



District of Columbia Water and Sewer Authority Board of Directors

Retail Water and Sewer Rates Committee

May 26, 2026 / 9:30 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](tel:202-753-6714), [747918894](tel:747918894)#

Phone Conference ID: 747 918 894#

1. **Call to Order** Rachna Bhatt, Chairperson
2. **Roll Call** Debra Mathis, Acting Board Secretary
3. [Monthly Report to DC Retail Water & Sewer Rates Committee \(Attachment A\)](#) Syed Khalil
4. [Cost of Service Study Follow-up: Rates Affordability \(Attachment B\)](#) Syed Khalil / Jon Davis
5. [DC Retail Water and Sewer Rates Committee Workplan \(Attachment C\)](#) Syed Khalil
 - [FY 2026 Proposed DC Retail Rates Committee Workplan](#)
6. [Agenda for June 23, 2026, Committee Meeting \(Attachment D\)](#) Rachna Bhatt, Chairperson
7. **Other Business**.....Rachna Bhatt
8. **Executive Session***
9. **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.

*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.



Fiscal Year 2026

Monthly Report to DC Retail Water and Sewer Rates Committee

Period Ending April 30, 2026

DEPARTMENT OF FINANCE

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

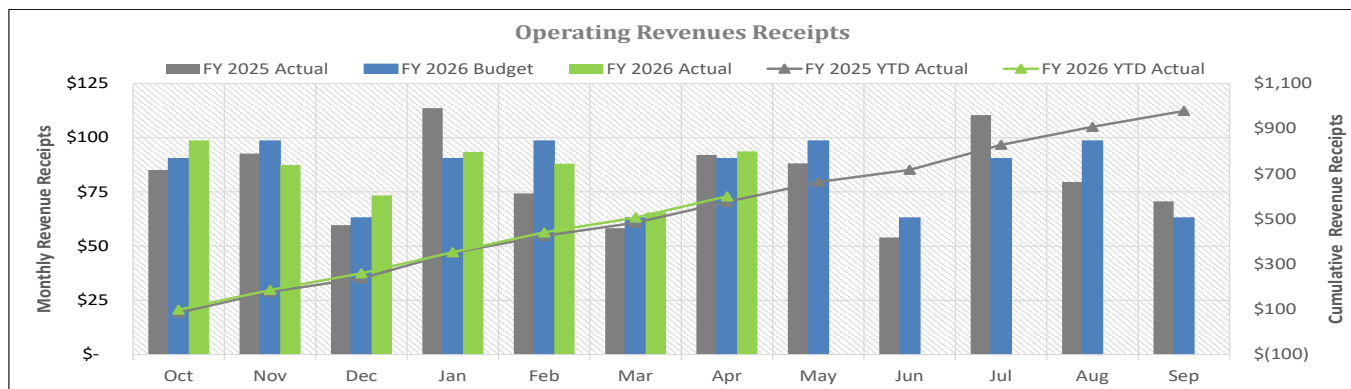
Syed Khalil, Vice President, Rates & Revenue

Monthly Report to DC Retail Water and Sewer Rates Committee

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

Operating Revenues (\$000's)

FY 2025 Actual		CATEGORY	FY 2026					
Total Annual	YTD April		Year-to-Date Performance					
			Revised Annual Budget	YTD Revised Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$576,751	\$326,082	Residential / Commercial / Multi-Family*	\$582,965	\$340,064	\$339,730	58.3%	(\$334)	(0.1%)
92,625	69,699	Federal	99,339	74,504	75,192	75.7%	688	0.9%
25,727	14,477	Municipal (DC Govt.)	27,259	15,901	15,231	55.9%	(670)	(4.2%)
14,990	7,880	DC Housing Authority	15,176	8,853	6,708	44.2%	(2,145)	(24.2%)
24,479	14,488	Metering Fee	24,400	14,490	14,562	59.7%	72	0.5%
43,382	26,184	Water System Replacement Fee (WSRF)	42,717	25,864	26,409	61.8%	545	2.1%
114,341	65,916	Wholesale	124,219	62,109	69,401	55.9%	7,292	11.7%
24,989	14,587	PILOT/ROW	24,156	14,587	14,738	61.0%	151	1.0%
61,225	36,401	All Other	67,963	38,181	38,171	56.2%	(10)	(0.0%)
\$978,509	\$575,714	TOTAL	\$1,008,194	\$594,553	\$600,142	59.5%	\$5,589	0.9%



At the end of April 2026, cash receipts totaled \$600.1 million, or 59.5 percent of the FY 2026 Revised Budget. The YTD FY 2026 revised budgeted receipts were \$594.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their third quarterly payment in April 2026), and wholesale customers (who made their second quarterly payment in February).

Favorable Variances	Unfavorable Variances
<p>Federal - Actual receipts for FY 2026 totaled \$75.2 million or 75.7 percent of the revised budget. The Federal government made its third quarter payment in April 2026.</p> <p>Metering Fee - Receipts are on track at \$14.6 million or 59.7 percent of the revised budget.</p> <p>Water System Replacement Fee (WSRF) - Actual Receipts for WSRF totaled at \$26.4 million or 61.8 percent of the revised budget.</p> <p>Wholesale - The YTD actual receipts totaled \$69.4 million or 55.9 percent of the revised budget mainly due to early payment in April 2026 from Loudon and Fairfax, which was scheduled to be received in May 2026.</p> <p>PILOT/ROW - The YTD receipts are slightly higher at \$14.7 million or 61.0 percent of the revised budget.</p>	<p>Residential, Commercial, and Multi-Family - Receipts for this category are slightly lower at \$339.7 million or 58.3 percent of the revised budget. The April 2026 receipts were lower by \$3.0 million as compared to the monthly revised budget of \$45.6 million due to slightly lower consumption as compared to the monthly revised budget.</p> <p>District Government - Receipts are lower at \$15.2 million or 55.9 percent of the revised budget. April 2026 receipts were lower by \$0.2 million as compared to the monthly revised budget of \$2.3 million due to slightly lower consumption as compared to the revised budget.</p> <p>DC Housing Authority - Receipts are slightly lower at \$6.7 million or 44.2 percent of the revised budget, because DCHA did not make the April payment for March billed amount. DCHA paid \$1.1 million on May 1, 2026, which will be reflected in the next month's report.</p> <p>Other Revenue - Receipts are lower at \$38.2 million or 56.2 percent of the revised budget mainly due to System Availability Fee (SAF \$1.9 million), Washington Aqueduct Backwash (\$0.8 million), Developer Fees (\$0.7 million), IMA Indirect Cost Reimbursement for Capital Projects (\$0.5 million) and Stormwater (\$0.2 million). Interest Earnings (\$0.8 million) and Miscellaneous Revenue (\$3.3 million) are higher than the revised budget.</p>

