
WUC

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



GOVERNMENT RELATIONS UPDATE

From Gmerek Government Relations, Inc.

212 Locust Street ♦ Suite 300 ♦ Harrisburg, PA 17101 ♦ Phone: 717-234-8525 ♦ Cell: 717-574-3963 ♦ Fax:
717-234-8812 ♦ Erik A. Ross, Senior Lobbyist ♦ www.ggrgov.com

Harrisburg, PA

eross@ggrgov.com

March 24, 2014 -- Issue 885

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

Democratic Policy Committee to hold Public Hearing on Sewage Line Maintenance Legislation TODAY in Pittsburgh

Chairman Mike Sturla, D-Lancaster, announced that the House Democratic Policy Committee will hold a public hearing on legislation dealing with sewage line maintenance from **2 p.m. to 4 p.m. Monday, March 24, at the Pittsburgh Water and Sewer Authority, 2nd Floor Board Room, 1200 Penn Ave., Pittsburgh.**

State Rep. Harry Readshaw, D-Allegheny, requested the hearing and will serve as co-chairman. Readshaw has introduced [H.B. 703](#) that would allow municipalities to include private lateral rehabilitation or replacement in PennVEST funding applications. He also introduced [H.B. 704](#) that would allow municipalities to use public funds for the improvement, extension, repair or rehabilitation of private lateral sewage lines connected to public sewer systems.

The current hearing agenda is:

- 2 p.m. - Welcome and opening remarks
- 2:10 p.m. - Panel one:
 - James Good, interim executive director, Pittsburgh Water and Sewer Authority
 - Dan McClain, treasurer, Girty's Run Joint Sewer Authority
 - John Brosius, deputy director, Pennsylvania Municipal Authorities Association
- 3 p.m. - Panel two:
 - Mike Gable, director of public works, City of Pittsburgh
 - Jennifer Sample, capital budget manager, Mayor's Office of Management and Budget, City of Pittsburgh
- 3:40 p.m. - John Schombert, executive director, 3 Rivers Wet Weather
- 4 p.m. - Closing remarks

The hearing is open to the public and media coverage is invited.

Source: House Democratic Policy Committee, 3/19/2014

Commonwealth Financing Authority to Begin Accepting

Applications for PA Small Water and Sewer Program

On March 20, 2014, the Pennsylvania Department of Community and Economic Development announced that the Commonwealth Financing Authority will begin accepting applications for the PA Small Water and Sewer Program to support smaller projects to improve public water supply and sanitary sewer systems.

“Having up-to-date water and sewer systems and facilities is critical to both economic growth and public safety,” Secretary Alan Walker said. “Opening up this program will assist communities to help offset the cost of updating water and sewer systems.”

The Commonwealth Financing Authority will begin accepting applications for the PA Small Water and Sewer program immediately with the applications being accepted through May 16, 2014. Initially there will be \$3 million available for projects.

Eligible projects are those which have a total project cost of not less than \$50,000 and not more than \$150,000 and involve the construction, improvement, expansion, repair, or rehabilitation of a water supply or sanitary sewer system which is owned or maintained by an eligible applicant. Eligible applicants are a municipality or a municipal authority.

An eligible project may also include consolidation or regionalization of two or more water supply systems or sanitary sewer systems which are managed or operated as an integrated system regardless of whether the system is physically connected.

The programs are administered jointly by the Department of Community and Economic Development and the Department of Environmental Protection, under the direction of the CFA.

For more information about the CFA, visit www.newPA.com/CFA or call 1-866-466-3972.

Source: Governor’s Press Office, 3/20/2014

Commonwealth Financing Authority Announces New Sewage Facilities Program and Updates Marcellus Legacy Fund Guidelines

The Commonwealth Financing Authority has begun accepting applications under the newly approved program guidelines for the Sewage Facilities Program and updated guidelines for six Act 13 Marcellus Legacy Fund programs designed to support conservation projects and environmental protection measures.

“My administration is committed to protecting the environment and growing our economy without sacrificing one for the other,” Governor Tom Corbett said. “Act 13 funding directed to the CFA will continue to provide important resources to local governments and state regulatory agencies to address environmental impacts and continue developing Marcellus Shale responsibly.”

The Act 13 Marcellus Legacy Fund programs include Orphan or Abandoned Well Plugging, Watershed Restoration and Protection, Baseline Water Quality Data, Flood Mitigation, Abandoned Mine Drainage Abatement and Treatment and Greenways, Trails and Recreation programs.

