
WUC

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



GOVERNMENT RELATIONS UPDATE

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*PA- Section, American Water Works Association
National Association of Water Companies
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Revenue Department Releases July Collections

Pennsylvania collected \$2 billion in General Fund revenue in July, the first month of the 2016-17 fiscal year, Secretary of Revenue Eileen McNulty reported on August 1, 2016.

Sales tax receipts totaled \$892.3 million; personal income tax (PIT) revenue in July was \$760.4 million; and corporation tax revenue was \$66.4 million for July.

General Fund revenue figures for July included \$77.1 million in inheritance tax and \$32.6 million in realty transfer tax.

Other General Fund revenue, including cigarette, malt beverage and liquor and table games taxes totaled \$105.5 million for the month.

Non-tax revenue totaled \$38.5 million for the month.

In addition to the General Fund collections, the Motor License Fund received \$211.4 million for the month, which includes the commonly known gas and diesel taxes, as well as other license, fine and fee revenues.

As in years past, July collection data does not include a comparison against anticipated amounts because revenue estimates for each month are not yet finalized. The August collections release will include comparisons of collections to estimates.

Source: Revenue Department Press Release, 8/1/2016

IRRC to Consider RTCR

The Pennsylvania Independent Regulatory Review Commission (IRRC) will meet to consider, among other items, the following:

[No. 3119 Environmental Quality Board #7-494: Safe Drinking Water; Revised Total Coliform Rule](#)

The public meeting will be held on Thursday, August 18, 2016 at 10:00 a.m. in the 14th Floor Conference Room at 333 Market Street, Harrisburg, PA 17101.

For additional information, please visit the IRRC website at: <http://www.irrc.state.pa.us/>

Source: IRRC Website

DEP Lists Susquehanna River as Impaired for Multiple Uses, Develops New Analytic Methods for Semiannual Impaired Waterways Report

A new report from the Pennsylvania Department of Environmental Protection (DEP) lists four miles of the Susquehanna River as impaired for recreation. The recreation impairment listing joins an impairment for fish consumption for the Susquehanna River, though the listings are not related to smallmouth bass populations in the river. The report also sets forth a groundbreaking protocol to scientifically assess a large river system.

"DEP has dramatically increased the monitoring efforts of the Susquehanna River, and is developing analytic protocols that set the bar for scientific study of large river systems," said DEP Acting Secretary Patrick McDonnell. "DEP carefully considered the scientific data in preparing this report, and the additional impaired listings in 2014 and 2016 of the Susquehanna River to the impaired waterways list is the recognition of that increased monitoring."

The listing comes as part of the 2016 Integrated Water Quality Monitoring and Assessment Report (Integrated Report), which was published in PA Bulletin on July 30, 2016. All 347 miles of Susquehanna River are listed as impaired for fish consumption again on the 2016 Integrated Report. The Integrated Report examines water quality for four main uses (water supply, aquatic life, recreation, and fish consumption) of all of Pennsylvania's 86,000 miles of streams and rivers and 160,000 acres of lakes and ponds. Waterways that do not meet assessment criteria for any one of those four uses are considered impaired.

"DEP staff have deployed continuous instream monitors to be able to identify potential water quality problems before they rise to the level of impairing the river. This kind of proactive approach

will provide critical data going forward," said McDonnell.

The lower section of the Susquehanna River (from Sunbury to the Maryland state line) was also surveyed recently to evaluate the water contact use which includes swimming. As a result, a four-mile stretch - from the mouth of Conodoguinet Creek to the mouth of Yellow Breeches Creek - is added as impaired in 2016. The recreational impairment designation is a result of high densities of coliform bacteria detected in the river, which indicates the potential for other pathogens in the water. High bacteria densities indicate conditions that might cause sickness from contact with or ingestion of the water.

A number of tributaries to the Susquehanna were also listed as impaired for recreation and aquatic life. Tributaries such as Conodoguinet Creek, Swatara Creek, and Conestoga Creek. In the 2016 Integrated Report, a total of 1,665 miles of tributaries to the Susquehanna River were listed as impaired. The full report and supporting documents can be found [here](#).

DEP has developed new sampling methodologies and techniques, which have significantly expanded the agency's ability to assess waters not only in the Susquehanna but all waterbodies across the Commonwealth. Some of these techniques include emerging contaminant sampling, algal composition and toxicity studies, and deployment of continuous data monitors. DEP will use these methods to formulate assessment methodologies in order to make Aquatic Life Use decisions on the Susquehanna River and other large waters.

