

AMENDMENTS TO SENATE BILL NO. 597

Sponsor: SENATOR STEFANO

Printer's No. 645

1 Amend Bill, page 1, lines 1 through 3, by striking out all of
 2 said lines and inserting
 3 Amending Title 66 (Public Utilities) of the Pennsylvania
 4 Consolidated Statutes, providing for water and wastewater
 5 asset management plans.

6 Amend Bill, page 1, lines 6 through 18; pages 2 through 10,
 7 lines 1 through 30; page 11, lines 1 through 21; by striking out
 8 all of said lines on said pages and inserting

9 Section 1. Title 66 of the Pennsylvania Consolidated
 10 Statutes is amended by adding a chapter to read:

11 CHAPTER 37

12 WATER AND WASTEWATER ASSET MANAGEMENT PLANS

13 Sec.

14 3701. Scope of chapter.

15 3702. Definitions.

16 3703. Asset management plans.

17 3704. Critical valve inspections and fire hydrant inspections
 18 by water system operator.

19 3705. Water meters.

20 3706. Development of cybersecurity system.

21 3707. Annual information to customers.

22 3708. Regulations.

23 3709. Contingency for public funding.

24 3710. Enforcement.

25 3711. Commission costs.

26 § 3701. Scope of chapter.

27 This chapter relates to water and wastewater asset management
 28 plans.

29 § 3702. Definitions.

30 The following words and phrases when used in this chapter
 31 shall have the meanings given to them in this section unless the
 32 context clearly indicates otherwise:

33 "Community wastewater system." A publicly or privately owned
 34 community sewage system which serves at least 501 service
 35 connections used by year-round residents that uses a method of

1 sewage collection, conveyance treatment or disposal other than
2 renovation in a soil absorption area or retention in a retaining
3 tank. The term does not include a municipally owned and operated
4 sewage system that owns and operates a water system which has
5 applied to the commission for a voluntary change in rates under
6 section 1308(d) (relating to voluntary changes in rates), within
7 five years of the effective date of this section.

8 "Community water system." A public water system which serves
9 at least 501 service connections used by year-round residents.
10 The term does not include an entity which has applied to the
11 commission for a voluntary change in rates under section
12 1308(d), within five years of the effective date of this
13 section.

14 "Critical valve." A valve that is identified as critical by
15 a water system operator, including a valve that is:

- 16 (1) located at a hospital or nursing home;
- 17 (2) located at an interconnection with a purveyor;
- 18 (3) a regulator control valve;
- 19 (4) a backflow valve of any type, protecting against
20 either a high or low hazard; or
- 21 (5) a valve in a facility, such as a treatment plant,
22 pump station, storage tank or well, that is needed to isolate
23 or operate the facility.

24 "Lead service line." A water service pipe made of lead that
25 connects a water main to a building inlet and a lead pigtail,
26 gooseneck or other fitting that is connected to the water
27 service pipe.

28 "Wastewater system operator." A person or entity that owns
29 or operates a community wastewater system.

30 "Water system operator." A person or entity that owns or
31 operates a community water system.

32 § 3703. Asset management plans.

33 (a) Community water system asset management plan.--Beginning
34 no later than 12 months after the effective date of this
35 section, a water system operator shall annually submit an asset
36 management plan, pursuant to a schedule established by the
37 commission and every three years thereafter to the commission
38 for review and approval. The asset management plan shall be
39 designed to inspect, maintain, repair and renew the water system
40 operator's water infrastructure consistent with Federal and
41 State laws. The community water system asset management plan
42 shall include at a minimum:

43 (1) A water main renewal program designed to achieve a
44 stated replacement cycle determined by a detailed engineering
45 analysis of the asset material of construction, condition and
46 estimated service life remaining of the water mains serving
47 the community water system and the failure or low conveyance
48 capability for fire flow.

49 (2) A water supply and treatment program designed to
50 inspect, maintain, repair, renew and upgrade wells, intakes,
51 pumps and treatment facilities.

1 (3) An initial schedule for the planned repair and
2 replacement of water system infrastructure over a specified
3 time period.

4 (4) A general description of the location of the water
5 system infrastructure, including a map.

6 (5) A reasonable estimate of the quantity of water
7 system infrastructure to be improved in the coming year and a
8 description of the water system infrastructure repaired,
9 improved or replaced and the associated costs for the
10 immediately preceding 12-month period.

11 (6) Projected annual expenditures to implement the plan,
12 the amount of money dedicated on an annual basis to address
13 the highest priority projects and measures taken to ensure
14 that the plan is cost effective.

15 (7) The setting of rates that are sufficient to sustain
16 the current operation of the community water system and the
17 financing for all planned and reasonably anticipated
18 infrastructure improvements.

19 (8) The specific criteria used by the water system
20 operator to identify critical valves and their current
21 condition and fire hydrants and a map identifying each one in
22 accordance with section 3704 (relating to critical valve
23 inspections and fire hydrant inspections by water system
24 operator).

25 (8) A report of water meter testing in accordance with
26 section 3705 (relating to water meters).

