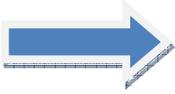


## For Residents of Bloomfield & other MDC Towns



### A RESPONSE TO THE



### METROPOLITAN DISTRICT'S WATER SUPPLY "FACTS"

The Metropolitan District (MDC) put together a handout to promote selling our water to Niagara Bottling. The document's aim is to temper public opposition to **selling a public resource for a private company's profit. Much of the information in the MDC's "Facts" document is incomplete and misdirects citizens.**

## Here are the Real FACTS

### Where Does Our Water Come From?

The MDC does not like to talk about diverting water from the Farmington River; they prefer to say that they're "taking water from the Barkhamsted and Nepaug Reservoirs, not the Farmington River." This is true in a very literal sense – the pipes shipping MDC water are in the reservoirs and not in the freely-flowing portion of the Farmington River. Otherwise the claim is misleading: the reservoirs are created by damming the river, the recharge of the reservoirs comes from the river and the groundwater runoff in the watershed, and water diverted from the reservoirs is water that does not go into the (semi-) functioning Farmington River. Important points to note:

- At the most basic level, the Farmington River and Watershed are not separable from the reservoirs on them; they are all part of the same system regardless of where pipes are inserted to siphon water. **The fundamental question is whether large volumes of water should be removed from the system to sell to a private water bottling company, for profit, to ship out of the region.**
- In attempting to sell water to Niagara, the MDC is invoking what it believes to be its "drawing rights" to the river system (via the reservoirs). Ignoring the question of the validity of these rights, it is important to note that their value was established many years ago under completely different hydrological conditions. **Before reaching the conclusion that the reservoirs have "excess" water, the river system and the drawing right amount need to be re-evaluated, taking into account recent and projected climate and hydrological conditions.** (See next section.)
- As reflected in the "drawing rights" terminology, the MDC views the water in the river system as their asset to extract, not as a resource integral to the overall health of the system. The West Branch (already a National Wild & Scenic River) and the main stem (in the process of obtaining the Wild & Scenic River designation) of the Farmington River are under increasing stress due to changes in the watershed and local climate. **To the degree that the reservoirs do have "excess" water but the overall system does not, our first priority should be to increase overall flows and river health – benefiting the residents of all the river towns, including Bloomfield – not selling the water to a private company for profit.**
- The DEEP has noted that the East Branch of the Farmington River and the Nepaug River "do not meet water quality standards for aquatic life and recreation" and that "Increased withdrawals [from the reservoirs]...may further exacerbate already degraded downstream riverine habitats" on these rivers.

Per the DEEP, the sections of stream in the East Branch of the Farmington River and in the Nepaug River below the MDC's dams are already impaired because of low flows. The DEEP Inland Fisheries Division has recommended on at least three separate occasions over almost twenty years that, in accordance with the MDC's charter granted to it by the state

legislature, the MDC should regularly release water from its two reservoirs to improve that riverine habitat.

(Contrary to claims by the MDC, they can release water (“their assets”) back into the river system. Section 6-4 of the MDC Charter, relating to the East Branch of the Farmington, provides that the MDC may “use any part of the water therein stored, which is not needed for its water supply system, for the purpose of returning to said Farmington river at convenient times water... for the purpose of maintaining in said river a more constant flow regardless of seasonal variation...”)

### How Much Water is “Available”?

Does the MDC have upwards of 22 million gallons per day (mgd) of potable water available to new customers? The real answer to that question is: **we just don’t know.**

