



# District of Columbia Water and Sewer Authority Board of Directors

## DC Retail Water and Sewer Rates Committee

March 18, 2026 / 9:00 am

**Microsoft Teams meeting**

[Click here to join the meeting](#)

Meeting ID: 286 680 508 316 01 Passcode: b9WM3x2T

Call in (audio only) **202-753-6714, 747918894#**

Phone Conference ID: 747 918 894#

1. **Call to Order** .....Rachna Bhatt, Chairperson
2. **Roll Call**.....Michelle Rhodd, Board Secretary
3. [Monthly Report to DC Retail Water & Sewer Rates Committee \(Attachment A\)](#) ..... [Syed Khalil](#)
4. [Cost of Service Study to Amend System Availability Fee \(SAF\) \(Attachment B\)](#) .....[Syed Khalil /Jon Davis](#)
5. [Action Item \(Attachment C\)](#) ..... [Lola Oyeyemi](#)
  - Recommendation for Board Approval to Publish NOPR to Amend System Availability Fee (Action Item 1)
6. [DC Retail Water and Sewer Rates Committee Workplan \(Attachment D\)](#) ..... [Syed Khalil](#)
  - FY 2026 Proposed DC Retail Rates Committee Workplan
7. [Agenda for April 28, 2026, Committee Meeting \(Attachment E\)](#) ..... [Rachna Bhatt, Chairperson](#)
8. **Other Business**.....Lola Oyeyemi
9. **Executive Session\***
10. **Adjournment** ..... Rachna Bhatt

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at [opengovoffice@dc.gov](mailto:opengovoffice@dc.gov).

\*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 nder 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.

**ATTACHMENT A**



Fiscal Year 2026

# Monthly Report to DC Retail Water and Sewer Rates Committee

Period Ending February 28, 2026

**DEPARTMENT OF FINANCE**

**Lola Oyeyemi**, Acting CFO & EVP, Finance, Procurement & Compliance

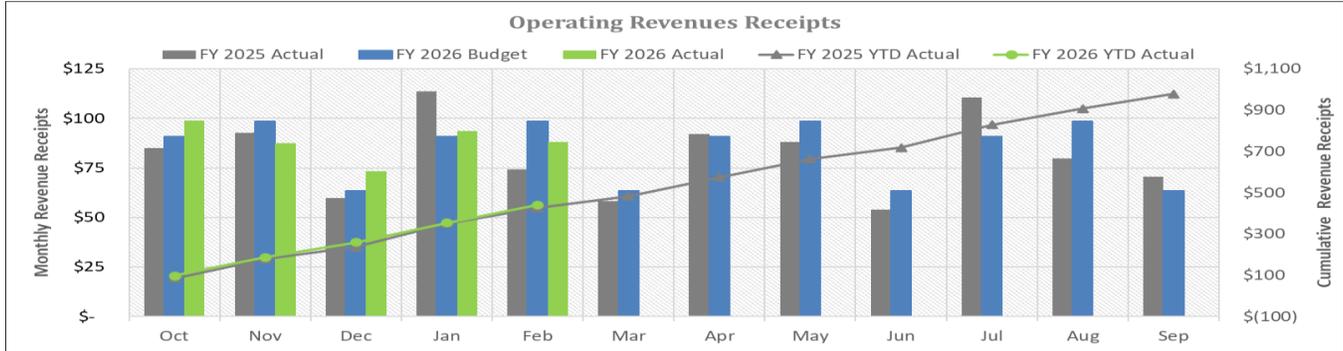
**Syed Khalil**, Vice President, Rates & Revenue

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

Fiscal Year-to-Date  
As of February 28, 2026

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

FY 2025 Actual		CATEGORY	FY 2026					
Total Annual	YTD February		Year-to-Date Performance					
			Annual Budget	YTD Budget	YTD Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$576,751	\$231,593	Residential / Commercial / Multi-Family*	\$586,408	\$244,340	\$242,034	41.3%	(\$2,306)	(0.9%)
92,625	46,773	Federal	99,339	49,669	50,128	50.5%	459	0.9%
25,727	11,045	Municipal (DC Govt.)	28,256	11,774	11,131	39.4%	(643)	(5.5%)
14,990	6,679	DC Housing Authority	18,120	7,550	5,645	31.2%	(1,905)	(25.2%)
24,479	10,294	Metering Fee	24,083	10,163	10,354	43.0%	191	1.9%
43,382	18,505	Water System Replacement Fee (WSRF)	40,717	17,438	18,665	45.8%	1,227	7.0%
114,341	58,118	Wholesale	122,612	61,306	61,547	50.2%	241	0.4%
24,989	10,715	PILOT/ROW	24,156	10,313	10,658	44.1%	345	3.3%
61,225	31,674	All Other	67,695	29,670	30,821	45.5%	1,151	3.9%
<b>\$978,509</b>	<b>\$425,396</b>	<b>TOTAL</b>	<b>\$1,011,386</b>	<b>\$442,223</b>	<b>440,983</b>	<b>43.6%</b>	<b>(1,240)</b>	<b>(0.3%)</b>



At the end of February 2026, cash receipts totaled \$441.0 million, or 43.6 percent of the FY 2026 Budget. The YTD FY 2026 budgeted receipts were \$442.2 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their second quarterly payment in January 2026), and wholesale customers (who made their second quarterly payment in February).

<b>Favorable Variances</b>	<b>Unfavorable Variances</b>
<p><b>Federal</b> - Actual receipts for FY 2026 totaled \$50.1 million or 50.5 percent of the budget. The Federal government made its second quarter payment in January 2026.</p> <p><b>Metering Fee</b> - Receipts are on track at \$10.4 million or 43.0 percent of the budget.</p> <p><b>Water System Replacement Fee (WSRF)</b> - Actual Receipts for WSRF totaled at \$18.7 million or 45.8 percent of the budget.</p> <p><b>Wholesale</b> - The YTD actual receipts totaled \$61.5 million or 50.2 percent of the budget.</p> <p><b>PILOT/ROW</b> - The YTD receipts are slightly higher at \$10.7 million or 44.1 percent of the budget.</p> <p><b>Other Revenue</b> - Receipts are higher at \$30.8 million or 45.5 percent of the budget mainly due to Interest Earnings (\$2.3 million) and Miscellaneous Revenue (\$2.5 million) are higher than the budget. The receipts for System Availability Fee (SAF \$2.2 million), IMA Indirect Cost Reimbursement for Capital Projects (\$1.0 million), Developer Fees (\$0.4 million), Washington Aqueduct Backwash (\$0.1 million) are lower than the budget.</p>	<p><b>Residential, Commercial, and Multi-Family</b> - Receipts for this category are slightly lower at \$242.0 million or 41.3 percent of the budget. The February 2026 receipts were lower by \$1.3 million as compared to the monthly budget of \$48.9 million due to lower consumption as compared to the monthly budget.</p> <p><b>District Government</b> - Receipts are lower at \$11.1 million or 39.4 percent of the budget. February 2026 receipts were higher by \$2.3 million as compared to the monthly budget of \$2.4 million due to missed January 2026 payment for December 2025 billed amount which was also received in February.</p> <p><b>DC Housing Authority</b> - Receipts are slightly lower at \$5.6 million or 31.2 percent of the budget. The receipts are lower mainly due to lower consumption as compared to the budget. The February 2026 receipts are lower by \$0.2 million as compared to the monthly budget of \$1.5 million.</p>

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

As of February 28, 2026  
(\$ in millions)

