

LONG ISLAND WATER CONFERENCE 2024 LEGISLATIVE AGENDA

March 8, 2024



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Overview:

A vast system of groundwater aquifers provides virtually all the drinking water consumed on Long Island. More than 1,000 wells serve the area's community water-supply systems, tapping one of the nation's most critical sole-source aquifers. Three major water-bearing segments provide 375 million gallons of water per day to Long Island residents and businesses.

The Long Island Water Conference (LIWC) is an alliance of 50 public and private drinking water purveyors, and other industry professionals within Nassau and Suffolk counties, that supply potable water to more than three million people. The organization, founded over 70 years ago, is dedicated to ensuring that a clean, safe and abundant water supply is maintained for all Long Islanders. Since its inception in 1951, the LIWC has been involved in all phases of water supply and management in Nassau and Suffolk. Members include large and small water suppliers, both public and private, all across Long Island. Together they serve approximately 90 percent of the bi-county area, which has a population greater than 20 states.

We would like to thank the Governor and our state legislators for their past commitment to partially fund wellhead treatment for emerging contaminant removal. Total Island-wide capital cost for treating 1,4-dioxane, PFOS and PFOA is estimated to be more than \$1 billion and rising. Water suppliers who have been impacted by emerging compound contamination have taken swift and determined action to implement wellhead treatment as quick as possible. These actions have included passing emergency resolutions to order long lead time equipment, securing bond funding to finance treatment costs and commencing construction to facilitate interim treatment. Despite the enormous challenges of the pandemic and daunting supply chain issues, water suppliers have installed more than 60 wellhead treatment systems for 1,4 dioxane, PFOS and PFOA removal have been placed into operation as of March 1, 2024.

We would like to extend our gratitude to Governor Kathy Hochul for including the requested chapter amendments to the Lead Right to Know Act submitted by water suppliers statewide in 2023. These changes were crucial to ensure water suppliers were not doing unnecessary or duplicative reporting as the amendments aligned the legislation with the Federal lead inventory requirements. This was a win for water suppliers while also maintaining transparency and providing access to information the sought by interested members of the public.

The LIWC also appreciates the efforts of the county legislatures from Nassau and Suffolk counties for their continued support and recent reauthorization of the Long Island Commission for Aquifer Protection (LICAP) and commitment to bi-county cooperation for aquifer protection and management. Since it was established in 2013, LICAP has brought local water professionals and stakeholders together to develop a coordinated approach to managing groundwater issues and concerns facing Nassau and Suffolk. LICAP made significant progress, and the organization must receive sufficient funding on an annual basis to provide further recommendations on issues concerning the sole-source aquifer, including saltwater intrusion, plume monitoring and water table levels. It is vital that we proactively work with the United States Geological Survey (USGS) and New York State Department of Environmental Conservation (NYSDEC) to obtain the facts and science concerning our water supply, all of which must be objectively considered when assessing the Long Island groundwater system.

The Legislative Committee of the Long Island Water Conference has adopted the following positions for the consideration of our elected officials:

1. Drinking Water Infrastructure Funding

In New York State, 10,147 regulated water systems provide clean water to 20 million New York residents. On Long Island, more than 50 public and private water systems provide potable water to a population of more than three million people. Nearly 95 percent of New York's population receives water from the state's public water supply systems. Unfortunately, 95 percent of the submitted improvement projects to the Drinking Water State Revolving Fund (DWSRF) program remain unfunded due to the overwhelming demand. The latest estimate for repairing, replacing and updating statewide drinking water infrastructure adds up to \$38.7 billion over 20 years. This amount does not include the treatment for emerging contaminates, which is further discussed below. From frequent pipe breaks to large system upgrades and rebuilding from storm damage, our aging drinking water network has no shortage of challenges.

Although the DWSRF program has been very successful in providing funding for approved water system improvement projects, the 95 percent rate of unfunded projects makes it clear that the financial need is significantly higher than what the DWSRF alone can provide. Additional revenues are urgently needed. Drinking water regulations have increased significantly over the past 30 years, and such regulations apply to systems of every size and water source. As research and technologies change and improve, additional regulations may be enacted as new potential health effects of various contaminants are discovered. The cost of complying with new and increasingly stringent regulations is a challenge that all water systems face.