Monthly Report to DC Retail Water and Sewer Rates Committee

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

Revenue Category	FY 2026 Revised Budget	Y TD Revised Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$583.0	\$340.1	\$339.7	(\$0.4)	-0.1%	58.3%
Federal	\$99.3	\$74.5	\$75.2	\$0.7	0.9%	75.7%
District Government	\$27.2	\$15.9	\$15.2	(\$0.7)	-4.2%	55.9%
DC Housing Authority	\$15.2	\$8.8	\$6.7	(\$2.1)	-24.2%	44.2%
Customer Metering Fee	\$24.4	\$14.5	\$14.6	\$0.1	0.5%	59.7%
Water System Replacement Fee (WSRF)	\$42.7	\$25.9	\$26.4	\$0.5	2.1%	61.8%
Wholesale	\$124.2	\$62.1	\$69.4	\$7.3	11.7%	55.9%
Right-of-Way Fee/PILOT	\$24.2	\$14.6	\$14.7	\$0.1	1.0%	61.0%
Subtotal (before Other Revenues)	\$940.2	\$556.3	\$561.9	\$5.6	1.0%	59.8%
IMA Indirect Cost Reimb. For Capital Projects	9.1	5.3	4.8	(0.5)	-9.4%	52.7%
DC Fire Protection Fee	17.6	8.8	8.8	(0.0)	0.0%	50.0%
Stormwater (MS4)	1.0	0.6	0.4	(0.2)	-33.3%	40.0%
Interest	13.4	7.8	8.6	0.8	10.3%	64.2%
Developer Fees (Water & Sewer)	9.0	5.3	4.6	(0.7)	-13.2%	51.1%
System Availability Fee (SAF)	5.7	3.3	1.4	(1.9)	-57.6%	24.6%
Washington Aqueduct Backwash	3.1	1.8	1.0	(0.8)	-44.4%	32.3%
Others	9.1	5.3	8.6	3.3	62.3%	94.5%
Subtotal	68.0	38.2	38.2	\$0.0	0.0%	56.2%
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$68.0	\$38.2	\$38.2	\$0.0	0.0%	56.2%
Grand Total	\$1,008.2	\$594.5	\$600.1	\$5.6	0.9%	59.5%

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

Customer Category	Water	Sewer	Clean Rivers IAC	Metering Fee	WSRF	Total
Residential	28,827	45,469	19,878	6,406	5,835	106,416
Commercial	55,135	62,424	23,639	4,171	9,924	155,293
Multi-family	37,371	57,479	9,507	2,204	4,938	111,500
Federal	27,300	31,034	16,858	1,154	4,257	80,602
District Govt	3,956	5,353	5,922	482	1,221	16,933
DC Housing Authority	2,407	3,566	735	146	234	7,088
Total:	154,997	205,325	76,539	14,562	26,409	477,833

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 Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	33,222	19,380	19,878	499	3%	60%
Commercial	39,450	23,013	23,639	626	3%	60%
Multi-family	15,612	9,107	9,507	400	4%	61%
Federal	22,478	16,859	16,858	(0)	0%	75%
District Govt	9,892	5,770	5,922	151	3%	60%
DC Housing Authority	1,465	855	735	(120)	-14%	50%
Total:	122,119	74,982	76,539	1,557	2%	63%

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of April 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 ⁽¹⁾	\$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 ⁽²⁾	\$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 ⁽³⁾	\$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

Greater Than 90 Days by Customer

The overall delinquencies increased by \$1.0 million in April 2026 as compared to the last month. The Multi-family Delinquencies increased by \$0.5 million mainly due to a pause in disconnections since January 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.

	Number of Accounts			Month of Apr (All Categories)				Total Delinquent				
				Active		Inactive		Mar		Apr		
	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	(\$)	
Commercial	8,381	1,819	10,200	1,004	5,239,715	131	\$708,602	1,128	\$5,686,732	1,135	\$5,948,317	19%
Multi-family	9,125	303	9,428	1,387	16,114,275	47	\$274,630	1,393	\$15,871,747	1,434	\$16,388,905	51%
Single-Family Residential	108,165	1,891	110,056	9,611	9,414,684	163	\$218,225	9,609	\$9,469,495	9,774	\$9,632,909	30%
Total	125,671	4,013	129,684	12,002	\$30,768,674	341	\$1,201,457	12,130	\$31,027,973	12,343	\$31,970,131	100%

Notes: Included in the above \$32.0M (or 12,343 accounts) of the DC Water Over 90 days delinquent accounts, \$2,769,074.47 (or 926 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 (12,343) as a percentage of total accounts (129,684) is 9.5 percent.
 -Delinquent impervious only accounts (926) as a percentage of total accounts (129,684) is 0.7 percent.
 -Delinquent impervious only accounts (926) as a percentage of total delinquent accounts (12,343) are 7.5 percent.
 -Delinquent impervious only accounts (926) as a percentage of total impervious only accounts (4,013) are 23.1 percent

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of April 30, 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	2,177	\$10,827,921	1,356	\$7,251,971	1,135	\$5,948,317
Multi Family	2,174	21,446,292	1,675	18,337,454	1,434	16,388,905
Residential	19,714	13,724,322	12,587	11,104,368	9,774	9,632,909
Total	24,065	\$45,998,535	15,618	\$36,693,792	12,343	\$31,970,131

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	1,171	\$706,575	664	\$549,607	487	\$462,742
2	566	258,682	340	168,465	275	129,218
3	613	304,740	292	226,722	209	192,162
4	3,433	2,117,641	2,044	1,690,595	1,538	1,467,889
5	3,911	2,707,866	2,500	2,166,600	1,930	1,857,914
6	1,063	595,369	637	474,607	482	407,989
7	5,642	4,417,857	3,889	3,721,845	3,060	3,243,772
8	3,315	2,615,593	2,221	2,105,926	1,793	1,871,225
Total	19,714	\$13,724,322	12,587	\$11,104,368	9,774	\$9,632,909