Revenue Category	FY 2026 Budget	Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$586.4	\$244.3	\$242.0	(\$2.3)	-0.9%	41.3%
Federal	\$99.3	\$49.7	\$50.1	\$0.4	0.9%	50.5%
District Government	\$28.3	\$11.8	\$11.1	(\$0.7)	-5.5%	39.4%
DC Housing Authority	\$18.1	\$7.6	\$5.6	(\$2.0)	-25.2%	31.2%
Customer Metering Fee	\$24.1	\$10.2	\$10.4	\$0.2	1.9%	43.0%
Water System Replacement Fee (WSRF)	\$40.7	\$17.4	\$18.7	\$1.3	7.0%	45.8%
Wholesale	\$122.6	\$61.3	\$61.5	\$0.2	0.4%	50.2%
Right-of-Way Fee/PILOT	\$24.2	\$10.3	\$10.7	\$0.4	3.3%	44.1%
<b>Subtotal (before Other Revenues)</b>	<b>\$943.7</b>	<b>\$412.5</b>	<b>\$410.2</b>	<b>-\$2.3</b>	<b>-0.6%</b>	<b>43.5%</b>
IMA Indirect Cost Reimb. For Capital Projects	13.4	5.6	4.6	(1.0)	-17.9%	34.3%
DC Fire Protection Fee	17.6	8.8	8.8	(0.0)	0.0%	50.0%
Stormwater (MS4)	1.0	0.4	0.4	0.0	0.0%	40.0%
Interest	9.2	3.8	6.1	2.3	60.5%	66.3%
Developer Fees (Water & Sewer)	9.0	3.8	3.4	(0.4)	-10.5%	37.8%
System Availability Fee (SAF)	7.7	3.2	1.0	(2.2)	-68.8%	13.0%
Washington Aqueduct Backwash	2.6	1.1	1.0	(0.1)	-9.1%	38.5%
Others	7.2	3.0	5.5	2.5	83.3%	76.4%
<b>Subtotal</b>	<b>\$67.7</b>	<b>\$29.7</b>	<b>\$30.8</b>	<b>\$1.1</b>	<b>3.9%</b>	<b>45.5%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
<b>Other Revenue Subtotal</b>	<b>\$67.7</b>	<b>\$29.7</b>	<b>\$30.8</b>	<b>\$1.1</b>	<b>3.6%</b>	<b>45.5%</b>
<b>Grand Total</b>	<b>\$1,011.4</b>	<b>\$442.2</b>	<b>\$441.0</b>	<b>-\$1.2</b>	<b>-0.3%</b>	<b>43.6%</b>

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

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	20,322	32,054	14,025	4,580	4,173	75,155
Commercial	39,588	44,821	16,653	2,981	7,085	111,128
Multi-family	26,731	41,114	6,726	1,576	3,530	79,676
Federal	18,200	20,689	11,239	769	2,838	53,735
District Govt	2,941	3,979	4,210	345	875	12,351
DC Housing Authority	2,066	3,060	519	102	163	5,911
<b>Total:</b>	<b>109,848</b>	<b>145,718</b>	<b>53,372</b>	<b>10,354</b>	<b>18,665</b>	<b>337,956</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	FY2026 Budget	Year-To-Date Budget	Actual Received	Variance		Actual % of Budget
				Favorable / <Unfavorable>	Variance % of YTD Budget	
Residential	33,222	13,843	14,025	182	1%	42%
Commercial	39,450	16,438	16,653	216	1%	42%
Multi-family	15,612	6,505	6,726	221	3%	43%
Federal	22,478	11,239	11,239	(0)	0%	50%
District Govt	9,892	4,122	4,210	89	2%	43%
DC Housing Authority	1,465	610	519	(92)	-15%	35%
<b>Total:</b>	<b>122,119</b>	<b>52,756</b>	<b>53,372</b>	<b>616</b>	<b>1%</b>	<b>44%</b>

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

Fiscal Year-to-Date  
As of February 28, 2026

### 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 <sup>(1)</sup>	\$13.4	16,273
September 30, 2019	\$10.6	8,744
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
September 30, 2022 <sup>(2)</sup>	\$29.1	12,168
September 30, 2023	\$28.0	10,420
September 30, 2024	\$33.9	11,832
September 30, 2025	\$33.4	11,414
October 31, 2025 <sup>(3)</sup>	\$30.7	11,435
November 30, 2025	\$30.7	11,946
December 31, 2025	\$31.0	12,346
January 31, 2026	\$32.0	12,405
February 28, 2026	\$32.8	12,611

The overall delinquencies increased by \$0.8 million in February 2026 as compared to the last month. The Multi-family Delinquencies increased by \$0.7 million mainly due to the pause with disconnections since January 19, 2026. Inclement weather largely attributed to the delay. Multi-Family disconnection postings have resumed since March 3, 2026.

**Historical Notes:** (1) The temporary suspension of collection procedures in order to carry out the upgrade of the billing system to VertexOne in December 2017 was the cause of the increase in accounts receivable over 90 days (from the billing date) for September 2018. (2) The increase in accounts receivable from March 2020 to September 2022 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19. (3) In October 2025, the Commercial Delinquencies declined by \$2.3 million mainly due to the \$2.2 million CSX Railroad settlement.

#### Greater Than 90 Days by Customer

	Number of Accounts			Month of Feb (All Categories)				Total Delinquent				
				Active		Inactive		Jan		Feb		
	W & S	Impervious Only	Total No. of	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
	a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)	%
<b>Commercial</b>	8,384	1,823	10,207	1,043	6,476,906	128	\$819,561	1,176	\$7,232,412	1,171	\$7,296,467	22%
<b>Multi-family</b>	9,111	302	9,413	1,351	15,424,945	46	\$254,817	1,309	\$14,972,949	1,397	\$15,679,762	48%
<b>Single-Family Residential</b>	108,153	1,903	110,056	9,882	9,608,640	161	\$218,572	9,920	\$9,800,550	10,043	\$9,827,213	30%
<b>Total</b>	<b>125,648</b>	<b>4,028</b>	<b>129,676</b>	<b>12,276</b>	<b>\$31,510,491</b>	<b>335</b>	<b>\$1,292,950</b>	<b>12,405</b>	<b>\$32,005,910</b>	<b>12,611</b>	<b>\$32,803,442</b>	<b>100%</b>

Notes: Included in the above \$32.8M (or 12,611 accounts) of the DC Water Over 90 days delinquent accounts, \$2,793,220.96 (or 1,042 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 (12,611) as a percentage of total accounts (129,676) is 9.7 percent.  
 -Delinquent impervious only accounts (1,042) as a percentage of total accounts (129,676) is 0.8 percent.  
 -Delinquent impervious only accounts (1,042) as a percentage of total delinquent accounts (12,611) are 8.3 percent.  
 -Delinquent impervious only accounts (1,042) as a percentage of total impervious only accounts (4,028) are 25.9 percent

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

Fiscal Year-to-Date  
As of February 28, 2026

### Customer Arrears Data

#### Arrears by Customer Category:

Category	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
Commercial	2,258	\$11,989,169	1,407	\$8,443,995	1,171	\$7,296,467
Multi Family	2,259	20,808,249	1,590	17,175,931	1,397	15,679,762
Residential	21,024	13,825,474	12,908	11,093,131	10,043	9,827,213
<b>Total</b>	<b>25,541</b>	<b>\$46,622,892</b>	<b>15,905</b>	<b>\$36,713,057</b>	<b>12,611</b>	<b>\$32,803,442</b>