A [report](#) released in late 2015 identified likely causes of population decline in smallmouth bass in the Susquehanna River. DEP continues to explore the connections between endocrine disrupting compounds, parasites, and pathogens to smallmouth bass immune systems to determine the likely cause of smallmouth bass decline. These connections do not contribute to the impairment listing for the Susquehanna River.

"Research into the cause of the smallmouth bass population decline is still underway, but we've been

able to rule out many possible causes," said Josh Lookenbill, DEP Environmental Group Manager. "That work continues, and DEP and cooperating agencies have been able to focus on identifying the sources of the endocrine disrupting compounds, as well as trying to identify specific pathogens and parasites that are harming the bass."

The hot weather that has gripped the central Pennsylvania region in recent weeks along with low river flows can create stressful conditions for the river's aquatic life, and possibly contribute to increased amounts of algae visible in the river. DEP biologists are closely monitoring the Susquehanna River and tributaries. Additional staff and equipment have been directed to monitor the water quality and aquatic life for as long as these critical hot and dry conditions persist.

The Integrated Report listed 19,900 miles of streams and waterways impaired for at least one of their designated uses. The Integrated Report is issued every two years to the Environmental Protection Agency. A 45-day comment period on the report begins on July 30. To submit comments, please visit <http://www.ahs.dep.pa.gov/eComment/>

Source: DEP Press Release, 8/1/2016

Settlement with U.S. and Pennsylvania Requires Consol Energy to Implement Water Management Upgrades to Protect Ohio River

On August 4, 2016, the U.S. Environmental Protection Agency, and the state of Pennsylvania, announced that Consol Energy Inc., CNX Coal Resources and Consol Pennsylvania Coal Co., LLC ("Consol") have agreed to implement extensive water management and monitoring activities to prevent contaminated discharges of mining wastewater from the Bailey Mine Complex (Complex) in Greene and Washington Counties, Pa., to the Ohio River and its tributaries.

In a consent decree filed in federal court today in Pittsburgh, the company also agreed to continue to prevent certain discharges from the Complex, conduct regular long-term-monitoring to ensure sufficient storage capacity to prevent future discharges, develop contingency plans should future discharges become likely, and implement an environmental management system to ensure compliance with the Clean Water Act and other applicable environmental laws. In addition, Consol, the largest producer of coal from underground mines in the United States, will pay a \$3 million civil penalty for Clean Water Act violations.

"Mining operations that discharge to our rivers, lakes and streams have an obligation to comply with our nation's laws that protect those water bodies, as well as public health," said EPA Regional Administrator Shawn M. Garvin. "The actions required by today's settlement represent a major step forward in protecting local waterways and the health of communities."

The U.S. government's complaint, filed concurrently with the settlement, alleges chronic exceedances of osmotic pressure (OP) and other limits in Consol's Clean Water Act discharge permits. The discharges primarily enter into tributaries of the Ohio River. OP is the standard used in Pennsylvania to protect aquatic life from excess amounts of total dissolved solids (TDS). Too much TDS going into a water body can increase the salinity of the water and harm aquatic life and impact drinking water quality.

"We will continue to vigorously protect our District's waterways and other vital natural resources," said U.S. Attorney David J. Hickton for the Western District of Pennsylvania. "Today's settlement ensures that our rivers remain safe for future generations to use and enjoy."

"Protecting Pennsylvania's waterways is a top priority of the Pennsylvania Department of Environmental Protection (DEP), and we will not allow companies to pollute our rivers and streams," said Acting DEP Secretary Patrick McDonnell. "CONSOL has agreed to improve their facilities to prevent future discharges, and the actions today will go a long way towards ensuring Pennsylvania's waters are protected."

Under the terms of the consent decree, Consol has agreed to:

- Complete and maintain certain water management measures to prevent discharges from certain outfalls at Complex;
- Monitor and report quarterly and annually, to ensure adequate storage capacity to prevent future discharges;
- Submit and implement a plan for achieving long term compliance through advanced treatment in the event of projected exhaustion of storage capacity;
- Develop and implement an environmental management system to ensure environmental compliance throughout the Complex; and
- Pay a \$3 million civil penalty.

These measures will continue to reduce TDS in mining waters discharged to streams from the Complex. EPA estimates that implementation of the consent decree by Consol will eliminate more than 2.5 million pounds of pollutants in the form of TDS.

