

**LOWER PERKIOMEN VALLEY REGIONAL SEWER  
AUTHORITY**

**REGIONAL SEWAGE FACILITIES**

**CAPACITY ALLOCATION PROGRAM  
GUIDELINES**

# LOWER PERKIOMEN VALLEY REGIONAL SEWER AUTHORITY

## CAPACITY ALLOCATION PROGRAM GUIDELINES

### **INTRODUCTION**

On November 4, 2002, the Lower Perkiomen Valley Regional Sewer Authority (“Regional Authority”) acquired the Oaks Sewage Treatment facilities, the Perkiomen Creek Interceptor and related facilities (the “Regional Facilities”), and other assets from the Montgomery County Sewer Authority. Under the terms of a Service Agreement, dated September 5, 2002, the Regional Authority renders bulk sewage treatment and transmission services to the Boroughs of Collegeville and Trappe, and the Townships of Lower Providence, Perkiomen, Skippack and Upper Providence (the “Incorporating Municipalities”), through their respective municipal authorities Collegeville-Trappe Municipal Authority, Lower Providence Township Sewer Authority, Perkiomen Township Municipal Authority, Skippack Township Authority and Upper Providence Township Municipal Authority (the “Local Authorities”), from the Regional Facilities. ***Terms and phrases not otherwise defined herein shall have the meanings ascribed to them in the Service Agreement.***

Certain of the Local Authorities hold 1987 Capacity Rights in the Regional Facilities, recognized by the Service Agreement, in quantities calculated exclusively by the Regional Authority. Also, any of the Local Authorities may elect to purchase Prepaid Capacity Rights or obtain new Capacity from the Unreserved Pool, which may then be allocated to Designated Properties within its Incorporating Municipality. A Designated Property is defined in the Service Agreement as follows:

*“Designated Property” shall mean an identified tract or parcel of real estate located in one of the Incorporated Municipalities which (A) contains improvements capable of discharging Sewage, or (B) will expand or change in a manner that will increase the number of EDUs attributable to it (including due to increased usage), or (C) is wholly or partially undeveloped but has a subdivision or land development plan (as defined in the Municipalities Planning Code) which has received preliminary Act 247 plan approval by the applicable Incorporating Municipality (or has received such preliminary approval contingent only on receipt of Capacity from the Regional Authority), and is expected (under circumstances deemed acceptable by the Regional Authority) to discharge Sewage or such additional Sewage into the Regional Facilities within two years of the applicable Capacity Agreement, or (D) is described by such other criteria established by resolution or regulation of the Regional Authority or under the terms of a Capacity Agreement, from time to time, appropriate for particular developed or developable properties”.*

Under the Regional Authority’s Capacity Allocation Program (described herein), the Regional Authority allocates Capacity only to qualified Designated Properties in increments based on the number of Equivalent Dwelling Units (EDUs) times the amount of the Tapping Fee established by resolution of the Regional Authority. An Equivalent Dwelling Unit (EDU) is defined in the Service Agreement as follows:

“EDU(s)” or “Equivalent Dwelling Unit(s)” shall mean:

A. *for a residential property, each house, apartment, condominium, townhouse, mobile home or each single family dwelling unit which includes kitchen or comparable facilities; and*

B. *for a nonresidential property,*

*(1) for purposes of assessing the User Fee: each multiple of 200 gallons per day of water consumption measured at the property’s water meter, determined by dividing the maximum metered water consumption per quarter (3 months), or in the case of non-metered water supplies or unavailable data, estimated maximum water consumption per period of time, by the number of days in such period, then dividing the result by 200 gallons per day per EDU and rounding to the next lower whole number if the decimal is .49 or less and to the next higher whole number if the decimal is .50 or more; and*

*(2) for purposes of initially assigning EDUs of Capacity to be reserved or allocated (including calculation of the applicable Tapping Fee): the estimated water consumption determined by the Regional Authority based on similar types of properties and historic data maintained and applied by the Regional Authority, dividing the estimated maximum quarterly water consumption by 200 gallons per day per EDU and rounding to the next lower whole number if the decimal is .49 or less and to the next higher whole number if the decimal is .50 or more.*

*To the extent any applicable sewer rate or use resolution of a Local Authority is inconsistent with the forgoing definition of an EDU, as to matters relevant to the implementation of this Service Agreement, the definition herein shall control”.*

The Regional Authority will not allocate Capacity to a Designated Property beyond what is available to the host Local Authority (or its Incorporating Municipality), unless 1987 Capacity Rights are purchased from the host Local Authority or another Local Authority, under certain conditions described in the Service Agreement. Capacity rights purchased from the Montgomery County Sewer Authority, which were properly paid for and documented, will be recognized as allocated Capacity by the Regional Authority. The Regional Authority’s Capacity Allocation Program may be withdrawn, terminated, suspended or amended at any time, consistent with the terms of the Service Agreement.

