

Focus on: Water Quality Reduced Rate Fees

Water quality permit fees

Water quality discharge permits are the state's primary tool to prevent water pollution. The permits set conditions to prevent discharges from harming lakes, rivers, streams, and marine waters.

Ecology is required under RCW 90.48.465 to establish by rule annual fees to recover the cost of administering the wastewater and stormwater permit programs. Ecology recovers most of its permit program costs by charging fees to permit holders.

Rulemaking process

Ecology updates the Water Quality Permit Fees with a rulemaking every two years. Ecology is accepting public comment on the proposed changes from March 27, 2025, 12 a.m. to May 20, 2025, 11:59 p.m.

See the "Provide feedback" section to stay involved in this rulemaking. After reviewing all feedback, Ecology will consider whether any changes need to be made before adopting an updated fee schedule.

Understanding the inactive rate for water quality permit fees

Ecology's "inactive rate" for Water Quality permit fees was added to the fee schedule (Chapter 173-224 WAC) in 1992. The inactive rate provides permit holders with a fee reduction opportunity when the circumstances of their site change and staff time needed to manage the permit is similarly reduced. Having a site with a non-operational facility or an inactive permit status doesn't always result in reduced staff time and program cost.

No changes have been made to the inactive rate since it was established in 1992. Currently, the inactive rate does not adequately explain who is eligible for this rate, and it does not allow Ecology to recover costs connected to inactive facilities. Additionally, the rule does not identify the criteria and scope of discretion Ecology may use when reviewing an inactive rate request.

In recent years, managing some permits with inactive status has consistently cost more than 25% of the annual fee, which is what facilities under the inactive rate currently pay. This has resulted in permit holders with inactive rates being subsidized by other permit holders and means that Ecology is not always able to recover the cost of supporting inactive permits. Our proposed changes would correct this situation.

Proposed changes to the inactive rate

We are proposing to rename the "inactive rate" to the "reduced rate" to clearly separate a facility's permit fee status from their status related to other requirements under their permit. The application process would remain the same. Permittees would still submit a request form each year to the Permit Fee Unit, who would evaluate these requests on a case-by-case basis.

We are also proposing edits to the rule language to provide clarity about the criteria and discretion Ecology may use to approve or deny a reduced rate request. Our goal is to have a fair process for the permit holder that also adheres to Ecology's directive to recover program costs.

When a request is approved, the proposed maximum reducted rate will be 65% off the regular annual fee. Requests may also be approved for a smaller reduction as determined by Ecology.

Some fee categories already include reduced production or activity within their existing fee structure; this has worked well for sites on curtailed operations.

The table on the next page compares the current inactive rate to the proposed reduced rate.



Overview of changes

Торіс	Summary of Current Language	Summary of Proposed Language
Name	Inactive Rate	Reduced Rate
Discount amount	Reduced by 75% of regular annual fee	Reduced by 65% or less of regular annual fee, as determined by Ecology
Added clarification	Department leeway language not stated in current rule	Ecology can approve or deny a request
Length of time commitment	Must remain inactive for at least 18 months	Must not discharge or resume site circumstances that a reduced rate was requested for, for at least 18 months

Questions

If you have any questions about how the proposed fee schedule would impact your permit fee, please reach out to the Fee Unit at <u>wqfeeunit@ecy.wa.gov</u> or 1-800-633-6193, Option 2.

Provide feedback

Ecology is accepting comments from March 27, 2025, 12:00 a.m. to May 20, 2025, 11:59 p.m. We are also holding two virtual public hearings, which will include a presentation and question and answer session, followed by an opportunity to provide verbal comments.

- May 12, 5:30 p.m., register on Zoom
- May 13, 1:00 p.m., register on Zoom

Visit our webpage for this rulemaking at <u>ecology.wa.gov/WQ-fee-rule</u> to learn more about the proposed changes and how you can provide feedback to Ecology.

If you would like to receive announcements about this rulemaking, sign up for our <u>Water Quality Permit Fees</u> <u>email list</u>¹.

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To request an ADA accommodation, contact Ecology by phone at 360-407-6600 or email at wqfeeunit@ecy.wa.gov, or visit https://ecology.wa.gov/accessibility. For Relay Service or TTY call 711 or 877-833-6341.

¹ https://public.govdelivery.com/accounts/WAECY/subscriber/new?topic_id=WAECY_152