

Robert L. Davis President & Chief Operating Officer Aqua Ohio

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Good morning, my name is Bob Davis, President of Aqua Ohio.

Chairman Stein, Vice-Chair Robb Blasdel, Ranking Member Weinstein, ladies and gentlemen of the House Energy and Public Utilities Committee, thank you for allowing me the opportunity to offer proponent testimony in support of House Bill 226.

As president of an investor-owned water utility in Ohio, I believe that House Bill 226 provides an opportunity to eliminate the grave risk associated with potential lead exposure by lead water service lines. An estimated 650,000 lead service lines exist in Ohio, second only to Illinois, within the United States. These lines may be on the utility's service line, on the customer's service line, or both. Though public water systems take many steps to mitigate lead exposure through water chemistry and treatment techniques, Federal and State EPAs are actively promoting the removal of all lead service lines.

The CDC and EPA agree there is no known safe level of lead in a child's blood; furthermore its detrimental to pregnant women and adults. Removal of these lines is the best way to reduce customer lead exposure. Almost all utilities own and are responsible for service lines from the water main to the shut off, typically located at the property line. From the property line to house, the customer owns and is responsible for these service lines. Though government operated utilities or PUCO regulated utilities are responsible to remove lead service lines from the main to the property line, in almost all cases, the cost to replace the customer side lead service line is the responsibility of the homeowner. Unfortunately, because of this financial burden, many customers choose to forego replacing their lead service lines. Thus, the risk of prolonged exposure is not mitigated while passing this risk to future homeowners or tenants.

This legislation directly addresses this issue by:

- 1. Allowing the water works company or PUCO regulated utility to bear the cost of replacing the customer owned lead service line and including such costs within a rate case, as set forth in ORC Section 4909.05
- 2. Allowing reimbursement to customers who have borne the expense of replacing their lead service lines and including such reimbursement costs within a rate case, as set forth in ORC Section 4909.05.
- 3. Establishing provisions to include costs for the replacement of service lines of other composition deemed adverse to public health, when mandated or ordered to replace such lines, by law or a state or federal agency.

This legislation will allow the water works company or PUCO regulated utilities to promptly replace customer lines confirmed to be lead while relieving the financial burden and more

importantly, the health risks associated with such lines, to individual customers. Upon completion of the work, the customer continues to maintain legal title to, and future responsibility for the maintenance of their service line.

Thank you for your consideration of this important legislation. I will be happy to answer any questions that the committee may have.