## **ELIGIBILITY**

Any person or legal entity is eligible to receive Capacity in the Regional Facilities which satisfies the following: (1) holds controlling legal title to real estate within the boundaries of an Incorporating Municipality, (2) constitutes a Designated Property at the time of application (including a determination that such person will connect and discharge sewage within two years thereafter), (3) has obtained sufficient Capacity Rights from a qualifying Local Authority or sufficient Capacity exists for the Local Authority in the Unallocated Pool, and (4) for which the then applicable Tapping Fee of the Regional Authority and other required sums have been paid in full (including, if due, acknowledgement by the Local Authority that its applicable tapping fee

and other pertinent charges have been paid). This Capacity allocation program is open to all such property owners who wish to develop, or expand existing real estate.

### **ALLOCATED CAPACITY**

Allocated Capacity under a Capacity Agreement does not *per se* give the holder any rights to land use approvals or permits of any kind, or circumvent any municipal code requirements or additional charges levied by the Incorporating Municipality or Local Authority. Such Capacity also does not provide the holder any ownership or other legal interest in the Regional Facilities. The Capacity Agreement in no way guarantees the availability of sewage collection facilities or service to the property in question, nor obligate the Regional Authority or a Local Authority to provide such collection facilities or service.

### **1987 CAPACITY RIGHTS**

The purchase of 1987 Capacity Rights from a Local Authority, prior to an actual allocation of Capacity by the Regional Authority under a Capacity Agreement (and prior to the Regional Authority's receiving the appropriate Tapping Fee) does not in any way bind the Regional Authority to provide Capacity, except to acknowledge that Capacity is available for such property if all other requirements of the Regional Authority are met. Any agreement or other document evidencing the purchase of 1987 Capacity Rights by a property owner shall be subject to independent verification by the Regional Authority. All persons seeking Capacity in the Regional Facilities releases the Regional Authority from any claims arising out of the purchase of 1987 Capacity Rights from a Local Authority, regardless of the source or terms of such purchase. The Regional Authority does not receive any proceeds of the sale of 1987 Capacity Rights. Such funds are retained by the Local Authority. The purchase of Capacity Rights is a matter solely between the buyer and the selling Local Authority. A Local Authority can grant no greater rights to Capacity than it has under the terms of the Service Agreement.

### **PURCHASE OF CAPACITY RIGHTS**

The Regional Authority will sell Capacity Rights to the owner of a designated property who has submitted the property application, plan and other documentation as required by the Regional Authority. Properties that require planning module approval from the Department of Environmental Resources, shall submit a letter from the local municipality verifying that the plan has received preliminary plan approval before the Chapter 94 consistency letter is released to DEP.

### **PERIODIC USER FEES**

The owner of a Designated Property to which Capacity has been allocated by the Regional Authority will be required to pay its Local Authority (which must in turn pay the Regional Authority) the amount of the Regional Authority's periodic User Fee (in addition to any local tapping fee or other sums due the Local Authority) for each 200 gallons per day of capacity allocated to a property. (see Policy on Billing of User Fees attached)

## **ESTIMATION AND VERIFICATION OF CAPACITY NEEDS**

The Regional Authority will review all requests for Capacity and determine the circumstances and amount of Capacity to be allocated under a Capacity Agreement. A property owner estimates its Capacity needs for purposes of seeking a Capacity Agreement at its own risk. All single family residential uses (each apartment, each single unit of a duplex, each townhouse, etc) shall be considered as having one EDU of capacity available for its use and be assigned one EDU per dwelling unit. All non-residential uses shall supply at least 24 months of consecutive water consumption data for a similar (both in square footage and in type of use) facility to the Regional Authority for evaluation. The Regional Authority's determination of quantity and terms of Capacity (a) at the time Capacity is sought under the Capacity Agreement, and (b) at the time of connection, shall be conclusive. Any change in the scope or character of the project affecting a Designated Property may give rise to a reduction or termination in allocated Capacity (and a refund of all or a portion of the Tapping Fee paid, if deemed appropriate by the Regional Authority).