27 (9) A lead service line removal and replacement plan
28 which includes the removal and replacement of customer-owned
29 and water system operator-owned lines, within or connected to
30 the operator's community water system.

31 (10) A cross-connection control and backflow prevention
32 plan.

33 (11) Certification of a cybersecurity plan developed in
34 accordance with section 3706 (relating to development of
35 cybersecurity system).

36 (b) Community wastewater system asset management plan.--
37 Beginning no later than 12 months after the effective date of
38 this section, a wastewater system operator shall submit an asset
39 management plan pursuant to a schedule established by the
40 commission, and every three years thereafter, to the commission
41 for review and approval. The asset management plan shall be
42 designed to inspect, maintain, repair and renew its wastewater
43 infrastructure consistent with Federal and State laws. The
44 community wastewater system asset management plan shall include
45 at a minimum:

46 (1) A wastewater main renewal program designed to
47 achieve a stated replacement or rehabilitation cycle by a
48 detailed engineering analysis of the asset material of
49 construction, the condition and type of main-to-service
50 connection and estimated service life remaining of the
51 wastewater mains serving the community wastewater system.

1 (2) A sewer inspection program designed to perform an
2 assessment of the collection system to establish the
3 collections system's condition.

4 (3) An initial schedule for the planned repair and
5 replacement of wastewater infrastructure over a specified
6 time period.

7 (4) A general description of the location of the
8 wastewater infrastructure, including a map.

9 (5) A reasonable estimate of the quantity of wastewater
10 infrastructure to be improved in the coming year and a
11 description of the wastewater infrastructure repaired,
12 improved or replaced and the associated costs for the
13 immediately preceding 12 month period.

14 (6) Projected annual expenditures to implement the plan,
15 the amount of money dedicated on an annual basis to address
16 the highest priority projects and measures taken to ensure
17 that the plan is cost effective.

18 (7) The setting of rates that are sufficient to sustain
19 the current operation of the community wastewater system and
20 the financing for each planned and reasonably anticipated
21 infrastructure improvement.

22 (8) A cross-connection control and backflow prevention
23 plan.

24 (9) Certification of a cybersecurity plan developed in
25 accordance with section 3706.

26 (c) Schedule.--Plans submitted under this section must
27 include a schedule under which the water system operator or
28 wastewater system operator will achieve goals of the asset
29 management plans.

30 § 3704. Critical valve inspections and fire hydrant inspections
31 by water system operator.

32 (a) Critical valve inspections.--A water system operator
33 shall inspect each critical valve in the water system operator's
34 community water system to determine the accessibility of each
35 critical valve for operational purposes and the critical valve's
36 operating condition. A water system operator shall inspect each
37 critical valve consistent with its asset management plan, no
38 less than every three years and at any time the water system
39 operator installs, repairs or relocates a critical valve. At a
40 minimum, a critical valve inspection must:

41 (1) follow the recommendation of the valve manufacturer
42 to constitute a credible test or the number of turns which
43 constitutes 15% of the total number of turns necessary to
44 completely open or completely close the valve; and

45 (2) comply with any other criteria required under rules
46 and regulations.

47 (b) Remedy.--A water system operator shall remedy a critical
48 valve found to be nonoperational and include the remediation in
49 its assessment management plan.

50 (c) Fire hydrants.--A water system operator shall annually
51 inspect at least 33% of the fire hydrants in the water system

operator's system in a manner that each fire hydrant is inspected over the course of four years in order to determine each fire hydrant's working condition. The water system operator shall formulate and implement a plan for flushing fire hydrants and at dead ends of water mains as water quality needs dictate. The plan for flushing may be combined with the required periodic testing of fire hydrants.

(d) Recordkeeping and marking of fire hydrants.--

(1) A water system operator shall keep a record of each inspection, test and flushing conducted under this section for a period of at least six years.

(2) A water system operator that owns, solely or jointly, a fire hydrant shall clearly mark easily identifiable ownership information, including a number by which the location of the hydrant may be determine, on the water system operator's records.

(e) GPS identification.--A water system operator shall identify the geographic location of each fire hydrant in the water system operator's public water system using a global positioning system based on satellite or other location technology.

§ 3705. Water meters.

(a) Allowable error.--A water meter that has an error in registration of more than 2% may not be placed in service and a water meter that has an error in registration of more than 4% may not remain in service, if water is passing through the meter at approximately the following rates of flow:

<u>Meter size (inches)</u>	<u>Gallons per minute</u>
<u>5/8</u>	<u>6</u>
<u>3/4</u>	<u>10</u>
<u>1</u>	<u>20</u>
<u>1 1/2</u>	<u>30</u>
<u>2</u>	<u>50</u>
<u>3</u>	<u>90</u>
<u>4</u>	<u>180</u>
<u>6</u>	<u>300</u>

(b) Prohibition.--

(1) A water system operator furnishing metered water service may not allow a water meter to remain in service without testing the meter for accuracy and readjusting if the meter is found to be incorrect beyond the limits established under subsection (a) for a water meter:

(i) of one inch or less to remain in service for a period longer than 20 years;

(ii) of more than one inch to remain in service for a period longer than eight years.

