



# District of Columbia Water and Sewer Authority Board of Directors

## Retail Water and Sewer Rates Committee

June 23, 2026 / 9:30 am

**Microsoft Teams meeting**

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Meeting ID: 279 733 836 762 780 Passcode: 9rG6Mo9Z

Call in (audio only) **+1 202-753-6714,,314627232#**

Phone Conference ID314 627 232#

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. [Extend the Payment Plan Incentive Program until 9/30/2027 \(Attachment B\)](#) ..... Marcus Mckenzie
5. [System Availability Fee Update \(Attachment C\)](#) ..... Lola Oyeyemi
6. [Action Items \(Attachment D\)](#) ..... Lola Oyeyemi
  - [Approval of Revised System Availability Fee \(SAF\) Regulations in Notice of Final Rulemaking \(NOFR\) \(Action Item 1\)](#)
  - [Recommendation to Extend the Payment Plan Incentive Program through 9/30/2027 \(Action Item 2\)](#)
7. [DC Retail Water and Sewer Rates Committee Workplan \(Attachment E\)](#) ..... Lola Oyeyemi
  - FY 2026 DC Retail Rates Committee Workplan
8. [Agenda for July 28, 2026, Committee Meeting \(Attachment F\)](#) ..... Rachna Bhatt
9. **Other Business** ..... Lola Oyeyemi
10. **Executive Session\***
11. **Adjournment** ..... Rachna Bhatt

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

\*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action 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 May 31, 2026

**DEPARTMENT OF FINANCE**

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

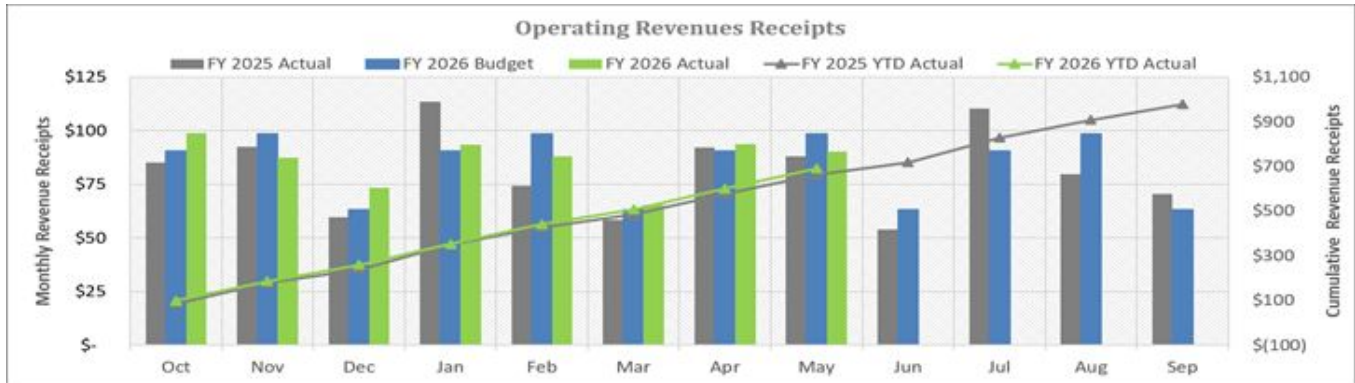
**Syed Khalil**, Vice President, Rates & Revenue

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

Fiscal Year-to-Date  
As of May 31, 2026

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

FY 2025 Actual		CATEGORY	FY 2026						Projections	
Total Annual	YTD May		Year-to-Date Performance					Year-End Projections	% of Budget	
			Revised Annual Budget	YTD Revised Budget	YTD Actual	% of Budget	Variance \$ Fav(Unfav)			Variance % Fav(Unfav)
\$576,751	\$373,014	Residential / Commercial / Multi-Family*	\$582,965	\$388,644	\$388,027	66.6%	(\$617)	(0.2%)	\$595,027	102.1%
92,625	69,699	Federal	99,339	74,504	75,192	75.7%	688	0.9%	100,256	100.9%
25,727	16,262	Municipal (DC Govt.)	27,259	18,173	17,387	63.8%	(786)	(4.3%)	26,888	98.6%
14,990	10,294	DC Housing Authority	15,176	10,118	9,025	59.5%	(1,093)	(10.8%)	14,425	95.0%
24,479	16,416	Metering Fee	24,400	16,395	16,478	67.5%	83	0.5%	24,422	100.1%
43,382	29,335	Water System Replacement Fee (WSRF)	42,717	28,951	29,557	69.2%	606	2.1%	43,384	101.6%
114,341	86,691	Wholesale	124,219	93,164	91,486	73.6%	(1,678)	(1.8%)	123,769	99.6%
24,989	16,286	PILOT/ROW	24,156	16,352	16,541	68.5%	189	1.2%	24,426	101.1%
61,225	45,872	All Other	67,963	46,774	46,603	68.6%	(171)	(0.4%)	64,256	94.5%
<b>\$978,509</b>	<b>\$663,869</b>	<b>TOTAL</b>	<b>\$1,008,194</b>	<b>\$693,075</b>	<b>\$690,296</b>	<b>68.5%</b>	<b>(\$2,779)</b>	<b>(0.4%)</b>	<b>\$1,016,853</b>	<b>100.9%</b>



#### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of May 2026, cash receipts totaled \$690.3 million, or 68.5 percent of the FY 2026 Revised Budget. The YTD FY 2026 revised budgeted receipts were \$693.1 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 third quarterly payment in May).

