

**Testimony
Before the Energy & Technology Committee
February 10, 2015**

**Maureen Westbrook, Cochair
Water Planning Council Advisory Group**

RE: SB-569, AN ACT CONCERNING COMMUNITY WATER SYSTEMS

I am writing as one of the cochairs of the Water Planning Advisory Group (WPCAG), established under Section 25-33h of the CGS. With my cochair, Margaret Miner of Rivers Alliance of Connecticut, we have been involved in many aspects of water planning in Connecticut. This is not a formal position of the WPCAG but rather a status report on activities of the WPCAG as they relate to **SB 569, An Act Concerning Community Water Systems**.

We are pleased to see a bill that will continue the important discussions on the issues of small water systems in Connecticut. There are over 350 of these systems that serve less than 1000 customers (typically in a homeowners association, condominium, etc). Despite the small customer count and often limited resources of the owners/operators, they need to meet all the state and federal water quality standards and provide reliable service to their customers. They often lack the financial, technical, or managerial resources to remain viable, and cannot always provide customers reliable water quality or service.

PA 13-98 called for the Water Planning Council (WPC) to study these small systems. The WPC hired the Townsley Group who prepared a report with a number of findings and recommendations. The WPC asked the WPCAG to follow up on the findings of the Townsley Report. This is being done now through the Small Systems Workgroup, which includes representatives from PURA, OCC, DPH, DEEP, water utilities and interested stakeholders.

The work group is reviewing the processes from the creation of small systems through to the dissolution and acquisition of such systems. The goal is to put in place measures to better assure that customers in those systems will have quality water and service including having a reasonable, streamline process for takeover of those that are failing. There are several sections of the statutes that deal with the approval, viability assessments and takeovers of small systems so the work group wants to ensure that any 'fixes' consider any implications in other related sections. Among the things that the work group is reviewing:

- How to ensure that appropriate rates and governance are established before any new small system is approved so they can maintain viable;
- Provide a simplified way for the system owners to set appropriate rates and then see that they have tools to bill and collect those rates from all those served by the system;

- Establish a process to systematically identify small systems that are at risk for failure by 'scoring' using data available through DPH sanitary inspections and/or reports of violations;
- Provide the authority and a process for PURA rate review of systems that are identified as being at risk for failure;
- Provide tools for regulators to promote compliance when systems are not viable without shifting all the costs/burden to an acquiring company; and
- Determine if there is potential for funding through any existing sources (2014 bond authorization) that could be directed to solve problems in small systems without the administrative challenges of traditional SRF loan/grant programs.

The group has identified a number of items that could be considered and now has to determine what will be required of the agencies (DPH and PURA) to implement such measures and what legislative changes may be necessary.

The full report of the Small Systems Workgroup is not expected until later this year, and the process would then require it be approved by the full WPCAG and then the WPC.

The group will share with Senator Duff and your committee any legislative recommendations that could be adopted this session that might be incorporated as amendments to SB 569. We ask that you support the important concepts of this proposed bill and allow the opportunity for it to advance and include more detailed measures as they are developed.

Please feel free to contact me if we can be of assistance in this process.

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