



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, September 27, 2022 9:30 a.m.

Microsoft Teams

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Phone Conference ID: 523 943 701#

- 1. Call to Order Rachna Bhatt, Chairperson
2. Roll Call Linda Manley
3. Monthly Report to DC Retail Water & Sewer Rates Committee (Attachment A) Matthew Brown
4. DC Water Cares Program Update: (Attachment B) Meisha Lorick
5. Action Item (Attachment C) Matthew Brown
6. DC Retail Water and Sewer Rates Committee Workplan Matthew Brown
7. Agenda for October 25, 2022 Committee Meeting (Attachment F) Rachna Bhatt, Chairperson
8. Other Business Matthew Brown
9. Executive Session\* Rachna Bhatt, Chairperson
10. Adjournment Rachna Bhatt, Chairperson

\*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters 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); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.



Fiscal Year 2022

# Monthly Report to DC Retail Water and Sewer Rates Committee

Period Ending August 31, 2022

**DEPARTMENT OF FINANCE**

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

**Syed Khalil**, Director, Rates & Revenue

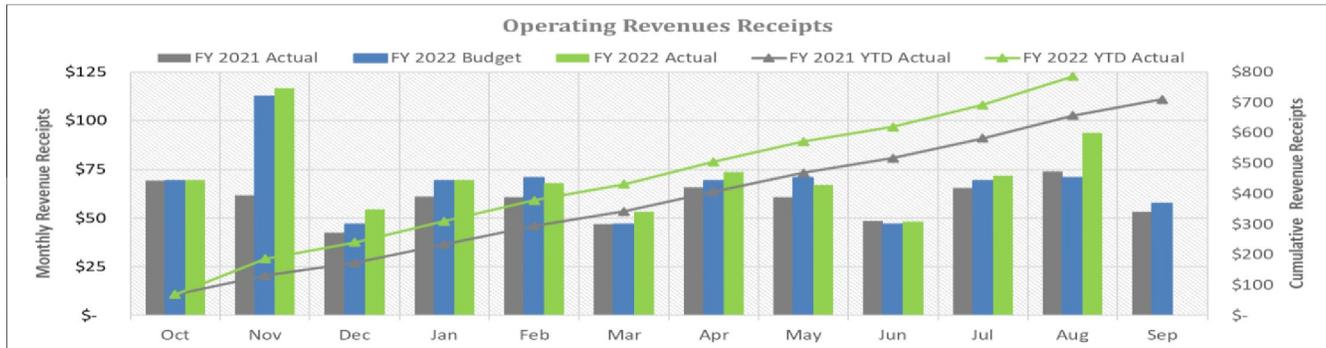
## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of August 31, 2022

### Operating Revenues (\$000's)

FY 2021		CATEGORY	FY 2022						Projections	
Actual			Year-to-Date Performance						Year-End Projections	% of Budget
Total Annual	YTD August		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)		
\$396,892	\$359,923	Residential / Commercial / Multi-Family	\$427,771	\$392,124	\$413,662	96.7%	\$21,538	5.5%	\$448,431	104.8%
76,206	76,206	Federal	77,746	77,746	77,112	99.2%	(634)	(0.8%)	77,112	99.2%
20,933	18,933	Municipal (DC Govt.)	18,668	17,113	19,217	102.9%	2,105	12.3%	19,731	105.7%
12,173	11,170	DC Housing Authority	12,592	11,542	12,050	95.7%	507	4.4%	12,995	103.2%
14,862	13,652	Metering Fee	24,083	22,211	21,229	88.1%	(982)	(4.4%)	22,971	95.4%
42,212	39,253	Water System Replacement Fee (WSRF)	39,717	36,912	39,013	98.2%	2,101	5.7%	41,598	104.7%
82,986	82,930	Wholesale	84,669	84,669	84,899	100.3%	230	0.3%	84,669	100.0%
21,612	19,768	PILOT/ROW	21,588	20,029	20,812	96.4%	783	3.9%	21,661	100.3%
41,694	34,591	All Other	93,253	90,723	95,713	102.6%	4,991	5.5%	94,335	101.2%
<b>\$709,569</b>	<b>\$656,426</b>	<b>TOTAL</b>	<b>\$800,087</b>	<b>\$753,068</b>	<b>\$783,708</b>	<b>98.0%</b>	<b>\$30,640</b>	<b>4.1%</b>	<b>\$823,503</b>	<b>102.9%</b>

\* Residential, Commercial & Multi-family receipts include credits for October 2021 through February 2022 for District's ERRP (\$27,492.68), DC Water Cares Residential (\$77,166.42), DC Water Cares Multi-family (\$1,395,305.91), CAP3 (\$16,156.76) and Non-profit (\$232,501.16).



### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of August 2022, cash receipts totaled \$783.7 million, or 98.0 percent of the FY 2022 budget. The total receipts for August were \$92.1 million as compared to the budgeted \$81.4 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their fourth quarterly payment in July), and wholesale customers (which made their fourth quarterly payment in August 2022).

Areas of Over-collection	Areas of Under-collection
<p><b>Residential, Commercial and Multi-Family</b> – Receipts for this category are higher at \$413.7 million or 96.7 percent of the budget. The August 2022 receipts were higher by \$8.6 million, or 24.1 percent as compared to the monthly budget of \$35.6 million.</p> <p><b>District Government</b> – Receipts are slightly higher at \$19.2 million or 102.9 percent of the budget. The August 2022 receipts of \$2.4 million are slightly higher by \$0.8 million as compared to the monthly budget.</p> <p><b>DC Housing</b> - Receipts are slightly higher at \$12.1 million or 95.7 percent of the budget. The August 2022 receipts are slightly higher by fifty-eight thousand dollars as compared to the monthly budget of \$1.0 million.</p> <p><b>Wholesale</b> – The wholesale customers actual receipts through August 2022 total \$84.9 million or 100.3 percent of FY 2022 budget. The wholesale receipts are slightly lower by \$1.8 million as compared to the monthly budget due to early payment of \$1.9 million by Loudon County in July instead of scheduled payment in August 2022.</p> <p><b>PILOT/ROW</b> – The receipts for PILOT/ROW are slightly higher at \$20.8 million or 96.4 percent of the budget. The August 2022 receipts are slightly higher by \$0.5 million as compared to the monthly budget of \$1.6 million.</p> <p><b>Other Revenue</b> - Receipts are slightly higher at \$95.7 million or 102.6 percent of the budget. This includes \$41.6 million transfer from the Rate Stabilization Fund to the ending cash balance in November 2021. Another \$10.5 million of RSF was utilized in August 2022. Actual receipts for Developer Fees were higher by \$5.3 million as compared to the budget. The August 2022 receipts were \$2.1 million more than the monthly budget of \$15.7 million.</p>	<p><b>Federal</b> - Actual receipts through August 2022 total \$77.1 million or 99.2 percent of the budget. The Federal government made their fourth quarter payment in July 2022. The lower actual Federal receipt is due to Union Station account, which was moved from Federal to Commercial.</p>

