



District of Columbia Water and Sewer Authority Board of Directors

Finance and Budget Committee October 22, 2026 / 9:30am

Microsoft Teams meeting

[Click here to join the meeting](#)

Meeting ID: 269 684 500 351 881 Passcode: cH6zA9uj

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Phone Conference ID: 836 157 229#

1. **Call to Order** Anthony Giancola, Chairperson
2. **Roll Call** Debra Mathis, Acting Board Secretary
3. [September 2026 Financial Report \(Attachment 1\)](#) [Lola Oyeyemi](#)
4. [Fleet Modernization Update \(Attachment 2\)](#) [Nija Ali](#)
5. [Path to the Future: CIP Scenario Impacts \(Attachment 3\)](#) [Lola Oyeyemi, Moussa Wone & Paul Guttridge](#)
6. [FY 2027 Committee Workplan \(Attachment 4\)](#) [Lola Oyeyemi](#)
7. [Agenda for November 2026 Committee Meeting \(Attachment 5\)](#) [Anthony Giancola](#)
8. **Executive Session*** Anthony Giancola
9. **Adjournment** Anthony Giancola

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.

1The 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.

ATTACHMENT 1



Fiscal Year 2026

Monthly Financial Report

Period Ending September 30, 2026

DEPARTMENT OF FINANCE

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

Syed Khalil, Vice President, Rates & Revenue

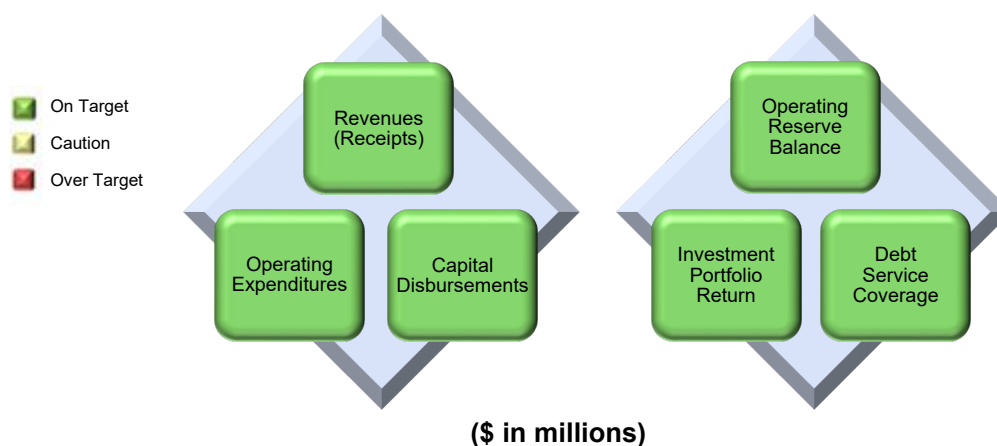
Henok Getahun, Acting Vice President, Finance and Controller

Monthly Financial Report

SEPTEMBER 2026

EXECUTIVE SUMMARY

DC Water ended FY 2026 favorably with estimated revenues above budget and estimated operating expenditures and capital disbursements below budget. All other budgetary and targeted performance metrics were consistent with prior expectations. The actual numbers below are estimates and subject to change based on results of the annual financial statement audit.



	Budget	Actual	Variance Fav(Unfav) \$	Variance Fav(Unfav) %	Actual % Budget	Y/E Projection
Revenues (Receipts)	\$1,008.2	\$1,035.7	\$27.5	2.7%	102.7%	\$1,016.9
Expenditures	\$838.1	\$819.9	\$18.3	2.2%	97.8%	\$829.3
Capital Disbursements	\$776.8	\$780.8	(\$4.1)	-0.5%	100.5%	\$725.9

Highlights:

- Preparation for FY 2025 financial statements audit is currently underway and will be conducted in accordance with generally accepted principles (GAAP) in the United States
- Preparation for the Green Bond Attestation is currently underway in accordance with attestation standards established by the American Institute of Certified Public Accountants
- On-going management review of Proposed FY 2028 operating and ten-year capital budget requests in preparation for delivering the CEO's proposed budget to the Board in January
- Succeeded in earning the coveted 'Triple Crown' award from the Government Finance Officers Association (GFOA) for the 3rd consecutive year

Lola Oyeyemi, Chief Financial Officer & Executive Vice President

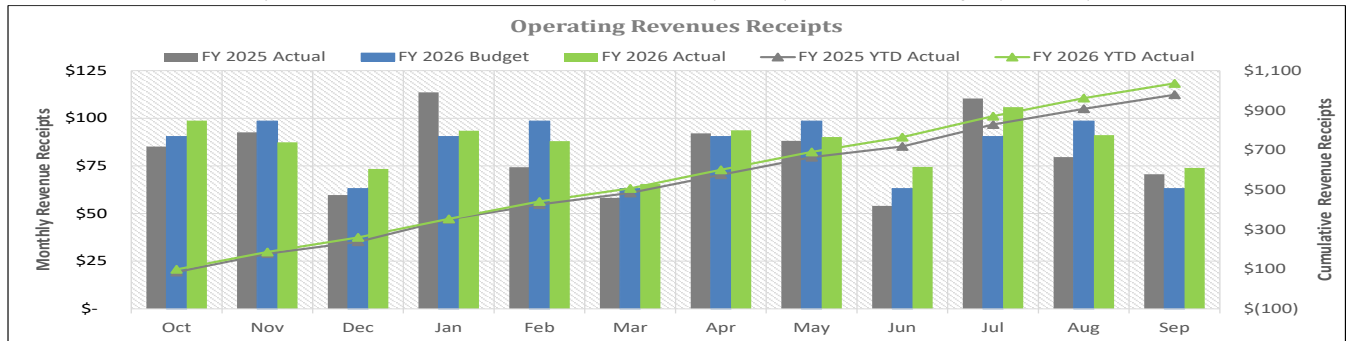
Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Operating Revenues (\$000's)

FY 2025 Actual	CATEGORY	FY 2026					Projections	
		Year-to-Date Performance						
Total Annual		Revised Annual Budget	YTD Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)	Year-End Projections	% of Budget
\$576,751	Residential / Commercial / Multi-Family	\$582,965	\$608,927	104.5%	\$25,962	4.5%	\$595,027	102.1%
92,625	Federal	99,339	100,256	100.9%	917	0.9%	100,256	100.9%
25,727	Municipal (DC Govt.)	27,259	28,553	104.7%	1,294	4.7%	26,888	98.6%
14,990	DC Housing Authority	15,176	13,475	88.8%	(1,701)	(11.2%)	14,425	95.0%
24,479	Metering Fee	24,400	24,532	100.5%	132	0.5%	24,422	100.1%
43,382	Water System Replacement Fee (WSRF)	42,717	43,621	102.1%	904	2.1%	43,384	101.6%
114,341	Wholesale	124,219	123,021	99.0%	(1,198)	(1.0%)	123,769	99.6%
24,989	PILOT/ROW	24,156	25,294	104.7%	1,138	4.7%	24,426	101.1%
61,225	All Other	67,963	67,977	100.0%	14	0.0%	64,256	94.5%
\$978,509	TOTAL	\$1,008,194	\$1,035,656	102.7%	\$27,462	2.7%	\$1,016,853	100.9%

* Residential, Commercial & Multi-family receipts include credits for Oct-25 to Sep-26 for District's CAP3 (\$7,433.18) and Non-profit Relief Program (\$768,773.17).



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of September 2026, cash receipts totaled \$1,035.7 million, or 102.7 percent of the FY 2026 Revised Budget. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their fourth quarterly payment in July 2026), and Wholesale customers (who made their fourth quarterly payment in August).

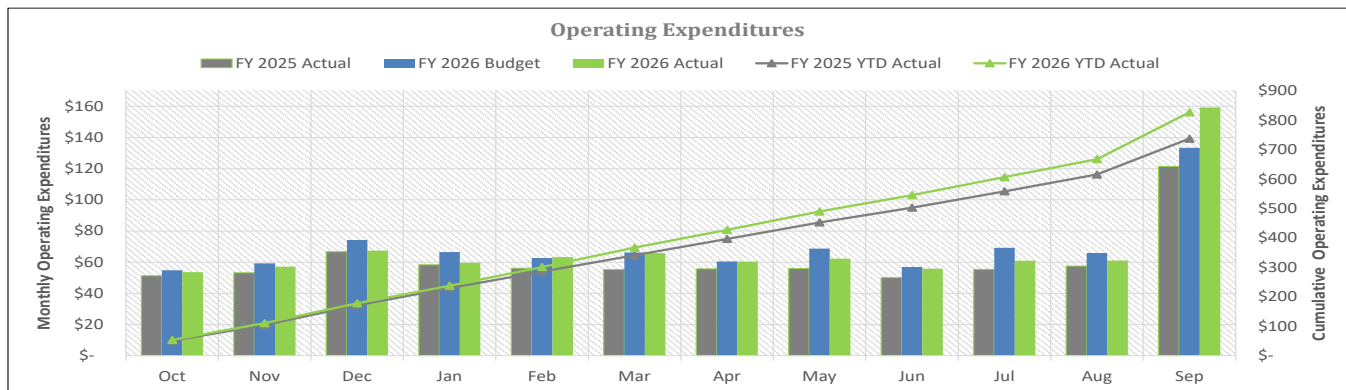
Favorable Variances	Unfavorable Variances
Residential, Commercial, and Multi-Family – Receipts for this category are higher at \$608.9 million or 104.5 percent of the revised budget due to higher CRIAC and slightly higher monthly consumption during summer months as compared to the revised budget. September 2026 receipts were higher by \$13.1 million as compared to the monthly revised budget of \$48.6 million mainly due to collection from CXS (\$0.7M), Georgetown Univ (\$1.3M), Howard Univ (\$1.7M) Brook Oak Properties (\$0.4M), Peoples Cooperative (\$0.1M), and Tax Sales (\$0.1M). Federal - Receipts total \$100.3 million or 100.9 percent of the revised budget. The Federal government made its fourth quarter payment in July 2026. District Government – Receipts total \$28.6 million or 104.7 percent of the revised budget due to higher consumption. September 2026 receipts were slightly higher by \$0.9 million as compared to the monthly revised budget of \$2.3 million. Metering Fee – Receipts total \$24.5 million or 100.5 percent of the revised budget. Water System Replacement Fee (WSRF) – Actual receipts for WSRF totaled \$43.6 million or 102.1 percent of the revised budget. PILOT/ROW – The receipts are higher at \$25.3 million or 104.7 percent of the revised budget. Other Revenue – Receipts totaled at \$68.0 million or 100.0 percent of the revised budget. The receipts for Miscellaneous Revenue (\$1.4 million), Washington Aqueduct Backwash (\$0.9 million), Interest Earnings (\$0.9 million), Developer Fees (\$0.6 million), and IMA Indirect Cost Reimbursement for Capital Projects (\$0.1 million) were slightly higher than the revised budget, whereas System Availability Fee (SAF) (\$3.7 million) was lower than the revised budget.	DC Housing Authority – Receipts are lower at \$13.5 million or 88.8 percent of the revised budget due to lower consumption than budgeted. September 2026 receipts were lower by \$0.1 million as compared to the revised budget of \$1.3 million. 65 properties have transitioned to the Residential category, and several properties have experienced higher-than-normal vacancy rates due to ongoing renovations. Wholesale – Actual receipts totaled \$123.0 million, or 99.0 percent of the revised budget. The Town of Vienna was expected to make its third-quarter payment of \$0.62 million in September 2026, but this payment was received on October 1, 2026 (FY 2027), which will be reflected in the next month's report. Potomac Interceptor (PI) receipts are approximately \$1.2 million below budget, primarily due to lower flows and delay in \$0.62 million payment from Town of Vienna.

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Operating Expenditures (\$000's)

FY 2025 Actual		FY 2026						
Total Annual	CATEGORY	Year-to-Date Performance					Projections	
		Revised Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)	Year-End Projections	% of Budget
\$198,736	Personnel	\$217,462	\$204,933	94.2%	\$12,529	5.8%	\$207,746	95.5%
89,951	Contractual Services	102,284	98,591	96.4%	3,693	3.6%	100,392	98.2%
44,279	Water Purchases	48,149	53,673	111.5%	(5,524)	(11.5%)	52,294	108.6%
58,202	Supplies & Chemicals	57,491	61,519	107.0%	(4,028)	(7.0%)	61,233	106.5%
37,834	Utilities	41,659	45,224	108.6%	(3,565)	(8.6%)	45,199	108.5%
1,290	Small Equipment	1,531	1,524	99.5%	7	0.5%	1,538	100.4%
\$430,292	SUBTOTAL O&M	\$468,576	\$465,464	99.3%	\$3,112	0.7%	\$468,401	100.0%
224,506	Debt Service	247,448	238,997	96.6%	8,451	3.4%	238,818	96.5%
24,170	PILOT/ROW	24,170	24,170	100.0%	0	0.0%	24,170	100.0%
58,438	Cash Financed Capital Improvements	97,938	91,238	93.2%	6,700	0.0%	97,938	100.0%
\$737,406	TOTAL OPERATING	\$838,133	\$819,869	97.8%	\$18,263	2.2%	\$829,328	98.9%
(25,928)	Capital Labor	(30,907)	(30,849)	99.8%	(58)	0.2%	(30,796)	99.6%
\$711,478	TOTAL NET OPERATING	\$807,226	\$789,020	97.7%	(\$5,836)	(0.7%)	\$798,531	98.9%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures at the end of the fiscal year (including debt service and the Right-of-Way & PILOT fees) totaled \$819.9 million or 97.8 percent of the FY 2026 revised budget of \$838.1 million.

These numbers include estimated incurred but unpaid invoices and are subject to revision during year-end close-out.

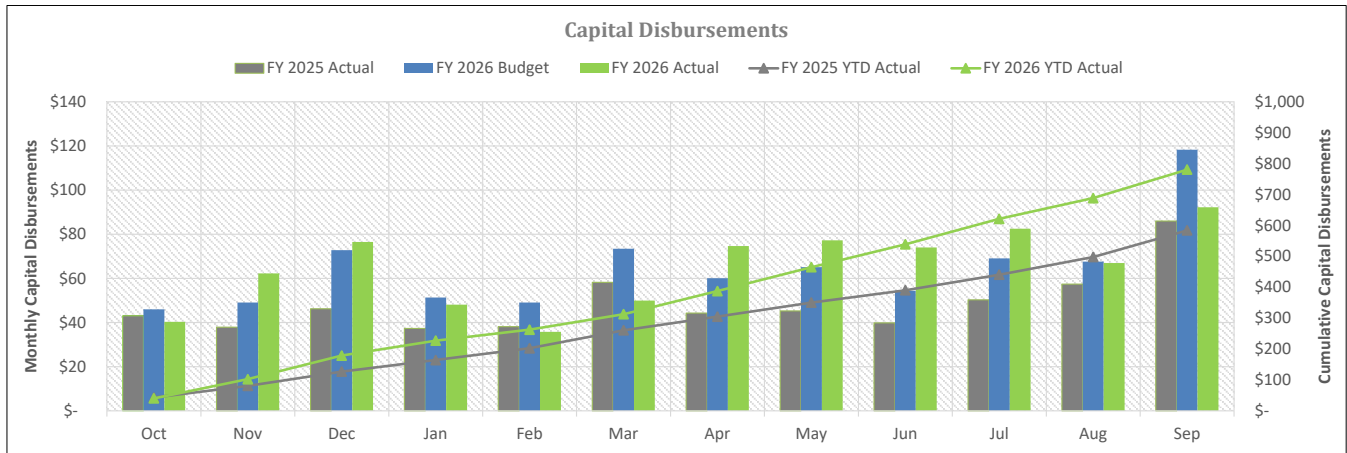
Favorable Variances	Unfavorable Variances
Personnel Services – Of the 1,283 authorized positions, 1,112 were filled at the end of September, resulting in a year-end vacancy rate of 13.3 percent. Personnel Services finished the year below budget primarily due to vacancy-related savings, consistent with the Authority's overall vacancy rate. These savings were partially offset by overtime expenditures, which ended the year 25.2 percent above budget, driven by emergency water and sewer main repairs during the winter season, as well as critical work associated with the Cambi Freeze incident, Potomac Interceptor repairs, Headworks Upgrade projects, and the Pre-Dewatering Loop pipe system. Contractual Services – The favorable year-end variance reflects underspending on Authority-wide consulting and professional services, which partially offset increased insurance premium costs. Debt Service – The favorable year-end variance reflects lower variable-rate interest costs than budgeted, debt service savings from the Series 2026 bond refinancing, and receipt of the BABs subsidy.	Supplies & Chemicals – The year-end unfavorable variance is mainly due to increased costs for chemicals required for operations, driven by prevailing market conditions and price increases. Water Purchases – The year-end unfavorable variance reflects DC Water's share of Washington Aqueduct (WAD) expenditures (approximately 75 percent), primarily driven by increased consumption and the rate adjustment effective February 2026. Utilities – The year-end unfavorable variance is primarily attributable to elevated electricity costs and higher automotive fuel costs resulting from prevailing market conditions.

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Capital Disbursements (\$000's)

FY 2025 Actual	CATEGORY	FY 2026					Projections	
		Year-to-Date Performance					Year-End Projections	% of Budget
Total Annual		Revised Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)		
\$5,186	Non Process Facilities	\$15,467	\$4,142	26.8%	\$11,325	73.2%	\$6,288	40.7%
64,766	Wastewater Treatment	83,199	71,209	85.6%	11,989	14.4%	73,275	88.1%
165,124	Combined Sewer Overflow	237,482	246,414	103.8%	(8,932)	(3.8%)	225,701	95.0%
7,427	Stormwater	16,550	6,580	39.8%	9,970	60.2%	10,618	64.2%
109,368	Sanitary Sewer	155,371	169,420	109.0%	(14,049)	(9.0%)	159,713	102.8%
190,303	Water	186,757	219,865	117.7%	(33,108)	(17.7%)	176,167	94.3%
\$542,174	SUBTOTAL CAPITAL PROJECTS	\$694,826	\$717,631	103.3%	(\$22,804)	(3.3%)	\$651,763	93.8%
19,911	Capital Equipment	32,481	28,232	86.9%	4,249	13.1%	24,641	75.9%
22,060	Washington Aqueduct	49,480	34,980	70.7%	14,500	29.3%	49,480	100.0%
\$41,971	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$81,961	\$63,212	77.1%	\$18,749	22.9%	\$74,121	90.4%
\$584,145	TOTAL	\$776,787	\$780,843	100.5%	(\$4,056)	(0.5%)	\$725,884	93.4%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of September 2026, capital disbursements totaled \$780.8 million or 100.5 percent of the FY 2026 revised budget.

Detailed project performance will be provided to the Environmental Quality & Operations and Finance & Budget Committees as part of the quarterly CIP update by Shared Services and Asset Management department in September 2026.

Capital Projects	Additional Capital Programs
<u>Non-Process Facilities</u> – Lower disbursement due to delays in HVAC, Central Management Facility renovations, and roofing projects. <u>Wastewater Treatment</u> – Disbursements were slightly below expectations due to construction and scheduling delays in plantwide projects. <u>Combined Sewer Overflow</u> – Higher disbursements driven by the DC Clean Rivers project, which is progressing as planned. <u>Stormwater Service Area</u> – Lower disbursements due to construction delays in the Stormwater Pump Station Rehabilitation project <u>Sanitary Sewer Service Area</u> – Higher disbursements driven by increased emergency and urgent repairs and ongoing sanitary sewer projects. <u>Water Service Area</u> – Higher disbursements driven by increased spending on Lead-Free DC, critical valve replacements, and small-diameter water main projects	<u>Capital Equipment</u> – Increased spending driven by Advanced Metering Infrastructure, Process Engineering, Maintenance Services initiatives, supplies, and emergency pump repairs. <u>Washington Aqueduct</u> – Disbursements reflect payment of the Aqueduct's third-quarter PAYGO bill. The fourth quarter invoice of \$7.8 million was received late in September and will be paid in the next fiscal year.

