



# pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Small Systems Technical Assistance Center Advisory Board

June 28, 2010

Mr. John Hanger  
Chairman  
Environmental Quality Board  
P. O. Box 2063  
Harrisburg, PA 17105-2063

Re: Comments on Chapter 109 Revisions, Fee Package

Dear Chairman Hanger:

The Small Systems Technical Assistance Center Advisory Board has completed a comprehensive review of the Department's proposal for an increase in fees to cover the Department's costs for the implementation of the Drinking Water Program and have the following recommendations. Where we could not come to consensus on the recommendation, I have indicated the final vote after the recommendation.

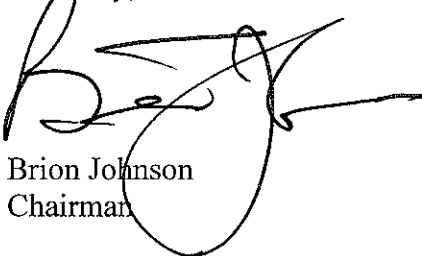
1. Fees should be equitable for customer/consumers. Therefore fees should be charged based on the number of connections, factoring in differences due to method of treatment utilized at the system and whether the system has a surface or groundwater source. Another advantage to assessing fees by connections is that the costs for these fees would be more gradual. (8-3)
2. The fees for noncommunity water systems or atypical community water systems such as nursing homes, universities, prisons and resorts can't be figured by connection. Fees could be calculated by total capacity, population or a combination of the two. (Unanimous)
3. Another option for the assessment of fees is to look at the framework in Ohio to include: (1) a sliding scale fee/per connection; (2) the establishment of a minimum fee tied to the type of source or the number of connections; (3) fees for noncommunity water systems. (Unanimous)
4. The Department should include a table in the preamble of the draft regulatory package that shows a comparison of the different methods for assessing fees including: (1) by population; (2) using the number of connections; (3) calculation of equivalent dwelling units (EDUs); and (4) the framework used in Ohio. (9-2)
5. The Department should include in the preamble for this fee package the links to the proposed or final fee packages for both drinking water and wastewater systems to use in determining the total cost impacts on their system. (Unanimous)
6. The proposal for fees for noncommunity water systems should be restored. (1 abstention)

7. Drinking Water Program costs for Marcellus Shale issues should be covered by the Oil & Gas industry. (1 abstention)
8. Fees need to be put in a restricted account specifically for the Drinking Water Program. If the fees are too high, the fees need to be refunded and/or credited to the water systems. (Unanimous)
9. Systems need to be provided the ability to negotiate a payment schedule based on their financial situation that allows for installments and avoids having payments due at the same time as other tax deadlines. (9-2)
10. A late fee of not more than 6% per year is recommended. (10-1)
11. Add language to Chapter 109.1412 to limit fee increases to not more than the average change of the Consumer Price Index during the three year timeframe. (8-3)
12. General funds need to continue to support some of program, particularly since 86% of the population is served by a public water supply system where, in essence the taxpayers are already paying. These fees should never cover the whole program and should be assessed gradually. (9-2)

Finally, TAC wants to further indicate that they do not support the concept of assessing fees to cover program costs. The funds to implement the Drinking Water Program should come from the General Fund. The vote on this recommendation was 6 for and 5 against including this in our final comments.

Thank you for this opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brion Johnson', with a large, stylized flourish extending to the right.

Brion Johnson  
Chairman