#### Arrears by WARD for Residential Category:

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	1,311	\$713,631	709	\$528,718	527	\$465,655
2	583	221,282	280	158,301	205	133,158
3	689	328,037	297	232,596	209	199,099
4	3,669	2,170,470	2,056	1,671,341	1,568	1,453,296
5	4,224	2,697,961	2,622	2,147,628	2,003	1,882,845
6	1,170	586,443	664	462,241	501	401,953
7	5,981	4,393,075	3,972	3,665,314	3,176	3,293,241
8	3,397	2,714,577	2,308	2,226,993	1,854	1,997,964
<b>Total</b>	<b>21,024</b>	<b>\$13,825,474</b>	<b>12,908</b>	<b>\$11,093,131</b>	<b>10,043</b>	<b>\$9,827,213</b>

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

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
CAP+	489	\$417,975	427	\$345,779	378	\$285,806
CAP	279	157,964	223	122,298	192	96,418
CAP2	25	12,413	18	9,486	15	6,958
CAP3	3	3,329	3	3,202	2	1,801
<b>Total</b>	<b>796</b>	<b>\$591,680</b>	<b>671</b>	<b>\$480,765</b>	<b>587</b>	<b>\$390,983</b>

\* Based on number of accounts that have been given credit in Feb 2026

#### CAP+ Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	19	\$14,707	14	\$10,486	13	\$8,736
2	3	2,357	3	1,973	3	1,594
3	3	4,210	3	3,944	3	3,614
4	80	68,242	64	53,557	57	43,497
5	98	86,217	91	72,170	79	60,432
6	24	15,842	22	11,726	20	8,313
7	167	139,593	146	119,720	125	99,669
8	95	86,807	84	72,203	78	59,950
<b>Total</b>	<b>489</b>	<b>\$417,975</b>	<b>427</b>	<b>\$345,779</b>	<b>378</b>	<b>\$285,806</b>

\* Based on number of accounts that have been given credit in Feb 2026

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

Fiscal Year-to-Date  
As of February 28, 2026

### Customer Arrears Data

#### CAP Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	10	\$6,513	9	\$3,699	7	\$2,991
2	1	123	1	68	1	68
3	2	946	2	771	2	474
4	34	19,615	25	15,440	21	11,432
5	72	44,225	55	33,720	46	27,120
6	9	5,678	7	4,152	6	3,592
7	84	37,931	69	29,131	62	21,484
8	67	42,934	55	35,317	47	29,257
<b>Total</b>	<b>279</b>	<b>\$157,964</b>	<b>223</b>	<b>\$122,298</b>	<b>192</b>	<b>\$96,418</b>

\* Based on number of accounts that have been given credit in Feb 2026

#### CAP2 Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	0	\$0	0	\$0	0	\$0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	1	81	0	0	0	0
5	1	78	0	0	0	0
6	0	0	0	0	0	0
7	16	7,575	12	5,787	10	4,543
8	7	4,679	6	3,700	5	2,415
<b>Total</b>	<b>25</b>	<b>\$12,413</b>	<b>18</b>	<b>\$9,486</b>	<b>15</b>	<b>\$6,958</b>

\* Based on number of accounts that have been given credit in Feb 2026

#### CAP3 Customer Arrears by Ward\*

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	0	\$0	0	\$0	0	\$0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	0	0	0	0	0	0
5	0	0	0	0	0	0
6	1	153	1	26	0	0
7	0	0	0	0	0	0
8	2	3,175	2	3,175	2	1,801
<b>Total</b>	<b>3</b>	<b>\$3,329</b>	<b>3</b>	<b>\$3,202</b>	<b>2</b>	<b>\$1,801</b>

\* Based on number of accounts that have been given credit in Feb 2026

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

Fiscal Year-to-Date  
As of February 28, 2026

### 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 estimated 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 February 28, 2026, developer deposits had \$32.68 million in credit balances (liability) and \$11.98 million in debit balances (receivable).

#### Balances by Year as of February 28, 2026

<b>Credit Balances (Liability)</b>	<b>Debit Balances (Receivables)</b>
\$32.68 million	\$11.98 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	\$ -	-	\$ 9,066.08	6	\$ 9,066.08
2005	\$ (282,698.64)	74	\$ 260,270.23	86	\$ (22,428.41)
2006	\$ (267,855.30)	22	\$ 271,416.02	74	\$ 3,560.72
2007	\$ (114,482.12)	24	\$ 135,267.96	47	\$ 20,785.84
2008	\$ (227,017.73)	27	\$ 189,458.72	48	\$ (37,559.01)
2009	\$ (135,050.53)	19	\$ 166,751.18	42	\$ 31,700.65
2010	\$ (88,248.62)	23	\$ 120,888.87	36	\$ 32,640.25
2011	\$ (228,832.78)	47	\$ 599,702.33	52	\$ 370,869.55
2012	\$ (422,979.08)	97	\$ 442,047.16	82	\$ 19,068.08
2013	\$ (498,376.70)	85	\$ 245,969.44	76	\$ (252,407.26)
2014	\$ (772,807.88)	85	\$ 968,752.12	60	\$ 195,944.24
2015	\$ (762,295.93)	189	\$ 262,841.54	35	\$ (499,454.39)
2016	\$ (1,984,345.84)	280	\$ 453,997.09	53	\$ (1,530,348.75)
<b>Subtotal - 2001 through 2016</b>	<b>\$ (5,784,991.15)</b>	<b>972</b>	<b>\$ 5,088,428.79</b>	<b>700</b>	<b>\$ (696,562.36)</b>
2017	\$ (1,518,979.92)	353	\$ 584,970.45	112	\$ (934,009.47)
2018	\$ (2,131,620.29)	390	\$ 797,822.57	112	\$ (1,333,797.72)
2019	\$ (3,239,425.01)	344	\$ 1,627,389.59	153	\$ (1,612,035.42)
2020	\$ (3,335,270.67)	219	\$ 515,592.63	121	\$ (2,819,678.04)
2021	\$ (3,350,857.53)	267	\$ 528,842.73	142	\$ (2,822,014.80)
2022	\$ (5,192,974.50)	269	\$ 943,406.21	168	\$ (4,249,568.29)
2023	\$ (2,912,831.95)	167	\$ 998,750.76	124	\$ (1,914,081.19)
2024	\$ (2,502,651.56)	142	\$ 559,381.06	111	\$ (1,943,270.50)
2025	\$ (2,308,370.14)	156	\$ 214,248.22	82	\$ (2,094,121.92)
2026	\$ (402,885.00)	26	\$ 123,409.98	44	\$ (279,475.02)
<b>Subtotal - 2016 through 2026</b>	<b>\$ (26,895,866.57)</b>	<b>2,333</b>	<b>\$ 6,893,814.20</b>	<b>1,169</b>	<b>\$ (20,002,052.37)</b>
<b>Total</b>	<b>\$ (32,680,857.72)</b>	<b>3,305</b>	<b>\$ 11,982,242.99</b>	<b>1,869</b>	<b>\$ (20,698,614.73)</b>

#### Forfeiture Action

Accounts Forfeited on August 16, 2021	(4,838,938.52)	1,011
Accounts Forfeited on September 23, 2022	(1,286,705.10)	348
Accounts Forfeited on March 26, 2024	(1,621,242.25)	262
Accounts Forfeited on September 27, 2024	(764,105.79)	113
Accounts Forfeited on September 28, 2025	(969,992.94)	182
Accounts pending forfeiture determination and execution.	(5,784,991.15)	972

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

Fiscal Year-to-Date  
As of February 28, 2026

### 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 activity on the account. For the last four years, annual statements were mailed to customers on June 20, 2025, March 26, 2024, April 28, 2023, and January 25, 2022.

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 period, 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 is requested, funds will 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 to customers on August 16, 2021, September 21, 2022, March 26, 2024, September 27, 2024, and September 28, 2025.

