
WUC

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



GOVERNMENT RELATIONS UPDATE

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EPA Identifies Drinking Water Contaminants for Potential Regulation

On July 21, 2021, the U.S. Environmental Protection Agency (EPA) announced Draft Contaminant Candidate List 5 (CCL 5), which provides the latest list of drinking water contaminants that are known or anticipated to occur in public water systems and are not currently subject to EPA drinking water regulations. As directed by the Safe Drinking Water Act, EPA's CCL 5 identifies priority contaminants to consider for potential regulation to ensure that public health is protected.

"This important step will help ensure that communities across the nation have safe water by improving EPA's understanding of contaminants in drinking water," said EPA Assistant Administrator for Water Radhika Fox. "On PFAS, the agency is working with the scientific community to prioritize the assessment and regulatory evaluation of all chemicals as contaminants."

The Draft CCL 5 includes 66 individual chemicals, 12 microbes, and three chemical groups - per- and polyfluoroalkyl substances (PFAS), cyanotoxins, and disinfection byproducts (DBPs). These contaminants have been identified as agency priorities and contaminants of concern for drinking water. PFAS are proposed as a group, with the exception of PFOA and PFOS because the agency is

moving forward

<https://www.epa.gov/newsreleases/epa-takes-action-address-pfas-drinking-water> with national primary drinking water standards for these two contaminants. This action is in keeping with the agency's commitment to better understand and ultimately reduce the potential risks caused by PFAS.

CCL 5 was developed under an improved process that included new approaches to rapidly screen a significantly larger number of contaminants, prioritizing data most relevant to drinking water exposure and the potential for the greatest public health concern, and better consideration for sensitive populations and children. EPA continues to collect data and to encourage further research on the listed contaminants to better understand potential health effects from drinking water exposure before making any regulatory determinations.

EPA plans to consult with the Science Advisory Board (SAB) on the Draft CCL 5 in the fall of 2021. The agency will consider public comments and SAB feedback in developing the Final CCL 5, which is expected to be published in July 2022. After a final CCL is published, the agency will undertake a separate regulatory determination process to determine whether or not to regulate contaminants from the CCL.

EPA is seeking comment on the Draft CCL 5 for 60 days after this action publishes in the Federal Register. For more information, visit:

<https://www.epa.gov/ccl/contaminant-candidate-list-5-ccl-5>.

Background

Developing the CCL is the first step under the Safe Drinking Water Act (SDWA) in potentially regulating drinking water contaminants. SDWA requires EPA to publish a list of currently unregulated contaminants that are known or anticipated to occur in public water systems and that may require regulation. EPA must publish a CCL every five years. The CCL does not create or impose regulatory burden on public water systems or state, local, or Tribal governments. EPA has completed four rounds of CCLs since 1996. The last cycle of CCL, CCL 4, was published in November 2016. EPA began the development of the CCL 5 in 2018 by asking the public to nominate chemicals, microbes, or other materials for consideration for the CCL 5. The agency received 89 nominations and evaluated the nominated contaminants and other contaminant data and information in developing the Draft CCL 5.

NOTE: The CCL is a list of contaminants that are currently not subject to any proposed or promulgated national primary drinking water regulations, but are known or anticipated to occur in public water systems. Contaminants listed on the CCL may require future regulation under the Safe Drinking Water Act (SDWA).

Pre-Publication Federal Register Notice: Drinking Water Contaminant Candidate List 5 - Draft <https://www.epa.gov/ccl/pre-publication-draft-ccl-5-federal-register-notice>

The Draft CCL 5 includes 66 chemicals, three chemical groups (per- and polyfluoroalkyl substances (PFAS), cyanotoxins, and disinfection byproducts (DBPs)), and 12 microbes, which were selected from a universe of chemicals used in commerce, pesticides, biological toxins, disinfection byproducts, and waterborne pathogens. EPA is seeking comment on the Draft CCL 5 and the process used to select the contaminants. Instructions on how to submit comments are included in the Federal Register notice. The deadline for submitting comments will be 60 days after publication of the notice in the Federal

Register which is expected to occur in the next 1 to 2 weeks.

