



# Update on capacity charge studies

## Capacity charge proposal coming together

The King County Wastewater Treatment Division (WTD) will propose changing how the capacity charge is allocated after a two-year Rate Design Study. The King County Executive and Council will consider the proposal in the coming months.

The goal of the Rate Design Study was to develop a basis for the capacity charge that

- reflects the approximate amount of wastewater each type of unit sends to the sewer and
- is administratively workable.

The capacity charge for new connections to the sewer system helps pay for pipes, treatment plants, and other wastewater facilities that serve a growing regional customer base.

The recommendation would change how the charge is applied to single family homes and confirm previous changes for accessory dwelling units like backyard cottages and basement apartments. The recommendation is designed to be revenue-neutral, meaning it does not increase the overall total amount the County collects through the charge.

## What's included in the recommendation?

The recommendation is based on [Option 2 described in our previous newsletter](#). Under the proposal, King County would update the basis for the capacity charge as demographics change. We would use data from the U.S. Census Bureau and other housing surveys to determine the average persons per household.

### Different charges for small, medium, large homes:

Currently, single family homes are the base unit for the capacity charge. Each single family house is considered one residential customer equivalent (RCE), regardless of the size of the home. Other types of dwelling units are charged a percentage of 1 RCE, for example 0.8 RCE for multi-family buildings with less than five units, or 0.64 RCE for multi-family buildings with five or more units.

U.S. Census data is available on the average persons per household in different sized single family homes. The recommendation is to use this data to make the capacity charge better reflect the the amount of wastewater a home is likely to send to the sewer.



In the future, the charge for single family homes could be based on home size:

- small (<1,500 sq. ft.) = .81 RCE
- medium (1,500-2,999 sq. ft.) = 1 RCE
- large (≥3,000 sq. ft.) = 1.16 RCE

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Under the recommendation, small homes would pay less for the capacity charge and large homes would pay more based on the average persons per household for small, medium and large homes. However, having three categories adds some administrative complexity.

#### Confirm interim classification for backyard cottages and other accessory dwelling units:

In June 2019, the King County Council established an interim rate classification of 0.6 RCE for attached and detached accessory dwelling units. The recommendation would confirm this classification.

The proposal does not recommend changes to the categories for other types of residential units or commercial structures. However, using persons per household data would result in small changes to RCEs assigned to these other categories.

#### Why do we need these changes?

The capacity charge was established in 1990 to help pay for the system of pipes, treatment plants, and other wastewater facilities that serve WTD's service area in urban King County and parts of Snohomish and Pierce counties. Most of the current percentages were established in 2001 and since then, the region has experienced significant growth and changes in residential building types—for example multi-unit, accessory dwelling units, or microhousing.

The rate structure is designed to distribute costs across customer categories and not overburden one group relative to another. This principle of equitable distribution is even more important now as the region faces challenges related to housing affordability. The proposed changes allow WTD to establish a rate structure that can be updated on a regular basis with publicly available survey data that reflects changes in housing trends in the service area.

#### We heard your feedback

Thank you for taking our online survey and providing feedback on the recommended changes for the capacity charge rate structure. We appreciate your time and a summary of comments will be shared with decision-makers. We also heard your questions and concerns about how these changes will be implemented and worked with local sewer agencies to address administrative issues. Should the resulting changes to King County Code establish the three categories for single family homes, WTD will perform the additional tasks necessary to verify the reported information using King County Assessor's data.

#### Next steps

WTD has been gathering feedback from local sewer agencies and other stakeholders on its recommendations to prepare legislation to be sent to the Executive and Council. Any proposed changes to the capacity charge rate structure would require a change to King County Code.

#### How to stay updated

For more information, contact Eunice Lee, King County Wastewater Division Community Services, at [elee@kingcounty.gov](mailto:elee@kingcounty.gov) or 206-263-1614, or visit the [capacity charge studies webpage](https://kingcounty.gov/services/environment/wastewater/capacity-charge/review-studies.aspx).  
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