




INTERBASIN TRANSFER ACT (ITA) PERFORMANCE STANDARDS UPDATE 2024

September 12, 2024

AGENDA

- Review Comments on 2024 PS
 - General
 - Specific comments related to each criterion
- Questions and Discussion





This guidance was updated to conform with the revised ITA regulations (2018) and the revised Massachusetts Water Conservation Standards (2018) *and to reflect industry advances in water conservation and water supply and wastewater system management.*

ITA SECTIONS

Criterion #1 – Compliance with MEPA

Criterion #2 – Develop all viable sources in the Receiving Area

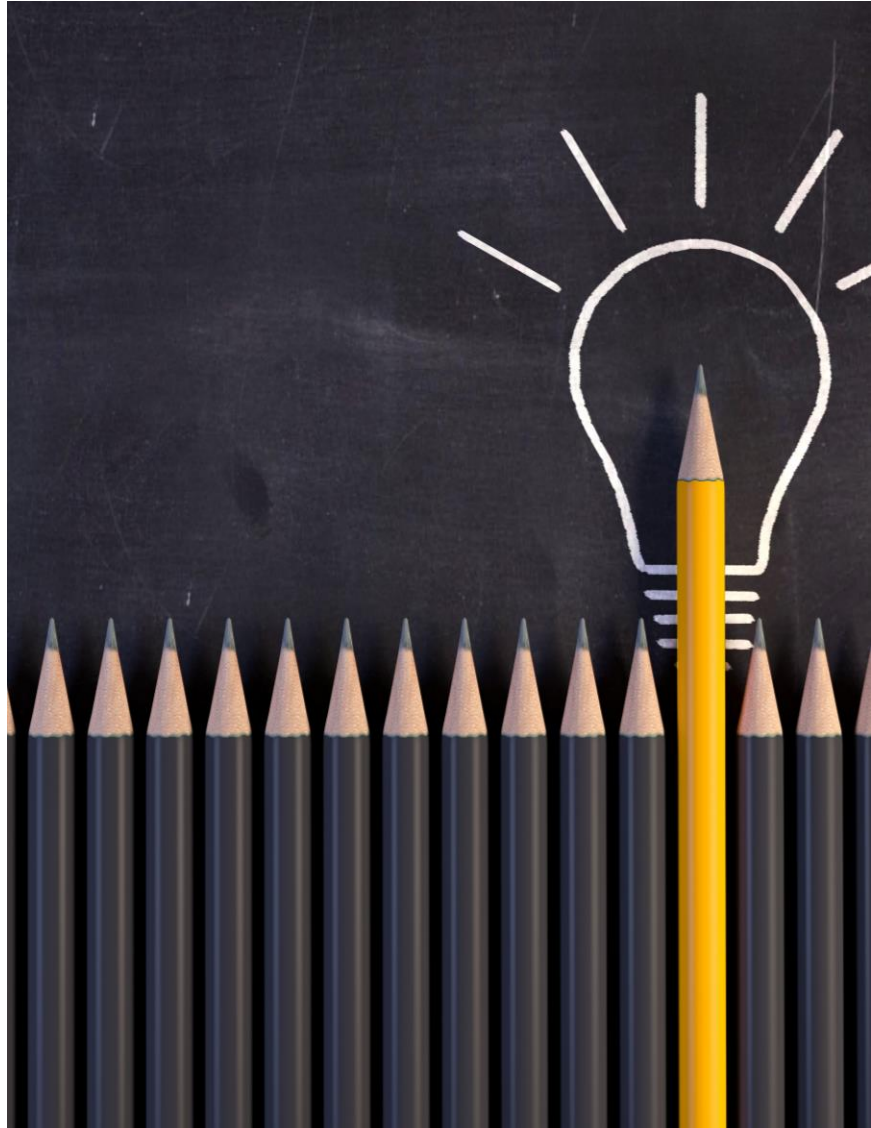
Criterion #3 – Must have implemented all practical water conservation measures

Criterion #4 – Implementation of a Forestry Management Program

Criterion #5 – Maintain reasonable instream flow

Criterion #6 – Impacts of groundwater withdrawals

Criterion #7 – Cumulative impacts



REVISIONS PRESENTED AT JUNE WRC MEETING

COMMENTS RECEIVED

1. Kenneth Weismantel, WRC Commissioner
2. Massachusetts Water Works Association
3. Massachusetts Rivers Alliance

GENERAL COMMENTS

Favorable

- Whole document is now clearer.
- New layout and crosswalk of applicability works well.
- Focus on specific evaluation measures makes the process more transparent.

Response

We appreciate the feedback.

GENERAL COMMENTS

Critical

- Concern that applications will be denied when facing contamination or shortages.
- Concern that applications will be denied if 2024 PS are not met before applying, which may be cost-prohibitive.
- Request that nothing in the 2024 PS go beyond the Water Conservation Standards.

Response

- Critical shortages and contamination are addressed through MassDEP emergency declarations and exempted from ITA requirements while in effect.
- Performance Standards are expected to be met before water is physically transferred, not before application is accepted for review; also, conditions often include a pathway to meet the PS.
- Interbasin transfers are considered a last resort because water/wastewater is being permanently and unnaturally moved across basin lines. Precedent has been that ITA requirements for water conservation and efficiency set a high bar in order to minimize the transfer.

