

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Discounts through Stormwater Management

DDOE's RiverSmart Rewards Program and DC
Water's Clean Rivers Impervious Surface Area
Charge Incentive Program

District Department of the Environment

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1. INTRODUCTION

RiverSmart Rewards is the District Department of the Environment's (DDOE or Department) Stormwater Fee discount program. Established in 2013, the program helps District of Columbia Water and Sewer Authority (DC Water) customers save money on their Stormwater Fee by contributing to cleaner, healthier rivers and streams. DC Water customers can receive a discount of **up to 55%** on their Stormwater Fee by retaining stormwater on their property through the installation of eligible Best Management Practices (BMPs). Once DDOE approves a RiverSmart Rewards application, the discount is awarded for a three-year period. Applicants can reapply every three years to continue their discount.

In addition to savings offered by RiverSmart Rewards, DC Water offers customers a discount of up to 4% on its Clean Rivers Impervious Surface Area Charge (IAC) through the Clean Rivers IAC Incentive Program. Customers will be able to start receiving discounts through this program on October 1, 2013.

Like RiverSmart Rewards, the IAC Incentive Program provides customers with the opportunity to save money when they install and maintain eligible BMPs. Visit www.dewater.com to learn more about the rules for their program.

Purpose of this Document

- To explain the application processes, eligibility requirements, and identify the necessary documents and information needed to receive a discount
- To clarify how DDOE will calculate a customer's Stormwater Fee discount, including any retroactive discounts applied for by the customer
- To clarify how DC Water will calculate a customer's Clean Rivers IAC discount
- To outline the major differences between the two discount programs

About the Stormwater Fee

The United States Environmental Protection Agency (EPA) issued the District's first Municipal Separate Storm Sewer Systems (MS4) Permit in 2000. To support the implementation of the MS4 Permit, DC Water began collecting the Stormwater Fee a year later (the fee is listed as the "DC Govt Stormwater Fee" on the water bill but this document shortens this to "Stormwater Fee"). The Stormwater Fee is charged based on square footage of rooftop, pavement, and other impervious surfaces on a property using a unit of measurement called the Equivalent Residential Unit (ERU). One ERU equals 1,000 square feet of impervious surface. Commercial properties are charged based on the actual amount of impervious surface. Residential properties are assessed the fee using a six-tiered approach (see below). Currently, the Stormwater Fee rate per ERU is \$2.67.

The Stormwater Fee is a dedicated funding source that DDOE uses to implement stormwater management practices throughout the District, including installing and subsidizing green roofs, tree plantings, and enhanced street sweeping, to name a few.

Six-Tiered Rate Structure for Residential Properties

Impervious Area (square feet)	ERU	ERU Rate	Monthly Cost
100-600	0.6	\$2.67	\$1.60
700-2,000	1.0	\$2.67	\$2.67
2,100-3,000	2.4	\$2.67	\$6.41
3,100-7,000	3.8	\$2.67	\$10.15
7,100-11,000	8.6	\$2.67	\$22.96
11,100 and more	13.5	\$2.67	\$36.05

2. PROGRAM ELIGIBILITY

DDOE administers both RiverSmart Rewards and the Clean Rivers IAC Incentive Program; however, the rules for the two programs differ in several ways. Here are a few of the major differences:

	RiverSmart Rewards	Clean Rivers IAC
Maximum Allowable Discount	55%	4%
Offers a Retroactive Discount back to May 1, 2009 or the date of installation, whichever is later.	Yes	No
Discount begins to be accrued on the date DDOE receives a completed application	Yes	No, under Clean Rivers IAC Incentive Program, there is no discount accrual before the discount is actually awarded.
Discount award period/Expiration	3 years and renewable upon expiration	Up to 3 years, or at the end of the 3-year pilot program, whichever is earlier

General Eligibility Requirements

To be eligible for the discounts, a person must:

- Be a DC Water customer who pays the Stormwater Fee and the Clean Rivers IAC;
- Be current on all DC Water bill payments;
- Submit a completed application to DDOE in the manner described in this guidance; and
- Accurately describe the design and performance of each eligible Best Management Practice (BMP). For a Standard Application, an applicant must submit documentation of the design and performance. For a Simplified Applicant, an applicant need not submit such documentation.

Eligibility Requirements for Best Management Practices

A BMP shall, in order to be eligible for the discounts:

- Be fully installed and functioning;
- Retain stormwater runoff. For a Standard Application, the retention volume will be determined in compliance with DDOE's Stormwater Management Guidebook;
- Be subject to inspection by DDOE;
- Comply with all applicable construction codes;
- Be properly sized and located; and
- Comply with design standards in DDOE's Stormwater Management Guidebook (<http://ddoe.dc.gov/swregs>).

