Determined on a per project basis	\$23,200+ Determined on a per project basis	30	15
	Small Hybrid Project:				
Small Hybrid Non-Residential - 1 metered connection	1 metered connection	\$5,000	\$8,700	21	11
Small Hybrid Non-Residential - 2 metered connections	2 metered connections	\$10,000	\$17,400	21	11
Small Hybrid Non-Residential - 3 metered connections	3 metered connections	\$15,000	\$26,100	21	11
Small Hybrid Non-Residential project - 4 or more metered connections	4 or more metered connections	\$20,000 + Determined on a per project basis	\$34,800 + Determined on a per project basis	30	15
Sanitary or combined Sewer connection - 6" or smaller	Small Sanitary or Combined Sewer connection only - 6" or less for Small Residential, Non-Residential or Hybrid	Was \$4,600 Now \$700 each	Was \$8,100 Now \$1,200 each	14	7
Storm Sewer Connection - less than 15"	Small Storm Sewer Connection Only - less than 15 inches – All Small Projects	\$700	\$1,200	14	7
Fire Service - greater than 2"	Delete – this is a large fire only				

Proposed Amendments Small Project Plan Review

Current Fee Name	Updated Fee Name Changes	Standard Fee	Expedited Review Fee	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
Small Non-Residential or Residential Raze Permit Review and Utility Release Letter – no Abandonments	Small Residential, Non-Residential or Hybrid Raze Utility Release Letter - No Abandonment	\$330	\$580	14	7
Small Non-Residential or Residential Raze Permit Review and Utility Release Letter – with Abandonments (2)	Small Raze Permit Review and Utility Release Letter - With Abandonments	\$700	\$1,200	14	7
New	Small Water Meter Size Reduction	\$700	\$1,200	14	7
New	Small Temporary Water Connections	\$3,300	\$5,800	21	11
New	Small Project Review and Sign Off - only in DCRA ProjectDox or for DCRA Walk-In Applicants	\$100	n/a	7	n/a

Proposed Amendments

Large Project Plan Review

(b) **Large Project Plan Review Fees (large means having a domestic water service and fire greater than two (2)-inch in diameter) shall be as provided in the table below as follows:**

Current Fee Name	Updated Fee Name Change	Standard Fee	Expedited Fee – Half of Std.	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
Base Plan Submission Administrative Fee – All Review Types	Large Project Plan Submission Administrative	\$140	Not Applicable	N/A	N/A
Reject Plan Submission Administrative Fee – All Review Types	Large Project Reject Plan Resubmission Administrative Fee	\$75	Not Applicable	N/A	N/a
Large Permit Basic (per submission)	Redundant - deleted				
	Large Plan Review Fee:				
Large Basic Plan Review Fee – 1 metered connection	1 metered connection	\$10,000	\$17,400	30	15
Large Basic Plan Review Fee – 2 metered connections	2 metered connections	\$20,000	\$34,800	30	15
Large Basic Plan Review Fee – 3 metered connections	3 metered connections	\$30,000	\$52,200	30	15
Large Basic Plan Review Fee – 4 or more metered connections	4 or more metered connections	\$40,000+ Determined on a per project basis	\$69,600+ Determined on a per project basis	45	23
Foundation to Grade - Large Commercial	Large Project Foundation to Grade	\$1,000	\$1,750	21	11
Approved Plan Revision (Field Conditions)	Large Project Approved Plan Revision (APR)	\$1,000	\$1,750	14	7
Large Project Sheeting and Shoring (Large Commercial)	Large Project Sheeting and Shoring	\$6,500	\$11,300	30	15
Abandonment Waiver Request	Large Project Abandonment Waiver Request	\$500	\$880	14	7
Water and Sewer Availability Letter (Large)	Large Project Water and Sewer Availability Letter (Large)	\$500	\$880	30	15
Temporary Water Connections	Large project Temporary Water Connections	\$3,300	\$5,800	21	11