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of August 31, 2022

### Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2022 Budget	YTD Budget	Actual	Variance		Actual % of Budget	Year-End Projections	Variance Proj vs Budg	% of Budget
				Favorable /	(Unfavorable)				
Residential, Commercial, and Multi-family	\$427.8	\$392.1	\$413.7	\$21.5	5.5%	96.7%	\$448.4	\$20.7	104.8%
Federal	77.7	77.7	77.1	(0.6)	-0.8%	99.2%	77.1	(0.6)	99.2%
District Government	18.7	17.1	19.2	2.1	12.3%	102.9%	19.7	1.1	105.7%
DC Housing Authority	12.6	11.5	12.0	0.5	4.4%	95.7%	13.0	0.4	103.2%
Customer Metering Fee	24.1	22.2	21.2	(1.0)	-4.4%	88.1%	23.0	-1.1	95.4%
Water System Replacement Fee (WSRF)	39.7	36.9	39.0	2.1	5.7%	98.2%	41.6	1.9	104.7%
Wholesale	84.7	84.7	84.9	0.2	0.3%	100.3%	84.7	0.0	100.0%
Right-of-Way Fee/PILOT	21.6	20.0	20.8	0.8	3.9%	96.4%	21.7	0.1	100.3%
<b>Subtotal (before Other Revenues)</b>	<b>\$706.8</b>	<b>\$662.3</b>	<b>\$688.0</b>	<b>\$25.6</b>	<b>3.9%</b>	<b>97.3%</b>	<b>\$729.2</b>	<b>\$22.3</b>	<b>103.2%</b>
IMA Indirect Cost Reimb. For Capital Projects	5.8	5.3	4.9	(0.4)	-7.5%	84.5%	4.7	(1.1)	81.0%
DC Fire Protection Fee	10.8	10.8	11.5	0.7	6.5%	106.5%	11.5	0.7	106.5%
Stormwater (MS4)	1.0	0.9	0.8	(0.1)	-11.1%	80.0%	1.1	0.1	110.0%
Interest	3.4	3.1	1.0	(2.1)	-67.7%	29.4%	2.2	(1.2)	64.7%
Developer Fees (Water & Sewer)	6.0	5.5	10.8	5.3	96.4%	180.0%	8.5	2.5	141.7%
System Availability Fee (SAF)	7.7	7.1	8.4	1.3	18.3%	109.1%	7.5	(0.2)	97.4%
Others	6.4	5.9	6.3	0.4	6.8%	98.4%	6.8	0.4	106.3%
<b>Subtotal</b>	<b>\$41.2</b>	<b>\$38.6</b>	<b>\$43.6</b>	<b>\$5.0</b>	<b>13.0%</b>	<b>106.0%</b>	<b>\$42.2</b>	<b>\$1.0</b>	<b>102.6%</b>
Rate Stabilization Fund Transfer	\$52.1	\$52.1	\$52.1	\$0.0	0.0%	100.0%	\$52.1	\$0.0	100.0%
<b>Other Revenue Subtotal</b>	<b>\$93.3</b>	<b>\$90.7</b>	<b>\$95.7</b>	<b>\$5.0</b>	<b>5.5%</b>	<b>102.6%</b>	<b>\$94.3</b>	<b>\$1.0</b>	<b>101.2%</b>
<b>Grand Total</b>	<b>\$800.1</b>	<b>\$753.1</b>	<b>\$783.7</b>	<b>\$30.6</b>	<b>4.1%</b>	<b>98.0%</b>	<b>\$823.5</b>	<b>\$23.4</b>	<b>102.9%</b>

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

Customer Category	Clean Rivers					Total
	Water	Sewer	IAC	Metering Fee	WSRF	
Residential	35,657	56,243	23,162	9,340	8,512	132,915
Commercial	66,099	74,837	29,034	6,331	15,382	191,683
Multi-family	46,440	71,428	10,762	2,988	6,983	138,600
Federal	27,120	30,829	19,162	1,603	6,027	84,742
District Govt	5,114	6,919	7,184	738	1,730	21,685
DC Housing Authority	4,465	6,615	970	228	380	12,657
<b>Total:</b>	<b>184,896</b>	<b>246,871</b>	<b>90,273</b>	<b>21,229</b>	<b>39,013</b>	<b>582,283</b>

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

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

Customer Category	FY2022 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	23,608	21,641	23,162	1,521	7%	98%
Commercial	27,191	24,925	29,034	4,108	16%	107%
Multi-family	10,847	9,943	10,762	819	8%	99%
Federal	19,239	19,239	19,162	(77)	0%	100%
District Govt	7,224	6,622	7,184	562	8%	99%
DC Housing Authority	1,070	981	970	(11)	-1%	91%
<b>Total:</b>	<b>89,179</b>	<b>83,351</b>	<b>90,273</b>	<b>6,923</b>	<b>8%</b>	<b>101%</b>

## Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date  
As of August 31, 2022

### Retail Accounts Receivable (Delinquent Accounts)

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

#### Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
October 31, 2021	\$27.1	13,054
November 30, 2021	\$27.2	12,823
December 31, 2021	\$27.6	13,942
January 31, 2022	\$28.0	13,501
February 28, 2022	\$27.0	13,621
March 31, 2022	\$28.3	13,225
April 30, 2022	\$28.6	13,300
May 31, 2022	\$29.2	13,007
June 30, 2022	\$29.6	13,131
July 31, 2022	\$29.4	13,223
August 31, 2022	\$29.3	12,488

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

#### Greater Than 90 Days by Customer

	Number of Accounts			Month of Aug (All Categories)				Total Delinquent				
	W & S	Impervious Only		Active		Inactive		Jul		Aug		
		a/c	a/c	Total No. of a/c	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)
<b>Commercial</b>	9,089	2,182	11,271	1,218	6,930,328	56	\$179,777	1,310	\$7,305,888	1,274	\$7,110,105	24%
<b>Multi-family</b>	8,576	356	8,932	1,211	11,105,635	18	\$84,064	1,245	\$10,579,950	1,229	\$11,189,699	38%
<b>Single-Family Residential</b>	107,058	2,111	109,169	9,846	10,806,109	139	\$155,656	10,668	\$11,556,974	9,985	\$10,961,765	37%
<b>Total</b>	124,723	4,649	129,372	12,275	\$28,842,073	213	\$419,497	13,223	\$29,442,813	12,488	\$29,261,570	100%

Notes: Included in the above \$29.3 million (or 12,488 accounts) of the DC Water over 90 days delinquent accounts, 4,775,625.53 (or 1,323 accounts) represents Impervious only accounts over 90 days delinquent.

- Reportable delinquencies do not include balances associated with a long-standing dispute between DC Water and a large commercial customer.
- Delinquent accounts (12,488) as a percentage of total accounts (129,372) is 9.7 percent.
- Delinquent Impervious Only accounts (1,323) as a percentage of total accounts (129,372) is 1.0 percent.
- Delinquent Impervious Only accounts (1,323) as a percentage of total delinquent accounts (12,488) is 10.6 percent.

## Monthly Report to DC Retail Water and Sewer Rates Committee

### Customer Arrears Data

#### Arrears by Customer Category

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Commercial	2,249	\$ 11,133,031.70	1,514	\$ 8,247,162.15	1,274	\$ 7,110,105.47
Multi-family	1,857	\$ 15,203,880.85	1,430	\$ 12,894,318.20	1,229	\$ 11,189,699.41
Residential	20,293	\$ 14,439,204.53	12,852	\$ 12,288,609.66	9,985	\$ 10,961,764.87

#### Arrears by WARD for Residential Category

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
Ward 1	1,466	\$ 1,206,069.14	870	\$ 1,035,849.41	660	\$ 934,840.57
Ward 2	640	\$ 345,657.94	369	\$ 279,294.32	270	\$ 247,712.58
Ward 3	785	\$ 452,430.16	364	\$ 336,903.84	256	\$ 293,356.57
Ward 4	3,620	\$ 2,653,321.19	2,167	\$ 2,224,331.22	1,672	\$ 1,981,177.08
Ward 5	3,959	\$ 2,647,282.51	2,579	\$ 2,239,829.67	2,006	\$ 1,978,460.03
Ward 6	1,571	\$ 941,134.19	984	\$ 795,850.19	766	\$ 712,845.49
Ward 7	5,089	\$ 3,805,098.38	3,460	\$ 3,317,437.44	2,739	\$ 2,975,630.93
Ward 8	3,163	\$ 2,388,211.02	2,059	\$ 2,059,113.57	1,616	\$ 1,837,741.62
<b>Total</b>	<b>20,293</b>	<b>\$ 14,439,204.53</b>	<b>12,852</b>	<b>\$ 12,288,609.66</b>	<b>9,985</b>	<b>\$ 10,961,764.87</b>

#### CAP, CAP2 and CAP3 Customers in Arrears\*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of Accts	(\$)	No. of Accts	(\$)	No. of Accts	(\$)
CAP	2,288	\$ 1,178,216.30	1,506	\$ 969,996.89	1,162	\$ 833,510.08
CAP2	210	\$ 109,891.36	137	\$ 89,927.11	106	\$ 78,053.47
CAP3	59	\$ 38,447.16	45	\$ 31,949.75	36	\$ 27,973.78

\*Based on number of accounts that have been given credit in Aug 2022.

## Monthly Report to DC Retail Water and Sewer Rates Committee

### Customer Arrears Data

#### CAP Customer Arrears by Ward\*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of		No. of		No. of	
	Accts	(\$)	Accts	(\$)	Accts	(\$)
Ward 1	120	\$ 71,752.79	65	\$ 57,216.02	45	\$ 49,603.58
Ward 2	17	\$ 2,111.85	9	\$ 1,238.57	5	\$ 622.38
Ward 3	15	\$ 9,955.54	11	\$ 8,597.55	7	\$ 7,918.98
Ward 4	323	\$ 208,834.51	222	\$ 174,801.24	174	\$ 152,663.39
Ward 5	424	\$ 203,674.64	290	\$ 167,724.83	227	\$ 140,782.88
Ward 6	112	\$ 42,658.63	74	\$ 33,443.11	54	\$ 27,856.07
Ward 7	680	\$ 318,596.79	479	\$ 265,440.52	372	\$ 227,145.94
Ward 8	597	\$ 320,631.55	356	\$ 261,535.05	278	\$ 226,916.86
<b>Total</b>	<b>2,288</b>	<b>\$ 1,178,216.30</b>	<b>1,506</b>	<b>\$ 969,996.89</b>	<b>1,162</b>	<b>\$ 833,510.08</b>

\*Based on number of accounts that have been given credit in Aug 2022.

