SOUND CITIES ASSOCIATION

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Regional Utility Rate Summit

Date:	November 14, 2025
Time:	8:30 AM – 2:00 PM
Location:	DoubleTree by Hilton Seattle Airport, 18740 International Blvd, Seattle, WA 98188
RSVP:	Form to RSVP
Agenda:	https://kingcountygreen.com/regional-utility-rate-summit-agenda-2/

Related SCA Caucuses

Regional Water Quality Committee (RWQC)
2025 SCA Caucus Members

Members	Alternates
Laura Mork, Shoreline	Yolanda Trout-Manuel, Auburn
Conrad Lee, Bellevue	Penny Sweet, Kirkland
Jessica Rossman, Medina	
Sarah Moore, Burien	

Solid Waste Advisory Committee (SWAC)
2025 SCA Caucus Members

Members

Amy Lam, Sammamish
Laura Mork, Shoreline

Summit Background and Goals

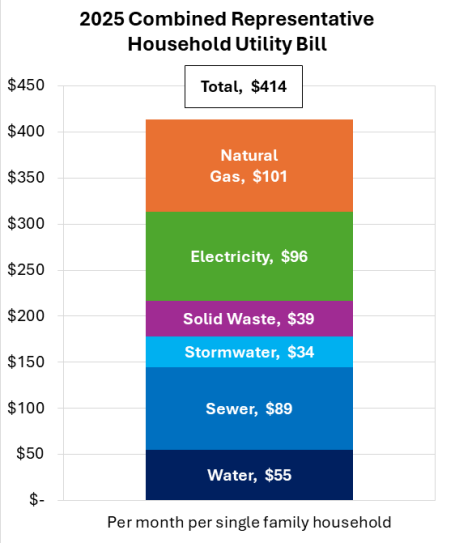
In the Briefing Book, Summit goals are on page 5 and the agenda is on page 6.

The Summit was proposed by the City of Kirkland in response to the high forecasted utility rates that the region will be facing in the upcoming years, as relevant committees would see individual rate increases, but there was no venue to see the combined impact of rate increases. The Summit aims to raise awareness of the combined impact of rate increases and what drives them. It will give local elected officials a chance to identify and explore actions to potentially mitigate rising costs. The event will consist of presentations from major regional utilities, facilitated discussions, and a panel of local leaders in the utility space.

Briefing Book Highlights

The full Briefing Book can be found here. Slides can be found here.

The briefing book includes information for the event itself such as an agenda and bios for speakers, presenters, and panelists. It also includes an overview of the purpose, goals, and desired outcomes of the Summit. The briefing book includes various reference materials, such as shared rate drivers, strategies, and a table of acronyms and definitions. A slide deck for utility presentations has been sent out. The slides include a rate stack which shows a combined picture of utility rates in the region (also below).



The rate stack shows an estimated monthly utility bill for a typical single-family household in the service areas of the participating utilities, broken out by service. Actual household bills will vary between jurisdictions based on their local costs and rate structures. The assumptions used to generate these numbers can be found on the first slide of the slide deck.

The description includes a reference to "wholesale rates". Utility rates often have a wholesale component and a local/retail component. Using sewer rates as an example, King County Wastewater Treatment Division (WTD) sets a rate their customers pay that funds the regional system, called the wholesale component. WTD contracts with cities and local sewer districts that deliver customer-facing services and set rates to fund the local portion of the system, called the local or retail component. Increases in wholesale rates limit the ability of local agencies to increase their rates.

Shared Rate Drivers

While each utility faces its own rate pressures, some common drivers emerge. The first three drivers below are the three primary drivers, often referred to by County divisions as "the big three".

- Aging Infrastructure & Asset Renewal- Maintenance and replacement needs.
- Regulatory Compliance & Uncertainty- Includes PFAS, nutrient removal, etc.
- Capital Investments- Large infrastructure needs.
- Labor, Procurement & Market Costs
- Environmental Mandates- Clean energy mandates, watershed protection, disposal regulations.
- Funding Challenges- Reliance on ratepayers, limited grants, customer assistance.