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Cash Investments (\$ in millions)

Cash Balances

Rate Stabilization Fund Balance	\$51.74
DC Insurance Reserve Balance	2.00

Operating Reserve Accounts	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	69.92
287 Days of Cash O&M Reserve	245.80
287 Days of Cash O&M Reserve Target FY2026	350.72
Excess Above 287 Days of Cash O&M Reserve	5.85
Operating Cash Balance	356.57

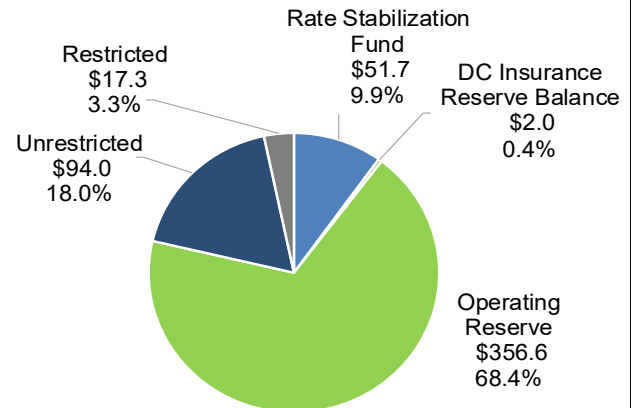
Operating Cash Balance Including RSF 410.31

Additional Reserve Accounts	
Unrestricted	
Bond Fund - Construction 2025B	33.95
Bond Fund - Construction 2025C	60.06
Unrestricted Total	94.01

Restricted	
Debt Service Reserve - Series 1998	9.03
DC Water - DDOT Projects	7.79
District Funds	0.50
Restricted Total	17.32

Total All Funds \$521.64

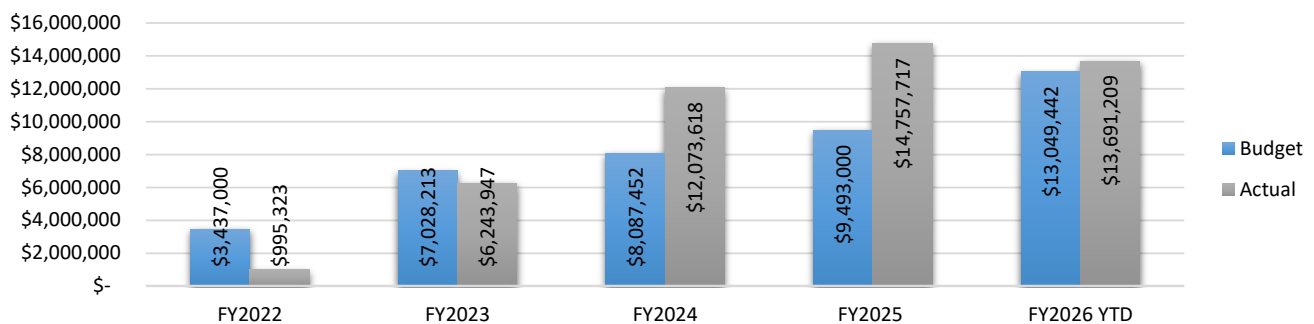
Breakdown of Cash Balances



Overall Portfolio Performance

- The operating reserve balance was \$356.6 million as compared to the revised operating reserve management target level of \$350.7 million for FY 2026
- Average cash balance for the month of September was \$376.6 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for year-end (on a cash basis) was \$13,691,209 or 4.9 percent above budget
- A detailed investment performance report is attached

Operating Interest Income 5 Year History



Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

FY 2026 Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD Actual Cash Oct. 1, 2025 - Sep. 30, 2026 -	Variance Favorable (Unfavorable)	FY 26 Complete
OPERATING BUDGET				
Cash Provided				
Retail	\$791,856	\$819,363	\$27,507	3.5%
Wholesale	124,219	123,021	(1,198)	-1.0%
Other	92,119	92,707	588	0.6%
Total Cash Provided	1,008,194	1,035,091	26,897	2.7%
Operating Cash Used				
Personnel Services	186,555	181,834	(4,722)	-2.5%
Contractual Services	102,284	109,569	7,285	7.1%
Chemicals & Supplies	57,491	60,110	2,619	4.6%
Utilities	41,659	45,286	3,627	8.7%
Water Purchases	48,149	51,282	3,132	6.5%
Small Equipment	1,531	1,298	(233)	-15.2%
Total Operating Cash Used	437,669	449,379	11,710	2.7%
Defeasance D.S./Cash Financed Capital Construction	97,938	91,238	(6,700)	-6.8%
Other Cash Used				
Debt Service	247,448	238,997	(8,451)	-3.4%
Payment In Lieu of Taxes/Right of Way	24,170	24,170	-	0.0%
Total Other Cash Used	271,618	263,167	(8,451)	-3.1%
Total Cash Used	807,226	803,784	(3,442)	-0.4%
Net Cash Provided (Used) by Operating Act.	200,968	231,307	30,339	
CAPITAL BUDGET				
Cash Provided				
Debt Proceeds	375,232	297,602	(77,630)	-20.7%
Proceeds from WIFIA Loan	26,000	27,002	\$1,002	3.9%
Cash Financed Capital Improvements	-	91,238	\$91,238	0.0%
System Availability Fee	5,700	1,955	(3,745)	-65.7%
EPA Grants	65,763	38,608	(27,155)	-41.3%
CSO Grants	-	8,066	8,066	0.0%
Interest Income	5,850	11,158	5,308	90.7%
Wholesale Capital Contributions	119,438	112,677	(6,761)	-5.7%
Total Cash Provided	597,982	588,307	(9,675)	-1.6%
Cash Used				
DC Water Capital Program	727,307	745,862	18,555	2.6%
Washington Aqueduct Projects	49,480	34,980	(14,500)	-29.3%
Total Cash Used	776,787	780,843	4,056	0.5%
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$178,805)	(\$192,536)	(\$13,731)	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Pro	\$333,716	\$333,716		
Plus (Less) Operating Surplus	200,968	231,307		
Wholesale Customer Refunds for Prior Years	(3,000)	6,300		
Transfer to Rate Stabilization Fund	-	(11,100)		
Transfer to DC Reserve Fund	-	(1,000)		
Interest Earned from Bond Reserve	331	564		
DDOT 2002 MOU Transfers (CapEx Reimbursement years later)	-	5,199		
Prior Year Federal Billing Reconciliation	(11,310)	(11,310)		
Project Billing Refunds	-	(4,575)		
Cash Used for Capital	(178,775)	(192,536)		
Balance Attributable to O&M Reserve	\$341,931	\$356,566		
OTHER CASH RESERVES	Current	Balance		
Rate Stabilization Fund	\$51,744			
DC Insurance Reserve	2,000			
Unrestricted Reserves	94,013			
Restricted Reserves	17,317			

APPENDIX

Operating Revenues Detail 9

Retail Accounts Receivable..... 10

Overtime Spending..... 11

Capital Disbursements Detail 12

Developer Deposits (Permit Operations)..... 13

Investment Performance Summary Report 15

Accounts Payable 16

Grants & Federal Appropriation Report..... 17

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026
(\$ in millions)

Operating Revenues Detail

Revenue Category	FY 2026 Revised Budget	FY 2026 Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$583.0	\$608.9	\$25.9	4.4%	104.4%
Federal	\$99.3	\$100.3	\$1.0	0.9%	100.9%
District Government	\$27.2	\$28.6	\$1.4	4.7%	104.7%
DC Housing Authority	\$15.2	\$13.5	(\$1.7)	-11.2%	88.8%
Customer Metering Fee	\$24.4	\$24.5	\$0.1	0.5%	100.5%
Water System Replacement Fee (WSRF)	\$42.7	\$43.6	\$0.9	2.1%	102.1%
Wholesale	\$124.2	\$123.0	(\$1.2)	-1.0%	99.0%
Right-of-Way Fee/PILOT	\$24.2	\$25.3	\$1.1	4.7%	104.7%
Subtotal (before Other Revenues)	\$940.2	\$967.7	\$27.5	2.9%	102.9%
IMA Indirect Cost Reimb. For Capital Projects	9.1	9.1	0.1	1.1%	100.0%
DC Fire Protection Fee	17.6	17.5	(0.0)	0.0%	99.4%
Stormwater (MS4)	1.0	1.0	0.0	0.0%	100.0%
Interest	13.4	14.3	0.9	6.7%	106.7%
Developer Fees (Water & Sewer)	9.0	9.6	0.6	6.7%	106.7%
System Availability Fee (SAF)	5.7	2.0	(3.7)	-64.9%	35.1%
Washington Aqueduct Backwash	3.1	4.0	0.9	29.0%	129.0%
Others	9.1	10.5	1.4	15.4%	115.4%
Subtotal	\$68.0	\$68.0	\$0.0	0.0%	100.0%
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$68.0	\$68.0	\$0.0	0.0%	100.0%
Grand Total	\$1,008.2	\$1,035.7	\$27.5	2.7%	102.7%

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

Customer Category	Water	Sewer	Clean Rivers IAC	Metering Fee	WSRF	Total
Residential	\$51,096	\$80,595	\$33,958	\$10,988	\$9,957	\$186,593
Commercial	103,215	116,860	40,605	7,154	17,032	284,866
Multi-family	65,482	100,716	16,400	3,779	8,469	194,847
Federal	36,400	41,378	22,478	1,538	5,676	107,470
District Govt	7,801	10,554	10,198	827	2,095	31,476
DC Housing Authority	4,917	7,284	1,274	245	392	14,111
Total:	\$268,911	\$357,386	\$124,913	\$24,532	\$43,621	\$819,363

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	FY 2026 Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$33,222	\$33,958	736	2%	102%
Commercial	39,450	40,605	1,155	3%	103%
Multi-family	15,612	16,400	788	5%	105%
Federal	22,478	22,478	(0)	0%	100%
District Govt	9,892	10,198	306	3%	103%
DC Housing Authority	1,465	1,274	(191)	-13%	87%
Total:	\$122,119	\$124,913	\$2,794	2%	102%

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 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	\$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	\$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	\$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
March 31, 2026	\$31.0	12,130
April 30, 2026	\$32.0	12,343
May 31, 2026	\$31.3	12,390
June 30, 2026	\$32.6	12,516
July 31, 2026	\$33.0	12,458
August 31, 2026	\$32.7	12,452
September 30, 2026	\$31.6	12,308

Greater than 90 Days by Customer

The overall delinquency balance decreased by \$1.11 million in September 2026 compared to the prior month. Multi-Family delinquencies declined by \$0.53 million, primarily driven by the resumption of disconnection activities and enhanced customer outreach efforts. Commercial delinquencies also decreased by \$0.53 million.

Revenue recovery remains a strategic priority in October, with targeted efforts focused on reducing 90-day and greater delinquent balances. Continued Multifamily and Commercial mixed-use recovery efforts are expected to drive further reductions in aged receivables while encouraging customers to resolve outstanding balances through payment, payment arrangements, or available assistance programs. Customers are urged to take prompt action to avoid service interruption and support continued improvement in delinquency performance.

	Number of Accounts			Month of Aug (All Categories)				Total Delinquent				
	W & S	Impervious Only	Total No. of	Active		Inactive		Aug		Sep		
	a/c	a/c	a/c	a/c	Amount (\$)	a/c	Amount (\$)	a/c	Amount (\$)	a/c	Amount (\$)	%
Commercial	8,416	1,812	10,228	1,044	3,997,163	135	\$630,169	1,163	\$5,164,294	1,179	\$4,627,332	15%
Multi-family	9,146	296	9,442	1,431	16,537,957	53	\$369,833	1,509	\$17,439,895	1,484	\$16,907,790	53%
Single-Family Residential	108,269	1,850	110,119	9,461	9,835,863	184	\$242,694	9,780	\$10,119,339	9,645	\$10,078,557	32%
Total	125,831	3,958	129,789	11,936	\$30,370,983	372	\$1,242,697	12,452	\$32,723,528	12,308	\$31,613,680	100%

Notes: Included in the above \$31.6 (or 12,308 counts) of the DC Water Over 90 days delinquent accounts, \$2,018,678.12 (or 963 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 (12,308) as a percentage of total accounts (129,789) is 9.5 percent.
 -Delinquent impervious only accounts (963) as a percentage of total accounts (129,789) is 0.7 percent.
 -Delinquent impervious only accounts (963) as a percentage of total delinquent accounts (12,308) are 7.8 percent.
 -Delinquent impervious only accounts (963) as a percentage of total impervious only accounts (3,958) are 24.3 percent

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Overtime by Department

Department	FY 2026		
	Budget	Actual*	YTD Actual % of Budget
Office of OCOO	0	1,158	0.0%
Wastewater Treatment Operations ¹	1,538,020	1,626,232	105.7%
Process Engineering ²	28,401	53,655	188.9%
Maintenance Services ³	906,032	936,643	103.4%
Clean Water and Technology	100,000	2,323	2.3%
Resource Recovery	154,010	145,057	94.2%
Water Operations ⁴	3,613,042	4,622,340	127.9%
Pumping and Sewer Operations ⁵	2,904,321	5,070,566	174.6%
Operations	9,243,825	12,457,974	134.8%
Clean Rivers	0	0	0.0%
Permit Operations	440,000	327,034	74.3%
Shared Services and Asset Management	510,000	344,648	67.6%
Wastewater Engineering	50,500	246	0.5%
Water Program and Lead Free DC	10,000	6,154	61.5%
Engineering	1,010,500	678,082	67.1%
Office of OCAO	0	0	0.0%
Customer Care	282,972	204,842	72.4%
Facilities Management ⁶	475,000	582,418	122.6%
Fleet Management	4,000	3,593	89.8%
Occupational Safety	3,000	6,107	0.0%
Office of Emergency Management	0	1,992	0.0%
Marketing & Communication	2,800	0	0.0%
Security	2,000	33	0.2%
Administration	769,772	798,986	103.8%
Information Technology	6,000	4,520	75.3%
Board Secretary	0	0	0.0%
Office of OCEO	0	0	0.0%
Independent Offices	0	0	0.0%
Finance	45,000	5,526	12.3%
Procurement	120,000	78,380	65.3%
Compliance	0	0	0.0%
Finance, Procurement & Compliance	165,000	83,905	50.9%
People and Talent	3,000	0	0.0%
Government and Legal Affairs	2,000	0	0.0%
Strategy and Performance	0	0	0.0%
Total DC WATER	\$11,200,097	\$14,022,391	125.2%

*September 2026 actuals as of Pay Period #20 thru 9/19/26

¹Wastewater Treatment Operations - High overtime usage was driven by the winter Cambi freeze, cold-weather support needs, and increased operator support for Headworks high-flow events related to the Influent/Effluent Structure Rehab project.

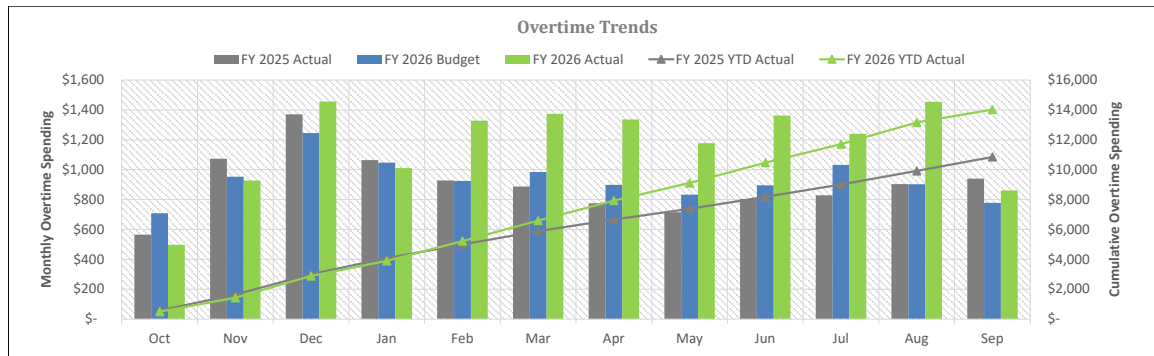
²Process Engineering & Maintenance Services - High overtime usage mainly due to additional support during the cold winter months and to manage issues related to the Cambi freeze

³Maintenance Services - High overtime usage was driven by emergency response efforts, including the winter Cambi freeze, Headworks Upgrade project impacts, and Pre-Dewatering Loop pipe clogging issues

⁴Water Operations - Overtime used for increased seasonal unplanned emergencies and planned water system activities

⁵Pumping and Sewer Operations - Overtime used for shift coverage and additional support due to repairs to the Potomac Interceptor

⁶Facilities - Overtime used for shift coverage and additional support during critical events



Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Capital Disbursements Detail by Program (\$000's)

Service Areas	Budget	Actual			Variance			Projections	
	REVISED BUDGET	Oct - 25 - Aug - 26	Sep-26	Total	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)	Year-End Projection	% of Budget
NON PROCESS FACILITIES									
Facility Land Use	\$15,467	\$3,702	\$440	\$4,142	26.8%	\$11,325	73.2%	6,288	40.7%
Subtotal	15,467	3,702	440	4,142	26.8%	11,325	73.2%	6,288	40.7%
WASTEWATER TREATMENT									
Liquids Processing	37,432	35,593	4,297	\$39,891	106.6%	-2,459	-6.6%	34,566	92.3%
Plantwide	36,576	22,386	1,621	\$24,008	65.6%	12,569	34.4%	27,832	76.1%
Solids Processing	8,944	5,636	1,661	\$7,297	81.6%	1,647	18.4%	10,545	117.9%
Enhanced Nitrogen Removal Facilities	246	14	0	\$14	0.0%	232	94.2%	332	0%
Subtotal	83,199	63,630	7,579	71,209	85.6%	11,989	14.4%	73,275	88.1%
COMBINED SEWER OVERFLOW									
D.C. Clean Rivers	226,435	219,815	23,439	243,254	107.4%	-16,819	-7.4%	221,772	97.9%
Combined Sewer	11,047	2,970	190	3,160	28.6%	7,887	71.4%	3,929	35.6%
Subtotal	237,482	222,785	23,629	246,414	103.8%	-8,932	-3.8%	225,701	95.0%
STORMWATER									
Local Drainage	2634	-	-	-	0.0%	2,634	100.0%	743	0.0%
On-Going	614	178	20	198	32.3%	416	67.7%	212	34.6%
Pumping Facilities	11747	5,030	1,345	6,375	54.3%	5,372	45.7%	9,322	79.4%
Research and Program Management	585	7	-	7	1.2%	578	98.8%	162	27.7%
Trunk/Force Sewers	969	0	-	0	0.0%	969	100.0%	178	18.3%
Subtotal	16,550	5,215	1,365	6,580	39.8%	9,970	60.2%	10,618	64.2%
SANITARY SEWER									
Collection Sewers	15,894	11,931	1,389	13,321	83.8%	2,574	16.2%	15,329	96.4%
On-Going	15,454	24,979	2,219	27,198	176.0%	-11,743	-76.0%	28,734	185.9%
Pumping Facilities	8,096	9,500	184	9,685	119.6%	-1,588	-19.6%	7,999	98.8%
Program Management	16,400	10,520	202	10,722	65.4%	5,678	34.6%	15,576	95.0%
Interceptor/Trunk Force Sewers	99,526	90,432	18,063	\$108,495	109.0%	-8,969	-9.0%	92,076	92.5%
Subtotal	155,371	147,363	22,057	\$169,420	109.0%	-14,049	-9.0%	159,713	102.8%
WATER									
Distribution Systems	58,259	42,647	7,745	50,392	86.5%	7,867	13.5%	45,465	78.0%
Lead Program	93,954	100,799	20,669	121,468	129.3%	-27,513	-29.3%	91,782	97.7%
On-Going	13,646	24,671	2,862	27,533	201.8%	-13,886	-101.8%	23,251	170.4%
Pumping Facilities	2,070	2,115	296	2,411	116.4%	-341	-16.4%	1,553	75.0%
Storage Facilities	2,807	243	813	1,056	37.6%	1,752	62.4%	93	3.3%
Program Management	16,020	14,917	2,089	17,007	106.2%	-987	-6.2%	14,024	87.5%
Subtotal	186,757	185,392	34,474	219,865	117.7%	-33,108	-17.7%	176,167	94.3%
Capital Projects	694,826	628,086	89,545	717,631	103.3%	-22,804	-3.3%	651,763	93.8%
CAPITAL EQUIPMENT	\$32,481	25,540	2,692	28,232	86.9%	\$4,249	13.1%	\$24,641	75.9%
WASHINGTON AQUEDUCT	49,480	34,980		34,980	70.7%	14,500	29.3%	49,480	100.0%
Additional Capital Programs	81,961	60,520	2,692	63,212	77.1%	18,749	22.9%	74,121	90.4%
Total	\$776,787	\$688,606	\$92,237	\$780,843	100.5%	(\$4,056)	-0.5%	\$725,884	93.4%

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 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 September 30, 2026, developer deposits had \$26.46 million in credit balances (liability) and \$11.77 million in debit balances (receivable).

