

**Water System Restructuring and Assessment Rule
(WSRAR) Listening Session
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Transcript

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Erin Lattimer 0:16

Hello, everybody.

Welcome.

We're going to get started in just a few minutes, so hang tight.

Erin Lattimer 2:19

Thanks again to everyone that joined us.

We're just going to wait one more minute as I still see some folks coming into the meeting.

So thanks again for being with us.

We'll get started shortly.

Alright, let's go ahead and get started.

Hello and welcome to today's national listening session for the Water System Restructuring and Assessment Rule, also known as WSRAR.

Thank you all for joining us.

To begin, I'd like to let everyone know how to add live captions to today's broadcast.

These captions are available in Spanish and many other languages.

To turn on live captions, follow the instructions shown on the slide here.

First, click the three dots at the top that say "more".

Then click on "language and speech" and then turn on live captions.

Once you do that, the captions will appear at the bottom of your screen.

To change the language, click the gear icon in the top right of the captions box and then select your preferred caption language from the drop down menu.

If you need any Technical Support during today's session, please reach out to Carston Kopf at the email showing on your screen here.

carston.kopf@cadmusgroup.com.

Now I'd like to move into introductions.

First off, my name is Erin Latimer and I'm with the Cadmus Group, an EPA contractor, and I'll be facilitating today's listening session.

Erin Lattimer 4:51

And in just a minute, we'll hear from Ed Molarity, the US EPA branch chief of the Standards and Assessment Branch within the Drinking Water Capacity and Compliance Assistance Division.

Also on line today are will Bowman, the WSRAR rule manager, and Brandon Welbourn, a member of the WSRAR rule team.

As I mentioned earlier, we have some other Cadmus staff online today, providing technical assistance. Should you need any support, please reach out to the email

showing on your screen here.

Today's listening session will begin with an overview of the WSRAR and then we will transition to the public comment period.

We will begin with public comments from anybody that indicated they wanted to speak during registration and then we will open it up for anyone else that may be interested in speaking.

We would like to note that EPA will not be responding to questions during this listening session, but if you want your question to be part of your comment, please go to [regulations.gov](https://www.regulations.gov) or the EPA's WSRAR website to provide a written comment.

Lastly, a recording and transcript of today's listening session, including a Spanish transcript, will be available and posted to the EPA WSRAR website within the coming weeks.

And now I'd like to turn it over to Ed Moriarty to provide an overview of the WSRAR. Ed, take it away.

Moriarty, Edward 6:29

Alright, thank you very much Erin and I just want to say thank you to everyone who is joining us today.

We do appreciate that you're taking the time to meet with us.

And with that, I'll go ahead and get started.

Next slide, please.

So why are we here?

EPA is proposing the Water System Restructuring and Assessment Rule.

In 2018 AWIA or the American Water Infrastructure Act amended the Safe Drinking Water Act under 1414(8)(6) to require the development of the Water System Restructuring and Assessment Rule.

In addition, we were told to provide the states with the new authority to mandate restructuring assessments under the Safe Drinking Water Act.

States may mandate assessments of a water system when, and these are the four criteria that I'm going to refer to throughout this presentation and I'll briefly summarize them a little later again, but to be to specify them right here:

The water system repeatedly violates Safe Drinking Water Act standards in the national primary drinking water regulations.

The water system cannot or will not take feasible affordable actions to comply or has failed to successfully restructure on its own.

The state finds that restructuring is feasible.

Finally, that the state finds that the restructuring is likely to resolve the water systems compliance challenges.

AWIA also amended the Safe Drinking Water Act under 1413, which is where you find

primary enforcement responsibility, or what I'll probably be probably refer to as primacy during this presentation to include mandatory assessment programs.

The primacy revisions are mandatory.

Therefore, the states must submit applications to EPA within two years of the final rule publication date, with a possible two year extension.

Next slide please.

So, what is restructuring?

There's no formal regulatory definition of restructuring, so let's talk about it with regards to this rule.

Restructuring under the proposed rule means a change in management, ownership, operations or physical infrastructure to improve the water systems capacity to provide safe and affordable drinking water.

In practice, a wide range of restructuring types are possible. This slide shows some examples of what you might consider to be short term restructuring options such as sharing an operator or a new treatment technology installation, as well as longer term report or permanent restructuring options such as debt restructuring, ownership transfer or consolidation with another water system.

Next slide please.

So there are three non-binding guiding principles of water system restructuring.

The first is to evaluate the restructuring alternatives based on the community needs.

We're talking about planning that should focus directly on the status and the needs of the community served.

This is supposed to be specific to that community.

Develop locally driven approaches to restructuring.

Consider how socioeconomic conditions and affordability affect feasibility options.

This is consistent with EPA's Water Technical Assistance, or what we call WaterTA and the restructuring should follow on.

As I said, the local needs: It should be customized to that community and that water system based on what wide range of alternatives and I'll touch on those later.

The second principle is to engage affected communities directly in the restructuring decision making, provide comprehensive information about governance and ownership types, use trained facilitators and technical assistance providers to clearly communicate the costs and the benefits of restructuring options, provide background information such as planning tools and data.

Finally, the third principle is to ensure community capacity to make affordable investments in drinking water.

The 2021 Bipartisan Infrastructure Law, or BIL, provided \$16.7 billion in added SRF funds available for the next two years.

EPA's Small, Underserved Disadvantaged Community program, also referred to as SUDC, the Tic TAC or the Thriving Communities Technical Assistance Center grant program, EPA funded environmental finance centers.

These are all programs that should be discussed as a part of the engagement process.

Next slide please.

So for the proposed Water System Restructuring and Assessment Rule, there are three regulatory components.

The first is the mandatory primacy revisions, and that's where I mentioned earlier that the States must submit their primacy revision applications for the new mandatory restructuring assessment program, including reporting and record keeping requirements.

Second is the mandatory assessment requirements for implementation and schedule. An assessment must identify one or more operational, managerial or infrastructure changes that will help the assessed water system build its long term capacity to comply with drinking water standards.

The assessments also must be tailored, and I used the term customized earlier, meaning feasible options identified based on the water systems, physical, geographical, socioeconomic characteristics.

The assessment must be performed on a schedule that is consistent with the rule requirements.

Next slide please.

So we use this graph to illustrate when we talk about TMF, which is technical capacity, managerial capacity and financial capacity.

These are three pillars that are used to establish a long term capacity for water systems resiliency, so the long term goal of the rule is the technical managerial financial capacity to sustainably provide safe and affordable drinking water.

Given the four criteria for a state to mandate an assessment to focus on struggling water systems, and as I refer to them earlier - repeated violations, the system cannot or will not take feasible action,

the state finds that restructuring is feasible, and or the state finds that restructuring will resolve the compliance challenges that the system has.

EPA expects two primary benefits once the rule is fully implemented, the first being that the assessed water systems are more likely to have long term sustainability.

The second is we expect the state administrative costs of enforcement will decrease as the more persistently noncompliant water systems are subject to a mandatory assessment.

Next slide please.

So with regards to the Water System Restructuring and Assessment Rule restructuring assessment requirements, they include when a state may mandate an assessment and it's those four criteria I've been talking about which entities may perform an assessment.

