



Statement by Jerry N. Johnson
General Manager of the DC Water and Sewer Authority

Committee on Public Works and the Environment
The Lead Services Program

Wednesday, April 1, 2004

Good afternoon, Madame Chairman, I am Jerry N. Johnson, General Manager of the District of Columbia Water and Sewer Authority, and I am accompanied by the Authority Chief Engineer and Deputy General Manager, Michael Marcotte.

As you know, Mr. Marcotte and I are required to participate in the previously scheduled Authority Board of Directors public hearing at 6:30 pm this evening. We appreciate your and the Committee's willingness to accommodate this scheduling conflict.

For your information, the Board is considering two proposals at that hearing where our customers have been invited to voice their opinions, including:

- expanding our Customer Assistance Program for low-income qualifying homeowners to include tenants, and
- considering an overall five (5) percent increase in water and sewer rates in the District (going from a cost of \$0.66 to \$0.69 cents per gallon for the typical residential customer – another \$1.83/month for an average 6,200 gallons per month)

As you know, this rate-setting process began in October 2003, and would not take effect until October 2004 on the regular annual cycle.

It preceded and has nothing to do with the cost of the expanding lead replacement program. Rather, it is consistent with the Board's financial policy that supports the continuing requirement to service the significant debt necessary to repair and maintain the District water, sewer and treatment infrastructure after many years of disinvestment.

The Board's hearing and this entire process is also necessary to implement the proposed expansion of the Customer Assistance Program to include tenants.

With respect to the specific topic of this hearing, I would like to provide the Committee with a brief update on activities since the last hearing on March 17, 2004, with the continuing hope that we can jointly move forward to meet the challenges we face.

First, and very briefly:

- WASA has distributed 10,500 filters to date, and as of today distribution is continuing at a rate of about 4,000 a day from the UPS fulfillment center. We fully expect to meet the current goal of distributing these filters by April 10;
- The Lead Services Hotline, a program that EPA did not require, was initiated in January 2003 to facilitate direct communications with our customers. Since February 5, we expanded with more personnel allowing us to staff the operation for 12 hours Monday through Friday and for nine hours on weekends. Since February 4, 2004 the Hotline received 45,746 calls, and 6,233 e-mail messages. We have shipped over 19,000 test kits.

- A summary of the 2004 Sampling Program results is attached, for your information. We have now conducted a total of over 11,000 tests of water provided by our customers, and we are processing several thousand more results in a much-improved process that minimizes customer inconvenience.

Projected Additional Lead Services Program Costs

The FY 2004 WASA budget reviewed by this Committee and approved by the Congress included \$10 million for the lead services program. Excluding associated miscellaneous costs related to investigations and litigation, projected at about \$1.35 million, the Authority today is incurring additional unanticipated costs of approximately \$20 million, including:

- \$1.5 million in expenses for the DOH blood level testing program and associated activities to improve their data processing systems
- \$1.7 million for WASA, DOH and other joint outreach/communications initiatives
- \$8.0 million for the expanded physical public space replacement program
- \$7.1 million for the expanding sampling and filter distribution program
- \$1.5 million for expanded Lead Services Hotline command center operations

These costs also do not include additional resources related to the implementation of any new treatment adjustments that may be undertaken by the Washington Aqueduct.

The Authority appreciates your efforts and those of the Mayor and Congresswoman Eleanor Holmes Norton in seeking federal funds to offset these costs. However, should these efforts not be fully successful, and our District ratepayers continue to carry these costs, we will need and respectfully urge this Committee and the Council's support for a supplemental.

Without an adjustment in budget authority that is approved by the Congress this fiscal year, we are in danger of exceeding the caps enacted in the FY2004 Consolidated Appropriations Act, and face a potential violation of the Anti-Deficiency Act.

Interagency Coordination

As you know, Madame Chairman, the Task Force has been enormously helpful in coordinating the efforts of District agencies in response to this challenge, and we are very grateful. There are two areas in which we ask your continued assistance.

Time is running short for the construction season, and we appreciate your assistance in helping WASA and DDOT continue to make solid progress in coordinating the physical replacement of lead service lines in public space in association with DDOT's street reconstruction projects.

We must reach concrete agreement in order to ensure that we live up to the commitment we've made to the citizens of the District to expedite the replacement of 1600 service lines in public space this year.

On another front, and as you have noted Ms Schwartz, this is a very complex and evolving set of issues.

Despite the fact that we all suffer frustration when a media outlet may not have fully understood or conveyed information to the public, we are having measurable success sharing information among the Council, DOH, EMA, and the Mayor's staff who not only understand the issues but who also understand the unique needs and concerns of our local residents and customers.