The consent decree, which is subject to a 30-day public comment period and final court approval, is available at: www.justice.gov/enrd/

Source: EPA Press Release, 8/4/2016

PUC’s “Smart Hearings” Initiative Recognized by Wolf Administration for Using Innovation to Promote Greater Participation in Public Input Hearings

On August 2, 2016, the Pennsylvania Public Utility Commission’s (PUC) online “Smart Hearings” initiative was formally recognized by the Governor’s Office of Transformation, Innovation, Management and Efficiency (GO-TIME) as a major public outreach milestone for using technology to promote greater consumer participation in public input hearings.

At an award ceremony in Harrisburg, Gov. Wolf and PUC Chairman Gladys M. Brown recognized employees of the PUC’s offices of Administrative Law Judge and Communications who suggested and implemented the Smart Hearings as a pilot program and now on an ongoing basis. In the Capitol Rotunda afterward, Gov. Tom Wolf highlighted successfully implemented initiatives across state government for making significant contributions to achieving government that works better by improving efficiency, reducing costs and improving services.

“I am proud of the PUC team, its vision and hard work in creating Smart Hearings for the benefit of utility customers in Pennsylvania,” said PUC Chairman Brown. “Through innovation, our staff now brings public input hearings closer to consumers, enabling them to more easily participate and comment on proposed rate increase requests and other important matters that ultimately impact their utility bills and family budgets.”

The PUC launched online "Smart Hearings" in June 2015 to use existing live-streaming and telecommunications technology to make it easier for utility customers to participate and comment in public input hearings. The new Smart Hearings enable residents throughout Pennsylvania to see and hear the testimony offered without the need to travel to attend the hearings in person. During Smart Hearings, concerned individuals are able to offer their comments by telephone, from the convenience of their homes or other locations, to be included in the live internet stream.

In its 2015 pilot project, the Commission found that the live-streamed online hearings nearly doubled participation among PPL Electric Utilities customers as compared to similar rate request public input hearings held in 2012. Additionally, the PUC employed Smart Hearings related to the UGI Natural Gas Rate Increase Request in spring 2016, substantially increasing participation again. This month, the PUC has scheduled Smart Hearings related to the 717 Area Code Relief Plan.

In addition to consumer convenience, Smart Hearings also achieve modest travel and productivity savings, as fewer PUC employees are needed to travel to four or more in-person public

input hearings throughout a particular service territory.

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” Pennsylvania Public Utility Commission on Facebook for easy access to information on utility issues.

Source: PUC Press Release, 8/2/2016

DEP Declares Drought Watch for 34 Pennsylvania Counties; Drought Warning Issued for Potter County

On August 2, 2016, the Department of Environmental Protection (DEP) issued a drought watch declaration for 34 Pennsylvania counties and a drought warning declaration for Potter County following a meeting of the Commonwealth Drought Task Force where members evaluated recent data that indicate conditions for water supplies are continuing to deteriorate.

The declarations are in response to low stream flows, declining groundwater levels and below-normal precipitation primarily across counties in the upper half and south-central portions of Pennsylvania. These conditions have resulted in rainfall deficits of as much as 6.0 inches during the past 90 days.

"A number of public water systems have already instituted voluntary and mandatory water

restrictions to preserve their drinking water supplies," DEP Acting Secretary Patrick McDonnell said. "We're asking residents and businesses to use water wisely and follow simple water conservation tips to ease the demand for water."

A drought watch is the least severe of the three drought declarations. It calls for a voluntary 5 percent reduction in non-essential water use. During a drought warning, citizens are encouraged to voluntarily reduce their water use between 10-15 percent in affected counties. A drought emergency calls for mandatory restrictions on nonessential water use to protect water supplies as well as public health and safety. A drought emergency requires a proclamation from the Governor.

Through a cooperative program with the U.S. Geological Survey, DEP helps fund a statewide network of gauges to monitor groundwater levels and stream flows. This network provides the state's drought coordinator with comprehensive data that is used to determine drought classifications. In addition to precipitation, groundwater and stream flow levels, DEP monitors soil moisture and water supply storage. This data is shared with other state and federal agency personnel who make up the task force.

Varying conditions under drought watch and warnings may dictate individual water suppliers or municipalities asking for more stringent conservation actions. DEP is notifying all water suppliers in the affected areas of the need to monitor their supplies and update their drought contingency plans as necessary.

DEP is also looking at new and innovative ways to improve the management of the state's water resources.

