
WUC

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



GOVERNMENT RELATIONS UPDATE

From Milliron & Goodman Government Relations, LLC.

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

Revenue Department Releases November 2018 Collections

Pennsylvania collected \$2.3 billion in General Fund revenue in November, which was \$95.5 million, or 4.3 percent, more than anticipated, Revenue Secretary Dan Hassell reported. Fiscal year-to-date General Fund collections total \$12.4 billion, which is **\$333.6 million, or 2.8 percent, above estimate.**

Since the start of the 2018-19 fiscal year, overall tax revenue is \$913.3 million, or 8.2 percent, more than was collected in the same period of the last fiscal year.

Sales tax receipts totaled \$910.2 million for November, \$45.4 million above estimate. Year-to-date sales tax collections total \$4.7 billion, which is \$140 million, or **3.1 percent, more than anticipated.**

Personal income tax (PIT) revenue in November was \$834.8 million, \$30.2 million below estimate. This brings year-to-date PIT collections to \$4.9 billion, which is \$71 million, or **1.4 percent, below estimate.**

November corporation tax revenue of \$138 million was \$27.3 million above estimate. Year-to-date corporation tax collections total \$1.1 billion, which is \$207.1 million, or **23.7 percent, above estimate.**

Inheritance tax revenue for the month was \$81.8 million, \$5.1 million below estimate, bringing the year-to-date total to \$430.7 million, which is \$4 million, or **0.9 percent, above estimate.**

Realty transfer tax revenue was \$46.4 million for November, \$700,000 below estimate, bringing the fiscal-year total to \$228.8 million, which is \$4.7 million, or **2 percent, less than anticipated.**

Other General Fund tax revenue, including cigarette, malt beverage, liquor and gaming taxes, totaled \$167.7 million for the month, \$10.1 million above estimate and bringing the year-to-date total to \$759.7 million, which is \$10.5 million, or **1.4 percent, below estimate.**

Non-tax revenue totaled \$157.8 million for the month, \$48.7 million above estimate, bringing the year-to-date total to \$261.9 million, which is \$68.7 million, or **35.6 percent, above estimate.**

In addition to the General Fund collections, the **Motor License Fund** received \$260.8 million for the month, \$14.4 million above 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 \$1.2 billion, which is \$21.4 million, or **1.8 percent, below estimate.**

Source: PA Department of Revenue Press Release, 12/3/2018

PUC to Livestream Dec. 11 Damage Prevention Committee Meeting

The Pennsylvania Public Utility Commission (PUC) will livestream a meeting of the Damage Prevention Committee on **Tuesday, Dec. 11, 2018, at 9 a.m. in Hearing Room 1** of the Commonwealth Keystone Building, Harrisburg.

To view the livestream, visit the PUC's [website](#). The [agenda](#) also is available on the PUC's website.

The creation of the committee was authorized by [Act 50 of 2017](#), which enhances Pennsylvania's Underground Utility Line Protection Act - also known as the "One Call Law."

Modeled after successful programs in other states, the [focus of the committee](#) is a reduction in the number of "hits" on underground utilities. The DPC meets regularly to review alleged violations of the Act and makes determinations as to the appropriate response including, but not limited to, the issuance of warning letters or administrative penalties.

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.

Visit the PUC's [website](#) for recent news releases and video of select proceedings. You can also follow us on Twitter, Facebook, LinkedIn,

Instagram and YouTube. Search for the "Pennsylvania Public Utility Commission" or "PA PUC" on your favorite social media channel for updates on utility issues and other helpful consumer information.

Source: PUC Press Release, 12/7/2018

DEP: Availability of Technical Guidance

The Department of Environmental Protection indicated changes to the following technical guidance document in response to public comments to provide additional examples and clarifying language:

- DEP ID: 393-2129-001, **Revised Total Coliform Rule Guidance**

Questions regarding this document should be directed to Jeff Allgyer: jallgyer@pa.gov or (717) 772-4015.

Source: Pennsylvania Bulletin, [12/7/2018](#)

IRRC: 2019 Public Meeting Schedule

The Independent Regulatory Review Commission announced schedule for public meetings in 2019. All meetings will be held at 10 a.m. at 333 Market Street, Harrisburg, for the following dates:

- February 21, 2019
- March 21, 2019
- April 18, 2019
- May 16, 2019
- June 20, 2019
- July 18, 2019
- August 15, 2019
- September 19, 2019
- October 17, 2019
- November 21, 2019
- December 5, 2019

Individuals who are planning on attending or speaking at a public meeting should notify the commission no later than 72 hours prior to the date of the meeting. Changes to the meeting schedule would be indicated on the commission's [website](#).

Source: Pennsylvania Bulletin, 12/8/2018

DEP Announces Completion of New Water System for Lackawanna County Residents Affected by Water Contamination

More than 700 residents have access to clean drinking water thanks to a recently completed public water distribution and supply system. The Pennsylvania Department of Environmental Protection (DEP) announced the completion of an approximately \$20 million system for residents in Scott, Waverly, South Abington, and North Abington townships in Lackawanna County.