Types of Best Management Practices Eligible for a Discount

A BMP must retain stormwater on-site to be eligible for a RiverSmart Reward and Clean Rivers IAC discount. Generally, BMPs retain stormwater via infiltration, evapotranspiration, or by storing for a non-potable use on site. Examples of eligible BMPs are green roofs, permeable pavers, and bioretention facilities. DDOE's Stormwater Management Guidebook (<http://ddoe.dc.gov/swregs>) describes the types of BMPs that meet this criterion of stormwater retention. These include:

- Green Roofs
- Rainwater Harvesting
- Impervious Surface Disconnection
- Permeable Pavement Systems
- Bioretention
- Stormwater Infiltration Practices
- Open Channel Systems
- Ponds
- Wetlands
- Trees
- Proprietary Practices, if specifically approved by DDOE

3. HOW THE DISCOUNT WORKS

Calculating the Discount

DDOE calculates RiverSmart Rewards and the Clean Rivers IAC discounts using either a Standard or a Simplified calculation. DDOE determines which calculation to use based on the type of application the submitted—Simplified or Standard. The Simplified Application can only be used when the cumulative square footage of impervious surface managed by installed BMPs is 2,000 square feet or less. All other projects must use the Standard Application.

Both discount calculations are based on the volume of retention achieved by a BMP, with the maximum discount being available for BMPs that retain the 1.2-inch storm event from the area draining into the BMP (contributing drainage area). Both calculations assume that 710.75 gallons of rainfall are produced by a 1.2-inch storm falling on 1,000 square feet of impervious area. While the Simplified and Standard calculations take a similar approach, the Simplified calculation assumes that each BMP is able to retain the 1.2 inch storm from its contributing drainage area. The Standard calculation is based on the retention volume that DDOE has determined for a BMP based on the technical and site details submitted in the Standard Application.

Based on DDOE's review of an application, DDOE will calculate an applicant's discount and inform DC Water of the amount to reflect on the bill. The following examples explain how DDOE and DC Water will calculate the discounts.

Example of Standard Application Discount Calculations

Property details:

- Billed 20 ERUs
- Original Monthly Stormwater Fee = \$53.40
- Original Monthly Clean Rivers IAC = \$191.40
- BMPs on site retain 10,362 gallons

RiverSmart Rewards

Step 1: State the maximum volume of stormwater runoff retained by the BMP in a storm event (in gallons.), not to exceed the volume from a 1.2 inch storm. This is the retention volume.

10,362 gallons (retention volume)

Step 2: Convert the retention volume from Step 1 to ERUs. Divide it by 710.75 gallons per ERU (rounding up to the nearest tenth):

10,362 gallons ÷ 710.75 gallons/ERU = 14.6 ERUs

Step 3: Multiply the number of ERUs from Step 2 by the maximum allowable Stormwater Fee discount of 55% (rounding the result up to the nearest tenth). This is the monthly discount in ERUs:

$$14.6 \text{ ERUs} \times 55\% = 8.1 \text{ ERUs (monthly Stormwater Fee discount in ERUs)}$$

Step 4: Multiply the number from Step 3 by \$2.67, the current monthly Stormwater Fee. This is the monthly discount in dollars.

$$8.1 \text{ ERUs} \times \$2.67/\text{ERU} = \$21.63 \text{ (monthly Stormwater Fee discount in dollars)}$$

Step 5: To calculate the new Stormwater Fee, subtract the monthly discount in dollars (result from Step 4) from the original Stormwater Fee (found on DC Water bill).

$$\$53.40 - \$21.63 = \$31.77 \text{ per month (discounted monthly Stormwater Fee)}$$

Clean Rivers IAC Incentive Program

Step 1: Multiply the result from Step 2 above by the maximum allowable discount percentage of 4% (rounding the result up to the nearest tenth).

$$14.6 \text{ ERUs} \times 4\% = 0.6 \text{ ERUs}$$

Step 2: Determine the monthly Clean Rivers IAC discount by multiplying the number of ERUs from Step 3 by the current monthly Clean Rivers IAC rate.

$$0.6 \text{ ERUs} \times \$9.57/\text{ERU} = \$5.74 \text{ (monthly Clean Rivers IAC discount)}$$

Step 3: Figure the new bill. Subtract, normal Clean Rivers IAC amount minus the monthly discount calculated in Step 2.

$$20 \text{ ERUs} \times \$9.57/\text{ERU} = \$191.40 \text{ (original Clean Rivers IAC)}$$

$$\$191.40 - \$5.74 = \$185.66 \text{ (discounted monthly Clean Rivers IAC)}$$

Example of Simplified Discount Calculations

Property details:

- Billed 1 ERU
- Original Monthly Stormwater Fee = \$2.67
- Original Monthly Clean Rivers IAC = \$9.57
- BMPs on site manage 950 square feet of impervious surface

RiverSmart Rewards

Step 1: Determine the total impervious area that the BMP(s) manages, in square feet:

950 square feet

Step 2: Divide the number from Step 1 by the property's total area of impervious surface (in square feet). This is the percentage of total area managed by BMPs:

$950 \text{ square feet} \div 1,000 \text{ square feet} = 95\%$

Step 3: Multiply the percentage found in Step 2 by the maximum allowable discount of 55%:

$95\% \times 55\% = 52.3\%$

Step 4: To determine the monthly Stormwater Fee discount in dollars, multiply the percentage result from Step 3 by the customer's monthly Stormwater Fee:

$52\% \times \$2.67 = \1.39 (monthly discount in dollars)

Step 5: To determine the monthly discount in ERUs, divide the ERUs billed (found on DC Water bill) by the percentage determined in Step 3:

$1 \text{ ERU} \div 52\% = .52 \text{ ERUs}$ (monthly discount in ERUs)

Step 6: To figure the new monthly Stormwater Fee, subtract the monthly discount found in Step 4 from the original monthly Stormwater Fee.

$\$2.67 - \$1.39 = \$1.28$ per month (discounted monthly Stormwater Fee)

Clean Rivers IAC

Step 1: Multiply the result of Step 2 above by the maximum allowable discount of 4%.

$95\% \times 4\% = 3.8\%$

Step 2: Determine the customer's monthly Clean Rivers IAC discount. Multiply the percentage result from Step 2 by the monthly Clean Rivers IAC. Subtract .13 ERUs per rain barrel installed, if applicable. The result should not exceed the maximum allowable discount.

$3.8\% \times \$9.57 = \0.36

Step 3: Figure the new monthly Clean Rivers IAC bill. Subtract, normal bill amount minus the monthly Clean Rivers IAC discount calculated in Step 2.

$\$9.57 - \$0.36 = \$9.21$

Retroactive Discounts

DDOE offers a Retroactive Discount to DC Water customers who installed BMPs prior to the date the RiverSmart Rewards program became available, July 19, 2013. This discount is calculated based on the installation date of the BMP or May 1, 2009, whichever is later. Upon review of a completed application, including required information on BMPs seeking a Retroactive Discount (see below), DDOE will calculate the total Retroactive Discount and apply it to the Stormwater Fee as a recurring discount until the calculated Retroactive Discount balance is zero.

In order to receive a Retroactive Discount, the applicant must provide additional documentation with their application that is sufficient for DDOE to verify BOTH (1) the date the applicant installed the eligible BMP and (2) evidence that the practice is still functional (e.g., photos or maintenance records). An applicant can apply for a Retroactive Discount in conjunction with either a Standard or Simplified Application.

The expiration date to apply for a Retroactive Discount is July 31, 2014 for the Standard Application, and July 31, 2015 for the Simplified Application.

Please note that eligible BMPs that were previously installed but are no longer functioning will not be eligible for a Retroactive Discount.

Retroactive Discount Calculation

DDOE uses the information provided on the application to calculate a total Retroactive Discount.¹ Then DDOE calculates the applicant's regular monthly discount. (In most cases, the regular monthly discount will be the same as the monthly Retroactive Discount.) DDOE will subtract the regular monthly discount from the monthly Stormwater Fee to determine the discounted Stormwater Fee. DDOE will then apply the total Retroactive Discount balance towards the remaining balance of the Stormwater Fee. For the period of time DDOE is "paying back" the Retroactive Discount, the customer will not owe a monthly Stormwater Fee and will see a charge of \$0.00 on their bill. Once the Retroactive Discount balance is drawn to zero, the customer's Stormwater Fee will reflect the Stormwater Fee less the regular monthly discount for ongoing performance of their BMP(s).

Please note that if a site has several BMPs installed at different times (for example, green roof installed on October 1, 2009, bioretention installed January 15, 2010, and pervious pavers installed March 20, 2011), DDOE will calculate the Retroactive Discount using the retention volume and date of installation for each separate BMP.

¹ The total Retroactive Discount is the monthly discount that the applicant should have been receiving for BMPs installed on their property multiplied by the number of months the applicant had the BMPs installed prior to the discount program's availability.

