



April 16, 2026

via email: tyler.fortunati@deq.idaho.gov

Mr. Tyler Fortunati
Idaho Department of Environmental Quality
1410 N. Hilton
Boise, ID 83706

Subject: Docket No. 58-0108-2601 Drinking Water Fees - 4/9/2026 Stakeholder Meeting

Dear Mr. Fortunati:

The Idaho Rural Water Association (IRWA) is a 501(c)3 non-profit organization established in 1987 to provide training and technical assistance to public drinking water and wastewater utilities in Idaho that serve communities with populations under 10,000. Due to the rural nature of our state, IRWA currently serves over 90 percent of public drinking water systems. Our membership includes more than 385 drinking water utility systems and is governed by a seven-member, volunteer board of directors elected from among our member systems.

These member utilities bear the vital responsibility of complying with all applicable federal and state water and environmental regulations while ensuring safe and reliable drinking water services 24 hours a day, 7 days a week. Idaho's rural and small communities work diligently to safeguard public health and protect the environment by maintaining these essential services.

IRWA appreciates the opportunity to provide comments on behalf of our membership regarding the Idaho Department of Environmental Quality's (DEQ) rulemaking for Drinking Water Fees, Docket No. 58-0108-2601. IRWA participated in the stakeholder meeting held on April 9, 2026, and supports DEQ's efforts to engage utilities and other stakeholders as the Department evaluates program funding needs and potential fee adjustments.

IRWA recognizes that maintaining DEQ's regulatory primacy over public drinking water systems is important and beneficial for Idaho's water utilities. The technical assistance and compliance support provided by DEQ under the Safe Drinking Water Act is especially critical for small, rural water systems. Our Association is concerned that shifting primacy from DEQ to EPA would reduce the effectiveness of the drinking water program delivery for Idahoans and ultimately increase the cost of regulatory compliance for local water utilities. In light of projected

6395 W. Gowen Road ▪ Boise, ID 83709
(208) 343-7001 ▪ Fax (208) 343-1866
www.idrwa.org

decreases in federal grant funding that help fulfill program costs, IRWA recognizes the importance of stakeholders and agency representatives working together to keep Idaho's program adequately funded and sustainable over time.

Since the adoption of the current fee structure in 1993 and implementation in 1996, fees have not increased. The program originally targeted to generate \$1 million in annual revenue for DEQ equates to approximately \$2.29 million today when adjusted for inflation, reflecting a substantial erosion in purchasing power over time. IRWA respectfully requests to prevent future challenges to maintain solvency within the Drinking Water Program, DEQ develop and implement fee adjustments more frequently to ensure future changes are less severe, more aligned with cost-of-living assessments and adjustments, and more predictable for water systems.

To address immediate funding shortfalls, our Association encourages a phased approach of smaller program fee adjustments over a 2- to 4-year period in order for water systems to plan and budget accordingly for increased costs. Idaho's small, rural drinking water systems operate under constraining financial pressures and rarely have the financial agility to absorb additional burdens without careful planning. Drinking water fee adjustments will be ultimately passed from the utility to the consumer; utilities will need time to adjust user rates appropriately to ensure all parties are properly informed and involved in the process of implementation.

Considering the amount of federal funding received annually by DEQ's Drinking Water Program may vary significantly from year to year based on the political environment of the federal government, IRWA emphasizes the importance of establishing a clear mechanism to return program funds to water systems if the agency finds themselves with excess revenue. Establishing a reasonable reserve to maintain in the Drinking Water Fee account is prudent; additionally necessary are fee discounts and refunds to be implemented when the Drinking Water Program accumulates excess balances as a result of changes in federal funding or other factors. Ensuring fee collections align with actual program costs will be crucial to maintain transparency and trust between DEQ and the public water systems they serve.

Over the last 33 years, DEQ's Drinking Water Program has absorbed inflation and taken on new federal regulatory mandates—such as PFAS, Lead and Copper, and Consumer Confidence Reporting—without corresponding fee increases. Concurrently, feedback to IRWA from member systems demonstrates a lack of confidence in the benefit of fee increases if they only maintain the current status quo. Systems relying on DEQ for service have expressed concern about decreases in effective service, particularly in the case of acceptable response times for queries, assistance requests, or plan approvals. Delays from DEQ are detrimental to public water systems who require plan approvals and other deliverables to move forward with projects, incurring increased costs. IRWA strongly encourages DEQ to evaluate their capacity to fulfill acceptable levels of service and to consider solutions to deliver service expectations under the Drinking Water Program. Water systems would greatly benefit from additional information about the services that DEQ provides to justify the increase in costs that will follow this rulemaking.

More than 50% of the 2,000 public drinking water systems in Idaho are categorized as Transient, or serving less than 20 connections. These systems generally require more resources and assistance from DEQ despite paying a disproportionately low fee to the Drinking Water Program. IRWA recognizes that Transient systems tend to receive lower revenue due to

the nature of their user base, and that this reduced revenue translates to more technical, financial, and managerial challenges that require intervention by DEQ. In consideration of the substantially larger category of municipalities who are carrying the burden of the fees' disproportionate cost at the benefit of Transient systems, our Association is inclined to support the proposed flat rate and \$5.50 per connection fee established over a 2- to 4- year period of incremental increase, eliminating the current tiered structure. IRWA considers the proposed flat rate to be more closely aligned with the costs of Drinking Water Program management and to be more equitable for Idaho's public water systems as a whole. IRWA reiterates that an incremental increase over the span of multiple years will be easier for all utilities to address than a substantial upfront increase.

Finally, IRWA strongly supports proposed adjustments to electronic billing and payment methods, as well as the use of late fees for delinquent payments and the use of collection processes for delinquent accounts. It is important that DEQ implement these factors to ensure accountability across the water industry, and to ensure that the proposed fee increases are successful in their mission to keep DEQ solvent and effective in their service to Idaho's drinking water systems.

IRWA thanks DEQ for the opportunity to provide these comments and to participate in the public and stakeholder engagement process. Our Association remains committed to supporting a regulatory framework that protects Idaho's water resources while ensuring practical, efficient compliance pathways for rural and small utilities.

Respectfully,



Robert Dial
Board President
Idaho Rural Water Association



Peter Stayton
Board Legislative Director
Idaho Rural Water Association