The Commonwealth Financing Authority (CFA) has also begun accepting applications under the Sewage Facilities program, also established by Act 13, which provides grants for Act 537 planning.

Applicants can begin applying immediately under the new guidelines for the Act 13 programs through DCED’s electronic single application system. Applications are currently being accepted through July 31, 2014 for consideration at the Nov. 20, 2014 CFA meeting.

Act 13, which Corbett signed into law in 2012, imposes an impact fee on unconventional natural gas wells.

To date, the fee has generated more than \$400 million that is benefiting every community in Pennsylvania. The majority of the revenues are distributed to local governments where drilling is taking place, with the remainder of the money used for statewide initiatives.

The Marcellus Legacy Fund programs are administered jointly by the Department of Community and Economic Development, the Department of Conservation and Natural Resources, and the Department of Environmental Protection, under the direction of the CFA.

For more information about the Act 13 Programs, the CFA or a complete list of approved projects, visit www.newPA.com/CFA or call 1-866-466-3972.

Source: Governor's Press Office, March 20, 2014

PUC Chairman Powelson Unanimously Confirmed as PUC Commissioner for 2nd Full Term

On March 19, 2014, the Pennsylvania Public Utility Commission (PUC) thanked the state Senate for unanimously confirming the renomination of Chairman Robert F. Powelson to his second five-year term as a PUC Commissioner.

During his hearing yesterday before the Senate Consumer Protection & Professional Licensure Committee, Chairman Powelson noted that the Commission is on the forefront addressing issues that impact Pennsylvanians every day, noting the successful implementation of laws to address aging utility infrastructure; to collect and distribute the Marcellus Shale Impact Fee; to reduce electric consumption and peak demand statewide over five years; and to enforce pipeline safety.

"Despite these successes, it is clear to me that our job is never finished," Chairman Robert F. Powelson wrote in his testimony for yesterday's hearing. "From the ever-evolving competitive electricity market in Pennsylvania, to the recent

transportation issues, there are always new and challenging issues for the Commission to address. However, I am confident that the Commission is well-positioned to take on the challenges that confront us."

The Chairman thanked the Senate for confirming him and Gov. Tom Corbett for renominating him.

Chairman Powelson first was nominated to the PUC on June 19, 2008, by Gov. Edward G. Rendell to fill the remainder of an unexpired term. The Pennsylvania Senate unanimously confirmed Chairman Powelson to serve as Commissioner on June 30, 2008. Commissioner Powelson was renominated by Gov. Rendell for a full five-year term on Feb. 12, 2009, and once again unanimously confirmed by the Pennsylvania Senate on April 22, 2009. On Feb. 24, 2011, Gov. Corbett appointed Powelson Chairman of the PUC. On Feb. 18, 2014, Gov. Corbett nominated Chairman Powelson to a second full five-year term on the PUC. His term was set to expire on April 1.

Powelson is the chair of the National Association of Regulatory Utility Commissioners (NARUC) Committee on Water. In addition, he has been appointed to represent that committee on NARUC's Task Force on Climate Policy. He also is a member of the NARUC Committee on Critical Infrastructure and a member of the NARUC Subcommittee on Nuclear Issues-Waste Disposal.

Powelson previously served as the President of the Chester County Chamber of Business & Industry, where he also held other job titles and helped to develop the county's economic development strategy. In 2005, he was selected by the Eisenhower Presidential Fellows to be a U.S. fellow in Singapore and Australia.

Powelson earned a Bachelor of Administration degree from St. Joseph's University and a Master of Governmental Administration degree from the University of Pennsylvania with a concentration in public finance.

A Delaware County native, Powelson and his wife, Lauren, and their two sons live in Kennett Square.

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 at www.puc.pa.gov. Follow the PUC on Twitter - @PA_PUC for all things utility. "Like" PAPowerSwitch on Facebook for easy access to information on electric shopping.

