



DATE: October 31, 2016

TO: Washington State Board of Health Members

FROM: Keith Grellner, Chair

SUBJECT: WAIVER REQUEST – WAC 246-290-496, METERING REQUIREMENTS

Background and Summary:

On October 10, 2016 the Department of Health (Department) and the State Board of Health (Board) received a request from Magna Vista Water Co. of Washougal, Washington for a waiver from the requirement to install meters on direct service connections under WAC 246-290-496. The installation and use of meters is primarily intended to promote water use efficiency and was adopted into the Group A rule as a result of legislation passed in 2003. Second Engrossed Second Substitute House Bill 1338 modified several statutes including adding new section RCW 70.119A.180. The statutes were amended to provide more flexible water rights to municipal water suppliers in exchange for an increased emphasis on water conservation.

The Department responded to this legislation by amending Chapter 246-290 WAC to include several new sections to address water conservation. Part of that effort resulted in WAC 246-290-496, Metering requirements. Water meters are necessary to the effective implementation of Chapter 246-290 WAC, Part 8, Water Use Efficiency.

Meters provide the following benefits:

1. Better accounting and resolution of water losses within the system than is possible through customer leak notification.
2. Improve the ability for customers to understand their water use and to conserve (this strategy is listed in RCW 70.119A.180).
3. Help establish equitable rate structures.
4. Improved leak identification and repair saves the system money and protects the system from possible contamination.

In consideration of the cost to install meters, the rule allowed 10 years from the effective date of the rule for systems to become fully compliant and required water systems to develop a meter installation schedule to help systems keep on track. The deadline to have meters installed is January 22, 2017.

Magna Vista Water Co. applied for a waiver through a letter provided to the Department and the Board. In addition they provided a statement indicating that they have notified their customers about this request. These steps meet the requirements to initiate the waiver hearing process.

Magna Vista's application for the waiver cites financial hardship of a very small municipal system with many customers on fixed incomes as the primary justification for approval. The application also indicates that the purveyor believes the installation of consumption meters will not provide any benefit of improved leak detection. Finally, the purveyor notes that should the Board approve this request it will not result in unreasonable risk to consumers.

The Department recommends that the Board deny the waiver request.

Representatives from the Magna Vista Water Co and the Department of Health Office of Drinking Water are here to further explain their positions for the Board's consideration.

Recommended Board Action:

The Board may wish to consider the following motions:

The Board grants the Magna Vista Water Co request for waiver from the metering requirements of WAC 246-290-496(2) (b) (c) and (f).

OR

The Board denies the Magna Vista Water Co request for waiver from metering requirements in WAC 246-290-496.

- *The board requests that the department work with Magna Vista Water Co to establish a time frame for the installation of service water meters and provide technical assistance that may help reduce costs to the water system.*

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