And I'll touch on this a little later with regards to whether it's the state, the water system or a third party assessment report, content, and tailoring requirements.

So what are they going to be looking for at that particular water system and within the community, including ensuring that any option will provide access to safe, affordable drinking water, schedule requirements, public engagement, including public meetings for the assessment to identify consolidation or ownership, transfer, sharing, electronic and paper copies of the assessment to the community, and state consultation with the assessed water systems about next steps.

Next slide please.

So within the rule there are plan incentives and eligibility.

The rule includes three incentives.

The first incentive has to do with the drinking water state revolving fund, or what we refer to as SRF funding for restructuring activities identified in a mandatory assessment water system may be eligible for SRF funding without submitting a plan.

The assessment serves as a mechanism for identifying eligible activities.

The other two incentives are plan based and do require restructuring plans themselves. Enforcement relief for up to two years provides an incentive for struggling water systems to restructure.

The liability protection is for the compliant system or the compliant water system that partners with the struggling water system.

There are also four restructuring plan types that are eligible for enforcement relief or liability protection.

Those types are the physical consolidation, the administrative or managerial consolidation, transfer of ownership or contracts for administrative or managerial functions to other water systems to resolve the violations identified in the plan.

Next slide please.

So this these tables here kind of summarize in part what I just talked about, but what they're also doing is explaining the time frames that are involved.

So after a restructuring plan is submitted to the state, as I mentioned, there's enforcement relief.

The state determines if the plan is eligible or determines their eligibility within 60 days.

They can then approve plan approval for relief within 12 months, and then there would be up to two years of enforcement relief for that system.

That's that noncompliant water system, which begins on the approval date and before the restructuring has started, it only applies to those violations that are actually identified in the plan.

Then there's also the process for granting liability protections.

And that's the right hand side of the table and there's a breakdown with regards to eligibility

within 60 days and approval within 18 months.

What I wanted to highlight here is that the process for granting liability protection is based on the assets and liabilities, which is a more complicated process and there are additional eligibility requirements for liability protection that take more time to evaluate.

That's why you see the longer time for the approval process. Also to point out that the liability protections began after the states determined that the actual restructuring is complete.

Next slide please.

So here I wanted to give you an example of a water system that's been in noncompliance and therefore it could be a candidate for the assessment and for restructuring.

So what the state could be doing is use their Safe Drinking Water Act criteria, and that's the four criteria I described to identify the water systems to be assessed.

The state would then notify the system of the assessment. The assessed water system would have 30 days to request state approval of either doing a self-assessment or their intent to hire a third party assessor.

The state performs the assessment.

If it does not get out a notice from the from the water system within 30 days of the action that they are going to take Step 2, the state or the state approved third party performs the mandatory assessment using tailoring criteria.

Feasibility of options is based on physical, technical, and social and economic factors.

Step three would be the assessor completes the mandatory assessment report in that report.

It's going to include how the violations at the assessed water systems will be resolved, how violation causes will be addressed, and how long term technical, managerial and financial capacity will be enhanced, how tailoring criteria were used to identify feasibility options, how identified options will ensure access to safe and affordable drinking water, whether consolidation or ownership transfer is feasible for an assessed water system, and if not, why?

Finally, documentation supporting the analysis and the final step. States hold a public meeting and consult with the assessed water system.

Electronic and paper copies of the state approved assessment are shared at the Public Library, and that's for the paper copies.

Next slide please.

This would be an example of a system that's going partner with that noncompliant water system.

So the water system would include the liability protection incentive for the compliant water system to consolidate or acquire an assessed water system.

If the state approves a restructuring plan and determines that all restructuring is complete,

the compliant system is not liable for any assessed water system violations.

The compliant water system must use acquired assets from the assessed water system to the maximum extent available to compensate the state.

An example would be where you had a noncompliant water system with fines and penalties totaling \$100,000, and based on assets and liabilities that they were able to acquire, they were able to pay \$75,000 of the balance of the amount that was due to the state from the noncompliant water system.

There would be a balance of \$25,000, which would be waived.

Also I want to point out that that a compliant partnering water system is never liable for the identified violations and does not use its own funds or assets to pay penalties or fines.

Next slide please.

So public engagement requirements for restructuring plans.

So finally, the proposed rule also contains, as I mentioned, the engagement requirements for the restructuring plans that are one of four eligible types, and I touched on this earlier: physical or administrative consolidation, transfer of ownership, or contracts or administrative management functions. The state must make eligibility determinations within 60 days of receiving the plan.

Then the state would need to hold the public meeting as soon as possible or practicable after the eligibility determination.

The public meeting would need to meet EPA notice time and location requirements for public meetings to ensure meaningful opportunity for the public participation.

The state also must make restructuring plans publicly available, and I touched on this a slide or two previously that they need to be elected made available electronically.

State can do that on the post them on their own website as well as paper copies, which then would be delivered to the local library.

Next slide please.

So with regards to key messages about the scope of the proposed rule, there are four here I want to touch on. The first being, the community engagement states must hold public meetings and make reports and plans publicly available.

Second is that the assessment must be tailored to the water system characteristics.

Physical, technical, social, economic, geographic factors are important when determining feasible options.

Third is that the water system restructuring is voluntary.

Finally, as the states have flexibility, the Safe Drinking Water Act does not establish a regulatory trigger for using the authority.

The four criteria when the state may mandate an assessment - and I just wanted to highlight there - and as you can see on the slide, it's "may mandate," it's not "shall mandate".

Next slide please.

So this is where we're looking to get some feedback from you, and of course you can submit this to the docket within the proposed rule for public comment, and I wanted to touch on these criteria. The first being the tailoring criteria: What other water system characteristics should EPA consider for tailoring, mandatory assessments, expanded community engagement?

Should a citizen advisory council or existing advisory body directly participate in the assessments?

How should States and water systems engage the broader community liability protection?

What are the best practices in identifying existing and potential liabilities and assets of struggling water systems?

And finally, the restructuring plans are the timeframes for the state to determine eligibility for incentives adequate, are the enforcement relief and liability protection requirements and limitations clear?

Next slide please.

So on this slide, why we don't identify some final milestones with regards to final rule publication.

We're accepting comments on the proposed rule through July 29th, 2024.

The public may review and comment on the proposed rule and the supporting documents via the public docket, and this is the link to the docket.

And there's the document ID number. For more information about submitting information on EPA dockets, go to this link.

EPA intends to sign the final Water System Restructuring and Assessment Rule in 2024.

We're shooting for December 2024.

Next slide.

For more information on the rule itself, you can visit this web page on our EPA website.

And finally, just again next slide.

No, I guess I have an extra slide you guys don't have.

So we just want to remind you guys to please provide your comments.

We specified the four topics of particular interest: we're interested in comments, personalization criteria, expanding community engagement approaches, liability protections and best practices, and the restructuring plans, requirements and limitations.

Thank you.

Erin Lattimer 26:53

Thank you, Ed.

We actually we have that slide up and we'll put it up in just a minute.

Sorry about that.

So for now, we do want to transition to the public comment period.

