WASTEWATER DISCHARGE PERMIT FEE PROGRAM
Residential Equivalent (RE) Calculation Form for Municipal/Domestic Facilities that Sell Sewer Services to Other Municipalities
Form 2
For Fiscal Year 2017
(July 1, 2016 – June 30, 2017)

Section 1. Identifying Information

Facility Name:	Permit No:
Facility Name:	Permit No:
Facility Name:	Permit No:
Facility Name:	Permit No:

Section 2. Billing Information

Contact Name and Address:	Phone Number:
	Alt Phone Number:
	FAX Number:
	Email:

Section 3. Calculation of Number of Residential Equivalents Served

Calculation of the number of residential equivalents that the facility serves in its own service area	
3A. Gross revenue from user charges for sewer services for **all** classes (including commercial gross revenue) of customers in **calendar year 2015**.	_____
3B. Amounts received from other municipalities for sewage collection interception, treatment, or disposal in **calendar year 2015**.	_____
3C. User charges for sewer services received from customers for whom the permit holder paid amounts to other municipalities for sewage treatment or disposal services in **calendar year 2015**.	_____
3D. Line 3A minus lines 3B and 3C.	_____

Calculation of annual user charge for a single-family residence

3E. Annual user charge for a single-family residence.	_____
OR	
3F. Gross revenue from user charges for sewer services for single-family residences in **calendar year 2015**.	_____
3G. Number of single-family residences served on **December 31, 2015**.	_____
3H. Average annual user charge for a single-family residence (line 3F divided by line 3G).	_____
3I. Number of residential equivalents (line 3D divided by line 3E **or** line 3D divided by line 3H).	_____
3J. Enter the number from line 3I on line 5A in Section 5.	_____

Section 4. Calculation of the Number of Residential Equivalents the Facility Serves in Other Municipalities

4A.	Number of single-family residences the facility serves in other municipalities (from Wholesaling Worksheet).	
	➢	
	➢	
	➢	
	➢	
4B.	Total number of residential equivalents the facility serves in other municipalities (sum of all entries in 4A).	_____
4C.	Enter the number from line 4B on line 5B in Section 5.	

Section 5. Calculation of Total Number of Residential Equivalents

5A.	Number of residential equivalents the facility serves in its own service area (from line 3I).	_____
5B.	Number of residential equivalents the facility serves in other municipalities (from line 4B).	_____
5C.	Total number of residential equivalents (line 5A plus line 5B).	_____
5D.	Enter the number from line 5C on line 6A in Section 6.	

Section 6. Total Residential Equivalents

6A.	Number of residential equivalents from line 5C in Section 5.	_____
	This number will be used to calculate your permit fee for fiscal year 2017	

Section 7: Certification of Information

I hereby certify with my signature that all information contained in this form and in supporting documents is true and correct. I understand that any omissions or misrepresentations will result in revision of both current and previously granted fee determinations.

_____ _____

Signature Date

<u>Note</u>: A copy of your complete sewer rate schedule for all classes of customers must be submitted with this form.

Please submit completed form to:

Alex Tran
Department of Ecology
Water Quality Program
PO Box 47600
Olympia, WA 98504-7600

You can fax the form to 360.407.7151 or email to wqfee_unit@ecy.wa.gov.

Instructions for Completing the Residential Equivalent (RE) Calculation Form for Municipal/Domestic Facilities that Sell Sewer Services to Other Municipalities Form 2

Introduction

Initiative 97, now codified as RCW 90.48.465, was approved by voters during the November 1988 general election. Initiative 97, which first went into effect on March 1, 1989, requires the Department of Ecology to fund its administration of the wastewater discharge permit program through annual fees.

Criteria for using form 2

Form 2 is to be used only by facilities that receive income from other municipalities for sewage collection, interception, treatment, or disposal.

A municipality is a city, town, county, district, association, or other public body created by or pursuant to state law.

Permit fees for privately owned domestic wastewater facilities that **primarily serve residential customers** will be calculated the same as a municipality. A residential customer is one whose house or building is primarily used for domestic dwelling purposes.

Holders of more than one permit

If the permit holder has more than one permit and treats each wastewater treatment facility as a separate accounting entity (that is, maintains separate revenue and expenditure accounts for each facility), the permit holder **must fill out one form for each facility**. Each facility's fee will be calculated separately.

