

The Legislature of Rockland County



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July 21, 2015

Hon. Kathleen M. Burgess
Secretary to the Commission
New York State Public Service Commission
Agency Building 3
Albany, New York 12223-1350

VIA ELECTRONIC MAIL

Re: Case 13-W-0303 - Proceeding on Motion of the Public Service Commission to Examine Long-Term Water Supply Need in Rockland County

Dear Secretary Burgess:

On behalf of the Rockland County Task Force on Water Resources Management ("the Task Force" or "the TF"), I respectfully submit the final report prepared by Amy Vickers & Associates, Inc. as a supplement to the TF *Interim Report* filed with your office on May 18, 2015 in response to the Public Service Commission's ("PSC") *Order Addressing Status of Need and Directing Further Study* (Ref. Case 13-W-0303) issued November 17, 2014 ("the Order" or "November Order"). In the November Order the PSC decided as follows, pp. 66-67:

- UWNY shall study what conservation opportunities exist, in collaboration with the Task Force, with the goal of identifying measures that may reduce demand by 2 million gallons per day (mgd) and shall file a report with the Secretary within six months of the issuance of this order identifying the feasibility, cost and estimated demand reductions associated with each identified measure.
- UWNY shall conduct a study and file a report with the Secretary within six months of the issuance of this order describing the feasibility, anticipated cost

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of development and description of the associated permitting process and processing time for a project or series of projects that could yield an additional 2-3 mgd of water supply.

Following years of public concern about United Water's proposed Desalination Plant, where residents and elected officials asked who would pay for the new energy-intensive facility, whether it was needed, whether it was sustainable and whether residents would have confidence drinking water pumped from the river near Indian Point, the New York State PSC decided to hold public hearings in Rockland on the question of "Need." Two hearings were held in October 2013, one in the Town of Clarkstown and one in the Town of Haverstraw. Over 1700 residents attended the hearings. On November 17, 2014 the Public Service Commission put the desalination plant on hold and further ordered United Water to produce solutions to the water needs of the future and to do so with the already-established Rockland Task Force on Water Resources Management¹. The PSC has been extraordinarily supportive; the PSC's interest, as clearly stated by Chairwoman Zibelman, is to have a successful model which can be replicated for future water conservation efforts throughout New York State.

Early in 2015, the Task Force unanimously selected Amy Vickers, a nationally-renowned water conservation and efficiency expert, engineer, and author, to conduct Phase 1 of an independent study, Water Data Analysis, that would inform Phase 2, Conservation Feasibility Study necessary for the TF to fulfill its obligations under the Order. Finalizing a contract with Ms. Vickers took over two months to satisfy UWNY's concerns about maintaining customer confidentiality and concerns expressed by Ms. Vickers. Negotiations were aided by the participation of Deputy County Attorney Tom Simeti, Task Force Coordinator John Parker and Peter McGowan, Senior Advisor, Public Service Commission. The Task Force hired Amy Vickers through the County of Rockland on March 24, 2015.

On March 28 at Rockland Community College, the TF held the "kick-off" of ***Phase 1: Water Data Analysis to Support a Water Conservation Study*** at Rockland Community College, so that the Task Force and the public would fully understand the process of analysis that Amy Vickers would use to determine water use in Rockland—the necessary basis for a second phase of study which would focus on specifics about how to capture the millions of gallons of water per day to meet goals set by the PSC as well as conservation strategies and policies. In Phase I Vickers contracted to study and analyze data to be received from United Water and from public documents to determine production and leakage, specifically on how much water is going out and may be unaccounted for, as well as customer usage.

At the end of June, Ms. Vickers substantially completed her data research and draft report. Pursuant to Section 22 of Ms. Vickers' contract agreement of March 24, "Confidential Information Provided by United Water New York, Inc.," UWNY and PSC representatives

¹ The Task Force was created in June 2014. See Rockland County Resolution No. 296 of 2014 Repealing Resolution No. 599 of 1999, Disbanding the Rockland County Water Board and Creating a Task Force on Water Resources Management, June 19, 2014. The Task Force is comprised of 19 members who are representatives of the County Executive, the County Legislature and representatives of local government, academia, business, advocates and United Water.

reviewed the draft report for confidentiality of customer data and were satisfied that the draft report contained no confidential customer information. UWNY indicated in an email on June 25, 2015 from John Dillon, company Senior Corporate Attorney, that the report was free to be shared with the County of Rockland. On Saturday, June 27, 2015 Ms. Vickers presented her findings to the Task Force and the public at Rockland Community College. The presentation was a major milestone for the Task Force in accomplishing the mandates of the 2014 Commission Order. The Vickers Presentation slides that contained her substantial findings were available to the public following the presentation and were posted on the County website. The Draft Report had been available to the PSC and UWNY since the confidentiality review; and all members of the Task Force, including UWNY were advised that comments and questions could be sent to Ms. Vickers following her presentation and she will take them under advisement. Ms. Vickers received some comments from David Stanton, UWNY's President, shortly after the draft report had undergone the confidentiality review and been released. She took them under advisement when completing the Final Report. A videotape of the entire June 27th presentation was made by Rockland Community College staff, and sent to PSC Chairwoman Audrey Zibelman for use by PSC staff. In my transmittal message I stated that viewing the video would provide an insightful window on the reasoned, thoughtful, and careful work done and conclusions reached by Ms. Vickers.

