

MWPAAC Rates & Finance  
**Wastewater Treatment  
Division (WTD) Survey of  
Local Agency Rates**

King County Wastewater Treatment Division

October 5, 2023

# Introduction

- WTD embarked on a project to collect rate information from its 34 local sewer agencies
- This work informed the Financial Capability Assessment (FCA) and household affordability report that WTD submitted to EPA as part of its CSO consent decree negotiations (still confidential)
- WTD obtained rate schedules for drinking water, local sewer collection, and stormwater for 34 different agencies and calculating estimated average bills for the final ratepayer under different assumptions

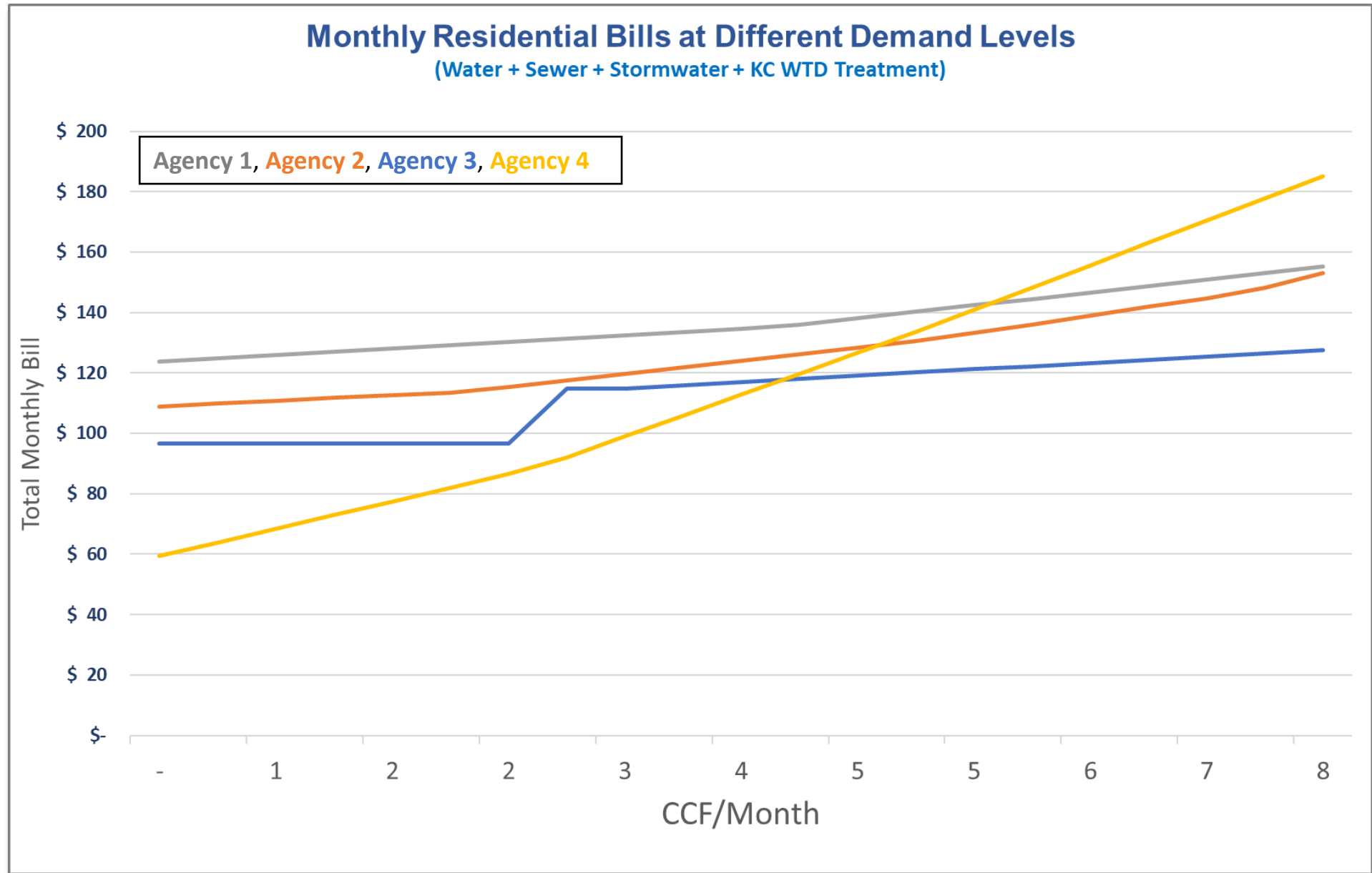
# “Average” bills in WTD service area: Sum of sewer bills weighted by each agency’s total customers

Single Family Residential	Monthly Bills (net of Utility Taxes) (non-monthly charges have been converted to monthly equivalent amounts)								Total Monthly Bills net of Utility Taxes	
	Retail Sewer		Stormwater		Water		KC WTD Charge		2023	2023 Increase
Local Sewer Agency (LSA)	2023	2023 Increase	2023	2023 Increase	2023	2023 Increase	2023	2023 Increase		
<b>Weighted Averages →→</b>	\$ 35	5.0%	\$ 22	6.4%	\$ 53	4.6%	\$ 52	5.8%	\$ 162	5.3%

*Understanding retail sewer and water bills allows WTD to calculate industry-standard affordability metrics such as the lowest quintile residential indicator and the hours worked at minimum wage*

- *Those metrics use benchmarks (e.g., 2%) that are based on either a full sewer bill to the customer or a “one water” bill that also includes drinking water*

# Example of Potential Sensitivity Analyses



# Challenges and Definitions

- Researching, documenting, and calculating 34 different bills is a lot of work! Potential for data errors or misinterpretations
- Single water usage assumption (600cf) for consistency and simplicity: accurate in aggregate but doesn't represent "average" customer for each individual agency
- Estimates exclude system development charges (SDCs), such as WTD's capacity charge
- Local utility taxes are excluded from preliminary results—inclusion depends on whether we want to compare agencies cost of service or rate payers' burden

# Next Steps

- Feedback please!
- Share results with MWPAAC to corroborate calculations and assumptions
- Use information as part of affordability analyses and potentially incorporate as part of regular sewer rate process reporting (Tech Memo)



## Q&A





**Wastewater Treatment Division  
Rates, Capital, & Debt Management**

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