(2) At a customer's request, the water system operator shall perform a meter test without charge if a meter has been in service and has not been tested for a period greater than that specified as follows:

<u>Meter size (Inches)</u>	<u>Years</u>
----------------------------	--------------

1	<u>5/8</u>	<u>10</u>
2	<u>3/4</u>	<u>8</u>
3	<u>1</u>	<u>6</u>
4	<u>More than 1</u>	<u>4</u>

5 (c) Meter test records.--

6 (1) If a water meter is tested, the original test record
7 shall be kept indicating:

8 (i) the information necessary for identifying the
9 meter;

10 (ii) the reason for making the test;

11 (iii) the reading of the meter before being
12 disturbed; and

13 (iv) the accuracy of the meter together with data
14 taken at the time of the test.

15 (2) The record shall be sufficiently complete to permit
16 the convenient checking of the methods employed and the
17 calculations made.

18 (3) In addition to the records under paragraph (1), a
19 record shall be kept, indicating:

20 (i) the date of meter purchase;

21 (ii) the name of the manufacturer;

22 (iii) the meter's size, identification, various
23 places of installation with dates of installation and
24 removal; and

25 (iv) the dates and general results of each test.

26 (d) Installation and removal of meters.--

27 (1) Within 60 days of installation, a water meter shall
28 be inspected by the water system operator for mechanical
29 condition and suitability of location. For a new meter or a
30 meter reconditioned by a manufacturer, the test results of
31 the manufacturer may be accepted as the installation test if
32 the water system operator has verified the manufacturer's
33 reported test results by testing the greater of 10% or 10
34 meters of a shipment of meters. For an emergency, a meter not
35 meeting the requirements of this section may be installed
36 temporarily.

37 (2) A water meter that is removed from service with the
38 intent for the water meter to return to service shall be
39 tested within 30 days for accuracy to complete the meter's
40 test history. When a water meter is temporarily removed from
41 service, the water meter shall be properly sealed to secure
42 registers and measuring devices until the water meter can be
43 properly tested for accuracy.

44 § 3706. Development of cybersecurity system.

45 A water system and a wastewater system operator shall develop
46 a cybersecurity program that:

47 (1) is developed by an accredited cybersecurity
48 professional;

49 (2) implements organizational accountability and
50 responsibilities for cyber risk management activities; and

51 (3) establishes policies, plans, processes and

1 procedures for identifying, reporting and mitigating cyber
2 risk to the water system's and wastewater system operator's
3 community water system or community wastewater system.

4 § 3707. Annual information to customers.

5 A water system operator shall annually inform the operator's
6 customers of compliance with this chapter in a manner
7 established by the commission.

8 § 3708. Regulations.

9 (a) Temporary.--The commission shall promulgate temporary
10 regulations as necessary to implement this chapter. The
11 temporary regulations shall not be subject to the following:

12 (1) Sections 201, 202, 203, 204 and 205 of the act of
13 July 31, 1968 (P.L.769, No.240), referred to as the
14 Commonwealth Documents Law.

15 (2) Sections 204(b) and 310(10) of the act of October
16 15, 1980 (P.L.950, No.164), known as the Commonwealth
17 Attorneys Act.

18 (3) The act of June 25, 1982 (P.L.633, No.181), known as
19 the Regulatory Review Act.

20 (b) Expiration.--The temporary regulations promulgated under
21 subsection (a) shall expire upon the promulgation of final form
22 regulations or two years following the effective date of this
23 section, whichever is earlier.

24 § 3709. Contingency for public funding.

25 Before a water or wastewater system operator may receive a
26 subsidized loan or other financial assistance from the
27 Commonwealth, the water or wastewater system operator must
28 demonstrate that the operator has developed or is in the process
29 of developing an asset management program required under this
30 chapter.

31 § 3710. Enforcement.

32 A water system operator or waste water system operator that
33 fails to file an asset management plan or comply with a
34 commission approved plan shall, notwithstanding any other
35 provision of law, be deemed a public utility and regulated as a
36 public utility.

37 § 3711. Commission costs.

38 The program costs for commission implementation and
39 enforcement of this chapter shall be included in the
40 commission's proposed budget and shall be assessed upon a
41 community water system operator or owner and a community
42 wastewater system operator or owner in accordance with section
43 510 (relating to assessment for regulatory expenses upon public
44 utilities). For purposes of section 510, the definition of
45 "public utility" shall include a community water system operator
46 or owner or community wastewater system operator or owner
47 required to file under this section and not subject to section
48 510 assessments. For the purposes of section 510 assessments,
49 community water systems and community wastewater systems may be
50 grouped with other public utilities furnishing the same kind of
51 service. A community water system operator or owner and a

1 community wastewater system operator or owner shall report
2 annually to the commission the gross intrastate operating
3 revenues for the preceding calendar year.

4 Section 2. This act shall take effect as follows:

5 (1) The following provisions shall take effect
6 immediately:

7 (i) This section.

8 (ii) The addition of 66 Pa.C.S. §§ 3710 and 3711.

9 (2) The remainder of this act shall take effect in six
10 months.