- The 22 mgd calculation comes from the 1998 Portland Agreement, which calculates “available water” (what the MDC claims as its “excess”) as “safe yield” - commitments - current usage (= 77.1 mgd - 5.6 mgd - 49.6 mgd).
- As stated in the MDC’s document, the starting point in their “excess capacity” calculations comes from the “safe yield” value of 77.1 mgd. **What they don’t emphasize is that this “safe yield” is a 20 year old benchmark.** They do state this but imply that, since the calculation involved historical data from the 1960s, and since historical data doesn’t change, the “safe yield” must still be correct!?!? While historical data indeed doesn’t change, more recent data is potentially much more relevant and may lead to different conclusions than the earlier data. **The MDC implicitly admits that they haven’t undertaken the hydrological studies and analysis required to determine the current validity of their “safe yield”.**
- **So is the 1998 “safe yield” benchmark accurate? We can’t say – the MDC has not provided any contemporary analysis.** Established years ago under much different conditions and input assumptions, current and future capacity calculation needs to take into account recent and ongoing changes in river flow, groundwater recharge, climate, residential and commercial development in the watershed, and other environmental and economic (e.g. the continued viability of a high-quality coldwater (trout) fishery) factors. It needs to be calculated using contemporary hydrological models based on a) up-to-date information (rather than just flow data from 1970-1990 and the 1960s drought!) and b) reasonable projections into the future.

### Water Rates – When Did They Change?

**The MDC stealthily changed their rates on Dec. 14, 2015 – coincidentally the same day that Niagara was revealed to the public.**

- The MDC amended their rate structure so that large users – defined as those using over 668 centum cubic feet (ccf) per day – pay a lower rate than normal users. One ccf = 748 gallons, so 668 ccf per day = ≈0.5 million gallons per day. Customers using over the 668 ccf will pay \$0.50 less per ccf on water used in excess of the first 668 ccf. (\$2.16 per ccf versus \$2.66 per ccf.)
- The daily usage of one Niagara bottling line is 0.45 mgd, just under the ‘large user’ discount. However, when expanded to the anticipated 4 bottling lines, daily Niagara usage will be 1.8 mgd. So do the math: 1.8 mgd per day = 2,406 ccf per day. This means a daily savings to Niagara (and loss to the MDC, and hence a cost to its users) of (2,406 ccf – 668 ccf) = 1,738 ccf x \$0.50 = \$869. **Over a year this would accumulate to over \$317,185 savings for Niagara (and lost revenue to offset MDC customers’ charges)!**
- Did you know about this giveaway? The MDC as a non-profit utility is required to provide notice and hold a public hearing on such a rate change. This happened in November 2015. However, as no one knew what the hearing was really about, no one showed up or commented per the minutes of the hearing.

- Bloomfield Citizens has submitted a Freedom of Information Act request with the MDC; we should ultimately know much more about what went on out of public view. In the meantime we have this comment in a Nov. 20, 2015 e-mail from Rebecca Nolan of MetroHartford Alliance to Bloomfield Town Manager Philip Schenck: “Art [real estate broker for Niagara] told me **the MDC had a public hearing to make the two ordinance changes to accommodate Niagara** but they still need to go up in front of the MDC board for final approval. He did not seem to think this would be an issue. **The MDC is doing everything they said they would.**”

### What about Special Sewer Service Charge?

The MDC **also stealthily changed these rates on Dec. 14, 2015** – coincidentally the same day that Niagara was revealed to the public. **While the giveaway on the water rates is bad enough, this appears to be where the real money is.**

- The MDC amended their rate structure so that large users – defined as those using over 20,000 ccf per month – pay a lower special sewer service charge than normal users. Where does this threshold come from? 20,000 ccf per month = 14.96 million gallons per month, which translate to roughly 0.5 mgd. (There’s that number again – the Niagara first bottling-line breakpoint.) For such users, their monthly charge is a blend of the normal special sewer charge on the first 20,000 ccf and then a charge reduced by the ratio of actual sewage to water used on the excess. (The reduction is not as straightforward as the \$0.50 reduction per ccf on water.)
- How might this apply to Niagara? Assume Niagara is running its 4 bottling lines and their sewage water to consumed water ratio is 20% (as stated by the MDC to the Bloomfield Town Council on 1/11/16). Monthly water usage is 1.8 mgd x 30 days = 54 mg per month. This equals 72,192 ccf per month, well over the 20,000 threshold. Niagara’s special sewer service charge would therefore be the normal charge on the first 20,000 ccf but 20% of the charge on the remainder. So if the charge is \$3.25 per ccf, Niagara would pay  $(20,000 \text{ ccf}) \times \$3.25 + (52,192 \text{ ccf}) \times (0.2) \times \$3.25 = \$98,925$  per month, rather than the normal \$234,625 per month, a savings of \$135,700! **Over a year this would accumulate to \$1,628,388 savings for Niagara (and lost revenue to offset MDC customers’ charges)!**
- Did you know about this giveaway? The MDC as a non-profit utility is required to provide notice and hold a public hearing on such a rate change. This happened in November 2015. However, as no one knew what the hearing was really about, no one showed up or commented per the minutes of the hearing.
- **Note that the MDC does not mention the reduction of the special sewer service charge at all in the “Water Rates” (or any other) section of their document.**