#### Refund Requests and Forfeiture Disputes

Following the distribution of annual account statements to customers on June 20, 2025, it was determined that refund requests impact a total of 2,110 accounts. The table below provides a summary of the progress made to date.

#### Construction Inspection Refund Data

	Number of Accounts	Amount (\$)
Refund request received to date	2110	
Refunded this month	14	\$284,914.63
Refunded last month	10	\$58,536.36
Refunded FY26	125	\$1,549,273.26
Refunded FY25	250	\$3,127,116.31
Refunded in FY24	369	\$6,931,447.14
Refunded in FY23 (Oct 22 - Sept 23)	105	\$1,756,574.39
Refund requests that are debits (\$0 balance or owe DC Water)	173	\$(99,394.16)
<b>Number of Refund Accounts Reviewed, Awaiting Information from Developers*</b>	326	\$1,736,509.45
<i>Number of Refund Account Requested after forfeiture date**</i>	73	\$311,529.17

\*Documentation required to process the refund accounts has been thoroughly examined and assembled. DC Water is in the process of obtaining address verification and/or proof of payment from the developers to complete the refund issuance. The request for this information has already been communicated to the developers.

\*\* These accounts were forfeited, and zero balance statements were sent to the developers before they requested a refund. As a result, these accounts are not eligible for a refund.

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

Fiscal Year-to-Date  
As of February 28, 2026

### Payment Plan and Disconnection Report

Ward	Zip Code	Residential					Commercial					Multifamily					
		30-Day A/R	Active Plans	Plans Created	Plans Defaulte	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulte	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulte	Non-Pay Discon.*	
<b>Total</b>		<b>12,848</b>	<b>3,538</b>	<b>1,223</b>	<b>773</b>	<b>85</b>	<b>1,363</b>	<b>98</b>	<b>37</b>	<b>22</b>	<b>21</b>	<b>1,577</b>	<b>334</b>	<b>51</b>	<b>62</b>	<b>0</b>	
1	20020											1					
	20001	205	50	19	8	3	44	8	1	1	1	8					
	20009	120	23	7	7		32	5	2	2	1	41	10		2		
2	20010	379	81	25	11		51	5				34	6	1			
	20001	77	21	10	4	2	37	4	1	1	1	15	3	1	2		
	20004						7										
	20005	7	1				22				1	3					
	20006						10				1						
	20007	136	9	3	2		56	3	1		1	7					
	20008	9					15	1		1		1					
	20009	37	10	1	2		13	3				19	5	1			
	20011	1															
	20036	2					28	3			1	2	1				
3	20037	10	1				5	1	1			5	2				
	20057						4										
	20007	54	8	1			17	4			1	19					
	20008	48	7	3	1		26	4	3			4	1				
4	20015	42	5	1			10	1				1					
	20016	151	19	6	3	3	120	2	1	1	1	2	1				
	20010	27	6	1	2		6	1	1			6	1				
5	20011	1605	448	169	106	5	111	12	5	4	1	126	33	9	5		
	20012	356	97	23	27	1	33	3	1			6	3	1			
	20015	57	15	5	7		1										
6	20001	223	70	32	12	3	16			1		8	1	1			
	20002	639	178	68	42	10	95	7	5		2	193	34	5	9		
	20011	232	75	22	8	1	3					7	3				
	20017	624	176	56	20	10	37	4	2		1	28	6	1			
7	20018	898	272	96	65	15	112	7	3	2	3	26	6		1		
	20001	17	11	4	2		18					6					
	20002	376	90	39	17	1	94	6	3	3	3	18	4		1		
	20003	211	30	8	12	1	41	2	1		1	17	1		1		
	20024	51	12	7	2		13					12	2	2			
8	20032	1	1	1													
	20001	5	1	1	1												
	20002	236	77	28	19	4	14	2	2	1		29	6	1	2		
	20003	99	17	6	2	3	23					11	1	1			
	20016	1			1												
8	20019	3051	795	285	227	14	110	6	3	2		406	70	7	21		
	20020	562	144	42	29	2	11	1		1		56	23	4	3		
	20002	4	2	2	1												
	20003	17	6	2	1		11				1						
	20009	1	1														
	20020	1274	412	138	56	3	50			1		238	62	8	3		
	20023	1															
20032	1002	367	112	76	4	67	3	1	1		222	49	8	12			

\*Note: inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 376, Com. 155 and MF 104

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

Attachment B



# System Availability Fees: Cost of Service Study Overview

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March 18, 2026



## Purpose

- Present an update on the Cost of Service Study for System Availability Fee (SAF) conducted by Independent Rate Consultant
- Request Committee's recommendation to Board to approve publication of Notice of Proposed Rulemaking for amendments to SAF regulations



## Independent COS Study

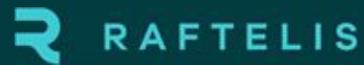
- 💧 Cost of Service Study (COS) includes review of System Availability Fee (SAF)
- 💧 The last COS study for SAF was performed in FY2016 and the SAF became effective from June 1, 2018
- 💧 Independent consultants bring an unbiased perspective, which ensures that the study is impartial and objective. The consultants have specialized knowledge and experience in conducting COS studies. Their experience can lead to more accurate and thorough analysis
- 💧 Raftelis conducted the SAF COS study. They have vast experience of providing consulting services for various COS studies for rates, charges and fees, Potomac Interceptor and Miscellaneous Fees. They have over thirty years of experience in the utility space

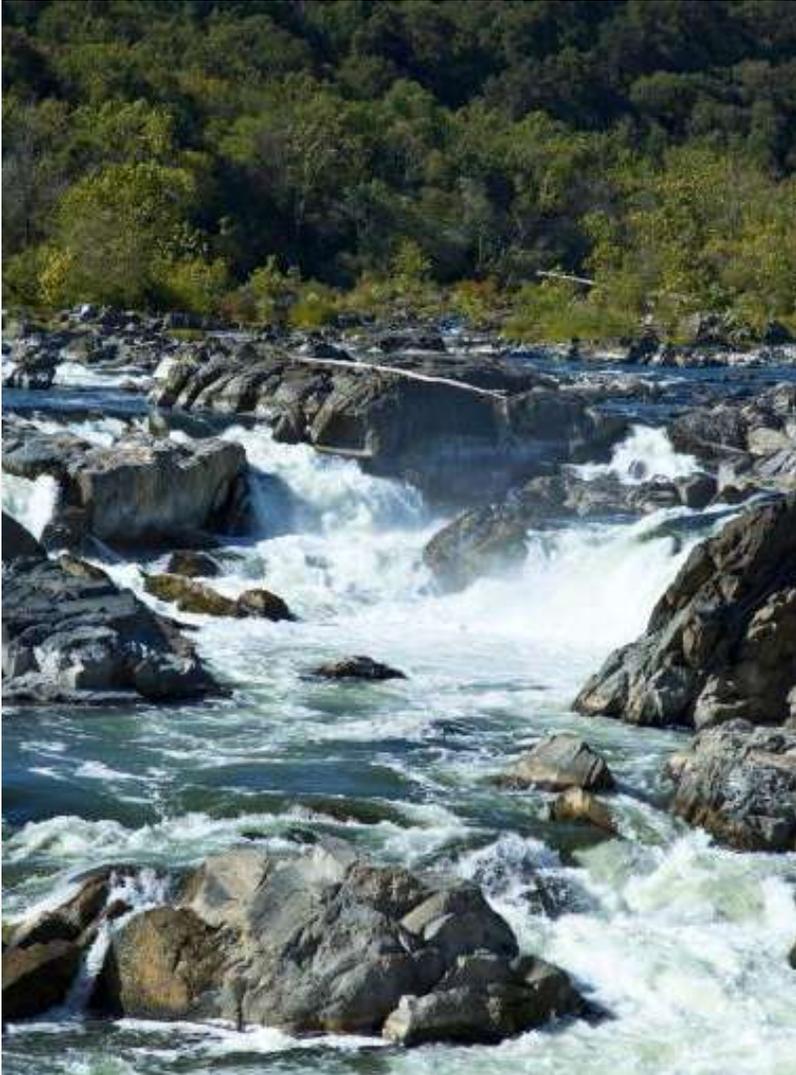
# DC Water

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## System Availability Fee Update Study