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+	820	\$647,125	722	\$570,136	654	\$489,824
CAP	446	264,874	380	228,707	336	192,414
CAP2	33	16,870	26	12,940	21	11,183
CAP3	5	2,285	4	1,931	2	1,665
Total	1,304	\$931,154	1,132	\$813,714	1,013	\$695,085

* Based on number of accounts that have been given credit in April 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	39	\$30,391	32	\$27,410	27	\$23,991
2	6	3,752	6	3,285	6	2,883
3	7	7,249	7	6,584	6	5,154
4	117	91,110	101	81,896	94	71,461
5	173	133,939	152	116,064	136	99,083
6	40	24,100	36	20,582	31	14,136
7	269	214,347	241	190,251	219	162,945
8	169	142,236	147	124,064	135	110,171
Total	820	\$647,125	722	\$570,136	654	\$489,824

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

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of April 30, 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	15	\$10,790	12	\$9,040	12	\$7,875
2	2	607	2	185	2	48
3	3	1,079	2	903	2	619
4	62	38,711	53	34,828	50	30,136
5	100	63,776	84	57,120	73	49,611
6	13	9,392	13	8,123	11	6,443
7	146	76,819	123	64,732	102	50,213
8	105	63,702	91	53,776	84	47,469
Total	446	\$264,874	380	\$228,707	336	\$192,414

* Based on number of accounts that have been given credit in April 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	1	264	1	191	1	81
3	0	0	0	0	0	0
4	1	139	1	74	0	0
5	3	3,304	1	3,185	1	3,130
6	0	0	0	0	0	0
7	18	5,166	15	4,584	13	3,744
8	10	7,998	8	4,906	6	4,227
Total	33	\$16,870	26	\$12,940	21	\$11,183

* Based on number of accounts that have been given credit in April 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	1	120	1	15	0	0
6	0	0	0	0	0	0
7	2	1,012	2	798	1	547
8	2	1,152	1	1,118	1	1,118
Total	5	\$2,285	4	\$1,931	2	\$1,665

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

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of April 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 of 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 April 30, 2026, developer deposits had \$31.8 million in credit balances (liability) and \$11.73 million in debit balances (receivable).

Balances by Year as of April 30, 2026

Credit Balances (Liability)	Debit Balances (Receivables)
\$31.8 million	\$11.73 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	\$ (280,948.64)	72	\$ 260,270.23	86	\$ (20,678.41)
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	\$ (134,162.53)	19	\$ 166,341.68	41	\$ 32,179.15
2010	\$ (85,507.27)	22	\$ 129,783.52	37	\$ 44,276.25
2011	\$ (227,558.15)	46	\$ 469,027.91	52	\$ 241,469.76
2012	\$ (421,457.60)	96	\$ 442,047.16	82	\$ 20,589.56
2013	\$ (484,816.51)	83	\$ 245,969.44	76	\$ (238,847.07)
2014	\$ (736,834.59)	78	\$ 962,203.72	59	\$ 225,369.13
2015	\$ (747,795.93)	185	\$ 261,799.14	35	\$ (485,996.79)
2016	\$ (1,986,770.99)	281	\$ 414,178.85	51	\$ (1,572,592.14)
Subtotal - 2001 through 2016	\$ (5,715,207.36)	955	\$ 4,918,830.48	697	\$ (796,376.88)
2017	\$ (1,514,629.42)	351	\$ 411,175.95	106	\$ (1,103,453.47)
2018	\$ (2,129,020.29)	389	\$ 803,230.66	111	\$ (1,325,789.63)
2019	\$ (3,237,132.82)	344	\$ 1,528,251.28	150	\$ (1,708,881.54)
2020	\$ (3,324,275.56)	217	\$ 500,232.44	117	\$ (2,824,043.12)
2021	\$ (3,346,036.43)	267	\$ 524,282.00	139	\$ (2,821,754.43)
2022	\$ (4,191,001.37)	255	\$ 932,174.64	167	\$ (3,258,826.73)
2023	\$ (2,822,146.89)	161	\$ 1,004,509.19	122	\$ (1,817,637.70)
2024	\$ (2,491,751.77)	141	\$ 580,867.07	107	\$ (1,910,884.70)
2025	\$ (2,220,594.59)	156	\$ 232,371.91	85	\$ (1,988,222.68)
2026	\$ (805,516.98)	43	\$ 295,764.98	48	\$ (509,752.00)
Subtotal - 2016 through 2026	\$ (26,082,106.12)	2,324	\$ 6,812,860.12	1,152	\$ (19,269,246.00)
Total	\$ (31,797,313.48)	3,279	\$ 11,731,690.60	1,849	\$ (20,065,622.88)

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.	(5,715,207.36)	955

Monthly Report to DC Retail Water and Sewer Rates Committee

Fiscal Year-to-Date
As of April 30, 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 March 19, 2026, it was identified that refund requests now affect a total of 2,144 accounts, representing an increase of 102 newly identified reported refund request accounts in February through April 2026. Additional increases are anticipated as a result of the annual statement mail-out. The table below summarizes the progress achieved to date.