To illustrate this point further, the promulgation of a maximum contaminant level (MCL) of 1 part per billion (ppb) for 1,4 dioxane and 10 parts per trillion (ppt) for PFOA and PFOS during 2020 places a significant financial burden on water suppliers and their ratepayers. The New York State Department of Health (NYSDOH) has estimated the total statewide capital cost for 1,4-dioxane treatment to be \$317.7 million and an annual operating cost of \$13 million based on a 1 ppb MCL. It is estimated that 89 public water facilities will require treatment-with the clear majority located on Long Island. However, it should be noted that the planning and implementation for 1,4-dioxane treatment starts at half of the MCL, or 0.5 ppb. Therefore, the LIWC estimates that approximately 200 wells will be impacted yielding a total estimated capital cost of \$840 million and annual operating cost of \$30 million. NYSDOH estimates that 645 community water systems will be required to implement treatment for PFOA / PFOS based on a 10 ppt MCL. This translates into an estimated capital cost of \$855 million and an annual operating cost of \$45 million, according to NYSDOH data. The combined capital cost for removing the aforementioned emerging contaminants will be an astonishing \$1.6 billion. This brings the total estimated statewide drinking water infrastructure to over \$40 billion over the next 20 years. It should be noted that costs are projected to continue to escalate in the foreseeable future due to inflation, supply chain issues and interest rate increases, making funding vital. Aging infrastructure such as water mains, storage tanks and supply facilities must also be considered for funding.

Water rates, property taxes (where applicable) and fees could more than double and in some cases impact affordability, therefore we request that the Governor and state legislature continue to provide sufficient funding for treating emerging compounds and replacement of aging critical drinking water infrastructure.

Water suppliers need flexibility and realistic deadlines to meet new regulations based on supply chain and available engineering, equipment and contractor resources. Unrealistic deadlines significantly increase capital costs. It is critical that water quality standards are developed based on sound science and provide meaningful public health protection. New regulations must also consider affordability and sustainability impacts. Therefore, to keep costs reasonable and minimize ratepayer impact, more practical implementation, timing and funding is needed in advance of the promulgation of MCLs for future emerging contaminants.

For the past several years, \$500 million in Clean Water Funding has been included in the Budget. In the 2024 budget proposed by the Governor, that has been reduced to \$250 million in each of the next two years. The LIWC, our state section and partners in environmental advocacy community are asking for \$600 million. To continue New York's leadership in clean water initiatives, a \$600 million investment in CWIA for SFY 2024-25 is essential. This step is part of a broader five-year strategy to invest a minimum of \$4 billion.

2. Support for S.8730/A.7521 to provide water utilities with access to water quality infrastructure improvement funding

At present, investor-owned water utilities in New York State are not eligible for public grant funding. Therefore, the more than 126,000 customer connections served by an investor-owned water system on Long Island are currently not eligible for state or federal monies and other public funding opportunities that would provide much needed relief to rate payers. As water infrastructure grants are being funded and promoted at the Federal and State level, it is critical to allow privately held water systems the same ability to access these funding streams as public water systems. Taxpayer dollars from residents who have a private water utility are partially funding the grant programs, so it is only right that they too have access to grant monies to which they are contributing.

3. Provide adequate funding to the NYS Department of Health (NYSDOH) Bureau of Public Water Supply Protection and New York State Department of Environmental Conservation (NYSDEC) Region 1 Water Division

We thank the Governor's office and the State Legislature for continuing to provide additional funding for the New York State Department of Environmental Conservation (NYSDEC) Region 1 Water Division during the last budget cycle. The heightened public awareness about unregulated contaminants and the threat such contaminants pose to the groundwater supply make it very important to maintain needed funding to address spills and protect our vital groundwater resource. This is especially the case in light of the recent promulgation of drinking water quality regulations for 1,4-dioxane, PFOA and PFOS. Source water protection is the first line of defense for public water suppliers.

While the NYSDEC has an important role in managing and protecting our groundwater resource, the New York State Department of Health (NYSDOH) Bureau of Public Water Supply Protection has an equally vital role in drinking water public health protection. Sufficient funding is needed to support the existing regulatory framework under Part 5 of the State Sanitary Code to address the health effects and regulatory limits for emerging compounds such as 1,4-dioxane and perfluorinated compounds (PFOA and PFOS). It is important to note that, when sufficient funding and resources have been provided in the past, the NYSDOH was successful in establishing clear regulatory guidance for past emerging contaminants including Methyl tert-butyl ether (MTBE) and perchlorate. Failure to properly fund the NYSDOH will delay wellhead treatment implementation and adversely impact water supply operations.

We understand that the Governor is looking to reduce the state workforce significantly to address budget deficit concerns. However, we cannot undermine the progress the state has made with environmental and public health protection. Therefore, we urge our legislators to continue to make funding of these vitally important programs a priority for the upcoming state budget

4. In support of S.4350A Hinchey /A.6155 Gunther calling for the enacting of the "Safe Water Infrastructure Action Program Act"

The proposed bipartisan Safe Water infrastructure Action Program (S.W.A.P.) is for drinking water, storm water, sanitary sewer and gas line infrastructure and is modeled on the popular and successful CHIPS program for local roads and bridges. S.W.A.P. would provide annual funding to all municipalities in the state to allow them to identify and swap out old, deteriorating pipes, water mains and gas lines to better maintain the state's infrastructure. Much of the underground water infrastructure under New York State is aging and, in some cases on Long Island, dates back more than 100 years.