March 18, 2026





# Agenda

1. SAF Background
2. Calculation Approach
3. Current & Proposed Fees
4. Benchmarking
5. Next Steps
6. Q&A
7. Appendix

# Background



## **Purpose of System Availability Fees (SAFs)**

- Many utilities have implemented a fee assessed to new development (or redevelopment) to recover the investment in available system capacity:
  - › Water supply and treatment
  - › Water storage and distribution
  - › Wastewater and stormwater conveyance
  - › Wastewater treatment
- DC Water's SAF program was established in 2018
- Designed to recover the proportionate share of system costs for new developments or redevelopments that require additional system capacity and is based upon meter size and average flow per meter size
- All revenue will be applied to the capital program as Paygo, to reduce debt service costs for all retail customers

# SAF Key Points



## **One-time fees assessed to new developments**

Fees reflect the value of the water and sewer system capacity DC Water provides for customers



## **Based on core infrastructure value**

Include existing + proposed core infrastructure value



## **Based on a proportionate share of system costs**

Fee scaled based on meter size and average water use for customers of the same meter size; methodology is consistent with WSRF fee and industry standards

# SAF Calculation Process

Using a Combined or Hybrid Approach – **Buy-In** to Existing Assets, Plus **Incremental** Value Added through CIP Projects

1

**Determine SAF Cost Basis**  
(Existing core assets + Planned core asset investment) – Debt Credit

2

**Determine W&S Capacity**  
Total treatment capacity at plants, DC Water's share of capacity

3

**Flows per ERU & Base Fee**  
Determine flow per baseline residential customer

4

**Scale by Meter Size**  
Increase fees in proportion to meter size

# Industry Standards Guide the Process

SAF calculations align with AWWA and WEF guidelines:



## Only Core Assets

The fee incorporates the value of core or “trunk and treatment” assets



## RCNLD

Assets are valued based on Replacement Cost New, Less Depreciation (RCNLD)



## Debt Credit

Outstanding amortized principal payments are discounted to current dollars



## Scaled by Meter Size

Fee for a new development is based on assumed gallons/day for that meter

## **SAF Credits – New Meters, Affordable Housing Units (AHUs)**

- DC Water allows property owners to “neck-down” water lateral lines to smaller water meter sizes
  - › The service pipe should be sized for velocity and head loss and the meter sized to match the peak demand flow
  - › Reductions by one standard pipe size will be approved, reductions greater than one pipe diameter would be by exception
- DC Water will give credit for a meter change, charging a “Net SAF”:
  - ›  $\text{Net SAF} = \text{SAF (new meter)} - \text{SAF Credit (old meter)}$
- Affordable Housing Units (AHUs) are not charged SAFs
  - › Multifamily development with 30% AHUs will receive a 30% discount on the SAF

## SAFs for Larger Meter Sizes

- The SAF is scaled up for larger meter sizes by looking at average usage by meter size
- 6” meters and larger were grouped to get a more consistent average
  - › There are very few of these larger meters in the system (about 1% of customers are 6” or larger)
  - › Average usage was quite variable and was not a reliable indicator of the capacity a new account of the size would command

## Current SAFs: Residential

Meter Size	Water	Sewer	Total
5/8"	\$1,135	\$2,809	\$3,944
3/4"	\$1,135	\$2,809	\$3,944
1"	\$1,135	\$2,809	\$3,944
1" x 1.25"	\$2,047	\$5,066	\$7,113
1.5"	\$5,491	\$13,591	\$19,082
2"	\$11,125	\$27,536	\$38,661
3"	\$32,500	\$80,442	\$112,942

## Current SAFs: Non-Residential/Multifamily

Meter Size	Water	Sewer	Total
5/8"	\$1,282	\$3,173	\$4,455
3/4"	\$1,282	\$3,173	\$4,455
1"	\$1,282	\$3,173	\$4,455
1" x 1.25"	\$2,047	\$5,066	\$7,113
1.5"	\$5,491	\$13,591	\$19,082
2"	\$11,125	\$27,536	\$38,661
3"	\$32,500	\$80,442	\$112,942
4"	\$83,388	\$206,394	\$289,782
6"	\$229,246	\$567,408	\$796,654
8"	\$229,246	\$567,408	\$796,654
8" x 2"	\$229,246	\$567,408	\$796,654
8" x 4" x 1"	\$229,246	\$567,408	\$796,654
10"	\$229,246	\$567,408	\$796,654
12"	\$229,246	\$567,408	\$796,654
16"	\$229,246	\$567,408	\$796,654

# Proposed New Fees



# Proposed System Availability Fees

- Residential accounts with a 1" or smaller meter will be charged the same fee:

Meter Size	Water Fee	Sewer Fee	Total Fee
Residential (5/8", 3/4", 1")	\$1,966	\$3,824	\$5,790

- Residential (> 1"), Multi-Family and Non-Residential accounts will have fees based on meter size:

Meter Size	Water Fee	Sewer Fee	Total Fee
1" or smaller	\$2,640	\$3,944	\$6,584
1" x 1.25"	\$4,215	\$6,297	\$10,512
1.5"	\$11,309	\$16,892	\$28,201
2"	\$22,913	\$34,225	\$57,138
3"	\$66,938	\$99,983	\$166,921
4"	\$171,747	\$256,534	\$428,281
6" and larger	\$472,157	\$705,247	\$1,177,404

16

# Residential

Meter Size	Current Water	Proposed Water	Current Sewer	Proposed Sewer	Current Total	Proposed Total
5/8"	\$1,135	\$1,966	\$2,809	\$3,824	\$3,944	\$5,790
3/4"	\$1,135	\$1,966	\$2,809	\$3,824	\$3,944	\$5,790
1"	\$1,135	\$1,966	\$2,809	\$3,824	\$3,944	\$5,790
1" x 1.25"	\$2,047	\$4,215	\$5,066	\$6,297	\$7,113	\$10,512
1.5"	\$5,491	\$11,309	\$13,591	\$16,892	\$19,082	\$28,201
2"	\$11,125	\$22,913	\$27,536	\$34,225	\$38,661	\$57,138
3"	\$32,500	\$66,938	\$80,442	\$99,983	\$112,942	\$166,921

## Non-Residential & Multifamily

Meter Size	Current Water	Proposed Water	Current Sewer	Proposed Sewer	Current Total	Proposed Total
5/8"	\$1,282	\$2,640	\$3,173	\$3,944	\$4,455	\$6,584
3/4"	\$1,282	\$2,640	\$3,173	\$3,944	\$4,455	\$6,584
1"	\$1,282	\$2,640	\$3,173	\$3,944	\$4,455	\$6,584
1" x 1.25"	\$2,047	\$4,215	\$5,066	\$6,297	\$7,113	\$10,512
1.5"	\$5,491	\$11,309	\$13,591	\$16,892	\$19,082	\$28,201
2"	\$11,125	\$22,913	\$27,536	\$34,225	\$38,661	\$57,138
3"	\$32,500	\$66,938	\$80,442	\$99,983	\$112,942	\$166,921
4"	\$83,388	\$171,747	\$206,394	\$256,534	\$289,782	\$428,281
6"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
8"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
8" x 2"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
8" x 4" x 1"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
10"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
12"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404
16"	\$229,246	\$472,157	\$567,408	\$705,247	\$796,654	\$1,177,404

