SENATE, No. 726

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator LINDA R. GREENSTEIN District 14 (Mercer and Middlesex)

Co-Sponsored by: Senator B.Smith

SYNOPSIS

Requires water purveyors to develop and implement leak detection programs.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning water supplies, amending and supplementing P.L.1981, c.262, and amending R.S.48:2-23.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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- 1. Section 3 of P.L.1981, c.262 (C.58:1A-3) is amended to read as follows:
- 9 3. As used in the provisions of P.L.1981, c.262 (C.58:1A-1 et 10 [seq.] al.), P.L.1993, c.202 (C.58:1A-7.3 et al.) and P.L.2003, c.251 (C.58:1A-13.1 et al.):
- 12 "Aquaculture" means the propagation, rearing and subsequent 13 harvesting of aquatic organisms in controlled or selected 14 environments, and the subsequent processing, packaging and marketing, and shall include, but need not be limited to, activities to 15 intervene in the rearing process to increase production such as 16 17 stocking, feeding, transplanting, and providing for protection from 18 predators. "Aquaculture" shall not include the construction of 19 facilities and appurtenant structures that might otherwise be regulated pursuant to any State or federal law or regulation. 20
 - "Aquatic organism" means and includes, but need not be limited to, finfish, mollusks, crustaceans, and aquatic plants which are the property of a person engaged in aquaculture.
- Ia.] "Commissioner" means the Commissioner of [the Department of] Environmental Protection or the commissioner's designated representative [;].
- [b.] "Consumptive use" means any use of water diverted from surface or ground waters other than a nonconsumptive use as defined in this section [;].
- 30 **[c.]** "Department" means the Department of Environmental 31 Protection **[;]**.
- Id.] "Diversion" means the taking or impoundment of water from a river, stream, lake, pond, aquifer, well, other underground source, or other water body, whether or not the water is returned thereto, consumed, made to flow into another stream or basin, or discharged elsewhere [;].
- Ie.] "Nonconsumptive use" means the use of water diverted from surface or ground waters in such a manner that it is returned to the surface or ground water at or near the point from which it was taken without substantial diminution in quantity or substantial impairment of quality [;].
- If.] "Person" means any individual, corporation, company, partnership, firm, association, owner or operator of a [water supply]

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

facility public water system, political subdivision of the State and any state, or interstate agency or Federal agency [;].

"Public community water system" means a public water system which serves at least 15 service connections used by year-round residents or regularly serves at least 25 year-round residents.

"Public water system" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least 15 service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year. "Public water system" includes: (1) any collection, treatment, storage and distribution facilities under control of the operator of such system and used primarily in connection with such system; and (2) any collection or pre-treatment storage facilities not under such control which are used primarily in connection with such system.

Ig. "Waters" or "waters of the State" means all surface waters and ground waters in the State;

- h.] "Safe or dependable yield" or "safe yield" means that maintainable yield of water from a surface or ground water source or sources which is available continuously during projected future conditions, including a repetition of the most severe drought of record, without creating undesirable effects, as determined by the department [;].
- **[**i. "Aquaculture" means the propagation, rearing and subsequent harvesting of aquatic species in controlled or selected environments, and the subsequent processing, packaging and marketing, and shall include, but need not be limited to, activities to intervene in the rearing process to increase production such as stocking, feeding, transplanting, and providing for protection from predators. "Aquaculture" shall not include the construction of facilities and appurtenant structures that might otherwise be regulated pursuant to any State or federal law or regulation;
- j. "Aquatic organism" means and includes, but need not be limited to, finfish, mollusks, crustaceans, and aquatic plants which are the property of a person engaged in aquaculture;
 - k.] "Six Mile Run Reservoir Site" means the land acquired by the State for development of the Six Mile Run Reservoir in Franklin Township, Somerset County, as identified by the Eastern Raritan Feasibility Study and the New Jersey Statewide Water Supply Plan prepared and adopted by the department pursuant to section 13 of P.L.1981, c.262 (C.58:1A-13).