As a reminder, a recording and transcript of today's session, including a Spanish translation of today's transcript, will be available and posted to the EPA WSRAR website.

The EPA is looking forward to hearing from you all, so we hope you have a lot of comments.

But to begin, we have a few guidelines and instructions shown on the slide here.

Please keep your microphones muted and as a reminder, all listening session comments from today are recorded as part of the docket in the interest of time, we would like to keep today's comments focused on the topic of WSRAR.

And a list of pre-registered speakers is shown on the slide here and we will call on each individual in this order.

For those of you that are listed here, if you're online and ready to provide your comment, please go ahead and raise your hand.

If you've joined via phone, you can press star 5 to raise your hand when you're called on.

We will give you the ability to unmute your microphone.

Each speaker has five minutes to present their comments, so please keep an eye on the timer that we will put in the top right of the screen and then after we hear from the preregistered speakers, we'll open it up to anybody else that's online and would like to make a comment.

So again, if your name is on the slide and you are ready to make a comment, go ahead and click raise hand at the top of the Teams meeting.

This will help us find you faster.

We have a lot of people online today.

So with that.

Let's hear from Andrew.

Alright, not hearing anything from Andrew.

Let's go to our next speaker, Mary.

Excuse me, Mary Grant.

I see that you're online.

We'll go ahead and enable your microphone now and give you the ability to unmute and whenever you're ready, you may begin.

Mary Grant 30:00

And good afternoon and thank you for the opportunity to provide public comment today.

I'm Mary Grant, the Public Water for All campaign director at Food and Water Watch.

We will be providing more detailed written comments, but I would like to bring up three of our concerns today.

First, we are concerned with the rule's use of the term restructuring.

As noted, an earlier presentations by EPA, restructuring is not defined in the rule or the

statute.

In fact, the statute doesn't use the term at all.

Instead, assessments are supposed to look at consolidation, transfer of ownership or quote "other actions expected to achieve compliance" and quote these other actions should not be limited to types of restructuring.

The EPA indicated its intention to allow a broad use of the term restructuring that could include actions like updating treatment systems, but that is not how some states and the water sector in general uses the word as written.

The proposed rule seems to drive struggling water systems toward consolidation and changes in ownership, but the primary objective of the final rule should be to address noncompliance and ensure the community receives safe, affordable and accessible water. We strongly urge you to correct this bias in the final rule and conform with the statute to clearly allow the assessment to look at all options to address non-compliance.

Second, we are concerned that the rule could drive the privatization of public water systems at the expense of more affordable and publicly acceptable compliance strategies.

Water privatization erodes public accountability, transparency, and opportunities for public engagement.

It typically results in higher household water bills and it can have lasting impacts on the community.

The proposed rule requires an assessment to include only at least one restructuring option. It does not require an assessment of a range of compliance options.

This means that privatization could be the only option considered in that assessment, because liability protection is available only when a restructuring plan is based on the assessment.

If the assessment fails to consider a public sector solution that only a private provider would be eligible for the liability protection, this would strongly incentivize water privatization.

The final rule should require an assessment of a range of compliance strategies, including at least one public sector option.

And lastly, we urge you to add safeguards to help prevent the abuse of the rule to drive water privatization.

The final rule must clarify the types of privatization contracts that are eligible for consolidation incentives.

Risk transfer is limited and most privatization contracts and the current language is vague and involves entering a contractual agreement for significant management or administrative functions of the system.

The final rule should require that the plans to provide evidence that these deals are necessary to directly resolve the violations in the plan and, at a minimum, the contractual agreement must transfer responsibility for all water quality, compliance and completion of

required improvement projects to the contractor.

There is ample evidence that means backlogs.

We shared water and worse service often follow privatization contracts.

In fact, poor performance is the primary reason that local governments reverse the decision to privatize and resume public opposition.

Operation of previously contracted out services.

This is why we urge you to also allow contracting in failed privatization contracts to be eligible for incentives as well.

In addition, the proposed rule excludes seriously noncompliant systems from receiving liability protection, but the owners or operators of those seriously, but not the owners or operators of those seriously noncompliant systems.

A supplier of water can own or operate multiple systems, and it should not be allowed to consolidate one of its noncompliant systems with one of its compliant systems to avoid liability. A supplier of water that owns or operates any seriously noncompliant system should not be eligible for any liability protection, it should correct its own violations first. And finally, the final rule should include guardrails to better ensure the neutrality of third party assessors.

Many water privatization companies own their own consulting businesses and could recommend a privatization deal that they would later seek to secure.

Other consultants could be compensated based on the value of the final transaction resulting from an assessment, greatly incentivizing them to recommend the biggest deal possible to maximize their own financial gain, regardless of what is the best way to achieve safe, affordable, reliable water. One way to address these conflicts of interest in the final rule is to limit third party assessors to existing approved nonprofit water technical assistance providers and related academic institutions and their partners.

The EPA could also facilitate the process for nonprofit, academic and academic water technical assistance providers to serve as third party assessments;

So thank you for your time and attention today.

Erin Lattimer 34:57

Thank you for your comment.

We will now hear from Shelby Cline.

Shelby, we are enabling your microphone, giving you the ability to unmute.

When you're ready, you may begin.

Shelby Cline 35:13

Can you hear me?

Erin Lattimer 35:14

Yes, we can.

Shelby Cline 35:16

OK, awesome.

Thank you.

Well, good afternoon, everyone.

To introduce myself, my name is Shelby Cline.

I work as the drinking water associate at River Network, a national nonprofit organization that grows and strengthens the network of water justice and river advocates.

I really appreciate the opportunity to speak with you all on the topic of the EPA's proposed Water System Restructuring and Assessment Rule.

I prepared comments for two minutes, so I'll keep things brief.

Firstly, the final assessment rule really must prioritize and protect water affordability, particularly for underserved and disadvantaged communities.

The rule doesn't currently specify what affordable water looks like, nor does it require those assessments to evaluate the potential cost impacts of different restructuring types.

Those costs should be accounted for to ensure everyone, including low income customers, can afford their water bills.

No one should have their water shut off because the water system restructured, raised water rates, and failed to actively or effectively incorporate public needs and interests.

This consideration of water affordability is especially important when it comes to system privatization, as privately owned water systems often charge higher rates, putting a stressful burden on low income communities affected by the restructuring or change from public ownership.

In my experience I previously worked in North Carolina: community members with a privatized water system often struggled with their bills, quality of water, customer service and more.

They would call us up and be like, "What's going on here?"

"What do we do?"

"How do we manage this?"

And it was a real struggle for people.

There just seems to be a difference in accountability and just a real struggle overall with privatized water systems, just from my own experience.

But assessments for restructuring should consider solutions for the noncompliant system with the public sector, making sure not to slowly incentivize liability protection through privatization just due to a lack of holistic or fair analysis of the available options.

Like Mary said a minute ago, a neutral third party assessor would be really beneficial to safeguard against this concern, such as nonprofit technical assistance providers, academic institutions, or the EPA itself.

I think ultimately everyone deserves to have access to clean, safe and affordable drinking water.

That should just be the standard.

This restructuring rule could benefit many struggling water systems and ultimately the communities they serve.