Favorable Variances	Unfavorable Variances
<p><u>Federal</u> - 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><u>Metering Fee</u> - Receipts are on track at \$16.5 million or 67.5 percent of the revised budget.</p> <p><u>Water System Replacement Fee (WSRF)</u> - Actual Receipts for WSRF totaled at \$29.6 million or 69.2 percent of the revised budget.</p> <p><u>PILOT/ROW</u> - The YTD receipts are slightly higher at \$16.5 million or 68.5 percent of the revised budget.</p>	<p><u>Residential, Commercial, and Multi-Family</u> - Receipts for this category are slightly lower at \$388.0 million or 66.6 percent of the revised budget. May 2026 receipts were lower by \$0.3 million as compared to the monthly revised budget of \$48.6 million due to slightly lower consumption as compared to the monthly revised budget.</p> <p><u>District Government</u> - Receipts are lower at \$17.4 million or 63.8 percent of the revised budget. May 2026 receipts were slightly lower by \$0.1 million as compared to the monthly revised budget of \$2.3 million due to lower consumption as compared to the revised budget.</p> <p><u>DC Housing Authority</u> - Receipts are lower at \$9.0 million or 59.5 percent of the revised budget. May 2026 receipts were higher as compared to the revised budget because DCHA also paid \$1.1 million April payment for March billed amount, which was due last month but was not paid.</p> <p><u>Wholesale</u> - The YTD actual receipts totaled \$91.5 million or 73.6 percent of the revised budget. Receipts are slightly lower by \$1.7 million. The Town of Vienna and Metropolitan Airport Authority (MWAA) have not made payment of \$1.15 million billed for second quarter, which is expected to be received in June.</p> <p><u>Other Revenue</u> - Receipts are lower at \$46.6 million or 68.6 percent of the revised budget mainly due to System Availability Fee (SAF) (\$2.4 million), Washington Aqueduct Backwash (\$0.3 million), and Developer Fees (\$0.8 million). IMA Indirect Cost Reimbursement for Capital Projects (\$0.8 million), Interest Earnings (\$0.7 million), and Miscellaneous Revenue (\$1.8 million) are higher than the revised budget.</p>

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

Fiscal Year-to-Date  
As of May 31, 2026  
(\$ in millions)

Revenue Category	FY 2026 Revised Budget	YTD Revised Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$583.0	\$388.6	\$388.0	(\$0.6)	-0.2%	66.6%
Federal	\$99.3	\$74.5	\$75.2	\$0.7	0.9%	75.7%
District Government	\$27.2	\$18.2	\$17.4	(\$0.8)	-4.3%	63.8%
DC Housing Authority	\$15.2	\$10.1	\$9.0	(\$1.1)	-10.8%	59.5%
Customer Metering Fee	\$24.4	\$16.4	\$16.5	\$0.1	0.5%	67.5%
Water System Replacement Fee (WSRF)	\$42.7	\$29.0	\$29.6	\$0.6	2.1%	69.2%
Wholesale	\$124.2	\$93.2	\$91.5	(\$1.7)	-1.8%	73.6%
Right-of-Way Fee/PILOT	\$24.2	\$16.3	\$16.5	\$0.2	1.2%	68.5%
<b>Subtotal (before Other Revenues)</b>	<b>\$940.2</b>	<b>\$646.3</b>	<b>\$643.7</b>	<b>-\$2.6</b>	<b>-0.4%</b>	<b>68.5%</b>
IMA Indirect Cost Reimb. For Capital Projects	9.1	6.1	6.9	0.8	13.1%	75.8%
DC Fire Protection Fee	17.6	13.2	13.2	0.0	0.0%	75.0%
Stormwater (MS4)	1.0	0.7	0.7	(0.0)	0.0%	70.0%
Interest	13.4	8.9	9.6	0.7	7.9%	71.6%
Developer Fees (Water & Sewer)	9.0	6.0	5.2	(0.8)	-13.3%	57.8%
System Availability Fee (SAF)	5.7	3.8	1.4	(2.4)	-63.2%	24.6%
Washington Aqueduct Backwash	3.1	2.1	1.8	(0.3)	-14.3%	58.1%
Others	9.1	6.0	7.8	1.8	30.0%	85.7%
<b>Subtotal</b>	<b>68.0</b>	<b>46.8</b>	<b>46.6</b>	<b>-\$0.2</b>	<b>-0.4%</b>	<b>68.6%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
<b>Other Revenue Subtotal</b>	<b>\$68.0</b>	<b>\$46.8</b>	<b>\$46.6</b>	<b>-\$0.2</b>	<b>-0.4%</b>	<b>68.6%</b>
<b>Grand Total</b>	<b>\$1,008.2</b>	<b>\$693.1</b>	<b>\$690.3</b>	<b>-\$2.8</b>	<b>-0.4%</b>	<b>68.5%</b>

