

Florida Section American Water Works Association Utility Council Legislative Policies for 2009

The Florida Section of the American Water Works Association Utility Council is comprised of over 100 member utilities providing drinking water to approximately nine million residents. The Florida Section American Water Works Association Utility Council recognizes the importance of protecting and ensuring the viability and sustainability of Florida's water resources and has developed legislative policies for 2009. The following policies include provisions that address the development of effective and sustainable water management strategies.

Alternative Water Supply Development

Limitations placed on existing water supplies in Florida necessitate the development of alternative water supply sources such as surface water and brackish water. The development of alternative water supplies will benefit the environment and the agriculture industry and increase the amount of water available for public consumption. Because of an increasing need for local governments and other stakeholders to work together on a regional basis, programs and provisions for economic and regulatory incentives are essential.

- The Utility Council **supports:**
 - Programs that create partnerships with Water Management Districts to maximize the storage and retention of surface water that is in excess of environmental needs for public water supply or agricultural use.
 - Development and implementation of a wide range of economic and regulatory incentives by the Florida Department of Environmental Protection and Water Management Districts.
 - Development and application of innovative business models that recognize regional differences and foster collaboration on regional projects by all Water Management Districts.
 - Development and implementation of programs that align the quality of water with usage to ensure the sustainability of the highest quality water for human consumption by the Florida Department of Environmental Protection and Water Management Districts.

Alternative Water Supply Funding

The cost of alternative water source development is greater than the cost to develop traditional water supply sources. Public acceptance of these more costly alternatives may depend on how the increased costs can be distributed among all water consumers. Such distribution of these costs must result in new institutional arrangements among utilities, local governments, Water Management Districts and the Florida Department of Environmental Protection. Three hundred and forty-four alternative water supply projects, providing an additional 842 million gallons a day of water, have received \$422.6 million in funding through the Water Protection and Sustainability Program, including the match provided by the Water Management Districts. The total cost of these projects is \$3.8 billion; however, an additional 1.2 billion gallons of water a day at an additional cost of \$5.2 billion is needed to meet Florida's future demands. Therefore, funding assistance from the State of Florida and Water Management Districts is essential to provide start-up capital to offset the substantial construction costs of alternative water supply projects.

- The Utility Council **supports:**
 - A dedicated and sustained State grant program that includes sufficient funding for all water utilities to research and develop cost effective alternative water supplies.
 - The establishment of a dedicated and permanent funding source from the State of Florida and Water Management Districts for alternative water supply development projects identified by the regional water supply plans.
 - A requirement that Water Management Districts provide an equitable distribution of funds among all types of cost effective alternative water supply projects that effectively address regional and local needs, regardless of the size of the water utility.
 - A fifty percent maximum local matching fund requirement for any alternative water supply grants funding.
 - Stronger coordination of water supply planning between the Florida Department of Environmental Protection, Water Management Districts and all water utilities when establishing funding priorities.
 - Programs that demonstrate water savings using water conservation or demand side management shall be eligible for State of Florida and Water Management District alternative water supply funding assistance.

Oversight and Water Rates

Florida has a long statutory history that provides local governments and public utilities the right to set water rates. To remain accountable to their rate payers, local

governments and public utilities must retain authority and flexibility regarding water rates and rate structures.

- The Utility Council **supports:**
 - Current State water law that recognizes that local governments and public water utilities have the responsibility and right to establish rates and rate structures for all of their services.

Reclaimed Water

Reclaimed water is a valuable alternative water source to offset traditional water sources that would otherwise be withdrawn from ground or surface waters. Reclaimed water can be utilized to meet a variety of water uses such as: irrigation; urban; wetland creation, restoration and enhancement; ground water recharge; augmentation of surface waters; and industrial purposes. The complexity of reclaimed water systems involves factors such as the variability in its age and maturity of the system, the demands and availability of traditional water sources, and local area demographics. Therefore, reclaimed water system management must afford flexibility and maintain consideration of the reclaimed water as a key function of water reclamation facilities.