Source: PUC Press Release, 3/19/2014

EPA's WaterSense Program Encourages Americans to Fix Household Water Leaks

Easy-to-fix household leaks account for more than one trillion gallons of water wasted each year across the United States, equal to the annual household water use of more than 11 million homes. In the race against water waste, the EPA is urging people to fix household water leaks during the sixth annual Fix a Leak Week. Water leaking from dripping faucets, shower heads and worn toilet flappers in one average American home can account for more than 10,000 gallons of water wasted every year, or the amount of water needed to wash 270 loads of laundry. [Learn more.](#)

Source: EPA Water Headlines, 3/19/2014

Final EPA Rule Amending the Effluent Limitations Guidelines and Standards for the Construction and Development Industry

EPA has published a final rule that changes existing regulations that apply to stormwater discharges from construction activities. Compliance with this regulation will result in significant reductions in the discharge of sediment and other associated pollutants to water bodies. The rule also furthers the EPA's goals of improving resiliency of the nation's waters and infrastructure to climate change by requiring permittees to provide and maintain buffers around many surface waters at construction sites and reducing downstream siltation and flooding. [Learn more.](#)

Source: EPA Water Headlines, 3/19/2014

DEP to hold Webinar on Chapter 105 General Permit Processing Updates

On March 20, 2014, the Department of Environmental Protection (DEP) announced that it will be holding a webinar on **Wednesday, March 26 at 9:30 a.m.** to discuss Chapter 105 Water Obstructions and Encroachment General Permit processing updates.

The webinar will provide an overview of the recently updated Chapter 105 General Permit registration process and the registration documents that were revised as a result of the updates. The updates were made to address reporting needs and provide clarification for the overall registration process.

The webinar is geared toward, but not limited to, homeowners, developers, transportation engineers, mining operators and oil and gas operators.

These General Permits are pre-authorizations for a person or entity to conduct certain activities that impact Pennsylvania's waterways. To use a General Permit, a person or entity must register its use with DEP.

The Chapter 105 General Permits include:

- GP-1 Fish Habitat Enhancement Structures
- GP-2 Small Docks and Boat Launching Ramps

- GP-3 Bank Rehabilitation, Bank Protection and Gravel Bar Removal
- GP-4 Intake and Outfall Structures
- GP-5 Utility Line Stream Crossings
- GP-6 Agricultural Crossings and Ramps
- GP-7 Minor Road Crossings
- GP-8 Temporary Road Crossings
- GP-9 Agricultural Activities
- GP-10 Abandoned Mine Reclamation
- GP-11 Maintenance, Testing, Repair, Rehabilitation or Replacement of Water Obstructions and Encroachments
- GP-15 Private Residential Construction in Wetlands

In order to obtain authorization under these General Permits, a person or entity must register use of the General Permits(s) appropriate for their project. The registration process is laid out by the Chapter 105 Water Obstructions and Encroachments General Permit Registration instructions, form and required attachments. Each of these updated documents will be reviewed during Wednesday's webinar.

Preregistration is required to participate in the webinar. To register, visit www.dep.state.pa.us, keyword search "Webinars."

The webinar will be recorded and posted on the DEP website for future viewing.

For more information, call 717-787-3411.

Source: DEP Press Release, 3/20/2014

Rep. Grove Introduces Bill to Undo Act 13 Drilling Law Court Decision

Rep. Seth Grove (R-York) introduced [House Bill 2115](#) designed to undo the Act 13 drilling law court decision eliminating the preemption preventing local governments from regulating the drilling industry under the Environmental Rights Amendment, Article I, Section 27 of the Pennsylvania Constitution.

“Currently, businesses who are required to have environmental permits are hindered by state and local government environmental rules and regulatory standards which are inconsistent and ambiguous,” said Rep. Grove in his co-sponsor memo to House members. “These multiple rules create difficulties and obstacles for businesses to perform their work while complying with different rules.

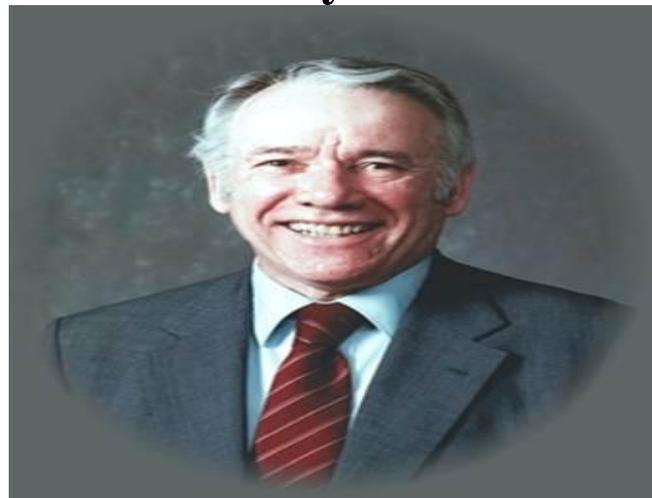
“The legislation I will be introducing will enable DEP to enforce clear, consistent, and transparent set of environmental rules and regulations throughout the permitting process. These rules and regulations will preempt all local ordinances,” said Rep. Grove. “By enabling businesses to comply with a single set of rules and regulations will help to create an open, consistent, and compliant working environment between government and businesses.”