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

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	32,548	51,338	22,716	7,325	6,667	120,594
Commercial	64,056	72,524	27,007	4,763	11,328	179,679
Multi-family	42,459	65,304	10,877	2,519	5,643	126,802
Federal	27,300	31,034	16,858	1,154	4,257	80,602
District Govt	4,509	6,101	6,777	550	1,394	19,331
DC Housing Authority	3,297	4,884	843	166	268	9,459
<b>Total:</b>	<b>174,169</b>	<b>231,185</b>	<b>85,079</b>	<b>16,478</b>	<b>29,556</b>	<b>536,467</b>

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

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

Customer Category	FY2026 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	33,222	22,148	22,716	568	3%	68%
Commercial	39,450	26,300	27,007	707	3%	68%
Multi-family	15,612	10,408	10,877	469	5%	70%
Federal	22,478	16,859	16,858	(0)	0%	75%
District Govt	9,892	6,595	6,777	182	3%	69%
DC Housing Authority	1,465	977	843	(133)	-14%	58%
<b>Total:</b>	<b>122,119</b>	<b>83,286</b>	<b>85,079</b>	<b>1,793</b>	<b>2%</b>	<b>70%</b>

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

Fiscal Year-to-Date  
As of May 31, 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

#### Greater Than 90 Days by Customer

The overall delinquencies decreased by \$0.7 million in May 2026 as compared to the last month. The Multi-family Delinquencies increased by \$0.12 million mainly due to a pause in disconnections since January 2026.

Revenue recovery efforts remain a priority in June, with a strong focus on reducing 90-day and greater delinquencies. Dunning activities continue, supported by targeted notification calls and system-generated Late Payment, Disconnection, and Intent-to-Lien notices. The restart of Multifamily disconnections in select areas is expected to drive meaningful reductions in aged delinquency. These efforts also create opportunities to connect customers with CAP assistance and flexible payment options.

	Number of Accounts			Month of May (All Categories)				Total Delinquent				
				Active		Inactive		Apr		May		
	W & S	Impervious Only	Total No. of	No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
	a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)	%
<b>Commercial</b>	8,399	1,814	10,213	960	4,248,246	133	\$725,098	1,135	\$5,948,317	1,093	\$4,973,345	16%
<b>Multi-family</b>	9,137	301	9,438	1,419	16,183,322	49	\$322,234	1,434	\$16,388,905	1,468	\$16,505,556	53%
<b>Single-Family Residential</b>	108,179	1,881	110,060	9,665	9,596,570	164	\$218,327	9,774	\$9,632,909	9,829	\$9,814,897	31%
<b>Total</b>	<b>125,715</b>	<b>3,996</b>	<b>129,711</b>	<b>12,044</b>	<b>\$30,028,138</b>	<b>346</b>	<b>\$1,265,660</b>	<b>12,343</b>	<b>\$31,970,131</b>	<b>12,390</b>	<b>\$31,293,797</b>	<b>100%</b>

Notes: Included in the above \$31.3M (or 12,390 accounts) of the DC Water Over 90 days delinquent accounts, \$2,524,079.21 (or 874 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 (12,390) as a percentage of total accounts (129,711) is 9.6 percent.  
 -Delinquent impervious only accounts (874) as a percentage of total accounts (129,711) is 0.7 percent.  
 -Delinquent impervious only accounts (874) as a percentage of total delinquent accounts (12,390) are 7.1 percent.  
 -Delinquent impervious only accounts (874) as a percentage of total impervious only accounts (3,996) are 21.9 percent

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

Fiscal Year-to-Date  
As of May 31, 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	2,081	\$8,811,398	1,385	\$6,224,732	1,093	\$4,973,345
Multi Family	2,145	21,577,296	1,674	18,553,112	1,468	16,505,556
Residential	20,662	14,010,897	13,238	11,541,374	9,829	9,814,897
<b>Total</b>	<b>24,888</b>	<b>\$44,399,591</b>	<b>16,297</b>	<b>\$36,319,219</b>	<b>12,390</b>	<b>\$31,293,797</b>

#### Arrears by WARD for Residential Category:

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
1	1,254	\$718,354	718	\$561,521	503	\$474,129
2	603	260,249	377	182,759	195	122,456
3	720	318,561	344	226,103	222	189,552
4	3,537	2,174,950	2,129	1,739,980	1,544	1,482,776
5	4,152	2,757,476	2,661	2,268,133	1,946	1,901,376
6	1,209	629,670	701	495,863	494	416,297
7	5,853	4,499,354	4,009	3,865,260	3,158	3,368,492
8	3,334	2,652,283	2,299	2,201,755	1,767	1,859,819
<b>Total</b>	<b>20,662</b>	<b>\$14,010,897</b>	<b>13,238</b>	<b>\$11,541,374</b>	<b>9,829</b>	<b>\$9,814,897</b>

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

Ward	> 30 Days		> 60 Days		> 90 Days	
	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount	No. of Accounts	Delinquent Amount
CAP+	943	\$759,231	846	\$676,620	767	\$596,124
CAP	506	294,480	421	250,560	378	216,413
CAP2	38	17,686	28	12,357	27	10,827
CAP3	7	2,202	4	1,938	3	1,682
<b>Total</b>	<b>1,494</b>	<b>\$1,073,599</b>	<b>1,299</b>	<b>\$941,475</b>	<b>1,175</b>	<b>\$825,046</b>