Construction Inspection Refund Data

	Number of Accounts	Amount (\$)
Refund request received to date	2212	
Refunded this month	30	\$832,328.82
Refunded last month	5	\$72,093.92
Refunded FY26	160	\$2,453,696.00
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)	185	(\$105,483.44)
Number of Refund Accounts Reviewed, Awaiting Information from Developers*	320	\$1,720,179.12
Number of Refund Account Requested after forfeiture date**	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 April 30, 2026

Payment Plan and Disconnection Report

Ward	Zip Code	Residential					Commercial					Multifamily				
		30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.	30-Day A/R	Active Plans	Plans Created	Plans Defaulted	Non-Pay Discon.*
Total		12,526	3,826	1,574	1,269	1,267	1,333	94	29	24	12	1,666	378	114	61	4
1	20001	188	58	19	12	19	58	5	3	2		8				
	20009	120	25	9	10	6	35	5	2	1		43	10	2		
	20010	352	84	34	29	36	50	2				37	3	2	5	1
	20059						2									
	20001	78	23	8	3	6	37	8	5	2		13	3		1	
2	20004						6									
	20005	9	1				26	1				1	1	1		
	20006						8									
	20007	194	12	5	1	16	59	3			1	6				
	20008	5					13	3								
	20009	41	10	4	1	4	10	6	2			16	6	1		
	20011	1														
	20036	3					23	1	1	1		2			1	
	20037	8	1				9	1				3	1			
	20057						4									
3	20007	61	11	4	2	7	12	5				13	2	2		
	20008	46	9	1	1	7	21	4	1	1		5	1			
	20015	41	9	4		4	12	1	1			1				
	20016	142	28	8	2	18	110	2				5	1			
	20008						1									
4	20010	30	8	1	2	1	3					3	1			
	20011	1602	470	207	158	141	112	6	2	4	2	137	41	10	2	
	20012	343	106	39	20	24	32	2		1		13	4	2		
	20015	57	19	6	3	9										
	20001	206	75	30	25	22	16	1		1		9	1	1	1	
5	20002	593	214	87	56	72	86	5				204	43	16	7	
	20011	223	68	26	37	18	1					7	2			
	20017	622	188	70	78	53	26	2	1	2		28	5	2	2	
	20018	845	262	107	91	72	115	9	4	1	1	26	7	2	3	1
	20001	18	8	2	1	3	14					5				
6	20002	381	105	41	22	43	93	9	4	3	3	18	4			
	20003	186	36	15	13	21	40	2	1		2	17	1			
	20024	44	17	6	2	5	13					14	2			
	20032	1	1	1	1	1										
	20001	2	1	1	1	1										
7	20002	225	84	25	21	35	14	2		1	1	34	8	2	1	
	20003	100	27	11	5	9	22					9				
	20016	1	1													
	20019	2971	961	428	299	314	115	6	2	2		455	74	27	14	
	20020	576	152	67	61	56	9	2				58	20	4	3	
8	20002	3			2											
	20003	20	5	3	3	1	12									
	20009	1														
	20020	1222	375	178	186	133	50					237	70	22	11	2
	20023	1	1													
	20032	963	370	126	121	107	64	1		2	2	239	67	18	10	
	20332	1	1	1	1	1										

*Note: Inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 374, Com. 165 and MF 107

*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



Cost of Service Study Follow-up of Rates Affordability

May 26, 2026



Purpose

- To provide an update on the Cost of Service Study follow up on Rates Affordability, conducted by Independent Rate Consultant



Independent COS Study

- 💧 Cost of Service Study (COS) for Water and Sewer includes review of Rates Affordability
- 💧 The COS study for Water and Sewer was performed in FY2026
- 💧 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 has conducted this COS study for Water and Sewer. They have vast experience of providing consulting services for various COS studies for rates, charges and fees, Potomac Interceptor and Miscellaneous Fees. The company has over thirty years of experience in the utility space



Customer Programs Recognized by EPA

Bill Discount

- DC Water offers programs with incomes up to 100% MFI
- **CAP+** programs offers even more robust assistance to households up to 20% MHI
- **CAP I** program offers assistance to households up to 60% SFI

Flexible Terms

- DC Water offers payment plans
- **Payment Plan Incentive Program** – Residential customers who meet the terms of their payment plans will have a 50% credit to their arrears

Lifeline Rate

- **Lifeline Rate** provides a discount for the first four Ccfs of water
- Customer can save money a month if they can conserve water

Temporary Assistance

- **SPLASH** program, paid for with customer, employee, and Board member contributions

Water Efficiency

- \$500,000 **Leak Assessment** program will provide water audits to help CAP+, CAP I and CAP 2 customers identify the source of leaks and high bills



DC Water

Cost of Service Study Follow-up: AFFORDABILITY

May 26, 2026



Are the proposed rates affordable?

Background – Cost Recovery Methodology

Residential

- Benchmarking
- Affordability Metrics
- DC Water Affordability Challenge Mitigation

Commercial

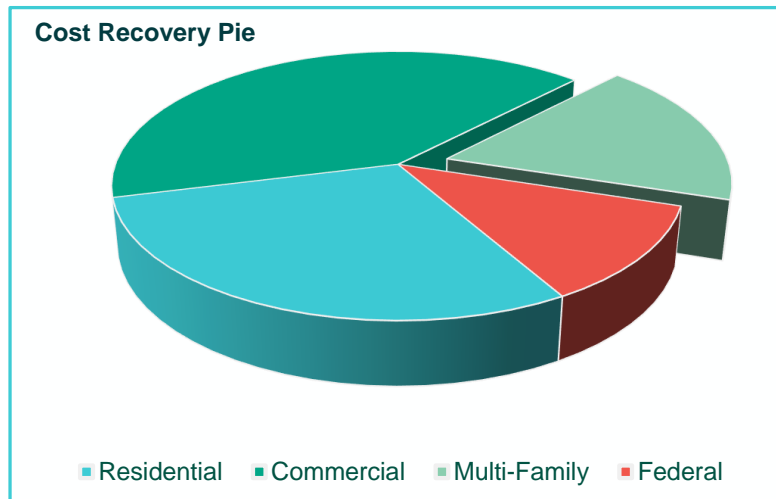
- Benchmarking
- Industry Guidance
- DC Water Accommodations

