

---

# 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 3<sup>rd</sup> Street ♦ Suite 1500 ♦ Harrisburg, PA 17101 ♦ Phone: 717-232-5322 ♦ Cell: 717-574-3963 ♦  
Erik A. Ross, Associate ♦ [www.millirongoodman.com](http://www.millirongoodman.com)

---

Harrisburg, PA

[Erik@millirongoodman.com](mailto:Erik@millirongoodman.com)

March 6, 2017 -- Issue 1028

---

*PA- Section, American Water Works Association  
National Association of Water Companies  
Water Works Operators' Association of Pennsylvania*

---

### Cruz calls for action after state receives F grade on lead in school drinking water

On March 1, 2017, State Rep. Angel Cruz, D-Phila., voiced his continued concern for the safety of Pennsylvania's drinking water after an analysis by PennEnvironment Research and Policy Center gave the state an F grade for preventing lead in drinking water in schools, in a [report](#) released on Feb. 28.

"Last year Flint brought the dangers of lead poisoning to the forefront nationally; this report by PennEnvironment serves as a chilling reminder that the dangers are real and impact children in Pennsylvania," Cruz said. "This is not an issue we can afford to take lightly, as the Department of Health has already shown some of Pennsylvania's children have tested positive for high blood lead levels. This is especially alarming because there is no safe blood lead level in children."

According to [PennEnvironment](#), Pennsylvania received an F grade because it has no required testing regimen for school drinking water, no limits on the allowable lead levels and no plan to remove lead infrastructure from its schools. The PennEnvironment report does note the City of

Philadelphia passed an ordinance last December setting stricter limits on lead in drinking water, improving the public's right-to-know on the issue and requiring testing of all school faucets and fountains.

"PennEnvironment's failing grade for Pennsylvania reinforces the need to take legislative action at the state level to test, monitor and address the dangers of lead contamination in drinking water in schools and throughout the commonwealth," Cruz said. "When we fail to address lead in school drinking water, we fail our children and their parents who should be able to trust the water they drink is safe. That is why Representative Mike Schlossberg and I have reintroduced a package of bills to protect our children and citizens from possible exposure."

The first piece of legislation to be reintroduced by Cruz, [House Bill 666](#), would require children under 6 to be tested for elevated lead levels in their blood. Currently, the U.S. Centers for Disease Control recommends children be tested at 1, 2 and again before 6.

The second piece of legislation, [House Bill 667](#), would amend the Safe Drinking Water Act to require more frequent testing for lead in water. Under current law, water is tested every three years at a reduced number of sample sites after the initial

passing. Cruz's legislation would require testing to be done annually at the reduced number of sample sites and a complete test from all sample sites every three years.

The third piece of legislation, [House Bill 668](#) and sponsored by Schlossberg, D-Lehigh, would require lessors of residential dwellings built before 1978 to inspect dwellings for the presence of lead-based paint and hazardous conditions such as chipping paint when those dwellings become vacant or prior to new occupancy. Lessors must also disclose and provide all information regarding levels of lead and inspection results, and provide those findings to a lessee prior to occupancy.

The final piece of legislation, [House Bill 669](#), would require day cares licensed by the state Department of Human Services to be tested for lead as part of their licensure process. The testing would include levels of lead in water, paint and soil. This bill would prohibit the Department of Human Services from issuing a license to any day care in which lead levels are higher than the Centers for Disease Control recommendations and would provide for a remediation plan for any center found to have elevated levels of lead.

Source: Rep. Cruz Press Release, 3/1/2017

## Sen. Yudichak Calls For Task Force To Investigate Threat Of Lead Exposure In PA

Sen. John Yudichak (D-Luzerne), Minority Chair of the Senate Environmental Resources and Energy Committee, Tuesday announced he and other lawmakers will soon reintroduce a resolution -- [Senate Resolution 33](#) -- that creates a bipartisan task force to investigate the scope of Pennsylvania's lead exposure problem.