Source: EPA Press Release, 7/12/2021

PUC Modifies Orders for COVID-Related Utility Cost Tracking, Added Consumer Protections, and Other Emergency Changes

Pandemic-Related Orders Revisited Following Termination of Pennsylvania's Disaster Emergency Proclamation

On July 15, 2021, the Pennsylvania Public Utility Commission (PUC) revisited and modified two COVID-related emergency orders, considering the termination of the state's Proclamation of Disaster Emergency, along with the "temporary regulatory flexibility authority" provided to agencies under Pennsylvania House Bill 854 (HB854).

The Commission voted 4-0 to adopt the proposed orders, which modify several previous pandemic-related items.

The first order adopted today addresses utility tracking and reporting of extraordinary COVID-19 related expenses, along with **enhanced consumer protections** https://www.puc.pa.gov/pdocs/171165_5.docx that were established in connection with the Commission's pandemic-related service termination moratorium. Provisions of that order had been scheduled to continue until Dec. 31, 2021 - but that expiration date has now been revised to Sept. 30, 2021, to conform with the requirements of HB854.

Most notably for consumers - this change means that residential and small business customers seeking COVID-related extended payment plan options to address past due utility bills must establish those payment arrangements before Sept. 30, 2021. After that date, payment arrangements will adhere to the provisions of the Public Utility Code and Commission regulations that were in place prior to the pandemic.

The second order adopted today involves the PUC's suspension of certain regulatory and statutory deadlines <https://www.puc.pa.gov/pdocs/1711642.doc> under appropriate circumstance, along with the modification of PUC filing and service requirements. The provisions were put in place at the beginning of the COVID-19 pandemic emergency - including the emergency requirement that all documents be electronically filed with the Commission, and that service of any documents by the Commission would be exclusively electronic. These steps were taken to facilitate the continuation of Commission business during the emergency even though the PUC's physical locations were closed. To conform with the requirements of HB854, these emergency provisions will now expire on Sept. 30, 2021.

About the PUC

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 at <http://www.puc.pa.gov/> 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.

Docket Nos.:

M-2020-3019244

<https://www.puc.pa.gov/docket/M-2020-3019244>

M-2020-3019775

<https://www.puc.pa.gov/docket/M-2020-3019775>

M-2020-3019262

<https://www.puc.pa.gov/docket/M-2020-3019262>

Source: PUC Press Release, 7/15/2021

DEP – Renaming of the Small Water Systems Technical Assistance Center Advisory Board to the Public Water Technical Assistance Center Board; Meeting Information

At the January 28, 2021, meeting of the Small Water Systems Technical Assistance Center Advisory Board (Board), the Board voted to amend the bylaws to rename the Board to the Public Water System Technical Assistance Center Board.

The Public Water System Technical Assistance Center Board will meet at **9 a.m. on Thursday, July 29, 2021**, as previously noticed for the Board. With the lifting of pandemic restrictions and the reopening of many State office buildings, the meeting may still occur virtually, or the meeting may occur in-person with a virtual participation option.

Individuals interested in providing public comments during the meeting must sign up prior to the start of the meeting by contacting Dawn Hissner at dhissner@pa.gov or (717) 772-2189.

Information on how to join the meeting, as well as agenda and meeting materials, will be available on the Board's webpage, found through the Public Participation tab on the Department of Environmental Protection's (Department) web site at www.dep.pa.gov (select "Public Participation," then "Advisory Committees," then "Water," then "Public Water System Technical Assistance Center (TAC) Advisory Board").

Individuals are encouraged to visit the Board's webpage to confirm meeting date, time and location prior to each meeting. Questions concerning the July 29, 2021, meeting can be directed to Dawn Hissner at dhissner@pa.gov or (717) 772-2189.

NOTE: The TAC will consider the **PRE-DRAFT Proposed PFAS Rule** on July 29, 2021.