Conclusions

Q&A

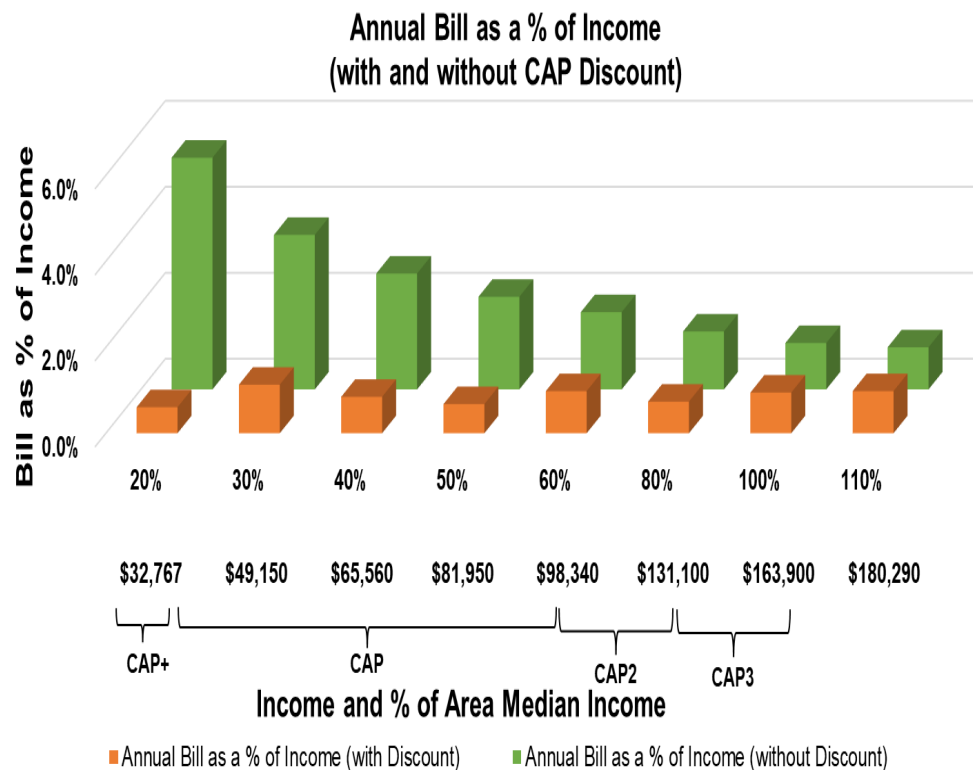
Cost Recovery Methodology

- Costs to be recovered are based on approved budget, CIP, and financial policies
- Allocate costs to customers based on usage of the systems
- Rate structure follows COS principles and industry practice
- No customer class subsidizes any other class



Annual Bill as a % of Income

- The average residential customer bill as a percentage of median household income (MHI at 60%) is about 1.8%, an affordability metric
- For residential customers with incomes below MHI, DC Water offers robust assistance programs
- This budget continues our Customer Assistance Programs:
 - 1) CAP+ for 20% AMI
 - 2) CAP I for 60% SMI
 - 3) CAP II for 80% AMI
 - 4) Household Leak program will help CAP customers with leaks identify issues



Residential Customers



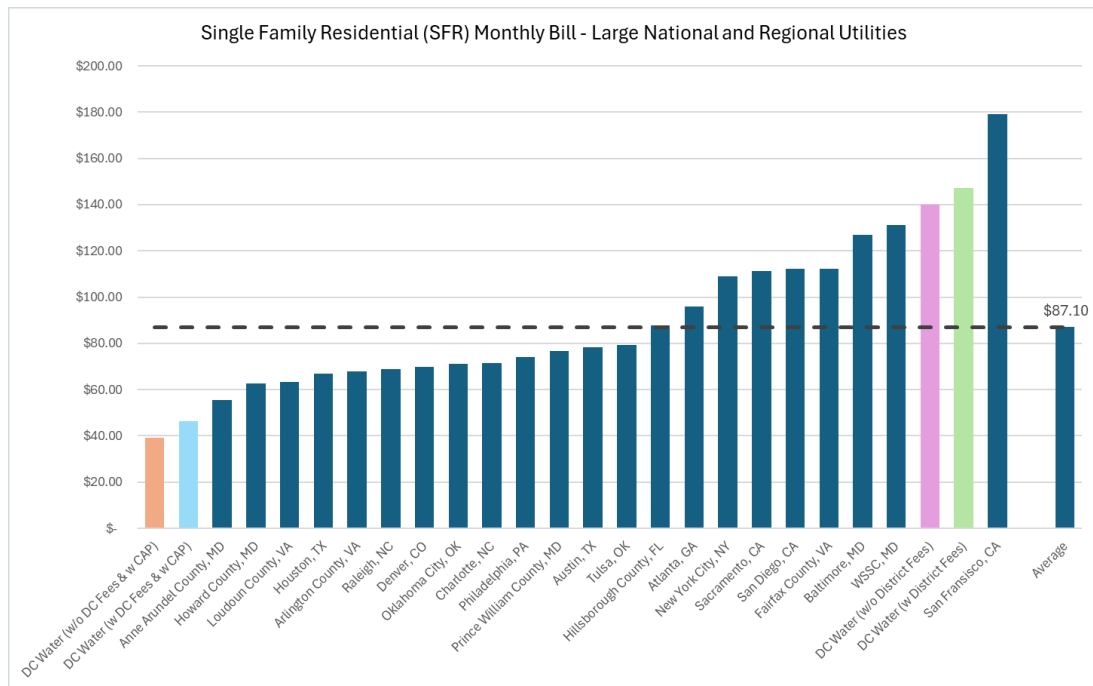
Are the proposed rates affordable for residential customers?

1. Benchmarking
2. EPA Guidance on service area affordability
3. Industry developed customer affordability metrics
4. DC Water customer assistance offerings

Comparative User Charges – Large National and Regional Utilities

Shortcomings of Benchmarking:

- Some utilities use sales tax revenue or property tax revenue to subsidize water and sewer
- Many do not face the same issues of aging infrastructure and treatment regulations



- 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.