## Sample System Availability Fees

	Development & Redevelopment Scenarios	Fee Due
1.	New 1" Residential connection (water and sewer connection)	\$5,790
2.	New 3" Non-residential connection with projected water and sewer needs of 5,907 gallons/day	\$166,921
3.	New 4" Non-residential connection with projected water and sewer needs of 15,156 gallons per day (gpd)	\$428,281
	Less: demolition of 20 Residential 1" active water and sewer connections	\$(115,800)
	<b>Net amount due</b>	<b>\$312,481</b>

## Revenues from SAFs

- Revenues are used for capacity-related infrastructure improvements
  - › Ensure new connections pay their fair share of costs
- Fees have not been updated since 2018, but SAF cost basis has increased over the past 10 years:
  - \$6.1 billion in FY 2015
  - \$8.4 billion in FY 2025
- Increasing cost basis driven by increases in CSO/sewage improvement cost, and Washington Aqueduct costs

## Impact on Revenue Collections

- DC Water currently collects approximately \$4 million/year (FY 2025) in SAFs with current fees
- Proposed fee increase is approximately 48%
- Projected \$5.9 million/year revenue collections at current growth levels
- Fees are only charged for new construction, so growth and development trends impact the revenue collected

	Existing	Proposed	% Increase
Water \$/GPD	\$5.50	\$11.33	106%
Sewer \$/GPD	\$13.62	\$16.93	24%
<b>W+S \$/GPD</b>	<b>\$19.12</b>	<b>\$28.26</b>	<b>48%</b>

Cost per gallon per day (GPD) is the unit that is multiplied by ERU and escalated by meter size.

# Fee Benchmarking



## System Availability Fees Benchmarking – Residential Customers (3/4” Meter)

Utility	Water	Sewer	Total
WSSC (MD)	\$1,378	\$1,753	\$3,131
Raleigh (NC)	\$1,447	\$2,223	\$3,670
<b>DC Water - Existing</b>	<b>\$1,135</b>	<b>\$2,809</b>	<b>\$3,943</b>
<b>DC Water - Proposed</b>	<b>\$1,966</b>	<b>\$3,824</b>	<b>\$5,790</b>
Arlington (VA)	\$2,520	\$3,720	\$6,240
Charlotte (NC)	\$1,398	\$5,389	\$6,787
Howard County (MD)	\$2,400	\$4,500	\$6,900
Fairfax (VA)	\$4,400	\$9,218	\$13,618
Prince William County (VA)	\$5,800	\$12,400	\$18,200
Loudoun County (VA)	\$8,592	\$11,360	\$19,952
Baltimore (MD)	n/a	n/a	n/a

## System Availability Fees Benchmarking – 2” Meter

Utility	Water	Sewer	Total
Howard County (MD)	\$6,240	\$8,340	\$14,580
Raleigh (NC)	\$11,576	\$17,784	\$29,360
<b>DC Water – Existing</b>	<b>\$11,125</b>	<b>\$27,536</b>	<b>\$38,661</b>
Charlotte (NC)	\$11,185	\$43,111	\$54,296
<b>DC Water – Proposed</b>	<b>\$22,913</b>	<b>\$34,225</b>	<b>\$57,138</b>
Fairfax (VA)	\$46,940	Fixture unit based	n/a
Loudoun (VA)	\$103,104	\$136,320	\$239,424
Prince William County (VA)	Usage Based	Usage Based	Usage Based
WSSC (MD)	Fixture unit based	Fixture unit based	Fixture unit based
Arlington (VA)	n/a	n/a	n/a
Baltimore (MD)	n/a	n/a	n/a

# System Availability Fees Benchmarking – 10” Meter

Utility	Water	Sewer	Total
Howard County (MD)	\$170,400	\$172,500	\$342,900
Raleigh (NC)	\$303,870	\$466,830	\$770,700
<b>DC Water – Existing</b>	<b>\$229,246</b>	<b>\$567,408</b>	<b>\$796,654</b>
<b>DC Water – Proposed</b>	<b>\$472,157</b>	<b>\$705,247</b>	<b>\$1,177,404</b>
Charlotte (NC)	\$307,589	\$1,212,488	\$1,520,077
Fairfax (VA)	\$674,670	Fixture unit based	n/a
WSSC (MD)	Fixture unit based	Fixture unit based	Fixture unit based
Prince William County (VA)	Usage Based	Usage Based	Usage Based
Loudoun (VA)	Usage Based	Usage Based	Usage Based
Arlington (VA)	n/a	n/a	n/a
Baltimore (MD)	n/a	n/a	n/a

# Next Steps



## Conclusions

- Residential proposed SAFs for a water + sewer connection would increase from \$3,944 to \$5,790, a 47% increase
  - › Residential fees are kept at this same level for all meters 1” and smaller
- Multi-Family and Non-residential proposed SAFs for meters 1” and smaller are based on typical flows for a 1” meter
  - › Multi-Family and Non-residential fees for a 1” meter would be approximately 14% higher than Residential fees for a 1” meter
- Proposed SAFs reflect up-to-date system costs

## Next Steps

- April 7, 2026: Board Approve Publication of Proposed SAF for comments
- April 24, 2026: Notice of Proposed Rulemaking for Amended SAFs Published in DC Register
- April 24 - May 25, 2026 : Public Comment Period
- June 23, 2026: Retail Rates Committee Final Recommendation for Board to adopt and approve Amended SAF
- July 2, 2026: Board adopt and approve Amended SAF
- July 24, 2026: Notice of Final Rulemaking for Amended SAFs Published in DC Register
- October 1, 2026: SAF Go-Live



## Recommendation

- Management requests Committee's recommendation to the Board to approve publication of Notice of Proposed Rulemaking for amendments to SAF regulations.

# Q&A



**Raftelis is a Registered Municipal Advisor within the meaning as defined in Section 15B (e) of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder (Municipal Advisor Rule).**

However, except in circumstances where Raftelis expressly agrees otherwise in writing, Raftelis is not acting as a Municipal Advisor in this engagement, and the opinions or views contained herein are not intended to be, and do not constitute “advice” within the meaning of the Municipal Advisor Rule.



