Update on capacity charge studies

Capacity charge proposal moving forward

The King County Council is expected to consider proposed changes to the capacity charge rate structure in the coming months.

To follow the legislative process, visit the King Council Council's webpage for <u>Ordinance 2020-0102</u> establishing policy of average persons per household and <u>Ordinance 2020-0101</u> for implementation and revising customer classifications.

Capacity charge rate design review process

King County Wastewater Treatment Division (WTD) has proposed changes to the capacity charge rate structure. Our goal is for the capacity charge to reflect the amount of wastewater that each type of building is likely to send to the King County wastewater system. The capacity charge helps to pay for the system of pipes, treatment plants and other wastewater facilities that serve a growing regional customer base.

The proposal would create different capacity charges for small, medium and large single-family homes. The proposed package of legislation would establish the basis of the capacity charge as "average persons per household." The county would use data from the U.S. Census Bureau to determine the average persons per household in each size home.

For single family homes, the proposed legislation means that small homes would pay less for the capacity charge and large homes would pay more. Residential Customer Equivalent (RCE) assigned to single family homes would be based on size: small (<1,500 sq. ft. = 0.81 RCE), medium (1,500 – 2,999 sq. ft. = 1 RCE), and large (>3,000 sq. ft. = 1.16 RCE).

Using persons per household data would also result in small changes to RCEs assigned to multi-family units. The proposal would also confirm previous changes for accessory dwelling units, like backyard cottages and basement apartments, and set a 0.59 RCE for those units.



Figure 1. All new buildings that connect to the sewer system pay the capacity charge.

The proposal is designed to be revenue-neutral so that it does not increase the overall total amount that King County collects through the capacity charge.

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Next steps

The proposed changes to the capacity charge rate structure would require a change to King County Code. If approved by the King County Council, the capacity charge rate structure changes is anticipated to take effect on January 1, 2021, along with the previously approved 3 percent capacity charge rate increase for 2021.

Since the capacity charge program began in 1990, King County has experienced significant growth and change. Emerging trends include micro-housing, small efficiency dwelling units, accessory dwelling units, detached accessory dwelling units, group housing, adult care homes, and the installation of low-flow plumbing fixtures. This study was designed to evaluate the best approach for allocating the capacity charge in light of the wastewater demand for today's building types.

How to stay updated

For more information, contact Eunice Lee, King County Wastewater Community Services, at <u>elee@kingcounty.gov</u> 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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