

## **Fact Sheet**

### **Municipal Wastewater Charge (MWC)**

MCES's costs for the regional wastewater system are paid entirely by user fees. The MWCs are the primary fees and pay for the cost of conveying and treating normal (domestic strength) wastewater and part of the debt service to maintain the system's infrastructure.

Facts about the charge include:

- The MWC is a wholesale charge (allocated to over 100 customer communities) pursuant to M.S. 473.517 (1); Communities charge their residents and businesses a retail wastewater charge for sewer use.
- Details of the local charging system are set by the community's Council or Board and are usually spelled out in an ordinance. MCES has a very limited responsibility to review local charging systems, pursuant to M.S. 473.519.
- MWCs are a uniform charge: that is, all communities pay the same per volume of flow (usually quoted as per million gallons).
- The flow used for the allocation of the charge is from the previous year ending June 30<sup>th</sup> (the last known 12-month period). For example the charges for 2009 billing are set in mid-2008 based on flow from July 1, 2007 to June 30, 2008.
- Determination of flows is an MCES responsibility. Flow is determined based primarily on data recorded by flow meters at community borders. Some small areas can not be effectively metered and are estimated by MCES, based on best available data from the communities water use or lift station data. Quarterly data on flows is provided to communities; additional detail is available from MCES's Technical Services staff.
- MWCs are assessed for service on a current basis. As noted previously, the allocation of current year costs is based on prior period flow experience, but no MCES receivable or customer liability results. For example, the January 2009 bill is for January 2009 service. No accrual of liability by the communities or accrual of revenue by MCES is recorded.
- Bills are sent to each community in the first half of the month preceding the service and due date. For example, the bill for service in January 2009 will be sent by December 15<sup>th</sup>, 2009 and is due January 1, 2010. Interest applies to late payments.
- Monthly billing is level within a year. That is, it is based on the annual flow divided by 12.

For additional information or questions, please contact Jason Willett, MCES Finance Manager, at 651/602-1196 or [jason.willett@metc.state.mn.us](mailto:jason.willett@metc.state.mn.us).