# Thank you!

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# Appendix



# Water SAF Calculation Approach

		OCLD	RCNLD	OCLD + CIP	RCNLD + CIP
Categories:					
AQU	Aqueduct	\$ 310,818,497	\$ 499,541,045	\$ 825,308,397	\$ <b>1,014,030,945</b>
SEN	Little Senaca Reservoir	3,984,880	13,298,160	3,984,880	<b>13,298,160</b>
WAT	Water Transmission (8)	496,765,944	706,187,918	989,878,523	<b>1,199,300,496</b>
	Unrestricted Reserves (5)	129,732,976	129,732,976	129,732,976	<b>129,732,976</b>
Total Buy-In Value		\$ 941,302,297	\$ 1,348,760,099	\$ 1,948,904,776	\$ <b>2,356,362,577</b>
	less: Debt Service Credit <span style="background-color: #e0f0ff;">20%</span>	\$ (377,112,328)	\$ (377,112,328)	\$ (428,932,606)	\$ (428,932,606)
Net Buy-In Value		\$ 564,189,970	\$ 971,647,771	\$ 1,519,972,170	\$ <b>1,927,429,971</b>

		Unit Cost (in \$/gpd)		Unit Cost (in \$/gpd)	
		OCLD	RCNLD	OCLD + CIP	RCNLD + CIP
		Capacity (MGD)			
Categories:					
AQU	Aqueduct	170.088			
SEN	Little Senaca Reservoir	170.088			
WAT	Water Transmission (8)	170.088			
	Unrestricted Reserves (5)	170.088			
Total Buy-In Value		\$ 5.534	\$ 7.930	\$ 11.458	\$ <b>13.854</b>
	less: Debt Service Credit	170.088			
Net Buy-In Value (in \$/gpd)		\$ 3.317	\$ 5.713	\$ 8.936	\$ <b>11.332</b>
Water Capacity per ERU (gpd)		173.47	173.47	173.47	173.47
Fee per ERU		\$ 575.41	\$ 990.97	\$ 1,550.20	\$ <b>1,965.75</b>

# Sewer SAF Calculation Approach

		OCLD	RCNLD	OCLD + CIP	RCNLD + CIP
Categories:					
WWT	Wastewater Treatment	\$ 2,376,149,333	\$ 3,857,098,292	\$ 3,819,512,380	\$ 5,300,461,339
CSO	Combined Sewer System (5)	1,066,389,719	1,259,954,771	2,380,956,006	2,574,521,057
STW	Stormwater	-	-	-	-
SEW	Sanitary Sewer System (6)	74,579,219	112,004,248	509,424,401	546,849,431
	Unrestricted Reserves (7)	240,932,670	240,932,670	240,932,670	240,932,670
Total Buy-In Value		\$ 3,758,050,940	\$ 5,469,989,981	\$ 6,950,825,457	\$ 8,662,764,497
	less: Debt Service Credit <b>80%</b>	\$ (1,529,405,160)	\$ (1,529,405,160)	\$ (2,163,101,660)	\$ (2,163,101,660)
Net Buy-In Value		\$ 2,228,645,781	\$ 3,940,584,821	\$ 4,787,723,797	\$ 6,499,662,837

		Capacity (MGD)	Unit Cost (in \$/gpd)		Unit Cost (in \$/gpd)	
			OCLD	RCNLD	OCLD + CIP	RCNLD + CIP
Categories:						
WWT	Wastewater Treatment	384	\$ 6.188	\$ 10.045	\$ 9.947	\$ 13.803
CSO	Combined Sewer System	384	2.777	3.281	6.200	6.704
STW	Stormwater	384				
SEW	Sanitary Sewer System (6)	384	0.194	0.292	1.327	1.424
	Unrestricted Reserves (7)	384	0.627	0.627	0.627	0.627
Total Buy-In Value			\$ 9.787	\$ 14.245	\$ 18.101	\$ 22.559
	less: Debt Service Credit	384	\$ (3.98)	\$ (3.98)	\$ (5.63)	\$ (5.63)
Net Buy-In Value (in \$/gpd)			\$ 5.804	\$ 10.262	\$ 12.468	\$ 16.926
WWater Capacity per ERU (gpd)			225.92	225.92	225.92	225.92
Fee per ERU			\$ 1,311.19	\$ 2,318.38	\$ 2,816.78	\$ 3,823.97

ACTION ITEM 1

Recommendation for Approval to Publish Notice of Proposed Rulemaking to Receive Public Comments on Proposed Amendments to the System Availability Fee (SAF) Regulations

**Management Request:**

- A. Recommend Board approval to publish proposed amendments to System Availability Fee (SAF) regulations in Notice of Proposed Rulemaking as provided in Attachment A.

**Attachment A**

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

**Subsections 112.11, 112.11(a), (b), (h), (k), (o), (p), (r), (s) of Section 112, FEES, are amended to read as follows:**

112.11 Effective October 1, 2026, District of Columbia Department of Buildings (DOB) Construction Permit Applicants and federal facilities shall be assessed a System Availability Fee (SAF) for new water and sewer connections and renovation or redevelopment projects for existing connections to the District’s potable water and sanitary sewer systems based on the SAF meter size in accordance with the following fee schedule and requirements:

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

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
5/8"	\$1,966	\$3,824	\$5,790
3/4"	\$1,966	\$3,824	\$5,790
1"	\$1,966	\$3,824	\$5,790
1" x 1.25"	\$4,215	\$6,297	\$10,512
1.5"	\$11,309	\$16,892	\$28,201
2"	\$22,913	\$34,225	\$57,138
3"	\$66,938	\$99,983	\$166,921

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

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
5/8"	\$2,640	\$3,944	\$6,584
3/4"	\$2,640	\$3,944	\$6,584
1"	\$2,640	\$3,944	\$6,584
1" x 1.25"	\$4,215	\$6,297	\$10,512
1.5"	\$11,309	\$16,892	\$28,201
2"	\$22,913	\$34,225	\$57,138
3"	\$66,938	\$99,983	\$166,921
4"	\$171,747	\$256,534	\$428,281
6"	\$472,157	\$705,247	\$1,177,404

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
8"	\$472,157	\$705,247	\$1,177,404
8" x 2"	\$472,157	\$705,247	\$1,177,404
8" x 4" x 1"	\$472,157	\$705,247	\$1,177,404
10"	\$472,157	\$705,247	\$1,177,404
12"	\$472,157	\$705,247	\$1,177,404
16"	\$472,157	\$705,247	\$1,177,404

- (c) The SAF meter size shall be computed for the peak water demand, excluding fire demand in accordance with D.C. Construction Codes Supplement, as amended, Chapter 3 (Water Meters) of this title, and DC Water’s Meter Sizing Instructions and Worksheets.
- (d) The SAF shall be assessed for any premise, building or structure that requires a new metered water service connection to the District’s potable water and/or sanitary sewer systems.
- (e) The Net SAF shall be assessed for renovation or redevelopment projects for any premise, building or structure that uses an existing metered water service connection to the District’s potable water and/or sanitary sewer systems.
- (f) For a renovation or redevelopment project on a property that already had/has a DC Water meter(s) and account(s), DC Water shall determine the Net SAF based on the difference between the property’s new System Availability Fee determined by the SAF meter size(s) (SAF) and the SAF Credit determined by the old meter size(s) for the meters(s) being removed from the system:

$$\text{Net SAF} = \text{SAF} - \text{SAF Credit}$$

- (g) Properties under renovation or redevelopment shall not receive a SAF Credit for the DC Water account(s) that have been inactive for more than twenty-four (24) months prior to DC Water’s issuance of the Certificate of Approval.
- (h) For any new premise, building or structure that includes one or more affordable housing unit (AHU), DC Water shall also provide an AHU Credit equal to:
  - (1) AHU Credit - Five Thousand Seven Hundred Ninety dollars (\$5,790) for each AHU in a metered residential structure of three (3) or less units (e.g., single-family structure, townhouse, condominium, cooperative housing association unit, or apartment).