So I implore the EPA to thoughtfully consider all the comments provided through this public process and am really grateful that we're having it to support a nonbiased and equitable outcome for the final rule.

And that's it.

Thank you for your time.

Erin Lattimer 37:51

Thank you for your comment.

Next on the list is Rachel Davis.

Rachel, if you're interested in making a comment, we will enable your microphone and whenever you're ready, you can unmute yourself.

Rachel, you should have the ability to unmute your microphone whenever you're ready.

All right.

We'll come back to Rachel moving down the line is Lilani Rania Ganser.

Ganser, I'm sorry if I mispronounced your name, but I see that your hand is raised.

We'll go ahead and unmute your microphone.

We'll enable it and then whenever you're ready, you can go ahead and unmute it and begin your comment.

Leilani Rania Ganser 38:55

Thank you so much.

My name is Leilani Rania Ganser and I'm speaking on behalf of Corporate Accountability and its tens of thousands of members across the United States urging you to strengthen this proposed rule by ensuring that it does not become a vehicle for privatization of our community water systems.

As written, the proposed rule incentivizes privatization in a number of ways.

Further outlined in our written comment, the bias towards privatization is dangerous because it severely inhibits public oversight and turns over control to private water corporations, which prioritize their own profits at the expense of communities in cities across the country.

Privatization has all too often led to unaffordable water bills and cost cutting practices that endanger public health and safety.

The EPA can mitigate these risks in the spirit of the proposed rule, ensuring that communities across the country have access to safe, affordable water regardless of race, income, or geography by making key changes, such as adding protections for community participation and against privatization.

Those who stand to be most directly impacted by the changes made through restructuring must be the primary stakeholders in any decision regarding it, especially as it relates to privatization, given its abysmal track record across the country.

The EPA has the opportunity to make critical steps towards ensuring universal access to safe, affordable public water.

This requires stopping predatory private water corporations from taking control of our most essential public service, especially in communities which have been most disproportionately impacted by water injustice.

By centering the experience and expertise of these communities, we can move towards a country where access to safe water is a reality for all.

Thank you so much.

Erin Lattimer 40:58

Thank you for your comment.

I do recognize Rachel, I saw in the chat that you weren't able to unmute yourself, so I want to give you one more or not one more, at least another opportunity.

At the top of your teams meeting.

You should have a mute button.

You can go ahead and click that.

Yes, your microphone is enabled, so if you see a microphone icon, you should be able to click it to unmute yourself.

OK, we'll toggle your microphone again.

One more time.

How?

Try again.

Rachel, is it still gray?

OK.

I'm sorry for the technical difficulties.

It looks like it's enabled.

We've toggled it a few times.

We'll go back through the list another time and give you another chance.

I apologize.

If we could keep going down the line next on our list is Chris McCord.

Chris, we are enabling your microphone and just a second, you should be able to unmute yourself and provide your comment whenever you're ready.

McCord, Chris (COM) 42:28

Great.

Thank you very much.

I am Chris McCord and I am the managing director of the board's unit at the Washington State Department of Commerce and a recovering regulator.

And it's good to see some of my former state and federal colleagues on this call and good morning from Washington state to all of you.

My focus right now is primarily infrastructure funding to small communities, communities around our state and my comments are coming from the perspective of being tasked by some of our legislative leadership to look for opportunities to develop incentives for the larger systems to be able to and want to take on smaller water systems that are troubled. Having trouble with keeping their water safe and reliable for their customers.

The proposed rule, as I've read it, appears to create the good off ramp for those small communities who want to take that opportunity now it really is required to have an assessment, but it's left to the kind of a volunteer perspective to make that change.

That's I find it encouraging and support that proposed strategy is something that we have talked about for decades and from the standpoint of capacity development for small communities joining with and or establishing new larger utility will help to control some of the costs of doing business for these struggling communities.

It will help to address water sector workforce issues.

It'll help provide an off ramp.

Short of expensive receiverships, for those that are interested and for some of our smaller communities that may be facing treatment requirements or mitigation requirements for PFAS or any other contaminants, it helps them move beyond the ability to not just struggle with finding the way to afford treatment, but to deal with the ongoing operation and maintenance so that that's encouraging.

I commend you on that.

The significant question and challenge we're now facing is how to incentivize actions described in the process proposed rule for these larger and receiving utilities.

And I just wanted to make a couple of suggestions and then look for discussion down the road is this rule comes forward.

I think one possibility is to encourage strong coordination with other efforts that EPA and the States implement, including infrastructure funding and the water sector certification process.

An example could be some level of guarantee of reduced interest rate or subsidy to loans beyond the reorganization project to these parents systems.

Some of what I've heard from some of these systems I've talked to as we're trying to explore how to incentivize this, also providing states the ability to add points or for future projects possibly not related to the restructuring could help to incentivize this for these utilities and then work considering the workforce. We've worked for decades to create some fairly stringent and sometimes inflexible standards for workforce experience and education to become certified at certain levels and I would encourage EPA and the state to work with States and other entities to try and find a way to balance and relax that as these current stringent requirements may be preventing us from competing with other sectors that may be looking at the same workforce.

Thank you.

Erin Lattimer 46:03

Thank you for your comment.

Next on the list is Stephanie Valdez. Stephanie Valdez,

If you're on the line and ready to make a comment, go ahead and raise your hand.

I'm not seeing your name on the list, so I just want to give you another chance to let us know that you're on the line.

Stephanie Valdez.

All right, let's keep going next on the list.

I see Debbie Neustadt.

Debbie I see that you're on the line.

We will go ahead and enable your microphone.

You should be able to unmute yourself now and you may begin.

I see that your microphone is enabled.

You should have the ability to unmute yourself whenever you're ready.

You can also let us know in the chat if you're also having any technical difficulties.

All right, Debbie, we can come back to you as well, just in the interest of time, I want to keep moving.

Alaina Honaker, I see that you're on the line.

If you were still interested in making a comment, I see that your hand just went up.

Thank you.

We will enable your microphone now and give you the ability to unmute and whenever you're ready, you may begin.

Alana Honaker 47:43

Can you hear me?

Erin Lattimer 47:44

Yes, we can.

Alana Honaker 47:45

OK.

Good afternoon.

Debbie Neustadt 47:46

And my mic is now unmuted.

So thanks for being patient.

Erin Lattimer 47:49

OK, we can come back to you,

Debbie, I apologize.

Go ahead Alana.

Alana Honaker 47:57

OK.

Good afternoon.

My name is Alana Honaker, and I work with community groups that advocate for affordable drinking water.

And thank you in advance for your time.

This comment concerns the need for added guidance that allows for negotiations of debts within the consolidation process.

Any forced assessment that recommends a restructured water system must also ensure that the targeted public water system municipality is not subject to future financial burdens.

America's Water Infrastructure Act of 2018, section 2010, amends the Safe Drinking Water Act, and in this update Congress deliberately took financial burden into consideration.

This section states that quote,

“It is the sense of Congress that any assessment required pursuant to subparagraph A should not be overly burdensome on the public water system that is assessed.”

In addition, Congress intentionally sought to prevent undue burdens and liabilities to the non-responsible systems.