Balances by Year as of September 30, 2026

		Credit Balances (Liability)	Debit Balances (Receivables)
		\$26.46 million	\$11.77 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	\$ (105,206.71)	38	\$ 260,270.23	86	\$ 155,063.52
2006	\$ (7,498.18)	5	\$ 271,416.02	74	\$ 263,917.84
2007	\$ (44,322.66)	7	\$ 135,267.96	47	\$ 90,945.30
2008	\$ (103,931.35)	3	\$ 189,458.72	48	\$ 85,527.37
2009	\$ (19,721.62)	8	\$ 166,341.68	41	\$ 146,620.06
2010	\$ (37,810.18)	10	\$ 120,876.51	36	\$ 83,066.33
2011	\$ (54,427.60)	17	\$ 536,688.93	52	\$ 482,261.33
2012	\$ (162,565.99)	26	\$ 449,708.50	82	\$ 287,142.51
2013	\$ (108,330.61)	25	\$ 245,969.44	76	\$ 137,638.83
2014	\$ (83,518.94)	24	\$ 965,198.22	59	\$ 881,679.28
2015	\$ (166,281.30)	45	\$ 257,685.16	34	\$ 91,403.86
2016	\$ (727,890.69)	77	\$ 428,743.52	51	\$ (299,147.17)
Subtotal - 2001 through 2016	\$ (1,621,505.83)	285	\$ 4,998,691.02	695	\$ 3,377,185.19
2017	\$ (1,488,379.42)	348	\$ 416,670.64	107	\$ (1,071,708.78)
2018	\$ (1,939,546.00)	378	\$ 789,902.18	107	\$ (1,149,643.82)
2019	\$ (3,023,414.33)	326	\$ 1,577,455.37	150	\$ (1,445,958.96)
2020	\$ (3,228,510.64)	204	\$ 491,482.83	114	\$ (2,737,027.81)
2021	\$ (2,974,649.69)	239	\$ 526,364.60	142	\$ (2,448,285.09)
2022	\$ (3,870,287.10)	237	\$ 826,699.21	158	\$ (3,043,587.89)
2023	\$ (2,675,468.06)	155	\$ 1,033,663.12	119	\$ (1,641,804.94)
2024	\$ (2,448,792.20)	139	\$ 591,627.77	105	\$ (1,857,164.43)
2025	\$ (2,028,985.26)	153	\$ 333,973.39	90	\$ (1,695,011.87)
2026	\$ (1,155,473.15)	101	\$ 182,434.06	83	\$ (973,039.09)
Subtotal - 2016 through 2026	\$ (24,833,505.85)	2,280	\$ 6,770,273.17	1,175	\$ (18,063,232.68)
Total	\$ (26,455,011.68)	2,565	\$ 11,768,964.19	1,870	\$ (14,686,047.49)

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 Forfeited on September 28, 2026	(3,992,598.10)	654
Accounts pending forfeiture determination and execution.	(1,621,505.83)	285

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Developer Deposits

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 March 19, 2026, 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, September 28, 2025, and September 28, 2026.

Refund Requests and Forfeiture Disputes

Following the distribution of annual account statements to customers on March 19, 2026, it was determined that refund requests impact a total of 2,288 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	2288	
Refunded this month	24	\$494,697.13
Refunded last month	21	\$193,076.37
Refunded FY26	283	\$4,574,739.00
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)	198	(\$131,115.98)
Number of Refund Accounts Reviewed, Awaiting Information from Developers*	462	\$2,285,901.57
<i>Number of Refund Account Requested after forfeiture date**</i>	76	\$322,229.17

*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. 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 Financial Report



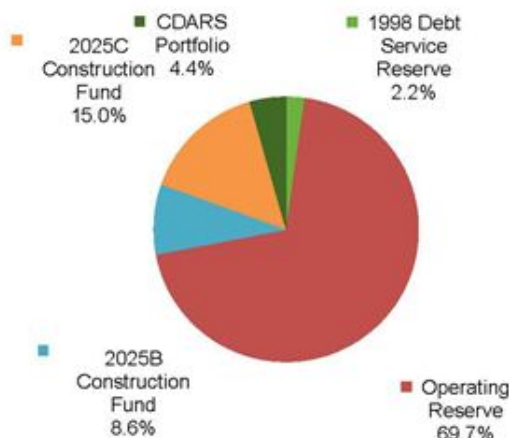
Investment Performance Report – September 2026

DC Water Finance Division Economic Update & Portfolio Summary

ECONOMIC COMMENTARY

- The Federal Open Market Committee's (FOMC) voted unanimously to increase the federal funds target rate by 25 basis points (bps) to a range of 3.75% to 4.00%, the first rate hike since July 2023. The Fed's latest "dot-plot" reinforced this hawkish stance with 16 of 18 participants projecting at least one additional hike in 2026.
- August inflation data continued to show limited progress towards the Fed's target. Year-over-year CPI inflation remained elevated, and the month-over-month measure accelerated from prior releases. Higher energy prices lifted headline inflation while rising business costs increase the risk those pressures spread into core goods and services in the months ahead.
- The unemployment rate ticked up to 4.2% as labor force participation edged higher, and the three-month average rate of job creation at 51,000 remains generally consistent with estimates of the breakeven rate necessary to keep the unemployment rate steady.
- The final estimate of Q2 GDP growth was revised higher to 2.2%. Personal consumption contributed 2.5% while research and development and software investment associated with the AI buildout added an additional 0.5%.

INVESTMENT PORTFOLIOS



Certificates of Deposit Account Registry Services (CDARS)

PORTFOLIO RECAP

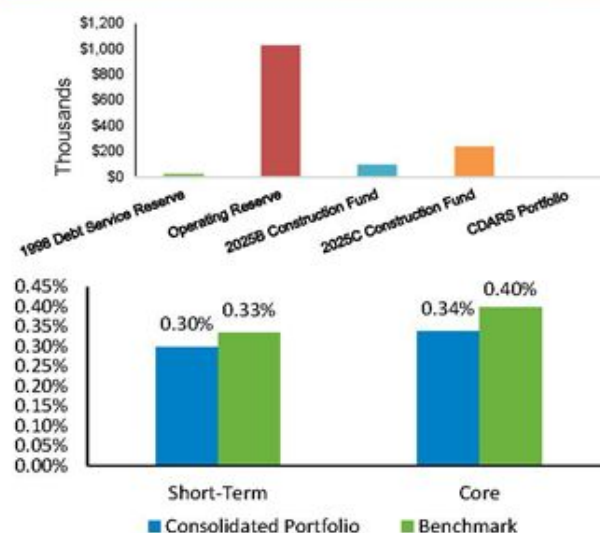
- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Mortgage-Backed Securities, Supranational Bonds, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 4.11%. The short term consolidated composite periodic 1 month return was 0.30% and the benchmark of ICE BofA 3- month Treasury Index periodic 1 month return was 0.33%. The Core Consolidated Composite periodic 1 month return was 0.34% and the benchmark of ICE BofA 1-3 Year Treasury Index periodic 1 month return was 0.40%.

Operating Reserve and Bond Proceeds Portfolios

- During September, the investment advisor (PFMAM) purchased four corporate bonds totaling \$3.2 million with an average yield of 5.08%, one treasury totaling \$3.2 million with a yield of 4.45%, and three agencies totaling \$2.5 million with an average yield of 5.12%

Operating Funds Interest Income Earnings³

- September 2026 - \$1,030,301.32
- Total FY 2026 - \$13,691,208.88

MONTHLY EARNINGS¹ AND PERFORMANCE²

1. Monthly earnings shown are total accrual basis earnings based on amortized costs.

2. Please reference performance details under "portfolio recap" and on Page 10 of the Monthly Board Report.

3. Operating Funds Interest Income Earnings Reported by DC Water.

Prepared by PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

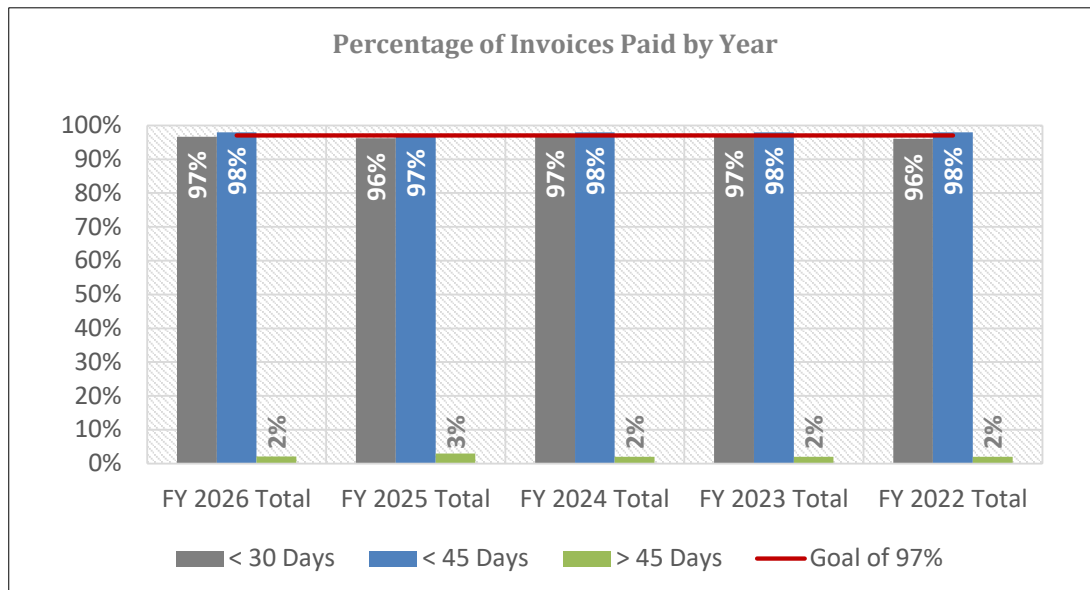
Accounts Payable Performance

Cumulative performance for the twelve-month period ending September 2026, a total of 23,676 vendor payments were processed and paid within 30 days compared to 23,086 in FY 2025 (as shown in the table below) and with a dollar value of \$949 million compared to \$764 million for FY 2025.

For FY 2026, approximately 97% of the invoices were paid within 30 days compared to 96% for FY 2025. The Authority's goal is to pay 97% of all undisputed invoices within 30 days.

Accounts Payable Performance				
	FY 2026		FY 2025	
	Number	Percent	Number	Percent
Less than 30	23,676	96.6%	23,086	96.2%
Less than 45	23,995	97.9%	23,382	97.4%
Greater than 45	503	2.1%	612	2.6%
Sub-Total ≤ 45	24,498	100%	23,994	100%
Retainage/Dispute	-		-	
Total	24,498		23,994	

The chart below shows cumulative year to date historical performance for fiscal years 2022 through 2026.



Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2026

Grants & Federal Appropriation Report

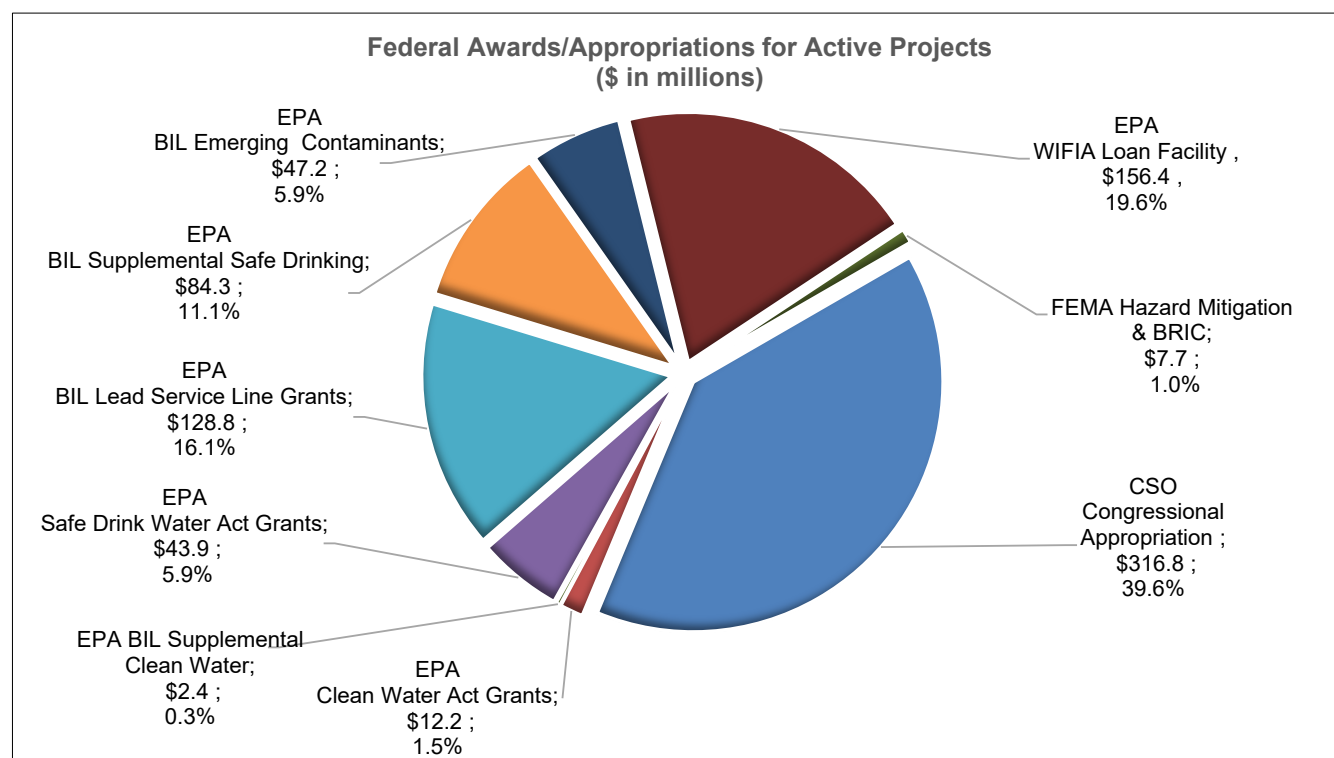
The Authority currently receives grants to fund portions of its capital project costs from the U.S. Environmental Protection Agency (EPA) and the Federal Emergency Management Agency (FEMA) among others.

The EPA grants are issued mainly under the Clean Water Act of 1972, the Safe Drinking Water Act of 1974, and the Infrastructure Investment and Jobs Act (IIJA, also known as BIL-Bipartisan Infrastructure Law). The grants under these acts support various Clean Water Projects- mainly Gravity Thickeners Upgrades; Safe Drinking Water Projects- mainly Small Diameter Water Main Replacements; Lead Service Lines Replacement Projects- new grants under IIJA/BIL to achieve the goal of lead-free Water Systems; and to start addressing the challenges from emerging contaminants including PFAS.

Additionally, On March 12, 2021, DC Water signed a WIFIA Loan Agreement with EPA for up to \$156,367,104, in loan facility to finance comprehensive infrastructure repair, rehabilitation, and replacement program project (WIFIA -N18143DC).

The FEMA Hazard Mitigation Grant Programs (HMGP) and Building Resilient Infrastructure and Communities (BRIC) Grants are issued under the Robert T. Stafford Disaster Relief and Emergency Assistance Act as amended by Disaster Recovery Act of 2018 (DRRA).

As of September 30, 2026, DC Water has \$799.7 million in total federal funds, including the WIFIA Loan Facility, for active projects, as indicated below:



The remaining balance of the EPA grants and WIFIA Loan facilities is \$229.7 million and \$25 million respectively as of September 30, 2026. FEMA grants have a balance of \$3.8 million as of September 30, 2026.

Monthly Financial Report

DC Water has received Twenty-nine separate Congressional CSO appropriations totaling \$316.8 million plus accrued interest of \$12.8 million, resulting in total CSO funding of \$329.6 million. The cumulative CSO appropriation life-to-date cash disbursement is \$329.6 million, based on requested reimbursements (drawdowns for eligible disbursements) through September 30, 2026. The remaining CSO balance as of September 30, 2026, is \$50, which represents the interest earned on CSO funds through September 30, 2026.

In FY 2026, DC Water signed a MOU with DOEE under which the Authority received \$356,952 in local DC funds to support Lead Pipe Replacement Assistance Program (LPRAP) and as of September 30, 2026, all the funds have been expended.

In FY 2026 so far, DC Water has received \$302,562 from Clean Fuel Alliance Foundation as Pass-through funds from EPA under the Diesel Emission Reduction Act (DERA). Grant Invoices totaling \$232,135 have been submitted and pending payments and as of September 30, 2026, the DERA Grant has been fully expended. The DERA grants are a critical component in DC Water's compliance of the United States' efforts to reduce air pollution and improve public health by reducing harmful emissions from diesel engines.



Fleet *Forward*

Advancing operational excellence, financial accountability, and long-term fleet readiness

Presented by Nija Ali
Director, Fleet Management
October 22, 2026



Operational Impact

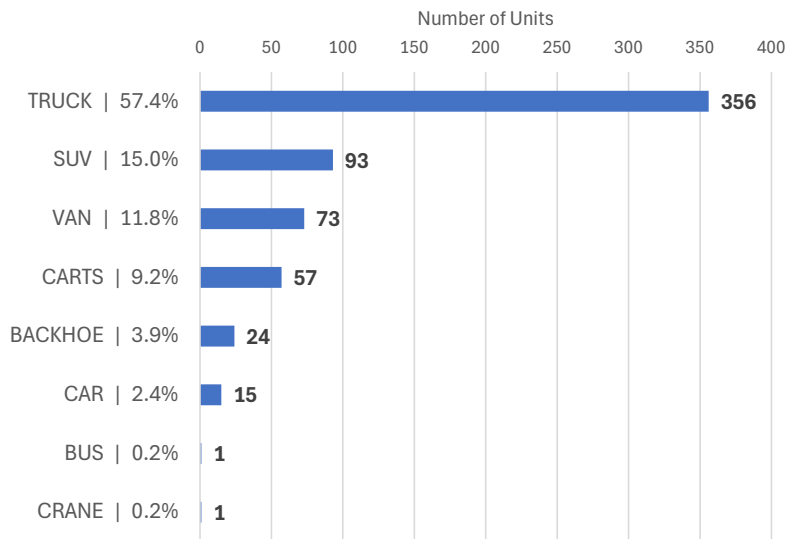
Executive Impact Summary: Fleet delivered measurable gains in safety, financial stewardship, compliance, customer access, and asset planning—reducing operational risk, generating revenue, lowering costs, and strengthening long-term fleet readiness across the Authority.

FLEET KPI DASHBOARD	
SAFETY & RISK MANAGEMENT 275 Accident cases closed Backlog reduced to 5 open cases; improved tracking and case resolution.	ACCESS & CUSTOMER REACH 25 + 2 Key Box Kiosks 25 active and 2 pending connectivity; 100+ employees reached across ~20 departments.
REVENUE GENERATION ~\$600K Asset disposal revenue Converted surplus and retired assets into significant financial return.	COST REDUCTION \$4,815 Projected annual Diesel Exhaust Fluid (DEF) savings ~44% product cost reduction on 2,750 gallons; labor and road-call savings <i>excluded</i>.
COMPLIANCE & ACCOUNTABILITY \$100K+ reduced to ~\$12K Citations under reconciliation Strengthened visibility, accountability, and follow-up for paid, unpaid, and contested tickets.	STRATEGIC ASSET PLANNING 5 Year Replacement strategy established including electrification First comprehensive vehicle and equipment plan, being integrated into Fleet Management Information System (FMIS) dashboards.

