



Missouri Department of dnr.mo.gov

**NATURAL RESOURCES**

Michael L. Parson, Governor

Dru Buntin, Director

September 3, 2021

Re: Revised Primacy Fee Structure for Systems on an Annual Schedule

Dear Public Water Supplier:

The Department is sending this letter to inform you that effective January 1, 2022, there will be a change to the Department's Primacy Fee structure that will affect the amount of the fee that your public water system is required to collect from your customers for remittance to the Department. This letter also provides some background information on the process undertaken by the Department to make this rule change as well as provides some guidance on actions you may need to take in preparation for this change.

The Department established the new fee rates by amending rule 10 CSR 60-16 Drinking Water Fees, consistent with the process outlined in 640.100 RSMo. The process included holding a series of stakeholder meetings to reach a consensus proposal, presenting the consensus proposal to the Safe Drinking Water Commission for approval, and promulgating the proposal through regulation. The rulemaking process also included a public comment period and a public hearing to give the public a chance to provide input prior to the Commission's adoption of the Order of Rulemaking. The final language of the rule will publish in the November 30, 2021, publication of the Code of State Regulations. You may find additional information on this process on the Department's Fee stakeholder webpage at the link below:

<https://dnr.mo.gov/water/business-industry-other-entities/permits-certification-engineering-fees/water-fees/public-drinking>

With the new fee rates to take effect on January 1, 2022, there are a few key actions you need to start planning for now in order to allow for a smooth transition to the new fee rates and ensure the proper collection and submittal of fees to the Department.

1. Your system is currently on an annual collection schedule. If there is any need to change this schedule because of the revision to the fee structure, you need to notify the Department in writing by January 1, 2022. A change in the frequency of collection to monthly or quarterly will also result in a change in your submittal frequency of the revenues to the Department to quarterly as well. With the effective date of the new fee structure quickly approaching, please coordinate with us as soon as possible if you are planning on making a collection schedule change.



2. If you need to make any changes to your billing software, to accommodate the new fee rates or a new frequency, you may need start planning for those changes now so you collect the appropriate fee from your customers when the time comes to collect the revised amounts.
3. One important note related to the Primacy Fee is that the current annual period established in rule is September 1 through August 31. Since the first year of implementing the revised Primacy Fee structure, the annual period will overlap the January 1, 2021, effective date, the Department has determined it will be necessary to collect the fee on a prorated basis for the first year. When charging the annual fee for the annual period running from September 1, 2021, through August 31, 2022, you will need to use the applicable prorated fee amount located in the fourth column of the enclosed fee table. This amount was calculated using the current fee amount for the first four months of the annual period and the revised fee amount for the remaining 8 months. For the following annual collection period, you will begin collecting the full amount of the revised fee amount located in the third column of the table. For any fees paid for 2022 primacy fee period prior to January 1, 2022, your account will be reevaluated after January 1, 2022, and you will be invoiced for the prorated amount for the fee increase.
4. Finally, you should consider providing a notice to your customers regarding this rate increase and any potential change to your collection schedule.

Thank you for your attention to this matter and for your support of this change during the rulemaking process. If you have any questions regarding the new Primacy Fee structure or the information included in this letter, please contact the Water Protection Program's Fiscal Management Section at P.O. Box 176, Jefferson City, MO 65102, by phone at 573-751-6723, or via email at [wppfees@dnr.mo.gov](mailto:wppfees@dnr.mo.gov).

WATER PROTECTION PROGRAM



David J. Lamb, Chief  
Public Drinking Water Branch

Enclosure

**Primacy Fee Revision Table for Systems on an Annual Collection Schedule**

<b>Number of Connections with Unmetered or Meter Size ≤ 1”</b>	<b>Current Fee Amount</b>	<b>Revised Fee Amount Effective January 1, 2022</b>	<b>Prorated Fee Amount for 2022 Annual Period</b>
1 to 10	\$3.24	\$50.00*	\$50.00*
11 to 1,000	\$3.24	\$5.28	\$4.60
1,001 to 4,000	\$3.00	\$5.28	\$4.52
4,001 to 7,000	\$2.76	\$5.28	\$4.44
7,001 to 10,000	\$2.40	\$5.28	\$4.32
10,001 to 20,000	\$2.16	\$4.80	\$3.92
20,001 to 35,000	\$1.92	\$4.80	\$3.84
35,001 to 50,000	\$1.56	\$4.80	\$3.72
50,001 to 100,000	\$1.32	\$4.20	\$3.24
> 100,000	\$1.08	\$3.48	\$2.68
<b>Meter Size</b>			
> 1” ≤ 2”	\$7.44	\$21.00	16.48
> 2” ≤ 4”	\$41.16	\$102.00	81.72
>4”	\$82.44	\$198.00	159.48

\*For systems with 10 connections or less, the Department will assess their fee at the minimum amount for the system and not per connection. The minimum fee will not be prorated.