EDU Recalculations – Frequently Asked Questions

Q: What is an EDU?

A: An EDU is an "Equivalent Dwelling Unit." This is a term used in the water and sewer industry, and is a way to compare a non-residential customer's usage to an average residential customer's usage. When a non-residential use is first contemplated, the proposed use is reviewed by an Engineer and the number of EDUs is initially estimated based on calculations performed consistent with engineering standards, as water records are not available for a newly contemplated use.

Q: How is the cost of an EDU calculated?

A: The cost of the EDU is calculated in accordance with the current tapping fee law. This takes into account construction costs of the treatment facilities and the construction costs of the conveyance facilities. The construction costs which are separately accounted for and are divided by the capacity of the facilities on a per gallon per day basis. This dollar per gallon per day is then multiplied by 262.5 gpd /edu. EDUs are only sold on a whole number basis.

Q: How does the Authority calculate my quarterly sewer bill?

A: Authority's rate structure is divided into two separate fees, one that is a fixed rate, designated as a "service fee," and another rate that is variable and is based upon consumption. The variable rate is charged on a per thousand gallon basis, and allows the Authority to pay its variable costs, such as the actual treatment of sewage. The service fee, on the other hand, allows the Authority to pay its fixed costs of operating the treatment plant and associated facilities, including electricity, account maintenance, and various other fixed costs. The service fee is assessed to each account based upon the number of EDUs purchased by a particular customer.

SERVICE FEE-The first component is the minimum quarterly service charge per edu. This is a flat rate that is currently \$45.00 per EDU. The service charge is multiplied by the number of EDUs assigned to the property. This is solely based upon the number of EDUs.

VARIABLE FEE-The second component of the quarterly sewer bill is the usage component. This is based upon the total water consumption for a quarter and charged at a rate of \$3.30 per 1,000 gallons. This component could change every quarter depending upon your actual usage.

Q: I am a non-residential customer. Why are my EDUs being recalculated now?

A: The last time EDU's were reviewed was when the Authority modified its rate structure and lowered the service fee from \$67.00 per account to \$45.00 per EDU. At that time, each non-residential account's usage was reviewed to determine the number of EDUs that were being allocated for that particular property. The service fee is applied on a per EDU basis, such that each account is charged a service fee for each EDU associated with the account.

Q: Why is it necessary to recalculate EDUs?

A: EDUs are recalculated for non-residential customers to ensure that all Authority customers are being treated equitably and that some customers are not unintentionally subsidizing other customers. A review of the relevant water usage history revealed that several non-residential customers' usage has increased over the past several years due to changes in use or increased success of those customers. Therefore, these customers should have been responsible for the payment of additional tapping fees based upon their usage. This has resulted in some of these non-residential customers underpaying not only tapping fees for several years, but also underpaying

their fair share of service charges, which are assessed to each account based upon the number of EDUs purchased by a particular customer. This has resulted in other customers, including residential customers, unintentionally subsidizing these non-residential customers' usage.

- Q: Why does the Authority use water records when calculating the number of EDUs that I need?
- A: Metered water consumption is frequently used in the wastewater industry to estimate the amount of sewage that a user contributes to the system, as there is no meter that measures the amount of sewage that enters the Authority's sewer main. Water consumption estimates are used to calculate the average residential sewer usage that makes up a single EDU.
- Q: Would paying the required tapping fees and service charges result in me paying more than my fair share?
- A: No. In an attempt to insure that all Authority customers, both residential and commercial, were paying what they were required to pay, no more or no less, the Authority determined that those customers who were not paying their fair share for the appropriate sewage usage would have their accounts corrected.
- Q: Did the Authority send invoices to area restaurants demanding immediate payment of tapping fees?
- A: No. The Authority is working with affected customers to make arrangements for payment over time where needed, and has not yet invoiced any customer in the Borough for additional tapping fees.
- Q: How often will my EDUs be recalculated moving forward?
- A: The Authority will continue to review water records on a regular basis moving forward. There is no set duration between evaluations, but it will most likely be conducted every two years. The Authority, however, may do so more or less frequently based upon changes in circumstances or uses of the facility.
- Q: I can't afford to pay for all of the tapping fees at once. Can I make payment arrangements with the Authority?
- A: Yes. The Authority recognizes that in certain cases, the tapping fees associated with the required additional capacity is significant. The Authority's Board of Directors is therefore more than willing to enter into reasonable payment plans with any affected customers.
- Q: I am a residential customer. Will my number of EDUs be recalculated?
- A: No. Each residential unit is assessed one EDU, and will only ever be assessed one EDU.
- Q: I have more questions. Who should I contact?
- A: Stephen Clark, the Executive Director of the Authority. He can be reached at sclark@conshohockensa.com.