



Testimony
Elizabeth Gara
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Connecticut Water Works Association (CWWA)
Before the
Environment Committee
February 22, 2012

Re: HB-5130, An Act Concerning the Dam Safety Program

CWWA supports the *intent* of HB-5130, **An Act Concerning Dam Safety**, to protect the state's dam infrastructure that provides critical agricultural, recreational, environmental and flood control benefits.

The proposal is based on dam safety programs in Massachusetts and New Hersey which shift responsibility for inspecting dams from the state agency to dam owners utilizing professional engineers. We understand that this approach is needed given the department's staffing constraints. However, we do have concerns with the bill, as follows:

Proposed Fee Schedule

Water utilities are facing declining revenues due to a variety of factors, such as drops in overall water consumption resulting from the growing use of water efficient products and appliances and other demand management techniques that promote water conservation. At the same time, water utilities must continue to invest significant revenues in order to replace aging infrastructure and upgrade treatment facilities to meet more rigorous state and federal water quality standards. In addition, taxes and fees for permits, licenses and a wide range of other regulated activities have all increased dramatically in an effort to address state budget shortfalls.

In view of the industry's declining revenues, we cannot continue to absorb increases in administrative fees without jeopardizing our ability to manage ours systems efficiently to provide high quality, safe water to customers at a reasonable rate. In short, we have reached a tipping point and must vigorously oppose the fees as proposed.

For example, Section 3(3) establishes fees for each Class C high hazard dam at \$4,500 each and each Class B significant hazard dam at \$2,500 each, resulting in tens of thousands of dollars in new annual costs that must be borne by water companies and their customers. These considerable amounts are in addition to the revenues that must be expended for annual dam inspections. Given that the bill shifts the responsibility - and costs - associated with performing

dam inspections from DEEP to private dam owners, a new fee of this magnitude does not appear to be justified in any way.

Use of Professional Engineers

CWWA also shares concerns raised by the South Central CT Regional Water Authority that Section 3(a) of the bill appears to require a registered professional engineer (PE) to remain onsite while all dam or other structure work is being done. This function may be performed by less expensive consultants under the supervision of PE's. We are also concerned that the bill allows DEEP to second guess the PE and use another inspector, at cost to the dam owner, which seems unwarranted.

Regulations

Section 5 of the bill requires dam owners/operators to develop Emergency Action Plans. While we recognize that this provision codifies existing practice, we encourage the department to work with the water industry in drafting regulations to ensure that such requirements do not impose an unnecessary and/or duplicative burden on utilities and their customers. .

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. As purveyors of public water supplies, our members have an obligation to provide sufficient quantities of high-quality water at a reasonable cost to consumers of the communities served. As an association, CWWA and its members have a keen interest in laws and regulations that affect water utilities or supplies.