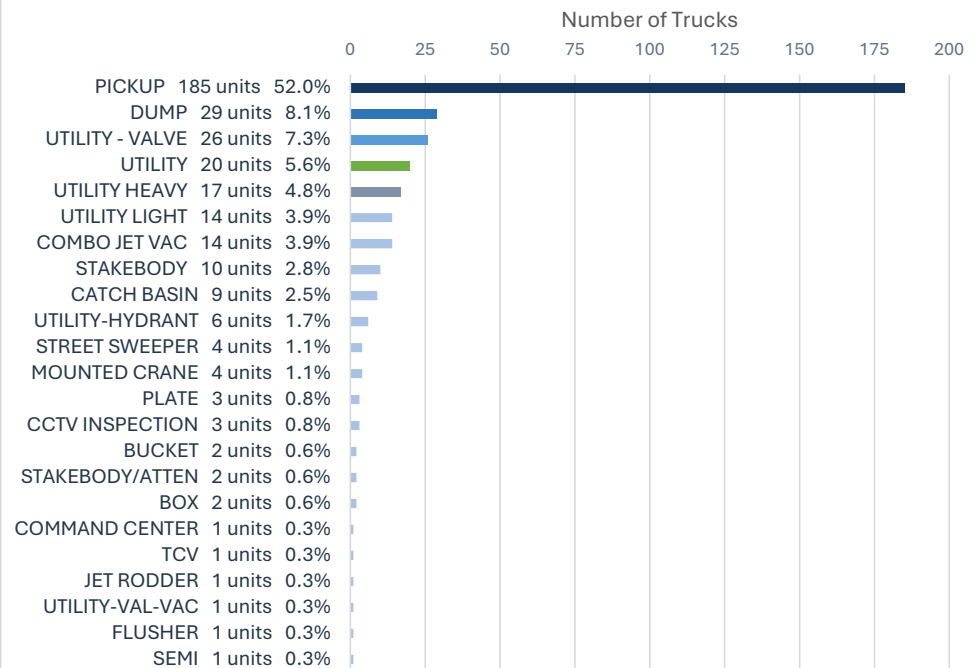


Vehicle Composition

Fleet Vehicle Composition by Unit Type
Total Fleet: 620 Units

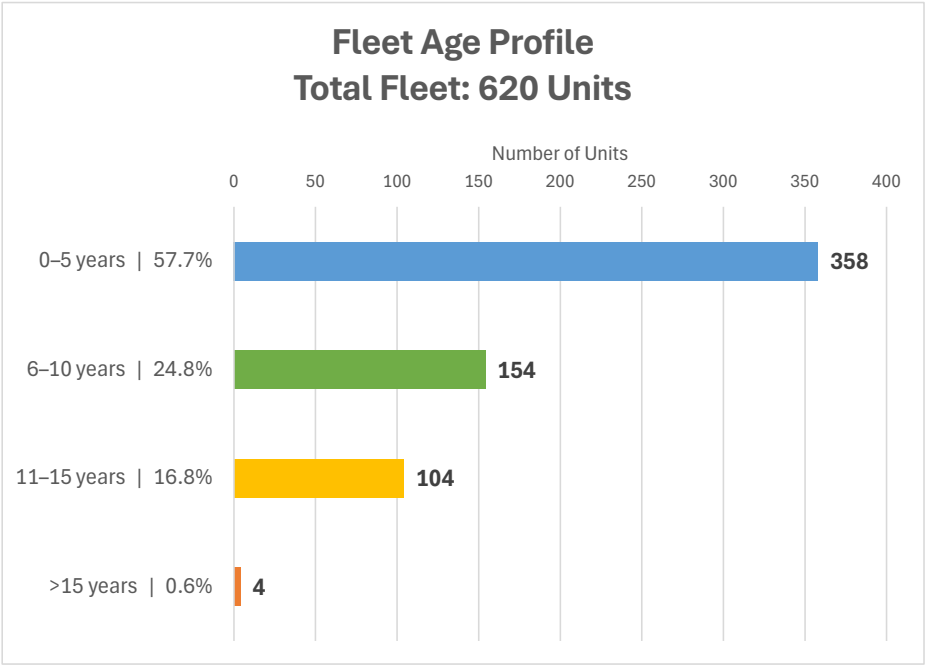


Truck Composition
356 Units | Subtype Mix





Fleet Age Profile



Fleet Average Age: 5.28 Years



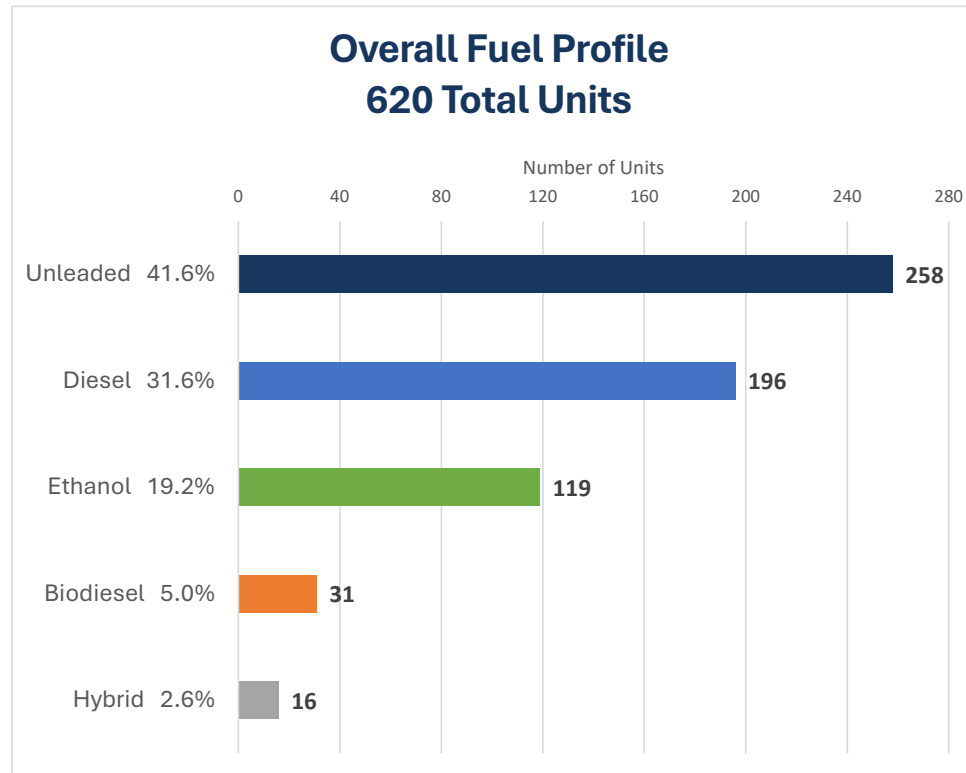
Fleet Asset Utilization

- Fleet Management continues to strengthen asset utilization and control fleet costs through a disciplined unit utilization review process.
- FY26: Vehicle inventory reduced by 7%— from 607 to 563 units—aligning fleet size more closely with operational demand.
- FY27: 1st Quarter pending review of 24 units.
- Focus: vehicles that have consumed less than 50 gallons of fuel during the preceding 365 days, indicating potentially limited use.
- Department collaboration: evaluate unit's operational purpose and provide defensible justification for its continued assignment.
- Units without sufficient operational justification are 1) removed from their current assignment and 2) reallocated to operations with a demonstrated need or 3) sold at auction.
- Results: improved efficiency, inventory alignment with essential operational requirements, and stewardship of resources.

5



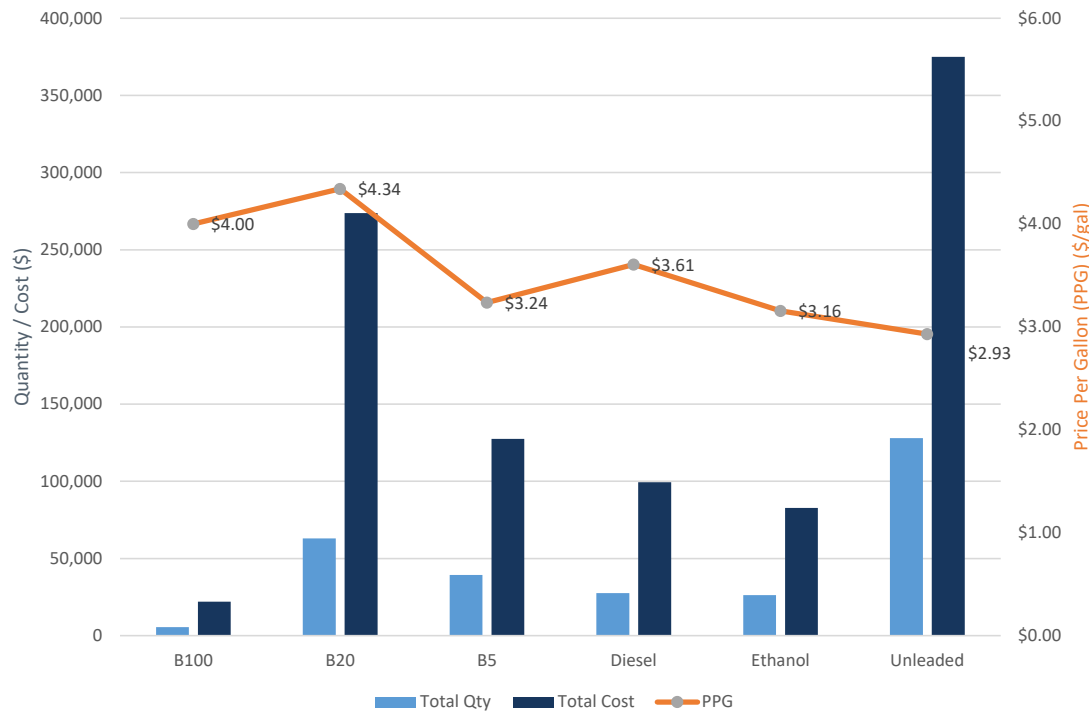
Fuel Profile





Fuel Index

FY26 Fuel Volume, Cost and PPG by Type



Fuel Type	Total Qty	Total Cost	PPG
B100	5,488	\$21,963	\$4.00
B20	63,026	\$273,681	\$4.34
B5	39,383	\$127,463	\$3.24
Diesel	27,550	\$99,394	\$3.61
Ethanol	26,197	\$82,707	\$3.16
Unleaded	127,986	\$375,014	\$2.93
Portfolio Total	289,630	\$980,222	\$3.38



FY27 Fuel Forecast

October 1, 2026 - September 30, 2027

	Projections - Unit Prices											
	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27
Biodiesel (B5 & B20)	\$ 5.48	\$ 5.06	\$ 4.67	\$ 4.42	\$ 4.29	\$ 4.20	\$ 4.09	\$ 4.01	\$ 3.89	\$ 3.81	\$ 3.75	\$ 3.72
Biodiesel (B100)	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26	\$ 4.26
Unleaded	\$ 3.57	\$ 3.40	\$ 3.13	\$ 3.02	\$ 2.96	\$ 3.03	\$ 3.06	\$ 3.05	\$ 3.02	\$ 2.96	\$ 2.89	\$ 2.80
Diesel	\$ 5.46	\$ 5.04	\$ 4.64	\$ 4.40	\$ 4.27	\$ 4.18	\$ 4.07	\$ 3.99	\$ 3.87	\$ 3.79	\$ 3.73	\$ 3.70
Ethanol	\$ 3.50	\$ 3.34	\$ 3.07	\$ 2.96	\$ 2.90	\$ 2.97	\$ 3.00	\$ 2.99	\$ 2.96	\$ 2.90	\$ 2.84	\$ 2.74

	Projections - Total Spend												
	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Projected FY27 Totals
Biodiesel (B5 & B20)	\$ 45,490	\$ 37,707	\$ 40,079	\$ 33,828	\$ 32,097	\$ 37,356	\$ 34,775	\$ 31,963	\$ 32,903	\$ 32,717	\$ 32,078	\$ 30,586	\$ 421,580
Biodiesel (B100)	\$ 2,920	\$ 3,075	\$ 3,231	\$ 3,386	\$ 3,542	\$ 3,699	\$ 3,855	\$ 4,012	\$ 4,170	\$ 4,327	\$ 4,485	\$ 4,644	\$ 45,347
Unleaded	\$ 36,087	\$ 30,971	\$ 33,000	\$ 28,218	\$ 27,097	\$ 33,168	\$ 31,949	\$ 29,503	\$ 31,591	\$ 31,077	\$ 30,333	\$ 28,262	\$ 371,257
Diesel	\$ 11,961	\$ 8,692	\$ 7,124	\$ 9,892	\$ 8,689	\$ 6,580	\$ 6,060	\$ 5,516	\$ 5,157	\$ 5,470	\$ 4,935	\$ 4,026	\$ 84,101
Ethanol	\$ 8,306	\$ 6,041	\$ 5,770	\$ 5,324	\$ 4,727	\$ 5,966	\$ 6,139	\$ 5,508	\$ 6,249	\$ 6,636	\$ 5,809	\$ 5,344	\$ 71,818
FY26 Overhead Fee						\$ 167,925							\$ 167,925
Other	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 28,000

\$ 108,765	\$ 90,487	\$ 93,204	\$ 84,649	\$ 80,152	\$ 258,693	\$ 86,778	\$ 80,502	\$ 84,070	\$ 84,227	\$ 81,640	\$ 76,862	\$1,190,028
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DERA Summary

Diesel Emissions Reduction Act (DERA) Grants

2020 National Biodiesel Foundation (NBF) DC Biodiesel Grant I

- Total Grant Funding: **\$195,456**
- Final Reimbursement Received in FY26: **\$24,320**

2022 Greater Washington Region Clean Cities Coalition (GWRCCC) DC Biodiesel Grant II

- Total Grant Funding: **\$605,125**—reduced to **\$585,125** due to administrative cost for grant extension
- FY26 Reimbursement: **\$302,562**
- **FY27 Reimbursement Expected: \$232,135**



Clean Energy Mandate: Milestones & Infrastructure Impact

- District-wide transportation electrification program intended to move passenger and light duty privately-owned fleets in the city to zero-emission vehicles by 2045 in a phased conversion
- Mandate sets percentage-based milestones beginning in 2030 and authorizes the Mayor to impose noncompliance fees on owners/operators who fail to meet statutory standards or implementing rules

Compliance Milestones

Deadline	Required Share of Covered Vehicles	
By 2030	At least 50% low- or zero-emission vehicles	162 units
By 2035	At least 75% low- or zero-emission vehicles	243 units
By 2040	At least 90% low- or zero-emission vehicles	292 units
By 2045	100% zero-emission vehicles	324 units

EV Infrastructure Facility Impacts

- Assessments are being planned to understand electrical power capacity available to support Level 2 charger installations for all campuses.
- Initial thoughts are that existing process facilities likely have the spare power capacity needed through existing feeder infrastructure.
- Non-process campuses such as Ames Place and Fleet HQ will require engagement with local power providers to enhance electrical capacity to support additional demand to accommodate Level 2 charger installations.



FY28-FY30 EV Acquisition Plan

FY28 | PRELIMINARY REQUEST

\$3.79M

47 units

Unit Type	Qty	Est. Amount
EV - Cart	36	\$1,330,970
EV - Pickup	5	\$355,000
EV - SUV	3	\$135,000
Command Center	1	\$1,150,000
Jet Vac	1	\$750,000
Transit Van	1	\$65,400
Total	47	\$3,786,370

FY29 | PRELIMINARY REQUEST

\$4.04M

69 units

Unit Type	Qty	Est. Amount
EV - Pickup	35	\$2,485,000
EV - SUV	33	\$1,485,000
Transit Van	1	\$68,000
Total	69	\$4,038,000

FY30 | PRELIMINARY REQUEST

\$4.14M

59 units

Unit Type	Qty	Est. Amount
EV - Pickup	25	\$1,837,500
EV - SUV	9	\$423,000
EV - Cart	16	\$616,000
Medium & Heavy-Duty Units	9	\$1,268,000
Total	59	\$4,144,500

+ Enhancement Request: \$330,000

1 SUV, 4 pickup trucks

3-YEAR BUY PLAN (FY28–FY30): 175 units | \$11,968,870 (excludes \$330K FY28 enhancement)

1



Path to the Future: CIP Scenario Impacts

Lola Oyeyemi

Chief Financial Officer and EVP

Moussa Wone, Ph.D., PE, DBIA

Chief Engineer & Vice President | Engineering & Clean Rivers

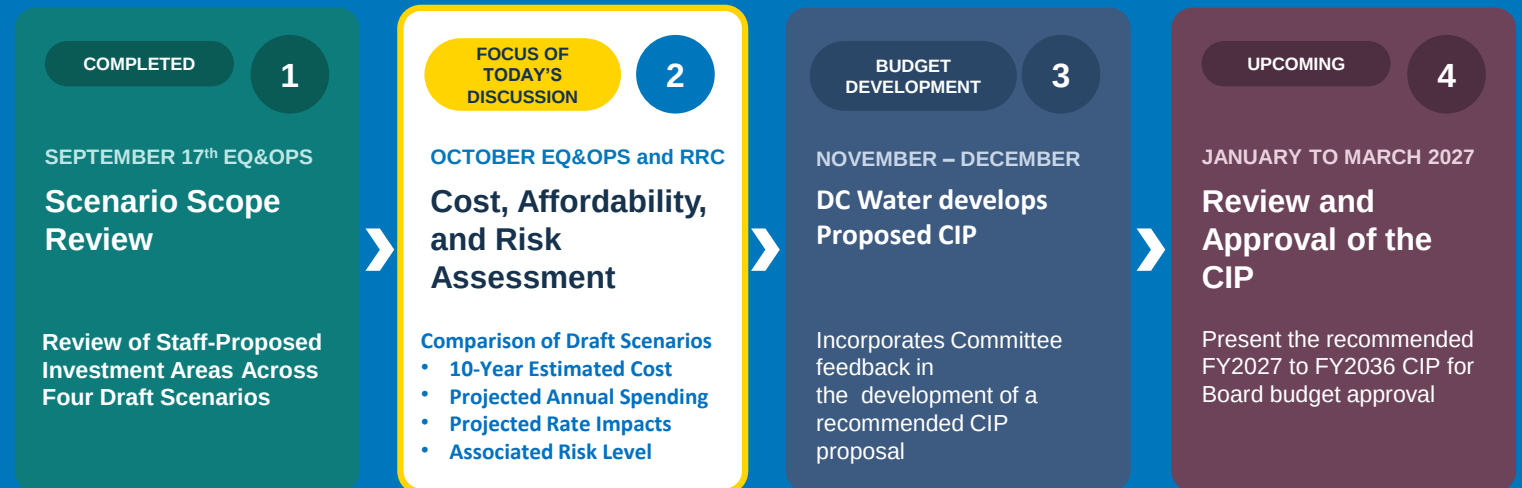
Paul Guttridge, PMP, Assoc. DBIA

Director | Shared Services & Asset Management



FY2027-2036 CIP Development Roadmap

CIP DEVELOPMENT ROADMAP: WHERE WE ARE



PURPOSE

Feedback and comments on the scenarios

Your input on costs, rate impacts and risk will guide the recommended proposal we bring back to the Board.



IMPORTANT NOTE

- The draft scenarios presented exclude the Potomac Interceptor (PI) CIP currently under development. Because the scope, schedule, and funding approach for the PI CIP are still being refined in coordination with the IMA Partners.
- Future CIP investment needs, rate impacts, and risk assessments presented today should be considered preliminary and subject to change.



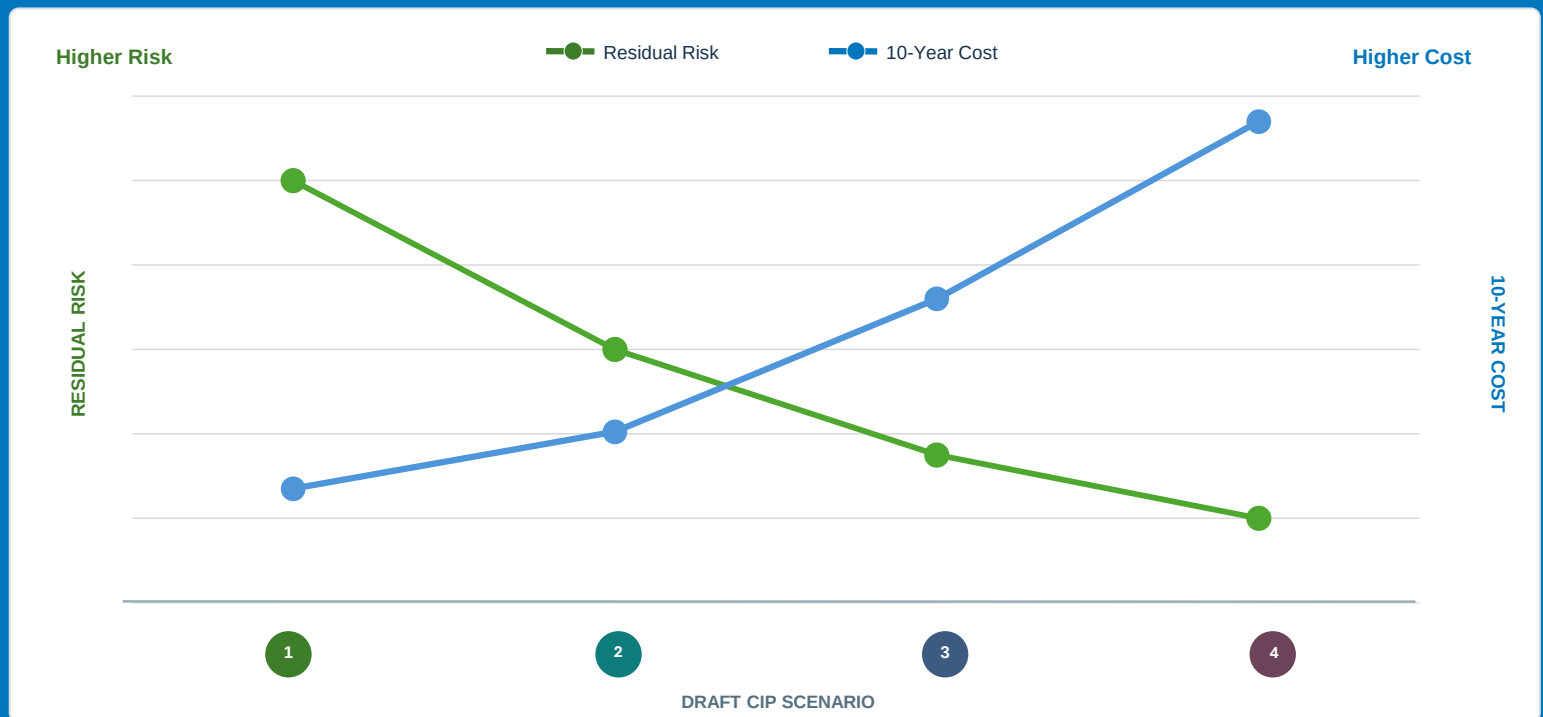


FY2027-2036
CIP
Development

RISK-COST BALANCE

Increasing investment reduces residual risk across the four draft scenarios.