"Historically, stormwater management consisted of getting runoff to streams as quickly as possible, and away from our cities and towns. Within the past decade, we have begun to see stormwater as a resource to recharge groundwater, and we continue to look for innovative ways to encourage these practices," McDonnell said.

DEP recommends the following ways to reduce water use:

- Run water only when necessary. Avoid running the faucet while brushing your teeth or shaving, or letting the shower run for several minutes before use.
- Check for household leaks. A leaking toilet can waste up to 200 gallons of water each day!
- Run dishwashers and washing machines only with full loads.
- Replace older appliances with high-efficiency, front-loading models that use about 30 percent less water and 40 to 50 percent less energy.
- Install low-flow plumbing fixtures and aerators on faucets.

DEP also offers other water conservation recommendations and water audit procedures for commercial and industrial users, such as food processors, hotels and educational institutions. These recommendations and additional drought monitoring information are available by clicking [here](#) or visiting DEP's [website](#).

Following is the list of counties under a drought declaration:

Drought Warning

Potter

Drought Watch

Armstrong
 Bedford
 Berks
 Blair
 Bradford
 Cameron
 Carbon
 Centre
 Clarion
 Clearfield
 Clinton
 Dauphin
 Elk
 Forest
 Fulton
 Huntingdon
 Indiana
 Jefferson
 Juniata
 Lawrence

Lebanon
 Lehigh
 Lycoming
 McKean
 Mercer
 Mifflin
 Northampton
 Perry
 Schuylkill
 Snyder
 Sullivan
 Tioga
 Union
 Venango

Source: DEP Press Release, 8/2/2016

PA Natural Gas Production Increased In 2015

Pennsylvania's natural gas production volume trended upward in 2015, according to the newly released Department of Environmental Protection (DEP) 2015 Oil and Gas Annual Report.

In 2015, more than 4.6 trillion cubic feet of natural gas were produced in Pennsylvania compared to about 1 trillion cubic feet of natural gas produced in 2011. Currently, Pennsylvania is the second largest supplier of natural gas in the nation.

"As our report shows, despite the reduction in the number of natural gas wells that were drilled in PA during 2015, the overall volume of natural gas produced continued to increase to a record level," said Acting Secretary Patrick McDonnell. "We will continue to work with all of our stakeholders to balance the needs of our new energy economy with the imperative that we protect our resources."

The 2015 Oil and Gas Annual Report was created to provide information about DEP's oil and gas permitting, inspection and compliance programs. In addition, the annual report provides insights of ongoing data trends, outlines significant accomplishments and provides a view of what to expect from DEP during this coming year.

To read the full report, click on [2015 Oil and Gas Annual Report](#).

Source: DEP Press Release, 8/1/2016

DEP Asks County Conservation Districts in Chesapeake Bay Watershed for Decision on Conducting Agricultural Inspections

As the next step in Pennsylvania’s plan to reduce annual loading of nitrogen, phosphorous and sediment entering the Chesapeake Bay, the Pennsylvania Department of Environmental Protection (DEP) has asked the 41 County Conservation Districts in the bay Watershed to finalize their role in conducting agricultural inspections.

“We recognize that for the Chesapeake Bay strategy to succeed, we have to focus on local water quality as our primary concern,” said Acting DEP Secretary Patrick McDonnell. “Our goal is that partnerships at the local and state level will directly translate into improving water quality at home, and in the bay, while meeting the federal Total Maximum Daily Load (TMDL) requirements.”

Working with the conservation districts will help the Commonwealth identify opportunities and challenges to improving local water quality in the Chesapeake Bay watershed, while crediting those farmers and landowners who are doing their part to minimize agriculture-related runoff into local streams and rivers.

“The information we collect will help direct where resources are needed most to achieve our goals,” McDonnell said.

As part of its oversight of DEP’s activities, the U.S. Environmental Protection Agency has established an expectation that DEP will conduct inspections of 10 percent of the farms in the watershed annually.

The letter asks each conservation district in the bay watershed to decide if it will participate and conduct agricultural inspections in coordination with DEP. DEP provides funding for participating districts to support the trained technicians who would conduct the inspections.

Currently, conservation districts who coordinate with DEP perform educational visits on selected farms. This modification enhances the role of conservation district staff to conduct farm inspections to assure that farmers have completed Nutrient Management /Manure Management Plans and Agricultural Erosion and Sediment Control Plans, as required by current regulations.

For more information, please visit [DEP’s Chesapeake Bay website](#).

Source: DEP Press Release, 8/5/2016

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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.