\* Based on number of accounts that have been given credit in May 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	47	\$30,734	37	\$26,286	33	\$23,412
2	5	3,240	5	3,190	5	2,886
3	7	7,622	7	7,068	7	6,403
4	146	108,524	127	95,132	115	84,652
5	195	167,763	183	148,607	162	127,788
6	45	35,211	42	32,198	39	29,058
7	323	259,948	287	230,103	260	203,137
8	175	146,189	158	134,037	146	118,788
<b>Total</b>	<b>943</b>	<b>\$759,231</b>	<b>846</b>	<b>\$676,620</b>	<b>767</b>	<b>\$596,124</b>

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

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

Fiscal Year-to-Date

As of May 31, 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	17	\$10,611	14	\$9,038	11	\$7,432
2	3	1,123	3	693	2	364
3	3	1,259	3	1,079	2	903
4	64	51,781	56	46,028	55	42,037
5	118	69,494	98	59,524	87	52,704
6	17	11,656	16	10,362	16	8,842
7	176	92,773	141	78,208	125	66,147
8	108	55,783	90	45,628	80	37,983
<b>Total</b>	<b>506</b>	<b>\$294,480</b>	<b>421</b>	<b>\$250,560</b>	<b>378</b>	<b>\$216,413</b>

\* Based on number of accounts that have been given credit in May 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	308	1	199	1	126
3	0	0	0	0	0	0
4	3	86	0	0	0	0
5	3	3,089	2	2,428	1	2,331
6	2	469	1	165	1	77
7	20	6,377	15	5,314	15	4,640
8	9	7,357	9	4,250	9	3,653
<b>Total</b>	<b>38</b>	<b>\$17,686</b>	<b>28</b>	<b>\$12,357</b>	<b>27</b>	<b>\$10,827</b>

\* Based on number of accounts that have been given credit in May 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	157	1	42	0	0
6	0	0	0	0	0	0
7	2	1,027	2	980	2	766
8	4	1,018	1	916	1	916
<b>Total</b>	<b>7</b>	<b>\$2,202</b>	<b>4</b>	<b>\$1,938</b>	<b>3</b>	<b>\$1,682</b>

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

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

Fiscal Year-to-Date  
As of May 31, 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 May 31, 2026, developer deposits had \$31.67 million in credit balances (liability) and \$12.25 million in debt balances (receivable).

#### Balances by Year as of May 31, 2026

<b>Credit Balances (Liability)</b>	<b>Debit Balances (Receivables)</b>
\$31.67 million	\$12.25 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	\$ 128,241.81	37	\$ 42,734.54
2011	\$ (227,558.15)	46	\$ 527,941.30	52	\$ 300,383.15
2012	\$ (421,457.60)	96	\$ 438,018.76	82	\$ 16,561.16
2013	\$ (484,816.51)	83	\$ 245,969.44	76	\$ (238,847.07)
2014	\$ (736,834.59)	78	\$ 969,820.42	59	\$ 232,985.83
2015	\$ (747,795.93)	185	\$ 256,848.74	35	\$ (490,947.19)
2016	\$ (1,970,600.52)	279	\$ 427,162.28	51	\$ (1,543,438.24)
<b>Subtotal - 2001 through 2016</b>	<b>\$ (5,699,036.89)</b>	<b>953</b>	<b>\$ 4,987,823.49</b>	<b>697</b>	<b>\$ (711,213.40)</b>
2017	\$ (1,488,379.42)	348	\$ 449,154.61	111	\$ (1,039,224.81)
2018	\$ (2,129,020.29)	389	\$ 814,137.27	110	\$ (1,314,883.02)
2019	\$ (3,219,452.90)	338	\$ 1,561,203.37	151	\$ (1,658,249.53)
2020	\$ (3,317,470.45)	214	\$ 514,739.26	116	\$ (2,802,731.19)
2021	\$ (3,337,074.12)	265	\$ 518,202.40	139	\$ (2,818,871.72)
2022	\$ (4,176,914.05)	254	\$ 963,698.59	167	\$ (3,213,215.46)
2023	\$ (2,862,964.06)	161	\$ 1,017,435.53	120	\$ (1,845,528.53)
2024	\$ (2,488,745.57)	141	\$ 580,422.59	106	\$ (1,908,322.98)
2025	\$ (2,118,892.19)	154	\$ 286,642.67	88	\$ (1,832,249.52)
2026	\$ (831,480.63)	55	\$ 559,961.35	81	\$ (271,519.28)
<b>Subtotal - 2016 through 2026</b>	<b>\$ (25,970,393.68)</b>	<b>2,319</b>	<b>\$ 7,265,597.64</b>	<b>1,189</b>	<b>\$ (18,704,796.04)</b>
<b>Total</b>	<b>\$ (31,669,430.57)</b>	<b>3,272</b>	<b>\$ 12,253,421.13</b>	<b>1,886</b>	<b>\$ (19,416,009.44)</b>

#### Forfeiture Action

Accounts Forfeited on August 16, 2021	(4,838,938.52)	1,011
Accounts Forfeited on September 23, 2022	(1,286,705.10)	348
Accounts Forfeited on March 26, 2024	(1,621,242.25)	262
Accounts Forfeited on September 27, 2024	(764,105.79)	113
Accounts Forfeited on September 28, 2025	(969,992.94)	182
Accounts pending forfeiture determination and execution.	(5,699,036.89)	953

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

Fiscal Year-to-Date  
As of May 31, 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 accounts. For the last four years, annual statements were mailed to customers on June 20, 2025, March 26, 2024, April 28, 2023, and January 25, 2022.