Proposed Amendments Large Project Plan Review

Current Fee Name	Updated Fee Name Change	Standard Fee	Expedited Fee – Half of Std.	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
Fire Service Only > 2” (no interior renovations)	Large Fire Service Only Greater than 2” - with no interior renovations	\$4,500	\$7,800	21	11
Sanitary or Combined Connection 8” or larger	Large Sanitary or Combined Sewer Connection Only 8” or larger	\$4,500	\$7,800	21	11
Sanitary or Combined Connection 6” or smaller	Duplicate - Covered under Small Plan Reviews				
Storm Connection 15” or larger	Large Storm Connection Only 15” or larger	\$4,500	\$7,800	21	11
Storm Connection less than 15”	Duplicate - Covered under Small Plan Reviews				
Large Renovation no new water/sewer work - Project Document signoff only (inside a campus)	Large Project (no new water/sewer work) and Sign Off Only in DCRA ProjectDox	\$400	\$700	10	5
Large Project Approved Plan Revision (Project Scope/Design Change, or field change) (1)	Duplicate - Deleted				
Large Project Sheeting and Shoring (2)	Duplicate - Deleted				
Large water meter size reduction plan (no other work)	Large water meter size reduction plan (with no other work)	\$3,300	\$5,800	21	11
Large Project Raze Utility Release Letter - No Abandonments	Large Project Raze Utility Release Letter - No Abandonments	\$330	\$580	14	7
Large Project Raze Utility Release Letter - With Abandonments	Large Project Raze Utility Release Letter - With Abandonments	\$700	\$1,200	14	7

Proposed Amendments Miscellaneous Fee changes

(c) **Miscellaneous Fees** shall be as provided in the table below:

Current Fee Name	Updated Fee Name Change	Standard Fee	Expedited Fee – Half of Std.	Standard Processing Time (Business Days)	Expedited Processing time (Business Days)
Residential Plan Excessive Submission Review (3)	Small Residential or Townhouse Plan Excessive Submission Review (5th review or more)	\$360	\$630	Varies see above	Varies see above
Small Non-Residential Plan Excessive Submission Review	Small Non-Residential and Hybrid Plan Excessive Submission Review (5th review or more)	\$600	\$1,050	Varies see above	Varies see above
Large Plan Excessive Submission Review	Large Plan Excessive Submission Review (5th review or more)	\$2,400	\$4,200		
Request for Information (RFI)	Request for Information (RFI)	\$30	\$60	20	10
Letter in Lieu	Duplicate - Deleted				
Request for As-Built Drawings	Request for As-Built Drawings	\$90	\$150	20	10
Water Meter Sizing Computation	Water Meter Sizing Computation* · Fee if requesting staff to assist in preparing a water meter sizing computation	\$90	N/A	N/A	N/A
Water and Sewer Availability Letter	Duplicate				
Delayed Abandonment or Waiver from Standards Letter	Delayed Abandonment or Waiver from Standards Letter	\$500	\$880	14	7
Processing of Standard Easement Covenant	Processing of Standard Easement and Covenant (initial document)	\$1,000	\$1,750	14	7
Processing of Non-Standard Easement Covenant	Processing of Non-Standard Easement and Covenant (Initial Document)	\$5,000	\$8,750	21	11
One Day Plan Design and Review and Approval (Velocity type Program)	Replaced by section D next page				

Proposed Amendments

One Day Plan Review and Approval

- (d) **DC Water “Velocity” Sign-Off Program** (One Day Final Plan Review and Approval) - a DCRA permit applicant may request to participate in the DC Water “Velocity” program in accordance with the following requirements:
- (1) Participation in DC Water’s “Velocity” Sign-Off Program only applies to plans resubmitted after DC Water’s initial standard or expedited plan review
 - (2) Applicant shall pay the DC Water “Velocity” Sign-Off Program fee of \$20,000 in an addition to the applicable plan review fee
 - (3) DC Water shall determine if the plans are eligible (complete and suitable) to participate in the program and that staff are available to perform the review requested.
 - (4) Upon acceptance into the DC Water “Velocity” Sign-Off Program, DC Water shall schedule a meeting with the Applicant to review and approve the plans, not less than one (1) week after the request to participate in the program.
 - (5) DC Water shall schedule one four-hour plan review and approval meeting, during which the applicant shall present the revised plans and responses.
 - (6) If approved, the applicant shall pay all required fees (e.g., SAF, inspection review, deposits, etc.) and DC Water shall issue the Water and Sewer Approval Certificate and approve the plans in ProjectDox.
 - (7) If DC Water issues additional comments or requirements, the applicant shall resubmit the revised plans within two (2) business days, and if all comments are acceptable, the plans shall be approved within one business day.

