
WUC

Water Utility Council of the
PA-Section, American Water
Works Association (PA-AWWA)



GOVERNMENT RELATIONS UPDATE

From Milliron & Goodman Government Relations, LLC.

200 North 3rd Street ♦ Suite 1500 ♦ Harrisburg, PA 17101 ♦ Phone: 717-232-5322 ♦ Cell: 717-574-3963 ♦
Erik A. Ross, Associate ♦ www.millirongoodman.com

Harrisburg, PA

Erik@millirongoodman.com

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*PA- Section, American Water Works Association
National Association of Water Companies
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Governor Wolf Announces \$81.9 Million Investment in Water Infrastructure Projects in 12 Counties

On January 25, 2017, Governor Tom Wolf announced the investment of \$81.9 million for sixteen drinking water, wastewater and non-point source projects across twelve counties through the Pennsylvania Infrastructure Investment Authority (PENNVEST).

“At today’s meeting of PENNVEST’s Board of Directors, the agency passed the \$8 billion mark in clean water financing assistance that it has provided to communities all across the Commonwealth since the agency’s inception in 1988. I am pleased to be on hand for the achievement of this remarkable milestone”, said Governor Wolf. “Our continued commitment to this effort will, I am sure, see us build on this legacy and further me and my administration’s commitment to a cleaner and healthier environment for today’s Pennsylvanians and for future generations as well”.

Of the \$81.9 million, \$60.7 million is allocated for low-interest loans and \$21.2 million is awarded through grants.

The funding comes from a combination of state funds approved by voters, federal grants to PENNVEST from the Environmental Protection Agency and recycled loan repayments from previous PENNVEST funding awards. Funds for the projects are disbursed after bills for work are paid and receipts are submitted to PENNVEST.

For more information, visit www.pennvest.pa.gov or call 717-783-6798.

A list of project summaries follows.

PENNVEST Drinking Water Projects

Erie County

Edinboro Water Authority received a \$7 million loan to construct a new drinking water treatment plant and a new water storage tank, replace more than a mile of deteriorated water distribution lines and make other system improvements in order to provide a safe and reliable source of drinking water to its customers.

Luzerne County

Hazleton City Authority received a \$2.5 million loan to make a variety of upgrades to its water treatment and storage systems in order to

ensure the continued reliable provision of safe, high quality drinking water to its customers.

Montgomery County

Horsham Water and Sewer Authority received a \$10 million grant in order to provide treatment systems for five existing drinking water wells as well as install new water distribution lines and interconnections to residents of Horsham whose private wells are subject to contamination by chemical run-off from a nearby military base.

PENNVEST Wastewater Projects

Cambria County

Lorain Borough received a \$3,560,495 loan and a \$2,689,705 grant to reduce the amount of water inflow into its sewage collection system and associated wet weather discharges into Stonycreek River by making various repairs to the system, which includes lateral connections to within five feet of homes and other structures served by the system.

Columbia County

Berwick Area Joint Sewer Authority received a \$2,909,917 loan to construct approximately two miles of storm water collection lines in order to reduce the infiltration and inflow of water into its sanitary sewer system during wet weather that results in discharges of untreated sewage into the North Branch of the Susquehanna River.

Orange Township received a \$487,728 loan to acquire the existing wastewater treatment plant and collection system that currently serves the township and to also make a variety of improvements to the plant that has been poorly maintained in the past, which has resulted in sewage discharges into a tributary of Fishing Creek.

Erie County

Greene Township received a \$6,540,457 loan and a \$3,245,543 grant to construct approximately ten miles of new sewage collection lines, a pump station and other facilities needed to provide wastewater collection service to areas of the

township where malfunctioning on-lot septic systems are contaminating local drinking water wells and leaching untreated sewage into surface waters.

Lawrence County

New Castle Sanitation Authority received an \$11 million loan to construct almost forty two miles of sewage collection lines and to new lift stations, as well as make other system improvements, to eliminate discharges of untreated or partially treated sewage into publicly accessible areas from malfunctioning on-lot septic systems.

McKean County

Norwich Township received a \$2,013,464 loan and a \$736,536 grant to install a new pump station, more than eight miles of sewage collection lines and make other improvements to its sewage treatment facilities in order to provide service to areas where malfunctioning on-lot septic systems currently discharge untreated or partially treated sewage into local drinking water wells, publicly accessible areas and both Potato and Allegheny Portage Creeks.

Venango County

Clintonville Borough Sewer and Water Authority received a \$1,352,967 loan and a \$1,031,115 grant to rehabilitate three and a half miles of sewage collection lines and to make other improvements to its sewage collection and treatment facilities that will eliminate wet weather discharges of partially treated sewage into Scrubgrass Creek.

