



Association of Environmental Authorities of New Jersey

Wednesday, July 10, 2019

NJBPU Seeks Stakeholder Input on WSIC Proposal

The NJ Board of Public Utilities has scheduled a stakeholder meeting to discuss a potential Wastewater System Improvement Charge (WSIC). The date is Tuesday, July 23 at 10 a.m. in the first-floor Merit System Room, at the BPU offices, 44 South Clinton Avenue, Trenton.

If the BPU commissioners vote to okay the WSIC, they would be extending a rule currently only on the drinking water side – the Distribution Service Improvement Charge. Both special charges are regulatory mechanisms meant to create a financial incentive (above and beyond the Return on Investment allowed via rates) for accelerating replacement of pipes and other infrastructure.

The Rate Counsel, Stefanie Brand, opposed the original DSIC, arguing that it bypassed traditional ratemaking, a process which in and of itself contains the "incentive" to maintain the distribution system.

Imposition of the DSIC charge has been among the legislative/regulatory changes that have made New Jersey more "privatization friendly."

Other changes include allowing investor-owned utilities access to the State Revolving Fund borrowing and the enacting of the Water Infrastructure Protection Act (WIPA). WIPA enables a municipality to sell its drinking water system without holding a public referendum, and because of the way it allows systems to be valued, it encourages highly inflated price tags.

Rate Counsel Brand also opposed WIPA, arguing that the costs of the inflated price tags WIPA would encourage would be borne by customers of drinking water systems because the investor-owned utility buyers are allowed to recover the full purchase price in the rates they charge.

Approval of WSIC could well accelerate the selling of wastewater systems in New Jersey.



S3870 Would Deny Voters' Voice on Sales of Sewer Systems

You might call it "WIPA on Steroids." That's S3870, which would do on the sewer side what the Water Infrastructure Protection Act (WIPA) did with drinking water. S3870 eliminates the public referendum now required if a municipality wants to sell its system.



The bill also allows a form a valuation of systems that will inflate the selling prices - that's **BAD** because the ratepayers are on the hook for that cost. Investor-owned utilities will be allowed to recover the full cost of their purchases through the rates they charge their New Jersey customers.

S3870 is worse than WIPA because it requires no special "emergent conditions" for the elimination of the referendum. It simply denies voters the

chance to weigh in if their elected leaders decide to sell.

S3870 is sponsored by Sen. Paul Sarlo. A5391, the Assembly version, is sponsored by Assemblyman John Burzichelli.

Would You Like to Present at the November AEA Conference?

See the [AEA website](#) for the announcement seeking proposals for presentations for the 2019 AEA Fall Conference and Annual Meeting. The theme of the conference is "The Next Decade."

Speakers already confirmed include Melanie Walter, Director of the Department of Community Affairs Division of Local Government Services and Dan Kennedy, Director, Environmental & Utility Operations for the Utility & Transportation Contractors Association and former assistant commissioner at the NJ Department of Environmental Protection.



Early Bird Sponsorship for AEA Fall Conference

AEA is offering sponsors an "early bird" option this year: Commit to a sponsorship of greater than \$500 in value by Aug. 30 and get a 15 percent discount. We will be circulating information about this soon - but if you want to find out more now, just call 609-584-1877.

IT and Safety Pages on AEA Website: Great Sources of Info

The IT and Safety committees are both providing tips and helpful information to members via web pages on the AEA website. The [IT page](#) currently has information about "payroll phishes" to be aware of. The [Safety committee](#) provides a refresher on safety use and care

of hard hats.

EPDA Track 3 Finishes Up; Track 4 Starts Sept. 11

The AEA Environmental Professional Development Academy 2019 cohort this week completes its finance track. Congratulations to the group and to Dollie Hamlin of Plainfield MUA, track coordinator. Track 4, Human Resources, coordinated by Apryl Roach of Franklin Township SA, begins on Sept. 11. Please contact Karen Burris for information.

Elected Leaders, Commissioners and Authority Managers Invited to Forum

A drinking water forum for mayors, elected leaders and authorities/utilities is being planned for Thursday, July 18 from 9:30 to noon at Middlesex County College.

Titled "Paying for PFAS: Recovering Costs of Removing Drinking Water Contaminants," the event will focus on how New Jersey can address the looming cost of removing PFAS chemicals from its water.

Featured will be an introduction by Mayor Ramon M. Hache of Ridgewood and a panel including Bruce Ward, executive director of Atlantic City MUA, Rich Calbi, Director of Operations for Ridgewood Water, and hydrologist Frank Getchell. Matt Edling, an attorney specializing in environmental cost-recovery litigation, will offer a keynote address.

There will also be a discussion of possible funding mechanisms. AEA is co-sponsoring the event.

To register, [click here](#).



News Links

We gather industry news from throughout the state so you don't have to! Explore the following headlines and more [at this news link](#)

- ADVOCATES OPTIMISTIC ABOUT BID TO MONITOR PFAS IN WATER SYSTEMS
- Contamination from Philadelphia refinery that exploded could pollute New Jersey groundwater

- NJ lake closings are a 'wake-up call': Raritan Headwaters
- Newark Lead Levels Hit Record, Endangering Families
- How would a wastewater spill affect shellfish in Delaware Bay? Scientists are using red dye in streams to find out

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