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BELLEFONTE BOROUGH AUTHORITY

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September 12, 2017

PA Department of Environmental Protection
Policy Office
Rachael Carson State Office Building
P.O. Box 2063
Harrisburg, PA 17105

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Ref: Comments – Opposition to Proposed Fee Increases/Amendments to Chapter 109 relating to Safe Drinking Water

On behalf of Bellefonte Borough Authority, I am writing to oppose the proposed fee increases as outlined in the Chapter 109 Amendments related to Safe Drinking Water. Water systems across the state should oppose DEP's new fee program to generate \$7.5M in additional revenues to the water program. DEP states the revenue stream is essential to attain compliance with the EPA and ensure safe drinking water across the state.

The water industry understands the effort to ensure clean drinking water, and acknowledges the need for a certain funding level to do the job. However, alternate means should be explored and perhaps implemented before creating a new tax on Pennsylvanian's that will disproportionately affect lower income citizens and communities.

1. DEP's annual budget from the state is \$168 million dollars. The \$7.7 million dollars allocated to water represents only 5% of the total budget. Surely a resource as important as clean water should demand that the department allocate a greater percentage of its annual budget. Has anyone looked at the remaining \$160.3 million dollars that the department receives to see if all or part of the additional \$7.5 million dollars needed can be found? Are we to believe that there are no inefficiencies to eliminate?
2. The fee package in place calls for an average payment per year of \$1 to \$2 dollars per person annually. What about all the other unfunded mandates that have been implemented? What about the future? Once such a fee program is installed, increasing the fees charged annually will be easy and most often the path of least resistance when it comes to generating additional revenues. If the department can't seem to now allocate more than 5% of its operating budget

- to water, what pressure would there ever be in the future to increase budget funding to water when that particular program has an independent funding source.
3. What oversight will there be for this funding source? Now the governor and the state legislative branch have oversight of allocated funds. Additionally, elected officials through the budget process can institute the will of the people. A separate funding source at the direction of a program within a department would separate the activities of that program from the elected officials put in those positions by Pennsylvania's citizens to manage them.
 4. As costs increase, the smaller systems are driven out of business. Large private conglomerates come in and buy them up taking valuable assets and control away from communities. Is this good for the future of Pennsylvania?
 5. These costs will be passed on to the rate payers. We know our water system infrastructure is aging and in need of additional funding. Should rate payers pay to repair infrastructure or pay to fund a government bureaucracy?

In conclusion, we oppose raising fees on water systems across the state to fill the gap in PA DEP's budget. Where is the proof that measures have been taken to eliminate inefficiencies? What if the budget has a gap next year or the year after? Raising fees is not the answer.

Sincerely,



Ralph W. Stewart, Borough Manager

Bellefonte Borough