Shared Strategies

Staff involved in planning the Summit brainstormed a few potential strategies to address rate drivers; attendees are welcome to brainstorm additional ideas. The potential strategies include:

- Policy & Legislative Advocacy- Increasing funding, supporting extended producer responsibility (EPR) legislation to shift costs to producers, loans and grants
- Investment Prioritization
- Streamline Permitting and Regulatory Implementation- Expedite permitting, phased regulatory implementation timelines
- Improve Procurement and Workforce Flexibility
- Advance Affordability Measures- Federal funding for affordability programs, conservation programs, customer assistance program coordination
- Regional partnerships, coordinated planning, communications- Coordinate projects such as via co-siting, coordinate messaging, engage communities as co-designers

One strategy touched on but not explicitly highlighted in the briefing book that is often discussed in SCA Caucuses is around innovation. This includes technological breakthroughs, recycling/diversion, and cross-silo efficiency.

For a better understanding of the current regional systems, King County's current plan for wastewater can be found here (1999 Regional Wastewater Services Plan homepage, implementation plan, and policies). The County's plan for solid waste can be found here (SW Comp Plan).

Slide Highlights

Six regional utilities will present their system and current rate drivers; slides are linked here.

Seattle Public Utilities (SPU)

SPU will be presenting on their drinking water services. SPU's customers extend beyond Seattle to include 17 municipalities and districts and the Cascade Water Alliance. The projected rates shown largely track with increases expected due to inflation (projected increases through 2030 average 4.7% per year). They state this is due to long-term wholesale contracts providing stability and the completion of required projects ahead of deadlines. Their strategic priorities include aging infrastructure, seismic needs, climate change, water treatment plants' operations and maintenance, facilities upgrades, and technology.

Cascade Water Alliance (CWA)

CWA is comprised of seven member agencies, with a service area spanning Kirkland, Redmond, Bellevue, Issaquah, Sammamish Plateau Water, Issaquah, Tukwila, and Skyway Water and Sewer District. They currently purchase contracted water from Seattle, though future water will come from the Lake Tapps Reservoir and Tacoma. New infrastructure and water supply represent major rate drivers for CWA, with new infrastructure driving costs above increases expected due to inflation. CWA states it addresses rate pressures with very long-term planning and fiscal policies that are forward-looking, by not over relying on debt, and sharing costs between new and existing customers. Federal and state financing help with capital cost impacts, but more assistance is needed. They state that coordinating with local jurisdictions and expediting permitting could help reduce costs further.

King County Wastewater Treatment Division (WTD)

WTD is the largest clean water utility in Washington, serving around 2 million residents in 34 local sewer agencies. Their projected rates show significant increases in the upcoming years, as shown below.

Table 2.[14]
Proposed 2026 Sewer Rate and Forecast

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Rate Increase %	5.75%	**7.50%**	12.75%	12.75%	13.50%	13.50%	13.50%	7.25%	7.25%	2.00%	2.00%
Monthly Sewer Rate	$58.28	**$62.66**	$70.65	$79.66	$90.42	$102.63	$116.49	$124.94	$134.00	$136.68	$139.42
Rate Increase $	$3.17	**$4.38**	$7.99	$9.01	$10.76	$12.21	$13.86	$8.45	$9.06	$2.68	$2.74

Table 3.[15]
Adopted 2025 Sewer Rate and Forecast

2025-2035 Rate Forecast	Adopted										
2025 Adopted Sewer Rate	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Rate Increase %	5.75%	7.00%	7.00%	7.00%	8.25%	8.25%	8.25%	9.25%	9.25%	9.25%	
Monthly Sewer Rate	$58.28	$62.36	$66.73	$71.41	$77.31	$83.69	$90.60	$98.99	$108.15	$118.16	
Rate Increase $	$3.17	$4.08	$4.37	$4.68	$5.90	$6.38	$6.91	$8.39	$9.16	$10.01	

Taken from the July 2 RWQC meeting packet.

