

Testimony
Susan Bransfield
First Selectman
Town of Portland
Before the Commerce Committee
February 24, 2011

Re: SUPPORT - SB-1020 AN ACT CONCERNING WATER RESOURCES AND ECONOMIC DEVELOPMENT

As the first selectman of the Town of Portland, I am concerned about the proposed stream flow regulations and **urge adoption of SB-1020** which will help address concerns that the regulations will impose significant costs on municipal water departments to modify structures and distribution systems to release more water into rivers and streams.

There is also a lot of uncertainty regarding how the regulations will impact various communities and how much it will cost to comply with the requirements because the release requirements and withdrawal limits are based on which basin classification a system falls into and this classification has not yet been done by DEP.

DEP has advised that municipal water departments should assume that they will be a Class 3 basin. Under this classification, towns that are served by municipal water departments, such as Portland, will be faced with significant costs to modify dams to make the required reservoir releases as well as costs to develop new sources of supply to make up for the water that is released into the streams or that will not be able to be pumped. If the basin is classified as Class 2 or Class 1, these costs will increase significantly.

As a result, residents and businesses in our communities will see sizable rate increases -- solely to put more water into the streams. Because we are under pressure from residents to keep rate increases low, we will have to forgo making other investments in infrastructure, such as replacing aging pipes which benefit the quality and distribution of drinking water.

Unfunded state mandates such as this put an unfair fiscal burden on towns. Municipalities are experiencing enormous financial difficulties and rely primarily on rate fees and property taxes to pay for essential services. Given current limited levels of state aid, towns cannot afford any new unfunded mandates.

In addition to costs, the regulations raise questions about whether communities will have enough water to meet the needs of residents and businesses. Some communities may face severe water supply deficits. Communities will also have to impose water use restrictions on residents on a more frequent basis that may be disruptive.

I therefore **support SB-1020** which helps address these concerns by providing more certainty in the regulations and by minimizing costs faced by municipal water departments that could be forced to develop new reservoirs or well fields even though it may be cost prohibitive.