### The MDC’s Infrastructure

On the first page of its “Facts”, the MDC notes that they have been burdened with “an aging water infrastructure, requir[ing] continued operational and capital investment” in a period of declining water consumption (due in part to water conservation). They then note that their strategy to “mitigate costs to members” is “to sell more of our available water.” There are several problems with this thinking:

- How can the MDC claim fiscal responsibility if their rates have been insufficient to pay for the costs of their infrastructure? If rates are inadequate, what is the reasoning and justification under their charter?
- No where in the MDC’s document do they discuss their current or long-term cost structure. Is it “right-sized” or top heavy with highly-paid executives? Is their cost structure appropriate for a non-profit utility?
- Finally, if they need to raise capital from selling water, why are they giving away millions of dollars annually in reduced rates for Niagara? This doesn’t seem fiscally responsible either.

## Drought

The MDC's summary of current state water regulation is correct. As they note: "There is no authority...to prioritize water usage during the drought triggers based on the type of business or industry." **This is precisely what Bloomfield Citizens wants changed – we would hope that the MDC would agree and help us make this the law.**

## Water Consumption Trends

This is certainly the strangest section in the MDC's document. Nothing really to disagree with but we're not sure what the pretty chart of Washington, D.C. and Seattle, WA data are supposed to tell us (other than that the MDC can create a document with plenty of important looking exhibits?).

## Comparison with the 2013 UConn Pipeline Proposal

Approximately 3 years ago, the Metropolitan District Commission (MDC) submitted a proposal to supply water via a 17-mile pipeline to Mansfield/UConn. That proposal required an environmental impact study based on the MDC supplying UConn 1.2-2.0 million gallons per day (the former being the average and the latter the 'peak' daily usage).

The Niagara Bottling proposal is similar to the UConn Pipeline proposal in usage: Niagara anticipates up to four lines, i.e.  $4 \times 0.45 \text{ mgd} = 1.8 \text{ mgd}$ , approximately the UConn Pipeline peak usage. **While Bloomfield officials have labeled the proposed Niagara usage as "a drop in the bucket," the same officials objected on the record to the UConn proposal, in part because of concerns regarding the amount of water siphoned from the system.**

While Bloomfield Citizens agrees with objections raised to the UConn Pipeline proposal, we do note that piping potable water to a neighboring Connecticut town is infinitely preferable to a bottling plant!

## Selling Water to Niagara is an Inappropriate Activity for the MDC

As a regional non-profit company tasked to supply clean water to its eight member towns (including Bloomfield), the MDC should not be selling area drinking water to a business whose intent is to export it; **this is essentially privatizing our water.** There are legitimate concerns and questions of scale for other businesses tapping our water, particularly food-based enterprises such as Pepperidge Farm or Hooker Brewery, where water is an integral ingredient in their product. However Bloomfield Citizens believes bottling our water is fundamentally distinct, a legal loophole to allow unauthorized expansion of the MDC's service area and unregulated state interbasin water transfers. **We fundamentally disagree with the MDC's Strategic Plan objective of "expand[ing] the customer base to optimize use of water assets and grow revenue."**

## The MDC Seeks to Circumvent the Current State-wide Water Planning Process

After the UConn Pipeline debate, the state saw the need for completing a comprehensive state-wide water plan. **Bloomfield Citizens believes that haphazard actions on water usage throughout the state is inappropriate and will lead to bad outcomes. We advocate a moratorium on projects of this sort until the State completes its plan. That plan should be formed with citizen input and should include a state-wide policy on water bottling.**

