

MCES Industrial SAC Determinations and Options

August 2019

As of January 1, 2019, there is a new way that industrial SAC (Sewer Availability Charge) is determined and a new payment option available - **Industrial Capacity Charge (ICC)** - which may reduce or eliminate large SAC payments.

How industrial SAC and ICC determination and payment options work

Your business's capacity demand will now be reviewed and assessed for each reporting period instead of each permit period.

With each self-monitoring report you submit, we will multiply your facility's existing SAC baseline by your reported operating days to determine the wastewater discharge volumes covered by your baseline. Your facility's SAC baseline is the total commercial and industrial SAC units previously paid for.

If you're reporting period discharge is at or below your existing baseline, you will not be invoiced capacity charges.

For every 1,000 gallons discharged above your baseline, you will be assessed and invoiced for ICC and will have the following payment options:

- Pay ICC for the reporting period. The 2020 rate is \$2.14/1,000 gallons discharged over your baseline.
- Pay SAC in lieu of ICC and increase your baseline. The 2020 SAC rate is \$2,485 per SAC unit. Each SAC unit payment will increase your baseline discharge capacity by 100,000 gallons per year.
- Pay a combination of ICC and SAC.

Which payment option is best for you?

You choose the payment option that works best for your business. If your process flows fluctuate as business fluctuates, or if you intend to implement water reduction measures, you may choose to pay ICC for each reporting period that you discharge above your baseline. If you are confident that your business will be discharging the higher volume of wastewater for more than 12 years¹, you may decide to pay a one-time SAC payment at the current rate and permanently increase your baseline. If your discharge increases are steady, but the SAC payment is too large, you may choose to pay a combination of ICC and SAC.

¹It is estimated that about 12 years of ICC payments are equivalent to a one-time SAC payment. ICC is not a payment plan for SAC and does not increase your SAC baseline.

Are you moving or opening a new facility?

All new or moving businesses applying for SAC will be required to have or acquire enough SAC units to cover the commercial SAC determination (based on square footage and use), and up to three additional SAC units to cover the potential industrial discharge. Businesses with greater than 960 gallons per day of industrial discharge, will be assessed ongoing ICC or have the option to pay SAC to reduce or eliminate future ICC payments.

Questions?

If you have questions, please contact your MCES permit engineer or Nanette Ewald at 651-602-4706 or nanette.ewald@metc.state.mn.us

