



February 23, 2020

To: The Metropolitan District Commission, Jmirtle@themdc.com

From: Lori Brown, Executive Director, CT League of Conservation Voters

Re: Proposed Water Rates

Please accept these comments **IN OPPOSITION** to the proposed bulk discount rates. Residents in all the MDC towns are right to be extremely upset by the new water rate proposal. It is a huge injustice to provide discounts that are designed to apply to only one super-user of our state's publicly-owned waters while residents' rates go up.

The Niagara plastic water bottlers will get a 20% water rate discount PLUS a 75% Clean Water Project Charge discount. This could be as much as a \$2.3 million dollar giveaway to an already highly profitable corporate operation.

No one else qualifies. Meanwhile resident rates climb by 13.5%

MDC HAS A POOR BUSINESS MODEL THAT FLIES IN THE FACE OF WATER CONSERVATION EFFORTS IN THE STATE:

- These are not "Economic Development" rates. They only apply to Niagara.
- Corporate subsidies aimed at plastic water bottlers should not be the centerpiece of MDC's plan to raise money. The state of CT is trying to get away from this failed practice and it certainly does not do any good for ratepayers in this situation.
- MDC is wasting our money by trying to increase water sales. **The model should be based on conservation and charge HIGHER rates for super users.**
- Discounts to encourage more consumption of water would not lower our rates. Niagara would need to build an additional pipeline and run it at full capacity ---- lines that WE ultimately pay for.
- Exempting Niagara from the Clean Water Project charge ignores the huge investment ratepayers make to keep our public waters clean.
- Plastic water bottling is the wrong use of our precious water resources. It is also counter to our state's waste reduction efforts to sell our local municipal water in order to be packaged in plastic bottles that leach chemicals, pollute our air, land and water, and immediately become our trash problem.

BOTTOM LINE:

MDC's independent decisions on water management are failing us. MDC should have their **rates overseen by the Public Utilities Regulatory Authority (PURA)** just like the private utilities.

This would go a long way to treating our water as the public trust resource that it is, not just a corporate asset by MDC.

If the MDC continues to put profits before people, this will have to be fixed by the state Legislature. Lawmakers created the MDC, and we will call on them to put additional oversight on MDCs pricing policies.

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ADDITIONAL BACKGROUND:

The 20% water discount is bad enough, but where the real money is – and what the MDC avoids talking about – is the 75% Clean Water Project (CWP) discount for Niagara. After the recent 13.5% increase in the water rate, residents and businesses with both MDC water and sewer service pay a combined charge of \$8.07 per ccf of water used, but Niagara would pay only \$4.20 per ccf for usage over 600,000 gallons per day. Niagara would get about a 50% discount for usage over 600,000 gallons per day. **It's unfair.** Niagara already has 3 bottling lines. Their production exceeded the threshold requirement for these discounts 6 times in 2019 - without having the discounts. If their 2020 production matches that of 2019, giving Niagara discounts just means the MDC giving away \$116,000 in revenue. If Niagara *were* to expand to 4 bottling lines the value of both water and Clean Water Project discounts could be as much as a \$2.3 million annual corporate giveaway. Water bottling is already a very profitable business and requires no corporate subsidy.

With its 3 bottling lines, Niagara can produce 7.8 Million single-use plastic bottles daily, enough to fill three 2-story houses. While the rest of the world moves away from bottled water with its plastic pollution, mega-bottlers are the centerpiece of the MDC's plan to attract new manufacturing. This is not the sustainable economy of the future we want for CT.