Example of Standard Application Retroactive Discount Calculation

Consider a property that is currently being charged 20 ERUs, and their monthly Stormwater Fee is \$53.40. The BMPs on the property were installed on Oct. 1, 2009, 48 months prior to the date the application was submitted. In addition, it took 2 months for the discount to appear on the customer's bill after he submitted a complete application.

The BMPs on the property are retaining 10,362 gallons of stormwater runoff. *DDOE* determines that the customer should receive a monthly discount of 8.1 ERUs, or \$21.63. In this case, the regular monthly discount is the same as the monthly Retroactive Discount.

Step 1: Calculate total Retroactive Discount:

$$\$21.63 \times 50 \text{ months}^* = \$1,081.50$$

*This is 48 months of Retroactive Discount + 2 months of discount accrual during DDOE application processing.

Step 2: Apply regular monthly discount to monthly stormwater fee:

$$\$53.40 - \$21.63 = \$31.77 \text{ (new Stormwater Fee after DDOE applies the regular monthly discount)}$$

Step 3: Determine how long to apply Retroactive Discount to bill:

$$\$1,081.50 \text{ (total Retroactive Discount)} \div \$31.77 \text{ (Stormwater Fee balance after regular monthly discount applied)} = 34^*$$

*This is the number of months it will take DDOE to pay the Retroactive Discount back to the customer. This is also the number of months that the stormwater fee will be \$0. If the number produced includes a fraction, DDOE rounds up.

Example of Simplified Retroactive Discount Calculation

Consider a residential property that is currently being charged 13.5 ERUs, or a Stormwater Fee of \$36.05. DDOE determines that the DC Water customer will be awarded the full 55% discount for BMPs that were installed one year (12 months) prior to application date (Retroactive Discount). In addition, the customer will receive the full 55% discount on a regular monthly basis.

Step 1: Calculate monthly and total Retroactive Discount:

$$\$36.05 \times 55\% = \$19.83 \text{ (monthly Retroactive Discount)}$$

$$\$19.83 \times 14 \text{ months}^* = \$277.62 \text{ (total Retroactive Discount)}$$

**This is 12 months of Retroactive Discount + 2 months of discount accrual during DDOE application processing.

Step 2: Calculate regular monthly discount:

$$\$36.05 \times 0.55 = \$19.83 \text{ (regular monthly discount)}$$

Step 3: Apply regular monthly discount to monthly Stormwater Fee:

$$\$36.05 - \$19.83 = \$16.22 \text{ (new Stormwater Fee after DDOE applies the regular monthly discount)}$$

Step 4: Determine how long to apply Retroactive Discount to bill:

$$\$277.62 \text{ (total Retroactive Discount)} \div \$16.22 \text{ (Stormwater Fee balance after regular monthly discount applied)} = 18^*$$

*The number of months it will take DDOE to pay the Retroactive Discount back to the customer. This is also the number of months that the Stormwater Fee will be \$0. If the number produced includes a fraction, DDOE rounds up.

Based on the example, for the first 18 months after RiverSmart Reward Simplified Application is approved, the DC Water customer will pay \$0.00 in Stormwater Fee charges. This is the regular monthly discount minus the total Retroactive Discount applied to the balance over time. At the end of 18 months, the customer's Stormwater Fee will increase to \$16.22, which is the regular monthly discount applied to the total fee.

When to Expect to See the Discount on the DC Water Bill

DDOE will notify all applicants that their application is either approved or denied. Approval notices will indicate the amount of the discount. After approving the discount, DDOE will inform DC Water, and the applicant should see the discount reflected on their next bill. In some cases, a discount might appear within two billing cycles.

Applicants should contact DDOE (riversmart.rewards@dc.gov or 202-535-2679) if they do not see the discount on the bill following receipt of confirmation of an approved discount by DDOE.

4. HOW TO APPLY FOR A RIVERSMART REWARDS DISCOUNT

A DC Water customer applying for a RiverSmart Rewards and Clean Rivers IAC discount may do so using one of two methods – the Standard Application or the Simplified Application.

Standard Application

Any DC Water customer may use the Standard Application to apply for their discounts; however, if the project manages 2,000 square feet of impervious surface or less, the customer may use the Simplified Application (described below).

The following are requirements of the Standard Application:

- Completed and signed application
- Copy of most recent DC Water bill
- Accurate description of BMPs installed, per the requirements of the application
- Pass an inspection. A DDOE inspector will verify BMPs listed on the application through an on-site inspection or DDOE's records of a recent inspection. Please note that any BMP found to be deficient during an inspection will not be granted a discount until a follow-up inspection proves the BMP is sufficient.

Simplified Application

A DC Water customer who installs BMPs that cumulatively manage 2,000 square feet or less impervious surface is eligible to use the Simplified Application. Please note that the Simplified Application will not be available until July 2014.