1997 EPA Guidance for Consent Decree Negotiation


- “Affordability threshold” is set at 4-4.5% of the utility service area median income for total water + sewer costs
- **DC Water bills are affordable under these criteria**
- Criticisms include:
 - Fails to look at individual customers
 - Fails to look at economically disadvantaged customers
 - Fails to account for cost of living
- Results:
 - DC MHI - \$110,000/household
 - Existing monthly bill - \$147.16 or 1.6% of MHI
 - Proposed FY 2027 - \$156.80 or 1.7% of MHI
 - Proposed FY 2028 - \$165.07 or 1.8% of MHI



**Combined Sewer Final
Overflows—Guidance for
Financial Capability
Assessment and Schedule
Development**

Developing A New Framework For Household Affordability Burden (2019)

- “Affordability threshold” is set at 7-10% of the utility bill for lowest quintile income (LQI)¹ plus poverty prevalence
- **DC Water bills are affordable under these criteria**
- Changes from EPA Guidance include:
 - Looks at individual customers
 - Looks at economically disadvantaged customers
 - Fails to account for cost of living
- Results:
 - Households below 200% of FPL about 20%
 - DC LQI - \$30,000/household
 - Existing monthly bill - \$147.16 or 5.9% of LQI
 - Proposed FY 2027 - \$156.80 or 6.3% of LQI
 - Proposed FY 2028 - \$165.07 or 6.6% of LQI
 - Proposed FY 2028 CAP Bill - \$53.03 or 2.1% of LQI

		Poverty Prevalence		
		>35%	20-35%	<20%
Bill as % of LQI	>10%	Very High	High	Moderate
	7-10%	High	Moderate	Moderate
	<7%	Moderate	Moderate	Low
				

1. Prepared for EPA by AWWA, NACWA, and WEF

Easily Understood Metrics: Hours Required at Minimum Wage to Pay Average Bill

- A bill is affordable if it is less than gross pay for 8 hours at minimum wage
- **DC Water bills are affordable under these criteria**
- Changes from EPA Guidance include:
 - Looks at individual customers
 - Looks at economically disadvantaged customers
 - Accounts for cost of living
- Results:
 - Minimum wage (eff. 7/1/2026): \$18.40/hr
 - Existing monthly bill - \$147.16 or 8.0 hours
 - Proposed FY 2027 - \$156.80 or 8.5 hours ¹.
 - Proposed FY 2028 - \$165.07 or 9.0 hours ¹.
 - Proposed FY 2028 CAP Bill - \$53.03 or 2.9 hours

1. Does not account for increases in DC minimum wage



Residential Affordability Assistance

- DC Water supplements rate affordability with a robust program of customer assistance
- Help for economically disadvantaged:
 - CAP+ and CAP1 provide a very affordable monthly bill by any metric
- Emergency assistance:
 - SPLASH and extended payment plans
- Rate structure assistance for all residential customers:
 - SFR Lifeline rates for those that conserve
 - Multi-Family and DC Housing
- Incentive payment plans (through FY 2028)
- Leak assessment and repair
- Non-Profit relief for those helping in the community

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

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

DCWATER.COM



Hello Residential Customers, let us help you pay your
outstanding water bill through our Payment Plan Incentive Program.



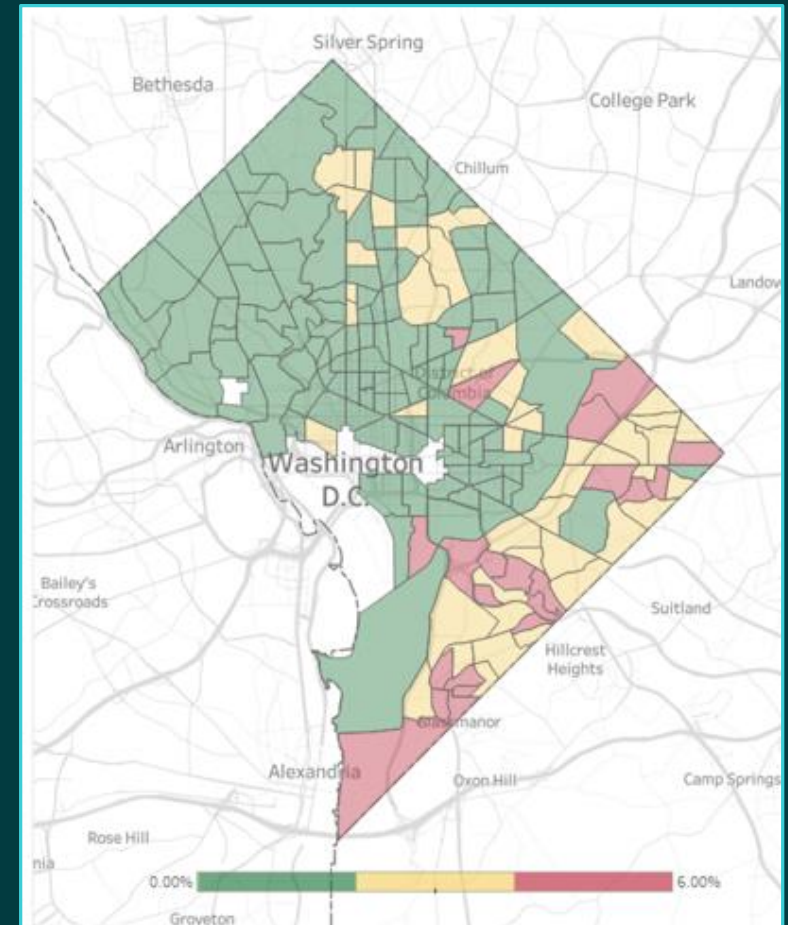
Under the Payment Plan Incentive Program,
DC Water will reduce your outstanding balance
by fifty percent (50%) of your payments
towards the balance when you enroll in an
eligible payment plan and make on-time
monthly payments. The 50% credits will
be posted every 120 days after
each three qualifying payments.

This is a **limited-time offer** so take advantage today! [Click here for details.](#)

Findings - Residential

- There are no perfect measures of affordability
- Most, but not all, residential customers in DC have affordable water and sewer bills
- For those that do not, DC Water provides a robust assortment of customer assistance programs
- **DC Water bills are affordable under accepted industry criteria**

Affordability Heatmap



Findings – Multi-family Residential

- There are no standards for multi-family affordability
- Rate structure provides lower water rates to multi-family and DC Housing customers
- Rates are based on COS Study peaking analysis data
- **DC Water bills are affordable given the COS-based rate structure advantage**

\$/Ccf	Single-Family Res*	Multi-Family Res	Non-Res/Commercial
FY 2026	\$7.17	\$6.47	\$7.84
FY 2027	\$7.95	\$7.21	\$8.66
FY 2028	\$8.86	\$7.98	9.71