Conceptual Illustration of the Relationship Between Cost and Risk



KEY TAKEAWAY Each step toward Scenario 4 buys down residual risk,



DC Water Capital Improvement Program (CIP)

FY2027-FY2036

CIP Scenarios: Investment Categories for Board Feedback

Four funding scenarios provide a consistent framework for evaluating investment priorities across the service areas in the next 10-year Capital Improvement Program

INVESTMENT AREAS COVERED BY THE CIP SCENARIOS



Sewer & Storm Linear



Water Linear, Supply
Resilience (Incl. Storage)



Blue Plains Treatment
Facilities, Resource Recovery
& Innovation



Water, Sewer & Storm Pump
Stations



Non-Process Facilities



Capital Equipment &
Information Technology



Washington Aqueduct



Infrastructure Repair and
Replacement (IR&R)

dc clean
RIVERS
PROJECT



Regulatory Compliance Programs

- Clean Rivers
- Lead Free DC
- MS4 Permit Obligations



SCENARIO A

Refined Approved CIP

RISK OUTLOOK

Maintains the currently approved program and addresses selected known priorities. A larger portion of identified renewal, reliability, resilience, or modernization needs remains outside the 10-year funding window. This may leave greater exposure to unplanned work, service impacts, cost escalation, or future reprioritization.

SCENARIO PROGRESSION



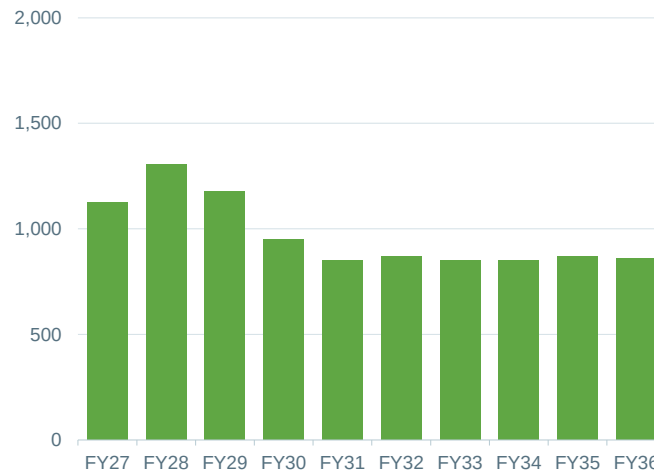
SCENARIO A AT A GLANCE: BUDGET, RATES AND RISK

10-YEAR CAPITAL BUDGET | FY27 to FY36

\$9.69B

Baseline scenario

Annual CIP spend (\$ millions)



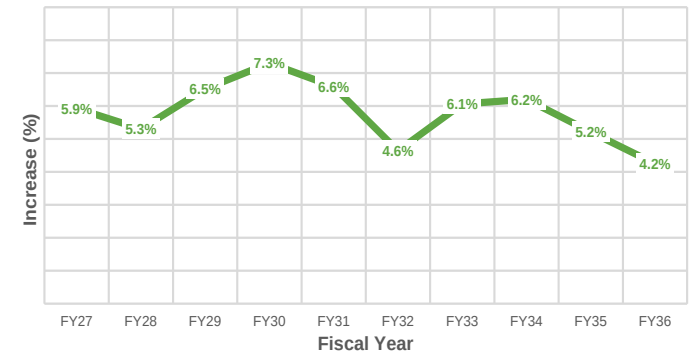
PEAK YEAR

FY28: \$1.31B

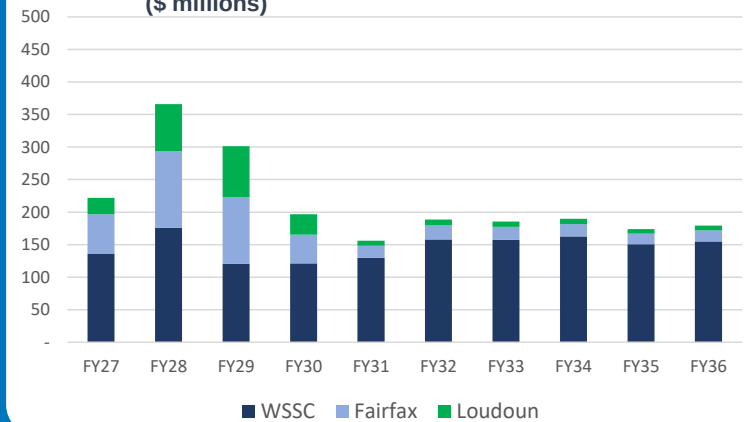
AVERAGE PER YEAR

\$0.97B

Projected Annual Residential Bill Increase by Fiscal Year



Projected Annual Wholesale Customer Contribution (\$ millions)





SCENARIO B

Refined Approved CIP +
Emergency & High-Priority
Needs Across Service Areas

RISK OUTLOOK

Addresses currently identified emergency and high-priority needs, reducing exposure associated with the most urgent known conditions. Other renewal and longer-term needs remain deferred, so material exposure may persist as assets age, conditions change, or additional needs are identified.

SCENARIO PROGRESSION



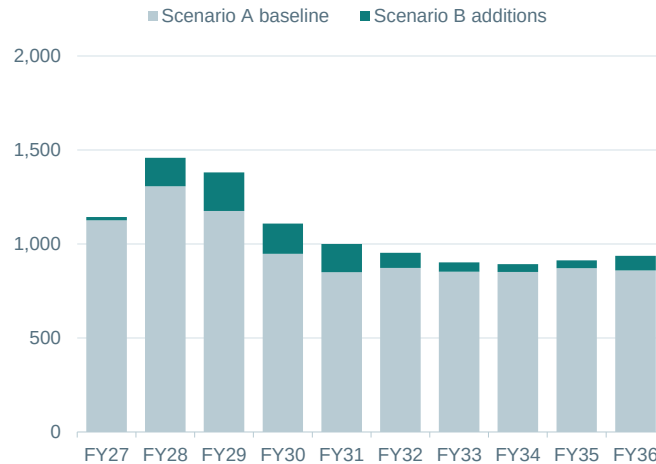
SCENARIO B AT A GLANCE: BUDGET, RATES AND RISK

10-YEAR CAPITAL BUDGET | FY27 to FY36

\$10.68B

+\$0.9B Additional Investment
(+9%) Above the Approved CIP

Annual CIP spend (\$ millions)



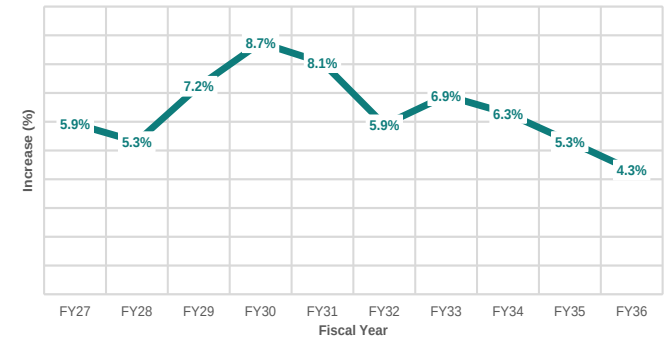
PEAK YEAR

FY28: \$1.48B

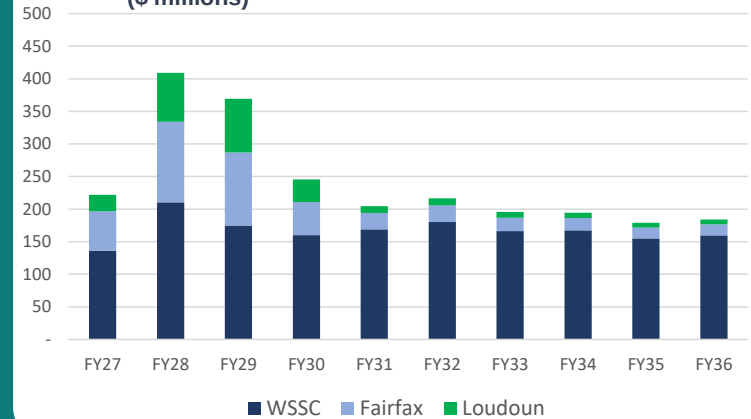
AVERAGE PER YEAR

\$1.07B

Projected Annual Residential Bill Increase by Fiscal Year



Projected Annual Wholesale Customer Contribution (\$ millions)





SCENARIO C

Approved CIP +
Emergency, High
Priority & 10-Year
Needs

RISK OUTLOOK

Addresses emergency, high-priority, and identified 10-year needs, providing a broader reduction in foreseeable risk. Some longer-term renewal, redundancy, modernization, and emerging needs remain outside the scenario, and tradeoffs in timing or performance may still be required.

SCENARIO PROGRESSION



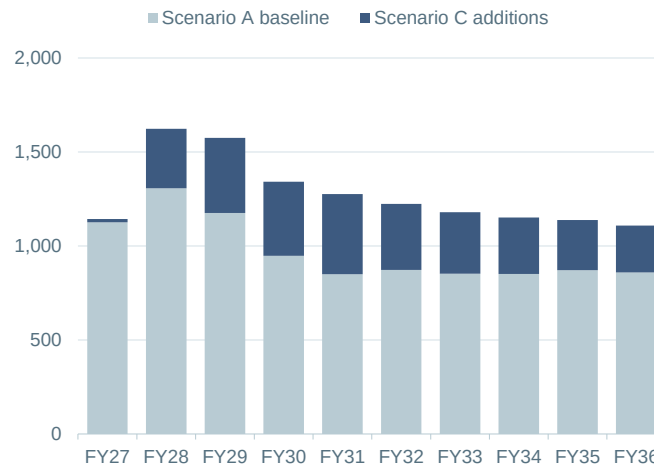
SCENARIO C AT A GLANCE: BUDGET, RATES AND RISK

10-YEAR CAPITAL BUDGET | FY27 to FY36

\$12.75B

+\$3.05B vs. Scenario A (+32.3%)

Annual CIP spend (\$ millions)



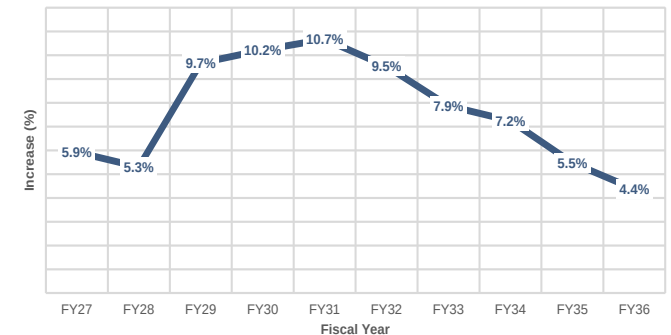
PEAK YEAR

FY28: \$1.62B

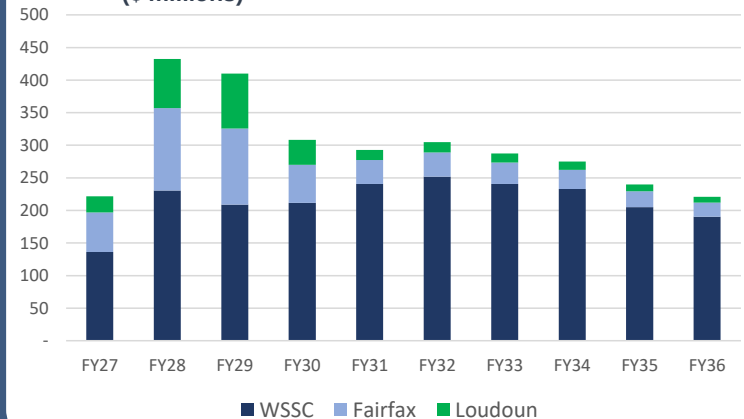
AVERAGE PER YEAR

\$1.27B

Projected Annual Residential Bill Increase by Fiscal Year



Projected Annual Wholesale Customer Contribution (\$ millions)





SCENARIO D

Comprehensive Asset
Renewal & System
Resilience

RISK OUTLOOK

Provides the broadest level of asset renewal, resilience, and modernization among the scenarios. This is expected to reduce reliance on reactive intervention and provide greater capacity to manage known and emerging needs. Residual risk remains because asset condition, project delivery, external requirements, and future operating conditions may change.

SCENARIO PROGRESSION



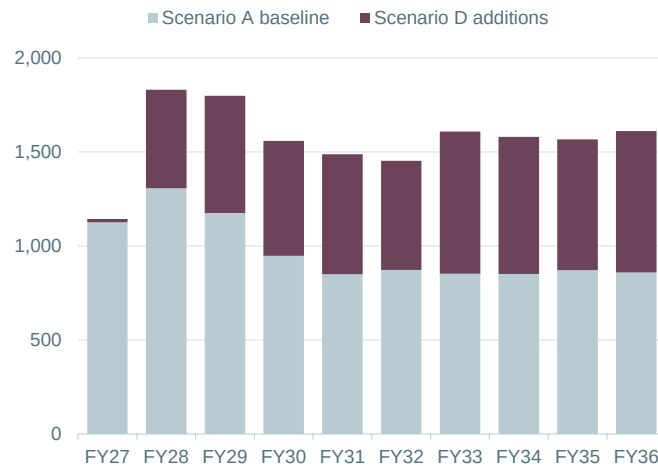
SCENARIO D AT A GLANCE: BUDGET, RATES AND RISK

10-YEAR CAPITAL BUDGET | FY27 to FY36

\$15.63B

+\$6.11B vs. Scenario A (+69.8%)

Annual CIP spend (\$ millions)



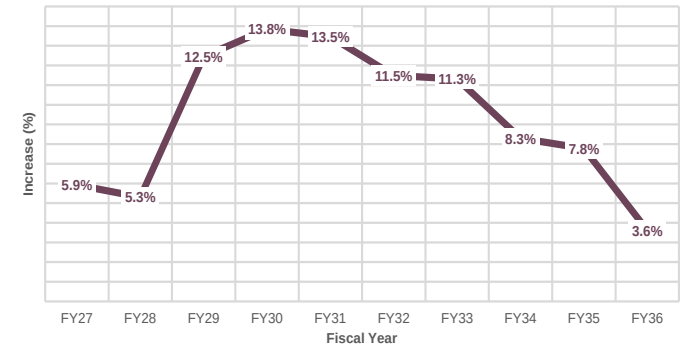
PEAK YEAR

FY28: \$1.83B

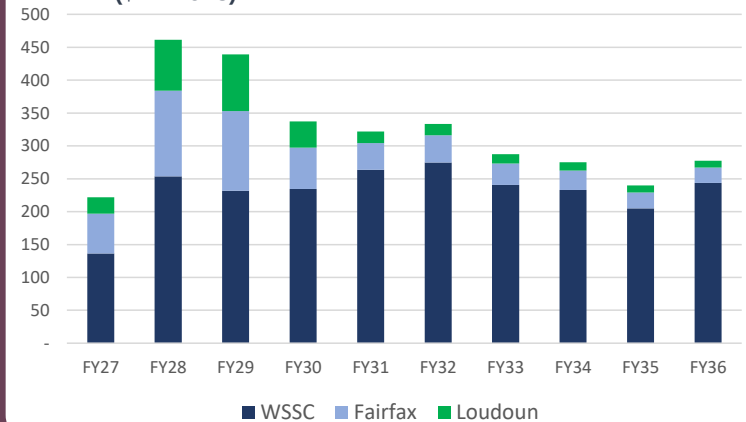
AVERAGE PER YEAR

\$1.56B

Projected Annual Residential Bill Increase by Fiscal Year



Projected Annual Wholesale Customer Contribution (\$ millions)





Snapshot of Budget & Rate Impacts

	Approved Financial Plan	Scenario A	Scenario B	Scenario C	Scenario D
Size of 10-Year CIP	\$9.69 billion*	\$9.71 billion	\$10.68 billion	\$12.75 billion	\$15.63 billion
New Debt Anticipated to be Issued	\$3.3 billion	\$4.1 billion	\$4.6 billion	\$5.5 billion	\$7.2 billion
FY 2028 Debt Service Costs	\$298.8 million	\$305.7 million	\$309.4 million	\$312.7 million	\$317.0 million
FY 2035 Debt Service Costs	\$474.5 million	\$501.7 million	\$539.0 million	\$597.0 million	\$691.0 million
Wholesale Contributions:					
• Capital Contribution (10 Years)	\$2.1 billion	\$2.3 billion	\$2.5 billion	\$3.1 billion	\$3.3 billion
Residential Household Monthly Bill Impact:					
• Average Monthly Growth Rate (10-Year)	5.3%	5.8%	6.4%	7.6%	9.3%
• Monthly Bill Growth Rate Range (10-Year)	3.4% - 6.5%	4.2% - 7.3%	4.3% - 8.7%	4.4% - 10.7%	3.6% - 13.8%
• Average Monthly Residential Household Charge Range (10-Year)	\$147 - \$232	\$156 - \$259	\$156 - \$273	\$156 - \$306	\$156 - \$358
• Average Monthly Bill Increase (10-Year)	\$9.40	\$11.14	\$12.63	\$15.92	\$21.08
• 10-year Cumulative Volumetric Rate Increase	65.50%	73.50%	81.00%	96.50%	117.50%

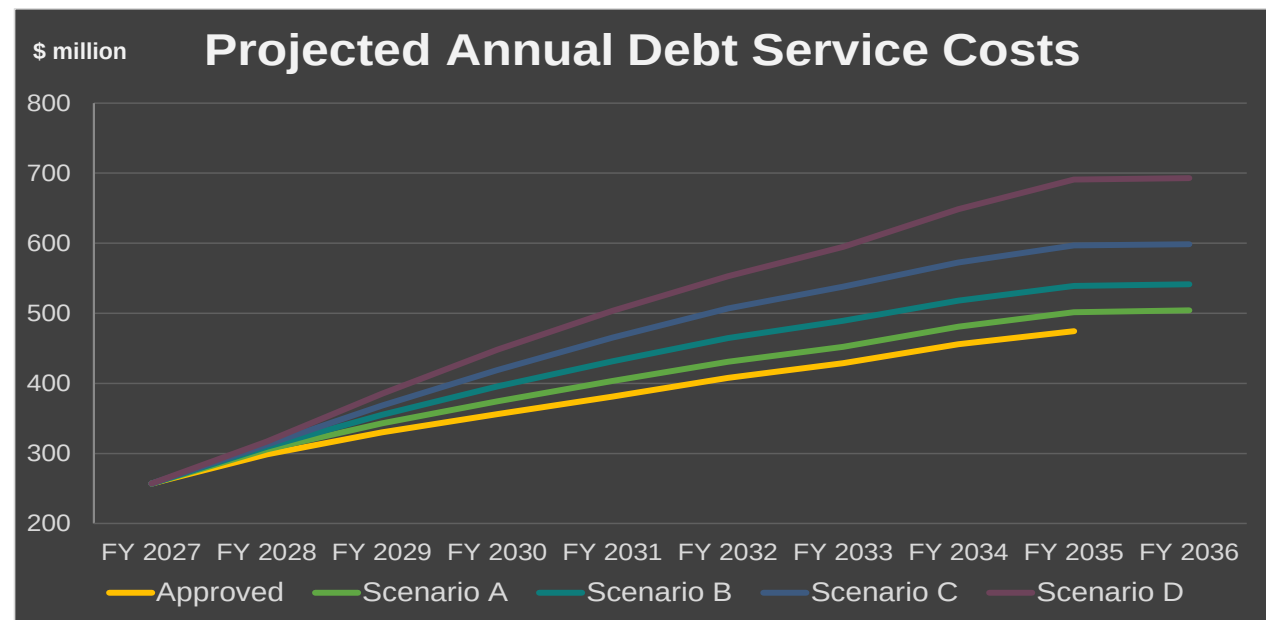
*The approved financial plan was factored at \$8.94 billion and assumed that DC Water will spend less than the authorized CIP over the next 10 years, based on historical results