#### CAP2 Customer Arrears by Ward\*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of		No. of		No. of	
	Accts	(\$)	Accts	(\$)	Accts	(\$)
Ward 1	7	\$ 1,325.13	5	\$ 911.29	4	\$ 724.64
Ward 2						
Ward 3	4	\$ 393.78	1	\$ 140.02	1	\$ 59.17
Ward 4	39	\$ 27,679.86	25	\$ 22,586.50	20	\$ 19,895.87
Ward 5	37	\$ 22,773.93	24	\$ 20,331.33	19	\$ 18,879.31
Ward 6	8	\$ 1,900.91	3	\$ 1,509.31	3	\$ 1,346.63
Ward 7	68	\$ 23,357.46	45	\$ 17,412.76	33	\$ 14,123.61
Ward 8	47	\$ 32,460.29	34	\$ 27,035.90	26	\$ 23,024.24
<b>Total</b>	<b>210</b>	<b>\$109,891.36</b>	<b>137</b>	<b>\$ 89,927.11</b>	<b>106</b>	<b>\$ 78,053.47</b>

\*Based on number of accounts that have been given credit in Aug 2022.

#### CAP3 Customer Arrears by Ward\*

	Over 30 Days		Over 60 Days		Over 90 Days	
	No. of		No. of		No. of	
	Accts	(\$)	Accts	(\$)	Accts	(\$)
Ward 1	1	\$ 680.11	1	\$ 680.11	1	\$ 680.11
Ward 2						
Ward 3						
Ward 4	6	\$ 2,473.46	5	\$ 1,613.72	2	\$ 1,237.17
Ward 5	18	\$ 17,628.82	13	\$ 15,891.68	10	\$ 14,823.54
Ward 6	3	\$ 994.44	2	\$ 710.38	1	\$ 562.71
Ward 7	19	\$ 10,295.24	18	\$ 8,234.01	16	\$ 6,526.36
Ward 8	12	\$ 6,375.09	6	\$ 4,819.85	6	\$ 4,143.89
<b>Total</b>	<b>59</b>	<b>\$ 38,447.16</b>	<b>45</b>	<b>\$ 31,949.75</b>	<b>36</b>	<b>\$ 27,973.78</b>

\*Based on number of accounts that have been given credit in Aug 2022.

## Monthly Report to DC Retail Water and Sewer Rates Committee

### Developer Deposits

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

- Flat fees for taps, abandonments, sewer connections, etc.
- Reimbursable fees for inspection labor hours charged to the account
- Deposits held as security against damage and uncharged accounts.
- Miscellaneous non-commercial account items (hydrant use, groundwater dewatering, waste hauler fees, etc.)
- As of August 31, 2022, developer deposits had \$44.5 million in credit balances (liability) and \$11.0 million in debit balances (receivable).

#### Balances as of August 31, 2022

Credit Balances (Liability)	Debit Balances (Receivables)
\$44.5 million	\$11.0 million

Year	Credit Balances	Number of Accounts with Credit Balances	Debit Balances	Number of Accounts with Debit Balances	Net Balance
2001	\$ -	-	\$ 960,164.05	1	\$ 960,164.05
2002	\$ -	-	\$ 1,836.00	2	\$ 1,836.00
2004	\$ (2,648.33)	6	\$ 9,066.08	6	\$ 6,417.75
2005	\$ (412,645.20)	122	\$ 269,202.91	90	\$ (143,442.29)
2006	\$ (319,220.47)	48	\$ 284,522.42	78	\$ (34,698.05)
2007	\$ (180,949.67)	54	\$ 150,176.99	50	\$ (30,772.68)
2008	\$ (383,988.67)	67	\$ 192,952.22	50	\$ (191,036.45)
2009	\$ (227,268.99)	58	\$ 205,806.79	47	\$ (21,462.20)
2010	\$ (421,954.36)	85	\$ 131,325.81	40	\$ (290,628.55)
2011	\$ (1,025,153.12)	188	\$ 402,082.45	56	\$ (623,070.67)
2012	\$ (1,782,995.79)	339	\$ 470,884.11	96	\$ (1,312,111.68)
2013	\$ (2,144,878.50)	280	\$ 264,550.40	82	\$ (1,880,328.10)
2014	\$ (2,092,381.03)	283	\$ 955,211.41	64	\$ (1,137,169.62)
2015	\$ (1,627,451.17)	296	\$ 265,464.68	40	\$ (1,361,986.49)
2016	\$ (3,120,464.94)	365	\$ 516,955.80	65	\$ (2,603,509.14)
2017	\$ (2,359,629.55)	435	\$ 517,998.71	120	\$ (1,841,630.84)
2018	\$ (5,462,061.64)	555	\$ 1,425,193.68	126	\$ (4,036,867.96)
2019	\$ (7,433,132.91)	490	\$ 1,613,735.52	181	\$ (5,819,397.39)
2020	\$ (5,031,803.43)	370	\$ 786,403.57	185	\$ (4,245,399.86)
2021	\$ (5,439,121.01)	383	\$ 599,198.38	170	\$ (4,839,922.63)
2022	\$ (5,027,299.57)	298	\$ 983,026.12	306	\$ (4,044,273.45)
<b>Total</b>	<b>\$ (44,495,048.35)</b>	<b>4,722</b>	<b>\$ 11,005,758.10</b>	<b>1,855</b>	<b>\$ (33,489,290.25)</b>

#### Forfeiture Action

<b>Accounts Forfeited on August 16, 2021</b>	<b>(4,838,938.52)</b>	<b>1,011</b>
<b>Accounts with refund requests, or activities within the last 10 years or pending analysis for forfeiture action.</b>	<b>(4,756,824.60)</b>	<b>967</b>

## Monthly Report to DC Retail Water and Sewer Rates Committee

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### Developer Deposits

#### Customer Communication

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

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

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

#### Refund Requests and Forfeiture Disputes

At present (9/11/2022) we have in the refund log 1,127 accounts with an estimated total refund amount of \$6,189,000. Over the last 3 months we have processed and submitted to Accounts Receivable refund requests totaling: 8 projects, for 16 accounts and \$411,000 in refunds.

After the forfeiture action in August of 2021, 75 accounts totaling \$335,000 have disputed their forfeitures via emails or phone calls. The Authority is processing these disputes with established guidelines and an appeals process. At present 11 accounts have been verified as legitimate disputes totaling approximately \$50,000 in refunds, Accounting is working thru a process to reinstate these accounts so that refunds can be processed.

## Monthly Report to DC Retail Water and Sewer Rates Committee

# Disconnection Moratorium Legislation Reporting Requirement

Fiscal Year-to-Date  
As of August 31, 2022

### Number of Active Accounts by Zip Code & Customer Class

Zip Code	Residential					Commercial					Multifamily				
	As of August 31, 2022		As of August 31, 2022			As of August 31, 2022		As of August 31, 2022			As of August 31, 2022		As of August 31, 2022		
	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.*
20000	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0
20001	598	69	16	16	3	137	9	3	2	4	33	2	1	0	0
20002	1,248	175	50	42	6	225	14	5	8	2	231	35	6	4	0
20004	0	0	0	0	0	2	0	0	0	2	0	0	0	0	0
20003	355	40	19	14	1	77	6	3	0	0	25	6	1	2	0
20005	9	1	0	0	0	13	0	0	1	1	3	0	0	0	0
20006	0	0	0	0	0	5	1	0	0	2	1	0	0	0	0
20007	222	20	5	8	0	45	8	2	2	1	20	0	0	0	0
20008	73	7	3	1	4	28	5	1	0	1	10	0	0	0	0
20009	258	27	3	8	3	56	13	1	5	4	38	7	2	3	0
20010	465	52	12	20	7	54	10	1	4	5	27	5	0	2	0
20011	1,833	262	95	87	14	134	14	4	5	5	122	24	6	4	0
20012	413	72	20	15	8	44	7	0	1	1	11	0	0	1	0
20015	101	14	0	3	0	10	0	0	0	1	2	0	0	0	0
20016	156	20	3	0	3	32	2	1	1	2	1	0	0	0	0
20017	603	107	44	37	6	40	3	1	0	0	20	4	3	0	0
20018	858	125	44	36	5	118	10	5	1	5	25	7	3	1	0
20019	2,680	296	117	104	16	130	10	3	2	3	285	45	8	10	0
20020	1,681	192	64	101	14	62	3	1	1	3	296	84	12	64	0
20023	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0
20024	45	6	2	1	0	16	2	1	0	2	14	1	0	0	0
20032	888	121	52	68	4	88	3	1	1	5	203	34	8	7	0
20036	4	1	0	0	0	29	5	2	2	1	3	0	0	0	0
20037	14	1	1	1	0	8	2	0	0	1	3	0	0	0	0
20057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20080	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20117	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20260	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20306	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20332	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20429	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20431	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20433	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20534	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>12,507</b>	<b>1,608</b>	<b>550</b>	<b>563</b>	<b>95</b>	<b>1,353</b>	<b>127</b>	<b>35</b>	<b>36</b>	<b>51</b>	<b>1,373</b>	<b>254</b>	<b>50</b>	<b>98</b>	<b>0</b>