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

For accounts that were forfeited, zero balance statements were mailed to customers on August 16, 2021, September 21, 2022, March 26, 2024, September 27, 2024, and September 28, 2025.

#### Refund Requests and Forfeiture Disputes

Following the distribution of annual account statements to customers on June 20, 2025, it was determined that refund requests impact a total of 2,241 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	2241	
Refunded this month	17	\$80,975.57
Refunded last month	35	\$1,041,574.95***
Refunded FY26	182	\$2,743,917.70
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)	186	(\$105,483.44)
<b>Number of Refund Accounts Reviewed, Awaiting Information from Developers*</b>	<b>368</b>	<b>\$2,070,095.28</b>
<i>Number of Refund Account Requested after forfeiture date**</i>	<i>74</i>	<i>\$321,529.17</i>

\*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.

\*\*\* Number from last report was revised.

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

Fiscal Year-to-Date  
As of May 31, 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.*
<b>Total</b>		<b>13,176</b>	<b>3,732</b>	<b>1,404</b>	<b>1030</b>	<b>915</b>	<b>1,368</b>	<b>111</b>	<b>38</b>	<b>14</b>	<b>19</b>	<b>1,671</b>	<b>374</b>	<b>108</b>	<b>87</b>	<b>0</b>
1	20001	197	56	23	15	22	76	8	3		1	8				
	20009	139	25	4	2	6	28	4	1	1	1	43	10	2		
	20010	378	87	40	23	30	45	5	5	1	1	37	6	3		
	20059						1									
2	20001	81	21	9	7	10	39	7		1	2	14	2		1	
	20004						2									
	20005	5	1	1		1	27	2	2			1	1	1		
	20006						7				1					
	20007	212	10	3	2	5	51	3	1			2				
	20008	7	1	1		1	11	2		1						
	20009	55	10			3	18	6	1	1		14	5		1	
	20011	1														
	20036	2					22	2	1			4				
	20037	12			1		9	1				4	1			
3	20007	66	13	6	3	4	11	3		1		18	2	1		
	20008	49	6	2	5	5	21	4	1	1	1	3	1			
	20015	57	7	2	3	2	8	1			1					
	20016	171	26	7	6	10	115	2				3	1			
4	20010	31	5	2	5	4	4					3	2	1		
	20011	1652	453	170	137	118	119	9	6	2	2	134	34	6	12	
	20012	365	90	30	35	21	33	3	1			12	4	1	1	
	20015	71	20	6	2	1	1									
5	20001	226	69	25	21	20	12	1				8	2	1		
	20002	634	197	69	57	56	92	5	1	1		208	41	11	8	
	20011	221	71	27	16	16	2					7	2			
	20017	634	185	75	51	39	41	2				35	7	3	1	
	20018	935	272	103	68	60	122	12	4	1	1	27	5	2	3	
6	20001	16	6	2	3	1	13					4				
	20002	404	97	41	31	35	91	9	1	1	2	16	5	1		
	20003	224	33	13	11	14	43	5	3		1	19	3	2		
	20024	49	16	6	5	11	13					13	3	2		
7	20032	1	1													
	20001	2	1	1												
	20002	236	81	34	25	15	12	2	1			31	6	2	3	
	20003	102	26	8	5	5	22				1	9				
	20016	1	1													
	20019	3064	921	357	273	190	114	9	4	1	1	443	65	24	29	
8	20020	585	155	59	35	32	9	1		1		59	25	8	2	
	20002	3	1	1		1										
	20003	17	9	6	1	3	11									
	20009	1														
	20020	1275	384	142	96	102	54	2	2		1	251	69	23	18	
	20023	1	1													
20032	993	373	129	86	72	69	1			2	241	72	14	8		
20332	1	1														

\*Note: inactive accounts in arrears are not included in the above and the accounts by customer class are as follows: Res. 410, Com. 160 and MF 111

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



## Payment Plan Incentive Program Extension

Attachment B

Presentation to Retail Water and Sewer Rates Committee, June 23, 2026  
Marcus McKenzie, Acting Director, Department of Customer Care

**District of Columbia Water and Sewer Authority**





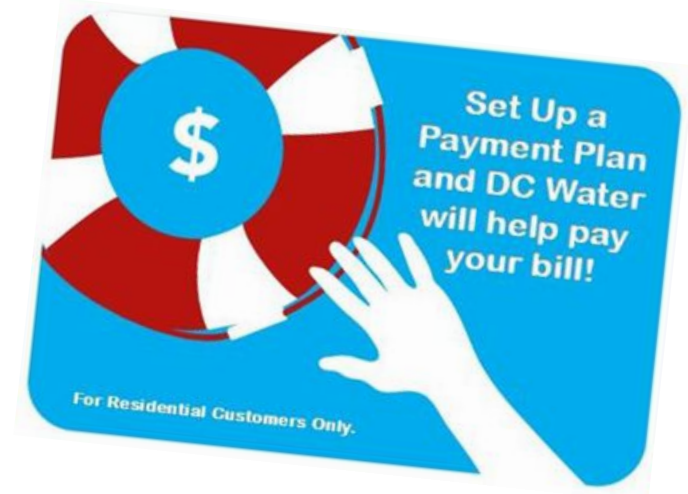
## Purpose

- Request the DC Retail Water and Sewer Rates Committee recommend to the Board for approval to :
  - Extend the Payment Plan Incentive Program through 9/30/2027
  - Fund FY 2027 at \$1,000,000 from the projected FY 2026 net cash position