- The Utility Council **supports:**
 - Utilities must maintain control over the beneficial reuse of reclaimed water to maximize opportunities while addressing unique local considerations.
 - Recognition of reclaimed water as a unique, non-traditional water resource where the application of traditional water conservation efforts can result in unintended consequences in regard to the management of wastewater discharges.
 - Reclaimed water management practices that include system planning, development, usage, rates and other related activities remain under sole jurisdiction of the water utility, and are permitted by the Florida Department of Environmental Protection.
 - A requirement that Water Management Districts and the Florida Department of Environment Protection provide financial and regulatory incentives for water utilities that effectively and efficiently manage the use of reclaimed water as part of alternative water supply development.
 - Utilities and local authorities must maintain the authority to set reclaimed water rates.
 - Programs that address:
 - Allocation: Utilities must maintain control and flexibility in determining reclaimed water allocations.

- **Restriction:** Any restrictions on reclaimed water, including augmented reclaimed water, must be managed by the local utility in consideration of the water reclamation process that includes the balancing of effluent disposal along with customer demand.
- **Augmentation:** Reasonable augmentation of reclaimed water with storm water and other water sources must be allowed in order for utilities to optimize and maintain reliability of the reclaimed system.
- **Offsets/Credits:** Consistent, equitable, and defined offsets and credits for utilities that develop reclaimed water systems.

Water Conservation

Demand management through water conservation extends water supplies because of the limitations on existing and easily developed traditional water sources and the high cost of developing alternative sources. Quantifiable water conservation and water use efficiency efforts must be eligible for State and Water Management District funding.

- The Utility Council **supports:**
 - The State of Florida shall establish dedicated and permanent funding for the Water Conservation Clearinghouse, which is part of the Conserve Florida Program.
 - Water Management Districts must recognize and afford water utilities the flexibility to utilize multiple tools and methodologies to achieve goal based conservation as provided in section 373.227(2)(h), Florida Statutes.
 - The establishment of utility specific per capita standards that account for the uniqueness of the utility's system and region.
 - Increase water use efficiency through Florida Friendly landscaping techniques.

Water Reservation

Water in such locations and quantities and for such seasons of the year, as in the judgment of the State of Florida or Water Management Districts, that may be required for the protection of fish and wildlife or public health and safety may be reserved from use by permit applicants. Such reservations shall be subject to periodic review and revision in the light of changed conditions. However, all presently existing legal uses of water, including public water supply, shall be protected so long as such use is not contrary to the public interest.

- The Utility Council **supports:**

- Both water supply development and environmental restoration should take place concurrently and expeditiously to safeguard public health, safety and the environment in the establishment of water reservations.
- Establishing reservations of water should be subject to the same procedural safeguards that exist for the establishment of Minimum Flows and Levels.
- All affected water users and uses, including environmental, must equally share in the responsibility and management of declared water shortages.

Water Management Districts

Improvement in the coordination and integration of water resources and water supplies that best meet the economic needs of Florida through true partnerships between Water Management Districts and public utilities is paramount.

- The Utility Council **supports**:
 - Change in current law to require each Water Management District Board to include a water utility executive as a member of the Board.
 - A strengthening and enhancement of partnerships between Water Management Districts and water utilities to resolve issues with rules and/or policies that have significant impact on the industry.
 - The development and application of consistent rules, policies and technical criteria across Water Management Districts where similarities in issues or regional circumstances exist, specifically in the areas of: Consumptive or Water Use Permits; Alternative Water Supply Funding; Water Shortages; Water Conservation; and Water Reservations.
 - The evaluation and streamlining of the structure of Water Management Districts to become more consistent and balanced across the state.
 - A balanced and equitable approach in the implementation of the Water Management District's fundamental mission elements to provide sustainability for surface water and natural resource protection, flood protection, water supply development and protection, and water quality protection.

Watershed Protection and Restoration

Public water utilities recognize that protection of the watersheds should remain the highest priority in regards to more costly watershed restoration programs. As answers to the water supply issues in Florida are sought, water resources

management is of highest importance, offering the opportunity to integrate key components and optimal solutions that minimize cost and maximize reliability and sustainability of both the environment and water supply.

- The Utility Council **supports**:
 - The assurance of safe, reliable water supplies at reasonable cost to customers through the protection of drinking water sources from contamination through Federal, State and local programs.
 - The purchase or controlled use of lands by the State of Florida and/or Water Management Districts within catchment areas of surface and ground water sources to ensure the safety and reliability of those sources.
 - A utility's ability to develop diversity in water supply resources that includes the sustainable maintenance of current water resources through mitigation of acceptable impact.