Unfortunately, there is a gap in the law that does not consider the potential post consolidation financial burdens of the system in violation.

It is likely that Congress did not intend for any undue financial burdens on any involved water systems, since the goal is compliance with national primary drinking water regulations

following the water system restructuring and the subsequent loss of water revenue, a system in violation may not be able to sustain debt service payments, especially if it is already taken out a loan for infrastructure upgrades.

Thus, we strongly recommend adding guidance that allows for negotiations of debts within the consolidation process while ensuring Safe Drinking Water Act guidelines are met.

Thank you.

Erin Lattimer 49:44

Thank you for your comment.

I'd like to now go back to Debbie.

I see that you were able to unmute your microphone.

If you're ready, you may go ahead and make your comment.

Debbie Neustadt 49:53

Thank you.

I volunteer for Sierra Club and I want to thank the organizations that have come together to work on this issue.

I, as a resident of Des Moines, have always been concerned about drinking water and our utilities here in central Iowa have recently restructured in a good way.

So I know it can happen in a good way.

We'd like to require a robust alternative analysis for achieving safe, reliable, affordable water and expand the factors that inform restructuring plans and assessments require analysis that promotes equitable outcomes and removes bias towards consolidation or transfer of ownership as the default Compliance strategy.

We need to require more detailed parameters to ensure that water service will be affordable for low income households.

And one of the things that I am always proud of what we do here in central Iowa is we have a utility that does have meaningful public involvement.

They did a good job of explaining to a local groups how they want to consolidate so we don't have any chronically noncompliant systems, but it helped for this restructuring to occur here in central Iowa because of the transparency that the utility had.

And here's what we're mostly concerned about is that we don't want this rule to implement ways that systematically favor privatization over other options.

We believe that this can only impact communities by increasing their rates, the amount of money they pay for their drinking water, and maybe even their sewage treatment.

I think if a lot of these things are done, you can also center environmental justice and racial justice in restructuring your assessments; I thank the EPA for taking the time to set up these

public of the public opportunities to give comments.

Thank you.

Erin Lattimer 52:35

Thank you for your comment.

Next on the list is Alexandra Campbell Ferrari.

We will enable your microphone and whenever you're ready, you can unmute and begin your comment.

acampbellferrari 52:50

Good afternoon.

Confirming that you can hear me.

Erin Lattimer 52:53

Yes, we can.

acampbellferrari 52:54

Great.

Thank you so much.

So good afternoon.

Thank you for the opportunity to provide comments.

My name is Alexandra Campbell Ferrari and I'm the executive director of the Center for Water Security and Cooperation.

We will be submitting comments, but also wanted to take this opportunity to highlight two key concerns that we have with the proposed rule.

First, the assessment process should be more focused on demonstrating that a restructuring solution is the most suitable option for the community and the water system.

Then, whenever it is feasible, the assessment and the assessment report should be able to ultimately demonstrate that any proposed restructuring options are good for community public health, for bringing the water supplier into compliance with the Safe Drinking Water Act quickly and for ensuring the effective short term and long term operation and maintenance of the utility for the benefit of the community.

The proposed rule focuses on feasibility to the detriment of finding the best solution for bringing the system back into compliance.

Second, the rule should require greater transparency and public participation throughout the assessment process.

Right now, only one public meeting is required.

However, there should be several other opportunities for the public to engage.

For example, the outcome of the preconditions determination should be published and made available for public comment before finalization.

There should also be a public meeting to discuss the preconditions determination once the draft of the preconditions determination has been published.

Additionally, a draft assessment report should be published for review and comment by the public in advance to the public meeting to make sure that they can actually engage in a discussion during the public meeting.

The public should be a key partner in reviewing and assessing restructuring options, and the rules should reflect that key role that that the public should pick play in this process.

Thank you so much.

Erin Lattimer 54:52

Thank you for your comment.

Next on the list is Pam Nyberg.

Pam, I see that you're on the line.

We will go ahead and enable your microphone if you are ready and wanting to still make a comment, you can go ahead and unmute and begin.

And I see your hand up.

And I see that your microphone is enabled.

You should have the ability to unmute yourself and provide your comment.

All right, Pam, in the interest of time, we'll come back to anybody that we missed.

OK, I see that you're unable to unmute.

It looks like we're toggling it back on and off.

You should have the ability.

I'm not hearing anything.

I'm sorry for the technical difficulties.

We'll come back through.

I'm suggesting to others, maybe leaving and rejoining, making sure that audio is enabled on your end.

And that you're not joining in listen only mode.

So we'll come back to anybody that we missed.

So next on the list we have Jeff Whitelow.

Jeff we'll go ahead and enable your microphone.

I see that it's on now.

If you're ready to make a comment, go ahead and unmute yourself.

Jeff Whitelow 56:45

Yeah.

Can you hear me now?

Erin Lattimer 56:47

Yes, we can go ahead.

Jeff Whitelow 56:47

OK, great.

Yeah.

Thanks.

My name is Jeff Whitelow.

I'm with Chicago Water Alliance.

I work with socially economic stressed communities on the South side of Chicago.

Two points I want to bring up.

One of the things that was happening is that it's like a lot of organizations here are policy oriented.

One of the things that I do with my organization is I take the information that you guys provide and I take it to the community because a lot of times a lot of people that I work with don't have access to some of these organizations where they can find out what's going on with the EPA.

So one of the goals that I would like to see is closing the communication gap between, say, the EPA and the community.

And one of the things is that developing task forces or some type of communication means where we can get the information and be able to translate this information to these socially and economic stressed communities so they can have a clear idea of what's going on at the federal or state level.

Because I'm a firm believer that if the community is prepared, we can be more proactive than reactive so we can put things in place to be able to weather the storm.

When we look at restructuring, when we look at affordability and voices will come from many different areas versus just one sector of policy that the community can actually stand up and say, you know, dear legislator, dear Senator, dear President, these are some of the things that we need to work on in order to create an environment where water is affordable.

So that's one of the goals that I would hope to come out of these public comments that we can concentrate, get information, be able to translate that information into information that the community can understand and be able to move forward.

Thank you.

Erin Lattimer 58:48

Thank you for your comment.

Next on the list is Alexis Smith.

Alexis, we have enabled your microphone.

If you are ready to make a comment, you can go ahead and unmute yourself.

Alexis Smith, Freshwater Future (she/her) 59:01

Thank you.

I want to confirm that you can hear me OK.

Erin Lattimer 59:06

Yes, we can.

Alexis Smith, Freshwater Future (she/her) 59:08

Excellent.

Good afternoon and thank you for the opportunity to provide public comment.

I am a program code director with Freshwater Future.

I'm also a resident of Toledo, Ohio and as a resident of Toledo, living in an overburdened community, I have some personal insight on impacts of regionalization.

While Toledo was able to maintain ownership of their water system, a Regional Water Commission was established.

Representatives from Toledo and several other reps from surrounding suburban areas made the decision to have suburban areas pay wholesale price for water, while Toledo residents pay at a retail price.

Soon after Toledo residents saw their water rates gradually increase over 70%, effectively making water unaffordable.

Suddenly, residents were under the threat of possible mass water shutoffs, particularly residents in already over polluted environmental justice communities.