Understating or misrepresenting Capacity needs may result in fines or surcharges against the applicable Local Authority and property owner, where actual use exceeds the Capacity acquired. Capacity may only be allocated to a Designated Property with an approved preliminary plan, and subdivision or land development plans, as defined in the Pennsylvania Municipalities Planning Code). **An applicant must submit evidence of such approvals and record plan(s) of the subject subdivision or land development folded no larger than 8 ½ " x 11"**.

Excessive or unanticipated sewage flow could result in an overload of the Regional Facilities and fines to the Regional Authority. Such excessive flow can be the result of underestimation of Capacity needs by particular properties or alterations to an Improved Property which increases the amount of discharge. The Regional Authority and/or the Local Authority will analyze monthly and quarterly water meter readings by selected properties to be compared to the Capacity allocated or reported. In the event that the metered or projected discharge exceeds the amount of Capacity allocated, an additional fee commensurate with the additional flow will be required at the then current rate.

The methodology for calculating the number of EDUs applicable for different types of Improved Properties is set forth in the Representative Metering Agreement and in the resolutions, regulations and policies adopted by the Regional Authority. An applicant's approach to calculating EDUs shall be reviewed in advance by the Regional Authority staff and Board prior to a final allocation of Capacity. The purchaser of one or more EDUs of Capacity for non-residential properties will be subject to water usage verification and site inspection. The Regional Authority has the right to require metering of any individual buildings with multiple EDUs or suspected multiple EDUs.

## **CAPACITY TRANSFERS**

No Person may sell or otherwise transfer any interest in Capacity in the Regional Facilities directly to any other Person. If the holder of Capacity sells or abandons the associated Designated Property, such Capacity will remain with such designated property through property transfers of that particular designated property. No refunds will be paid by the Regional Authority as a result of any reductions in its fee structure after Capacity is allocated and payment therefore has been made.

## **POLICY ON RETURN OF BASE CAPACITY ALLOCATION**

On May 12, 2011, LPVRSAs adopted a Policy on Return of Base Capacity Allocation. A property owner may request that LPVRSAs approve a reduction in the Base Capacity Allocation and return of the unused portion of unused capacity to the Regional Authority subject to certain conditions. see Policy on Return of Base Capacity Allocation attached. )

### **APPLICATION INSTRUCTIONS**

1. Capacity Access Application form must be filled out completely. **Specific instructions for single or multiple EDUs must be obtained from the Regional Authority office or on the LPVRSAs web site at [lpvrso.org](http://lpvrso.org).** If guidance is needed in the application process, please contact the Authority Manager at 610-676-9040 between the hours of 7:00 a.m. and 3:00 p.m., weekdays.
2. The applicant will then complete the Agreement, make two (2) additional copies and execute all three (3) copies. The Agreement must then be presented to the Local Authority for review whereby an approval signature will be applied by the Local Authority or their designee. At this time the Applicant should be prepared to make payment to LPVRSAs as well as any tapping or other fees then due the Local Authority.
3. **Payment shall be made directly to LPVRSAs along with the (3) copies of the fully executed Agreement for Capacity Rights, after the Local Authority reviews and executes the agreement.**
4. **ALL PAYMENTS BY THE APPLICANT TO LPVRSAs MUST BE IN THE FORM OF A “CERTIFIED BANK CHECK” OR “BANK DRAFT”.**
5. An allocation of Capacity does not become effective until the Capacity Agreement is signed by an authorized representative of by the Regional Authority following payment and approval at a public Board meeting.

