The 2003 Municipal Water Law allows municipal water suppliers to expand their water right place-of-use to the service area identified in an approved Water System Plan (WSP) or Small Water System Management Program (SWSMP). Municipal suppliers should understand service area definitions and requirements before they develop their planning documents.

**Service Area Definitions and Requirements**

**Retail Service Area** is the specific area, defined by the municipal supplier, where the supplier has a duty to provide service to new service connections as set forth in RCW 43.20.260. For details, see the Municipal Water Law: Duty to Provide Service Requirement fact sheet, DOH 331-366.

Municipal suppliers must include a map of their retail service area in their WSP. The map must show where service is currently provided and may include areas where new service is planned. The distribution system may extend beyond the approved retail service area as long as it does not go outside the overall service area.

**Future Service Area** is the specific area to which a water system in a Critical Water Supply Service Area is to provide water service as provided in a written agreement between purveyors under chapter 70.116 RCW and chapter 246-293 WAC.

All water systems in a Critical Water Supply Service Area must identify their future service area on map. These systems have the exclusive opportunity to provide water service in their respective future service areas. This is known as the “right of first refusal.” A system may choose to decline the request if it cannot or will not provide the new service in a timely and reasonable manner as defined in the local Coordinated Water System Plan. A municipal supplier may have their future service be the same as their retail service area, but it is not required. The future service area must be fully contained within the service area.

All water systems planning under the Public Water System Coordination Act determine their future service area by written agreement. Modifications to the future service area must be consistent with the local Coordinated Water System Plan. For more information on service requests in the future service area, see DOH Pub. 331-444.

**Service Area** is the most expansive of all the service area types. It is the specific area a water system currently serves and areas where future water service is planned. This may include areas where wholesale water is provided to other public water systems.
All water systems must identify their service area in their WSP or SWSMP. For municipal water suppliers, the service area includes areas where it provides direct and remote service, and the area it plans to serve in the future. Unless the WSP is amended, water service may not be provided outside the service area. If wholesale water is supplied to other public water systems through an intertie, those areas must be included in the service area. The service area may represent a water right’s expanded place of use if the requirements of WAC 246-290-107 are met.

**Retail Service Area: Duty to serve conditions**

A municipal supplier must serve an applicant for new service within its retail service area if all of the following conditions are met. These conditions apply only to the retail service area:

1. The water system has sufficient capacity to serve water in a safe and reliable manner.
2. The service request is consistent with adopted local plans and development regulations.
3. The water system has sufficient water rights to provide service.
4. The water system can provide service in a timely and reasonable manner.

The Department of Health oversees physical capacity determinations and ensures consistency with adopted local plans and development regulations (conditions 1 and 2). We consider these factors during WSP review. The Department of Ecology oversees water right determinations (condition 3). WSPs must contain a water right self-assessment. We will send a copy of the WSP to Ecology for review and incorporate water rights into service capacity determinations.

Whether a municipal supplier can provide new service in a timely and reasonable manner (condition 4) is specific to each system and application for service. It is a civil matter between the parties. The Department of Health ensures that a WSP includes service area policies and conditions of service that articulate how the system will provide new service.

**Retail Service Area Boundary: Factors to consider**

Because the retail service area carries a duty to serve obligation (WAC 246-290-106), a municipal supplier should consider the following before delineating its retail service area:

- Size, location, and physical features of its existing and future service areas and those of adjacent utilities.
- Population projections and land-use designations.
- How the service will be provided to the retail service area.
- System capacity and the number of connections approved by the Department of Health.
- Resources available to construct facilities needed to meet growth demands.
- Commitments, pending requests, and potential requests for water service.
- Water right limitations.
- Utility service extension ordinances for cities and towns.

**For more information:**

Call your ODW regional office:

**Eastern Region:** Spokane Valley 509-329-2100
**Northwest Region:** Kent 253-395-6750
**Southwest Region:** Tumwater 360-236-3030

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