However, because we were able to see the issue on the ballot and vote on it as a public, Toledo maintained local control of their water, they and the residents were able to advocate for affordability, a water affordability plan that would address the impacts of rising water rates.

So with this in mind, we have some recommendations for the assessment process.

Local control over the water system must be considered for systems with existing community governance.

Restructuring should be considered only if all communities that will have a system shuttered have a resident vote indicating their approval to restructure their system.

The agreements leading to the referendum must be communicated to the public and include how many communities will be compensated for their assets.

They have historically had the assets they have historically paid for and will lose in the restructuring, particularly where the community will continue to be saddled with debt related to the loss of infrastructure and structures for joint oversight of restructured systems with the equitable representation of residents from each municipality adding guidance that allows the negotiations of debts within the consolidation process while ensuring Safe Drinking Water Act guidelines are met.

And one other point that I'd like to make is related to health violations.

When Toledo's water crisis hit in 2014, 300,000 residents were without their water.

Toledo was providing services to not just local Toledo residents, they were also servicing the surrounding suburban communities and the health impacts and emergency responses needed to provide to impacted communities varies widely and it's much more difficult to manage under a regionalized system.

So while it's critical for state agencies to address health violations, the proposed rule does not address how large regional systems will be held to account if one or more health violations impact only a portion of the communities within a massive regional system.

Consolidation, regionalization, or privatization will neither be feasible nor effective to ensure safe and affordable water for customers, the US EPA should consider how restructuring assessments and requirements would impact those systems that have already combined or been acquired.

Thank you.

Erin Lattimer 1:02:36

Thank you for your comment.

Next on the list we have Bill Ferguson.

Bill, I see that you are on the line.

We have enabled your microphone and then whenever you're ready, you should be able to unmute yourself and begin your comment.

Bill Ferguson 1:02:58

Can you hear me now?

Erin Lattimer 1:03:00

Yes, we can.

Bill Ferguson 1:03:01

Ah, good find.

Found the key.

My name is Bill Ferguson.

I live in New Garden Township in southeastern Pennsylvania.

My pardon.

Pardon the phone coming in.

I'm the founder of Keep Water Affordable.

We work on educating the public about the costs of big water privatization.

We have a lot of experience on this.

When Aqua acquired our New Garden sewer system and doubled our rates to fund their profits. I'd like to start with a comment about the EPA providing states with new authority that that sort of puzzles me.

The states have all the constitutional sovereignty they need to do what they need to address these issues, but let's focus on the troubled systems that are indeed troubled systems.

What is the magnitude of the problem?

I strongly doubt that it is a national crisis.

Does the scope of it require this heavy regulatory approach of federalization?

There's a principle here that ought to be applied.

Never place heavy regulatory burdens on people to control exceptions.

Exceptions should be addressed by people competent to do so, and the real issue in these situations is the water and sewer systems competency.

It's critically important the technology is well known.

It needs to be skillfully implemented.

Size matters here.

Small is the disadvantage, a big disadvantage, but the real cost effective answer is regionalization of municipal systems generally into authorities.

This regulation is going to drive consolidation.

It can be cost effective, like I've just noted of a regional authority, or it can be greed driven. Consolidation pushed by big water to grow their profits, and believe me, they will pitch this regulation hard to local systems, claiming they need the pros to come in and bail them out of issues.

And I can tell you this about Pennsylvania.

When the Pennsylvania Public Utility Commission gets involved, and they will get involved there, one solution will be to push the systems into the arms of big water.

In the end, it comes down to follow the money.

I'd also like to make a comment about community engagement.

I've seen a lot of this and it's always a shame.

The words sound nice, but they're nothing more than putting lipstick on a pig.

That the intentions may be good, but what really gets it done is behind the scenes and closed door rooms.

And when it comes to public meetings, it's put out, there is a sort of a, "Here's the answer. Take it or leave it," and again, money is the driver.

I've seen some stuff it says this is voluntary, but then you look at the demands of what the states must comply, they must be able to do.

They have to report.

They keep records, they have limited restructuring alternatives.

To me, this feels very much like the dreaded words, "I am from the government and I'm here to help you."

This regulation, as formulated, is not in the interest of the people, but rather will wind up furthering monied interests, so I have to say thank you very much.

Erin Lattimer 1:06:56

Thank you for your comment.

Next on our list, we have Leery Levine.

Larry, I see that we have enabled your microphone.

You should be able to unmute yourself and when you're ready, you may begin your comment.

Levine, Larry 1:07:14

Thanks for the opportunity to share some thoughts orally.

My name is Larry Levine.

I'm a senior attorney with National Resources Defense Council and will be submitting more detailed written comments as well,

that echo many of the concerns raised by many others today, and many groups will be joining together in some shared comments.

I want to highlight a couple of things and at the outside I would just want to say that we appreciate the principles that EPA set out in the preamble to the rule.

There are valuable and I think principles that can easily go overlooked in the way that these things often go.

Our concern is that the principles aren't really reflected in the actual language of the rule that's been proposed, and so the thrust of our comments, are around the need to strengthen the actual rule language to really effectuate the intent behind those principles to ensure that assessments and restructuring plans, that the development of them, the implementation of them, that they do serve community interests and achieve safe, reliable, affordable water. There's more that EPA needs to say in the actual rule language to make sure that that's how this rule actually gets implemented.

One of the key concerns is to make sure that the assessments consider a wide range of restructuring alternatives.

The way the rule is currently written, there's really not a directive around that and there needs to be.

There needs to be a consideration of the full range of restructuring alternatives and a determination of if there is a recommended path forward, why that path is best or better than others.

There needs to be consideration of root causes of the chronic noncompliance at the system that's being assessed.

The term "socioeconomic considerations" that appears in the tailoring language at a very high level, conceptually addresses some of those issues, but there's no specificity to it.

There's no meaning really given to the socioeconomic in that context, and there needs to be a lot more specificity that ensures that assessments will look at root causes, including, for example, historic discrimination in the provision of services, and redlining and other factors that have created structural challenges for systems to be able to be sustainable and financially sound.

And you've got to identify those root causes in order to be able to evaluate alternative solutions, because the solutions may or may not involve consolidation or change of ownership.

If depending on what the actual causes are, the causes may be able to be remedied in different ways depending on what the what the underlying cause of the problem is.

The rule language does not ensure that these assessments get those issues.

We appreciate that the word affordable appears in the rule as one of the objectives that must be met by an assessment.

The word isn't defined, though. It's not elaborated on in any way and we think it's really critical that the rule language does that to ensure that the evaluation of affordability includes a focus on bills for low income households in particular that the final plan is able to make a supported determination that the preferred alternative will result in affordable bills. And if not, then what are the steps that will be taken as part of the restructuring to mitigate rate impacts and ensure that at the end of the day bills are in fact affordable for all, regardless of income?

Because it's essential to have both sufficient revenue and financial stability for the utility and to do it in a way that doesn't try to do it on the backs of folks who can't afford to pay the bill.

Because then you're not going to actually be maintaining access to safe water.

for people who can't afford it, so the rule language really needs to be strengthened around the affordability issue as well.