#### **MAIL TO:**

**LPVRSAs  
101 STATION AVENUE  
P.O. BOX 297  
OAKS, PA 19456**

DATE \_\_\_\_\_

**LOWER PERKIOMEN VALLEY REGIONAL SEWER AUTHORITY  
CAPACITY ACCESS APPLICATION FORM**

NAME \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_ PHONE \_\_\_\_\_

PROPERTY LOCATION \_\_\_\_\_

TAX PARCEL NUMBER \_\_\_\_\_ BLOCK \_\_\_\_\_ UNIT \_\_\_\_\_

TOWNSHIP/BOROUGH \_\_\_\_\_ ESTIMATED ACREAGE \_\_\_\_\_

**INTENDED USE**

**NUMBER OF EDUs**

<input type="checkbox"/> Residential	Number of Units/Lots	_____	_____
<input type="checkbox"/> Office	Square Footage	_____	_____
<input type="checkbox"/> Warehouse	Square Footage	_____	_____
<input type="checkbox"/> Retail Store	Square Footage	_____	_____
<input type="checkbox"/> Light Industrial	Square Footage	_____	_____
<input type="checkbox"/> Medium Industrial	Square Footage	_____	_____
<input type="checkbox"/> Laboratory	Square Footage	_____	_____
<input type="checkbox"/> Motel/Hotel	Number of Units	_____	_____
<input type="checkbox"/> Restaurant	Number of Seats	_____	_____
<input type="checkbox"/> Laundry	Number of Washers	_____	_____
<input type="checkbox"/> Hairdresser	Number of Chairs	_____	_____
<input type="checkbox"/> Bar/Cocktail Lounge	Number of Seats	_____	_____
<input type="checkbox"/> Other _____		_____	_____

TOTAL EDUs (EQUIVALENT DWELLING UNITS) \_\_\_\_\_

DESCRIPTION \_\_\_\_\_

APPROXIMATE TIME OF DEVELOPMENT: \_\_\_2014 \_\_\_2015 \_\_\_2016 \_\_\_2017 \_\_\_Future

**PURCHASER SIGNATURE** \_\_\_\_\_

**LPVRSa USE ONLY**

TOTAL COST \$ \_\_\_\_\_

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

Agreement forwarded \_\_\_\_\_ Application # \_\_\_\_\_

**LOWER PERKIOMEN VALLEY REGIONAL SEWER AUTHORITY**  
**POLICY ON BILLING OF USER FEES**  
**TO LOCAL MUNICIPALITIES/AUTHORITIES**  
**Adopted by the Board on October 14, 2010**  
**Amended by the Board October 9, 2014**

The executed Sewer Service Agreement (page 6) states that for the purpose of determining **User Fees** for non-residential EDUs, a User Fee will be charged by the Regional Authority for each 200 gallons per day to be discharge at the source. The EDU audits for each municipality identified the number of EDUs and the number of User Fee Units so that billing of user fees can be applied in a fair and uniform manner to all local municipalities and local authorities.

The EDU audits of each municipality established the base allocation of capacity for each non-residential unit and each and every residential and non-residential unit contained within a multiple-unit structure or pad site and the applicable User Fees Units to be billed for treatment charges for those units, whether connected through a separate sewer lateral or in the case of multiple units through one sewer lateral.

The EDU audit involved the allocation of gallons per day to all non-residential units whether connected pre-1987 or post 1987, and the establishing of the number of User Fee Units to be billed to each property. From 1987 through 2002, the Montgomery County Sewer Authority required all non-residential units to purchase 1 EDU of capacity for each 275 gallons per day. Upon acquiring the Oak Wastewater Treatment Plant and Perkiomen Interceptor, LPVRSA required all non-residential units to purchase 1 EDU of capacity for each 200 gallons per day to be discharged at the source (property). Each EDU sold is considered 1 EDU of treatment plant capacity, and that number of EDUs will not change. However, the number of User Fee Units for some non-residential properties will differ from the number of EDUs allocated for treatment plant capacity purposes. User Fee Units will be based upon 200 gallons per day allocated to each non-residential unit and all User Fee Units as established are considered "Connected" for purposes of billing User Fees. This applies uniformly to both pre-1987 allocated capacity and post-1987 purchased capacity.

Each and every single family residential dwelling, apartment, condo or other residential unit shall be billed a User Fee Unit, whether a stand-alone structure or a part of a multiple-unit structure that is connected through one common sewer lateral.

Each and every non-residential store, office or other commercial or industrial unit shall be billed a minimum of one User Fee Unit for each 200 gallons per day of base allocation at the source. Where two or more non-residential units have the use of a common sewer lateral, each and every non-residential unit shall be considered and shall be assigned a minimum of one (1) User Fee Unit as if each unit has a direct and separate connection to the sewer system. The base allocation for a non-residential unit will be established in gallons per day for the purpose of calculating the User Fee Units only. The number of EDUs of capacity purchased for a property will not change as a result of calculating User Fee Units.