Projected Debt Service Costs

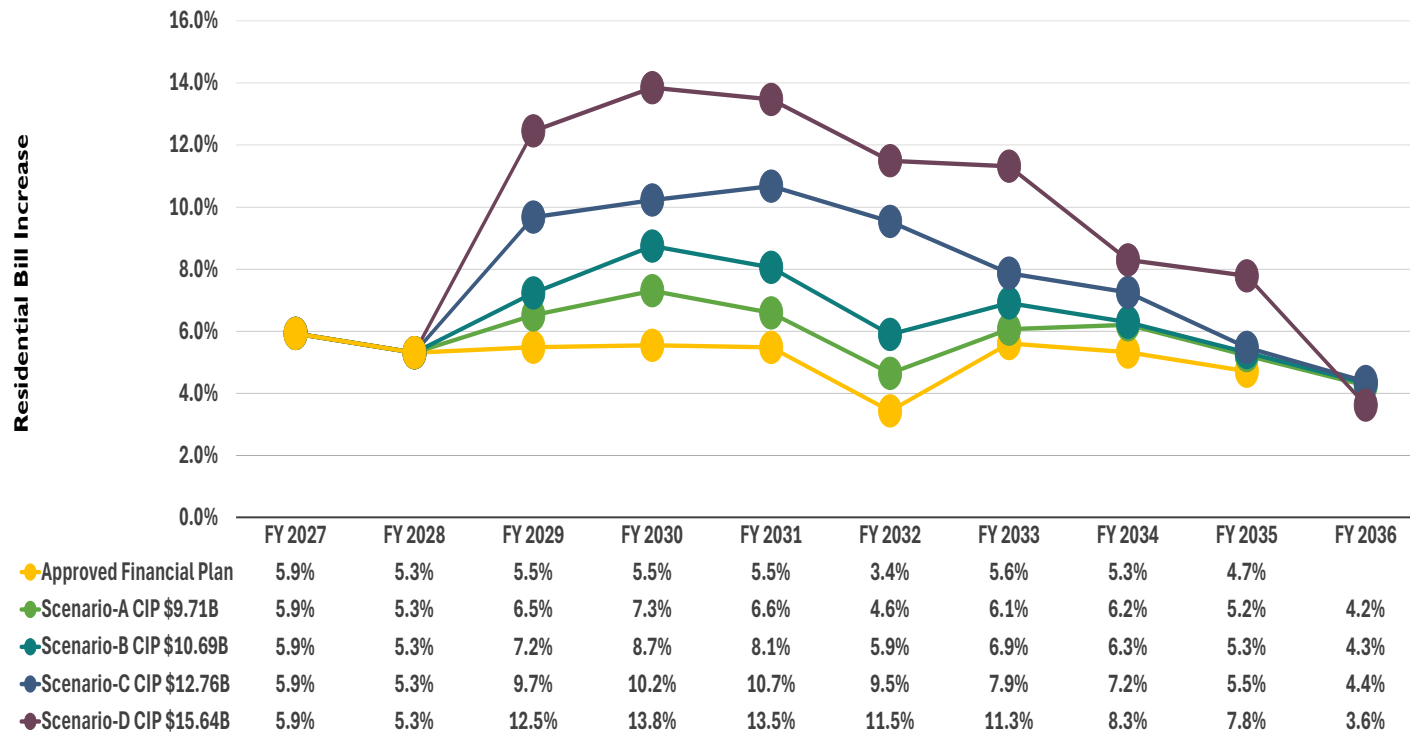
- 💧 To advance the capital program, DC Water will need to borrow additional funds over the next ten years
- 💧 These new debt service costs will require additional rate increases

	Additional Debt
Approved	\$3.3B
Scenario A	\$4.1B
Scenario B	\$4.6B
Scenario C	\$5.5B
Scenario D	\$7.2B





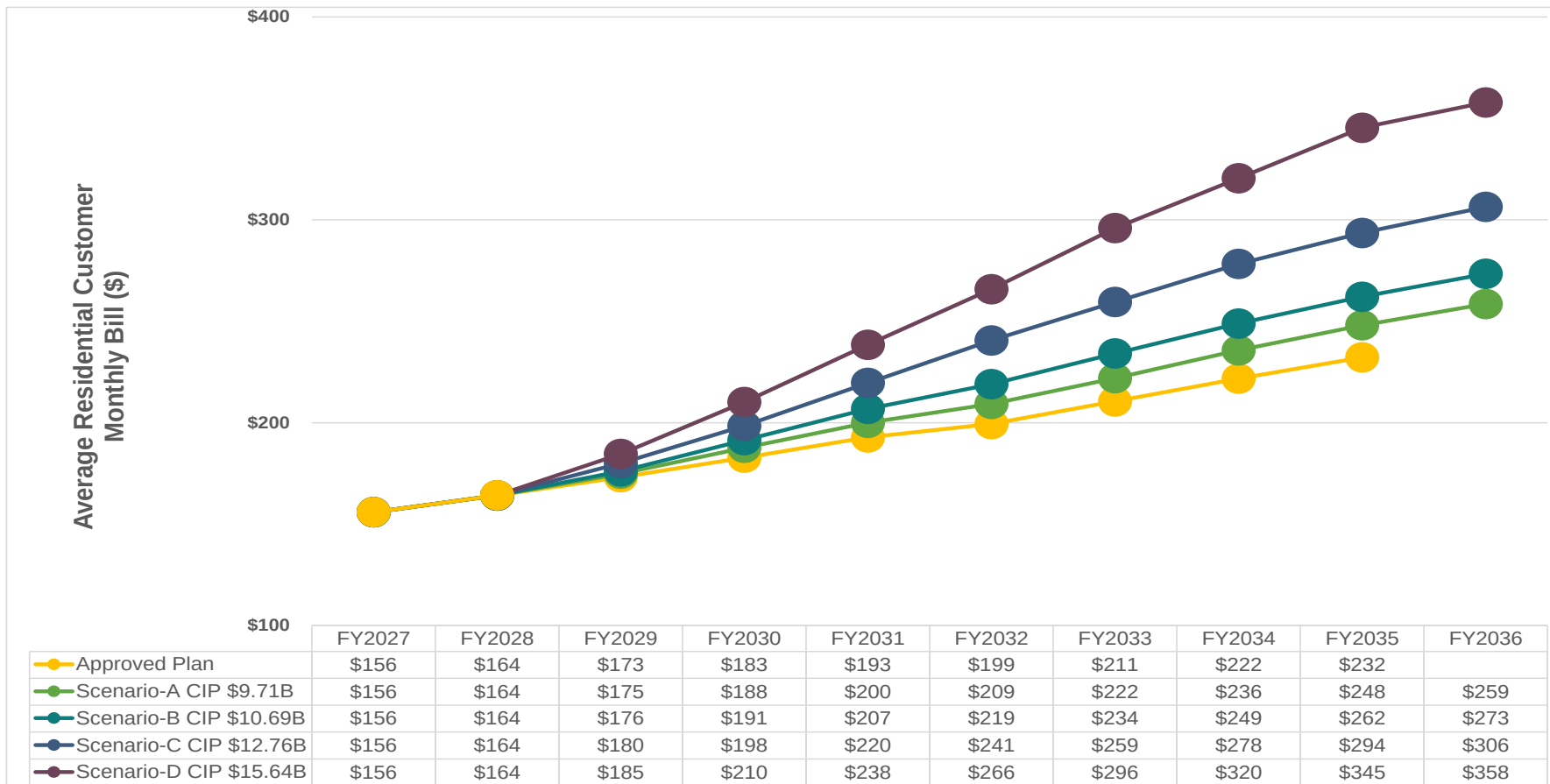
Projected Monthly Combined Residential Household Bill Impacts



Scenarios	Cumulative 10-Year Increase of Average Monthly Bill
Approved	53.3%
Scenario A	58.0%
Scenario B	64.0%
Scenario C	76.3%
Scenario D	93.5%



Average Monthly Residential Bill Comparison (FY2027-FY2036)

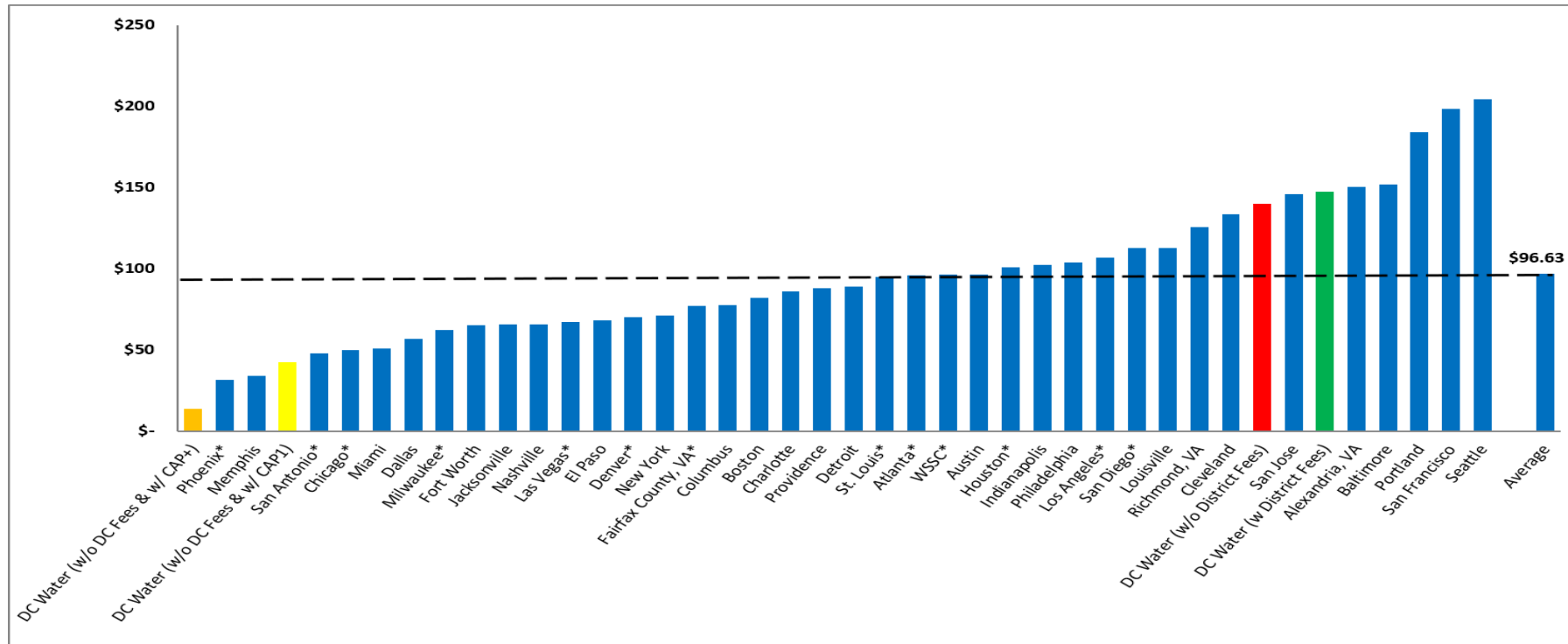


Water & Sewer Rate Increase (%)





Single Family Residential Monthly Bill - Large National and Regional Utilities

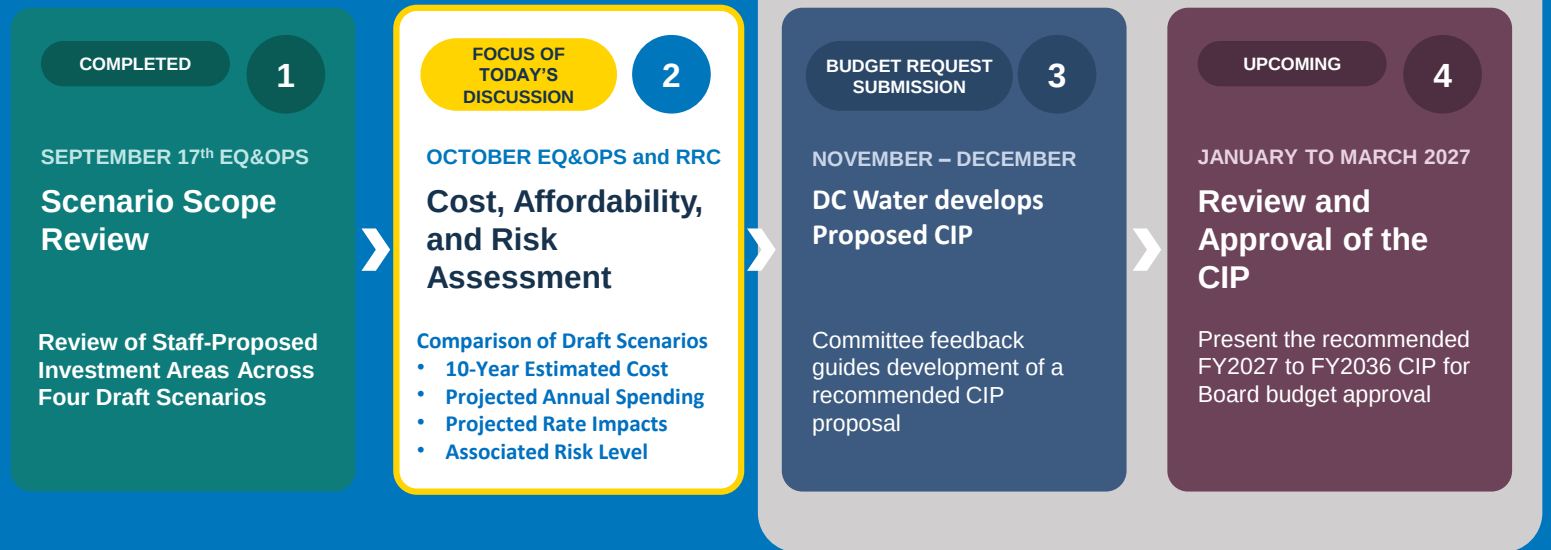


- Assumes average residential consumption of 5.42 Ccf, or 4,054 gallons, per month. Ccf = hundred cubic feet, or 748 gallons.
- Reflects rates and fees in place as of November 1, 2025. The Authority's charges with District fees include the PILOT/ROW fee totaling \$0.82 per Ccf and the DDOE residential stormwater rate of \$2.67 per ERU per month.
- Some cities use property tax revenue or other revenues to pay for part of the cost of water, wastewater, or stormwater services, as indicated by * in the graph above. In such situations, the user charge will not reflect the full cost of water, wastewater or stormwater services.



FY2027-2036 CIP Development Roadmap

NEXT STEPS





APPENDIX

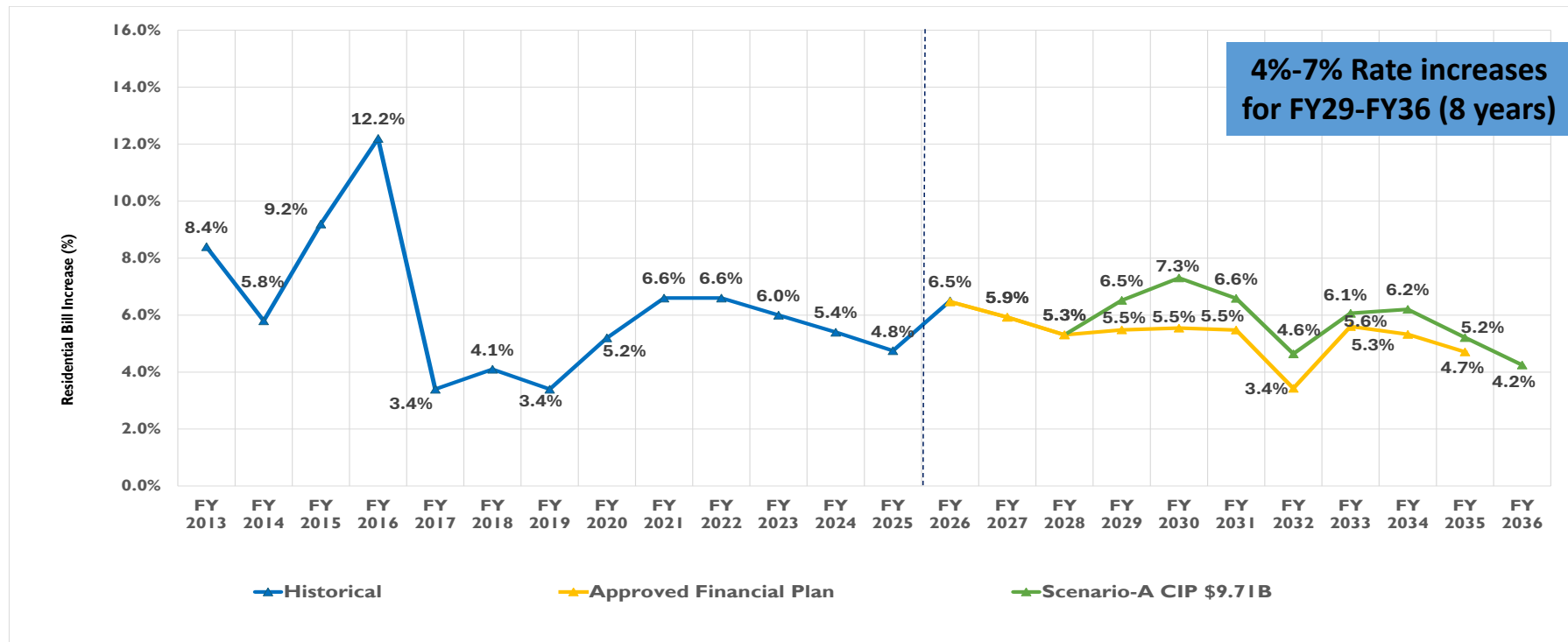
Path to the Future: CIP Scenario Impacts

DETAIL SCENARIO INFORMATION



Historical and Projected Combined Rate Increases Scenario A (Rate Impact of CIP: \$9.71B)

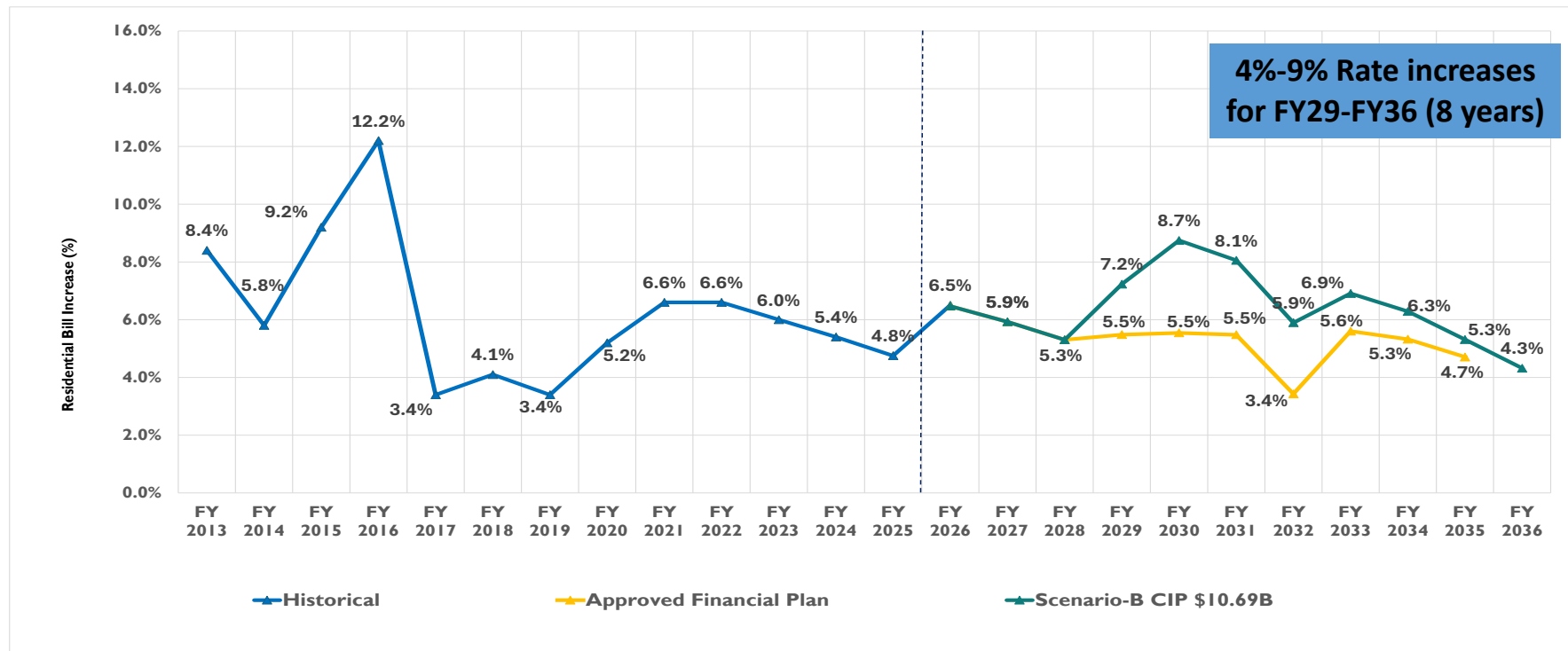
- FY 2027 and FY 2028 approved rates remain the same
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP)





Historical and Projected Combined Rate Increases: Scenario B (Rate Impact of CIP: \$10.69B)