The resolution directs the task force to recommend changes to existing laws, regulations, and procedures that will reduce the risk of lead contamination in Pennsylvania's schools, daycare centers, homes, and water-delivery infrastructure.

The resolution also creates an advisory committee, reporting to the Joint State Government Commission, that will work closely with the Senate task force to complete its review and produce a report detailing its findings and recommendations to the Senate within 18-months.

The advisory committee will include cabinet secretaries, pediatricians, representatives of water authorities and private companies, maintenance workers in school districts, and the Executive Director of the Housing Alliance of Pennsylvania.

"We cannot eliminate the threat posed by lead contamination until we know the true extent of the problem in Pennsylvania's homes, schools, daycare centers, and water-delivery infrastructure," said Sen. Yudichak. "The task force will leverage the expertise of medical professionals, agency officials, and industry leaders who combat the dangers of lead contamination every day and are best suited to recommend policies and procedures to improve the quality of Pennsylvania's drinking water. Pennsylvanians should never fear for theirs or their children's health when they pour water from the faucet or drink from a water fountain."

Sen. Yudichak can be contacted by sending email to: [yudichak@pasenate.com](mailto:yudichak@pasenate.com) or call 717-787-7105.

For more information on lead in water, visit DEP's Lead In Drinking Water [webpage](#).

Source: PA Environmental Digest, 3/6/2017

## Revenue Department Releases February 2017 Collections

Pennsylvania collected \$1.9 billion in General Fund revenue in February, which was **\$32.9 million, or 1.7 percent, less than anticipated**, Secretary of Revenue Eileen McNulty reported today. **Fiscal year-to-date** General Fund collections total \$18 billion, which is **\$449.7 million, or 2.4 percent, below estimate**.

**Sales tax receipts** totaled \$701.9 million for February, **\$11.8 million above estimate**. **Year-to-date sales tax collections** total \$6.6 billion, which is **\$126.5 million, or 1.9 percent, less than anticipated**.

**Personal income tax (PIT)** revenue in February was \$799.4 million, **\$29.6 million below estimate**. This brings **year-to-date PIT collections** to \$7.5 billion, which is **\$128.1 million, or 1.7 percent, below estimate**.

February **corporation tax revenue** of **\$74.5 million was \$10.2 million below estimate**. **Year-to-date corporation tax collections** total \$1.5 billion, which is **\$171.1 million, or 10.5 percent, below estimate**.

**Inheritance tax revenue** for the month was \$68.4 million, **\$14.1 million below estimate**, bringing the **year-to-date total** to \$598.5 million, which is **\$23.1 million, or 3.7 percent, below estimate**.

**Realty transfer tax revenue** was \$27.8 million for February, **\$5.8 million below estimate**, bringing the **fiscal-year total** to \$309.7 million, which is **\$50.4 million, or 14 percent, less than anticipated**.

**Other General Fund tax revenue**, including cigarette, other tobacco products, malt beverage, liquor and table games taxes, totaled \$130.8 million for the month, **\$12.6 million below estimate** and bringing the **year-to-date total** to \$1.2 billion, which is **\$24 million, or 2 percent, below estimate**.

**Non-tax revenue** totaled \$72.3 million for the month, **\$27.5 million above estimate**, bringing the **year-to-date total** to \$292.8 million, which is **\$73.5 million, or 33.5 percent, above estimate**.

In addition to the General Fund collections, the **Motor License Fund** received \$225.7 million for the month, **\$6.5 million below estimate**. **Fiscal year-to-date collections for the fund** - which include the commonly known gas and diesel taxes, as well as other license, fine and fee revenues - total \$1.7 billion, which is **\$18.1 million, or 1 percent, below estimate**.

**Source:** DOR Press Release, 3/1/2017

## **PUC Continues Investigation of Alternative Rate Design; Seeks Additional Stakeholder Comments on Potential Benefits and Next Steps**

**A**s part of an ongoing study of alternatives to traditional ratemaking principles, the Pennsylvania Public Utility Commission (PUC) encouraged additional comment from key stakeholders [to further explore potential benefits or shortcomings of different rate methodologies](#), along with issues or concerns that may be unique to particular utility sectors. Today's Tentative Order was approved 5-0 by the Commissioners.

