Negotiating Fee Increases
Lessons Learned

11/01/17 National NPDES Program Managers meeting
Valerie Thomson
Deputy Director of Administration and Non-Regulatory Affairs
Presentation Overview

1. Evolution of water permit fees in Virginia

2. Lessons learned when increasing fees

3. Repeatable process
Evolution of VA Water Fees

1975: Federal NPDES Delegation

1992: Budget cuts authorized permit application fees

2004/2008: Additional Budget cuts – Directed to increase permit fees (no more than 50% of program costs) and introduced annual maintenance fees
Lessons Learned

The People
- Diverse Stakeholders
- Collaborate & Listen

The Process
- Structured & Transparent
- Facilitate Consensus
Guiding Principles

Fees must fairly allocate program costs between covered facilities

Fees must be structured to generate a stable, reliable revenue stream

Fees must be sufficient to meet program needs
## Results of Water Permit Fee Negotiations

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Agency</th>
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<tbody>
<tr>
<td>Cover direct costs only</td>
<td>Fees increased</td>
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<tr>
<td>DEQ to report on spending</td>
<td>Regulations passed</td>
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<tr>
<td>50% cap on fees to program costs</td>
<td>CPI adjustments included</td>
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<td>VA continues to issue permits</td>
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<tr>
<td>Permit fee discounts (VEEP)</td>
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1. Work upfront early and often with stakeholders

2. Stakeholder Advisory Groups (SAG) / Regulatory Advisory Panels (RAP)

3. Take the time to try and reach consensus