\*Note: inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 364, Com. 95 and MF 40

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



## DC Water Cares - FY2023 Programs

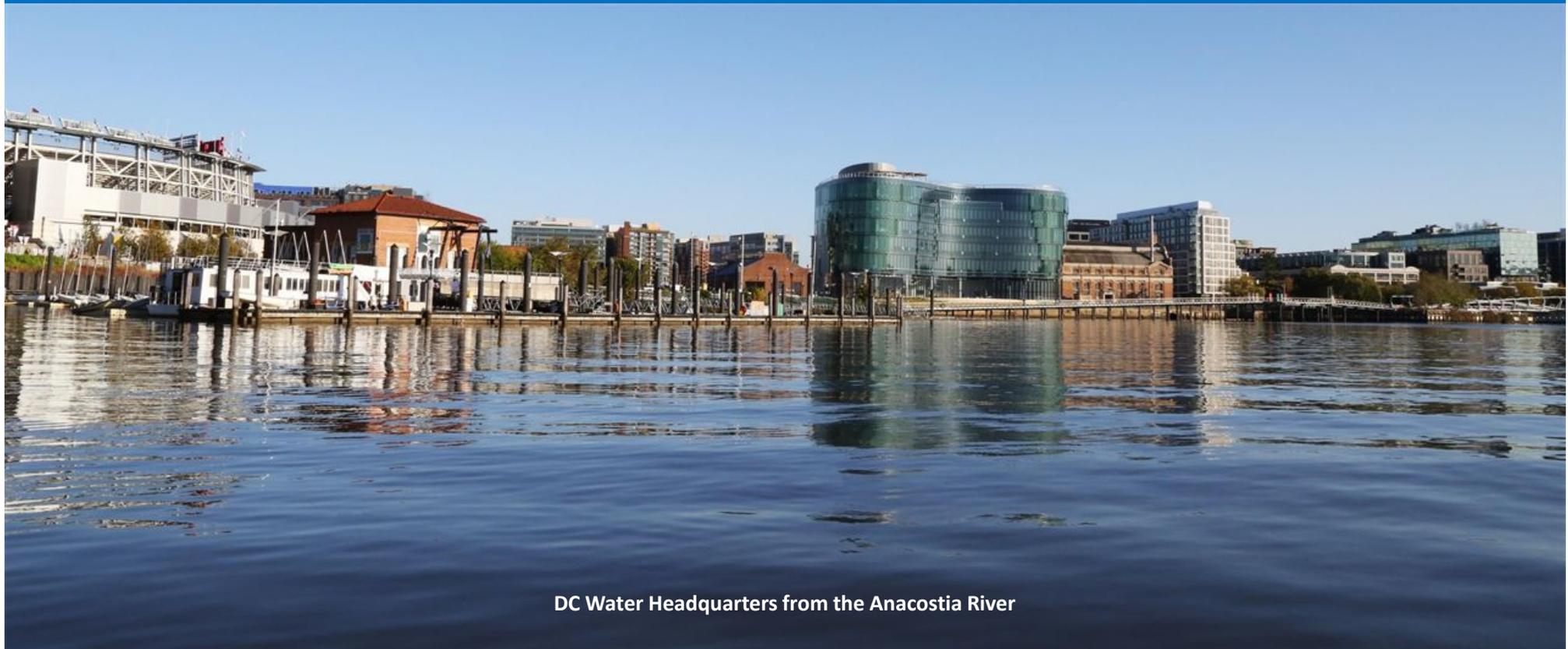
Attachment B

Approve and Adopt Final Rulemaking to Amend Customer Assistance Programs Regulations, September 27, 2022

Meisha Lorick, Interim Director of Customer Care

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**District of Columbia Water and Sewer Authority**



DC Water Headquarters from the Anacostia River



## Purpose

- 💧 Recommend to approve and adopt Notice of Final Rulemaking for DC Water Cares Programs:
  1. Remove FY2022 CAP2 recertification waiver language
  2. Extend the DC Water Cares: Residential Assistance Program (RAP) and Multifamily Program (MAP) into FY2023 with MAP calculation changes.



# FY2023 Program Design

- 🔹 FY2023 DC Water Cares program RAP will not deviate from FY2022 design
- 🔹 FY2023 DC Water Cares program MAP will be modified to increase owner incentive and participation

	RAP	MAP
Property Eligibility	Residential (single-family or individually metered)	Multifamily (4+ units) -AND- property owner participation
Household Income Eligibility	80% AMI (CAP or CAP2)	80% AMI (SNAP, TANF, LIHEAP, AHU, or applies directly)
Benefit Occurrence	On-going throughout fiscal year	One-time per fiscal year
Benefit Calculation	Current past due balance, up to \$2,000 per fiscal year	Lesser of, but not to exceed \$2,000 per fiscal year: <b>1) 6-month</b> average from 10/1/21 to 9/30/22 <b>2) Past due</b> balance as of 9/30/22
Credits	Up to \$2,000 per fiscal year	<b>80% to Tenants Account</b> <b>20% on Owner’s DC Water Account</b>
Fiscal Year Benefit Renewal Process	Reapply for CAP or CAP2 via DOEE	Tenant: Reapply for programs listed under Household Income Eligibility above -AND- Owner: Reapply for property participation

AMI=Area Median Income  
SNAP=Suppl. Nutrition Assist. Pgrm.

TANF=Temp Assist. for Needy Families  
LIHEAP=Low Income HH Energy Assist.

AHU=Affordable Housing Unit



## Amendment Overview

- 💧 Revise 21 DCMR Section 4102.2(c) as follows:
  - For CAP2
    - Update fiscal year references from FY2022 to FY2023
    - Clarify language for program renewals to require annual customer reapplication each year for CAP2 benefits, consistent with the CAP and CAP3 programs

FY2022 Language	FY2023 Language
Customer that received DC Water Cares benefits in FY 2021 must submit a renewal application <b>to receive</b> DC Water Cares <b>benefits</b> in Fiscal Year 2022.	Customers shall reapply each year for CAP 2 benefits to receive CAP 2 benefits.



## Amendment Overview

💧 Revise 21 DCMR Section 4102.9 and .10 as follows:

■ For RAP & MAP

- Update fiscal year references from FY2022 to FY2023
- Revise benefit calculation multiplier from 3 to 6 (MAP only)
- Revise the credit distribution from 90% to the tenant and 10% to the owner’s account to 80% to the tenant and 20% to the owner’s account (MAP only) as follows:

FY2022 Language	FY2023 Language
... subtracting any amount of water and sewer charges applicable to any retail/commercial units and that result is multiplied by <b>three (3)</b> ; or	... subtracting any amount of water and sewer charges applicable to any retail/commercial units and that result is multiplied by <b>six (6)</b> ; or
FY2022 Language	FY2023 Language
Upon receipt of MAP Credits, apply ninety percent <b>(90%)</b> of the MAP Credits to the DC Water approved eligible Occupant’s account within thirty (30) days of receipt of the MAP Credit, and the remaining ten percent <b>(10%)</b> shall be maintained as a credit on the DC Water account;	Upon receipt of MAP Credits, apply eighty percent <b>(80%)</b> of the MAP Credits to the DC Water approved eligible Occupant’s account within thirty (30) days of receipt of the MAP Credit, and the remaining twenty percent <b>(20%)</b> shall be maintained as a credit on the DC Water account;



## NOEPR and NOPH

- On July 7, 2022, the Board approved and adopted Notice of Emergency and Proposed Rulemaking (NOEPR) to continue the implementation of the DC Water Cares RAP and MAP for FY 2023 and rescind the CAP2 recertification waiver provisions.
- On July 22, 2022, the NOEPR and Notice of Public Hearing were published in the *D.C. Register*.
- The Public Comment period was open from July 22, 2022 and closed on September 19, 2022.
- On September 14, 2022, the Board held a Public Hearing to receive testimony on the NOEPR and the public hearing record and comment period closed on September 19, 2022.



## Public Hearing Testimony and Comments

- 💧 No witnesses testified at the Public Hearing.
- 💧 No comments were submitted during the public comment period.



