

Negotiating Fee Increases Lessons Learned

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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

Stakeholder	Agency
Cover direct costs only	Fees increased
DEQ to report on spending	Regulations passed
50% cap on fees to program costs	CPI adjustments included
VA continues to issue permits	
Permit fee discounts (VEEP)	

Repeatable Process

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