I'm running out of time, but I'm glad public participation is a really critical issue.

I agree with everything that's been said on that and the need to ensure the community interests are heard and protected.

Thank you.

Erin Lattimer 1:12:18

Thank you for your comment.

Now that we've reached the end of our list of pre-registered speakers, I do want to give one more opportunity to the folks whose names are on the slide and we haven't heard from them yet.

Andrew Criken.

Rachel Davis, Stephanie Valdez, Pam Nyberg.

If you're on the line and ready to make your comment, go ahead and raise your hand or let us know in the chat if you're on. Rachel and Pam.

I see that you both are back on.

I know we've had some technical difficulties.

Pam, I see that your microphone is enabled.

If you can up in the top of your teams meeting, try to unmute yourself to provide your comment.

All right.

Same goes for Rachel.

We have enabled both of your microphones, again apologies for any technical difficulties.

It is enabled on our end, I'm not sure.

Rachel, I see that it's unmuted.

Rachel Dawn Davis (she/her) Waterspirit 1:13:27

Yay.

Erin Lattimer 1:13:29

There we go.

Sorry about that.

I'm glad you're able to join.

You may begin whenever you're ready.

Rachel Dawn Davis (she/her) Waterspirit 1:13:33

Thank you so much.

Yes.

So I'm Rachel Dawn Davis, public policy and justice organizer for Water Spirit, a spiritual ecology nonprofit based in so-called Monmouth County, New Jersey, providing advocacy

and programming for over 25 years.

Thank you for the opportunity to provide public comment.

Our comments are centered on sacred water and on behalf of our thousands of members and as allies of those living under a cumulative impacts of environmental injustice and racism.

So greetings everyone.

Thank you to especially all the guardians of sacred waters and advocates for climate justice on the call today.

We are disproportionately experiencing a sixth mass extinction, a pivotal moment where the fate of our waters and the equitable access to this life giving resource really hang in the balance.

We gather as voices with a duty to provide a future where safe, reliable and affordable water is a universal right, not a privilege.

We demand a robust alternatives analysis.

We do not have the luxury of wasting time on superficial solutions.

We must expand our vision to include all viable paths to water security, guided by the principles of safety, reliability and affordability.

Equity must be actually at the heart of every decision.

No longer can biases towards consolidation or privatization dictate our path forward.

It is our job as adults in places of decision making right now to dismantle these barriers and promote solutions that uplift every community, ensuring that no one is left behind.

Affordability cannot be an afterthought or half-thought.

Detailed parameters must be set to ensure that water remains accessible to low income households, as has been echoed in comments before me today.

Really safeguarding their right to this essential resource.

Public involvement is imperative, and it's never optional.

So from the beginning, identifying challenges all the way to implementing solutions, the voice of the community must guide every single step.

That's the only way that there will be trust and honestly long term investment payout in a positive light and stronger movement forward.

We must ensure restructuring, you know, as that term must be retooled, are plans that resonate with the needs and aspirations of specifically those we serve, we urge rejection of any notion that privatization is the default answer.

I want to be really clear that our rule must be steadfast in its neutrality, preventing any systemic favoritism towards privatization over community lead initiatives.

In fact, it should be exactly the opposite.

Community lead initiatives first. Maybe we center all of our efforts on environmental justice and racial justice.

New assessments must revisit and rewrite historic injustices with accountability. Going forward, we can do this and it's necessary right now for the survival of our species. We must ensure that every decision contributes to healing our planet and advancing equity. Residents fare best when the public controls its water system and partakes in an unbiased decision making process again from start to finish. We call on EPA and all decision makers to remember our shared duty to protect and preserve our sacred waters for generations to come. Let us all advocate vehemently for a future where water is not a source of division, but a symbol of unity and resilience together. May we forge a path forwards towards a world where justice flows like water freely and abundantly for all. Thank you for the time today. We will also be sharing our comments in writing.

Erin Lattimer 1:17:16

Thank you for your comment. I think that brings us to the end of our list of pre-registered speakers. We would now like to open it up to anyone else that may be interested in providing a verbal comment. So if anyone on the line is interested in making a comment, please raise your hand or let us know in the chat if you would like to speak. We'll call on you and allow you to unmute yourself. As a reminder, the four specific areas that EPA is especially interested in hearing your feedback are on the slide here, but we encourage your feedback on any aspect of the proposed rule. I would also like to remind everyone that EPA will not be responding to questions during those this listening session. But if you want your question to be part of your comment, please go to [regulations.gov](https://www.regulations.gov) or the EPA's WSRAR website to provide a written comment. Right. So just a reminder if anybody is interested in making a comment today, please use the raise hand function or let us know in the chat if you'd like to make a verbal comment. And I want to give folks just another couple minutes to gather their thoughts, think about the items shown on the screen here and give folks some more time. OK, Pam, I see that you made it back on the line. Sorry for the technical difficulties. We are enabling your microphone now at the top of your teams. You should be able to unmute yourself.

Using the microphone button.

Pam, I see that you are able to raise your hand.

OK, it's still grayed out.

I'm sorry about that.

At the closing of the listening session we will provide more direction again on how to provide a written comment, but again I apologize for the technical difficulties here.

All right.

And just a reminder, anything in the chat will not be documented.

So if you do want to make a comment, I urge you to raise your hand or let us know in the chat if you do want to make a comment and I see we have another hand up.

Peggy Gallos, we are enabling your microphone in just a minute.

You should be able to unmute yourself and begin your comment.

Peggy Gallos 1:21:23

OK, I have unmuted.

Can you hear me?

Erin Lattimer 1:21:26

Yes, we can.

Peggy Gallos 1:21:27

Yes.

Thank you for this opportunity to speak.

My name is Peggy Gallos.

I'm the executive director of the Association of Environmental Authorities.

We are a trade association representing water, wastewater and solid waste, mainly authorities in New Jersey.

I really just want to underscore some of what the other speakers said.

We have plans to submit written comments with more detail later.

We agree that the word restructuring in the proposed rule should either be more fully defined, and broadly defined, or it should be eliminated and replaced with something clearer.

The 30 day response by which the water system has to either tell the state that it will do a self-assessment or hire a third party is not enough time in in in my opinion, especially for public systems that have boards of commissioners or governing bodies that meet once a month.

The 30 day window maybe very short for them to make a decision like that and decide whether they need to fund it and that type of thing.

So I would urge you to make that at least 90 days.

Some of the other response times may be - or some of the other time frames that are in the in the proposed rule - may also need to be expanded, but that's the one I'm thinking of offhand.

I also want to strongly echo what a number of the speakers said about the importance of having a robust evaluation that does not bias the assessment toward one particular solution in the case as it's written now, privatization, I think that over and over again, that seems to be the problem that a lot of communities have that they do not understand the full range of their choices.

And because they do not understand them, they make choices that they regret later on. So I would very much urge the EPA to make those evaluations more robust in terms of the choices in terms of making sure that people understand the comparative costs of some of the alternatives and also for public participation.

I think that having people be able to review the assessment plan once it's been created is great, but they should really be involved at the ground floor and not after the primary evaluations and so forth are made.