Industrial pollution from the nearby Ivy Industrial Park led to private water wells contaminated with organic solvents trichloroethylene (TCE) and tetrachloroethylene (PCE). Another 70 potentially affected homes were already connected to existing water lines.

"To be able to see this project through until completion is a tremendous accomplishment for the department and residents," said Mike Bedrin, Director of DEP's Northeast Regional Office in Wilkes-Barre. "Once the contamination was detected all parties involved worked to address the issue, provide temporary water sources, and see that a new and permanent source of water was ultimately available to residents."

The new water system is part of a 2011 consent order and agreement between DEP and the companies responsible for the groundwater contamination, Bostik, Inc. and Sandvik, Inc., both tenants of the Ivy Industrial Park in South Abington and Scott townships. The agreement required both companies to pay the cost of design, construction,

and installation. In 2005, DEP staff discovered contamination of the groundwater near the Ivy Industrial Park by organic solvents TCE and PCE. DEP then named both facilities as responsible for contaminating groundwater with volatile organic chemicals stemming from industrial operations at both sites.

During construction, residents were provided with either bottled water for use or treatment systems on their wells, all paid for by Bostik and Sandvik.

The construction work on the system was conducted by two local companies, Pioneer Construction Company, Inc. and TSE, Inc. The consulting firm, Gannett Fleming of Harrisburg, managed day-to-day operations of the project.

Pennsylvania American Water is providing water service to the homeowners.

Source: DEP Press Release, 12/4/2018

EQB to Consider Proposed Increases in Air Quality, NPDES, Water Quality Permit Fees Dec. 18

The Environmental Quality Board is scheduled to meet on **December 18** to consider proposed increases to Air Quality permit and NPDES and Water Quality permit fees. The Board will also be asked to make a change to final non-coaling permit fees at the request of the Independent Regulatory Review Commission.

Proposed Air Quality Fees

DEP is proposing [a total increase of \\$12.6 million in Air Quality fees](#) for the federal Title V -- \$5.9 million -- and state non-Title V -- \$6.7 million -- permit fees.

The proposal includes a new annual maintenance fee for both kinds of permits, a new fee for asbestos

notifications and an increase in the existing operating permit fees.

There is no proposed increase of the Title V per ton emission fee, beyond the annual increase based on the Consumer Price Index.

These are the first Air Quality fee increases since 2005. Since then, DEP budget cuts have resulted in eliminating 21 percent of its staff or 72 positions.

DEP is projecting a \$4.359 million deficit in the non-Title V permit account in FY 2019-20 and a zero returning balance in the federal Title V account by FY 2022-23 with the current fee structure.

Without the proposed fee increases, DEP would have to cut its Air Quality staff by 30 percent or 80 positions.

Failure to adopt proposed fee increases for the federal Title V program will result in action by the U.S. Environmental Protection Agency to penalize Pennsylvania for failure to maintain adequate funding for this federal program.

Proposed Water Quality/NPDES Fees

DEP is proposing a total increase of \$6 million in Chapter 92a NPDES -- \$5 million -- and Chapter 91 Water Quality -- \$1 million -- permit fees.

The NPDES permit fee increases would cover approximately 4,000 facilities and the Water Quality permit fees from 500 to 600 applicants annually.

Chapter 91 wastewater facility fees have not been increased since 1971 and NPDES permit fees were last increased in 2010.

Since 2007, DEP's Clean Water Program staff has been reduced by 25 percent due to cuts in state General Fund appropriations.

DEP believes 25 additional staff are necessary in the Bureau of Clean Water to adequately carry out its responsibilities.

The [U.S. Environmental Protection Agency has told DEP several times](#) since 2010 the agency does not have adequate resources to carry out its

federally mandated responsibilities for the NPDES Program, including the MS4 Stormwater Pollution Prevention Program.

Final Noncoal Mining Fees

In [response to a concern expressed](#) by the Independent Regulatory Review Commission, DEP withdrew the final regulation adopting an increase in noncoal mining permit fees to return it to the Environmental Quality Board to add clarifying language.

The IRRC asked DEP to add language to the regulation making it clear the fees adopted in the package do not exceed the cost of administering the program as required by the Noncoal Surface Mining Conservation and Reclamation Act.

The language would not change the timing or amount of the phased-in fee increases adopted in the package.

Returning the regulation to the EQB to add the clarifying language will delay finalization of the regulation, however, the fee increase was not set to go into effect until January 1, 2020 anyway.

Other Agenda Items

Also on the agenda are:

- Proposed changes required by EPA to requirements for the control of fine particulate matter under the New Source Review Program for nonattainment areas.
- Proposed changes to Class A Stream designations for multiple streams in Berks, Cambria, Cameron, Carbon, Centre, Clearfield, Clinton, Columbia, Crawford, Elk, Erie, Indiana, Lackawanna, Lycoming, McKean, Potter, Schuylkill, Somerset, Susquehanna, Tioga and Wayne counties.

The EQB meeting will be held in Room 105 of the Rachel Carson Building starting at 9:00.

For more information, visit the Environmental Quality Board [webpage](#). Questions should be

directed to Laura Edinger by calling 717-772-3277
or send email to: ledinger@pa.gov .

Source: PA Environmental Digest, 12/10/2018

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legal advice.*