Similar to the success of the Consolidated Local Street and Highway Improvement Program (CHIPS), S.W.A.P. will allow local governments to proactively replace deteriorating drinking water, storm water, gas lines and sanitary sewer infrastructure. In too many instances, our state could be throwing good money after bad to maintain our roadways without regard to what dangers lay beneath the surface.

An aging infrastructure is not only costly to our localities and a threat to public safety it is also an impediment to economic development. Communities facing severe fiscal constraints cannot absorb the financial burden of the frequent and disruptive breaks associated with an aged and deteriorating water and sewer infrastructure.

For the reasons stated above, we urge our state legislators to take action and pass S.4350A / A.6155 and to obtain a sponsor of same as legislation in the Assembly.

5. Investment in Workforce Development

More than 19 million New Yorkers rely on safe and clean water produced by less than 10,000 certified water and wastewater operators. The industry has been facing a workforce shortage and will only worsen in the coming years. The current water/wastewater utility operator workforce is aging out.

This major workforce shortage is due to retirements and the need for technically skilled operators. Employment of water and wastewater treatment plant and licensed system operators is projected to significantly decline by 2031.

- Consider reforms to Tier 6 of the New York State Retirement and Civil Service Systems to ensure a skilled workforce for public health and environmental protection.
- Expand funding for apprenticeship, pre-apprenticeship and training programs for water and wastewater operators.

6. Water conservation legislation required for improving lawn irrigation efficiency

Water utilities provide potable water that undergoes rigorous treatment and testing to ensure that it meets state and federal standards. Significant amounts of that water will be used for irrigation purposes, especially during times of drought. This places a burden on water utilities as well as the state's limited water resources. Having grant funding available to support outdoor water conservation initiatives provides a myriad of environmental and financial benefits. Therefore, grant funding to support water conservation outreach and education is vital to providing water suppliers with the resources to further enhance and develop additional water conservation projects.

Long Island is fortunate to have abundant water resources with our sole-source aquifer. However, the aquifer is not infinite, and, without careful stewardship, Long Island water suppliers could face a future where the ability to meet demand without straining the aquifer is at risk. It is estimated that as much as 70 percent of potable water will be used for lawn and garden watering on Long Island during the summer. Water conservation needs to become a significant part of the conversation to ensure that Long Island continues to have abundant water resources.

In closing, we urge our legislators to continue to support our legislative program and to make funding of the vitally important programs discussed in our agenda a priority for the upcoming state budget.

7. Support \$70 million for Low-Income Household Water Assistance Program (LIHWAP)

The Long Island Water Conference is requesting that at least \$70 million be allocated for a reinstated Low-Income Household Water Assistance Program (LIHWAP) at the Office of Temporary and Disability Assistance (OTDA) in the SFY2024-SFY2025 One House Budget. Created in 2021, LIHWAP was initially funded with Federal ARPA money that has since expired, sunsetting the program in 2023. However, while it was in operation, it provided nearly \$70 million in water bill assistance to more than 40.000 New York families.

Thanks to the collective leadership of our New York State representatives, our region leads the nation in funding water infrastructure improvements, treatment systems for the removal of emerging contaminants and the replacement of lead service laterals so that all New Yorkers can have access to clean and affordable drinking water. As welcome as these funding opportunities are, the need for systems to undertake these initiatives far exceeds the amount of funding available and water and sewer rates will increase throughout the state as water systems strive to meet these challenges. These increases will place a disproportionate burden on low-income members of our communities where the rising cost of food and housing has already stretched the family budget. Water rate affordability will be especially significant in Long Island's disadvantaged communities. As more and more water bills go unpaid, the rates on remaining customers will necessarily increase since most New York water utilities have no other source of revenue to fund operations and improvements. While in existence, LIHWAP provided aid to those in need in a fair and efficient manner and made water utilities whole, slowing the increase in water rates.

Leveraging science, technology and generous funding opportunities from our state partners, our members will continue to meet the challenges involved in providing all New Yorkers with high-quality drinking water. Access to clean, safe, and affordable drinking water is one of the most basic pillars of our society and, since 2021, is enshrined as a right in our State's Constitution. For drinking water providers this was an affirmation of our implicit obligation and commitment to our customers. However, the costs associated with this work raise serious questions about water affordability. New York should reinstate LIHWAP and continue the assistance brought to more than 40,000 New York families, many of which reside in Nassau and Suffolk counties



For additional information concerning LIWC legislative issues, please contact our legislative committee co-chairs:

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