If the permit holder has more than one permit and does **not** treat each facility as a separate accounting entity, it can fill out only one form. The facilities will be considered together as one entity. The form will calculate **one** fee for all of the facilities.

Section 1. Identifying Information

If you have more than one permit and **do not** treat each facility as a separate accounting entity, fill in the names and permit numbers of all your facilities. If you have more than one permit and **treat each facility as a separate accounting entity**, fill in the name and permit number of only one facility per form. The contact person should be the person responsible for completing the form.

Section 2. Billing Information

Contact person who is responsible for billing and will receive billing information.

Section 3. Calculation of the Number of Residential Equivalents that the Facility Serves in its own Service Area

The number of residential equivalents that the facility serves in its own service area is calculated by dividing **calendar year 2015's** gross receipts from monthly/bimonthly user charges for sewer services by the annual user charge for a single-family residence.

Residential equivalent. A single-family residence or a unit of sewer service that yields an amount of gross revenue equal to the annual user charge for a single-family residence.

For example, if a single-family residence is charged $125.00 per year and a particular commercial/industrial user is charged $500.00 per year, the single-family residence is one residential equivalent and the commercial/industrial user is four residential equivalents ($500.00 divided by $125.00 equals 4).

Line 3A. Enter your facility's gross revenue for **calendar year 2015**. If the permit holder has more than one permit and does not treat each facility as a separate accounting entity, the gross revenue is the gross revenue of **all** the facilities.

Gross revenue is gross receipts from monthly, bimonthly, and/or quarterly user charges for sewer services. Sewer services are the collection, interception, treatment, or disposal of sewage. Gross revenue includes user charges received from all classes of customers, whether they be residential, commercial, industrial, governmental, or any other type.

Gross revenue also includes, in addition to the above charges:

- All user charges and fees based on wastewater constituents' strengths and characteristics. Included among such charges and fees are high-strength surcharges and charges based on biochemical oxygen demand, suspended solids, oil and grease, toxicants, heavy metals, flow, etc.

- Charges for receipt and treatment of septic tank wastes, holding tank wastes, chemical toilet wastes, etc.

- Amounts received from other municipalities for sewage collection, interception, treatment, or disposal.

Gross revenue **does not** include:

- Taxes levied directly for the support or maintenance of sewer services.

- Late charges, penalties for non-timely payment by customers, interest on late payments, and all other penalties and fines.

- Permit fees and compliance monitoring fees for wastewater discharge permits issued by municipalities with local pretreatment programs.

- Special assessments, charges in lieu of assessments, and interest and penalties on these charges.

- Connection charges.

- Revenues from sales of by-products such as sludge, processed wastewater, etc.

To be included in gross revenue, user charges must be related to the facility that holds the discharge permit. For example, a county may operate a sewage collection system for which it contracts with a city to treat the sewage. The county may also operate a completely separate sewage collection system and treatment plant.

When calculating its gross revenue, the county should include only revenue from the population tributary to its own treatment plant.

The charges that the county receives from customers in the area served by the city-owned treatment plant are unrelated to the county's sewage treatment plant. These charges should not be included in its gross revenue.

Line 3B. Enter any amounts received in **calendar year 2015** from other municipalities for sewage collection, interception, treatment, or disposal.

Line 3C. Enter any user charges received in **calendar year 2015** from customers for whom the permit holder pays amounts to other municipalities for sewage treatment or disposal.

For instance, if you contract with another municipality to treat the sewage of some of your customers, the total amount of those user charges should be entered here.

Line 3D. Subtract line 3B and line 3C from line 3A.

Lines 3E, 3F, 3G, and 3H. The annual user charge for a single-family residence is calculated by either of the following two methods, at the choice of the permit holder. If the permit holder believes that the average water usage of its customers is significantly different from 900 cubic feet per month (6,731 gallons), it can use method 2 in order to account for this difference.

Method 2 should also be used by the permit holders with sewer charges that differ according to location in order to calculate their number of residential equivalents more accurately.

<u>Method 1</u>

Line 3E. Enter the **2015** annual sewer user charge for a single-family residence using 900 cubic feet of water (6,731 gallons) per month.