- **Agenda**
https://files.dep.state.pa.us/PublicParticipation/Advisory%20Committees/AdvCommPortalFiles/TAC/2021/Agenda_for_July_29_2021_TAC_Mtg.pdf
- **Pre-Draft Proposed PFAS Rule Presentation**
https://files.dep.state.pa.us/PublicParticipation/Advisory%20Committees/AdvCommPortalFiles/TAC/2021/Pre-Draft_Proposed_PFAS_Rule_Presentation.pdf
- **Pre-DRAFT Proposed PFAS Rule Annex A**
https://files.dep.state.pa.us/PublicParticipation/Advisory%20Committees/AdvCommPortalFiles/TAC/2021/PRE-DRAFT_Proposed_PFAS_Rule_Annex_A.pdf
- **Proposed PFAS Rule Monitoring Summary**
https://files.dep.state.pa.us/PublicParticipation/Advisory%20Committees/AdvCommPortalFiles/TAC/2021/Proposed_PFAS_Rule_Monitoring_Frequency_Summary.pdf

Source: Pennsylvania Bulletin, 7/17/2021
<http://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol51/51-29/1129.html>

Pennsylvania's Unemployment Rate Down to 6.9 Percent in June

On July 16, 2021, the Pennsylvania Department of Labor & Industry (L&I) released its employment situation report for June 2021.

Pennsylvania's unemployment rate was down one-tenth of a percentage point over the month to 6.9 percent in June. The U.S. rate rose a tenth of a percentage point from May to 5.9 percent. The commonwealth's unemployment rate was 6.4 percentage points below its June 2020 level and the national rate was down 5.2 points over the year.

Pennsylvania's civilian labor force – the estimated number of residents working or looking for work – decreased 2,000 over the month due to a drop in unemployment which fell for the fourth consecutive month. Employment rose for the fourth time in the past five months.

Pennsylvania's total nonfarm jobs were up 11,500 over the month to 5,696,900 in June. Jobs increased in five of the 11 industry supersectors with the largest volume gain in government (+13,500). The largest drop was in construction (-4,100). Over the year, total nonfarm jobs were up 325,400 with gains in 10 of the 11 supersectors. Leisure & hospitality had the largest 12-month gain, adding back 126,000 jobs.

All supersectors remained below their February 2020 job levels as of June 2021.

Additional information is available on the L&I website at www.dli.pa.gov.

Note: The above data are seasonally adjusted. Seasonally adjusted data provide the most valid month-to-month comparison.

Source: PA Dept. of Labor & Industry, 7/16/2021

Environmental Quality Board Adopts Final CO2 Budget Trading Program Rulemaking Board adopts RGGI regulation by vote of 15 to 4

On July 13, 2021, members of Pennsylvania's Environmental Quality Board (EQB), voted to adopt the final-form rulemaking of the multistate CO2 budget trading program, also known as the **Regional Greenhouse Gas Initiative (RGGI)**, a regional CO2 Budget Trading Program. The vote was 15 to 4.

"This is a milestone in helping Pennsylvanians get one step closer to combating the ills of climate change," said DEP Secretary Patrick McDonnell.

Pennsylvania's participation in RGGI would establish a program to limit CO2 emissions from fossil fuel-fired electric power plants located in Pennsylvania. Emissions of CO2 is a greenhouse gas and is a major contributor to climate change, which is detrimental to public health and welfare in Pennsylvania. Following this EQB meeting, the next step in the regulatory process is review by the Independent Regulatory Review Commission (IRRC).

Pennsylvania has the fifth leading CO2 emitting electricity generation sector in the United States, and RGGI is a significant component in achieving Pennsylvania's goals to reduce net GHG emissions from 2005 levels by 26% by 2025 and 80% by 2050.

RGGI is a "cap and invest" program that sets a regulatory limit on CO2 emissions from fossil fuel-fired electric generating units (EGU) and permits trading of CO2 allowances to effect cost efficient compliance with the regulatory limit. RGGI provides a "two-prong" approach to reducing CO2 emissions from fossil fuel-fired EGUs. The first prong is a declining CO2 emissions budget and the second prong involves investment of the proceeds resulting from the auction of CO2 allowances to further reduce CO2 emissions. Each participating state establishes its own annual CO2 emissions budget which sets the total amount of CO2 emitted from fossil fuel-fired EGUs in a year.

This final-form rulemaking is authorized under the Air Pollution Control Act (APCA), which grants the Board the authority to adopt rules and regulations for the prevention, control, reduction, and abatement of air pollution in Pennsylvania. This final-form rulemaking would effectuate least cost CO2 emission reductions for the years 2022 through 2030.