## Management Recommendation

Management requests the D.C. Retail Water and Sewer Rates Committee recommend the Board to adopt and approve the Notice of Final Rulemaking:

1. Remove FY2022 CAP2 recertification waiver language
2. Extend the DC Water Cares: Residential Assistance Program (RAP) and Multifamily Program (MAP) into FY2023 with MAP calculation changes.
3. Publish amended regulations as proposed with clarifying revision to 21 DCMR Section 4102.10(i)(1) to change the written terms for 80% and 20% as shown below:

(1) Apply eighty percent (80%) of the total MAP credits for the approved occupant on their account within thirty (30) days of the date of the notice of the amount of the credits from DC Water, and the remaining twenty percent (20%) shall be maintained as a credit on the DC Water account;



## DC Water Cares Program Rulemaking Timeline

- 06/28/22 – Presentation to RRC on proposal to amend Customer Assistance Program (CAP) regulations for CAP2, DC Water Cares Residential and Multifamily Assistance Programs extension
- 06/28/22 – RRC recommends Board approval to amend the CAP regulations for CAP2, and extension of DC Water Cares Residential and Multifamily Assistance Programs`
- 07/07/22 – Board approve and adopt Notice of Emergency and Proposed Rulemaking (NOEPR) to amend the CAP regulations for CAP2, and DC Water Cares Residential and Multifamily Assistance Programs extension
- 07/22/22 – Publish NOEPR in D.C. Register
- 07/22/22 – Public comment period begins
- 07/14/22 – Public Hearing
- 07/19/22 – Public comment period closes
- 09/28/22 – RCC approves final proposal to amend CAP regulations for CAP2 and DC Water Cares Residential and Multifamily Assistance Programs extension
- 10/06/22 – Board approval to publish Notice of Final Rulemaking to Approval of Notice of Final Rulemaking (NOFR)
- 10/21/22 – Publish NOFR in D.C Register

# Appendix



## History

- In FY2022, DC Water as a member of Utility Discount Programs (UDP) waived the recertification requirements for CAP2 that allowed all 2021 customers to maintain their assistance in 2022
- Residential Assistance Program (RAP) and Multi-family Assistance Program (MAP) were not covered in the assistance waiver and customers were required to recertify to receive the additional benefits.
  - The recertification waiver and the introduction of Low-Income Household Water Assistance Program (LIHWAP) caused a decrease in the distribution of RAP funding in FY2022
  - Owners requested more financial support as an incentive to participate in the Multi-Family Assistance Program, and therefore FY22 funding was not exhausted.



## FY2022 Assistance Distribution

- 💧 FY2022 CAP2 is anticipated to be over budget, due to increased outreach and waiving recertification
- 💧 Due to waiving recertification and the introduction of LIHWAP, FY2022 RAP funding will not be exhausted. Without LIHWAP in FY23 we anticipate increased participation in RAP.
- 💧 With owner education and an increased owner incentives, MAP owner participation has the potential to increase in FY2023

Program	FY21 Enrolled	FY21 Dollars	FY22 Enrolled (Aug 2022)	FY22 Dollars (Aug 2022)	FY22 Budget
Customer Assistance Program	4,453	\$2,378,326	6,861	\$4,408,649	\$2,737,865
Customer Assistance Program 2	538	\$245,637	673	\$307,610	\$296,536
Customer Assistance Program 3 (District funded)	191	\$36,059	203	\$32,860	\$100,000
Non-Profit CRIAC Relief (District funded)	189	\$955,707	155	\$750,423	\$1,260,000
DC Water Cares Residential	2,842	\$1,892,843	1,223	\$904,257	\$3,000,000
DC Water Cares Multifamily (units)	5,978	\$2,507,484	4,296	\$1,864,550	\$6,223,837
Low Income Household Water Assistance Program	N/A	N/A	3,205	\$2,183,013	\$2,000,000



## FY 2022 Projected Unexpended Balance

	RAP	MAP
Funding Source	DC Water	DC Water
FY22 Funding Budget	\$3.0 million	\$6.2 million
Assistance Provided as of August 31, 2022	\$0.9 million	\$1.9 million
Ending Balance as of August 31, 2022	\$2.1 million	\$4.3 million
Projected Unexpended Balance FY2022	\$1.8 million	\$4.3 million
Actual Enrollment as of August 31, 2022	1,223	4,296
Projected Enrollment FY2022	1,600	4,320

## Attachment C

### DC Retail Water and Sewer Rates Committee

#### Action Items

1. Proposal to Remove FY 2022 CAP2 Recertification Requirements Language; and Extend DC Water Cares: Residential Assistance Program and Multifamily Assistance Program for FY 2023.

Action Item (Attachment C)

**Recommend Board Adoption and Approval for Notice of Final Rulemaking to 1) Remove FY 2022 CAP2 Recertification Requirements Language; and 2) Extend DC Water Cares: Residential Assistance Program and Multifamily Assistance Program for FY 2023**

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

**Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended as follows:**

**Subsection 4102.2(c), is amended to read as follows:**

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for not more than the entire fiscal year, beginning October 1st and terminating on September 30th, subject to the availability of budgeted funds.
  - (1) Approved CAP2 customers that submitted a complete application to DOEE before November 1st, shall receive CAP2 benefits retroactive to October 1st and terminating on September 30th of that fiscal year.
  - (2) Approved CAP2 customers that submitted a complete application on or after November 1st, shall receive CAP2 benefits as of the date of submittal and terminating on September 30th of that fiscal year.
  - (3) Customers shall reapply each year for CAP2 benefits to receive CAP2 benefits.

**Subsection 4102.9, is amended to read as follows:**

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

- (a) Participation in the DC Water Cares Emergency Relief Program (DC Water Cares) shall be limited to a single-family or individually metered low-income Residential Customer that meets the following eligibility requirements:

- (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services; and
  - (2) DOEE has determined that the applicant's annual household income is equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved customer shall receive the following benefits:
- (1) Credit of one hundred percent (100%) off of the past due water and sewer bill balance; and
  - (2) The total amount of credits provides shall not exceed Two Thousand (2,000) dollars during Fiscal Year 2023.
- (c) Upon DC Water's receipt of notice from DOEE that the applicant meets the financial eligibility requirements, DC Water shall provide the credits to the customer's account from the date that DOEE accepts a completed application and for future qualifying events that may lead to collection activities to the end of the fiscal year in which the application was submitted.
- (d) The DC Water Cares Emergency Relief Program shall terminate on September 30, 2023.
- (e) Customer that received DC Water Cares benefits in FY 2022 must submit a renewal CAP or CAP2 application to DOEE to receive DC Water Cares benefits in Fiscal Year 2023.
- (f) If DC Water determines that the remaining budgeted funds are insufficient to provide DC Water Cares benefits, DC Water may:
- (1) Suspend the process for accepting DC Water Cares applicants; or
  - (2) Suspend or adjust providing DC Water Cares benefits to eligible recipients.

**Subsection 4102.10, is amended to read as follows:**

4102.10 DC Water Cares: Multifamily Assistance Program (MAP).

- (a) The DC Water Cares: Multifamily Assistance Program (MAP) provides up to two thousand (\$2,000) per eligible unit of emergency relief to an eligible Occupant residing in a participating Multi-Family Customer's premises.

- (b) For purposes of this subsection, Non-Residential Customers whose premises has four or more dwelling units, are deemed Multi-Family Customers, as defined in 21 DCMR 4104, and eligible to apply to participate in the MAP.
- (c) For purposes of this subsection, the term “Occupant” includes a person that resides in a dwelling unit in an apartment, condominium, or cooperative housing association.
- (d) Multi-Family Customers and their eligible Occupants may participate in the MAP by complying with the requirements in this subsection.
- (e) To participate in the MAP, a Multi-Family Customer shall:
  - (1) Maintain an active DC Water account and be responsible for paying for water and sewer services at a Multi-Family Customer’s property that is:
    - (A) Not owned or operated by the District of Columbia or
    - (B) Not owned or operated by the Federal Government.
  - (2) Have one or more eligible Occupant in an active lease or rental agreement, condominium housing association deed or title, or cooperative housing association occupancy agreement or title to reside in their premises;
  - (3) Complete and submit a DC Water Cares: Multifamily Assistance Program Terms and Conditions Application and comply with DC Water requests for information and access to the premises as necessary to determine compliance with the MAP requirements;
  - (4) Upon approval to participate in the MAP, comply with all the MAP Terms and Conditions, post the MAP flier in a conspicuous location in the building or include the MAP flier in a notice or invoice to all unit Occupants to inform the Occupants about the MAP and encourage them to apply for assistance, if eligible;
  - (5) Upon receipt of MAP Credits, apply eighty percent (80%) of the MAP Credits to the DC Water approved eligible Occupant’s account within thirty (30) days of receipt of the MAP Credit, and the remaining twenty percent (20%) shall be maintained as a credit on the DC Water account;