* Blended average of lifeline and regular Residential rate

Non-Residential (Commercial) Customers



Determining Commercial Affordability

Challenges

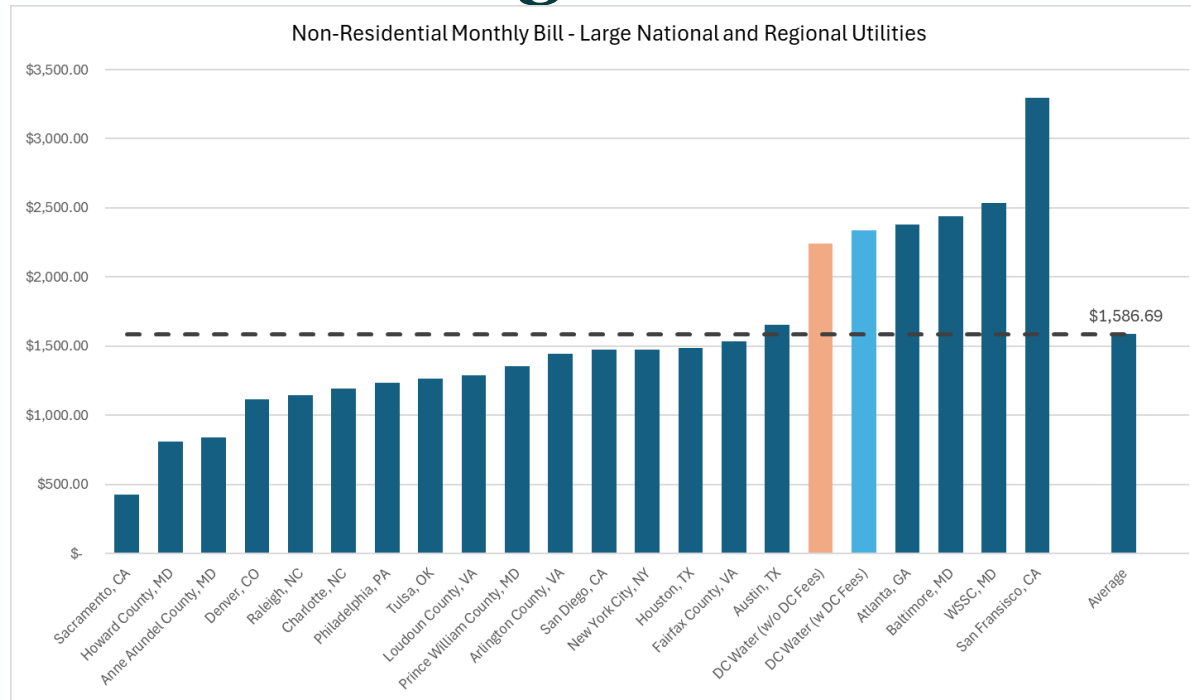
- Vast differences in physical size and revenue generation ability
- No available federal guidance
- Limited data availability

Alternatives (from PUCs ^{1.})

- Peer benchmarking
- Bill volatility
- Rate structure equity

1. Public Utility Commissions regulate rates for investor-owned utilities

Comparative User Charges – Large National and Regional Utilities



- Assumes average non-residential consumption of 110 Ccf, or 82,280 gallons, per month. Ccf = hundred cubic feet, or 748 gallons. The typical non-residential customer meter size is 2".
- 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. In such situations, the user charge will not reflect the full cost of water, wastewater or stormwater services.



Managing Bill Volatility

- No seasonal rates
- No inclining block rate structure



Rate Structure Equity

- COS principles ensure fair cost recovery among customer classes
- Not allowed under Clean Water Act 40 CFR § 35.2140 — User Charge System where one customer class may not subsidize another
- Office of Peoples' Counsel provides comments on rate proposal

Findings – Commercial

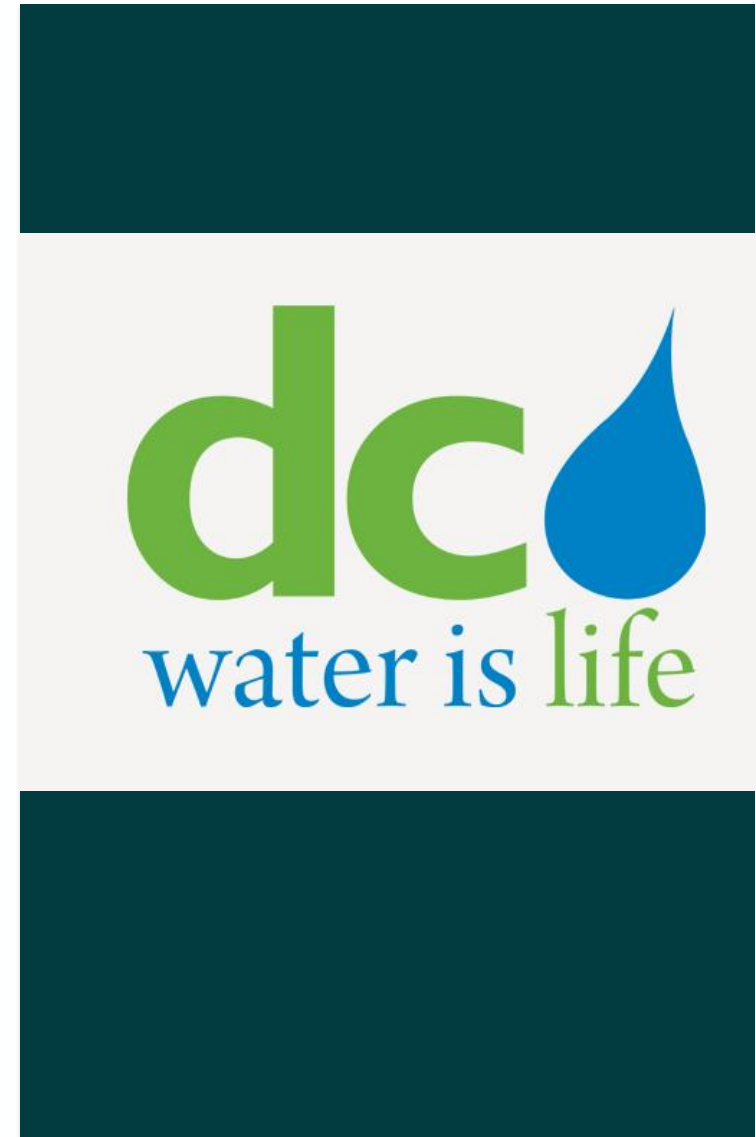
- No nationally accepted guidance on commercial customer affordability
- DC Water policies and practices are consistent with Public Utility Commission standards
- Customer assistance practices such as payment plans are available to commercial customers
- **DC Water bills are affordable under recommended PUC practices**