WTD states their key rate drivers are regulatory requirements (particularly for the Combined Sewer Overflow, or CSO, Consent Decree), asset replacement and renewal, and growth capacity. Potential future regulations around items like PFAS or nutrients are also potential future rate drivers. WTD states that possible ways to mitigate increases include working to encourage a regulatory framework that improves the health of Puget Sound and is financially sustainable, protecting and enhancing loan and grant funding, and streamlining permitting and other items tied to building infrastructure.

Additional information on WTD's rate structure: WTD charges a sewer rate and a capacity charge. Sewer rates are charged on usage each month to new and existing customers, while the capacity charge is levied on new connections to the sewer system and is paid by new customers on top of their sewer rate. The sewer rate is currently projected to have larger increases than the capacity charge. WTD charges contract cities and sewer districts for their wastewater, who then bill customers. Therefore, exact rates customers pay will vary by city.

King County Solid Waste Division (SWD)

SWD's service area is 37 cities (all but Seattle and Milton) and unincorporated areas in King County. Their projected rates show significant increases in the upcoming years, as shown below.

	2026	2027	2028	2029	2030	2031
Tipping Fee	$179	$194	$211	$230	$252	$277
FAC	$26.8M	$30.9M	$35.5M	$38.7M	$41.9M	$44.8M
% Tipping Fee	8.0%	8.5%	8.8%	9.0%	9.5%	9.8%
% FAC	13%	13%	13%	9%	7%	6%

Fee	2024	2025	2026	2027	2028	2029	2030	2031
Self Haul	$185	$204	$229	$258	$290	$326	$367	$413
Self Haul Minimum		$33	$37	$41	$46	$52	$59	$66
Yard Waste		$115	$129	$146	$164	$184	$207	$233
% Increase		10%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%

Taken from the April 11 SWAC meeting packet.

SWD shares that their key rate drivers are operational expenditures, which will increase with the opening of the South County Recycling and Transfer Station (SCRTS), landfill post-closure maintenance on Cedar Hills Regional Landfill, and capital expenditures, which will increase due to modernization, expanding landfill capacity, and maintaining infrastructure. Capital expenditures will nearly triple in the next six years, primarily due to large projects: SCRTS, landfill capacity, Northeast Recycling and Transfer Station (NERTS), permanent facilities, and regulatory compliance. Regulations may further exacerbate cost concerns. Another major unknown in the future rates of SWD is the long-term disposal decision around how to dispose of solid waste following the anticipated 2040 closure of Cedar Hills Regional Landfill. SWD states that they are keeping costs down by distributing debt service, investing in landfill gas, developing partnerships, and monitoring regulatory environments. Potential opportunities to mitigate rate increases include increased state and federal funding, flexible procurement requirements, pursuing EPR legislation, and streamlining permitting processes.

Additional information on SWD's rate structure: SWD charges a commercial rate and a self-haul rate. Overall commercial rates consist of two components: a tipping fee, which represents the per-ton garbage disposal fee, and a fixed annual charge, which is a fixed amount not based on tonnage disposed to account for revenue loss due to waste diversion efforts. SWD charges contract cities and private haulers for their waste, who then bill curbside customers. Therefore, exact rates customers pay will vary by city.

Seattle City Light (SCL)

SCL's service area extends to many SCA cities, such as Shoreline, Lake Forest Park, Burien, Renton, Tukwila, SeaTac, and Normandy Park. Electricity demand is expected to increase in the coming years. SCL states their major rate drivers include relicensing of the Skagit and the South Fork Tolt Hydroelectric Projects, aging infrastructure, procurement of new resources, replacing failing underground cable, and increased labor costs. They point to federal and state funds and energy conservation as potential ways to mitigate costs to ratepayers.