- (6) Notify the eligible Occupant in writing that the credits were applied to their account within thirty (30) days of the receipt of the MAP Credit;
  - (7) Enter a payment plan agreement with DC Water for any remaining arrears outstanding on the DC Water account within sixty (60) days of receipt of the first MAP Credits; and
  - (8) Notify DC Water within thirty (30) days of any change in ownership or the eligible Occupant's occupancy.
- (f) To be eligible to participate in the MAP, an Occupant shall be (1) named on the occupancy agreement, including, but not limited to a lease or rental agreement, condominium deed or title, or cooperative housing association occupancy agreement or title, (2) reside in a Multi-Family Customer's property that is master metered and approved to participate in the MAP, and (3) meet one of the following requirements:
- (1) Reside in an Affordable Housing Unit as defined in 21 DCMR § 199.1, provided the Occupant does not notify DC Water to be excluded from receiving MAP assistance within ten (10) days of receipt of notice of eligibility from DC Water; or
  - (2) Meet the annual household income limits equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit as follows:
    - (A) Occupant submits a Resident Application for DC Water Cares: Multifamily Assistance Program to the District of Columbia Department of Energy and Environment (DOEE) and DOEE determines that the applicant meets the annual household income requirements;
    - (B) Occupant that is eligible to receive Low-Income Energy Assistance Program (LIHEAP) or Utility Discount Program (UDP) assistance during Fiscal Year 2023 as determined by DOEE, shall be categorically eligible to participate in the MAP, provided they do not notify DC Water to be excluded from participating within ten (10) days of receipt of the notice of eligibility from DC Water; or
    - (C) Occupant that is eligible to receive assistance for public benefits programs during Fiscal Year 2023, including, but not limited to, the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program

(SNAP), or medical assistance programs, through Medicaid, Alliance and DC Healthy Families programs as determined by the District of Columbia Department of Human Services, shall be categorically eligible to participate in the MAP, provided they notify DC Water that they agree to participate in the MAP within ten (10) days of receipt of the notice of eligibility, but not later than September 21, 2023.

- (3) Occupant is not eligible to receive MAP assistance if they:
  - (A) Reside in a dwelling unit that is 100% subsidized.
- (g) DC Water shall notify the approved Multi-Family Customer and approved Occupant(s), setting forth the amount of the approved MAP Credits.
- (h) DC Water shall apply up to two thousand dollars (\$2,000) in MAP Credits per eligible unit during Fiscal Year 2023 on an approved Multi-Family Customer's DC Water account that has one or more eligible Occupant as follows:
  - (1) The MAP Credits provided per eligible unit shall be calculated based on the greater of A. or B., which is then divided by the total number of dwelling units in the premises:
    - (A) The average of the Multi-Family Customer's DC Water charges billed from October 1, 2021 to September 30, 2022 subtracting any amount of water and sewer charges applicable to any retail/commercial units and that result is multiplied by six (6); or
    - (B) Total amount of the outstanding balance on the Multi-Family Customer's DC Water account as of September 30, 2022 subtracting any water and sewer charges applicable to any retail/commercial units.
  - (2) DC Water shall revoke the amount of the MAP Credits applied to a Multi-Family Customer's DC Water account and charge the customer's account the full amount of the MAP Credits, if one or more of the following violations is not corrected within ten (10) days of the date of the notice of violation from DC Water:
    - (A) Failure to comply with the MAP Terms and Conditions;
    - (B) Failure to enter into a payment plan agreement within sixty (60) days of the receipt of the first MAP Credits to establish a payment schedule for any remaining outstanding charges;

- (C) Failure to apply the MAP Credits to the Occupant's account within thirty (30) days of receipt of the MAP Credits; or
  - (D) Multi-Family Customer or Occupant commits fraud or makes false statements in connection with the MAP.
- (i) Multi-Family Customer that receives MAP Credits on their DC Water account shall:
- (1) Apply eighty percent (80%) of the total MAP Credits for the approved Occupant on their account within thirty (30) days of the date of the notice of the amount of the Credits from DC Water, and the remaining twenty percent (20%) shall be maintained as a credit on the DC Water account;
  - (2) Notify the approved Occupant, in a statement or separate writing, that the credit has been applied to their account within thirty (30) days of receipt of the MAP Credits from DC Water;
  - (3) Notify DC Water within thirty (30) days of any change in ownership if DC Water has not applied the MAP Credits to the Multi-Family Customer's DC Water account;
  - (4) Notify DC Water within thirty (30) days of any change in the Occupant's occupancy if the MAP Credits have not been applied to the Occupant's account;
  - (5) Provide the Occupant any MAP Credits remaining in their account if the Occupant terminates their occupancy;
  - (6) Provide, upon DC Water's request, documentation confirming that the MAP Credits have been applied to the Occupant's account;
  - (7) Provide DC Water access to the premises and records to conduct an audit to determine compliance with these regulations and the MAP Terms and Conditions; and
  - (8) Maintain all documents related to the MAP Terms and Conditions Application, receipt and handling of MAP Credits, and notices to approved Occupant(s).
- (j) The DC Water Cares MAP shall terminate September 30, 2023.
- (k) Multi-Family Customer that received MAP Credits in FY 2022 must submit a renewal DC Water Cares: Multifamily Assistance Program Terms and

Conditions Application to DC Water to receive MAP Credits in Fiscal Year 2023.

- (l) Occupant residing in multifamily properties that received MAP Credits on their account in FY 2022 must submit a renewal Resident Application for DC Water Cares: Multifamily Assistance Program to DOEE to receiving MAP Credits in Fiscal Year 2023.
- (m) If DC Water determines that budgeted funds are insufficient to provide DC Water Cares MAP Credits, DC Water may:
  - (1) Suspend the process for accepting DC Water Cares MAP applications; or
  - (2) Suspend or adjust providing DC Water Cares MAP Credits to eligible Multi-Family Customer's DC Water account.
- (n) DC Water shall notify a Multi-Family Customer or Occupant if they are denied eligibility for the MAP by issuing a Notice of Denial, which shall contain a written statement of the basis for the denial and advising the Multi-Family Customer or Occupant of the following:
  - (1) Multi-Family Customer or Occupant may challenge the denial of eligibility to participate in the MAP by:
    - (A) Submitting a written Request for Reconsideration within fifteen (15) days of the date of the Notice of Denial; and
    - (B) Providing a statement of the basis why they should be eligible and supporting documentation.
  - (2) The General Manager shall review the Request for Reconsideration and make a final determination of eligibility.
  - (3) The Multi-Family Customer or Occupant may request an Administrative hearing in writing, within fifteen (15) days of the date of the General Manager's written final determination, if he or she is not satisfied with the General Manager's determination; and
  - (4) The Customer shall be notified in writing of the date and time of the Administrative Hearing, if requested.

**Attachment D**

**FY 2022 Proposed RRC Committee Workplan**

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>1. Adjust Retail Rates for FY 2023 &amp; FY 2024</b>			
a. Present FY 23 & FY 24 Budget to Board	January 6, 2022	√	EVP F&P
b. Present Proposed FY 23 & FY 24 Rates, Fees & Charges in the Joint Meeting of RRC and F&B Committees	January 25, 2022	√	Rates and Revenue
c. Independent Review of Rates – Presentation by Consultant	February 22, 2022	√	Rates and Revenue
d. RRC recommendation on Proposed FY 23 & FY 24 Rates, Fees and Charges	February 22, 2022	√	Rates and Revenue
e. Submit Independent Review of Proposed Rates and 2022 Cost of Service Study to Mayor and Council and post both on DC Water’s website	February 28, 2022	√	Rates and Revenue
f. Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 23 & FY 24 Rates, Fees and Charges.	March 3, 2022	√	Board of Directors
g. Publish NOPR in D.C. Register for Proposed FY 23 & FY 24 Rates, Fees and Charges	March 18, 2022	√	DGLA
h. Outreach and Public Comment Period	March 18 - May 16, 2022	√	OMAC & Board Secretary
i. Public Hearing	May 11, 2022	√	Board of Directors
j. Public Hearing Record Closes	May 16, 2022	√	Board Secretary
k. Submit Response to Public Comments report to Board and post on DC Water website	May 31, 2022	√	Rates and Revenue
l. Present final FY 23 & FY 24 Rates, Fees and Charges to RRC for recommendation to Board	June 28, 2022	√	Rates and Revenue
m. Board approves Notice of Final Rulemaking (NOFR) for FY 23 & FY 24 Rates, Charges & Fees	July 7, 2022	√	Board of Directors
n. Publish NOFR in D.C. Register for Amended Rates, Fees and Charges	July 22, 2022	√	DGLA
o. Amended Rates, Fees and Charges Go-Live	October 1, 2022 (FY 2023) October 1, 2023 (FY 2024)		Rates and Revenue

