

Presented and Adopted: April 7, 2026
SUBJECT: Approval to Publish the Notice of Proposed Rulemaking to Amend the System Availability Fee (SAF)

#26-23
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting held on April 7, 2026 upon consideration of a non-joint use matter decided by a vote of six (6) in favor and none (0) opposed, to take the following action with respect to approval to publish the Notice of Proposed Rulemaking to Amend the System Availability Fee (SAF).

WHEREAS, on May 18, 2018, DC Water published a Notice of Final Rulemaking in the *D.C. Register* at 65 DCR 5674, effective June 1, 2018, to amend the System Availability Fee (SAF) regulations, revising the guidance document to determine the SAF meter size and add procedures to receive affordable housing unit credits; and

WHEREAS, on March 18, 2026, the DC Retail Water and Sewer Rates Committee met to consider the Cost of Service Update Study to amend the System Availability Fee (SAF) prepared by Rafetelis; and

WHEREAS, Raftelis presented the background, calculation approach, current and proposed amended SAF, and benchmarking data comparing the proposed amended SAF fees to the fees charged by 9 utilities in Maryland, North Carolina, and Virginia; and

WHEREAS, Raftelis reported the proposed SAF increase is approximately 47% for Residential projects of 3 or fewer dwelling units with meter size 1” or less, and approximately 48% for Residential projects with meter size greater than 1” and Multi-Family and Non-Residential projects, with a projected revenue of \$5.9 million at current growth levels, which are charged for new and redevelopment construction projects; and

WHEREAS, the CEO and General Manager recommended and requested the DC Retail Water and Sewer Rates Committee to recommend Board approval to publish the Notice of Proposed Rulemaking to receive public comments on the amended SAF; and

WHEREAS, on March 18, 2026, the DC Retail Water and Sewer Rates Committee after discussion of the amendments to the SAF, recommended the Board to approve the publication of the amended SAF for public comment and consideration.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby approves the publication of the proposed amendments to the SAF regulations.
2. The Board directs the General Manager to publish the Notice of Proposed Rulemaking to amend SAF regulations at 21 DCMR § 112.11 as provided in Attachment A to receive public comments, and to take all steps necessary in his judgment and as otherwise required, in the manner provided by the District of Columbia's Administrative Procedure Act.

This resolution shall be effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Attachment A – SAF Notice of Proposed Rulemaking

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

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

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

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

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 all 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

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

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

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

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

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

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

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

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

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

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

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

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

- (k) Projects that request AHU or Net AHU Credits shall submit one or more of the following documents:

- (1) Land Disposition Development Agreement;
- (2) Zoning Commission Order;
- (3) Planned Unit Development Covenant;
- (4) Certificate of Inclusionary Zoning;
- (5) Letter from the District financing agency that establishes the number of AHU in the property;
- (6) A Letter from Department of Housing and Community Development (DHCD) indicating the aggregate principal amount of the loan and number of AHU in the property; or

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