In Summary

DC Water employs a number of strategies to provide all its customers with their most affordable bill including:

- Robust customer assistance plans
- Creative, COS-based rate structures
- Strict cost recovery among customer classes
- Capital and operating cost controls

DC Water bills are affordable under the applicable/appropriate criteria for single-family, multi-family, and commercial customers





Q&A

Appendix



CAP+, CAP, CAP2 and CAP3 discounts and income thresholds

	Water & Sewer Services	Monthly CRIAC fee	Water System Replacement Fee	Amount Budgeted
CAP+; 20% AMI Discount - \$137.73/mo	First 600 cubic feet	75% reduction	100% waived	\$2,700,000
CAP; 60% SMI Discount - \$106.3/mo	First 400 cubic feet	75% reduction	100% waived	\$2,100,000
CAP2; \$80% AMI Discount - \$70.9/mo	First 300 cubic feet	50% reduction	-	\$200,000
CAP3; 100% AMI Discount - \$19.1/mo	-	75% reduction	-	\$10,000

Attachment C**FY 2026 Proposed RRC Committee Workplan**

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
1. Establish Retail Rates, Fees & Charges for FY 2027 & FY 2028	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 & Notice of Public Hearing	March 20, 2026	√	DGLA
h. Outreach and Public Comment Period	March 20 – June 29, 2026		Government Affairs & Marketing & Comm. Rates & Revenue
i. Presentation to Change Public Hearing Date and Extend Public Comment Period	April 28, 2026	√	OMAC and Rates & Revenue
j. RRC recommends changed date for Public Hearing and/or Extension of Public Comment Period	April 28, 2026	√	Rates & Revenue
k. Board approves change to date for Public Hearing and/or Extension of Public Comment Period	May 7, 2026	√	Board of Directors
l. Publish Notice of Extension of Public Comment Period and/or Notice of Public Hearing	May 22, 2026	√	DGLA
m. Presentation on Rates Affordability by Consultants	May 26, 2026		Rates & Revenue
n. Townhall Meeting	May 28, 2026		OMAC
o. Public Hearing	June 23, 2026		District Board Members
p. Public Hearing Record & Public Comment Period Closes	June 29, 2026		Board Secretary
q. Submit Response to Public Comments report to Board and post on DC Water website and respond to OPC Comments, if applicable	July 14, 2026		Rates & Revenue and DGLA
r. Present final FY 27 & FY 28 Rates, Fees & Charges to RRC for recommendation to Board	July 28, 2026		Rates & Revenue
s. Board approves Notice of Final Rulemaking (NOFR) for FY 27 & FY 28 Rates, Charges & Fees	September 3, 2026		Board of Directors
t. Publish NOFR in D.C. Register for Amended Rates, Fees & Charges	September 18, 2026		DGLA

Attachment C

1. Establish Retail Rates, Fees & Charges for FY 2027 & FY 2028	Date of Activity	Completed	Responsible Department
<i>u. Amended Rates, Fees & Charges Go-Live</i>	October 1, 2026 (FY '27) October 1, 2027 (FY '28)		Customer Care
2. 2025 Cost of Service Study (COS) for Water, Sewer and CRIAC			
<i>a. Present 2025 Cost of Service Study for Water, Sewer and CRIAC to RRC</i>	January 27, 2026	√	Rates & Revenue
<i>b. Post Final COS on DC Water's website</i>	March 17, 2026	√	Rates & Revenue
3. 2026 Cost of Service Study to Amend System Availability Fee (SAF)			
<i>a. Present COS Update and Propose Amendments to SAF for RRC Recommendation</i>	March 18, 2026	√	Rates & Revenue/ Permit Operations
<i>b. Board Approval of Notice of Proposed Rulemaking (NOPR) for SAF</i>	April 7, 2026	√	Board of Directors
<i>c. Publish NOPR in DC Register</i>	April 24, 2026	√	DGLA
<i>d. Public Comment period</i>	April 24 – May 25, 2026	√	Marketing & Comm.
<i>e. RRC Final Recommendation to Approve Amendments for SAF</i>	June 23, 2026		
<i>f. Board Approval of Notice of Final Rulemaking (NOFR)</i>	July 2, 2026		Rates & Revenue/ Permit Operations Board of Directors
<i>g. Publish NOFR in DC Register</i>	July 24, 2026		DGLA
<i>h. SAF Go-Live</i>	October 1, 2026		Rates & Revenue/ Permit Operations
4. 2025 Cost of Service Study to Establish Miscellaneous Fees and Charges			
<i>a. Present COS Update and Proposed Amendments to Miscellaneous Fees & Charges for RRC Recommendation</i>	April 22, 2025	√	Rates & Revenue
<i>b. Board Approval of Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees & Charges</i>	May 1, 2025	√	Board of Directors
<i>c. Publish NOPR in DC Register</i>	May 16, 2025	√	DGLA
<i>d. Public Comment period</i>	May 16 – June 16, 2025	√	Marketing & Comm.
<i>e. RRC Final Recommendation to Approve Amendments for Miscellaneous Fees & Charges</i>	June 24, 2025	√	Rates & Revenue/ Customer Care Board of Directors
<i>f. Board Approval of Notice of Final Rulemaking (NOFR)</i>	July 3, 2025	√	
<i>g. Publish NOFR in DC Register</i>	July 25, 2025	√	DGLA
<i>h. Miscellaneous Fees & Charges including Engineering and Permitting Fees Go-Live</i>	October 1, 2025	√	Rates & Revenue/ Customer Care
5. Delinquent Accounts			
<i>a. Soldiers Home Negotiations</i>	Monthly, as needed		DGLA



Attachment D

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

**Tuesday, June 23, 2026; 9:30 a.m.
AGENDA**

Call to Order	Committee Chairman
Monthly Updates	Chief Financial Officer
Committee Workplan	Chief Financial Officer
Agenda for July 28, 2026 Committee Meeting	Committee Chairman
Other Business	Chief Financial Officer
Adjournment	

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