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
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<b>2. 2022 Cost of Service Study (COS) for Water, Sewer and CRIAC</b>			
a. Present COS to RRC	January 25, 2022	√	Rates & Revenue
b. Post Final COS on DC Water’s website	February 25, 2022	√	Rates & Revenue

## Attachment D

## FY 2022 Proposed RRC Committee Workplan

<b>3. 2022 Potomac Interceptor Cost of Service Study (FY 2023 – FY 2025)</b>			
a. <i>Present 2022 Potomac Interceptor Cost of Service Study for FY 2023 – FY 2025 rates to RRC</i>	April 26, 2022	√	Rates & Revenue

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>4. New High Flow Filter Backwash Sewer Service Rate</b>			
a. <i>Presentation to RRC amend Retail Sewer Rates Regulations to Establish new Filter Backwash Sewer Rate</i>	July 27, 2021	√	Clean Water Quality and Technology
b. <i>RRC recommend approval of proposal to amend the Retail Sewer Rates Regulations to Establish new Filter Backwash Sewer Rate</i>	July 27, 2021	√	RRC
c. <i>Board approval to publish Notice of Proposed Rulemaking (NOPR) to amend the Retail Sewer Rates Regulations to Establish new Filter Backwash Sewer Rate</i>	September 2, 2021	√	Board of Directors
d. <i>Post COS on website</i>	September 14, 2021	√	Rates & Revenue
e. <i>Publish NOPR and Notice of Public Hearing in D.C. Register</i>	September 17, 2021	√	DGLA
f. <i>Outreach and Public Comment Period</i>	Sept. 17 – Nov. 15, 2021	√	Marketing &
g. <i>Submit Cost of Service study to Mayor and Council and post on DC website</i>	September 20, 2021	√	Comm. Rates and Revenue
h. <i>Submit Independent Review of Proposed Rates to Mayor and Council and post on website</i>	October 6, 2021	√	Rates and Revenue
i. <i>Public Hearing</i>	November 10, 2021	√	Board of Directors
j. <i>Public Comment Period Closes</i>	November 15, 2021	√	Board Secretary
k. <i>Present Response to Comments Report to RRC and post on DC Water website</i>	November 16, 2021	√	Rates and Revenue/Pretreatment
l. <i>RRC approves final proposal to amend Retail Sewer Rates Regulations to Establish new Filter Backwash Sewer Rate</i>	November 16, 2021	√	RRC
m. <i>Board approval to publish Notice of Final Rulemaking (NOFR)</i>	December 2, 2021	√	Board of Directors
n. <i>Publish NOFR in D.C. Register</i>	December 17, 2021	√	DGLA
o. <i>Implementation of the new High Flow Filter Backwash Sewer Rate</i>	December 17, 2021	√	CWQT

## Attachment D

FY 2022 Proposed RRC Committee Workplan			
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>5. Proposal to Amend CAP Regulations to Extend DC Water Cares Residential and Multi-family Programs for FY 2022 and Waive FY 2021 CAP2 Customer Recertification Requirement for FY 2022</b>			
a. <i>Update to RRC on DC Water Cares Residential and Multi-family Assistance Programs (RAP and MAP Programs for FY 2022)</i>	June 22, 2021	√	Customer Service
b. <i>Presentation of Proposal to RRC to Amend CAP Regulations to Extend DC Water Cares RAP and MAP Programs for FY 2022 and publication of NOEPR</i>	July 27, 2021	√	Customer Service
c. <i>RRC Recommends Approval of Proposal to Board to Amend the CAP Regulations to Extend DC Water Cares RAP and MAP Programs for FY 2022</i>	July 27, 2021	√	RRC
d. <i>Update RRC to recommend CAP amendments to waive FY 2021 CAP2 Customer's Recertification requirements for FY 2022</i>	August 31, 2021	√	Customer Service/ DGLA
e. <i>RRC recommends Approval of Proposal to Board to Amend te CAP Regulations to waive FY 2021 CAP2 Customer's Recertification Requirement for FY 2022 with other CAP amendments</i>	August 31, 2021	√	Customer Service/ DGLA
f. <i>Board Approval to Publish Notice of Emergency and Proposed Rulemaking (NOEPR) to Amend CAP Regulations to Extend DC Water Cares RAP and MAP Programs for FY 2022 and Waive FY 2021 CAP2 Customer's Recertification Requirement for FY 2022</i>	September 2, 2021	√	Board of Directors
g. <i>Publish NOEPR and Notice of Public Hearing in D.C. Register</i>	September 17, 2021	√	DGLA
h. <i>Public Comment Period Begins</i>	Sept. 17 – Nov. 15, 2021	√	Marketing & Comm.
i. <i>Implement extended DC Water Cares RAP and MAP Programs for FY 2022 and Waiver of FY 2021 CAP2 Customer's Recertification Requirement for FY 2022</i>	October 1, 2021	√	Customer Service
j. <i>Public Hearing</i>	November 10, 2021	√	RRC
k. <i>Public Comment Period Closes</i>	November 15, 2021	√	Board Secretary
l. <i>Present proposal to RRC for Notice of Final Rulemaking (NOFR) for DC Water Cares RAP, MAP and CAP2 including responses to comments</i>	November 16, 2021	√	RRC

## Attachment D

FY 2022 Proposed RRC Committee Workplan			
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>5. Proposal to Amend CAP Regulations to Extend DC Water Cares Residential and Multi-family Programs for FY 2022 and Waive FY 2021 CAP2 Customer Recertification Requirement for FY 2022 (Continued)</b>			
<i>m. RRC recommendation for Board to approve and adopt for publication of NOFR for DC Water Cares RAP and MAP Programs and Waiver of CAP2 Recertification for FY 2022</i>	November 16, 2021	√	RRC
<i>n. Board approval and adoption for publication of NOFR for DC Water Cares RAP and MAP Programs and Waiver of CAP2 Recertification for FY 2022</i>	December 2, 2021	√	Board of Directors
<i>o. Publish NOFR in the D.C. Register</i>	December 17, 2021	√	DGLA
<i>p. Continue Implementing DC Water Cares RAP and MAP Programs and Waiver of FY 2021 CAP2 Customer's Recertification Requirement for FY 2022</i>	December 17, 2021	√	Customer Service
Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>6. Amend 21 DCMR Chapter 4</b>			
<i>a. Present Proposed Revisions to Regulations for Customers Challenging their Bills to RRC</i>	July 27, 2021	√	Customer Service
<i>b. RRC recommendations for Board approval for of proposal proposed to amendments to 21 DCMR Chapter 4 regulations</i>	July 27, 2021	√	RRC
<i>c. Board Approval to Publish Notice of Proposed Rulemaking (NOPR) to Amend 21 DCMR Chapter 4 regulations</i>	September 2, 2021	√	Board of Directors
<i>d. Publish NOPR in DC Register</i>	September 17, 2021	√	Legal Affairs
<i>e. Outreach and Public Comment Period</i>	Sept. 17 – Oct. 18, 2021	√	OMAC & Board Secretary
<i>f. RRC recommendation for Board approval and adoption of final amendments to 21 DCMR Chapter 4 regulations</i>	November 16, 2021	√	RRC
<i>g. Board Approval and Adoption of Notice of Final Rulemaking (NOFR) to Amend 21 DCMR Chapter 4 regulations</i>	December 2, 2021	√	Board of Directors
<i>h. Publish NOFR in the DC Register</i>	December 17, 2021	√	DGLA
<i>i. Chapter 4 Rules and Billing System – Go Live</i>	December 17, 2021	√	Customer Service

**Attachment D**

## FY 2022 Proposed RRC Committee Workplan

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>7. 2022 Cost of Service Miscellaneous Fees and Charges</b>			
a. <i>Present COS Update and Proposed Amendments to Miscellaneous Fees &amp; Charges for RRC Recommendation</i>	April 26, 2022	√	Rates & Revenue
b. <i>Board Approval of Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees &amp; Charges</i>	May 5, 2022	√	Board of Directors
c. <i>Publish NOPR in DC Register</i>	May 20, 2022	√	DGLA
d. <i>Public Comment period</i>	May 20–June 20, 2022	√	Board Secretary
e. <i>RRC Final Recommendation to Approve Amendments for Miscellaneous Fees &amp; Charges</i>	June 28, 2022	√	Rates & Revenue
f. <i>Board Approval of Notice of Final Rulemaking (NOFR)</i>	July 7, 2022	√	Board of Directors
g. <i>Publish NOFR in DC Register</i>	July 22, 2022	√	DGLA
h. <i>Miscellaneous Fees &amp; Charges other than Engineering and Permitting Fees Go-Live</i>	July 22, 2022	√	Rates & Revenue / Customer Care
i. <i>Engineering and Permitting Fees Go-Live</i>	October 1, 2022		Permitting/Customer Care