CRITERION #1

Compliance with MEPA

Key elements of the 2024 Update

- Now addresses public involvement of, and impacts to, Environmental Justice (EJ) populations (conforms with Chapter 8 of the Acts of 2021, amended MEPA regulations, and updated MEPA protocols).
- Comment - the updates addressing EJ populations are important.

Response

We agree and appreciate the feedback.

Develop All Viable Sources in the Receiving Area

Key elements of the 2024 Update

- Now addresses all three measures of viability - environmental soundness, technological feasibility, and cost (instead of just cost).
 - New look at cost burden for households with income below the 20th percentile.
- Comment - the expanded sections are more thorough, comprehensive, and useful as guidance.

Response

We appreciate the feedback.

Implement all practical water conservation measures

Key elements of the 2024 Update

- Conforms with 2018 Water Conservation Standards
- Emphasizes use of data to inform conservation program
- Includes more detail on indoor and outdoor water use expectations
- Includes more detail on metering, water pricing, and billing practices
- Includes more detail on water loss control
- Aligns Inflow/Infiltration section with MassDEP regulations and guidance
- Pulls all source protection requirements into a single section

Implement all practical water conservation measures - comments

Favorable

- The addition of a section on outdoor water use is appreciated.
- The additional detail in sections of water loss control, metering, pricing, and billing is appreciated.
- Clear guidance in this section will help municipal staff “make the case to their communities” that good water stewardship requires financial investment.
- Emphasis on source protection is appreciated.

Response

We appreciate the feedback.

Implement all practical water conservation measures - comments

Critical of the 65 RGPCD benchmark

- The standard of 65 RGPCD is outdated and should be lowered to better reflect the current residential water usage in MA.

Response

Comment noted. This change from 65 requires more in-depth analysis, discussion and vetting. We plan to start looking at this in the coming fiscal year and bring it back to the Commission within the context of updates to the Water Conservation Standards.

Implement all practical water conservation measures - comments

Critical of the Conservation Pricing Guidance – Appendix B

- Concern that the pricing requirements are overly prescriptive. There is no “one-size-fits-all approach.”

Response

We agree there is no “one-size-fits-all approach” to water pricing. However, there are no prescriptive elements to the pricing criteria. Appendix B lists 6 principles as points of guidance and provides a non-exhaustive list of examples of how price structures could meet those principles, without requiring a particular approach.

- Concern that benchmarking rates against the 50th percentile of other MA water utilities is arbitrary.

Response

While a broad brush, we believe that when determining whether a rate encourages conservation, it is a reasonable benchmark to check that volumetric charges to water users of 65 gpcd or higher are not in the bottom half of prices across the state.

Implement all practical water conservation measures - comments

Critical of the Conservation Pricing Guidance – Appendix (continued)

- Comment that if water systems are meeting regulatory mandates, “it should be of no concern how they are structuring their rates”

Response

The Interbasin Transfer Act specifically requires the WRC to address rate structures as an important component of efficient system operation and management.

- The “simpler assessment” formerly used to assess water rates is preferable.

Response

Prior to this update, the Performance Standards offered limited guidance on how this standard would be evaluated; the update adds clarity and specificity.

Implement all practical water conservation measures - comments

Critical of the Billing Frequency Standard

- Comment that if leak alerts are sent out, quarterly billing should be sufficient, and monthly billing is too costly.

Response

Monthly bills:

- are better at helping customers understand their use patterns, which is important for behavioral change
- are general utility practice across almost all utilities - people understand and expect them
- are the norm for water billing across the country and are built into many industry best management practices for cost-of-service analysis, revenue modeling, and rate setting
- call attention to leaks faster, but also more consistently than quarterly bills (smaller leaks are obscured by the naturally high fluctuation of quarterly bills)
- are better for seasonal rates, drought surcharges, and tiered prices intended to target outdoor water use
- are better for revenue stability

However, moving to monthly billing can add substantial cost. The Performance Standards offer the option to transition to monthly billing over years, as revenue sources are developed. If the applicant demonstrates that monthly billing is ultimately cost-prohibitive, the standards allow for quarterly billing with monthly leak alert systems in place.

Implementation of Forestry Management Plan

Key elements of the 2024 Update

- Clarifies agency responsible for oversight of Forestry Management Plans
- Improves consistency with other state policies on harvesting.

NO COMMENTS RECEIVED

CRITERION #5

Maintain reasonable instream flow

Key elements of the 2024 Update

- Lists specific resources that will be evaluated for impacts
- Added section applicable to wastewater transfers
- Comment - the comprehensive list of evaluation metrics are appreciated.

Response

We appreciate the feedback.

CRITERION #6

Impacts of groundwater withdrawals

Key elements of the 2024 Update

- New description of metrics used to evaluate this criterion.

NO COMMENTS RECEIVED

CRITERION #7

Cumulative impacts

Key elements of the 2024 Update

- Clarifies all hydrologic impacts that are considered under this criterion

NO COMMENTS RECEIVED



QUESTIONS AND DISCUSSION