

**Testimony of Katherine Pugliese, Chairman, Town Council
Town of Plainville
Environment Committee
February 13, 2015**

RE: SUPPORT - HB- 5291 - AN ACT CONCERNING REIMBURSEMENT FOR MUNICIPAL PHOSPHOROUS ABATEMENT PROJECTS.

Thank you for the opportunity to submit comments in *support* of HB-5291, An Act Concerning Reimbursement for Municipal Phosphorous Abatement Projects, which will create a level playing field for all towns undertaking phosphorous reduction efforts.

HB-5291 builds on the important work that the legislature has done to assist municipalities in meeting mandated phosphorus reduction limits to achieve statewide environmental goals.

Currently, the state Department of Energy & Environmental Protection (DEEP) is in the process of implementing a “Phosphorus Reduction Strategy for Inland Non-Tidal Waters” which will impact a number of towns and cities across Connecticut, requiring costly upgrades to wastewater treatment plants to comply with more stringent phosphorus reduction limits. In some cases, this will require multimillion dollar upgrades: Waterbury \$50 million; Southington \$18.5 million; Danbury \$25- 30 million; Wallingford \$19 million; Meriden \$13.5 million; and Cheshire \$7.2 million. Plainville’s estimate for the upgrade is \$12M. The additional costs associated with the upgrade will increase our annual sewer expenditures by over \$910,000 per year! This would increase our current sewer budget by over 27%. This new investment comes very shortly after a \$24M upgrade that was recently made at our wastewater treatment plant. Our residents are still coping with the large increase in user fees that were required in order to pay for this recent upgrade.

Additionally, the upgrade impacts the Plainville taxpayer significantly more than the other communities as well. Plainville is the smallest of the communities that were listed with a population of 17,820. This mandate is equal to \$673 for each person in Plainville! By comparison, this is almost 50% higher than any of the other communities listed above and more than \$218 for each person as well.

	<u>Project upgrade (Est)</u>	<u>Population</u>	<u>Per Capita Impact</u>
Meriden	\$13.5M	60,456	\$223
Cheshire	\$ 7.2M	29,150	\$247
Danbury	\$25M - \$30M	83,684	\$299 - \$358
Wallingford	\$19M	45,141	\$421
Southington	\$18.5M	43,661	\$424
Waterbury	\$50M	109,676	\$456
<i>Plainville</i>	<i>\$12M</i>	<i>17,820</i>	<i>\$673</i>

Even though our population is 17,820, the impact to our rate payers becomes even more profound as this increase is passed on to the 5000 customers billed by the Town.

Unfortunately, Plainville and these municipalities are being burdened with addressing what is essentially a statewide problem resulting from excessive levels of phosphorus in certain water basins. Recognizing that these communities are bearing the brunt of achieving statewide environmental goals, the legislature adopted Public Act 13-239 and Public Act 14-13, which increases from 30% to 50% the amount municipalities are eligible to receive under the Clean Water Fund grant program.

Unfortunately, Plainville and other communities received a notice from DEEP that their community is not eligible for the 50% reimbursement adopted last session because of language in the bill that limits the reimbursement to construction contracts entered into by July 1, 2018 to meet a .2 milligrams/liter effluent discharge limit. Phosphorus reduction projects are shaped by the requirements for phosphorus control in each town's permit.

The rigid contract date in the statute unfairly penalizes municipalities who, through no fault of their own, may still be awaiting permit renewals, project approvals or facing other issues in moving forward with a construction contract for phosphorus removal plant upgrades. The .2 milligrams per liter discharge limit has also been used to render projects ineligible for the additional funding based on reasoning that is flawed.

Although Plainville is required under its draft permit to meet the .2 milligrams/liter limit, under the current language DEEP would deny Plainville's eligibility for the 50% funding, asserting that the .2/milligrams/liter performance level "must be present as a limit in a discharge permit, specifically the Monthly Average Daily Effluent Concentration Limit." This interpretation is not consistent with Public Act 14-13, which was intended to provide a level playing field for communities that undertake projects to remove phosphorus to a level at or below .2 milligrams/liter without unfairly burdening residents in the affected municipalities:

HB-5291 addresses these by:

Eliminating the restriction that a project is only eligible if the community can begin construction by July 2018; and

Eliminating the restriction that a project is only eligible if it is designed to bring phosphorus levels down to 0.2 milligrams/liter or less.

The bill also builds on the stakeholder process established under Public Act 12-155. This process has been helpful in moving forward with productive discussions with DEEP to develop a statewide phosphorus reduction plan that will 1) reduce non-point source pollution, which may help alleviate the overall pressure on municipal water pollution control authorities; 2) utilize a science-based approach for addressing nutrient issues; and 3) explore cost-effective approaches to assist municipalities in achieving compliance with EPA standards.

A lot of effort and study has gone into this effort. HB-5291, by requiring DEEP to implement the recommendations, ensures that these efforts will be productive in moving forward with a statewide phosphorus reduction plan. In addition, a study of the Quinnipiac River watershed to document the benefits that accrue from investments in phosphorus control that have already been made in that area will ensure that the state's approach is meeting its goals.

According to a Sewer Rate Study performed by Tighe & Bond last summer, the passage of this bill would result in reducing Plainville's increase by almost \$146,000 in the first year. Even with the passage of this bill, the impact of the mandate to reduce phosphorus levels at the Plainville facility will still result in a significant increase to our sewer budget of almost 23%. For all of the reasons stated above, we ask that you pass this legislation and help to reduce the impact of the phosphorus reduction mandate. Please understand, the residents of Plainville fully support environmental and clean water initiatives. Our rate payers, however, must have greater financial support from the regulating agencies to accomplish this massive effort.

Thank you for the opportunity to comment in support of HB-5291.