This most recent action comes following the review of extensive testimony and comments that were received in response to [an en banc hearing in Harrisburg](#) which was hosted by the PUC in March 2016. That hearing drew a diverse group of parties to discuss whether alternative rate methodologies could help utilities appropriately balance declining demand with energy efficiency and conservation programs.

The 2016 hearing generated a mix of comments from various stakeholders, including utilities, consumer and business advocates, citizens' groups, environmental organizations, trade and industrial associations, and other concerned parties. Nearly all the parties noted that this is a complicated issue, with no "one size fits all" solution, especially given the diverse size and structure of Pennsylvania's utilities.

Today's PUC Order includes a series of questions related to specific industry sectors, including electric, natural gas, water and wastewater utilities. Additionally, the Commission is seeking comment on how to best proceed, including whether a policy statement, regulations or legislation would be recommended or required.

As noted by the Commission, utilities in Pennsylvania have employed some alternative rate

methodologies. This ongoing discussion is intended to further explore the reasonableness, efficacy and potential benefits of other alternatives.

Comments regarding alternative ratemaking should be submitted within 45 days, and any reply comments should be submitted within 75 days. All comments must reference PUC Docket Number [M-2015-2518883](#). Comments may be filed electronically through the Commission's [e-File System](#), or sent to the following address:

Pennsylvania Public Utility Commission  
Attn: Secretary  
P.O. Box 3265  
Harrisburg, PA 17105-3265

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities; ensures safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

For recent news releases and video of select Commission proceedings or more information about the PUC, visit our [website](#). Follow the PUC on Twitter - @PA\_PUC for all things utility. "Like" Pennsylvania Public Utility Commission on Facebook for easy access to information on utility issues.

**Source:** PA PUC Press Release, 3/2/2017

## **GO-TIME: New iPad App Makes DEP Oil and Gas Site Inspections More Efficient**

**T**he Department of Environmental Protection (DEP) announced another GO-TIME success with the launch of an iPad app for electronic field inspections at oil and gas production sites.

The app, developed in partnership with the Department of Transportation, enables DEP staff to conduct electronic inspections of all surface

activities at oil and gas sites, including erosion and sedimentation, waterways encroachment, waste management, and spill cleanup. Until now, inspections have been performed with clipboards and paper forms.

"DEP staff bring great knowledge and dedication to serving the citizens and protecting the environment of Pennsylvania," said DEP Acting Secretary Patrick McDonnell. "Much-needed technology upgrades, such as electronic inspections, will ensure we have systems in place to match our ambitions as we work to respond agilely to business needs and deliver the highest level of service and transparency to citizens, community organizations, and local governments."

The app will make the inspection process more accurate and efficient, thanks to improved data quality, easier photo documentation, elimination of duplicate entry, electronic supervisor approval and other features. The number of oil and gas field inspections that DEP staff can perform yearly will also increase.

Electronic inspections also mean citizens can see surface inspection results sooner, since results enter the DEP database and are posted on the [O&G Oil and Gas mapping web site](#) within days, rather than weeks.

All 46 oil and gas surface activities inspection staff will be using the app by the end of February.

DEP is also developing a similar app for its 32 oil and gas sub-surface activities inspectors.

The app will be configured for other DEP programs, with the goal of equipping 350 inspectors by 2020, allowing the department to realize an estimated \$3.6 million in productivity savings once implemented.

Electronic inspection supports the Governor's Office of Transformation, Innovation, Management and Efficiency (GO-TIME), which works with state entities to modernize government operations in order to reduce costs and improve services. State agencies already saved over \$156 million and Governor Wolf challenged GO-TIME to build upon

this success by achieving \$500 million in savings by 2020.

To learn more about GO-TIME, visit <https://www.governor.pa.gov/go-time/>.