An **EDU for purposes of establishing a User Fee Unit** is equal to 73,000 gallons per annum or 200 gallons per day.



A **base allocation** has been established for each and every connected non-residential property through the EDU audit in accordance with the following:

1) For all non-residential properties existing prior to 1987 and for which capacity was not purchased under a Capacity Rights Agreement, the local authority will establish the number of gallons per day allocated to that property under the EDU audit. The local municipality/authority will be billed for the number of User Fee Units calculated for that property based on capacity allocation. A property owner who holds a pre-1987 base allocation and disputes the number of User Fees billed and wishes to relinquish a portion of the capacity in order to avoid payment of User Fees, shall give written notice of a forfeiture of unused capacity to both the local and regional authority. User Fees for forfeited EDUs will be discontinued and the base allocation of capacity for the property will be reduced. However, if at any time the property exceeds its reduced base allocation, additional EDUs must be purchased at the EDU Fee in effect at the time that additional capacity is required to be purchased for each 200 gallons of consumption at the source above the reduced base allocation. A property must retain a minimum of one (1) EDU of capacity for which the Regional Authority will charge a User Fee.

2) For all non-residential properties that purchased capacity from 1987 to 2002, EDUs will be equal to the number of EDUs purchased @ 275 gpd. To determine User Fee Units to be billed to the local municipality/authority, the total gallons purchased under the agreement will be divided by 200 gpd.

3) For all non-residential properties that purchased capacity after 2002 at 200 gallons per day, the number of EDUs purchased will equal the number of User Fee Units that will be billed to the local municipality/authority.

### **Properties Subject to User Fee Units**

All properties in existence prior to 1987 utilizing the public sewer system, are considered "connected" and subject to the billing of User Fee Units, even if property is vacant and no discharge is flowing from the property. All properties for which capacity has been purchased under a Capacity Rights Agreement will be considered "connected" two years after the date of the Capacity Rights Agreement even if there is no physical connection to the sewer system and no discharge flowing from the property.

### **Annual Review of Flows (Amended for Clarification October 9, 2014)**

As part of the EDU update process, quarterly flows for all non-residential properties will be evaluated by the Regional Authority on an annual basis during the second quarter of each year to determine if additional capacity must be purchased for the property. If the annual average daily flow during the previous calendar year exceeds the base capacity allocation for the property ("Overage"), within 10 days of such determination the local authority shall notify the Property Owner in writing, with a copy to the Regional Authority that the discharge has exceeded the base capacity allocation for the property and identify the number of EDUs of capacity to be purchased. Any dispute over meter readings is to be resolved through the local authority. The Regional Authority will allow a period of 180 days from the date of the notification to the Property Owner for repair of any leak by a Property Owner and additional monitoring to assure that a reduction to within the base capacity allocation is achieved. If an Overage still exists upon

the review of the annual average flow for the calendar year at issue the Property Owner shall purchase such additional EDUs equal to the total two year flow (calendar year at issue plus prior calendar year) divided by 730 days less existing capacity allocation divided by 200 gallons per day(GPD) [(Two Year total gallons/730 days) – Existing Capacity Allocation in GPD] /200 GPD) = # EDU) and a properly executed Capacity Rights Agreement for the additional capacity shall be submitted within 60 days thereafter. The additional capacity purchased will then be added to the base capacity allocation and the total shall be considered the property's new base capacity allocation.

**Jurisdiction of Local Authority:**

The Regional Authority understands that the billing of treatment charges to individual property owners is the sole jurisdiction of the local municipality/authority. Once the base allocation is established for each and every non-residential property, the Regional Authority recommends that the local authority notify each non-residential user of its base allocation (in gallons per day), ramifications of exceeding the base allocation, the number of User Fee Units that the Regional Authority will bill to the local authority for that property. Such notice to the property owner should include an acknowledgement and understanding of the policy by the property owner. The Regional Authority will provide a sample letter and acknowledgement for the notification process as well as other guidance requested by the local authority.