## Overview

- The Payment Plan Incentive Program was launched on June 1, 2024, to assist residential customers with outstanding balances \$500 > and 60 day > aged delinquencies.
- The program offers a 50% credit on the amount paid to reduce delinquent balance faster.
- Credits are applied every fourth month after three consecutive months of on-time payments.
- The program budget was \$1M for FY26  
(Using the Rate Stabilization Fund)





## Benefits

- **Extends Benefits to Current / New Participants:** Customers who have established a payment plan through September 2026 will continue to be eligible to benefit from the program
- **Reduction in Disconnections:** Minimizes the need for service disconnections by incentivizing residential customers to adhere to their payment plans
- **Reconnection of Service:** Residential customers that were disconnected are now able to establish a payment plan to restore service and benefit from the Payment Plan Incentive Program
- **Back on Track:** Encourages consistent bill payments and offers equitable assistance to help all eligible residential customers manage their outstanding balances.



# Progress

## Payment Plan Incentive Program (YOY)

Adjustment Year	No. Accounts that Received Credits*	Adjustments
FY 2024	470	\$122,307
FY 2025	2,250	\$601,461
FY2026*	1,395	\$464,396

\*As of May 2026

## Residential Payment Plan Data

	Active Plans	Plans Created	Plans Defaulted
Oct-25	3,667	1,550	1,242
Nov-25	3,470	1,093	833
Dec-25	3,251	1,376	1,236
Jan-26	3,521	1,571	867
Feb-26	3,539	1,224	774
Mar-26	3,757	1,810	884
Apr-26	3,826	1,574	1,269
May-26	3,732	1,404	991

## FY 2026 Payment Plan Incentive Program

Adjustment Month	No. Accounts that Received Credits*	Adjustments
Oct-25	114	\$35,091
Nov-25	409	\$118,605
Dec-25	133	\$41,988
Jan-26	215	\$74,553
Feb-26	118	\$40,497
Mar-26	162	\$64,787
Apr-26	107	\$40,392
May-26	137	\$48,483
<b>FY26 Distribution</b>	<b>1,395</b>	<b>\$464,396</b>



## Funding Transfer

Payment Plan Incentive Program (YOY)					
Adjustment Year	No. Accounts that Received Credits*	Adjustments	Budget	Remaining Budget	% Spend
FY 2024	470	\$122,307	\$2,000,000	\$1,877,693	6%
FY 2025	2250	\$601,461	\$2,000,000	\$1,398,539	30%
FY 2026 (May)	1,395	\$464,396	\$1,000,000	\$535,604	46%

- The projected expenditure for FY26 is approximately \$725K.
- In FY27, we are requesting the program be funded out of Cash Surplus at \$1,000,000. We anticipate with increased outreach assistance (50% adjustment) and reminders; customers will maintain the plan to receive the benefit.



## Management Recommendations

Management requests that the Retail Rates Committee recommend Board approval to :

- Extend the Payment Plan Incentive Program through 9/30/2027
- Fund FY 2027 at \$1,000,000 from the projected FY 2026 net cash position



# Questions





## System Availability Fee Update

Presentation to Retail Water and Sewer Rates Committee, June 23, 2026

District of Columbia Water and Sewer Authority



Blue Plains Advanced Wastewater Treatment Plant



## Purpose

- Seek recommendation to Board to approve publication of Notice of Final Rulemaking (NOFR) for amendments to System Availability Fee regulations



# Timeline



Timeline (2026)	Activity
March 18	Cost-of-service update and proposed SAF amendments to the Retail Rates Committee
April 7	Board Approval of Notice of Proposed Rulemaking (NOPR) for SAF for comments
April 24	Publish NOPR for Amended SAFs in DC Register
April 24 – May 25	Public Comment Period
May 26	Virtual Stakeholder Briefing held with the Business Community
June 2	Virtual Stakeholder Briefing held with the District of Columbia Building Industry Association (DCBIA)
June 23	RRC Final Recommendation to approve Amended SAF
July 2	Board approval of Notice of Final Rulemaking (NOFR)
July 24	Publish NOFR for Amended SAFs in DC Register
October 1	SAF Go-Live



## Overview of System Availability Fees (SAFs)

- The System Availability Fee (SAF) is a one-time fee charged to new development and redevelopment to recover the cost of available water and sewer system capacity
- It applies when a project creates a new connection or increases demand on the system
- The fee supports capacity-related infrastructure across water supply and treatment, water storage and distribution, wastewater and stormwater conveyance, and wastewater treatment
- SAF revenues are applied to the capital program as Paygo, helping reduce debt service needs and supporting the principle that growth pays for growth rather than shifting those costs to existing retail customers.
- DC Water's SAF program was approved in 2016 and became effective in 2018, and the fee has not been updated since then
- In March 2026, an independent cost-of-service study was completed to update the SAF based on current system values and infrastructure needs
- The study was conducted by an independent consultant and benchmarked proposed fees against peer utilities



