



Rivers Alliance of Connecticut

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TESTIMONY FOR THE ENERGY & TECHNOLOGY COMMITTEE
PUBLIC HEARING, FEBRUARY 7, 2013

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To: The Chairmen: Sen. Bob Duff and Rep. Lonnie Reed

And to the Members of the Committee

**RE: RB 807 AAC WATER INFRASTRUCTURE AND CONSERVATION,
THE DEPARTMENT OF HEALTH,
MUNICIPAL REPORTING REQUIREMENTS,
AND UNPAID UTILITY ACCOUNTS AT MULTI-FAMILY DWELLINGS**

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Rivers Alliance of Connecticut is the statewide, non-profit coalition of river organizations, individuals, and businesses formed to protect and enhance Connecticut's waters by promoting sound water policies, uniting and strengthening the state's many river groups, and educating the public about the importance of water stewardship. Our 450 members include almost all of the state's river and watershed conservation groups, representing many thousand Connecticut residents.

EXECUTIVE DIRECTOR

Margaret Miner

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Section 1, 2, and 3 of this bill provide mechanisms for encouraging private water companies to invest in conservation and infrastructure improvements. The concept is similar to de-coupling in the energy sector. If a utility's revenue is tightly linked to quantities of water sold, then there is no reward for conservation; plus as revenues shrink, capital investment declines, and infrastructure deteriorates. The language and the mechanisms in these sections are very similar to a bill offered last year, which almost made it into law. They propose flexibility in rate designs and other operational rules to stabilize revenue and encourage infrastructure investment. As we fix old, leaky pipes and inefficient pumps, more water and higher quality water becomes reliably available. Rivers Alliance of Connecticut supports this effort, and would be pleased to discuss or help with any improvements that you lawmakers may desire.

The one change we request is that in Section 2, line 3-4, the following insert (shown in bold face) be made: "... provided such company demonstrates **with information and data available to the public** that the expenses for such programs were reasonable." As you may know, almost all vital data regarding water utilities is presently not available due to water secrecy laws passed 2011. This secrecy is a major barrier to informed water planning and management. (More information available at the slightest hint of interest.)

A tax-exempt
organization under
501 (c) (3) of the
Internal Revenue
Code

Section 4 encourages similar goals for municipal and other public utilities. We believe that in general water suppliers should have the same rules and standards, whether they are privately or publicly owned. Therefore, we support this section.

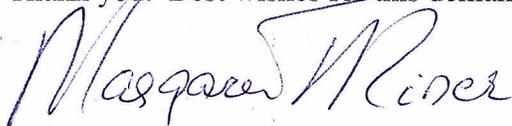
Section 5 eliminates a water reporting requirement for municipalities. The requirement is reportedly onerous, but we would much prefer to see it made easier than to see it eliminated. (On the other hand, if the information is going immediately to be thrust into the pit of secrecy, they might as well not report it.)

Section 6 expands the list of eligible projects for reimbursement under WICA (Water Infrastructure and Conservation Adjustment), while Section 7 raises the ceiling on WICA applications from 7.5% to 10%. We support this.

Sections 8 through 11 incorporate changes in financial arrangements sought by private water companies. This language was presented to the Water Planning Council Advisory Group. Some changes were made, and we do not object to current language.

I understand that the rest of the bill is partially a drafting error. It made for exciting reading. We hope to have a chance to comment on the amended language.

Thank you. Best wishes for this demanding session.

A handwritten signature in cursive script that reads "Margaret Miner". The signature is written in dark ink and is positioned above the printed name and title.

Margaret Miner
Executive Director