The Final Vickers Report was completed on July 21, 2015, after allowing nearly a month for any remaining comments and feedback, and it is hereby submitted to PSC to supplement the Task Force *Interim Report* filed with PSC on May 18, 2015. Please, find below a summary of Amy Vickers Water Data Analysis Key Findings.

1. Water demand in United Water New York's service area has been largely flat since 2000 despite a growing service area population, a trend that may continue for the foreseeable future.
2. Data inconsistencies, errors, and missing data in UWNY's records and reports make it difficult if not impossible to know the true volumes of water supplied, imported, exported, consumed by retail customers, and "lost" to non-revenue/unaccounted-for water (e.g., leakage, meter and other accounting errors) for the years 2012, 2013, and 2014 that were the focus of analysis for this study.
3. The sluggish pace of UWNY's main replacement put it on a multi-century 704-year schedule in 2014, on top of being more than a decade behind the state's recommended timetable for surveying leaks in system mains. In addition, despite the New York Department of Environmental Conservation's recommended maximum 3-year schedule for water system leak surveys, in 2014 UWNY sounded only 7% of its mains for leaks, putting it on a 14-year schedule that likely contributed further to the utility's backlog of needed leak repairs.
4. An estimated 2.5 MGD to 3.3 MGD of potentially recoverable leakage exists within the UWNY system based on revised AWWA Water Audit reports using corrected data, UWNY's Annual Report figures reported to the PSC, and AWWA defaults for 2012-2014—a sharp contrast to previous UWNY estimates using flawed data and assumptions.¹ A series of data errors, missing and inconsistent data, and flawed assumptions about

system water losses appear to have resulted in several major errors in UWNY's AWWA Water Audit reports to the PSC for at least 2012-2014.

5. A preliminary estimate of 1.9 MGD to 3.6 MGD of potential water demand reductions from customer-oriented conservation measures exists within the UWNY system.
6. A preliminary estimated combined total of 4.4 MGD to 7.0 MGD of potentially recoverable system leakage and customer water savings from conservation is currently available within the UWNY system. There are precedents for system-wide savings from conservation that exceed 25%, as evidenced by programs sponsored by New York City (NY), the Massachusetts Water Resources Authority (metropolitan Boston, MA), and Seattle (WA), among other U.S. water systems. These savings estimates are preliminary only and will likely be refined as part of a more detailed analysis in the conservation planning project that will follow this study.
7. In addition to conservation, water reuse technologies, rainwater harvesting, and green infrastructure options offer Rockland County significant new opportunities to drive down UWNY's water demands even further while also achieving increased water supply independence.
8. The need for additional water supply capacity seems doubtful at this time given UWNY's potential water savings from aggressive system leak repairs and main rehabilitation, implementation of a comprehensive customer-oriented conservation program, and opportunities for Rockland County to develop alternative reuse and rainwater harvesting water supplies in the future. An optimistic picture of new water supply capacity emerges in the form of water waste that can be recaptured through system rehabilitation and conservation. Those untapped opportunities to drive down water demands, in addition to alternative water supply options such as reuse and rainwater harvesting options available to the County, offer a range of future water supply and demand scenarios that are sharp contrast to those considered in the recent past.
9. Updated and more aggressive system water loss reduction and customer water conservation standards and requirements are needed in New York to minimize avoidable system leakage and customer water waste. Failure to establish a higher standard for water conservation and efficiency will continue to put the public, ratepayers, and the environment at risk from costly new water supply projects that may not be needed. Both the PSC and DEC appear to be relying on outdated water conservation standards, guidance documents, and approaches that fail to guide water utilities toward the many more efficient and green water development and management practices that are available today. Examples include the DEC water conservation manual published in 1989 (26 years old) and the PSC's outdated definition and standard for system water losses. States such as Massachusetts, Texas, and Georgia are just a few examples of those with more updated and rigorous conservation and water loss requirements and resources than those available currently in New York.

Because of the size of the Vickers Report-Analysis of Water Use, it is being filed with DMM Filing onto the PSC website by Task Force Coordinator Patricie Drake.

Once again, on behalf of the dedicated women and men of the Rockland Task Force on Water Resources Management, I thank the Public Service Commission for giving Rockland County the opportunity to create a safe, long-term water supply plan that incorporates sustainability, demand-side principles and conservation. We are doing this with a data-driven approach, with independence and transparency so all will have confidence in the outcome.

Very truly yours,

A handwritten signature in black ink that reads "Harriet Cornell". The signature is written in a cursive style with a long horizontal flourish at the end.

Harriet Cornell
Chairwoman, Rockland Task Force on Water Resources Management