

State Board Prepares for Recycled Water Fees

As a result of a State Fiscal Year 2023-24 budget change proposal and associated budget trailer bill to implement the Governor's Water Supply Strategy, the State Water Resources Control Board (State Board) now has authority to assess fees for recycled water permits.

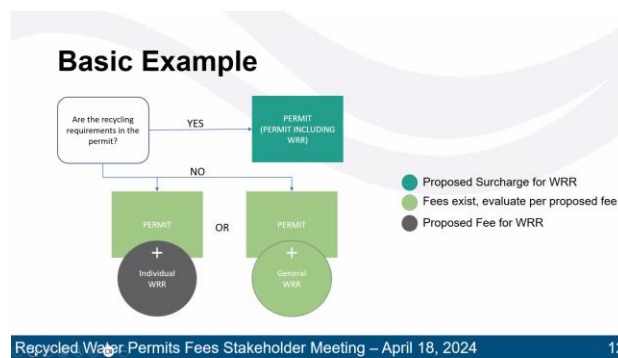
The State Board is starting to put together options for what the recycled water fees could look like and are seeking input on a proposed recycled water permit fee structure. On April 18 the State Board's Division of Administrative Services (Fee Branch) held a [Recycled Water Permits Fees Stakeholder Meeting](#). WateReuse California was in attendance advocating to ensure the options being considered do not create overcharging or duplicative fees. Fee Branch staff outlined three options for consideration; see their presentation [here](#).

WateReuse California has requested an additional stakeholder meeting in addition to the next May 22 meeting; we hope that will occur in June.

Here are some details on the impacted permit types.

Impacted permit types:

The fee would be assessed for water recycling requirement written for National Pollutant Discharge Elimination System (NPDES) permits, Waste Discharge Requirements (WDRs), and/or Water Recycling Requirements (WRRs). In the below example, fees would be assessed on the permits in the teal box, and may be assessed on the permits in the light green boxes.



Timing

May 2: comments due to Fee Branch

May 22: Second Recycled Water Permits (RWP) Stakeholder Meeting

June: Potential Third RWP Stakeholder Meeting

June 13: Second Water Quality Fees Stakeholder Meeting

August 1: Third and final Water Quality Fees Stakeholder Meeting

September: State Board Meeting to adopt Fiscal Year 2024-25 Fee Schedule Proposal

Options

Option A: Flat Surcharge for All Types of Recycled Water Produced

The fee would be based on the type of recycled water produced. Fee would be assessed for water recycling requirements written in National Pollutant Discharge Elimination System (NPDES) permits, Waste Discharge Requirements (WDRs), and/or Water Recycling Requirements (WRRs).

Option A: Example Fees

Fee based on the type of recycled water produced.

Recycled Water Produced	FY 23-24 Current Permit Fee	Proposed Surcharge Rate	Proposed Surcharge Amount	FY 24-25 Proposed Total Fee
Non-potable (Discharger A)	\$904,107	16%	\$144,657	\$1,048,764
Non-potable	\$134,345	16%	\$21,495	\$155,840
Non-potable (Discharger B)	\$1,873	16%	\$300	\$2,173
Potable	\$645,876	47%	\$303,562	\$949,438
Potable (Discharger C)	\$112,167	47%	\$52,718	\$164,885
Potable (Discharger D)	\$48,762	47%	\$22,918	\$71,680

Option B: Surcharge by Flow

Fee would be based on permitted design flow for facility. Fee would be assessed for recycling requirements written in National Pollutant Discharge Elimination System (NPDES) permits, Waste Discharge Requirements (WDRs), and/or Water Recycling Requirements (WRRs).

Option B: Example Fees

Fee based on permitted design flow for facility.

Flow	FY 23-24 Current Permit Fee	Proposed Surcharge Rate	Proposed Surcharge Amount	FY 24-25 Proposed Total Fee
Less than 1 MGD Design Flow	\$44,554	12%	\$5,346	\$49,900
Less than 1 MGD Design Flow	\$20,085	12%	\$2,410	\$22,495
Less than 1 MGD Design Flow (Discharger B)	\$1,873	12%	\$225	\$2,098
1 MGD to 50 MGD Design Flow	\$260,173	17%	\$44,229	\$304,402
1 MGD to 50 MGD Design Flow (Discharger C)	\$112,167	17%	\$19,068	\$131,235
1 MGD to 50 MGD Design Flow	\$3,746	17%	\$637	\$4,383
Greater than 50 MGD Design Flow (Discharger A)	\$904,107	22%	\$198,904	\$1,103,011
Greater than 50 MGD Design Flow	\$343,865	22%	\$75,650	\$419,515
Greater than 50 MGD Design Flow (Discharger D)	\$48,762	22%	\$10,728	\$59,490

Option C: Surcharge by Type of Recycled Water Produced and Flow

Fee would be based on type of recycled water produced and permitted design flow. Fee would be assessed for recycling requirements written in National Pollutant Discharge Elimination System

(NPDES) permits, Waste Discharge Requirements (WDRs), and/or Water Recycling Requirements (WRRs).

Option C: Example Fees

Fee based on type of recycled water produced and permitted design flow.

	FY 23-24 Current Permit Fee	Proposed Surcharge Rate	Proposed Surcharge Amount	FY 24-25 Proposed Total Fee
Non-Potable				
Less than 1 MGD Design Flow	\$44,554	8%	\$3,564	\$48,118
Less than 1 MGD Design Flow	\$20,085	8%	\$1,607	\$21,692
Less than 1 MGD Design Flow (<i>Discharger B</i>)	\$1,873	8%	\$150	\$2,023
1 MGD to 50 MGD Design Flow	\$260,173	12%	\$31,221	\$291,394
1 MGD to 50 MGD Design Flow	\$134,345	12%	\$16,121	\$150,466
1 MGD to 50 MGD Design Flow	\$3,746	12%	\$450	\$4,196
Greater than 50 MGD Design Flow (<i>Discharger A</i>)	\$904,107	22%	\$198,904	\$1,103,011
Greater than 50 MGD Design Flow	\$343,865	22%	\$75,650	\$419,515
Greater than 50 MGD Design Flow	\$166,821	22%	\$36,701	\$203,522

Option C: Example Fees (cont'd)

Fee based on type of recycled water produced and permitted design flow.

	FY 23-24 Current Permit Fee	Proposed Surcharge Rate	Proposed Surcharge Amount	FY 24-25 Proposed Total Fee
Potable				
Less than 1 MGD Design Flow	\$0	24%	\$0	\$0
1 MGD to 50 MGD Design Flow (<i>Discharger C</i>)	\$112,167	36%	\$40,380.12	\$152,547.12
Greater than 50 MGD Design Flow (<i>Discharger D</i>)	\$48,762	66%	\$32,182.92	\$80,944.92
Greater than 50 MGD Design Flow	\$645,876	66%	\$426,278.16	\$1,072,154.16

For more information, please email Rosario Cortés, WaterReuse California Manager of Regulatory Affairs at RCortes@watereuse.org.