Source: DEP Press Release, 3/3/2017

## Climate Change Advisory Committee Meeting Cancellation

The Climate Change Advisory Committee **cancelled** its regular meeting scheduled for March 14, 2017. This meeting has not been rescheduled at this time.

The next regular Committee meeting is scheduled for May 9, 2017.

Questions on the meeting should be directed to Mark Brojakowski, Bureau of Air Quality, Climate Change Section, PO Box 8468, Harrisburg, PA 17105-8468 at [mbrojakows@pa.gov](mailto:mbrojakows@pa.gov) or (717) 772-3429.

Source: PA Bulletin, [3/4/2017](#)

## Small Water Systems Technical Assistance Center Board Meeting Cancellation

The March 9, 2017, meeting of the Small Water Systems Technical Assistance Center Board has been **cancelled**.

The next regular meeting is scheduled for Thursday, May 4, 2017, beginning at 9 a.m. in the Rachel Carson State Office Building, Harrisburg.

Questions on the meeting should be directed to Dawn Hissner, Bureau of Safe Drinking Water at [dhissner@pa.gov](mailto:dhissner@pa.gov) or (717) 772-2189. The agenda and meeting materials will be available at <http://www.dep.pa.gov>

Source: PA Bulletin, [3/4/2017](#)

## Snyder Measure would Help Pay Basic Utilities for Volunteer Fire Companies

State Rep. Pam Snyder, D-Greene/Fayette/Washington, said she has introduced legislation that would enable fire relief funds to be used to pay basic utility costs at volunteer fire company stations.

"Our brave volunteers deserve to focus on saving our lives and properties and not worrying about how to pay for the heating and lighting at the fire station," Snyder said. "My legislation, [House Bill 698](#), would permit volunteer fire relief funds to be used toward gas, electric, water and sewage bills."

Snyder said the state statute governing volunteer fire relief associations allows them to pay for training, gear and apparatus crucial to volunteer firefighters, but not utility costs. She said the men and women working selflessly behind the scenes in relief associations deserve the option to use funds to pay utility bills at the stations.

"Helping to pay for basic utility expenses will free our first responders from having to raise funds just to keep the lights on at the station," Snyder said. "The volunteers sacrifice so much to keep us safe, and they deserve to be spared this expense whenever possible."

"Utilities are essential, and my measure would ease the monetary and time constraints faced by those on the front lines of public safety. It helps them help us," she said.

Snyder said the ranks of volunteer firefighters have plummeted statewide to about 50,000 today compared with an estimated 300,000 in the 1970s.

"Whenever and wherever possible, we must find ways to bolster their ranks," said Snyder, who also is supporting [House Bill 48](#), which would provide a scholarship program for volunteer first responders.

Source: Rep. Snyder Press Release, 3/3/2017

## Senate Budget Hearing for DEP to be held on March 8th

The Senate Appropriations Committee will hold its budget hearing for the Department of Environmental Protection at 10:00 a.m. on Wednesday, March 8, 2017.

To watch the hearing live, please click [here](#).

Source: Senate GOP Appropriations Committee

## DEP Sends Plan To EPA, Clearing Safe Drinking Water Deficiencies Could Take Until 2020

In a letter dated February 24, the Department of Environmental Protection submitted a plan to the U.S. Environmental Protection Agency on how it will address concerns EPA raised about staffing inadequacies in Pennsylvania's Safe Drinking Water Program.

DEP's proposal is to increase permit review fees and adopt a new annual permit administration fee to fund approximately 33 new positions no longer covered by state General Fund monies to make sure Pennsylvania continues to meet minimum Safe Drinking Water Act requirements.

Given the way DEP must go about adopting a fee increase and hire new staff, it may take until 2020 of any new staff to become fully effective.

DEP has been working on the \$7.5 million fee increase package with its advisory committees since November.

Under the timetable laid out by DEP, accounting for the 18 to 24 months it takes to get the fee increases through the state's regulatory review process, DEP estimates it could begin hiring new staff in September 2018, according to the letter.

