

TO: Senate Committee on Natural Resources and Energy FROM: Municipal Environmental Group – Wastewater Division

DATE: June 5, 2023

RE: Comments on SB 312

MEG Wastewater is an organization of over 100 municipalities statewide who own and operate wastewater treatment plants. MEG Wastewater represents facilities ranging in size from small sanitary districts to larger utilities such as Racine and Green Bay. The mission of our members is to protect public health and the environment through the treatment and reclamation of wastewater.

Wastewater treatment plants across the state are proactively working to address PFAS concerns. Wastewater treatment plants do not generate PFAS and cannot cost-effectively treat for them. That is why MEG Wastewater supported the DNR surface water rule now in effect that will result in testing and implementation of pollution minimization plans where necessary. MEG Wastewater supports the provisions of SB 312 that help cover the cost of testing and subsequent pollutant minimization efforts. In particular, MEG Wastewater supports the creation of a municipal grant program as described in Section 9 of the bill.

MEG Wastewater offers the following additional comments for consideration to refine SB 312.

<u>Section 1.</u> MEG Wastewater suggests deleting Section 1 of SB 312. MEG Wastewater believes that an annexation prohibition would create a disincentive for a municipality to offer a wastewater treatment alternative to an outlying area impacted by PFAS contamination.

Section 2. MEG Wastewater suggests deleting Section 2 of SB 312. Industrial dischargers that discharge wastewater containing constituents that are either incompatible with or too high strength for treatment at a wastewater treatment facility are often required to pretreat that wastewater before discharging into the municipal wastewater treatment facility. The costs of selecting, implementing, and operating appropriate pretreatment mechanisms to ensure wastewater discharged into a wastewater treatment facility can be sufficiently treated are the responsibility of the discharger. It is not the role of a wastewater utility to determine the appropriate manner of pretreatment or to subsidize those costs at the expensive of other ratepayers. As drafted, Section 2 of SB 312 would result in wastewater utilities facing pressure to subsidize the costs of pretreatment for particular industrial dischargers, at the expense of that utility's other ratepayers. MEG Wastewater is opposed to creating an incentive structure that would put responsibility for pretreatment costs on a wastewater utility in favor of particular industrial dischargers and at the expense of other ratepayers.

<u>Section 9.</u> MEG Wastewater supports the creation of the municipal PFAS grant program. As to particular elements of this program, MEG Wastewater provides the following comments:

Municipal Utility Testing Grants. MEG Wastewater suggests that the phrase "provided in equal shares" be deleted from subsection (2)(a). As currently drafted, it is not clear how this language is intended

to be applied. MEG Wastewater supports instead grants provided for testing on a per-sample basis for water and wastewater utilities. Apportioning funding on a per-sample basis would fairly and reasonably provide funding to those utilities that are required to conduct the most PFAS testing and that have therefore incurred or will incur the most costs.

Capital Cost or Other Costs Grants. MEG Wastewater supports the provision of grants for capital costs or other costs incurred by municipalities relating to PFAS. For wastewater utilities, significant costs are likely to be incurred in the development and implementation of PFAS pollutant minimization plans. Subsection (2)(f) enumerates certain types of costs for which this "other costs" grants section is intended to apply. MEG suggests that development and implementation of PFAS pollutant minimization plans be enumerated in this section. MEG Wastewater also suggests that language be added clarifying that the requirements of this grant program for capital costs or debt service do not apply to funding received under the Safe Drinking Water Revolving Loan Program or the Clean Water Revolving Loan Program.

<u>Section 10.</u> MEG Wastewater supports the inclusion of a more streamlined process for handling public works projects that may be impacted by PFAS.

Section 11. MEG Wastewater generally supports providing additional staffing to the Department of Natural Resources and State Laboratory of Hygiene to conduct the work required to respond to PFAS and to implement programs contemplated in this legislation. However, MEG Wastewater suggests that subsection (5)(b)2. be deleted from Section 11. The U.S. EPA is currently in the process of conducting a Biosolids risk assessment that is planned to be completed by 2024. This study will provide significant information regarding the potential impacts of PFAS to Biosolids. MEG Wastewater does not believe that prioritizing resources to conduct the cost-benefit analysis of different options for disposing of Biosolids that may contain PFAS is the best use of the state's resources at this time, given the work that EPA already has underway.

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