Proposed Amendments As-Built Fee Changes

(e) **Existing/Proposed As-Built Fee** shall be in the table as follows:

Current Fee Name	Updated Fee Name	Fee
Single Family Unit Residential Service Connection - Small Residential	Small Residential or Townhouse	\$250 (each bldg)
Townhouses or Single Family Units from Multi-Unit Project	N/A	N/A
Small Non-Residential, Large Service Connection (per connection)	Small Non-Residential,	\$500 (each bldg)
Small Non-Residential Fire Service	Small (Hybrid)	\$750 (each bldg)
Large Non-Residential - water service 3" or larger, sewer service 8" or larger, fire service 3" or larger	Large Project	\$750 (Each Connection)
New Water or Sewer Main (20 to 100 feet) (each)	Installation of New Water or Sewer Main (20 to 100 feet)	\$2,500
Each additional 200 feet of water line	Each additional 200 feet of water line	\$10/foot
Each additional 400 feet of sewer main/line	Each additional 400 feet of sewer main/line	\$5/foot
If installing more than 200 linear feet or any Water line larger than 24" in diameter	Installation of Water line larger than 24" in diameter	Determined on a per project basis
If installing more than 200 linear feet of sewer or any sewer larger than 60" in diameter	Installation of Sewer larger than 60" in diameter	Determined on a per project basis

Attachment D

DC Retail Water and Sewer Rates Committee

Action Item

1. Final Amendment to Regulations for Engineering Review and Miscellaneous Fees

ACTION ITEM 1

FINAL AMENDMENTS TO REGULATIONS FOR ENGINEERING REVIEW AND MISCELLANEOUS FEES

Chapter 1, WATER SUPPLY, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

Section 112, FEES, Subsection 112.5 is amended to read as follows:

112 FEES

112.5 Fees for engineering reviews both standard and expedited, excessive submission, and as-builts shall be as follows:

- a) **Small Project Plan Review Fees** shall be as provided in the table below for Small Projects, including:
 - (1) Small Residential or Townhouse subject to 12 DCMR B Residential Code Supplement with water service and meter two inches (2”) or less;
 - (2) Small Non-Residential subject to 12 DCMR A Building Code Supplement with water service and meter inches (2”) or less;
 - (3) Small Hybrid means a Small Residential or Non-Residential project with a domestic water service and meter two inches (2”) or less and a fire service greater than two inches (2”); or
 - (4) Projects requiring only a sewer connection six inches (6”) or less in diameter or only a storm connection less than fifteen inches (15”) in diameter.

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Project Base Plan - 1 st Submission Administrative Fee – All Small Projects	\$140	N/A	N/A	N/A
Small Project Rejected Plan Resubmission Administrative Fee - All Small Projects	\$75	N/A	N/A	N/A

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Project Water and Sewer Availability Letter - All Small Projects	\$125	\$215	14	7
Small Project Sheet and Shore - All Small Projects	\$1,000	\$1,750	14	7
Small Residential or Townhouse Project:				
1 to 5 metered connections	\$700 each	\$1,200 each	14	7
6 to 20 metered connections	\$700 each	\$1,200 each	21	11
21 to 50 metered connections	\$700 each	\$1,200 each	40	20
greater than 50 metered connections	\$700 each up to 50; and \$350 each above 50	\$1,200 each up to 50 and \$600 each above 50	50	25
Small Non-Residential Project:				
1 metered connection	\$3,300	\$5,800	21	11
2 metered connections	\$6,600	\$11,600	21	11
3 metered connections	\$9,900	\$17,400	21	11
4 or more metered connections	\$13,200+ Determined on a per project basis	\$23,200+ Determined on a per project basis	30	15
Small Hybrid Project:				
1 metered connection	\$5,000	\$8,700	21	11
2 metered connections	\$10,000	\$17,400	21	11
3 metered connections	\$15,000	\$26,100	21	11
4 or more metered connections	\$20,000 + Determined on a per project basis	\$34,800 + Determined on a per project basis	30	15
Small Residential Approved Plan Revision (APR) per metered connection	\$250	\$500	14	7
Small Non-Residential or Hybrid APR per metered connection	\$1,000	\$1,750	21	11

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Sanitary or Combined Sewer Connection Only – 6 inch or less for Small Residential, Non-Residential or Hybrid	\$700	\$1,200	14	7
Small Storm Sewer Connection Only - less than 15 inches – All Small Projects	\$700	\$1,200	14	7
Small Residential, Non-Residential or Hybrid Raze Utility Release Letter - No Abandonment	\$330	\$580	14	7
Small Raze Permit Review and Utility Release Letter - With Abandonments	\$700	\$1,200	14	7
Small Water Meter Size Reduction	\$700	\$1,200	14	7
Small Temporary Water Connections	\$3,300	\$5,800	21	11
Small Project Review and Sign Off - only in DCRA ProjectDox or for DCRA Walk-In Applicants	\$100	N/A	7	N/A