- (2) % AHU Credit or % Net AHU Credit - The percentage of affordable housing units credit (% AHU credit) or percentage of additional AHU credit (% Net AHU Credit) in a metered multi-family residential structure of four or more housing units (condominium, cooperative housing association, or apartment) determined as follows: % AHU (or % Net AHU) equals the number of AHUs (or Net AHU) divided by total number of residential units (RU) times one hundred (100) times the SAF:

$$\% \text{ AHU} = (\text{AHU} \div \text{RU}) \times 100$$

$$\text{AHU Credit} = \% \text{ AHU} \times \text{SAF}$$

- (i) For a renovation or redevelopment project that includes replacing existing affordable housing units and/or the construction of additional affordable housing units, DC Water shall provide a Net AHU Credit as provided in Section 112.11(h) based on the percentage of additional affordable housing units (% Net AHU) determined as follows: % Net AHU equals the number of additional AHUs (Net AHU) divided by the total number of residential units times one hundred (100):

$$\% \text{ Net AHU} = ((\text{Net AHU}) \div \text{RU}) \times 100$$

$$\text{Net AHU Credit} = (\% \text{ Net AHU}) \times \text{SAF}$$

- (j) The Net AHU shall be determined based on the difference between the total number of affordable housing units constructed after completing the renovation/redevelopment project (aAHU) and the total number of affordable housing units existing prior to the renovation/redevelopment project (bAHU). If aAHU is less than bAHU (less than zero), no Net AHU Credit will be provided:

$$\text{Net AHU} = (\text{aAHU} - \text{bAHU})$$

- (k) Projects that request AHU or Net AHU Credits shall submit one or more of the following documents:
- (1) Land Disposition Development Agreement;
  - (2) Zoning Commission Order;
  - (3) Planned Unit Development Covenant;
  - (4) Certificate of Inclusionary Zoning;
  - (5) Letter from the District financing agency that establishes the number of AHU in the property;

- (6) A Letter from Department of Housing and Community Development (DHCD) indicating the aggregate principal amount of the loan and number of AHU in the property; or
  - (7) Other documents issued by the District government or body and approved by DC Water that prescribes or sets forth the number of AHU on a property.
- (l) If the Net System Availability Fee (less AHU Credit or Net AHU Credit) is zero or less, no System Availability Fee shall be charged.
  - (m) If the Net System Availability Fee (less AHU Credit or Net AHU Credit) is greater than zero, DC Water shall assess the System Availability Fee.
  - (n) DC Water may request documentation to confirm the number of proposed affordable housing units that were actually constructed. If the number of constructed AHUs is less than the proposed AHUs, DC Water shall bill the property owner the amount of the AHU Credit or Net AHU Credit for the unconstructed AHUs.
  - (o) For DOB Construction Permit applicants, payment of the System Availability Fee shall be a condition for DC Water's issuance of the Certificate of Approval.
  - (p) [RESERVED]
  - (q) For federal facilities, payment of the System Availability Fee shall be a condition of DC Water's issuance of the Certificate of Approval.
  - (r) [RESERVED]
  - (s) In the case that the DOB Construction Permit is not issued or is revoked or the project is not constructed, upon written request from the property owner, DC Water shall issue the property owner a refund of the System Availability Fee.

**Rulemaking Schedule:**

- April 7, 2026 - Board Approve Publication of Proposed SAF for public comments
- April 24, 2026 – Publish Notice of Proposed Rulemaking for Amended SAFs in DC Register
- April 24 - May 25, 2026 – Outreach and Public Comment Period
- June 23, 2026 - Retail Rates Committee Final Recommendation for Board to adopt and approve Amended SAF
- July 2, 2026 - Board adopt and approve Amended SAF
- July 24, 2026 – Publish Notice of Final Rulemaking for Amended SAFs in DC Register
- October 1, 2026 - SAF Go-Live

**Attachment D**

**FY 2026 Proposed RRC Committee Workplan**

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
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<b>1. Establish Retail Rates, Fees &amp; Charges for FY 2027 &amp; FY 2028</b>	Date of Activity	Completed	Responsible Department
a. Present FY 27 & FY 28 Budget & Rates to Board	January 15, 2026	√	Rates & Revenue
b. Present FY 27 & FY 28 Proposed Rates, Fees & Charges to RRC	January 27, 2026	√	
c. Present Independent Review of Rates-by Consultants	February 23, 2026	√	
d. RRC recommendation on Proposed FY 27 & FY 28 Rates, Fees & Charges	February 23, 2026	√	Rates & Revenue
e. Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 27 & FY 28 Rates, Fees & Charges	March 5, 2026	√	Board of Directors
f. Submit Independent Review of Proposed Rates and 2025 Cost of Service Study to Mayor and Council and post both on DC Water's website	March 17, 2026		Rates & Revenue
g. Publish NOPR in D.C. Register for Proposed FY 27 & FY 28 Rates, Fees & Charges	March 20, 2026		DGLA
h. Outreach and Public Comment Period	March 20 - May 21, 2026		Government Affairs & Marketing & Comm.
i. Presentation on Rates Affordability by Consultants	April 28, 2026		
j. Public Hearing	May 14, 2026		Rates & Revenue, DGLA, and OMAC
k. Public Hearing Record Closes	May 21, 2026		
l. Submit Response to Public Comments report to Board and post on DC Water website and respond to OPC Comments, if applicable	May 31, 2026		Rates & Revenue
m. Present final FY 27 & FY 28 Rates, Fees & Charges to RRC for recommendation to Board	June 23, 2026		Board of Directors
n. Board approves Notice of Final Rulemaking (NOFR) for FY 27 & FY 28 Rates, Charges & Fees	July 2, 2026		DGLA
o. Publish NOFR in D.C. Register for Amended Rates, Fees & Charges	July 17, 2026		Customer Care
p. Amended Rates, Fees & Charges Go-Live	October 1, 2026 (FY '27) October 1, 2027 (FY '28)		

<b>2. 2025 Cost of Service Study (COS) for Water, Sewer and CRIAC</b>			
a. Present 2025 Cost of Service Study for Water, Sewer and CRIAC to RRC	January 27, 2026	√	Rates & Revenue
b. Post Final COS on DC Water's website	March 17, 2026		Rates & Revenue

**Attachment D**

<b>3. 2026 Cost of Service Study to Amend System Availability Fee (SAF)</b>			
a. Present COS Update and Propose Amendments to SAF for RRC Recommendation	March 18, 2026		Rates & Revenue/ Permit Operations
b. Board Approval of Notice of Proposed Rulemaking (NOPR) for SAF	April 7, 2026		Board of Directors
c. Publish NOPR in DC Register	April 24, 2026		DGLA
d. Public Comment period	April 24 – May 25, 2026		Marketing & Comm.
e. RRC Final Recommendation to Approve Amendments for SAF	June 23, 2026		Rates & Revenue/ Permit Operations
f. Board Approval of Notice of Final Rulemaking (NOFR)	July 2, 2026		Board of Directors
g. Publish NOFR in DC Register	July 24, 2026		DGLA
h. SAF Go-Live	October 1, 2026		Rates & Revenue/ Permit Operations
<b>4. 2025 Cost of Service Study to Establish Miscellaneous Fees and Charges</b>			
a. Present COS Update and Proposed Amendments to Miscellaneous Fees & Charges for RRC Recommendation	April 22, 2025	√	Rates & Revenue
b. Board Approval of Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees & Charges	May 1, 2025	√	Board of Directors
c. Publish NOPR in DC Register	May 16, 2025	√	DGLA
d. Public Comment period	May 16 – June 16, 2025	√	Marketing & Comm.
e. RRC Final Recommendation to Approve Amendments for Miscellaneous Fees & Charges	June 24, 2025	√	Rates & Revenue/ Customer Care Board of Directors
f. Board Approval of Notice of Final Rulemaking (NOFR)	July 3, 2025	√	DGLA
g. Publish NOFR in DC Register	July 25, 2025	√	Rates & Revenue/ Customer Care
h. Miscellaneous Fees & Charges including Engineering and Permitting Fees Go-Live	October 1, 2025	√	
<b>5. Delinquent Accounts</b>			
a. Soldiers Home Negotiations	Monthly, as needed		DGLA



**Attachment E**

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

**Tuesday, April 28, 2026; 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 May 26, 2026 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)