So I would really like to see more public participation in these sort sorts of situations.

And yes, I think that's all I have.

Thank you so much for this opportunity to speak.

Erin Lattimer 1:24:37

Thank you for your comment.

Next, I see Maggie Neil has raised her hand.

If you are online and you're ready to make your comment, we've enabled your microphone, and you may begin.

Maggie M. Neal 1:24:52

Thank you.

I just have a few quick things. I haven't seen any guidance describing how waste water systems will be handled and typically with many of these water systems, they also have a wastewater system that is typically in trouble as well.

If they are required to be bought out by a private company and that's the only option, a lot of the private companies do not want to buy the wastewater systems, which leaves very little help for handling how the water will be billed or how the wastewater will be billed.

How will the wastewater system work?

So I think some guidance could use to be evaluated for that and for considering in tailoring the criteria or liability protection, tailoring that to how long an administration has been on board.

You can have a city council or mayor that could be the only thing that is continually holding up progress for a water system to make significant changes and if they are out and you have new council in or new mayors in it can make a significant impact.

But everything has been run down to that point.

So I think that should be heavily considered with an assessment.

And then I have seen where some private companies will come in and look to buy a water system and they will charge \$500.00 or more for each fire hydrant that is up to fire standards per month and that can be breaking on a water system or a city afterwards if they sell out.

And so I think there should be some guidance as well, either if it's by state or by EPA, that kind of limits what can be done, how private companies can handle services that cities would still need to use for emergency services.

And that's all I have to say.

Thank you.

Erin Lattimer 1:26:55

Thank you for your comment.

I want to try to go back to Pam Nyberg one more time.

We did change one setting on our end and I'm hoping that gave you the ability to unmute your microphone.

I see that your hand is raised.

I know you have that right, Pam.

Pam N. 1:27:14

Thank you so much.

I was losing my mind.

Erin Lattimer 1:27:16

Yes, I'm sorry about that.

I appreciate you hanging with us.

You may begin your comment.

Pam N. 1:27:22

Right.

Well, first I wanted to thank everybody for giving us the chance to comment.

Today my name is Pam Nyberg and I represent Freshwater Future as an executive board member.

My comments concerned the lack of guidelines and protections regarding the privatization

of water systems.

Now this rule makes clear that restructuring assessments intend to help water systems determine how they can deliver safe and affordable water to its customers in the preamble, though the proposed rule acknowledges research that cites affordability issues tied to the privatization of water systems.

Now, this research finds that on average, privately owned water systems charge 59% more than their publicly owned counterparts.

Now, unfortunately, the rule guidelines lack protection from for profit corporations that may seek to influence the assessment process and outcome.

So with that in mind, the US EPA needs to strengthen this regulation by adding the following three protections and restrictions.

First, investor owned utilities should not benefit from the proposed liability protection incentive.

Private water system companies already seek to acquire water systems without incentives and increase rates to provide profit to their stakeholders.

So by allowing them to access these incentives, there's a very good chance that they will seek to further expand their acquisitions by taking advantage of this regulation incentive and influence the assessment process.

Secondly, the final rule needs additional guidelines and requirements for how third party assessors are chosen.

Several other folks have already mentioned this. For profit utilities can also engage in consulting, and as such they may seek to influence restructuring assessments for the benefit of their bottom line.

The EPA should require that third party assessors be nonprofit organizations, such as academic institutions or technical assistance centers.

The EPA should also require primacy agencies to explain how they will ensure that third party assessors are not biased.

And finally, as Larry mentioned, the final rule needs to add language that defines "affordable water" quote unquote with guidelines in order to ensure that restructuring assessments focus on alternatives that are truly affordable.

Furthermore, for profit water utilities often do not raise rates in the first several years after an acquisition.

That gives the false impression of an affordable rate. The EPA needs to require that restructuring assessments account for these misleading, delayed rate hikes as well.

Thanks so much.

Erin Lattimer 1:30:05

Thank you for your comment.

Next I see Nikki Sekera.

We have enabled your microphone.

If you are ready, you can unmute yourself and begin your comment.

Nikki, if you are still on and willing and wanting to make a comment, your microphone should be enabled and you should be able to unmute yourself.

Not hearing anything from Nikki. To unmute yourself up where you clicked the raise hand function, there should also be a microphone with a slash through it to unmute yourself you can just click that and then we should be able to hear you.

Alright, I'm not hearing anything from Nikki.

Nikki, if you have access to the chat, let us know that you can hear us as well.

We can try to walk you through it.

And just a reminder to folks that is the last commenter we have on the line.

So if others are interested in making a comment, we have about 25 minutes left.

You can raise your hand.

You can let us know in the chat.

OK, Nikki, I see your chat that it's telling you have access on this end.

You should be able to unmute your microphone at the menu at the top of the Teams meeting.

I'm wondering if yours is grayed out like others has been, in which case I think it helped if they were able to leave the meeting and rejoin.

All right.

Thank you for the very helpful screenshot in the chat and I see that Nikki is going to leave and rejoin.

So we will hang tight, give others an opportunity.

If you want to provide a comment, please let us know.

Alright, we're just going to give a another couple minutes to see if Nikki can get back online and provide that comment.

And just giving folks another minute or so, I see Nikki is back online.

Let's try this one more time.

We will enable your microphone and give you the ability to unmute.

I see that that privilege has been enabled, Nikki.

So at the top of your screen, next to the leave button, maybe the share button.

The raise hand button, there is a microphone.

You should be able to click it to unmute yourself.

There we go.

Nickie Sekera 1:34:34

OK you can hear me now.

Erin Lattimer 1:34:36

Yes, we can.

You may begin.

Nickie Sekera 1:34:38

Well, that was an adventure.

Thank you for your patience with the technical issue. I don't have a lot to add.

First of all, my name's Nikki Sekera.

I live in Maine and I'm a cofounder of Community Water Justice and we're a network of frontline communities in Maine who are determined to secure rights, protections, and accessibility to local groundwater through education and action for future generations.

I won't echo a lot of the good suggestions that I've heard today.

I was just mostly listening in.

But I just wanted to add one thing, that you know in restructuring for systems that may have already been privatized, I really strongly feel about a provision that would offer the right of first refusal of a sale of a water system asset. That the right of first refusal goes back to the community to purchase that system to, you know, return it to a local control.

So because we do have water system privatization that is growing here in the state and I live in one of the communities where our system has been privatized.

And so, because I know that there's other privatized interest out there, it would be really great to have a process of engagement for that right of first refusal for the potential for us to have the system back in the hands of our community.

So I think that's the only thing I have to add.

I'll not continue to echo the other good things that I heard, but I thank you for your time.

Erin Lattimer 1:36:23

Thank you for your comment.

With that, I think that is our last commenter to day.

So on the next slide, to conclude today's session, I want to remind everyone that the docket will close on July 29th and all comments made during today's listening session will be part of the docket.

A recording and transcript of today's session, including a Spanish translation of today's transcript, will be available and posted to the EPA WSRAR website.

Thank you all for your thoughtful input and participation today.

Your engagement is crucial in shaping effective and equitable water policies.

I hope you all have a great day.

Carston Kopf stopped transcription