The bill was referred to the House Environmental Resources and Energy Committee for consideration.

Rep. Ron Miller (R-York) serves as Majority Chair and Rep. Greg Vitali (D-Delaware) serves as Minority Chair.

Source: PA Environmental Digest, 3/24/2014

Environmental Community Mourns Passing of Former DER Secretary Art Davis



Former DER Secretary Arthur A. Davis.

Former Department of Environmental Resources Secretary Arthur A. Davis died at his home on March 9. He was 91. "Art," as he was known to many current and former employees, was appointed to lead DER by Governor Robert P. Casey and served in that role from January 1987 through January 1995.

Many employees who served under Art's tenure speak with great fondness of his wisdom, scholarship and life-long dedication to the protection of Pennsylvania's environment," DEP Secretary Chris Abruzzo said. "His record of achievement while in office is impressive, guiding the development of many of Pennsylvania's most successful environmental programs including Act 101, the Municipal Waste Planning, Recycling Waste Reduction Act that made Pennsylvania a national leader in recycling, the Hazardous Sites Cleanup Program, the creation of PENNVEST, and the Environmental Education Act to name a few. His legacy will touch Pennsylvanians for generations to come."

Prior to his appointment as secretary of DER, Secretary Davis held the Maurice K. Goddard Chair in Forestry and Environmental Resource Conservation at Penn State University. He also held positions at the Western Pennsylvania Conservancy and the U.S. Fish and Wildlife Service.

In-lieu of flowers, his family asks that contributions be made to the Conodoguinet Creek Watershed Association, c/o Gil Freedman, President CCWA, 49 Sample Bridge Road, Mechanicsburg, PA 17050.

Source: DEP News, 3/20/2014

Boscola Strengthens Her Consumer Choice Protection Legislation

On March 18, 2014, State Sen. Lisa Boscola (D-Northampton/Lehigh) introduced her proposal aimed at helping consumers shop

for less expensive electricity and avoid sticker shock when they agree to variable rate pricing deals.

"My legislation (Senate Bill 1297) mandates clear and reliable pricing information on variable rate pricing," Boscola said. "It also reduces the lengthy, arbitrary and unnecessary waiting periods for switching electric suppliers to five business days or less," Boscola said.

Calling this one of the most brutal winters in memory, Boscola said many consumers with variable rate plans were shocked by huge electricity price spikes in recent weeks.

Boscola's bill would require the state Public Utility Commission (PUC) to adopt regulations that would shorten the waiting period before people can switch retail electric suppliers. Currently, consumers have to wait up to 45 days. Boscola's legislation would cut the waiting period not to exceed five business days.

Her bill also calls on the PUC to mandate stronger consumer notification requirements for electric suppliers that offer variable rate deals. Boscola said many people do not understand or anticipate the potentially huge price swings that can occur as part of variable rate deals. Her legislation would require electric suppliers to:

- send both a 45 day notice and a 15 day notice to customers on fixed rate plans who are about to be moved to a variable rate plan. The notification would indicate that the customer will be moved to a variable rate plan if action is not taken;
- electronically notify residential customers when their variable rate increased by 50 percent or more from the previous month's rate;
- post their variable rate publicly on their website with continuous real-time updates and;
- clearly and plainly disclose the full details of a variable rate plans, in a person-to-person conversation, to those who are considering them, including that the variable rate is uncapped, the basis in which the rate is derived, and the full terms and conditions of the contract.

"I am satisfied that my bill would tighten and clarify the state's electric choice law," Boscola added. "It will certainly help consumers save money and make more informed decisions when they choose a pricing plan."

Source: Senator Boscola Press Release, 3/18/2014

PUC Seeks Comments on New Requirements for Supplier Disclosure Statements

On March 19, 2014, the Pennsylvania Public Utility Commission (PUC) requested comments on proposed regulation changes that will provide electric shopping customers with greater, uniform detail in electric supplier disclosure statements and more timely information on "contract renewal" and "change in terms" notices.