Puget Sound Energy (PSE)

PSE has customers across the state, including in King County, providing natural gas and/or electricity. Recent state climate policies have set standards around carbon-neutrality of electric supply, clean energy, pollution, and energy performance that PSE has been working to pursue. PSE states that the scale and pace of acquiring cleaner energy creates many challenges around electricity demand, renewable resource stability, electric grid expansion and modernization, and affordability. Specifically, they state that key rate drivers include costs and investments needed to implement the State's clean energy policies and meet energy needs as well as mitigating risks related to tariffs and permitting. PSE points to partnering locally to mitigate rate increases.

Acronyms and Definitions

This table is on pages 12-13 of the Briefing Book and is included for ease of reference.

Acronym	Full Name	Definition/Description
C & D	Construction and Demolition	Refers to debris generated during the building, renovation, or tearing down of structures. It includes materials like concrete, wood, metals, drywall, asphalt, and glass.
CAP	Customer Assistance Program	Utility-sponsored programs that help eligible customers manage and reduce their bills.
CapEx	Capital Expenditures	Long-term investments in infrastructure, facilities, or equipment.
CSO	Combined Sewer Overflow	Discharge of untreated wastewater and stormwater during heavy rainfall events.
EPR	Extended Producer Responsibility	Policy approach that holds producers accountable for the end-of-life management of their products.
EPA	Environmental Protection Agency	Federal agency responsible for protecting human health and the environment.
FAC	Fixed Annual Cost	A stable, predictable cost component in utility rate structures.
ILA	Interlocal Agreement	A formal contract between public agencies to share utility services, infrastructure, or responsibilities across jurisdictions.
KC SWD	King County Solid Waste Division	County agency managing waste collection, recycling, and landfill operations.
KC WTD	King County Wastewater Treatment Division	County agency responsible for regional wastewater treatment and water quality protection.
LIHEAP	Low Income Home Energy Assistance Program	Federal program that helps low-income households pay for heating and cooling.
LIHWAP	Low Income Household Water Assistance Program	Federal program that helps low-income households pay for water and wastewater services.
LRF	Landfill Reserve Fund	Dedicated fund for long-term landfill maintenance, closure, and environmental compliance.
NACWA	National Association of Clean Water Agencies	Advocacy group representing public wastewater and stormwater agencies nationwide.

NERTS	Northeast Recycling & Transfer Station	Planned King County Solid Waste Division facility to improve recycling and waste transfer capacity.
O&M	Operations and Maintenance	Day-to-day costs of running utility systems and facilities.
OpEx	Operational Expenditures	Ongoing expenses for utility operations, including labor, materials, and services.
PFAS	Polyfluroalkyl Substance	Persistent chemicals found in consumer products that pose environmental and health risks.
PSE	Puget Sound Energy	Regional electric and natural gas utility serving parts of King County and nine other counties.
RWQC	Regional Water Quality Committee	Develops, reviews, and recommends countywide policies and plans addressing wastewater treatment and sewer service issues, long range capital facilities plans, rate policies, and facilities siting.
SCA	Sound Cities Association	Coalition of King County cities advocating for regional collaboration and policy alignment.
SCL	Seattle City Light	City of Seattle public electric utility serving Seattle and surrounding areas.
SCRTS	South County Recycling & Transfer Station	King County Solid Waste Division facility under development to expand recycling and waste transfer services.
SPU	Seattle Public Utilities	City of Seattle department providing stormwater and wastewater connection services and solid waste in Seattle, and retail and wholesale drinking water regionally.
SRF	State Revolving Fund loans	Low-interest loans for drinking water and wastewater infrastructure, administered by states with federal funds.
UTC	Utilities and Transportation Commission	A three-member commission appointed by the governor and confirmed by the state senate. Regulator of Puget Sound Energy.
WIFIA	Water Infrastructure Finance and Innovation Act loans	Federal loan program offering favorable terms for large-scale water infrastructure projects.
WWTS	Wet Weather Treatment Station	Facility designed to treat excess wastewater during storm events to prevent overflows.