"Unaccounted-for-water" means the difference between the
amount of water that leaves a water purveyor's public water system
and the amount of water delivered through service meters for which
the water purveyor bills, expressed as a total amount and as a
percentage of the water purveyor's total water output.

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1 <u>"Water purveyor" means any person that owns or operates a</u> 2 <u>public water system.</u>

3 "Water supply facility" means and refers to the real property and 4 the plants, structures, interconnections between existing water 5 supply facilities, machinery and equipment and other property, real, personal and mixed, acquired, constructed or operated, or to be 6 7 acquired, constructed or operated, in whole or in part, by or on behalf of a water purveyor, or by or on behalf of the State or a local 8 9 government unit, for the purpose of augmenting the natural water 10 resources of the State and making available an increased supply of 11 water for all uses, or of conserving existing water resources, and 12 any and all appurtenances necessary, useful or convenient for the 13 collecting, impounding, storing, improving, treating, filtering, 14 conserving or transmitting of water, and for the preservation and 15 protection of these resources and facilities, whether in public or 16 private ownership, and providing for the conservation and 17 development of future water supply resources, and facilitating 18 incidental recreational uses thereof.

"Water supply project" means any work relating to the acquisition, construction, improvement, repair or reconstruction of all or part of any structure, facility or equipment, or real or personal property necessary for or ancillary to a water supply facility that meets the requirements set forth in sections 24, 25, and 26 of P.L.1997, c.224 (C.58:11B-20.1, C.58:11B-21.1, and C.58:11B-22.1), or any work relating to any other project eligible for funding pursuant to the federal "Safe Drinking Water Act Amendments of 1996," Pub.L.104-182, and any amendatory and supplementary acts thereto.

"Waters" or "waters of the State" means all surface waters and
 ground waters in the State.

(cf: P.L.2003, c.251, s.1)

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- 2. (New section) a. Every water purveyor shall annually provide the commissioner with the following information:
- (1) The amount of unaccounted-for-water leaving its public water system during the current calendar year;
- (2) A discussion of short-term measures that are underway or could be initiated to reduce the amount of unaccounted-for-water; and
- (3) A plan of action containing long-term measures to reduce the amount of unaccounted-for-water.
- b. Any approval granted by the department for a water supply project, which has been financed, directly or indirectly, out of public funds, in whole or in part, or any renewal of a water supply project approval shall be subject to the satisfactory compliance with the provisions of this section.

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3. (New section) a. Each water purveyor that distributes water

- supplies in excess of an average of 100,000 gallons per day during any 30-day period shall develop and undertake a systematic program to monitor and control leakage within its public water system.
- 5 b. The leak detection program developed and undertaken 6 pursuant to subsection a. of this section shall, at a minimum, 7 include:
 - (1) periodic surveys to monitor leakage, enumerate unaccounted-for-water, and determine the current status of system infrastructure;
 - (2) recommendations to monitor and control leakage; and
 - (3) a schedule for the implementation of these recommendations.
 - c. Each leak detection program developed by a water purveyor shall be subject to review and approval by the department.
 - d. Each water purveyor that distributes in excess of one million gallons per day shall submit its initial program to monitor and control leakage to the department within six months after the effective date of P.L., c. (C.) (pending in the Legislature as this bill), and each water purveyor that distributes between 100,000 gallons per days and one million gallons per day shall submit its initial program to monitor and control leakage to the department within nine months after the effective date of P.L., c. (C.) (pending in the Legislature as this bill).
 - e. Each water purveyor shall prepare and submit to the department a revised and updated program to monitor and control leakage every three years thereafter. The department may require more frequent leak detection program updates from water purveyors with unaccounted-for-water that is in excess of 15 percent.

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4. (New section) The commissioner shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as are necessary to effectuate the provisions of P.L. , c. (C.) (pending in the Legislature as this bill).

