INDUSTRIAL WASTE PROGRAM

Partnering with Industries to Prevent Pollution

Fall 2018

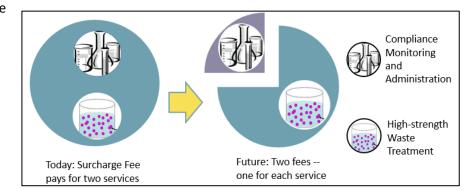
Updating Industrial Waste Fee Structure: Surcharge Customers

Businesses that send "high strength" or concentrated organic wastewater to the sewer system pay more because it costs more to treat this wastewater. KCIW's Surcharge Fee currently includes the costs for **both**

King County

treating concentrated "high-strength" waste at a treatment plant and the cost of compliance monitoring and administering the permit or authorization. Under a proposal to update Industrial Waste Fees, the current Surcharge Fee would be separated into two different fees:

- A Surcharge Fee for treating concentrated waste
- A separate Compliance Monitoring and Administration Fee.



Within the next two years, customers could begin to see two line items on their bills where they used to see just one. We are making this change to indicate more clearly the costs associated with the two types of fees that apply to surcharge facilities.

Two fees means more transparency, not necessarily higher costs

Creating separate fees for these two services will make it more clear what customers are paying for. It will also make it possible for KCIW to more accurately adjust each of these fees if costs change for treating the high strength waste or compliance monitoring and administration.

For example, KCIW is proposing a new fee structure for Compliance Monitoring and Administration based on the cost of providing service. <u>Separating the Compliance Monitoring and Administration</u> <u>Fee from the Surcharge Fee is part of the proposal</u>.

Stay tuned for an invitation to comment on the Public Rule for the new fee structure.

In some cases, separating the fees may lower the overall costs that would have been charged as a single fee. In all cases having separate fees will clarify what services facilities are paying for.

Surcharge Fee allocation increases unaffected by switch to two fees

Separating the cost of compliance monitoring and administration from the Surcharge Fee will not affect changes to the Surcharge Fee allocation (for treatment costs) that are already underway. We are currently in the middle of a four-year cycle to <u>update to the way Surcharge Fees are calculated</u>. KCIW is phasing in new Surcharge Fees based on an updated cost allocation that reflects current treatment systems and recent data. To limit impacts to businesses, KCIW decided to take four years to roll out increases that resulted from the allocation change. In 2019, we will be in year three of a four-year process to increase the surcharge fee allocation.

Updating Industrial Waste Fee Structure: Surcharge Customers

Within the next year, surcharge customers could begin to see both:

- Increases in their Surcharge Fee based on the four-year allocation adjustment.
- A separate charge for Compliance Monitoring and Administration.

If you have comments about the fee structure, please contact Mark Henley Program Manager, at 206-263-6994 or <u>MHenley@kingcounty.gov</u>.