

Frank J. Johnson, President
MAC
Manufacturing Alliance of Connecticut, Inc.
173 Interstate Lane
Waterbury CT 06705

Re: Support - SB-1020, An Act Concerning Water Resources and Economic Development

The Manufacturing Alliance of Connecticut supports adoption of SB-1020 to address continued issues regarding DEP's proposed stream flow regulations.

Under the proposed stream flow regulations, water companies will face strict requirements regarding the amount of water they must release from reservoirs into rivers and streams. As a result, many water companies throughout Connecticut will struggle to meet current water demands and be unable to meet demands for future growth. It is our understanding that DEP also intends to try to regulate groundwater withdrawals under Public Act 05-142, which will pose serious compliance difficulties for many communities that support manufacturing.

Clearly, inadequate public water supplies will disrupt manufacturing in those areas. Every manufactured product uses water during some part of the production process. Industrial water use includes water used for such purposes as fabricating, processing, washing, diluting, cooling, or transporting a product; incorporating water into a product; or for sanitation needs within the manufacturing facility. Some industries that use large amounts of water produce such commodities as food, paper, chemicals, refined petroleum, or primary metals. These industries will be negatively impacted by the proposed regulations.

In addition, water rates are expected to increase significantly under the proposed regulations because water companies will have to spend enormous amounts to modify impoundments and develop new sources of water supply to comply with the regulations. SB-1020 helps address this by providing for certain exemptions where compliance is cost-prohibitive.

We are also concerned that the proposed regulations will divert staff and resources away from other critical programs, such as brownfields remediation and permit processing, creating further delays and costs in remediating brownfields and obtaining the permits needed to operate in Connecticut.

The proposed stream flow regulations simply do not balance protections for the state's fish with the need to provide for the water needs of the state's manufacturers and other industries. Manufacturers in Connecticut have survived many difficult economic cycles. Despite the market upheaval of 2008 and the ongoing credit crisis, Connecticut manufacturers continue to be the engine of Connecticut's economy. We must therefore take steps to preserve our manufacturing sector and reject proposed regulations that will further impair the ability of Connecticut manufacturers to be competitive.

For these reasons, we urge your support for SB-1020 which will help minimize concerns regarding the proposed stream flow regulations.