If users are billed monthly, the annual user charge is calculated by multiplying by twelve (12) the monthly user charge for a single-family residence using 900 cubic feet of water per month. If users are billed bimonthly, the annual user charge is calculated by multiplying by six (6) the bimonthly user charge for a single-family residence using 1,800 cubic feet of water (13,462 gallons) per two-month period.
If the user charge for a single-family residence varies, depending on age, income, location, etc., then the charge used in these calculations must be that which applies to the largest number of single-family residential customers.

Many towns have flat rate monthly user charges. These charges do not depend on water usage. In this case, the annual user charge is 12 times the flat rate. For instance, if the flat rate is $7.50 per month, the annual user charge is $90.00 (12 x $7.50)

Some towns charge their customers a base rate for the first several hundred cubic feet of water, plus an additional charge for each additional 100 cubic feet of water. For instance, if a town charges a base rate of $6.00 per month for the first 500 cubic feet of water and $.75 for each 100 cubic feet of water over 500, the monthly user charge for a customer using 900 cubic feet of water is $9.00 ($6.00 plus 4 x $.75). The annual user charge is $108.00 (12 x $9.00).

Lines 3F, 3G, and 3H. Do not make any entries on these lines.

Method 2

Line 3E. Do not make an entry this line.

Line 3F. Enter gross revenue for **calendar year 2015** from provision of sewer services to single-family residences. For definition of gross revenue page 2 of these instructions.

If the user charge for a single-family residence varies, depending on age, income location, etc., the gross revenue must be that from all the single-family residential customers.

Line 3G. Enter the number of single-family residences served on **December 31, 2015**.

If the user charge for a single-family residence varies, depending on age, income, location, etc., the number of single-family residences must be that of all the single-family residential customers.

Line 3H. Divide line 3F by line 3G.

Whether the permit holder uses method 1 or method 2, it must submit with its fee calculation form a copy of its complete sewer rate schedule for all customers.
Line 3I. Divide line 3D by line 3E **or** line 3H. This is the number of residential equivalents that the facility serves in its own service area.

Line 3J. Enter the number from line 3I on line 5A in Section 5.

Section 4. Calculation of the Number of Residential Equivalents that the Facility Serves in Other Municipalities.

This section explains how to calculate the number of residential equivalents that your facility serves in which you sell sewer collection, interception, treatment, or disposal services.

If you have more than one permit and do not treat each facility as a separate accounting entity, you must calculate the number of residential equivalents located in other municipalities that are served by **all** your facilities.

Line 4A. Enter the number of residential equivalents that the facility serves in the municipalities to which it wholesales sewer services.

Follow the Wholesaling Worksheet accompanying these instructions to determine the number of residential equivalents.

Permit holders will be sent an invoice showing the fee amount due to the Department.

Copies of all wholesaling worksheets must be submitted with form 2.

Line 4B. Add all the numbers listed and enter on this line.

Line 4C. Enter the number from line 4B on line 5B in Section 5.

Section 5. Calculation of Total Number of Residential Equivalents.

In this section the total number of residential equivalents served by your facility is calculated.

Line 5A. This line should already have been filled in by following the instructions in Section 3. If this line has not already been filled in, see the instructions for line 3I in Section 3.

Line 5B. This line should already have been filled in by following the instructions in Section 4. If this line has not already been filled in, see the instructions for line 4B in Section 4.

Line 5C. Add lines 5A and 5B.

Line 5D. Enter the number from line 5C on line 6A in Section 6.

Section 6. Total Residential Equivalents

Line 6A. This line should already have been filled in by following the instructions in Section 5. This is the final total of all residential equivalents. If this line has not already been filled in, see the instructions for line 5C in Section 5.

Section 7. Signature

The form must be signed and dated by either a ranking elected official or a principal executive officer.

The Department may verify the information contained in the Residential Equivalent Calculation Form. If it determines that the permit holder has made false statements in its form, it will revise both current and previously granted fee determinations.

Please submit completed residential equivalent form **and** a copy of your current sewer rate schedule to:

Alex Tran

Department of Ecology
Water Quality Program
PO Box 47600
Olympia, WA 98504-7600

If you have any questions or need assistance filling out your fee calculation form, please call Alex Tran at 360.407.7330 or email at alex.tran@ecy.wa.gov.

You can fax (360.407.7151) or email the forms.