

Update on Capacity Charge Studies

As our region's population grows and affordability becomes a bigger issue, people are looking for creative housing solutions. Options like micro-housing, small efficiency apartments, and backyard cottages are becoming more common.

King County levies a capacity charge on new connections to the sewer system. We are taking a close look at this fee in light of today's market and future trends in construction. Following this research, the Wastewater Treatment Division Director, King County Executive, and King County Council may make changes to the current capacity charge.

Two studies are underway:

- Low Income Customer Assistance for the Capacity Charge
- Capacity Charge Rate Design Review

The capacity charge helps pay for the system of pipes and wastewater treatment plants that the region has built and will build to serve our growing customer base.

Low-Income Customer Assistance Study

Currently, the Wastewater Treatment Division (WTD) can only give capacity charge discounts to a narrowly-defined type of low-income housing. We do not have flexibility to accommodate customers who fall outside of that category. WTD is interested in better serving low-income customers and improving housing affordability.

Affordability study goals

- Assist low-income customers most in need
- Increase flexibility for temporary hardships
- Align with the County's focus on encouraging affordable housing development

Affordability options

Some options under consideration would be easy to incorporate while others would require legislative change.

- Refer customers to existing services, like Washington 211, which can help people access a wide range of services
- Provide temporary payment plans and payment deferrals for income eligible customers
- Assist the development of covenanted affordable housing projects
- Support moving properties from septic systems to the sewer systems to better protect water quality and public health



Capacity Charge Rate Design Review Study

Another study is looking at how the capacity charge is allocated to different groups of customers. King County is working closely with representatives from local sewer agencies on this study.

Rate design goal

Our goal is to develop a basis for the charge that:

- Reflects the amount of wastewater each type of building sends to the sewer
- Is administratively workable

Features in buildings that reflect water use

When a new building hooks up to the sewer system, we cannot predict exactly how much wastewater its occupants will make. However we can make some predictions based on similar buildings. After analyzing data from developers, local sewer agencies, and others, the following features stand out as potential options for changing the basis of the charge:

- Add more unit types (i.e. Small, medium and large single family, multi-family, micro housing)
- Interior square footage
- Water meter capacity
- Number and type of plumbing fixtures

Currently, the capacity charge is based on type of unit (residential) or plumbing fixtures (commercial).

We considered other features like number of bedrooms and lot size, but the data do not show a strong connection between those features and likely wastewater volume.

Administrative issues

The basis for the capacity charge needs to be workable for King County, local sewer agencies, developers, and property owners.

Local sewer agencies provide the data that King County uses to bill for the new sewer connections. The team is working with them to understand how easy or difficult these options would be to administer and what changes may be required.

What's next?

King County will continue working with partners to study the data and develop recommendations. We expect to be ready to share our findings and engage with more interested parties in late 2018 or early 2019.

For more information, contact Erika Peterson, Community Services Lead, at 206-477-5525 or check the [Rate Structure Reviews web page](#).

<http://kingcounty.gov/services/environment/wastewater/capacity-charge/review-studies.aspx>