



The Metropolitan District

water supply • environmental services • geographic information

The Metropolitan District ("MDC") is a specially-chartered, non-profit corporation established by the State of Connecticut General Assembly by Special Act in 1929 (Sp.Act. 511), and includes the municipalities of Bloomfield, East Hartford, Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor. The MDC provides a quality water supply, water pollution control, mapping, and household hazardous waste collection to its member municipalities and to portions of other towns in the region. It serves residential customers outside the territorial limits of its eight member towns, and therefore House Bill 5258 have an adverse effect on the MDC as outlined below.

Section 5-4 of the MDC Charter provides that the water sold must be at a **uniform rate** based upon consumption of a hundred cubic feet (ccf) used. As such, the MDC currently complies with the specific provisions of HB 5258. Although HB 5258 speaks to "rates" as opposed to "charges", the MDC is authorized to apply and collect a customer service charge uniformly applicable to all of its customers based upon the size of the water meter. This customer service charge pays for the minimal maintenance of the account, metering, billing, etc., and covers These charges exist to cover the basic service to the customer even if no consumption occurs.

As to commercial and residential customers outside the MDC, we charge a general sur-charge also based on meter size. This charge covers:

- a. Additional travel and metering costs to reach the service;
- b. Cost of additional maintenance equipment needed to service the connection;
- c. Cost of lost water available to member town users and reduction in safe yield;
- d. Cost of general administration and overhead of district for water supply which is otherwise subsidized by member towns by an ad valorem on member towns (which is added to real property tax bills);
- e. Cost of police and other town services necessary for maintenance and repair of water main breaks and other system service or maintenance; and
- f. Taxes paid by the District for property where assets are maintained in non-member towns (sites of storage tanks, pump stations, etc.).

As noted, although there is an additional charge to residential customers outside the MDC, this charge reflects the increase costs to the MDC, and indirectly, the MDC customer, to providing water service. Further, it should be noted that in the MDC provides water service to outside residents at the request of the customer or the town where they reside, and in most cases at a rate which is less than what they would pay another municipal water service provider. To the extent HB 5258 may affect the ability of the MDC to recoup the additional costs associated with providing water service outside its territorial limits from those who directly benefit, the MDC urges the Committee to reject this bill.