



**Testimony**  
**Elizabeth Gara**  
**Connecticut Water Works Association (CWWA)**  
**Before the Commerce Committee**  
**February 17, 2009**

**RE: HB-5930, An Act Requiring Small Business Impact Analyses for Proposed Regulations**

The Connecticut Water Works Association (CWWA) supports the goal of HB-5930, which will give small businesses an important tool in shaping regulations affecting their operations and require that agencies adequately consider the impacts of proposed regulations on small businesses.

Water utilities are highly regulated by state and federal laws and regulations. Although larger firms have in-house staff and consultants who assist with regulatory compliance issues, many small systems do not. As a result, small systems face significant challenges in operating and maintaining compliance with state and federal laws and standards. Although attorneys, accountants, engineers and other consultants can be retained, such technical assistance is often cost-prohibitive for small systems. Ultimately, the costs of any new regulations are passed on to our customers so it is important that the impacts are fully understood before the regulations are adopted.

Recognizing this, on the federal level, EPA often delays compliance dates for small systems. However, intervals for reporting, testing and consumer confidence reports and certain complex electronic reporting requirements are examples of areas where current regulations may create unnecessary burdens on small systems and could be amended without compromising health and safety. For example, CWWA worked with the state Department of Public Utility Control and the Office of Consumer Counsel to develop a streamlined rate filing process for small systems that could be completed for thousands of dollars less than a full blown rate case.

In addition to small water systems, we often find our small business customers frustrated with the level of regulation required to provide water service to their customers or for their business needs. Delays in processing applications and permits mean delays in getting new businesses up and running or expanding existing businesses. Part of the small business impact analysis, should include a review of how the agency is going to implement the regulation, including how the review of the application/permit will be conducted and the length of the review process. We believe a lot of the delays in processing applications/permits could be addressed by using more efficient intake and review processes. Quantifying the impacts through the proposed analysis will allow for more informed decisions on proposed regulations and an understanding of the potential impacts and sometimes unintended consequences of such regulations on businesses in Connecticut.

*The Connecticut Water Works Association, Inc. (CWWA) is an association of public water supply utilities serving more than 500,000 customers, or population of about 2½ million people, located throughout Connecticut. Membership in the Association is open to all Connecticut water utilities: investor-owned, municipal and regional authorities. CWWA is committed to working with the state to develop policies that will ensure that Connecticut has a safe, ample supply of water to meet present and future needs.*