***Review Times are estimated; Actual Time may vary.**

- b) **Large Project Plan Review Fees** (large means having a domestic water service and fire service greater than two inches (2”) in diameter) shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Project Base Plan -1 st Submission Administrative Fee	\$140	N/A	N/A	N/A
Large Project Rejected Plan Resubmission Administrative Fee	\$75	N/A	N/A	N/A

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Plan Review Fee:				
1 metered connection	\$10,000	\$17,400	30	15
2 metered connections	\$20,000	\$34,800	30	15
3 metered connections	\$30,000	\$52,200	30	15
4 or more metered connections	\$40,000+ Determined on a per project basis	\$69,600+ Determined on a per project basis	45	23
Large Project Foundation to Grade	\$1,000	\$1,750	21	11
Large Project Approved Plan Revision (APR)	\$1,000	\$1,750	14	7
Large Project Sheet piling and Shoring	\$6,500	\$11,300	30	15
Large Project Abandonment Waiver Request	\$500	\$880	14	7
Large Project Water and Sewer Availability Letter (Large)	\$500	\$880	30	15
Large Project Temporary Water Connections	\$3,300	\$5,800	21	11
Large Fire Service Only Greater than 2" - with no interior renovations	\$4,500	\$7,800	21	11
Large Sanitary or Combined Connection Only 8" or larger	\$4,500	\$7,800	21	11
Large Storm Connection Only 15" or larger	\$4,500	\$7,800	21	11
Large Project (no new water/sewer work) and Sign Off Only in DCRA ProjectDox	\$400	\$700	10	5
Large Water Meter Size Reduction Plan (with no other work)	\$3,300	\$5,800	21	11
Large Project Raze Utility Release Letter - No Abandonments	\$330	\$580	14	7

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Project Raze Utility Release Letter - With Abandonments	\$700	\$1,200	14	7

***Review Times are estimated; Actual Time may vary.**

c) **Miscellaneous Fees** shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Residential or Townhouse Plan Excessive Submission Review (5 th review or more)	\$360	\$630	Based on No. of metered connections	Based on No. of metered connections
1 to 5 metered connections			14	7
6 to 20 metered connections			21	11
21 to 50 metered connections			40	20
greater than 50 metered connections			50	25
Small Non-Residential and Hybrid Plan Excessive Submission Review (5 th review or more)	\$600	\$1,050	Based on No. of metered connections	Based on No. of metered connections
1-3 metered connections			21	11
4 or more metered connections			30	15
Large Plan Excessive Submission Review (5 th review or more)	\$2,400	\$4,200		
Request for Information (RFI)	\$30	\$60	20	10
Request for As-Built Drawings	\$90	\$150	20	10
Water Meter Sizing Computation – DC Water Staff Assistance for preparing water meter sizing computations	\$90	N/A	N/A	N/A

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Delayed Abandonment or Waiver from Standards Letter	\$500	\$880	14	7
Processing of Standard Easement and Covenant (Initial Document)	\$1,000	\$1,750	14	7
Processing of Non-Standard Easement and Covenant (Initial Document)	\$5,000	\$8,750	21	11

***Review Times are estimated; Actual Time may vary.**

- d) **DC Water “Velocity” Sign-Off Program** (One Day Final Plan Review and Approval) - a DCRA permit applicant may request to participate in the DC Water “Velocity” program in accordance with the following requirements:
- (1) Participation in DC Water’s “Velocity” Sign-Off Program only applies to plans resubmitted after DC Water’s initial standard or expedited plan review.
 - (2) Applicant shall pay the DC Water “Velocity” Sign-Off Program fee of \$20,000 in an addition to the applicable plan review fee and any other applicable fees.
 - (3) DC Water shall determine if the plans are eligible (complete and suitable) to participate in the program and that staff are available to perform the review requested.
 - (4) Upon acceptance into the DC Water “Velocity” Sign-Off Program, DC Water shall schedule a meeting with the Applicant to review and approve the plans, not less than one (1) week after the request to participate in the program.
 - (5) DC Water shall schedule one four-hour plan review and approval meeting, during which the Applicant shall present the revised plans and responses.
 - (6) If approved, the Applicant shall pay all required fees (e.g., SAF, inspection review, deposits, etc.) and DC Water shall issue the Water and Sewer Approval Certificate and approve the plans in ProjectDox.