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- 5. Section 9 of P.L.1981, c.262 (C.58:1A-9) is amended to read as follows:
- 9. The Board of [Regulatory Commissioners] Public Utilities shall fix just and reasonable rates for any public water [supply] system subject to its jurisdiction, as may be necessary for that system to comply with an order issued by the department or the terms and conditions of a permit issued pursuant to P.L.1981, c.262 (C.58:1A-1 et al.) or P.L.1993, c.202 (C.58:1A-7.3 et al.). (cf: P.L.1993, c.202, s.8)

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- 6. R.S.48:2-23 is amended to read as follows:
- 48 48:2-23. <u>a.</u> The board may, after public hearing, upon notice, by

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order in writing, require any public utility to furnish safe, adequate and proper service, including furnishing and performance of service in a manner that tends to conserve and preserve the quality of the environment and prevent the pollution of the waters, land and air of this State, and including furnishing and performance of service in a manner which preserves and protects the water quality of a public water supply, and to maintain its property and equipment in such condition as to enable it to do so.

The board may, pending any such proceeding, require any public utility to continue to furnish service and to maintain its property and equipment in such condition as to enable it to do so.

The board, in requiring any public water utility to furnish safe, adequate and proper service, may require the public water utility to retain in its rate base any property which the board determines is necessary to protect the water quality of a public water supply.

- b. Every public water utility shall annually provide the board with the following information:
- (1) the amount of unaccounted-for-water leaving its public water system during the current calendar year;
- (2) a discussion of short-term measures that are underway or could be initiated to reduce the amount of unaccounted-for-water; and
- (3) a plan of action containing long-term measures to reduce the amount of unaccounted-for-water.

For the purposes of this subsection, "unaccounted-for-water" means the difference between the amount of water that leaves a public water utility's public water system and the amount of water delivered through service meters for which the public water utility bills, as provided in section 1 of P.L.1973, c.230 (C.48:19-18.1), expressed as a total amount and as a percentage of the water purveyor's total water output.

32 (cf: P.L.1988, c.163, s.5)

7. This act shall take effect immediately.

STATEMENT

This bill would require the State's public and private water providers to develop and implement water leakage prevention and reduction plans. Specifically, every water purveyor would be required to annually provide the Commissioner of Environmental Protection with the following information: (1) the amount of unaccounted-for-water leaving its public water system during the current calendar year; (2) a discussion of short-term measures that are underway or could be initiated to reduce the amount of unaccounted-for-water; and (3) a plan of action containing long-term measures to reduce the amount of unaccounted-for-water.

Public water utilities would also be required to provide this information to the Board of Public Utilities.

Any approvals granted by the Department of Environmental Protection (DEP) for a water supply project, which has been financed, directly or indirectly, out of public funds, in whole or in part, or any renewal of an approval for a water supply project would be subject to the satisfactory compliance with the provisions of this bill.

The bill would also require every water purveyor that distributes water supplies in excess of an average of 100,000 gallons per day during any 30-day period to develop and undertake a systematic program to monitor and control leakage within its public water system. The leak detection program must include, at a minimum: (1) periodic surveys to monitor leakage, enumerate unaccounted-for-water, and determine the current status of system infrastructure; (2) recommendations to monitor and control leakage; and (3) a schedule for the implementation of these recommendations.

Each leak detection program developed by a water purveyor would be subject to the review and approval of the DEP. Each water purveyor that distributes in excess of one million gallons per day would be required to submit its initial program to monitor and control leakage to the DEP within six months after the date of enactment of the bill into law, and each water purveyor that distributes between 100,000 gallons per day and one million gallons per day would be required to submit its initial program to monitor and control leakage to the DEP within nine months after the date of enactment of the bill into law. Further, each water purveyor would be required to prepare and submit a revised and updated program to monitor and control leakage every three years thereafter. Lastly, the DEP may require more frequent leak detection program submissions from water purveyors with unaccounted-for-water that is in excess of 15 percent.