What is commonly referred to as the "RGGI cap" on emissions is a reference to the total of all the state CO2 emissions budgets. This final-form rulemaking includes a declining annual CO2 emissions budget, which starts at 78 million tons in 2022 and ends at 58 million tons in 2030. This is anticipated to reduce CO2 emissions in Pennsylvania by 31% compared to 2019. The declining annual CO2 emissions budget is

equivalent to the CO2 allowance budget, which is the number of CO2 allowances available each year.

Source: DEP Press Release, 7/13/2021

Yaw Blasts Panel Vote to Raise Consumer Electric Rates, Send Jobs Out of PA

State Sen. Gene Yaw (R-23), chairman of the Senate Environmental Resources and Energy Committee, issued the following statement criticizing the Environmental Quality Board's (EQB) vote to approve Governor Wolf's plan for Pennsylvania to join the Regional Greenhouse Gas Initiative (RGGI), a consortium of states that impose a carbon tax on electricity production and require fossil fuel generators to purchase allowances.

WATCH: Senator Yaw speaks before the EQB <https://pasen.wistia.com/medias/2hzx99ro83>

"RGGI is a superficial stab at addressing climate change. The proposal would work fine if we are going to put a bubble over Pennsylvania, but we are not. Pennsylvania has lowered its emissions to a greater extent than what the RGGI states have actually done - and we have done it on our own. According the PJM, difference in the savings with RGGI verses without RGGI is .0089%. We are driving employers out of Pennsylvania for minimal benefits to the environment. Additionally, we will see electric rate increases of 12% to 18%."

"Under RGGI, we are transferring part of our economy and part of our environmental protections to nine or 10 other states. I am not in favor of transferring anything. We can do things better on our own. I have more faith in Pennsylvanians doing things the right way and protecting the environment than what other states say we should do.

"Energy will not be cheap and will not come from Pennsylvania. In fact, estimates show that 86% of the energy will not be coming from RGGI states. What's the benefit to Pennsylvania? The benefit to Pennsylvania is nothing All we have done is create jobs in West Virginia and Ohio. The

bottom line is that this is going to cost thousands of Pennsylvania jobs. Whether boilermakers, construction trades or people who work in power plants, these jobs are not going to be replaced with jobs building windmills or solar panels.

"We need a diverse energy portfolio. We need to look at the big picture. RGGI does not look at the big picture but rather targets a small part of energy production by targeting coal-fired plants. We need to have a bigger plan that considers all aspects of energy production including manufacturing, storage and recycling and disposal."

Background

Pennsylvania would be the only state in the compact with a substantial amount of coal or natural gas resources and, as a result, electric generation plants fueled by those resources. Pennsylvania also would be the only state to join RGGI without legislative approval.

The EQB is a 20-member independent board that considers the Department of Environmental Protection's regulations. It is chaired by the DEP Secretary. The board voted 15-4 to send the proposed regulations to the state's Independent Regulatory Review Commission (IRCC) for consideration. In February, IRRC called for a one-year moratorium on Governor Wolf's RGGI implementation and questioned the Governor's unilateral decision to join the compact without the sign-off from the legislature.

On October 3, 2019, Governor Wolf directed DEP to join RGGI in October 2019. Since then, three panels (the Air Quality Technical Advisory Committee, the Citizens Advisory Council, and the Small Business Compliance Advisory Committee) all have declined to support the rulemaking. Despite these concerns and those raised by Pennsylvania employers and the General Assembly, the Wolf Administration continues to press forward with the plan.

RGGI is a collaboration of Northeast and Mid-Atlantic states. The states, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, Vermont, and, more recently, New Jersey and Virginia, set a cap on total

carbon dioxide (CO2) emissions from electric power generators in their states. In order to comply, power plants must purchase a credit or "allowance" for each ton of CO2 they emit, which changes every calendar quarter through auctions conducted by RGGI, Inc. In effect, those named states would dictate significant requirements affecting Pennsylvania's economy and environment.

Source: Senator Yaw Press Release, 7/13/2021

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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.