Westmoreland County

Lower Burrell City Municipal Authority received a \$3,010,000 loan to make repairs that will eliminate infiltration into almost seven miles of its sewage collection lines as well as make other improvements to its sewage collection system that will eliminate wet weather discharges of sewage into Pucketa Creek.

Sewickley Township Municipal Sewage Authority received a \$2,661,222 loan and a \$1,182,032 grant to construct a new sewage

treatment plant, a new pump station and approximately three miles of new sewage collection lines in order to extend service to homes in the Village of Hutchinson where malfunctioning on-lot septic systems and wildcat sewers currently discharge sewage into Sewickley Creek.

Western Westmoreland Municipal Authority received a \$17,323,250 loan to construct almost four miles of new sewage collection lines and make other improvements to its sewage collection system that will eliminate sewage overflows into Brush Creek that now occur in wet weather. This project will affect more than thirteen thousand customers in the authority's system.

Non-point Source Water Quality Improvement Projects

Chester County

Chester County Conservation District and Jacob Fisher received a \$974,323 grant to construct manure storage facilities and make other manure management improvements in order to reduce nutrient run-off during wet weather.

Clarion County

Armstrong Conservation District received a \$374,973 loan and a \$374,973 grant to undertake a variety of best management practices to reduce the acid mine run-off and sediment currently contaminating a tributary of the Allegheny River, including installation infiltration trenches and vegetated swales, restoration of riparian buffers and reforestation along trails, as well as the removal of coal mine refuse.

Delaware County

Chester City Stormwater Authority received a \$1 million grant to design various forms of green infrastructure that will be installed throughout the City to improve the quality of storm water run-off by reducing the volume of heavy metals and nutrients contaminating Ridley Creek, Chester Creek and the Delaware River.

Source: PENNVEST Press Release, 1/25/2017

PUC Report Shows Drop in Overall Consumer Complaints and Requests for Payment Arrangements; Most Consumers Satisfied with PUC Interactions

On January 26, 2017, the Pennsylvania Public Utility Commission (PUC) released its latest [Utility Consumer Activities Report and Evaluation](#) (UCARE Report), which shows that overall consumer complaints about utilities and payment arrangement requests (PARs) decreased during 2015, and that the majority of customers contacting the PUC for assistance rated it as a positive experience.

"This latest UCARE Report details a number of positive changes in the relationship between Pennsylvania consumers and utilities, as well as the effectiveness of PUC intervention – when that was required," explained PUC Chairman Gladys M. Brown. "It is essential for consumers to understand that the PUC is focused on ensuring that utilities are responsive to their needs and work to help families maintain or restore service. It is equally important for consumers to call the PUC's Bureau of Consumer Services, at 1-800-692-7380, if they are unable to reach an agreement with the utility or are unsatisfied with the utility's response to their problem."

The UCARE Report is an annual evaluation of the customer service performance of the state's major jurisdictional electric, natural gas, water, wastewater and telephone companies.

Overall Complaints and Payment Arrangements

Overall, the total number of consumer complaints received by the PUC's Bureau of Consumer Services decreased from 19,735 in 2014 to 10,684 in 2015, a 46 percent drop. During that same period the number of PARs fell from 62,079 to 50,434, which is a 19 percent reduction. The Commission's UCARE report notes that during the winter of 2014, Pennsylvania experienced unusually

bitter cold weather in what became known as the Polar Vortex, resulting in a significantly higher number of electric-related consumer complaints. Still, with the exception of the jump in complaints immediately following the Polar Vortex, PUC data also shows an ongoing downward trend in overall consumer complaints – which are currently at the lowest level in more than a decade.

Complaints involving electric and natural gas utilities account for the large majority (approximately 82 percent) of all consumer complaints filed with the PUC. During 2015 the volume of consumer complaints concerning electric utilities fell by 54 percent, while complaints involving natural gas utilities dropped by 35 percent.

Conversely, the numbers of complaints filed by residential customers involving telephone services rose by 12 percent, compared to 2014, while the number of complaints against water utilities fell by less than 1 percent.

Requests for PARs decreased for every category of utility service between 2014 and 2015, including electric (23 percent), natural gas (11 percent), water (5 percent), telephone (12 percent) and other utilities (78 percent).

Common Reasons for PUC Utility Complaints

According to the report, billing disputes were the most common reason for residential consumer complaints about the electric (21 percent) and water (35 percent) utilities. Personnel problems were the primary reason for residential consumer complaints about the natural gas industry (15 percent). Unsatisfactory service was the main reason for residential consumer complaints about the telephone industry (34 percent).