The Simplified Application is a shorter form and only requires the applicant to know two pieces of information about their project : (1) the total footprint of impervious surface area on their property (available from the DC Water bill) and (2) the total impervious area that the BMP(s) manages (i.e., contributing drainage area). When DDOE receives a Simplified Application, it uses the Simplified Calculation to determine the monthly discount.

The following are requirements of the Simplified Application:

- Completed and signed application
- Accurate description of site and BMPs installed. This could include a hand-drawn or computer generated site map showing each BMP and its contributing drainage area, as well as specifying each BMP's type, dimensions, and contributing drainage area
- Copy of most recent DC Water bill
- Copy of RiverSmart Homes paperwork, if applicable

DDOE may choose to verify BMPs listed on the application through an on-site inspection, or if an inspection has recently taken place, DDOE will use records from that inspection to

verify the application. Please note that any BMP found to be deficient during an inspection will not be granted a discount until a follow-up inspection proves the BMP satisfies all of the eligibility requirements.

How to Submit an Application

DDOE will accept applications by mail, in person, or by email. Please visit <http://ddoe.dc.gov/riversmartrewards> to find the application forms. To request an application by mail, email riversmart.rewards@dc.gov or call 202-535-2679. Or, pick up an application from the reception desk at DDOE's office, located at 1200 First Street NE, 5th Floor, Washington, DC 20002.

Once DDOE has received a completed application, RiverSmart Rewards staff will notify the applicant within 60 days to inform them whether the application was approved or denied. See Section 5 to learn more about DDOE's review schedule and notification process.

5. APPLICATION REVIEW PROCESS

DDOE's review process can take up to 60 days from the date it receives a completed application. DDOE will verify the technical information (e.g., retention volume for each BMP) listed on the application and conduct an inspection to verify that the practice(s) were constructed and are functioning as described.

Checking for a Complete Application

DDOE's RiverSmart Rewards staff will first check the application to make sure it is complete. If it is incomplete, staff will contact the applicant, in the manner in which the applicant requested on the application, to inform them of the missing information. DDOE will put incomplete applications ON HOLD until the applicant produces the necessary information or documentation.

Technical Review

Staff will forward only complete applications to the technical review staff. At this stage, a DDOE engineer will review the information provided to determine if the BMP is sized appropriately and if the stormwater retention volume submitted is accurate.

Inspections

A DDOE inspector may inspect the BMPs listed on the application. If any BMP fails the inspection, the inspector will provide the applicant with a report stating the actions required to pass an inspection. The application will be put ON HOLD until the applicant addresses the deficiencies detailed in the inspection report. It is up to the applicant to fix the problem and schedule a follow-up inspection.

6. DISCOUNT PERIOD AND CONTINUATION

Once DDOE approves a RiverSmart Rewards application, the discount is awarded for a three-year period. DC Water customers may request a continuation of a discount by submitting a renewal application to DDOE. In order to avoid a lapse in the discount, the customer must submit a renewal application to DDOE at least 60 days before the expiration of the current discount. The expiration date of the discount will be included in the discount award letter. Upon receipt of a renewal application for continuation of a discount, DDOE will review the application according to the review process described in Section 5.

7. APPEALING THE DEPARTMENT'S DECISION

A person who has applied for a discount and is not satisfied with DDOE's decision can submit an appeal to have the decision reconsidered. Some reasons for appeal include a denied application or a discount amount that is not what was expected.

The applicant must file a written appeal to DDOE within 15 calendar days of receipt of the DDOE's decision. The appeal must include the following information:

- DC Water account number
- Address (where the BMPs are located)
- Name on the DC Water account
- Applicant name, if different from above
- Reason for the appeal – The applicant should provide a detailed description of why he/she is appealing the decision.
- Preferred contact information – email or mail

The written appeal may be submitted via email to riversmart.rewards@dc.gov or by mail (District Department of the Environment, Attn: RiverSmart Rewards, 1200 First Street NE, 5th Floor, Washington, DC 20002).

DDOE staff will review the information presented in the appeal and follow up with the applicant on the matter. Upon the review, DDOE will issue a final written decision regarding the appeal.

If the applicant is unsatisfied with DDOE's decision, the applicant can file a written appeal with the Office of Administrative Hearings (OAH). The applicant must file the written appeal with OAH within 15 calendar days from the postmark date that DDOE's final decision was mailed. The written appeal must be submitted in the manner prescribed by OAH. For more information on filing an administrative appeal, see section 563 of title 21, chapter 5 of the District of Columbia Municipal Regulations (<http://www.dcregs.dc.gov/>).

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