Lead in Drinking Water: A Permanent Solution for NJ
Speakers

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Agenda

- Overview
- Primary Task Force Recommendations
- Next Steps
- Questions and Answers
- More Information
Jersey Water Works
Lead in Drinking Water Task Force
Guiding Principles

Solutions are...

- Focused on children
- Fair and equitable
- Cost-efficient
- Permanent
Recommendations

Coordinated State Campaign

- Lead Service Line (LSL) Replacement
- Financial Resources
- Protective Measures
- Childcare & Schools
Lead in Water is Widespread in New Jersey

- 1/3 water systems: corrosion control
- 104 water systems with LSLs (Aug, 2019)
- Over 380 schools: lead in at least 1 outlet
Estimated Intensity of Lead Service Lines in NJ

Estimated percent of households with lead service line in water utility service area:
- ≤ 5%
- 5 to 15%
- 15 to 30%
- 30 to 60%
- 60 to 80%
- > 80%

zero lead service lines reported
under review
well water

Based on water utility estimates sent to DEP as of August 14, 2019 (subject to significant updates/revision).
Coordinated Statewide Campaign

- Declare lead a public health threat
  - Coordinate: water, paint and soil
- Lead Ombudsman - maximize efficiency
Disclosure: Home Sales and Rentals (Legislation)

Require seller/landlord to divulge presence of lead:

- Add water to existing paint-related certificates
- Exempt properties built after 1986
- Create lead-free housing registry
Lead Service Line (LSL) Replacement

Financial Solutions

LSL Replacement in 10 Years

LSL Inventories

Disclosure
Lead Service Line Inventory (Legislation)

- Comprehensive
- Consistent
- Routinely updated
- Transparent (DEP and water system websites)
- Indemnification
Lead Service Line Replacement Program (Legislation)

- Replace all LSLs in 10 Years
- Ban partial LSL replacements
- Comprehensive: utility-owned and private LSLs
- Authorize property access (maximize efficiency)
- No cost share from property owner
Newark - Lead Service Line Replacement

- First NJ city to implement
- Funding source established
- Property access ordinance enacted
- No cost share from property owner
- LSL replacement contracts in place
- Economic impact on community
- Performance to date
Funding Sources
Funding Sources
(Legislation)

Lead Service Line Replacement
($1.8b - $2.3b)

- Rate Recovery
  - Investor-owned and municipal utilities
- Subsidy Program
Rate Recovery

- Spread rate increases:
  ➤ Over 10 year period
  ➤ Across entire rate base
- Many communities: <15% households w. LSLs
- Water affordability
- LSLs/private property - not added to asset base
State Subsidy ($500m)

State’s role: ensure LSL removal across all communities
Means test @ water utility, not by individual

Key factors:
- Fiscal distress
- Communities with high exceedances and LSLs
- Rate increase otherwise required over 10 years
Protective/Regulatory Measures

- Water sampling
- Water quality parameters
- Public education
- Licensed water utility operators
Child Care and School Facilities
Child Care and School Facilities

- Uniform sampling cycle (3 years)
- Central database of test results
- Lower action limit - child care facilities?
- $100m state bonds - water in NJ schools
- Lessons learned
Next Steps

- Executive Actions
- State Legislative Package
- Regulatory Update
- Holistic Campaign: Lead in Paint, Water and Soil
Questions and Answers

Find full report at:
www.jerseywaterworks.org/leadreport