## Revenues from SAFs

- 💧 Revenues are used for capacity-related infrastructure improvements
  - Ensure new connections pay their fair share of costs
- 💧 SAF cost basis has increased over the past 10 years from \$6.1 billion in FY 2015 to \$8.4 billion in FY 2025
  - Driven by increases in CSO/sewage improvement cost, and Washington Aqueduct costs
- 💧 The updated fees are based on a review of the system's cost basis, including updated core asset values, planned capital investments
- 💧 DC Water currently collects approximately \$4 million per year (FY 2025) in SAFs with current fees
- 💧 With the proposed fee increase based on meter sizes, projected revenue collection will be approximately \$5.9 million per year at current growth levels

**SAFs are only charged for new construction projects that create new or increased demand on the system, with credits given for a meter change and discounts provided for affordable housing units**



## Proposed SAF Fees - Residential

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



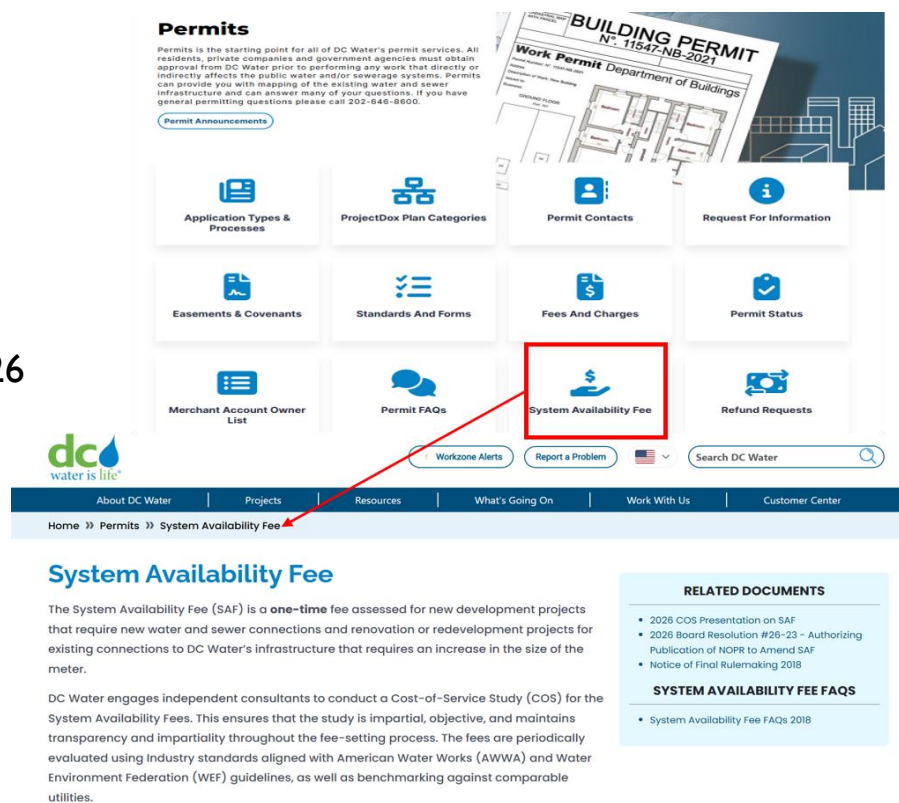
## Proposed SAF Fees - Non-Residential & Multifamily

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



# Public Outreach

- ▶ Revised the DC Water Permit website page to enhance transparency and improve ease of access to information
  - ✓ SAF page will display fees on the page like the Fees & Charges Page
  - ✓ SAF FAQ – including information on how to calculate fees, which projects require SAF, AHU requirements, etc.
  
- ▶ Presentation given to Business Community on May 26, 2026
  
- ▶ Presentation given to DCBIA on June 2, 2026
  
- ▶ Other communication media
  - ✓ Press Release
  - ✓ LinkedIn
  - ✓ Facebook
  - ✓ Twitter
  - ✓ Webpage announcement





# Comments Received

Comment	Response	Recommendation
<p>Projects submitted before October 1, 2026, should not be subject to the new SAF fees</p>	<p>Consistent with the Permit Fees implemented on October 1, 2025, SAFs are assessed when plan review is completed and fees are generated, not when plans are initially submitted</p>	<p>Apply the same transition policy used for Permit Fees</p>



## Recommendation

- Management requests Committee's recommendation to the Board to approve amendments to SAF Fee Schedule
  - Proposed SAF fees will be effective October 1, 2026 (FY 2027)



# Appendix



# SAF Key Points



## One-time fees assessed to new developments

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



## Based on core infrastructure value

Include existing + proposed core infrastructure value



## Based on a proportionate share of system costs

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



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

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



## SAFs for Larger Meter Sizes

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

## Attachment D

### DC Retail Water and Sewer Rates Committee

#### Action Items

1. Approval of Revised System Availability Fee Regulations in Notice of Final Rulemaking (Action Item 1)
2. Recommendation for Board to Extend the Payment Plan Incentive Program through 9/30/2027 (Action Item 2)

