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Testimony to the Energy and Technology Committee

February 7, 2013

SB-807 - AN ACT CONCERNING WATER INFRASTRUCTURE AND CONSERVATION, THE DEPARTMENT OF PUBLIC HEALTH, MUNICIPAL REPORTING REQUIREMENTS AND UNPAID UTILITY ACCOUNTS AT MULTI-FAMILY DWELLINGS.

The South Central Connecticut Regional Water Authority (SCCRWA) is a non-profit, public corporation and political subdivision of the state. Our mission is to provide our customers with high quality water at a reasonable cost while promoting the preservation of watershed land and aquifers. We provide approximately 48 million gallons of water per day to almost 500,000 consumers in our region. The source of this water is a system of watershed and aquifer areas that cover about 120 square miles within 24 municipalities. Much of our 27,000 acres of land is managed for watershed protection, timber resource conservation, wildlife habitat, open space, education, and research. This includes commercial sawtimber harvests and a firewood cutting program. The vast majority of our land and these activities occur within the New Haven County emerald ash borer (EAB) quarantine zone.

The South Central Connecticut Regional Water Authority appreciates the opportunity to provide comments to the Energy and Technology Committee regarding **Raised Bill 807, An Act Concerning Water Infrastructure and Conservation, The Department of Public Health, Municipal Reporting Requirements and Unpaid Utility Accounts at Multi-Family Dwellings.**

We are **strongly opposed** to the proposed changes throughout SB 807 which replaces the Department of Public Health, with the Public Utilities Regulatory Authority. Those changes would remove regulatory control from a department of an agency whose mission it the protection of public water drinking supplies, and has a long history of successfully doing so, to the an agency whose mission, and expertise, is not in the protection of water supplies. “The Department of Public Health Drinking Water Section is responsible for the administration of state and federal drinking water regulations and is dedicated to assuring the quality and adequacy of the state’s public drinking water sources”. Whereas, Public Utilities Regulatory Authority is responsible for rate making, conservation and customer service oversight of private water companies.

We **support the proposed changes in Section 10, Measures to Address Rising Bad Debt on Multi-Family Dwelling Utility Accounts**, as it would help the industry, overall. For example, multi-family dwelling customers comprise approximately 13% of the South Central Connecticut Regional Water Authority’s (SCCRWA) customer accounts, yet comprise 46% of our receivables that are over 60 days past due.

The water bill for multi-family accounts remains the responsibility of a landlord to keep the account current. Unfortunately, landlords who understand that a water company may not terminate water service to a multi-family account take advantage of the system and let their

unpaid water bill continue to increase. The remedies available to water companies to collect multi-family account balances that remain unpaid by the landlord are inadequate. We are limited to filing in the courts to have a receiver appointed to collect rents to pay outstanding water bills. Once a receiver is appointed, the collection agency must then physically attempt to collect rents. While the SCCRWA has been granted receivership action on \$954,000 in overdue multi-family receivables, in the last four months alone, we collected less than 1% due each month. The current remedy and process are completely ineffective.

When any water utility customer allows their water bill to become past due for an extended time, the other customers in effect subsidize that customer. This is not only unfair and inequitable, but means the utility may have to reduce operating costs to make up for the lost revenues which could potentially jeopardize the integrity of the public water system in providing drinking water for the consumers and appropriate fire protection for emergency responders.

Section 10 of Raised Bill No. 807 provides the receiver with an opportunity to enforce the mechanism provided in the law by allowing the attachment of wages and bank accounts of the landlord, and other statutory post-judgment remedies. This remedy will benefit customers by having all customers pay their fair share.

We are **opposed to** the proposed changes to **Section 8-3i** of the general statutes (Sec.17), as it eliminates the requirement for zoning, P&Z, and ZBA applicants to notify water companies concerning proposed projects within Aquifer Protection Areas. This requirement has been a vital tool for protecting the quality of groundwater used for public drinking water by ensuring that water companies receive adequate notice of proposed land use activities within Aquifer Protection Areas. This provides an opportunity for water utilities to carefully review such proposals and provide recommendations on appropriate design and operational safeguards to protect groundwater quality.