The top five reasons for consumer complaints, by industry, are as follows:

Major Electric Distribution Utilities:

- Billing Disputes - 21%
- Termination or PAR Procedures - 14%
- Credit and Deposits - 13%
- Personnel Problems - 11%

- Metering - 10%

Major Natural Gas Distribution Utilities:

- Complaints about Company Personnel or Procedures - 15%
- Termination or PAR Procedures - 15%
- Discontinuance/Transfer - 15%
- Billing Disputes - 14%
- Damages - 8%

Major Water Utilities:

- Billing Disputes - 35%
- Termination or PAR Procedures - 15%
- Service Quality - 14%
- Complaints about Company Personnel or Procedures - 11%
- Metering - 7%

Major Telephone Utilities:

- Unsatisfactory Service - 34%
- Billing Disputes - 23%
- Service Delivery - 21%
- Service Terminations - 4%
- Competition - 2%

Consumer Inquiries

The total number of general inquiries to the PUC's Bureau of Consumer Services, which rarely requires follow-up investigation beyond the initial contact, also decreased from 2014 to 2015, dropping by 37 percent.

Of those calls, the largest number involved questions about customer assistance programs (25 percent), followed by termination or suspension of utility service (18 percent), payment arrangements (16 percent) and competition issues (10 percent).

PUC Response to Complaints

The staff of the PUC's Bureau of Consumer Services is trained to navigate the various programs designed to help consumers restore and maintain service and, as this report shows, most consumers indicate that calling the PUC resulted in a positive experience.

According to consumers, 86 percent indicate that they would contact the PUC again if they had another problem with a utility that they could not resolve with the company. Further, 83 percent rated the service they received from the PUC as “good” or “excellent” – an increase from 80 percent in the previous year.

Fewer Terminations

Other notable information detailed by the UCARE Report included a 5 percent drop in the number of residential service terminations by major electric distribution companies between 2014 and 2015, along with an 8 percent decrease in the terminations for natural gas distribution companies. The overall termination rates for electric and natural gas distribution utilities also declined during that period.

About the UCARE Report

To help consumers make accurate comparisons between companies of various sizes, the PUC calculates the number of justified complaints per 1,000 residential customers. A complaint is considered “justified” if the Commission finds that the company did not comply with PUC regulations and policies when handling the dispute. A significant increase in a justified rate would prompt a review of a utility’s complaint handling procedures. Consumer complaint rates and justified consumer complaint rates are located in Appendix F of the report. The annual UCARE reports dating back to 1997, along with quarterly updates for more recent years, are posted on the [PUC website](#).

Source: PUC Press Release, 1/26/2017

EQB Meeting Cancellation

The February 21 meeting of the Environmental Quality Board is **cancelled**. The next regular meeting of the Board is scheduled for Tuesday, March 21, 2017, at 9 a.m. in the Rachel Carson State Office Building, Harrisburg. Agenda and meeting materials will be available at www.dep.pa.gov.

Questions on the meeting should be directed to Laura Edinger at (717) 783-8727 or ledinger@pa.gov.

Source: PA Bulletin, [1/28/2017](#)

Gov. Wolf Resubmits Nomination of Patrick McDonnell as Secretary of DEP

On January 3, the first day of the new legislative session, Gov. Tom Wolf resubmitted the nomination of Acting Secretary of Environmental Protection Patrick McDonnell to serve permanently in that role, pending approval by the Pennsylvania Senate.

Mr. McDonnell has served as Acting Secretary since May 20 of last year. He was formally nominated by Gov. Wolf as Secretary on September 21 of last year, but the Senate ran out of time to act on his nomination.

Last September, Gov. Wolf said of his nomination-- “In his acting capacity and throughout his career, Patrick has been a dedicated steward of the environment and a leader in advancing Pennsylvania’s energy development in a responsible way. I trust Patrick to lead the Department of Environmental Protection in a way that protects our Commonwealth’s land, water and air and ensures the department continues to make progress in the areas of innovation, responsible development and working with legislators, industry and advocates in a collaborative and productive way.”

Prior to his appointment as Acting Secretary, Mr. McDonnell served Director of Policy for the Department of Environmental Protection, where he oversaw the agency’s regulation and policy development processes.

In addition, Mr. McDonnell ran the State Energy Office and was charged with coordination of renewable energy and energy efficiency issues. Prior to returning to DEP, Mr. McDonnell was executive policy manager for former Commissioner

Pamela A. Witmer of the Public Utility Commission, focusing on electric, natural gas and water issues as well as cybersecurity and the impact of environmental regulation on energy markets.

Previously, Mr. McDonnell spent 13 years with DEP in a variety of roles. As Deputy Secretary for Administration, he managed the budget, human resources, information technology and oversaw the facilities management functions of the agency. He also previously served as policy director and as an Assistant to the Special Deputy Secretary.

He began his career at DEP working in the State Energy Office on energy efficiency, renewable energy, and green building projects.

