

Seattle Public Utilities

Please see the attached comment letter.



July 7, 2023

Sean Wilson, PE
NPDES Permit Manager
Water Quality Program
Washington State Department of Ecology
Northwest Regional Office
PO Box 330316
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RE: Seattle Public Utilities' Comments on the King County Wastewater Treatment Division West Point Treatment Plant and Combined Sewer Overflow System Draft NPDES Permit No. WA0029181

Thank you for the opportunity to comment on King County's Wastewater Treatment Division (WTD) West Point Treatment Plant and Combined Sewer Overflow System Draft NPDES Permit. Seattle Public Utilities (SPU) has reviewed the Draft NPDES Permit for WTD's West Point Treatment Plant, as well as the blog post, public hearing presentation slides, and fact sheet. We appreciate the detailed materials and understand the Department of Ecology's (Ecology) role in setting requirements. SPU would like to highlight three key issues for Ecology's consideration when finalizing WTD's permit: financial affordability, timing of investments, and source control.

SPU manages the City of Seattle's collection systems that convey wastewater to King County's regional system for treatment. Our customers trust SPU to wisely invest their rates in the management and improvement of the system to protect public health, safety, and environment. WTD's performance protecting water quality and financial condition are of great interest and impact to SPU. SPU and WTD's wastewater services, financial health, and rate affordability are inextricably linked.

Over the next decade, WTD anticipates spending \$7 billion on capital projects to comply with existing regulations, replace a backlog of aging assets, and expand system capacity for our growing region. WTD estimates that residential sewer rates will double over the next 10 years, not including the added costs of new regulations and permit requirements. Approximately 57% of the sewer rates collected by SPU go directly to WTD. While SPU agrees with the need for these expenditures, we are concerned that the low to moderate-income households we serve will struggle to keep up with steeply rising sewer bills.

According to a wastewater fee study by Puget Sound Institute¹, it found that residents earning the median household income mostly did not experience affordability concerns. In 2021, the median household income in Seattle was \$110,781, but over a quarter of Seattle households earn less than \$50,000. The Puget Sound Institute study found that "sewer bills take up a surprisingly large portion of

¹ Burke et al., (2023). *Puget Sound Wastewater Service Affordability Analysis: Implications for Implementation Strategies*. May 17, 2023. https://www.pugetsoundinstitute.org/wp-content/uploads/2023/05/Burke_et_al_2023_Wastewater_Affordability_Critical_Analysis_Summary_Report_05.017.23.pdf

household budgets for about 20% of the households in the region,” and that “already financially stretched ratepayers may have difficulty paying their bills if projected utility rate increases go into place. Based on estimates from the Washington State Department of Ecology, costs for lower income households could jump to an average of between 5.4% and 6.5% of total household income”, “with half of households paying more than 2% of their income on sewer bills.” According to the Washington Administrative Code, sewer fees are considered a “severe hardship” when levels are above 5%.

WTD’s projected residential sewer rate increase over the next 10 years will therefore impact a significant number of Seattle households. Another concern is that WTD’s accelerated spending on regional infrastructure and corresponding significantly increase in staffing levels will “crowd out” SPU’s ability to raise rates in order to spend on constructing and maintaining the City’s sewer infrastructure, which also has backlog of aging sewer assets.

SPU is concerned that the compressed timeline of the facility improvements required for Permit compliance will exacerbate the pattern of costly projects stacking up in a short period of time. Project delivery, which is already difficult in this tight labor market, will become more difficult as the list of near-term requirements gets longer. This may also force WTD to delay critical asset management and capacity-expansion projects. Such delays also increase the risk of infrastructure failures and capacity related overflows in Seattle.

To mitigate this risk, SPU is requesting that the Department of Ecology consider an adjusted timeline of required compliance for planning and construction of facility improvements needed to meet the revised TSS requirements, as well as focusing on the most significant sources of PFAS. We believe that this approach would be a prudent balance of the benefits and costs of compliance in this challenging time.

The City is committed to keeping sources of pollution out of waterways through SPU’s source control program. SPU therefore supports the expanded requirements for pollution prevention activities in the Nine Minimum Controls (NMC #7) for the CSO system and believes King County plays an important role in source control. Some examples of opportunities for source control program components include desktop investigations, developing a source control inventory list, classifying pollution generating activities, and assessing buildings for PCBs. These opportunities can be implemented while a more holistic program is being developed. As currently written, the draft permit language appears to require immediate implementation of a pollution prevention program. SPU therefore recommends adding language to allow time for development of an expanded CSO pollution prevention program.

SPU acknowledges the competing needs and demands for staff and financial resources and the work to identify the most cost effective, timely, and least impactful way of achieving the collective water quality improvement goals that we all share. As such, it is imperative to assess the impact of compliance programs on community members with lower income levels to help ensure that rates are affordable, and our most vulnerable customers can pay their utility bills while enjoying water quality benefits.

SPU is committed to working within our regulatory framework to advance work that provides the highest value to our communities for each water quality dollar invested. We appreciate the opportunity to comment on this important draft permit renewal and we look forward to more opportunities to increase collaboration between our member agencies, WTD, and the Department of Ecology.

Sincerely,



Ellen Stewart
Deputy Director
Drainage and Wastewater Line of Business

Cc: Theresa Wagner, Seattle Attorney's Office
Andrew Lee, Seattle Public Utilities
Ben Marré, Seattle Public Utilities
Melissa Ivancevich, Seattle Public Utilities