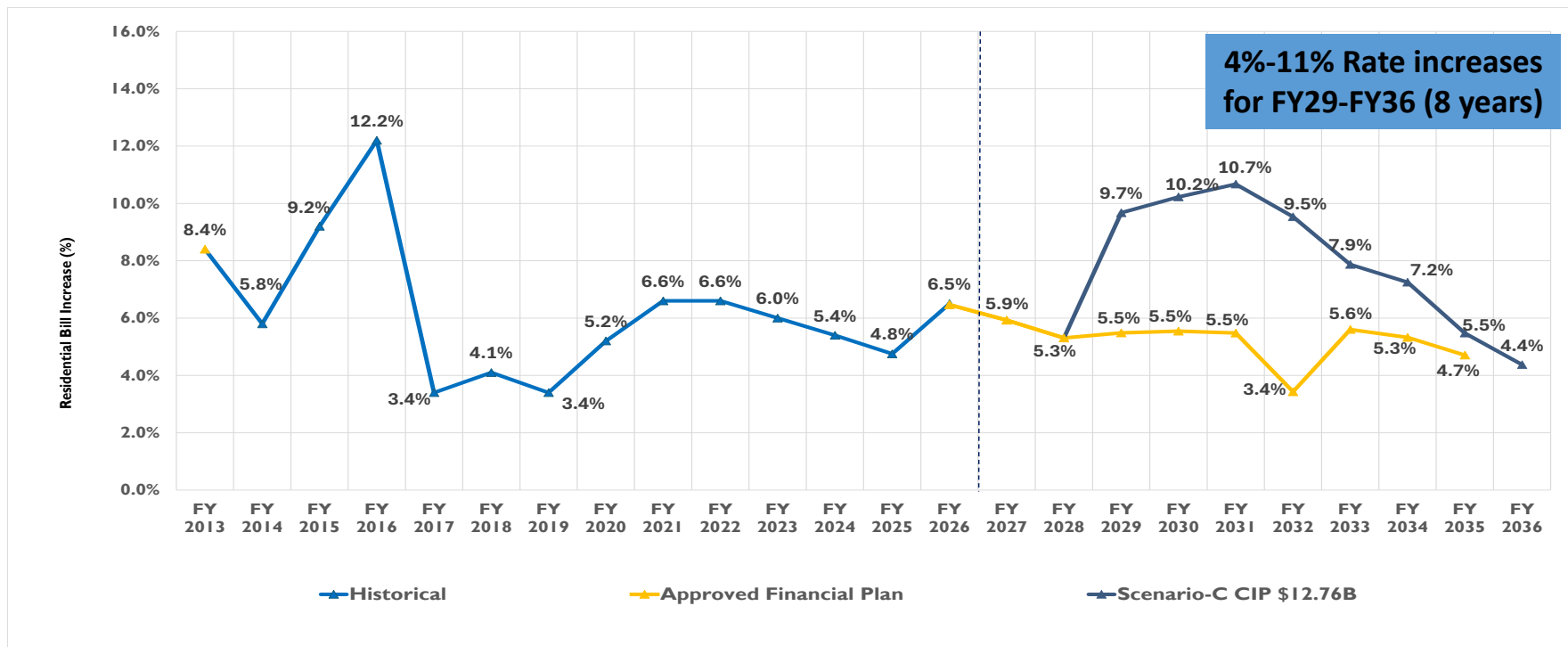
- FY 2027 and FY 2028 approved rates remain the same
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP)





Historical and Projected Combined Rate Increases: Scenario C (Rate Impact of CIP: \$12.75B)

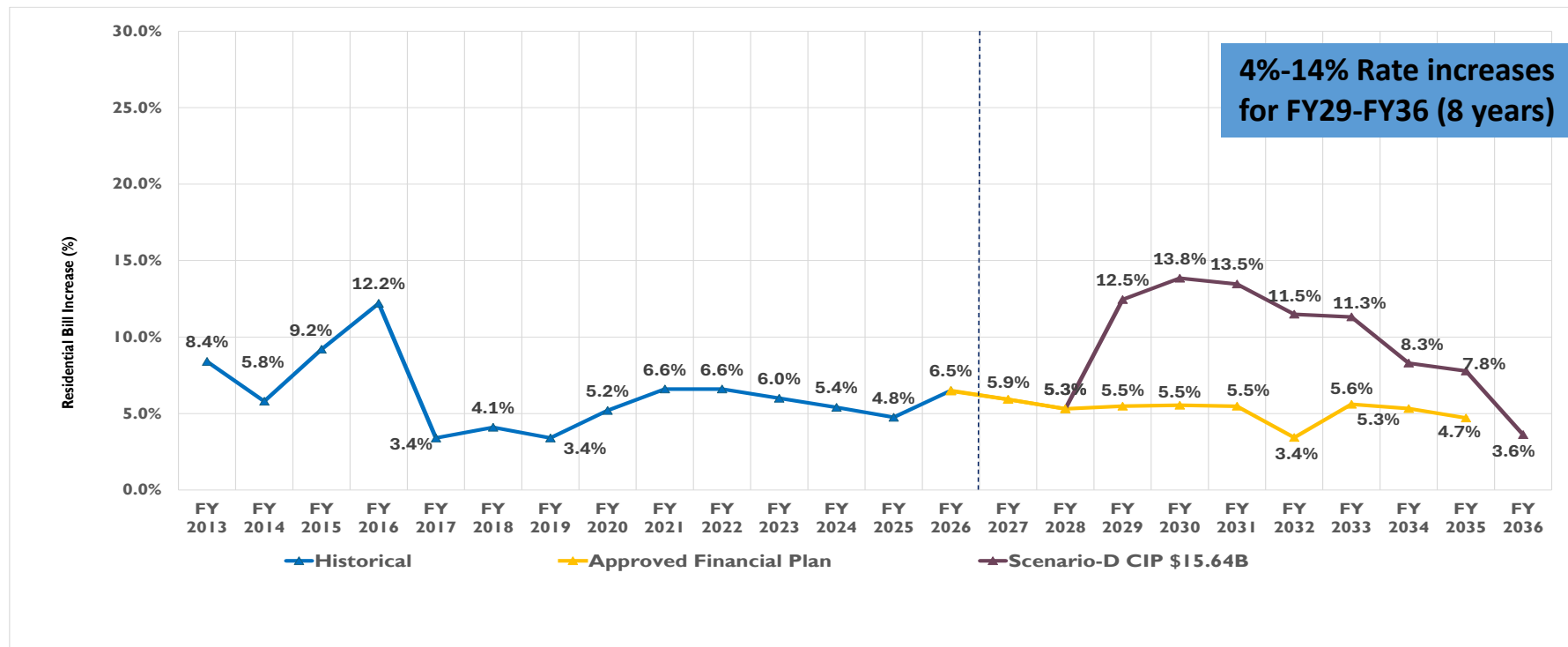
- FY 2027 and FY 2028 approved rates remain the same
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP)





Historical and Projected Combined Rate Increases: Scenario-D (Rate Impact of CIP: \$15.64B)

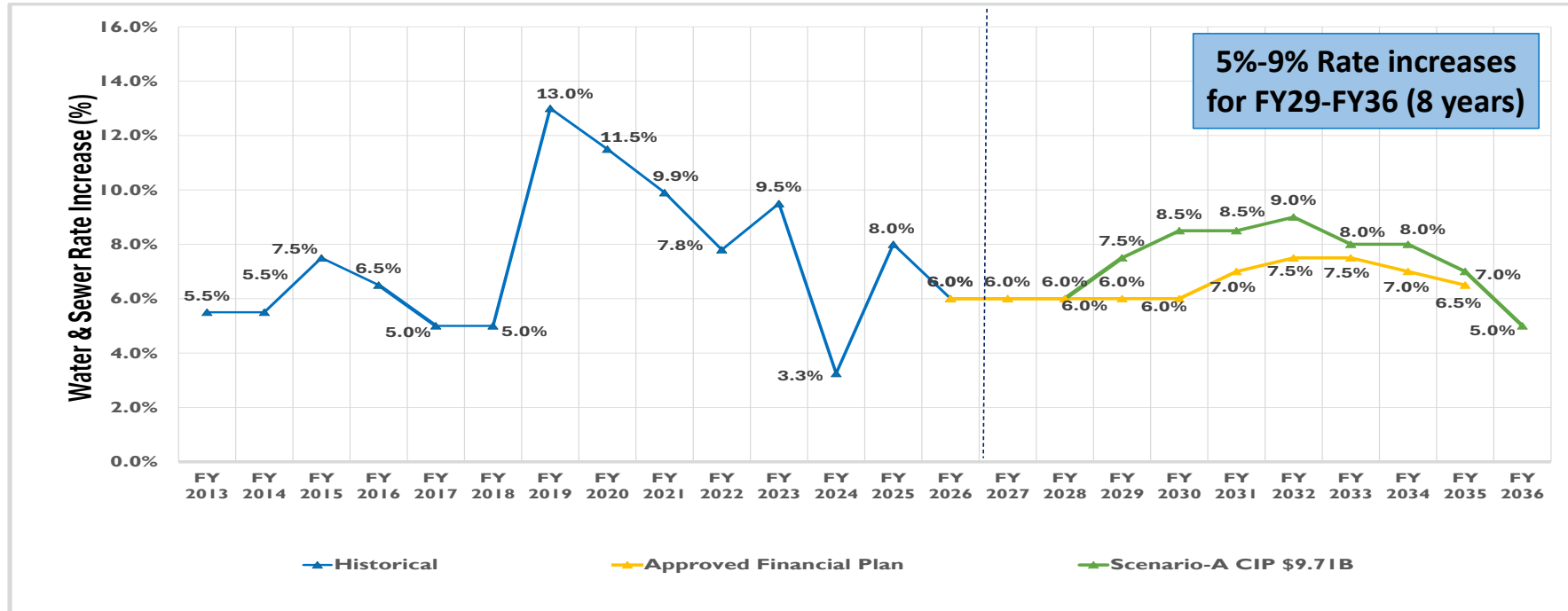
- FY 2027 and FY 2028 approved rates remain the same
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP)





Historical and Projected Water & Sewer Rate Increase (Rate Impact of Scenario A CIP \$9.71B)

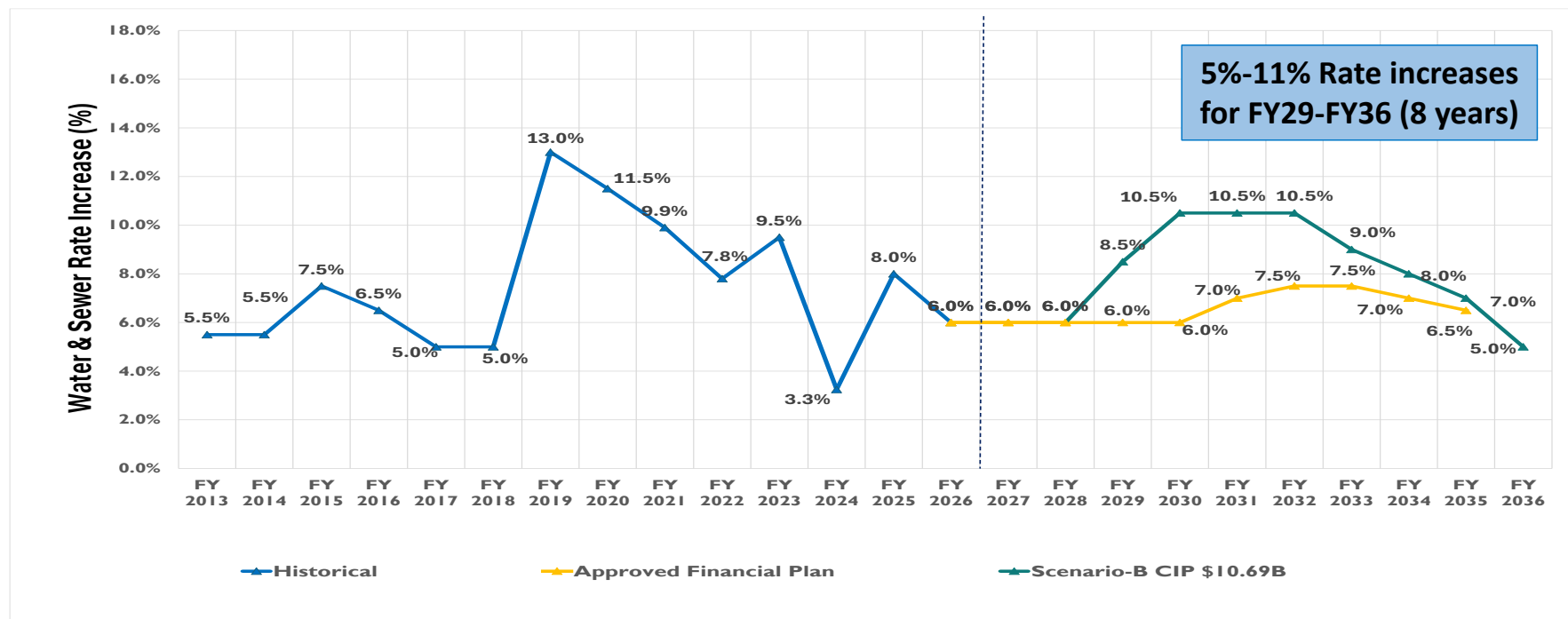
- FY 2027 and FY 2028 approved rates remain the same.
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP).





Historical and Projected Water & Sewer Rate Increase (Rate Impact of Scenario B CIP \$10.69B)

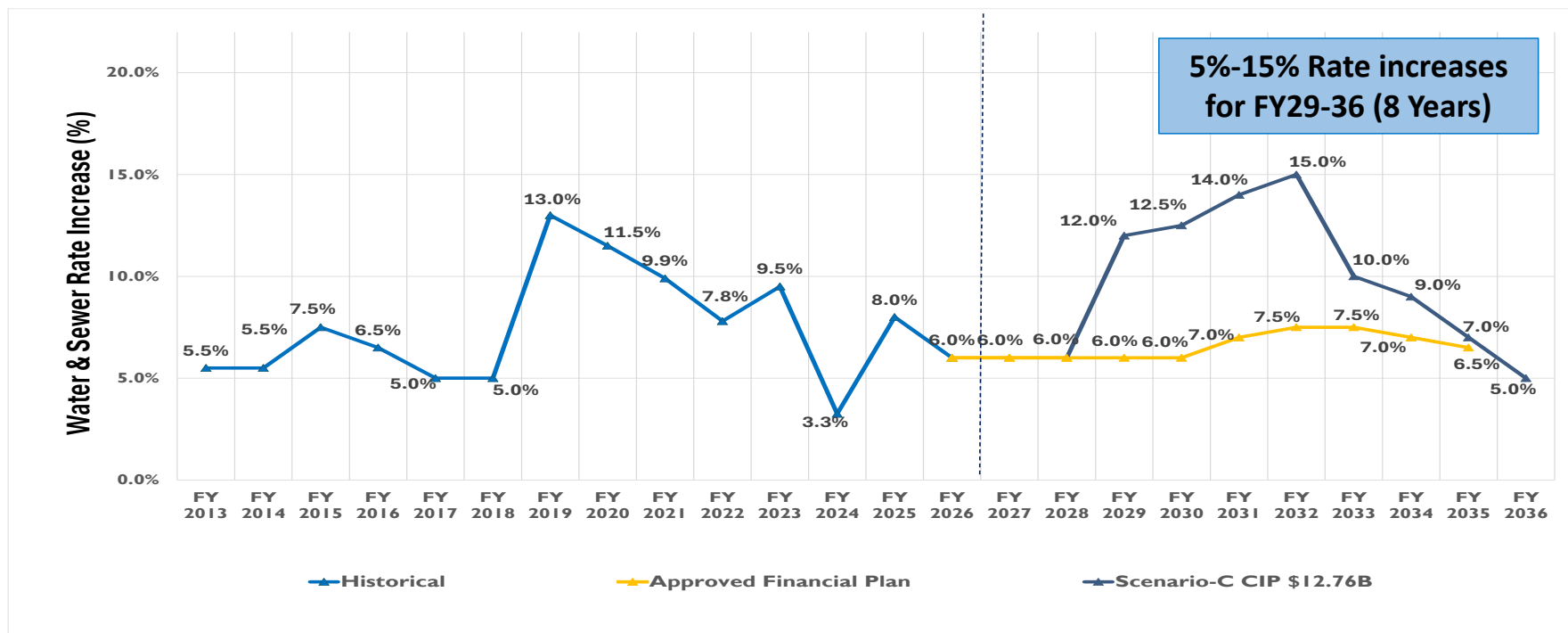
- FY 2027 and FY 2028 approved rates remain the same.
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP).





Historical and Projected Water & Sewer Rate Increase (Rate Impact of Scenario C CIP \$12.75B)

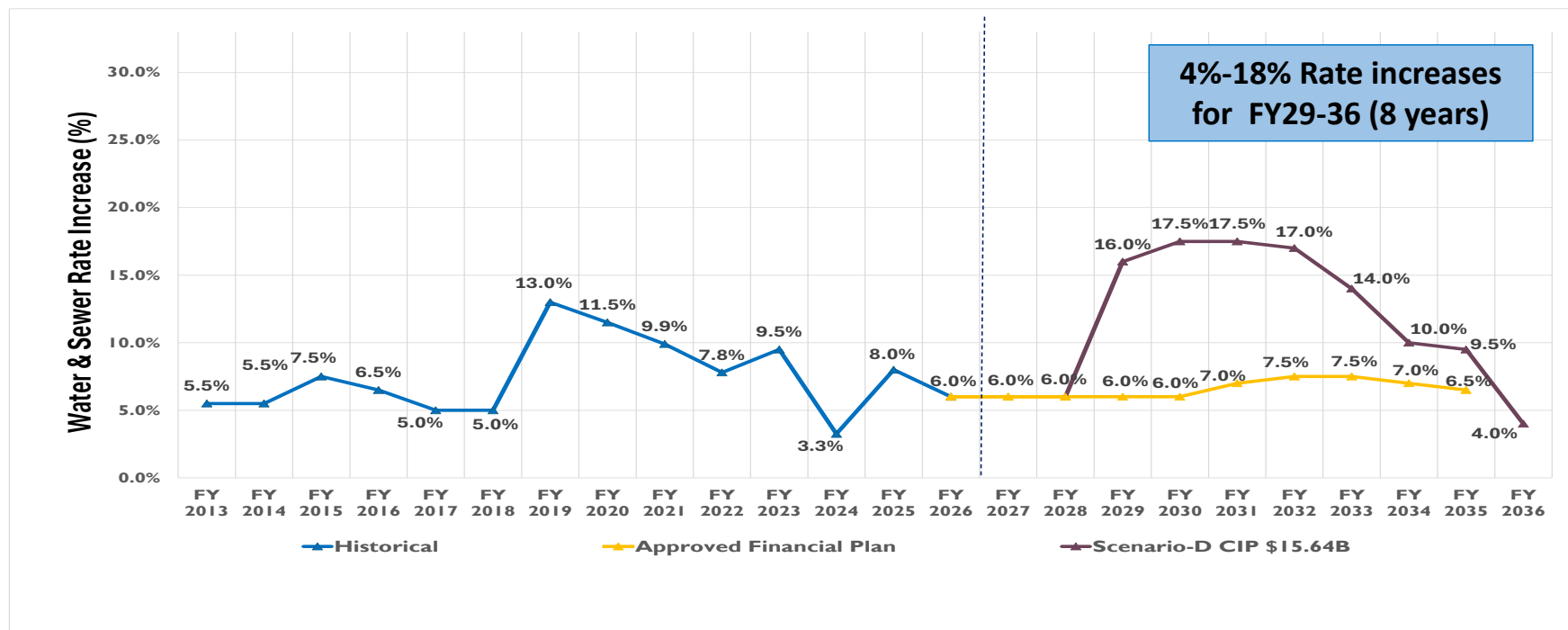
- FY 2027 and FY 2028 approved rates remain the same.
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP).





Historical and Projected Water & Sewer Rate Increase Scenario-D (Rate Impact of CIP: \$15.64B)

- FY 2027 and FY 2028 approved rates remain the same.
- In FY 2029 and beyond, rates are projected to exceed the approved financial plan levels due to a substantial increase in the Capital Improvement Program (CIP).





Average Residential Customer Monthly Bill

	Units	FY 2026	Current FY 2027	Approved FY 2028
DC Water Water and Sewer Retail Rates (1)	Ccf	\$ 101.77	\$ 107.86	\$ 114.36
DC Water Clean Rivers IAC (2)	ERU	24.23	25.50	27.22
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee (4)	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 140.05	\$ 147.41	\$ 155.63
Increase / Decrease		\$ 8.84	\$ 7.36	\$ 8.22
Percent Increase in DC Water Portion of Bill		6.7%	5.3%	5.6%
District of Columbia PILOT Fee (1)	Ccf	3.36	3.36	3.41
District of Columbia Right-of-Way Fee (1)	Ccf	1.08	1.08	1.08
District of Columbia Right of Way / PILOT Fee		4.44	4.44	4.49
District of Columbia Stormwater Fee (3)	ERU	2.67	4.03	4.03
Subtotal District of Columbia Charges		\$ 7.11	\$ 8.47	\$ 8.52
Total Amount Appearing on DC Water Bill		\$ 147.16	\$ 155.88	\$ 164.15
Increase / Decrease Over Prior Year		\$ 8.94	\$ 8.72	\$ 8.27
Percent increase in Total Bill		6.47%	5.93%	5.31%

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

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

(3) District Department of the Environment stormwater fee of \$2.67 was effective November 1, 2010, which will increase to \$4.03 effective October 2, 2026

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



Average CAP Customer Monthly Bill

	Units	FY 2026	Current FY 2027	Approved FY 2028
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 101.77	\$ 107.86	\$ 114.36
DC Water Clean Rivers IAC ⁽⁵⁾	ERU	24.23	25.5	27.22
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water Water System Replacement Fee ⁽³⁾	5/8"	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 140.05	\$ 147.41	\$ 155.63
Increase / Decrease		\$ 8.84	\$ 7.36	\$ 8.22
District of Columbia PILOT Fee ⁽²⁾	Ccf	\$ 3.36	\$ 3.36	\$ 3.41
District of Columbia Right-of-Way Fee ⁽²⁾	Ccf	1.08	1.08	1.08
District of Columbia Stormwater Fee ⁽⁴⁾	ERU	2.67	4.03	4.03
Subtotal District of Columbia Charges		\$ 7.11	\$ 8.47	\$ 8.52
Total Amount		\$ 147.16	\$ 155.88	\$ 164.15
Less: CAP Discount (4Ccf per month)		(76.48)	(80.88)	(85.32)
CAP Discount (100% WSRF per month)		(6.30)	(6.30)	(6.30)
CAP Discount (75% CRIAC per month)		(18.17)	(19.13)	(20.42)
Total CAP Discount		(100.95)	(106.31)	(112.04)
Total Amount Appearing on DC Water Bill		\$ 46.21	\$ 49.57	\$ 52.11
Increase / Decrease Over Prior Year		\$ 2.53	\$ 3.36	\$ 2.54
CAP Customer Discount as a Percent of Total Bill		-68.6%	-68.2%	-68.3%

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

expansion in FY2011 assumes discount to first 4 Ccf of PILOT and ROW fee

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

(4) District Department of the Environment stormwater fee of \$2.67 was effective November 1, 2010, which will increase to \$4.03 effective October 2, 2026

(5) Assumes 75% discount for the Clean Rivers IAC effective October 1, 2020



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Lead Free DC

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$1,032.0M

10-YEAR COST

Grants cover private-side lines only.