## ACTION ITEM 1

Approval of Revised System Availability Fee Regulations in Notice of Final Rulemaking

### **Management Recommendation:**

Approve the revisions to the System Availability Fee regulations in Notice of Final Rulemaking as provided in Attachment A.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (k) Projects that request AHU or Net AHU Credits shall submit one or more of the following documents:
- (1) Land Disposition Development Agreement;
  - (2) Zoning Commission Order;
  - (3) Planned Unit Development Covenant;
  - (4) Certificate of Inclusionary Zoning;
  - (5) Letter from the District financing agency that establishes the number of AHU in the property;
  - (6) A Letter from Department of Housing and Community Development (DHCD) indicating the aggregate principal amount of the loan and number of AHU in the property; or

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

**Rulemaking Schedule:**

- April 7, 2026 – Board Approved Publication of Proposed SAF for public comments
- April 24, 2026 – Published NOPR in *D.C. Register* to Amended SAF Regulations
- April 24 - May 25, 2026 – Outreach and Public Comment Period
- June 23, 2026 – DC Retail Water and Sewer Rates Committee Recommends Board to adopt and approve Amended SAF Regulations
- July 2, 2026 - Board Adopts and Approves Amended SAF Regulations
- July 24, 2026 – Publish NOFR in D.C. Register to Amended SAF Regulations
- October 1, 2026 – Amened SAF Go-Live

## ACTION ITEM 2

Recommendation for Board to Extend the Payment Plan Incentive Program through September 30, 2027.

DC Water requests to transfer \$1,000,000 from the Cash Surplus to the Authority General Fund in FY 2027 to fund the extension of "**Payment Plan Incentive Program**", to assist residential customers who are 60+ days past due and \$500 or more in arrears. DC Water proposes to apply 50% adjustment of the total payments toward the arrears balance until the program's end date. The program will be funded from the Cash Surplus to extend the Payment Plan Incentive Program through September 30, 2027.

The details of transfers from Cash Surplus for FY 2027 are listed below:

<b>Cash Surplus Transfer in FY 2027:</b>	
	\$22,084,546
FY 2026 Cash Surplus	
Cash Surplus Transfer to FY 2027 Authority	
General Fund	<u>\$1,000,000</u>
FY 2026 Cash Surplus Balance	\$ 21,084,546

**Attachment E****FY 2026 RRC Committee Workplan**

Objective/Activities/Task	Date of Activity	Completed	Responsible Department
<b>1. Establish Retail Rates, Fees &amp; Charges for FY 2027 &amp; FY 2028</b>	Date of Activity	Completed	Responsible Department
a. Present FY 27 & FY 28 Budget & Rates to Board	January 15, 2026	√	Rates & Revenue
b. Present FY 27 & FY 28 Proposed Rates, Fees & Charges to RRC	January 27, 2026	√	
c. Present Independent Review of Rates-by Consultants	February 23, 2026	√	
d. RRC recommendation on Proposed FY 27 & FY 28 Rates, Fees & Charges	February 23, 2026	√	Rates & Revenue
e. Board approves Notice of Proposed Rulemaking (NOPR) for Proposed FY 27 & FY 28 Rates, Fees & Charges	March 5, 2026	√	Board of Directors
f. Submit Independent Review of Proposed Rates and 2025 Cost of Service Study to Mayor and Council and post both on DC Water's website	March 17, 2026	√	Rates & Revenue
g. Publish NOPR in D.C. Register for Proposed FY 27 & FY 28 Rates, Fees & Charges & 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 E**

<b>1. Establish Retail Rates, Fees &amp; Charges for FY 2027 &amp; FY 2028</b>	Date of Activity	Completed	Responsible Department
<i>u. Amended Rates, Fees &amp; Charges Go-Live</i>	October 1, 2026 (FY '27) October 1, 2027 (FY '28)		Customer Care
<b>2. 2025 Cost of Service Study (COS) for Water, Sewer and CRIAC</b>			
<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
<b>3. 2026 Cost of Service Study to Amend System Availability Fee (SAF)</b>			
<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
<b>4. 2025 Cost of Service Study to Establish Miscellaneous Fees and Charges</b>			
<i>a. Present COS Update and Proposed Amendments to Miscellaneous Fees &amp; Charges for RRC Recommendation</i>	April 22, 2025	√	Rates & Revenue
<i>b. Board Approval of Notice of Proposed Rulemaking (NOPR) for Miscellaneous Fees &amp; 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 &amp; 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 &amp; Charges including Engineering and Permitting Fees Go-Live</i>	October 1, 2025	√	Rates & Revenue/ Customer Care
<b>5. Delinquent Accounts</b>			
<i>a. Soldiers Home Negotiations</i>	Monthly, as needed		DGLA



**Attachment F**

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

**Tuesday, July 28, 2026; 9:30 AM  
AGENDA**

<b>Call to Order</b>	Committee Chairman
<b>Monthly Updates</b>	Chief Financial Officer
<b>Committee Workplan</b>	Chief Financial Officer
<b>Agenda for September 22, 2026 Committee Meeting</b>	Committee Chairman
<b>Other Business</b>	Chief Financial Officer
<b>Adjournment</b>	

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