

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : WEP Category 1 and Category 2 Subscription Fees  
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## SUBSCRIPTION FEES

The Water Efficiency Program (WEP) is a subscription service available to RWA members and non-members for an additional fee. The WEP program outlines its annual program objectives as well as the fees to fund the program. The basic services provided by the WEP are considered Category 1 Services. These fees are then paid for by the organizations that choose to use the WEP services to meet their water conservation objectives. The annual fees are typically invoiced in advance of the new fiscal year of July 1 to June 30.

WEP also offers additional water conservation programs and activities beyond the Category 1 services. These additional services typically benefit a smaller group of participants and are called Category 2. Category 2 is, in effect, a subscription service provided by the WEP program.

Both members and non-members of RWA may participate in Category 1 and Category 2 programs.

### **Category 1 Fees**

#### ***Existing RWA Members***

The Category 1 fees are determined on an annual basis as part of the overall WEP Business Plan. The program manager determines the necessary services based upon the requirements of conservation policies and needs of RWA members. The annual fees are approved by the existing WEP Category 1 participants. Fees are allocated among participants similar to the methodology used in allocating RWA member dues. Size of a participant is measured by the number of retail water connections. There are three size groups for the fee structure: small has up to 7,000 connections, medium has 7,001 to 21,999 connections, and large has 22,000 or more connections. The fee structure results in a floor and ceiling for fees.

### ***Non-RWA Members***

The WEP Category 1 services are also offered to non-RWA members. The fee for WEP participation includes the annual approved Category 1 Fees, plus a surcharge of 20% of the annual RWA dues based on number of retail connections. The surcharge will be assessed and payable into the RWA general fund.

### **Category 2 Fees**

The costs of Category 2 services are determined on a project by project basis in advance of the program offering and then paid for by the organizations that choose to use the 2 services. These programs are fluid and are based upon the needs of the existing WEP members. Costs are allocated using a cost sharing agreement. Participants may also pay additional progress payments if the scope or costs of the program changes during the program execution.

### ***WEP Participants who are also RWA Members***

Assuming the members are current in their WEP Category 1 fees and RWA dues payments, participants will be invoiced for Category 2 services based upon the estimated cost to execute the program per the cost sharing agreement.

### ***RWA Members who are not WEP Participants***

Assuming RWA membership dues are currently paid; participants will be invoiced for Category 2 services based upon the estimated cost to execute the program per the cost sharing agreement, plus a surcharge equal to 20% of the annual WEP Category 1 fees. The surcharge will be allocated to the WEP Category 1 operating fund.

### ***Non RWA Members who are WEP Participants***

Assuming WEP fees (including surcharges) are currently paid, these WEP participants will pay the actual shared costs of the Category 2 specific program.

### ***Non-RWA Members and Non-WEP Participants***

In addition to the actual shared costs of the Category 2 specific program, these organizations will pay a surcharge equal to 20% of the annual WEP Category 1 fee plus 20% of the RWA annual dues. The WEP Category 1 operating fund and RWA general fund will be allocated their respective surcharges.