Mr. McDonnell received his Master's degree in Political Science from Lehigh University and his Bachelor's Degree in Politics from DeSales University.

The Senate has 25 legislative days to act on the nomination or May 10, given the current session schedule. When the Senate convenes on Monday, January 30 the nomination will be on day #4.

Typically nominations are referred to the standing committee with jurisdiction, in this case the Senate Environmental Resources and Energy Committee, but the nomination was not referred yet because all the paperwork was not complete until last week.

Source: PA Environmental Digest, 1/30/2017

PA Chesapeake Bay Commission Members Spotlight Need for Clean Water Fund in PA

The bipartisan Pennsylvania members Pennsylvania of the Chesapeake Bay Commission Tuesday wrote to all members of the Senate and House to outline the need to address the state's water pollution cleanup problems and propose a potential solution - a dedicated Clean Water Fund for Pennsylvania.

The letter proposes, as one solution, a water use fee to finance Pennsylvania's water pollution cleanup effort that would raise an estimated \$245 million. They note water fee proposals were introduced last session in [Senate Bill 1401](#) (Alloway-R- Franklin) and [House Bill 2114](#) (Sturla-D-Lancaster).

The letter to members was signed by Sen. Gene Yaw (R-Lycoming), Majority Chair of the Senate Environmental Resources and Energy Committee, Sen. Rich Alloway (R-Franklin), Rep. Garth Everett (R-Lycoming), Rep. Keith Gillespie (R-York) and Rep. Mike Sturla (D-Lancaster).

Their cover note to colleagues says:

“Clean water is fundamental to public health and our economy. Unfortunately, almost one quarter of Pennsylvania's streams and rivers are not safe for either drinking, swimming, fishing or aquatic life.

“The enclosed report, [Water Rich & Water Wise](#), describes the extent of the impact and potential solutions.

“As legislative members of the Chesapeake Bay Commission, we know that practices to improve water quality are not without cost. Our state and local governments have already spent significant dollars to upgrade wastewater treatment plants and farmers are implementing best management practices.

“Unfortunately, much more needs to be done, not just for the Bay, but more importantly for our own local waters.

“The good news is that these practices work, and much of the remaining effort can be achieved with some of the most cost-effective practices available. Investment in clean water directly benefits local governments and landowners, and provides local jobs.

“By taking care of our own local waters, we also reduce regulatory uncertainty that can arise from pollution of downstream neighbors, whether in the Chesapeake, Ohio, Delaware or Great Lakes watersheds.

“Please take a moment to read the enclosed report. We hope that you will join us in a thoughtful conversation about legislation to address this important issue.”

A Clean Water Fund for Pennsylvania

Here’s the discussion of funding water pollution cleanup from Water Rich & Water Wise.

In Pennsylvania, a water use fee has been proposed.

It would support water protection programs across the Commonwealth, in every part of the state, including the Ohio, the Genesee, the Susquehanna, the Delaware, the Erie and the Potomac watersheds.

Currently, 5.9 billion gallons of the commonwealth’s water are used each day, statewide, without compensation. By instead charging only one-hundredth of a cent per gallon for all withdrawals over 10,000 gallons per day, and one-tenth of a cent for all consumptive uses over 10,000 gallons per day, an estimated \$245 million per year could be generated.

This is even after municipal water systems and agricultural production are exempted and existing fees charged by the Susquehanna and Delaware River Basin Commissions are deducted.

The average individual uses only 100 gallons a day, so a 10,000 gallon threshold would include only large-scale commercial uses. At least 12 other states have some form of water fee, providing for both the oversight and protection of their water. Funding water quality is a good investment.

Studies of the Chesapeake Bay, Great Lakes and Everglades have estimated at least a 2:1 benefit to cost ratio for water quality restoration.¹¹ In other words, for every dollar spent on water quality improvement, two dollars of benefit, such as economic activity, ecosystem services and increased property values are realized.

The jobs created by restoration activity are often in the high-value STEM professions, 12 and the

quality of life in healthy watersheds helps to attract employers and retain employees.

Pennsylvania is at a turning point. A robust investment in clean water today will help Pennsylvania comply with its current federal mandate for the Chesapeake Bay.

It will also prepare the Commonwealth for any future regional efforts such as Great Lakes or Gulf of Mexico restorations. Most importantly, it will help the Commonwealth meet its own constitutional duty, as a trustee of natural resources for the benefit of all, 13 by investing in the prosperity of Pennsylvania citizens and communities.

Establishing a Pennsylvania Water Fund makes sense. It provides a logical approach to protecting local water quality while addressing regional concerns. It will help to make the Commonwealth both water rich and water wise.

A copy of [Water Rich & Water Wise](#) is available online. Click [here](#) for a copy of the cover letter.

Source: PA Environmental Digest, 1/30/2017

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