

Chairman Reineke, Vice Chair McColley, Ranking Member Smith, and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to provide sponsor testimony on House Bill 226 – which would allow certain water utilities to bear the cost of replacing lead water lines and recover these costs in a rate case.

Sadly, out of all states, Ohio has the third most lead service lines delivering water to our homes – which the Natural Resource Defense Council estimates at 650,000. These lines have been delivering unsafe water, where any amount of lead can cause detrimental, potentially lifelong effects to children and adults alike. Lead poisoning has been linked to developmental delays, neurological changes, learning difficulties and several other symptoms that have tragically impacted millions of people over the last few decades. Lead water lines continue to be a significant health hazard that we have a responsibility to mitigate.

Recent decades have seen a noteworthy cultural shift in the desire to clean up lead lines across the country. With their dangers discovered, private and public organizations have worked to remove lead service lines and prevent lead poisoning simply by eliminating exposure. Water companies continue to remove and replace their lines, federal and state EPAs have worked to fund these transitions, and many homeowners have similarly replaced their portion of service lines. Unfortunately, the financial burden of replacing the customer side of lead service lines is far too expensive for many. Regularly costing between \$5,000-\$10,000, even those who know of the issue may not be able to do anything about it; They are stuck with dangerous water systems that can be particularly harmful to any children in the home.

This legislation would allow a public water utility that is regulated by the Public Utilities Commission of Ohio (PUCO) to relieve the customer of this large upfront cost and perform the replacement. They would then be afforded the ability to recover these costs after the utility's next rate case. Likewise, it would allow for customers who themselves replaced lead lines to be reimbursed for the projects, at a reasonable cost. With each scenario, the customer will continue to maintain the legal title to, and future responsibility for their service line.

This bill is narrowly focused in the sense that it does not apply to municipal water systems. It only applies to companies regulated by the PUCO. However, it provides an opportunity to make

an impact on the larger issue of lead lines in Ohio. Removal of lead lines is the best way to reduce customer lead exposure and HB 226 can be an impactful program that effectively works towards this goal.



Source: Recommendations of the Governor's Lead Advisory Committee Report, January 2021.