A few weeks ago, as we continued to collect information, review data and recent experience, work with several agencies, and to further focus varied expertise, the public experienced frustration because of what appeared to be mixed messages and confused media reporting.

Local agencies are coordinating better and have overcome much of that confusion.

But EPA also has a vital role to play. They are critically important to us as we seek to ensure that our messages are consistent, coherent, and most importantly, technically sound.

It is critically important, however, that as we continue to learn more about these issues and work to inform the public about them, that the Environmental Protection Agency also do a better job of working with us to coordinate and share information that is intended to better inform the public.

We must remember, however, that public education is directly tied to work on the ground, whether it is water sampling, test kit drop-offs and pick-ups, filter distribution, test pits and physical line replacement, Lead Services Hotline management and other important customer service functions.

Local District officials are those who are best informed about this community. They are also the only parties who are actually responsible and accountable to local residents and customers.

It is simply not a good idea for EPA or any other federal agency to independently issue announcements and notices in any community without careful consultation with local agencies that must respond directly to questions and concerns while implementing short and long term solutions day-to-day.

Preliminary Report – Optimizing Corrosion Control

As you will recall, Ms. Schwartz, at the first in this series of hearings the Committee conducted on this issue, we made a commitment to provide a preliminary report within 30 days on accelerated efforts to address the chemical properties of the water produced at the Washington Aqueduct.

Optimizing corrosion control in the treatment process has, and continues to be the critical next step in addressing this problem, Madame Chairman.

I am very pleased to report that there has been measurable progress on that front. There is now a draft plan that is being circulated for a 15-day comment period. Consensus on this draft plan will lead to concrete steps that can be taken in the treatment process within the next few months and into the fall. Mr. Jacobus, from the Aqueduct, may wish to comment further.

Addresses With No Pipe Material Record

First, I would like to update you on the Authority's efforts to more carefully define and fine-tune our initial inventory of properties that rely upon a lead service line pipe.

The only way to determine the service line pipe material with certainty at this time is to dig it up.

Several weeks ago, the Authority provided a copy to your office of the Weston Study, with which you and your staff are by now very familiar. This study was undertaken for the District in 1990 and was used by WASA and EPA to establish the initial inventory of addresses with likely lead service line pipes.

Of course, since the "action level" was exceeded WASA has accelerated efforts to gather all the information available to us on addresses that may be served by a lead pipe.

Today, given the number of physical replacements that we have undertaken, the sample results, and the records of pipe material we have compiled, it is our view that the Weston Study provides the best estimate of the overall number of lead service lines in the District available to us.

Over time, the District has experienced significant change, with many properties having been abandoned, demolished, and remodeled, along with road reconstruction and other factors. So, it is our continuing challenge to refine the specific addresses that are most likely among those with lead services.

The *Washington Post*, for example, has reported that there are between 40,000 and 50,000 addresses with no record of a pipe material. This number is greatly exaggerated.

WASA are contacting by mail the approximately 21,000 customers at addresses for which we have no record of a pipe material. We are urging them to use our testing program to sample their tap water, recognizing that a number have already been sent test kits. We are also urging those residents to take the same precautions as residents with known lead service line pipes – following the flushing recommendations. We are also undertaking some test "dig-ups" where test results suggest the presence of a lead service line, and we will report to the Task Force on our progress.

We are now developing an appropriate plan to provide filters to additional properties that are likely relying upon lead services, and we will work with these customers and the Task Force in the coming weeks on any related issues.

Community Outreach

WASA is continuing our efforts to communicate effectively with our customers and the general public. We continue to update our web site, www.dcwasa.com, which is averaging over 1,700 visits daily. Our April customer newsletter, *What's On Tap*, includes information on lead, our flushing advice, as well as the annual distribution system citywide flushing program. This newsletter is distributed to between 125,00 and 130,000 customers, and the March and April editions both focus on the lead issue.

The Lead Services Hotline, a program that EPA did not require, was initiated in January 2003 to facilitate direct communications with our customers. Since February 5, we expanded with more personnel allowing us to staff the operation for 12 hours Monday through Friday and for nine hours on weekends. Since February 4, 2004 the Hotline received 45,746 calls, and 6,233 e-mail messages. We have shipped over 19,000 test kits.

WASA has participated in many civic group meetings to discuss the lead issue. We have also held ten joint meetings with the Department of Health and the Washington Aqueduct meetings across the city. These meetings have been advertised and we have touched nearly 1,000 residents at these WASA sponsored events to discuss this issue.

Thank you again for the flexibility that will allow us to testify first today. We would be pleased to respond to any questions you may have.