



King County

Department of Natural Resources and Parks
Wastewater Treatment Division

King Street Center, KSC-NR-0500
201 South Jackson Street
Seattle, WA 98104-3855

Responses to questions asked at the Regional Water Quality Committee meeting on Dec. 3, 2008 regarding the Reclaimed Water Comprehensive Plan

1. *What is the level of expenditures King County will make for reclaimed water projects prior to looking at alternatives that could produce similar benefits to reclaimed water?*

A final Reclaimed Water Comprehensive Plan is anticipated to be complete by mid-2011. At that time we will be able to provide more specific plans for new facilities identified in the Plan and associated costs.

In the meantime, the following expenses are anticipated with the existing reclaimed water program and facilities.

Program/Project	2009	2010^b	2011^b
Studies/Research	\$100,000	\$100,000	\$100,000
Marketing, customer care, and permitting associated with South Segment of Brightwater Reclaimed Water Pipeline	\$150,000	\$200,000	\$200,000
Activities associated with the Carnation Treatment Plant reclaimed water permit (e.g. monitoring and wetlands maintenance requirements)	\$81,000	\$82,000	\$84,000
Construction of Brightwater Reclaimed Water Pipeline	\$7,680,000	\$3,700,000	\$550,000
South Plant operating on-site/off-site uses ^a	\$231,000	\$236,000	\$246,000
West Point operating on-site uses ^a	\$160,000	\$165,000	\$170,000

^a Costs are recovered through fees for offsite uses and by reducing potable water purchases for plant operations

^b Costs in 2010 and 2011 columns reflect preliminary numbers and may not reflect all program needs that are yet to be identified; expenditures for these years must be approved in the county's annual budget process

2. *Most people will want to know the price you will charge for reclaimed water before committing to using it. How can you identify uses before establishing the price?*

We agree that people want to know the price before they commit. However, we think that identifying uses and pricing go hand in hand. We need both to develop a complete program.

3. *How has reclaimed water pricing been determined for the existing contracts (Tukwila, Willows Run)?*

The pricing for the City of Tukwila's contract is 80 percent of the Seattle Public Utilities (SPU) wholesale potable rate. The city and King County agreed to 80 percent because it is considered to be a reclaimed water industry standard discount rate applied to potable water rates in other parts of the country. The pricing allows for the reclaimed water rate to increase as the potable water rate increases. The 80 percent rate has covered the operating and maintenance costs for Tukwila's reclaimed water uses.

Willows Run Golf Course has a staged rate starting with 50 percent of SPU's wholesale potable water rate from 2012-2019 and 80 percent of SPU's wholesale potable water rate after 2019. The first stage is considered a demonstration phase. There are provisions in the agreement with Willows Run that provide for reopening the pricing schedule.

A regional stakeholder process that occurred in 2000 as part of the Reclaimed Water Program developed pricing and financing recommendations, which were considered in the agreement negotiations.¹ These recommendations included using the SPU wholesale rate as the "regional benchmark" for a potable rate and using a discounted rate to promote the use of reclaimed water.

4. *Does the price fully recover the reclaimed water costs?*

The water serving Willows Run and the City of Tukwila comes from different sources. In the case of Tukwila, the rate has covered the cost for operations and maintenance of the reclaimed water filter plant at the South Treatment Plant for their portion of the reclaimed water produced.

Willows Run, which will be supplied from the south segment of the Brightwater Reclaimed Water System, will be paying a price commensurate with what previous analysis indicated will recover costs for their portion of the reclaimed water within the expected life of the facilities (approximately 40 years).

5. *If not, how does King County cover the remainder of the costs?*

If the revenues from reclaimed water sales do not cover the operating and capital costs of providing the reclaimed water, any remaining costs would be covered through current and future revenues of the wastewater utility. Our goal is to seek out enough customers using the reclaimed water so that it will pay for itself.

¹ King County. December 2000. Identification of Potential Satellite Projects for Direct Non-Potable Uses: Report of the Reclaimed Water Task Force.

6. *Does this mean King County is under-pricing reclaimed water?*

No. We are still in the early stages of developing a reclaimed water program and establishing pricing. Much more work will be done on financing and rates so that the policy issues can be fully debated.

7. *How long will it take King County to fully recover the capital costs of the Brightwater Backbone at this rate?*

The answer to this question relies on a number of assumptions, chief of which is the volume of water sold. According to earlier analysis, setting the reclaimed water price at approximately 80 percent of the potable water rate and selling the full amount available would cover the operating and capital costs within the expected life of the facilities (approximately 40 years).

8. *Is King County intending to compete with water supply utilities for customers by using wastewater rates to subsidize reclaimed water prices?*

No. King County prefers to be a wholesaler and work directly with the water purveyor that currently supplies water for the non-potable use. In other words, the water utility would be the retailer of the reclaimed water and would set the retail price for the reclaimed water. If a utility does not want to serve as a retailer, then King County will consider being a retailer of last resort to supply reclaimed water to a potential user.

9. *When you show maps of potential reclaimed water customers, have these potential customers been contacted regarding their interest in reclaimed water?*

Very few potential customers have been contacted, with the exception of farmers and businesses in the vicinity of the South Segment of the Brightwater Reclaimed Water Pipeline. We are in the initial stages of identifying potential uses for reclaimed water over the next 30 years. In some instances, individual water users have contacted us directly to inquire about the availability of reclaimed water from King County.

As we move forward in the Reclaimed Water Comprehensive Plan planning process and get closer to evaluating actual reclaimed water projects for development, contact with potential individual users and associated water purveyors will be made.

10. *What is the nature of the problem that King County is trying to solve with the Reclaimed Water Comprehensive Plan?*

The Reclaimed Water Comprehensive Plan will be designed to examine how reclaimed water can serve as a potential solution to existing and emerging needs. An analysis of the needs that could be addressed is being developed now and will be available in the spring.

11. What is the rationale for not including an evaluation of alternatives to reclaimed water that could produce similar benefits as reclaimed water in the Reclaimed Water Comprehensive Plan? How will you analyze and compare those alternatives to reclaimed water after completion of the Comprehensive Plan?

The Reclaimed Water Comprehensive Plan will help to answer questions about if, when, where, and how the county's existing reclaimed water program could be expanded to other parts of the region. The Plan will also identify potential alternatives to the production and use of reclaimed water that could provide similar benefits to reclaimed water. A second phase of analysis will be needed prior to implementing any specific reclaimed water projects identified in the Plan. Because the implementation schedule for reclaimed water projects is likely to occur over many years, a detailed water resources analysis completed as part of this plan would not accurately reflect conditions that would need to be considered at the time of implementation. This is similar to how we plan and implement upgrades in other elements of our system such as conveyance and infiltration and inflow reduction.

12. Will the Comprehensive Plan look at the West Leg of the Brightwater Reclaimed Water System?

Yes. Construction on the West Leg of the Brightwater Reclaimed Water System is limited to installing the reclaimed water pipeline. Pump stations and other equipment necessary to charge the line and bring reclaimed water to the surface are not being constructed or installed. The scope and timing of these additional investments will be evaluated as a part of the Reclaimed Water Comprehensive Plan.