



Association of Idaho Cities
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June 16, 2023

Mary Anne Nelson (via email: mary.anne.nelson@deq.idaho.gov)
Surface and Wastewater Division Administrator
Department of Environmental Quality
1410 N. Hilton, Boise, ID 83706

RE: Docket No. 58-0125-2301

Dear Ms. Nelson,

The Association of Idaho Cities (AIC) appreciates the opportunity to participate in the rulemaking process for the Idaho Pollutant Discharge Elimination System (IPDES) rules.

AIC serves to advance the interests of the cities of Idaho through legislative advocacy, technical assistance, training, and research. Idaho cities represent over 70% of all Idaho residents, and they play an important role as primary providers of wastewater services and implementers of the IPDES Program. These stakeholders have significant interests in developing water quality standards, rules, and guidance related to the protection of human and aquatic life.

AIC supports DEQ's work through Executive Order No. 2020-01 to streamline and simplify these rules. However, after review of the proposed changes, we stand opposed to some of the modifications in Section 110. IPDES Fee Schedule. While we appreciate the amendment of the payment date from October 1 to December 31, we oppose the change from an annual fee based on equivalent dwelling units (EDUs) to a fee based on million gallons per day (MGD) of current facility design flow defined as the wastewater flow rate the facility was built to handle. We oppose this change for two main reasons. First, this will increase fees for some of our member cities. Second, this will penalize, through increased fees for unused design flow capacity, cities planning appropriately and realistically for growth.

AIC solicited feedback from member cities regarding the proposed fee change, asking for their estimated change in cost. Many of our smaller cities, which face greater impacts with increasing costs due to smaller tax bases and the inability to allow growth to pay for growth, reported that they would see an increase in cost under the proposed fee rule change. These cities already face budgetary pressure and other hurdles, such as

replacing aging infrastructure, and this change would yield an unnecessary financial impact on them.

Further, some cities expressed concern that they would face increased costs based on their plans to preemptively increase design flow to keep up with expected population growth. As Idaho's unprecedented population growth continues, our cities are creating comprehensive plans that consider this large, expected population growth. Their plans include building up their wastewater capacity before they need to use it. Under the proposed fee rule, cities would be charged for current facility design flow even if they are not using their facility at full capacity. We are worried that this will cause a delay in cities increasing their design flow capacity to save money today, but will increase costs later. If this proposal were enacted, cities would be incentivized to inefficiently plan for growth, resulting in harm down the road when wastewater services cannot keep up with increased demand.

AIC recommends that DEQ continue to use a system based on actual system usage, whether that be keeping with the current rule and maintaining the annual fee based on number of EDUs or changing to an annual fee based on average MGD of facility use. This will ensure that cities are charged based on actual facility usage and not for unused facility capacity.

AIC appreciates the efforts by DEQ to ensure the health and safety of Idaho's waterways through the IPDES program. Should you have any questions concerning these comments, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Mary Alice Taylor".

Mary Alice Taylor, Policy Analyst
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(208)246-8197