



**The Connecticut General Assembly  
Joint Planning and Development Committee  
Public Hearing  
March 11, 2016**

**Written Testimony**

**International Bottled Water Association  
and  
Northeast Bottled Water Association**

Co-Chair Osten, Co-Chair Miller and members of the Joint Planning and Development Committee, thank you for this opportunity to submit written testimony in opposition to Senate Bill 422, which addresses public water rates, sewage rates, and water used by bottled water companies.

The International Bottled Water Association (IBWA)<sup>1</sup> and the Northeast Bottled Water Association (NEBWA)<sup>2</sup> oppose this legislation because it includes provisions that unfairly target one user of a community's water supply – the bottled water industry. This legislation would also remove the current autonomy that municipal water systems have to make decisions based on local circumstances, and it could cause economic hardship to cities and the state. The bottled water industry uses a very small amount of water to make a safe, healthy, convenient product. In fact, bottled water products have the smallest environmental footprint and use less water to make than any other packaged beverage.

SB 422 would prohibit a municipality from charging bottled water companies a lesser rate for water and sewage usage than for residential consumer users. However, the bill would not apply

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<sup>1</sup> IBWA is the trade association representing all segments of the bottled water industry, including spring, artesian, mineral, sparkling, well, groundwater and purified bottled waters. IBWA represents bottled water bottlers, distributors and suppliers throughout the United States, including several small, medium and large-size companies doing business in Connecticut. IBWA's stated mission is to serve the members and the public, by championing bottled water as an important choice for healthy hydration and lifestyle, and promoting an environmentally responsible and sustainable industry.

<sup>2</sup> The Northeast Bottled Water Association is a non-profit trade association whose members are connected with the bottled water industry in some way. Member companies include those engaged in the bottling, packaging, delivery or distribution of bottled water as well as those engaged in equipment, supplies and services for the industry. Geographically, NEBWA members are from throughout the Northeast - New England, New York and New Jersey. NEBWA members are kept updated on the state legislatures, learn industry details through seminars taught by trained educators in the field, meet with others who may be able to offer solutions to business problems and stay in contact with present and potential customers.

to any other commercial users of municipal water supplies. That includes companies who make other beverage products, such as beer, soft drinks, energy drinks, and juices. This is clearly unfair treatment of one product without any justification.

When it comes to overall water use, the bottled water industry is a very small and efficient water user. Bottled water uses only 0.01 percent of all water used in the U.S. and it accounts for only 0.02 percent of all groundwater withdrawals.

Bottled water also has the smallest water and energy use footprint of any packaged beverage. The results of a 2014 IBWA study show that the amount of water and energy used to produce bottled water products in North America is less than all other types of packaged beverages. On average, only 1.32 liters of water (including the liter of water consumed) and 0.24 mega joules of energy are used to produce one liter of finished bottled water.

The provision in SB 422 regarding sewer rates doesn't take into account the actual use of the water by bottling companies. In most cases, sewage rates are based on the assumption that the amount of water leaving a commercial facility or residence is nearly equal to the amount that comes into the facility or home. However, that is not the case for bottled water facilities. The vast majority of the water coming into a bottled water plant is used for bottling purposes and does not exit the facility through the sewage line. In comparison, for the average commercial or residential user, nearly all the water that comes in will come back out through a public sewage system. Because of this situation, it makes sense to allow municipalities to charge bottled water companies differently than other sewage system users.

IBWA and NEBWA are also concerned that this legislation usurps the autonomy of municipalities in Connecticut. Local cities and towns currently have the authority to negotiate and contract with businesses of all sizes in an effort to increase employment, provide an adequate revenue base, and build a community's reputation as livable and business friendly. SB 422 would weaken the rights of municipalities to operate in this manner, which could damage their ability to pay for and provide the needed services to their residents.

SB 422 could also have negative economic consequences for cities and the state. The bottled water industry has a very positive impact on Connecticut's economy. Companies in Connecticut that manufacture, distribute and sell bottled water employ as many as 2,278 people in the state and generate an additional 3,962 jobs in supplier and ancillary industries. These include jobs in companies supplying goods and services to manufacturers, distributors and retailers, as well as those that depend on sales to workers in the bottled water industry. The jobs currently generated by the bottled water industry in Connecticut, are good jobs, paying an average of \$86,900 in wages and benefits.

Not only does the manufacture and sale of bottled water create good jobs in Connecticut, the industry also contributes to the economy as a whole. In fact, the bottled water industry is responsible for as much as \$2.05 billion in total economic activity in the state. However, if SB 422 is enacted, it would serve as a disincentive for bottled water companies to locate their facilities in the cities and towns in Connecticut.

IBWA and NEBWA are dedicated to the responsible management of all water resources in the cities in Connecticut. Our livelihood depends on it. This should be accomplished by using sound science and environmental stewardship, and by preventing adverse impact on the water sources (public water systems or groundwater) or the surrounding environment. We support comprehensive water resource management that regulates both the quality and quantity of the water sources, treats all users equitably, provides for the sustainability of the resource, and balances the interests and rights of those using the water resources today and in the future.

IBWA and NEBWA also know the importance of having clean, safe drinking water available during a natural disaster (e.g., floods, wildfires, hurricanes) or other water emergency, such as boil alerts. The bottled water industry was there when the many states impacted by Hurricane Sandy needed bottled water, and Connecticut was among those states. And most recently, we are currently serving the needs of the citizens of Flint, Michigan and other communities with compromised water systems.

For the reasons stated above, we respectfully request that the Committee reject SB 422. Please contact us should you have any questions.