**LOWER PERKIOMEN VALLEY REGIONAL SEWER AUTHORITY  
POLICY ON RETURN OF BASE CAPACITY ALLOCATION  
Adopted by the Board on May 12, 2011**

In the event a designated property is discharging less than its Base Capacity Allocation to the Regional Authority facilities, the Owner may request the Regional Authority to approve a reduction in the Base Capacity Allocation and return of the unused portion to the Regional Authority (“Request for Reduction of Base Capacity Allocation”), subject to the following:

- 1) Approval of the Request for Reduction of Base Capacity Allocation shall be in the Regional Authority’s sole and exclusive discretion.
- 2) The Owner must demonstrate that a reduction in usage of Base Capacity Allocation for a non-residential property has occurred continuously for a minimum of two (2) years.
- 3) Only meter readings for the entire two-year period will be accepted as proof of reduction in usage for non-residential properties. Proof of the removal of the kitchen or other comparable facilities shall be required where a reduction occurs in the number of residential apartments, condos, in-laws quarters, retirement community units or other residential unit contained within a multi-family residential or multi-use building. All properties are required to have a minimum of one (1) EDU of capacity.
- 4) No refunds of EDU fees or user fees will be granted by the Regional Authority.
- 5) Each Request for a Return of Base Capacity Allocation to the Regional Authority is subject to an administrative fee of \$100.00.
- 6) If the new Base Capacity Allocation is exceeded, the Owner will be required to execute a new Capacity Rights Agreement and pay all then current Capacity fees for the capacity discharged from the property in excess of the new Base Capacity Allocation. The current fee is \$4,800.00 per EDU (for each 200 gallons per day).
- 7) No Request for Reduction of Base Capacity Allocation will be approved by the Regional Authority without the written authorization of the municipality and their local sewer authority.
- 8) All returned capacity shall become available for sale as part of the Unreserved Pool.
- 9) No capacity shall be transferrable from one designated property to another designated property. Capacity remains with the designated property and can only be transferred to the new owner of that designated property with the approval of the Regional Authority or returned to the Regional Authority under the conditions outlined in this policy.
- 10) The Regional Authority requires a 90-day processing period for all Requests for Reduction of Base Capacity Allocation in order to allow time for the evaluation of the proof of a reduction in usage, the approval by the LPVRS Board at an Authority meeting, and the signing of the required release.

- 11) The Owner and the municipality or its local authority shall be required to sign a release stating that he (she) understands and agrees with this policy and these conditions.
- 12) Where a planning module approval has been granted by the Department of Environmental Protection, the Owner must, through the local municipality, make a request to DEP to rescind the capacity approval for the appropriate number of EDUs. All costs of this process are at the expense of the Owner.
- 13) For all Requests for Reduction of Base Capacity Allocation approved by the Regional Authority between January 1 and September 30, the effective date of the reduction will be January 1 of the next calendar year. For all Requests for Reduction of Base Capacity Allocation approved by the Regional Authority between October and December 31st, the effective date of the reduction will be December 31st of the following calendar year. User fees for Base Capacity Allocation returned will cease with the effective date of the reduction in Base Capacity Allocation.

**Definitions:**

***Base Capacity Allocation*** shall mean the total number of gallons per day of sewage authorized to be discharged at the source by a designated property as a result of pre-1988 capacity assigned under the EDU audit and/or capacity purchased under a Capacity Rights Agreement, and based on the 3-consecutive month maximum flow.

***Excess Capacity Usage*** shall mean flows discharged above the Base Capacity Allocation by a designated property.

***User Fee Unit(s)*** shall mean the number of units subject to user fees as calculated by dividing the total number of gallons per day of Base Capacity Allocation by 200 gallons per day.

***Connected EDUs*** shall mean one or more of the following:

- a) The total number of EDUs at 275 gallons per day assigned to properties before the sale of capacity began, having a physical connection to the sewer system, and with the basis of the flows based on 3-month maximum flows under the EDU audit
- b) The total of EDUs purchased under a Capacity Rights Agreement whether based on 275 gallons per day or based on 200 gallons per day, depending on the date of purchase, and where a physical connection to the sewer system has occurred
- c) EDUs purchased under a Capacity Rights Agreement shall be considered Connected EDUs starting two (2) years from the date of the execution of the Capacity Rights Agreement, even though no physical connection is made to the sewer system.
- d) EDUs used in excess of the Base Capacity Allocation and which are subject to the purchase of additional capacity and user fees based on each 200 gallons per day of flow.
- e) All Connected EDUs are subject to user fees whether sewage is flowing or not.

***Returned EDUs*** - Increments of Base Capacity Allocation identical to the allocation or purchase of EDUs whether assigned to the property at 275 gallons per day before 1988 or purchased for the property at 275 or 200 gallons per day.