

## **2021 SEPARATE CHARGES UPDATE**

## **Frequently Asked Questions**

#### 1. Q. What are separate charges?

A. Seattle Public Utilities sets charges for specific services the utility performs for individual customers. For example, there are charges for SPU crews to install new water services ("taps") and connect a new water main to the water system.

### 2. Q. Why are the charges being updated?

 A. The current charges do not reflect the actual costs for SPU to provide these services in 2021. Updating the charges to actual costs ensures SPU ratepayers are not subsidizing these services.

### 3. Q. Which charges are being updated?

A. SPU plans to update the following charges:

- New water services ("taps")
- Water connection charge
- Water service retirements
- Water main improvements
- Hydrant services

A complete list of the current charges and the proposed 2021 charges amounts is available at: www.seattle.gov/utilities/about/policies.

The charges not updated in 2021 will be revised as part of future charge updates.

### 4. Q. When will the updated charges go into effect?

**A.** July 1, 2021, pending the adoption of a director's rule.

# 5. Q. When can I provide comments on the proposed charges?

A. A notice soliciting public comment will be published in the Daily Journal of Commerce on April 29, 2021. The public comment period will end on May 20, 2021. Comments can be sent to Julie Vorhes, Separate Charges Project Manager, at Julie.Vorhes@seattle.gov.

### 6. Q. How are separate charges set?

A. Each charge is based on the actual cost for SPU to provide the service. In developing each charge, SPU reviews the current business process and identifies the specific costs required to provide the service, including labor, equipment, materials, overhead, and taxes.

### 7. Q. How will the 2021 charges be applied to active projects? For example, will the 2021 charges apply to invoices that were issued before the July 1, 2021 effective date but have not been paid?

A. If the director's rule is adopted, any invoice issued on or after the July 1, 2021 effective date will be based on the updated charges. Invoices issued prior to the effective date will remain unchanged unless the invoice is revised or reissued after the proposed effective date.

# 8. Q. How can I learn more about the 2021 updates to separate charges?

- **A.** There are a few ways to learn more about the proposed 2021 charge updates:
  - Visit <u>www.seattle.gov/utilities/construction-</u> resources#developmentservicesofficedsonew <u>sandcontacts</u>.
  - Contact Julie Vorhes, Separate Charges Project Manager, at Julie.Vorhes@seattle.gov.

### 9. Q. Will the charges change in the future?

**A.** Charges will be reviewed and updated on a recurring schedule.