"The intent of the revisions is to make disclosure statements more understandable and useful to consumers, especially in the context of variable-priced products," the Commission said in a [Secretarial Letter](#) seeking comments on the proposed changes. "The intent is to make the notices more prominent and to provide electric generation supplier (EGS) customers with important and timely information about their options upon the expiration or change in terms of their EGS contracts."

The comments will be considered as part of an expedited rulemaking proceeding where the Commission will require EGSs to display key contractual terms and conditions more prominently, especially for customers on variable-priced products, provide historical pricing data on their products, and mark conspicuously customer notices on contract renewals and changes in terms.

The Commission believes these changes will provide additional information and greater protections for residential and small business customers choosing a competitive supplier for their electric generation.

As of March 14, 2014, more than 12,283 consumers have contacted the Commission with concerns about electric supply prices, many of whom have expressed frustration with not understanding the terms and conditions of their supplier contracts. Of those, more than 4,800 consumers have filed informal complaints with the PUC's Bureau of Consumer Services.

The Secretarial Letter contains a [draft of the proposed regulations](#) and a [summary to the proposals](#), which include the following:

- More contractual information on conditions of price variability, including whether or not there are limits on variability;
- A clear statement of the price per kilowatt hour for the first billing cycle of electric generation;
- Customer access to historical pricing information;
- Separate mailings for either fixed-term contracts that are expiring, or any changes to terms of service;
- A separate EGS contract summary along with the full disclosure statement to ensure EGSs highlight key terms and conditions in a uniform, consistent manner;
- New requirements for contract "renewal notices" and customer "options notices" prior to the expiration of a contract;
- A renewed emphasis on highlighting changes in pricing or any terms and conditions - including a fixed rate becoming a month-to-month, variable product if the customer does not respond to the notice(s); and
- Prominent marking on front of the "options notice" envelope clearly stating that it contains important information regarding the expiration or changes in terms of the customer's electric supply contract.

Interested parties will have five days to submit comments. The Secretarial Letter contains specific instructions on how to file comments. Consumers can email or write the PUC with comments.

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 at www.puc.pa.gov . Follow the PUC on Twitter – @PA_PUC for all things utility. “Like” PAPowerSwitch on Facebook for easy access to information on electric shopping.

Docket No. L-2014-2409385

Source: PUC Press Release, 3/19/2014

PUC Unveils New Video on Fixed and Variable Rates

On March 20, 2014, the Pennsylvania Public Utility Commission (PUC) Chairman Robert F. Powelson day unveiled a roughly one-minute video available on www.PAPowerSwitch.com , the PUC website and YouTube to further educate electricity customers about choosing between fixed and variable rates.

"This is an ongoing education process," Chairman Powelson said during a state House Consumer Affairs Committee public hearing on variable rates. "We have posted messages on our website and consumer alerts about variable prices. This new video talks about the difference between a fixed rate product and a variable rate product. We are doing a deeper dive to educate consumers to choose whether fixed or variable rates are right for them."

The video can be found on the PUC website on the [Educational Videos page](#), the PAPowerSwitch website's [Understanding Fixed & Variable Rates page](#), and on the PUC's [YouTube channel](#).

The video is the first in a series of one-minute videos highlighting key aspects of choosing and staying with a competitive supplier, and recent actions taken by the Commission to enhance the shopping experience for consumers. Future videos will feature using the sorting and filtering

functionality of the online shopping tool, cancellation fees, and ways to save energy, among other things. PUC staff produced the video with existing Commission resources.

"When shopping for an electric supplier, it is very important that you understand the difference between a fixed price product and a variable one," a PUC consumer educator says in the video. "Depending on which one you choose, it will directly impact your electric bill."

The video goes on to define "fixed price" and "variable price," and offers illustrations to explain the difference and how to tell between offers of the two types of rates on PAPowerSwitch.

Today's announcement follows Commission actions throughout the week on new requirements for supplier disclosure statements and accelerated switching times for electricity supply, as well as other recent enhancements and education on www.PAPowerSwitch.com related to fixed and variable rates.

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 at www.puc.pa.gov . Follow the PUC on Twitter – @PA_PUC for all things utility. “Like” PAPowerSwitch on Facebook for easy access to information on electric shopping.

Source: PUC Press Release, 3/20/2014

#####

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.