RISK OUTLOOK

Current replacement strategy continues, with some exposure remaining around public-side completion and program delivery.

SCENARIO B

Approved CIP + Emergency & High Priority

\$1,032.0M

10-YEAR COST

Same as A.

RISK OUTLOOK

Risk exposure remains generally comparable to Scenario A because the funded scope is unchanged.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$1,032.0M

10-YEAR COST

Same as A.

RISK OUTLOOK

Risk exposure remains generally comparable to Scenario A because the funded scope is unchanged.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$1,032.0M

10-YEAR COST

Same as A, B and C, plus grants used for public-side lines.

RISK OUTLOOK

Expanded public-side support may reduce completion risk, while access, participation, and delivery uncertainties remain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Sewer & Storm Linear

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$2,474.4M

10-YEAR COST

Interceptor inspection 12 mi/yr; local sewer inspection 140 mi/yr; storm inspection 22 mi/yr; 37 mi major interceptor rehab; 5 mi/yr small-diameter rehab; existing Potomac Interceptor CIP rehab.

RISK OUTLOOK

Current renewal continues, but broader exposure to deterioration, localized failures, and reactive work remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$2,567.2M

10-YEAR COST

39 mi major interceptor rehab; Potomac Interceptor emergency/high-priority projects from 2026 inspections; other inspection and small-diameter targets remain as A.

RISK OUTLOOK

Known priority interceptor exposure is reduced, while broader sewer and storm renewal needs remain.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$3,495.4M

10-YEAR COST

46 mi sewer plus 15 mi storm rehab; 12 mi/yr small-diameter rehab; adds Potomac Interceptor CIP projects from 2026 inspections.

RISK OUTLOOK

Expanded rehabilitation reduces systemwide exposure, although some redundancy and longer-term needs remain.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$3,845.4M

10-YEAR COST

Adds 28 mi planning/design to C; 18 mi/yr small-diameter rehab; adds redundancy for higher-risk Potomac Interceptor components.

RISK OUTLOOK

Broader renewal and redundancy further reduce known exposure, while condition and deterioration uncertainties remain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Water Linear, Supply Resilience (incl. Storage)

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$1,630.9M

10-YEAR COST

Transmission-main inspection 5 mi/yr; 18 mi critical transmission-main rehab; 17 mi/yr small-diameter replacement; addresses key storage issues; funds Pure Water DC planning and pilot.

RISK OUTLOOK

Selected critical needs are addressed, while broader renewal and water-supply resilience exposure remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$1,883.1M

10-YEAR COST

36 mi transmission-main rehab; proactive storage renewal; other replacement and resilience elements remain as A.

RISK OUTLOOK

Expanded transmission and storage renewal reduces known exposure, while broader resilience needs remain.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$2,081.4M

10-YEAR COST

50 mi transmission rehab; storage same as B; adds land acquisition for full-scale water supply resilience.

RISK OUTLOOK

Additional rehabilitation and resilience planning further reduce exposure, although full implementation remains incomplete.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$4,285.0M

10-YEAR COST

75 mi transmission rehab; 28 mi/yr small-diameter replacement; expands storage and fully renews facilities; adds a full-scale water supply resilience plant.

RISK OUTLOOK

Comprehensive renewal and supply resilience provide the greatest risk reduction, while delivery and future-demand uncertainties remain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Blue Plains Treatment Facilities, Resource Recovery & Innovation

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$1,695.5M

10-YEAR COST

Maintains current funding; supports pilots and technology development.

RISK OUTLOOK

Current investments continue, but some renewal, reliability, and capacity exposure remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$2,087.0M

10-YEAR COST

Fully funds planned-project shortfalls and prioritized critical assets within a 5-year horizon; R&D same as A.

RISK OUTLOOK

Critical near-term exposure is reduced, while later-horizon renewal and expansion needs remain.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$2,910.6M

10-YEAR COST

Adds emergency, high-priority and escalation needs in years 5–10; considers long-term ROI opportunities.

RISK OUTLOOK

Broader renewal reduces deterioration and cost-escalation exposure, although some capacity enhancements remain deferred.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$3,185.6M

10-YEAR COST

Adds primary odor control, FOG handling and a 20 MGD plant expansion; resource recovery/R&D same as C.

RISK OUTLOOK

Major facility and capacity investments further reduce exposure, while operational and delivery uncertainties remain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Water, Sewer & Storm Pump Stations

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$408.1M

10-YEAR COST

Water addresses known repairs at Anacostia and Bryant Street; sewer and storm address selected critical issues.

RISK OUTLOOK

Selected critical repairs proceed, while broader exposure to aging equipment and reactive work remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$474.9M

10-YEAR COST

Water adds proactive replacement of aging assets; sewer and storm fully fund planned-project shortfalls and prioritized critical assets within five years.

RISK OUTLOOK

Proactive replacement reduces known priority exposure, while systemwide renewal needs remain.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$529.3M

10-YEAR COST

Water same as B; sewer and storm add on-demand miscellaneous facility upgrades funding.

RISK OUTLOOK

Flexible facility upgrades further reduce emerging exposure, although comprehensive renewal remains incomplete.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$527.7M

10-YEAR COST

Full renewal of all water pump stations and future expansion; sewer and storm same as C.

RISK OUTLOOK

Broader renewal and expansion reduce reactive-work exposure, while equipment and operational uncertainties remain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Infrastructure Repair & Replacement (IR&R)

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$377.5M

10-YEAR COST

Maintains current emergency IR&R funding for Operations, NRW, rehabilitation and maintenance of high-priority system risks.

RISK OUTLOOK

Emergency response capacity continues, but exposure to unplanned events and reactive spending remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$518.5M

10-YEAR COST

Adds proactive repair to Scenario A.

RISK OUTLOOK

Proactive repairs may reduce the potential for known deficiencies to become more disruptive.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$518.5M

10-YEAR COST

Same as B.

RISK OUTLOOK

Risk exposure remains generally comparable to Scenario B because the funded scope is unchanged.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$518.5M

10-YEAR COST

Adds funding for high-priority emerging risks and unforeseen major sewer failures.

RISK OUTLOOK

Additional flexibility improves response to emerging risks, although future events remain inherently uncertain.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Non-Process Facilities

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$238.5M

10-YEAR COST

Existing approved projects and regulatory-driven upgrades.

RISK OUTLOOK

Approved projects proceed, while broader building-system renewal and modernization exposure remains.

SCENARIO B

Approved CIP + Emergency & High Priority

\$248.2M

10-YEAR COST

Adds critical HVAC, roof and elevator upgrades.

RISK OUTLOOK

Critical building upgrades reduce interruption and repair exposure, while broader modernization needs remain.

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$314.5M

10-YEAR COST

Adds strategic facility modernization, including laboratory and training facilities.

RISK OUTLOOK

Strategic modernization reduces operational and functional exposure across more facilities.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$323.5M

10-YEAR COST

Adds campus beautification and additional facility modernization.

RISK OUTLOOK

Additional improvements provide incremental benefits, with risk exposure generally comparable to Scenario C.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Washington Aqueduct

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$516.7M

10-YEAR COST

Funds baseline needs plus investment for the Advanced Treatment 2.0 Study – Phase 1

RISK OUTLOOK

Baseline needs are supported, but the remaining risk profile requires further scope and cost refinement.

SCENARIO B

Approved CIP + Emergency & High Priority

\$514.5M

10-YEAR COST

Same as A and advances funding for Secure the Source Study and McMillan North Clearwell Replacement from future years.

RISK OUTLOOK

Risk exposure remains generally comparable to Scenario A

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$514.5M

10-YEAR COST

Same as B.

RISK OUTLOOK

Risk exposure same as scenario B because the funded scope is unchanged.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$537.9M

10-YEAR COST

Same as C with additional funding for major projects including the Dalecarlia West Filter Building upgrades, and Electrical Switchgear upgrades.

RISK OUTLOOK

Risk exposure remains for regional mega-projects and major Washington Aqueduct resiliency initiatives with unknown cost estimate.



FY2027–FY2036
CAPITAL
IMPROVEMENT
PROGRAM

Capital Equipment & Information Technology

10-year capital cost and scenario-specific scope

SCENARIO A

Current Approved CIP

\$415.4M

10-YEAR COST

Continues funding necessary capital equipment needs.

RISK OUTLOOK

Necessary investments continue, while some equipment and technology exposure may remain.

SCENARIO B

Approved CIP + Emergency & High Priority

\$438.2M

10-YEAR COST

Core funding needs plus investments to support additional technology needs, AMI initiative for meter replacement and begin transition to Electric Vehicles (EV)

RISK OUTLOOK

Some risk exposure remains as investment level does not keep pace with overall projects and vehicle electrification mandates

SCENARIO C

Approved CIP + Emergency, High Priority & 10-Year Needs

\$438.2M

10-YEAR COST

Same as Scenario B

RISK OUTLOOK

Risk exposure remains generally comparable to Scenario B because the funded scope is unchanged.

SCENARIO D

Comprehensive Asset Renewal & System Resilience

\$458.4M

10-YEAR COST

Funding added to support major infrastructure modernization including EV replacements and IT systems

RISK OUTLOOK

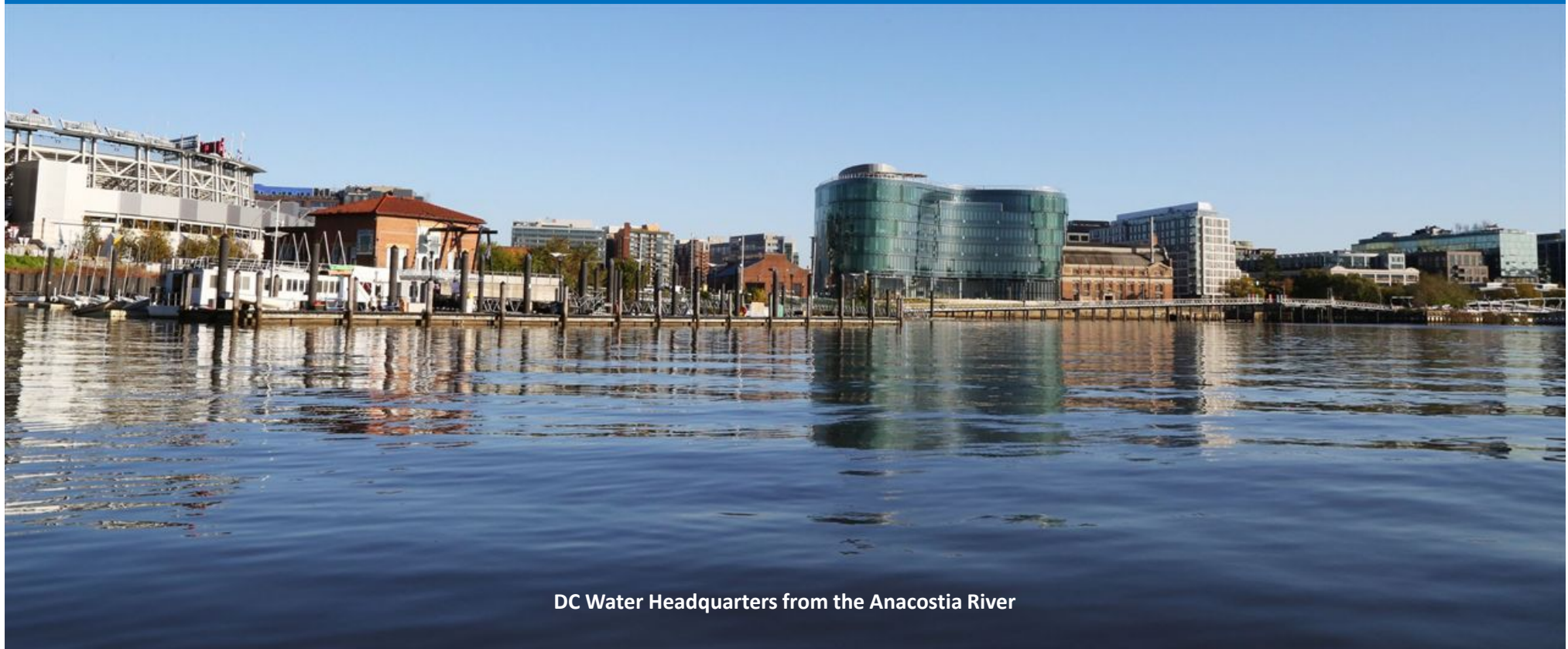
Risk exposure is reduced as scenario fully funds known needs.



Fiscal Year 2027 Workplan

Presentation to Finance and Budget Committee, October 22, 2026

District of Columbia Water and Sewer Authority



DC Water Headquarters from the Anacostia River



Purpose

💧 To discuss the FY 2027 Workplan, including financial metrics and seek feedback from the Committee



Accomplishments That Delivered Customer Value and Strong Financial Management

5.9%

FY 2027 average residential bill increase

\$54.8M

Series 2026 refinancing savings over 20 years

2.2% Operating expenses below budget
0.5% Capital expenditures above budget
2.7% Revenues above budget

29th consecutive unqualified audit opinion
26th Distinguished Budget Presentation Award
3rd consecutive GFOA Triple Crown Award

01 AFFORDABILITY & CUSTOMER VALUE

- Reduced the FY 2027 average residential bill increase from 7.5% to 5.9%
- Eliminated Public Inconvenience Fee from customer's water bill
- Delinquencies fell from \$33.4M in 2025 to \$31.6M by Sept 2026
- Achieved 97% target for on-time vendor payments

02 STEWARDSHIP & FINANCIAL STRENGTH

- Reaffirmed high bond ratings with all three rating agencies, supporting lower borrowing costs
- Executed the Series 2026 bond refinancing, generating approximately \$54.8M in savings over 20 years
- Maintained liquidity and coverage ratios required by bond indenture and Board policies

03 BUDGET MANAGEMENT

- Sustained strong financial performance amid inflation impacting chemicals, energy, fuel and water purchases
- Significant increase in capital spending reflecting progress on major capital projects including emergency work
- Higher revenues driven by large payments and higher water consumption

04 ASSURANCE & AWARDS

- Received the 29th consecutive unqualified audit opinion on financial statements for FY 2025
- Received GFOA Triple crown award and consecutive awards for excellence in financial reporting, budget presentation and annual report
- Delivered a proposed budget book and streamlined the approved budget documents

Lower customer impact, disciplined financial management and long-term organizational strength



Major/Upcoming Work

- 💧 Standard Agenda – Including monthly budget reports and quarterly CIP reports
- 💧 CIP Investment Scenarios – Overview of cost estimates, rate impacts, and wholesale customer impacts
- 💧 Budget – FY 2028 Budget, Ten-Year Capital Program and Financial Plan to be introduced to the Board in January 2027
- 💧 Bond Issuance – Potential refunding for approximately \$150 million worth of Series 2017 callable bonds and new money of \$450 million in Spring 2027
- 💧 Other – No planned work anticipated for revisions to the Financial Policies



FY 2027 Committee Workplan

	QUARTER 1			QUARTER 2			QUARTER 3			QUARTER 4		
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
STANDARD AGENDA ITEMS												
Monthly Financial Report	●	●	●	●	●	●	●	●	●	●	●	●
Quarterly CIP Performance Report		●			●			●				●
Mid Year Projections								●				
Recommendations for Use of Projected Net Cash Position								●				
Investment Market & Portfolio Update										●		
Annual Insurance Renewal Update & Recommendations								●	●			
Annual Rolling Owner Controlled Insurance Program (ROCIP)										●		●
Actions for Contract Awards (as needed)			●	●	●	●	●	●	●	●	●	●



FY 2027 Committee Workplan, cont.

	QUARTER 1			QUARTER 2			QUARTER 3			QUARTER 4		
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
BUDGETS & RATES												
Prior Year Financial Performance (Preliminary)												
Budget, and Financial Plan Proposal												
Committee Reviews												
Committee Recommendations												
Board Adoption - Budgets												
Public Outreach & Public Hearing (every two years)												
ADHOC PROJECTS & COMMITTEE REQUESTS												
Upon Request												



Financial Metrics

- Management provides various financial metrics in the CEO's monthly report and as part of the annual budget review process with the Board
- Monthly financial reports provide budget performance for revenues, operating expenditure and capital disbursements and metrics for tracking delinquent customer accounts

Financial Metrics

Metric	Target	Jun-26	Jul-26	Aug-26	Sep-26
Operating Cash Balance (Millions \$)	\$350.7	\$375.5	\$369.3	\$360.9	\$356.6
Delinquent Account Receivables (%) †	3.30%	3.89%	3.95%	3.90%	3.74%
On-time Vendor Payments (%)	97%	97%	97%	97%	97%
Investment Earnings Data (Millions \$)	\$13.0	\$10.5	\$11.6	\$12.7	\$13.7
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.2%	4.3%	4.3%	4.8%
Core Investment Yield Data (%) - Actual Monthly Yield ††	3.82%	4.1%	4.1%	4.1%	4.2%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		3.7%	3.8%	3.8%	4.1%
Short Term Investment Yield Data (%) - Actual Monthly Yield ††	3.51%	3.7%	3.7%	3.7%	3.7%
Days of Cash on Hand** and ***	287**	356	341	335	329***

Notes:

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor

** 287 days of cash is based on the Board approved resolution #26-45 target for annual days of operating reserves excluding the Rate Stabilization Fund.

***329 days of cash is made up of 42 days in the Rate Stabilization Fund and 287 days in the operating cash balance.

Metrics Explanations:

† Delinquent account receivables as a percentage of 12-month rolling average retail revenue.

†† Actual yield remained slightly below benchmark as Treasury yields rose during September due to inflation concerns, higher energy prices, and market expectations for interest rates. Portfolio liquidity requirements and investment structure contributed to the variance. Performance is expected to improve.

Metrics	Indenture Requirements	Board Policy	Management Target	Initial Proposed Financial Plan	Final Revised Financial Plan
Days of Cash on Hand (excluding RSF)	60 days	250 Days, or goal of 350 days by 2032	—	282 - 283 Days	282 - 291 Days
Combined Coverage Ratio	—	1.6X	1.8X	1.80X – 2.39X	1.81X – 2.35X
Senior Coverage	1.2X	—	—	7.90X – 10.45X	7.73X – 10.23X
Subordinate Coverage	1.0X	—	—	2.02X – 2.80X	2.03X – 2.75X
Debt Service as a % of Revenue	—	—	33% of Revenue or Less	24.4% - 32.4%	23.8% - 32.4%
Rate Stabilization Fund (RSF)	—	Establish a targeted balance of 5% of retail revenues	—	\$33.6 million	—



Next Steps

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



ATTACHMENT 5

District of Columbia Water and Sewer Authority Board of Directors

Finance and Budget Committee November 24, 2026 / 9:30am

Microsoft Teams meeting

[Click here to join the meeting](#)

Meeting ID: 258 192 568 581 Passcode: k2HB9HM3

Call in (audio only) [202-753-6714, 636623879#](#)

Phone Conference ID: 636 623 879#

1. **Call to Order** Anthony Giancola, Chairperson
2. **Roll Call** Debra Mathis, Assistant Board Secretary
3. **October 2026 Financial Report (Attachment 1)** Lola Oyeyemi
4. **Capital Improvement Program Quarterly Update (Attachment 2)** Paul Guttridge
5. **Rolling Owner Controlled Insurance Program VII (ROCIP) Update (Attachment 3)** Robert Donati
6. **Agenda for December 2026 Committee Meeting (Attachment 4)** Anthony Giancola
7. **Executive Session*** Anthony Giancola
8. **Adjournment** Anthony Giancola

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.

1The 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.