## Attachment D

## FY 2022 Proposed RRC Committee Workplan

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>8. Proposal to 1) Remove FY 2022 CAP2 Recertification Requirements Language; and 2) Extend DC Water Cares: Residential Assistance Program and Multifamily Assistance Program for FY 2023</b>			
a. <i>Presentation to RRC on proposal to amend Customer Assistance Program (CAP)</i>	June 28, 2022	√	Customer Service
b. <i>RRC recommends Board approval to amend the CAP regulations for CAP2, and extension of DC</i>	June 28, 2022	√	RRC
c. <i>Board approval to publish Notice of Emergency and Proposed Rulemaking (NOEPR) to amend the CAP regulations for CAAP2, and DC Water Cares Residential and Multifamily Assistance Programs extension</i>	July 7, 2022	√	Board of Directors
d. <i>Publish NOEPR and Notice of Public Hearing in DC Register</i>	July 22, 2022	√	DGLA
e. <i>Public comment period</i>	July 22 – September 19, 2022		OMAC & Board Secretary
f. <i>Public Hearing</i>	September 14, 2022		Board of Directors
g. <i>Public comment period closes</i>	September 19, 2022		Board Secretary
h. <i>RCC approves final proposal to amend CAP regulations for CAP2 and DC Water Cares Residential and Multifamily Assistance Programs extension</i>	September 27, 2022		RRC
i. <i>Implement extended DC Water Cares RAP and MAP in FY 2023</i>	October 1, 2022		Customer Care
j. <i>Board approval to publish Notice of Final Rulemaking to Approval of Notice of Final Rulemaking (NOFR)</i>	October 6, 2022		Board of Directors
k. <i>Publish NOFR in D.C Register</i>	October 21, 2022		DGLA
l. <i>Continue Implementing DC Water Cares RAP and MAP Programs in FY 2023</i>	October 21, 2022		Customer Care

**Attachment D**

**FY 2022 Proposed RRC Committee Workplan**

Objective/ <i>Activities/Task</i>	Date of Activity	Completed	Responsible Department
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<b>9. Delinquent Accounts</b>			
a. <i>Soldiers Home Negotiations</i>	Monthly, as needed		DGLA

Objective/ <i>Activities/Task</i>	Date of Activity	Completed	Responsible Department
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<b>10. Rate Stabilization Fund</b>			
a. Rate Stabilization Fund	Monthly, as needed		Rates & Revenue



# Fiscal Year 2023 Workplan

Presentation to Retail Rates Committee, September 27, 2022

District of Columbia Water and Sewer Authority



Blue Plains Advanced Wastewater Treatment Plant



## Purpose

- 💧 To discuss the FY 2023 Workplan, including Cost of Service (COS) studies



## Recent Accomplishments

Retail Water and Sewer Rates for FY2023 and FY2024

- Included Cost of Service study for Retail Rates Independent Review of Rates
- Next study will be for the FY2025 and FY2026 Rates

Miscellaneous Charges and Fees completed in FY2022

- Next will be in FY2025

Potomac Interceptor Cost of Service for FY2023 through FY2025

- Next will be for FY2026 through FY2028

High Flow Filter Backwash Sewer Service Rate for FY2023 and FY2024

- Next will be for FY2025 and FY2026

Multi-Family and Residential Assistance Programs being extended to FY2023



## Upcoming Work

- 💧 Operating Reserves – Including Renewal and Replacement Fund and Rate Stabilization Fund; conducted every five years
- 💧 Independent Engineering Inspection – Conducted every five years
- 💧 Other studies – Federally Owned Water Mains, Stormwater system, Water resilience



# Operating Reserves

💧 The Operating Reserves Study was last completed in 2018, it is conducted every five years

- Contingency funds to sustain financial operations in response to significant unanticipated events or emergencies; cash flow; other needs

💧 Scope for 2023 study for Operating Reserves:

- Analysis of the Operating Cash Reserves, including Renewal and Replacement Reserve (R&R)
- Stability of revenues and predictability of expenditures
- Historical liquidity experience including operating and capital expenditures cash flow
- Practices of other highly-rated water & wastewater utilities
- Rating agency perspectives on reserves
- 250-day operating cash requirement plus Rate Stabilization Fund





# Renewal & Replacement Reserves

## 💧 Renewal & Replacement Reserves

- Contingency funds to sustain financial operations in response to significant unanticipated events or emergencies, examples include:
- Master Indenture of Trust requires the maintenance of a R&R Reserve Fund in an amount equal to 2% of the original cost of plant in service or other such amounts as approved by the Board following a review by an independent consultant
- During FY 2004, upon recommendation of an independent consultant, the Board established the level of the R&R Reserve Fund in the amount of \$35.0 million
- In FY 2018, the results of analysis of consultants supported the Board's decision to maintain the balance in the Fund at \$35.0 million



# Rate Stabilization Fund (RSF)

## Rate Stabilization Fund

- An additional contingency and a further source of liquidity to sustain financial operations in event of unexpected increases in expenses or capital costs, or reductions in revenues
  - Greater flexibility in using RSF moneys compared to the R&R Reserve or the non-discretionary portion of the Operating Reserve
  - Can help provide some one-time smoothing of increases in rates
- The average balance of the fund over the last ten years was \$53.3 million, with a high of \$90.2 million in FY2020 and a low of \$22.5 million in FY2014. The balance of fund at the end of FY2022 is projected at \$35.6 million

### Scope

- Review of Board and management policy decisions and objectives concerning the RSF
- Peer comparisons including both policies and RSF levels
- Potential risks and other available mitigation measures to the projections of cash flow and rates
- Possible revisions to DC Water policies and procedures regarding the use of the RSF
- Review and recommendations for all aspects of the RSF including an appropriate name for the fund



# Independent Engineering Inspection

- The Independent Engineering Inspection is a requirement of the Master Indenture of Trust and is conducted every five years
- Will include:
  - The progress of the Clean Rivers Project including adherence to budget and schedule
  - Aging infrastructure replacement and rehabilitation efforts
  - Blue Plains ability to meet stringent discharge permit limits. The Combined Heat and Power Plant performance will be studied for performance. The Biosolids Management Program will be analyzed for cost efficiencies
  - Allocation of resources, particularly human resources, will be evaluated as to effectiveness and efficiencies. Efficiency and effectiveness in operations and maintenance, including measured performance, will be considered
  - Technical, operational and financial components of the relationship with the Washington Aqueduct including the status of the long-term ownership and control of the region's predominate water treatment facilities

“The Authority shall cause an Independent Consulting Engineer at least once every five years to inspect the System and make a written report thereof which shall include such Independent Engineer’s findings and recommendations as to the maintenance of the System and the construction of additions, extensions and improvements to the System and capital replacements thereof.”



## Other Studies

- 💧 Federally Owned Water Mains
  - Provide water to federal government properties in Virginia and Maryland
  - Charged local water rates (Arlington rate, for example)
  - Assess costs of providing this service (full scope to be determined)
- 💧 Stormwater system
  - Certain stormwater operating and capital costs are recovered in current rates, like rehabilitation of stormwater pumping stations
  - Additional costs are required relative to DC Water's statutory responsibilities concerning the stormwater sewer collection, transmission and pumping system
  - Explore options to recover costs
- 💧 Water resilience
  - Intermediate and Long Term Flow Interruption Options have Regional impacts and are being evaluated on a Regional basis
  - Short Term source interruption mitigation is a DC specific issue
  - Strategic increases in stored volume within DC is being explored for resiliency
  - Explore cost recovery of water supply reliability and resilience efforts



## Next Steps

- 💧 Proceed with planned work
- 💧 Provide regular updates to the Committee



**Attachment F**

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

**Tuesday, October 25, 2022; 9:30 a.m.  
AGENDA**

<b>Call to Order</b>	Committee Chairman
<b>Monthly Updates</b>	Chief Financial Officer
<b>Committee Workplan</b>	Chief Financial Officer
<b>Agenda for November 15, 2022 Committee Meeting</b>	Committee Chairman
<b>Other Business</b>	Chief Financial Officer
<b>Adjournment</b>	

\*Detailed agenda can be found on DC Water's website at [www.dewater.com/about/board\\_agendas.cfm](http://www.dewater.com/about/board_agendas.cfm)