(7) If DC Water issues additional comments or requirements, the applicant shall resubmit the revised plans within two (2) business days, and if all comments are acceptable, the plans shall be approved within one business day.

e) **Existing/Proposed As-Built Fee** shall be as provided in the table below as follows:

Fee Name	Fee
Small Residential or Townhouse	\$250 (each bldg.)
Small Non-Residential	\$500 (each bldg.)
Small Hybrid	\$750 (each bldg.)
Large Project	\$750 (Each Connection – water or sewer)
Installation of New Water or Sewer Main (20 to 100 feet)	\$2,500
Each additional foot of water line	\$10/foot
Each additional foot of sewer main/line	\$5/foot
Installation of Water Line - larger than 24" in diameter	Determined on a per project basis
Installation of Sewer - larger than 60" in diameter	Determined on a per project basis

Attachment E

FY 2020 Proposed RRC Committee Workplan			
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
1. Propose and Establish Retail Rates for FY 2021 & FY 2022			
a. <i>Present FY 21 & FY 22 Budget to Board</i>	January 2, 2020	√	EVP F&P
b. <i>Present FY 21 & FY 22 Proposed Rates, Charges & Fees to RRC</i>	January 28, 2020		Rates and Revenue
c. <i>RRC recommendation on Proposed FY 21 & FY 22 Rates, etc.</i>	February 25, 2020		Rates and Revenue
d. <i>Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 21 & FY 22 Rates, etc.</i>	March 5, 2020		Legal Affairs
e. <i>Publish NOPR in D.C. Register for Proposed Rates, etc.</i>	March 20, 2020		
f. <i>Outreach and Public Comment Period</i>	March 20 – June 13, 2020		Marketing & Comm.
g. <i>Public Hearing</i>	June 10, 2020		Board of Directors
h. <i>Public Hearing Record Closes</i>	June 13, 2020		Board Secretary
i. <i>Present final FY 21 & FY 22 Rates, etc. to RRC for recommendation to Board</i>	June 23, 2020		Rates and Revenue
j. <i>Board approves Notice of Final Rulemaking (NOFR) for FY 21 & FY 22 Rates, Charges & Fees</i>	July 2, 2020		
k. <i>Publish NOFR in D.C. Register for Amended Rates, etc.</i>	July 17, 2020		Legal Affairs
l. <i>Amended Rates, etc. Go-Live</i>	October 1, 2020 (FY 2021) October 1, 2021 (FY 2022)		Rates and Revenue
2. 2021 Cost of Service Study (COS) for Water, Sewer and CRIAC			
a. <i>Present COS to RRC</i>	November 19, 2019	√	Rates and Revenue
b. <i>Present final COS to Board</i>	March 5, 2020		
3. Independent Review of Rate Structure and Customer Assistance Programs (CAP)			
a. <i>Presentation to RRC on Independent Review of Rate Structure and Customer Assistance Programs (CAP)</i>	November 19, 2019	√	Rates and Revenue
b. <i>Presentation to Board on Independent Review of Rate Structure and Customer Assistance Programs (CAP)</i>	February 6, 2020		

Attachment E

FY 2020 Proposed RRC Committee Workplan			
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
4. Amend Regulations for Engineering Review and Miscellaneous Fees			
a. Present COS Update and Recommendation on Proposed Amendment to Miscellaneous Fees & Charges to RRC	October 22, 2019	√	Rates & Revenue
b. Board Approval of Notice of Proposed Rulemaking (NOPR) to Amend Regulations for Engineering Review and Miscellaneous Fees	November 7, 2019	√	
c. Publish NOPR in D.C. Register	November 22, 2019	√	Legal Affairs
d. Public Comment Period	November 23 – December 23, 2019	√	Board Secretary
e. RRC Final Recommendation to Approve Amendment of Regulations for Engineering Review and Miscellaneous Fees	January 28, 2020		Rates & Revenue
f. Board Approval of Notice of Final Rulemaking (NOFR)	February 6, 2020		
g. Publish NOFR in D.C. Register	February 21, 2020		Legal Affairs
h. Amend Regulations for Engineering Review and Miscellaneous Go-Live	March 2, 2020		Rates and Revenue
5. CAP2 Outreach Plan Update			
a. CAP2 Outreach Plan Update	Monthly, as needed		Office of Marketing and Communications (OMAC)
6. Delinquent Accounts			
a. Soldiers Home Negotiations	Monthly, as needed		Legal Affairs
7. Rate Stabilization Fund			
a. Rate Stabilization Fund	Monthly, as needed		Rates & Revenue

* Dates subject to change



Attachment F

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

Tuesday, February 25, 2020; 9:30 a.m.

AGENDA

Call to Order	Committee Chairman
Monthly Updates	Chief Financial Officer
Committee Workplan	Chief Financial Officer
Agenda for March 24, 2020 Committee Meeting	Committee Chairman
Other Business	Chief Financial Officer
Adjournment	

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