"Until such time as the final rulemaking is promulgated and new staff is brought on board and

gain adequate experience, DEP will continue to prioritize inspections over other work within the program."

Again, according to the letter, new staff are not considered adequately trained until they have "at least two years of experience" (emphasis DEP's), so it could be until late 2020 when the new staff could fully contribute to helping the Safe Drinking Water Program.

The letter points out, "It is important to note that these problems did not manifest abruptly. Since 2009, DEP program staffing levels have steadily declined. In 2009, the SDW [Safe Drinking Water] Program employed 84 sanitarians [field inspectors]. Today, the number of sanitarians is down by more than 25 percent at 61 [including 7 vacancies]."

DEP also points out each sanitarian now on staff has responsibility for 158 public water supplies. The national average is 67, less than half the systems DEP sanitarians must oversee.

DEP said it will provide EPA with quarterly updates on its progress in adopting the fee increase package. The letter was signed by Lisa Daniels, Director of DEP's Bureau of Safe Drinking Water.

A copy of the letter is available [online](#).

Source: PA Environmental Digest, 3/6/2017

## Aqua Pennsylvania's Roaring Creek Division Water Treatment Plant Receives Elite National Recognition

Aqua Pennsylvania (Aqua) announced that its Roaring Creek Division water treatment plant in Elysburg, Pa. recently received the Partnership for Safe Water's Phase IV President's Award, one of the highest honors given by the organization. The Partnership is a national volunteer initiative developed by the Environmental Protection Agency (EPA) and six water

organizations that strive to provide drinking water quality that surpasses federal standards.

Aqua’s Roaring Creek plant is one of just 15 water treatment plants in Pennsylvania to be presented with the President’s Award, which recognizes treatment plants that have achieved the highest possible levels of individual filter performance. Roaring Creek was assessed against very stringent performance goals with specific numeric water quality standards by the Partnership for Safe Water’s Treatment Plant Optimization Program. The program was designed to help utilities assess treatment plant performance, make enhancements in operations to reduce risk of exposure to contaminants such as Cryptosporidium, and achieve superior water quality beyond regulations.

“It is an honor to be recognized by the Partnership for Safe Water for our commitment to water quality,” said Roaring Creek Superintendent Rich Kotwica. “We work hard to maintain the highest water quality standards possible, and continually strive to improve our operations for our customers’ benefit. To be recognized as one of the highest performing plants in the country reaffirms that our diligence is paying off.”

“I am very proud of the employees who make up the Roaring Creek Division water treatment plant team and who have done a tremendous job improving water quality and meeting the high standards of the President’s Award,” said Aqua Pennsylvania President Marc Lucca. “Achieving this recognition is a prime indication of how committed Aqua’s employees are to protecting and providing the Earth’s most essential resource.”

The Partnership for Safe Water currently includes more than 250 water utilities, collectively serving more than 100 million people. Each utility has committed to the enhancement of drinking water quality and operational excellence in water treatment. The Partnership is an alliance of the American Water Works Association, Association of Metropolitan Water Agencies, Association of State Drinking Water Administrators, United States Environmental Protection Agency, National Association of Water Companies, and the Water Research Foundation.

Aqua Pennsylvania serves approximately 1.4 million people in 32 counties throughout the Commonwealth of Pennsylvania.

Aqua Pennsylvania serves approximately 1.4 million people in 32 counties throughout the Commonwealth of Pennsylvania. Visit [AquaAmerica.com](http://AquaAmerica.com) for more information, or follow Aqua on Facebook at [facebook.com/MyAquaAmerica](https://facebook.com/MyAquaAmerica) and on Twitter at [@MyAquaAmerica](https://twitter.com/MyAquaAmerica).

**Source:** Aqua Press Release, 3/2/2017

**#####**

***This newsletter provides general information, not legal advice as to any specific matter. It should not be used as a substitute for appropriate legal advice.***