

## **Facts About** PERMITTING REVIEW FEES water is life® & CHARGES

## **BACKGROUND**

DC Water operations and capital improvements are covered primarily by ratepayers and bond issuances. Certain fees cover the costs of activities, services or equipment, such as permitting, connection or disconnection of service and late fees.

It is important to ensure these fees keep pace with their cost, and that the costs are borne by those who use the services, and not ratepayers in general. To identify the current costs, DC Water performs a Cost of Service study every few years. This study assesses the true cost of service and the level of fees in comparison to other regional partners.

In 2018, DC Water performed the latest Miscellaneous Fees and Charges Cost of Service Study, and worked with an outside consultant to help ensure that the proposed fees are reasonable and generally represent the cost of providing the service.

DC Water's Department of Permit Operations oversees the permitting process that all residential and commercial customers must complete when conducting construction work that affects the public water or sewage systems. Proper permitting ensures the development of DC Water's systems is in accordance with regulatory and operational standards. We also provide the public with information on infrastructure locations, mapping and as-built drawings.

For complex projects, the Department of Permit Operations and the Department of Engineering and Technical Services (DETS) will verify and confirm the capacity of the system to accommodate the project and evaluate the design's impacts on existing infrastructure. Extensive reviews consume many labor hours to ensure compliance. The current permit review fees were established in 2011, since then redevelopment in the District has been prolific. Sheer volume has risen dramatically as well as the need for inter-agency coordination. This has increased the cost of permitting services.

The new permitting review fee structure will better align with the actual services (reviews) requested. Most significantly, the fees are assessed on a per connection basis rather than a per project basis. We are adding additional miscellaneous fees to recover services not currently billed. The increased number of fees are designed to address all services that the DC Water Permit Operations Department and Engineering and Technical Service Department currently offer. For full details on the proposed fees, visit www.dcwater.com/fees.

